

CITY OF CASTROVILLE
UTILITY SERVICE POLICIES

Adopted by City of Castroville City Council January 16, 2012
Amended by City of Castroville City Council October 13, 2015

Statement of Policy

SECTION A – RESOLUTION AND AUTHORITY

THE CITY OF CASTROVILLE CITY COUNCIL ESTABLISHES THAT: This statement of Policy of the City of Castroville Utility System (City), serving the City of Castroville and the surrounding area, is adopted and enacted as the current regulations and policies effective as of January 16, 2012.

Only those pre-existing written agreements executed by the present or previous City Council or approved staff position shall remain in effect, unless the agreement requires compliance with changes of the Statement of Policy from time to time.

The adoption of this Statement of Policy does not prohibit or limit the City from enforcing previous penalties or assessments prior to the current effective date.

An official copy of this and all policies or records shall be available during regular office hours of the City. The City Secretary shall maintain the original copy as the approved and all previous copies for exhibit.

Rules and regulations of state and federal agencies having jurisdiction shall supersede any terms of this policy. If any section, paragraph, sentence, clause, phrase, word, or words of this policy are declared unconstitutional or invalid for any purpose, the remainder of this policy shall not be affected.

SECTION B – STATEMENTS

1. **Organization:**

The Castroville Utility System is owned and operated by the City of Castroville for the purpose of furnishing electric, natural gas, water, wastewater, and/or solid waste disposal services to the residents and commercial locations within the City of Castroville and the surrounding area as defined in the Certificated Utility Areas. The City Council of the City of Castroville serves as the governing board for all rules and regulations included in this statement of policies.

2. **Non-Discrimination Policy:**

Service by the City is provided to all Applicants who comply with the provisions of this Statement of Policy regardless of race, creed, color, national origin, sex, disability, or marital status.

3. **Policy and Rule Application:**

These policies, rules, and regulations apply to the utility services provided by the Castroville Utility System, also referred to as the City or Castroville Public Services. Failure on the part of the Customer, Applicant, or Consumer to observe these policies, rules, and regulations gives the City the authority to deny or discontinue service according to the terms of this Statement of Policy as amended from time to time by the Castroville City Council.

4. **Damage Liability:**

The City is not liable for damages caused by service interruptions, events beyond its control, and for normal system failures.

5. **Information Disclosure:**

The City Secretary serves as the Records Management Clerk for the City. All information collected, assembled, or maintained by or for the City shall be disclosed to the public in accordance with the Texas Open Records Act. An individual customer may request in writing that their name, address, telephone number, or social security number be kept confidential. Such confidentiality does not prohibit the utility from disclosing this information to an official or employee of the State, of a Political Subdivision, of the State acting in an official capacity, or any Employee of the City acting in

connection with the employee's duties. Further, such confidentiality does not prohibit the City from disclosing the name and address of each Customer on a list to be made available to the Registered Voters in the Cities Bounded Service Area. The City shall give its Applicants and Customers notice of rights to confidentiality under this policy and all prevailing associated fees for such request.

6. Customer Notice Provisions:

The City shall give notice of monthly rate changes to all consumers at least thirty (30) days prior to the effective date of the new rate. The notice shall contain the old rates, new rates, effective date of the new rate, date of City Council authorization, and the name and telephone number of the Cities contact person designated to address inquiries about the rate change.

7. Grievance Procedures:

- A. Any Customer of the City or individual demonstrating an interest under the policies of this City in becoming a Customer shall have an opportunity to voice concerns or grievances to the City by the following means and procedures:
 - i) By presentation of concerns to the Director of Public Services or authorized staff member. If not resolved to the satisfaction of the aggrieved party then,
 - ii) By presentation of concerns to the City Administrator or authorized staff member. If not resolved to the satisfaction of the aggrieved party then,
 - iii) By presenting a written request to be placed on the City Council regular meeting agenda for the purpose of addressing the City Council concerning the grievance.
- B. The City Council shall respond to the complaint by communicating the Council's decision in person or in writing.
- C. Any charges or fees contested as a part of the complaint in review by the City under this policy shall be suspended until a satisfactory review and final decision is made by the City Council.

SECTION C – DEFINITIONS

Active Service: Status of any Customer receiving authorized service under the provisions of this Statement of Policy.

Additional Service Facilities: Road crossings, line extensions, and/or appurtenances required to provide service to a particular location.

Applicant: Person, partnership, cooperative corporation, corporation, agency, public or private organization of any type applying for service with the Castroville Utility System.

Castroville Utility System: All utilities owned and/or operated by the City of Castroville – electric, natural gas, water, wastewater and solid waste disposal.

Certificate of Convenience and Necessity (CCN): The authorization granted by the Texas Commission on Environmental Quality and the Public Utility Commission of Texas to the City to provide water, wastewater and electric service within a defined territory. The City of Castroville has been issued Certificate # 10218 for water, Certificate # 20080 for wastewater and Certificate # 30027 for electric. The Service Territory defined in the CCN shall be the Certificated Service Area.

