

BELMONT FRESH WATER SUPPLY DISTRICT NO. 1 OF DENTON COUNTY
RATE ORDER

Dated May 20, 2015

RATE ORDER
("Order")

WHEREAS, Belmont Fresh Water Supply District No. 1 of Denton County (the "District") is a conservation and reclamation district created and operating pursuant to Article 16, Section 59, and Article III, Section 52 of the Texas Constitution; and Chapters 49 and 53, Texas Water Code, as amended; and

WHEREAS, the District was created for the purpose of conserving, transporting, and distributing fresh water from any sources for domestic and commercial purposes; purchasing, constructing, acquiring, and extending a sanitary sewer system to control wastes; and the construction, maintenance and operation of roads and improvements, including drainage improvements, serving the District; and

WHEREAS, the District owns and/or operates a road system including certain drainage improvements designed to serve present and future inhabitants within the District; and

WHEREAS, the District is involved in the acquisition, construction, and extension of a sanitary sewer system that serves or will serve present and future inhabitants within the District; and

WHEREAS, pursuant to Section 53.122, Water Code, the District may regulate the installation, maintenance, and operation of plumbing fixtures and facilities inside the District for the purpose of maintaining safe and sanitary conditions; and protecting the lives, health, and welfare of the people in the District; and

WHEREAS, pursuant to Section 49.211(c), Water Code, the District may adopt rules for construction activity to be conducted within the District that reasonably relate to providing adequate drainage or flood control and use generally accepted engineering criteria; and reasonable procedures to enforce rules adopted by the District under such subsection; and

WHEREAS, the District's road system is a significant and necessary component of the drainage and storm water control system serving the land within the District; and the condition of the District's road system, right of way, and easements resulting from construction activities within the District affects drainage of land within the District; and

WHEREAS, the condition of the District's road system, right of way, and easements resulting from construction activities within the District affects the sanitary conditions within the District, and the health, safety and welfare; and

WHEREAS, the Board of Supervisors of the District (the "Board") has investigated and determined that building structures within the District that are not constructed in compliance with the laws of this State may significantly interfere with public use of the District's property and would result in negative impact to drainage of land within the District, sanitary conditions within the District, water quality within the District, public safety, level of service on streets and sidewalks, drainage lines, the aesthetics of the community, and business, and

WHEREAS, the Board has further investigated and determined that substantial public funds have been and will be invested by or on behalf of the District to build, maintain and repair the road system within the District and the District holds this property as an asset in trust for District citizens; it is desirable to adopt regulations to protect the structural integrity of District property and safeguard the value of the public investment for the benefit of District residents, by requiring certain inspection fees to ensure compliance with the laws of this State to ensure construction activities are performed safely and efficiently to the extent possible and to minimize any negative impact on drainage of land within the District, sanitary conditions within the District, public safety, level of service on streets and sidewalks, drainage lines, aesthetics, and business of the District; and

WHEREAS, the Board has further investigated and determined that inspections of the construction activities in the District helps reduce disruption of and interference with public use of the District property, helps prevent pavement and utility damage, helps maintain the safe condition of the District streets, protects the public health, safety, welfare, and community aesthetics, is a valid and appropriate exercise of the District's police power, and is a District responsibility; and

WHEREAS, it is necessary that fees, charges and conditions be ratified and established for such required inspections; and

WHEREAS, the Board of Directors has carefully considered the matter and is of the opinion that the following conditions should be established for protection of the District's storm sewer system, sanitary sewer system, and road system; Now, Therefore,

BE IT ORDERED BY THE BOARD OF SUPERVISORS OF BELMONT FRESH WATER SUPPLY DISTRICT NO. 1 OF DENTON COUNTY, TEXAS, THAT THE FOLLOWING ORDER IS HEREBY ADOPTED:

Section 1. Deposits

1.01. Policies Governing Builder Deposit

Upon first application for a connection, the applicant (whether property owner, builder or other) (the "Applicant") shall pay to the District a security deposit in the amount of \$3,000.00 (which deposit shall apply to all connections of such Applicant, whether one or more) (the "Builder Deposit"). The Builder Deposit is solely to secure the payment of costs to repair any District facilities damaged by the Applicant or other parties during the construction of the house, building or other improvement on the applicable property ("Builder Damages"). The Applicant shall be held responsible for any Builder Damages and shall reimburse the District for all costs incurred in repairing the Builder Damages.

After inspection by the District Manager, the District may utilize the Builder Deposit to pay for any repairs to the District facilities made necessary by the Applicant's construction activities. If the Builder Deposit is not sufficient to pay for such Builder Damages, the Applicant shall pay such outstanding balance due. No additional connections to the District's System shall be permitted relative to any Applicant who has outstanding Builder Damages. If Applicant is building more than one house, building or other improvement with the District, the Builder Deposit shall remain at \$3,000.00 at all times, and if the District utilizes a portion or all of the Builder Deposit to repair Builder Damages, the Applicant shall pay to the District the amount(s) necessary to again have a \$3,000.00 Builder Deposit.

For each phase of any project located within the District boundaries, the Applicant will have to maintain a separate Builder Deposit.

The District shall refund the Builder Deposit upon completion of the last house, building or other improvement to be constructed within the District by the Applicant and final inspection by the District's Manager. No interest will be paid by the District on the Builder Deposit.

Section 2. Inspections

2.01. Building Inspection and Service Fees. Prior to the start of the construction of a house, the builder (whether property owner, builder, or other) (the "Builder") shall pay to the District a non-refundable inspection fee of \$2,600.00 (the "General Inspection Fee"). The General Inspection Fee shall cover the costs of the initial inspection for all inspections required during the construction of the house, except those listed below in 2.02. If subsequent re-inspections are required before any item covered under the General Inspection Fee is found in compliance with all applicable rules, an additional re-inspection fee of \$35.00 shall be charged for each such re-inspection required.

2.02. Excluded Inspections. The following required inspections are not covered under the General Inspection Fee and Builder will be charged by the District the additional specified fee for each:

1) Swimming Pool/Spa- The inspection fee for each required swimming pool and/or spa inspection shall be \$200.00. Any required re-inspection shall be at the same rate of \$200.00.

2) Outdoor Kitchen or Living Area- The inspection fee for each required Outdoor Kitchen or Living Area shall be \$335.00. Any required re-inspection shall be at the same rate of \$335.00.

3) Miscellaneous Electrical, Plumbing, and HVAC- The inspection fee for each required miscellaneous Electrical, Plumbing, and HVAC inspection shall be \$100.00. Any required re-inspection shall be at the same rate of \$100.00.

Section 3. Amendments.

The District's Board of Directors has and specifically reserves the right to change, alter or amend any rate or provision of this Order at any time.

Section 4. Severability.

The provisions of this Order are severable, and if any provision or part of this Order or the application thereof to any person or circumstances shall ever be held by any court of competent jurisdiction to be invalid or unconstitutional for any reason, the remainder of this Order and application of such provision or part of this Order shall not be affected thereby.

Section 5. Previous Orders.

Any order, and amendments thereto, heretofore adopted by the Board pertaining to the matters contained in this Order shall be revoked on the effective date of this Order.

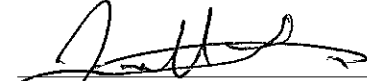
The President or Vice-President is authorized to execute and the Secretary is authorized to attest this Order on behalf of the Board and the District.

Passed and adopted this 20th day of May, 2015.



President
Board of Supervisors

ATTEST



Secretary
Board of Supervisors