City: The City of Castroville

Commercial/Industrial/Agricultural: 51% of water usage is for non-residential purposes or property and/or building(s) are intended for commercial/industrial/agricultural purposes.

Consumer: A person(s) who uses, rents or leases property from a Customer of Record or who may otherwise be termed a tenant.

Customer of Record (Customer): Any person, partnership, cooperative corporation, corporation, agency, or public or private organization that has qualified for service in accordance with the Cities Policies.

Deposit: A non-interest bearing deposit fee as set by the City Council which is attached to the property to which the service is assigned.

Disconnection of Service: The discontinuance of utility service by the City to a Customer/Consumer.

Drainage Fee: A fee associated with the municipal drainage utility system serving as a basic charge for drainage services within the service area. The fee amount shall be set by City Council action and is subject to change with notice.

EAA Fee: A fee associated with the Edwards Aquifer Authority related to aquifer management costs. The fee amount shall be set by City Council action and is subject to change with notice.

Easement: A private perpetual dedicated right-of-way for the installation of utility lines and necessary facilities, which allows access to property for future operation, maintenance, facility replacement, facility upgrades, and/or installation of additional utility lines (if applicable). This may also include restrictions on the adjacent area to limit the installation of buildings, fences and other facilities that would restrict the use of any area of the easement.

Hazardous Condition: A condition, which jeopardizes the health and welfare of the Customer/Consumer of the City as determined by the City or regulatory authority.

Impact Fee: A fee associated with new growth as defined in the City of Castroville Comprehensive and capital Improvement plans. Impact Fees are based on the size of service requested and are due for new water and wastewater services.

Individual Land Owner: An Individual Land Owner of a tract of land situated in Medina County which has frontage or direct physical access onto an existing public street or road, suitable for a single-family residence and is not part of a larger development or an attempt to avoid the City of Castroville or Medina County's Subdivision Regulations.

Installation Fee: A fee as set by the City to offset the cost of the installation of the connection.

Master Meter: A meter that serves two or more residential units confined to one building.

Oversized Meters: A water meter over a 5/8 X 3/4 inch size, electric meter rated at more than 200 amps and/or a gas meter sized greater than 275,000 Btu's per hour.

Proof of Ownership: The City of Castroville requires ownership of real estate designated to receive new services as a condition for service installation. Applicants for service shall provide proof of ownership by deed of trust, warranty deed or other recordable document of fee simple title that is acceptable to the City.

Service Availability Charge: (Also known as "minimum monthly charge", "minimum", or the "base rate".) The monthly charge assessed each Customer/Consumer for the opportunity of receiving service. The Service Availability Charge is a fixed rate as set by the City.

Service Application and Agreement: A written agreement between the Customer/Applicant and the City defining the specific type of service requirements requested for on the current service application and agreement, and the responsibilities of each party required before service is furnished.

Statement of Policy: The operating policies, service rules, service extension policy, service rates, rationing policies, and sample application packet adopted by the City. A copy of this City approved Statement of Policy is on file at the Public Services Office and as a courtesy, to the Texas Commission on Environmental Quality.

Temporary Service: The classification assigned an applicant for purposes other than the permanent service. The length of time associated with this classification will be based on the time required to complete construction or as set by the Director of Public Services. Applicants will be required to pay a deposit equal to the deposit required for standard service.

Texas Commission on Environmental Quality (TCEQ): State regulatory agency having jurisdiction over the rules and regulations for water and wastewater utilities.

TCEQ Regulatory Assessment Fee: A fee assessed by the Texas Commission on Environmental Quality on all retail water and wastewater utilities.

Water Acquisition Fee: A water acquisition fee will be assessed monthly based on water consumption to fund the purchase or lease of Water. The fee amount shall be set by City Council action and is subject to change with notice.

SECTION D – SERVICE RULES & REGULATIONS

1. Service Entitlement:

An Applicant shall be considered qualified and entitled to utility service when proper application has been made, terms and conditions of service have been met and continue to be met, and all fees have been paid as prescribed.

2. Application Procedures and Requirements:

For the purpose of this Statement of Policy, service requested by an Applicant shall be for real estate designated to receive the service provided by the City and shall be divided into the following two classes:

A. Standard Service

- i). Short Service is defined as service on an existing utility line where service facility extensions are not required and special design and/or engineering consideration are not necessary. Typically, this would include 5/8" X 3/4" sized water meter, up to a 200 amp single phase electric service and gas service up to 275,000 Btu's per hour.
- ii). Long Service is defined as service that requires an addition to the distribution system such as a line extension and/or road crossing.

B. Non-Standard Service

Defined as any service request, which requires a larger meter service or an addition to the supply, storage, collection and/or distribution system.

3. Requirements for Standard and Non-Standard Service:

- A. The City's Service Application shall be completed and signed by the Applicant.
- B. The Applicant shall provide proof of ownership to property for which service has been requested in a manner acceptable to the City. Proof of ownership shall consist of a recorded warranty deed, deed of trust or other recordable document of fee simple title to the real estate designed to receive service that is acceptable to the City.
- C. Notice of application approval and costs of service determined by the City shall be presented to the Applicant in writing and shall remain in effect for a period not to exceed thirty (30) days. After that time the Applicant must re-apply for service.
- D. If the utility main lines have been located in the public right-of-way and are adjacent to Applicant's property due to the current or previous landowner's refusal to grant easement to the City for the purpose of installing the utility lines and appurtenances, and the City has

documentation of such refusal recorded in public records file, the Applicant, prior to receiving the requested service, may be required to grant easement to the City. In addition to the normally required fees for service, the Applicant may be required to pay such sums as are allowed in accordance with the City of Castroville Subdivision Ordinance for the extension of utilities.

- E. Requests for location of private service line utilities within the public right-of-way are considered on a case-by-case basis. Requests for service installations within these right-of ways must be submitted with a complete description of the request in writing to the Director of Public Services and additional requirements may apply prior to the City authorizing installation.

4. Activation of Standard Service.

A. New Installation:

- i). The City shall charge a refundable deposit as required under Section E of this Statement of Policy.
- ii). The City shall charge a non-refundable installation fee as required under Section E of this Statement of Policy. The service installation fee shall be quoted in writing to the Applicant. All fees shall be paid in advance of installation.
- iii). The City shall charge impact fees for all newly platted or upgraded water and wastewater services per the most recent Impact Fee Study and the City of Castroville Comprehensive Plan.

B. Performance of Work:

After approval is granted by proper authorities, installation specified by the City shall be completed by the Public Services Department or designated representative. New services shall be installed within fifteen (15) business days after approval and payment of fees and notification from the Building Inspector to proceed.

C. Inspection of Customer Service Facilities:

The property of the Applicant shall be inspected to insure compliance with State Required Minimum Acceptable Operating Practices for Public Drinking Water Systems as promulgated by the Texas Commission on Environmental Quality or successor agency.

D. Re-Service:

On property where service previously existed, the City shall re-service the property upon receipt of the required deposit. When re-service is requested by a property owner owing any delinquent charges on a previous account for service to the property being re-serviced or any other account within the service territory of the City, all delinquent charges must be paid before re-servicing procedures can begin.

5. Master Meter:

Any connection serving two or more residential units confined to one building is designated a master meter. Tenants receiving water under a Master Metered Account are not considered customers of the City. Any interruption or impairment of water service to the tenants on the customer side of the meter is the responsibility of the Master Metered Account Customer.

6. Commercial/Industrial/Agricultural Accounts:

An account will be classified as a commercial, industrial, or agricultural account if 51% of any utility usage is for non-residential purposes or property and/or building(s) are intended for commercial, industrial, or agricultural purposes.

7. Activation of Non-Standard Service:

Activation of non-standard service shall be conducted as prescribed by terms of this Statement of Policy.

8. Changes in Service Classification:

If at any time the City determines that the Customer's service needs or structure use has changed from those originally applied for to a different service classification and the City determines that additional or different facilities are necessary to provide adequate service, the

City shall require the Applicant/Customer to re-apply for service under the terms and conditions of this Policy. Applicant/Customer failing to comply with this provision shall be subject to the Disconnection with Notice Provisions of this Statement of Policy.

9. Interconnection and Net Metering:

A. Application:

This section applies to the interconnection and parallel operation of all qualifying power generating installations having a design capacity of 20 kilowatts or less as well as to electric utility service to such generating installations.

B. Conditions:

The following are conditions precedent to any obligation of the City to interconnect or provide any form of electric utility service. Any person owning or operating a qualifying power generating installation (hereafter "Customer") and desiring to interconnect with the City's system shall:

i) Comply With Policy:

Apply for interconnection, provide an easement satisfactory to the City, and otherwise comply with the policy of the City.

ii) Provide Information:

At least 60 days in advance of interconnection, customer shall submit plan showing the electrical design of the generating installation including equipment for interconnection with the with the City's system. Customer shall also provide such additional information as may be required by the City. In the event Customer's plan involves the use of non-standard equipment or design techniques, the City may require such plan to be approved by a registered professional engineer. Any review or acceptance of such plan by the City does not guarantee the adequacy of Customer's equipment to perform its intended function. The City disclaims any expertise or special knowledge relating to the design or performance of generating installations and does not warrant the efficiency, cost effectiveness, safety, durability, or reliability of generating installations.

iii) Pay for Extension of City's Facilities:

Comply with conditions for extension of the City's distribution system as ay be determined by the City in accordance with the following extension policy. If an extension of City's distribution system is required for delivery or receipt of electric energy to or from a generating installation, whether or not in conjunction with another use, the City shall exercise prudent judgment in determining the conditions under which such extension will be made.

Each case shall be viewed individually considering

- (1) cost to provide service,
- (2) longevity of the load,
- (3) annual load factor,
- (4) possibility of other loads developing along the proposed line extension,
- (5) longevity, capacity, and dependability of the installation, and
- (6) compatibility with planned system improvements.

The City may require customer to pay a contribution in aid-of construction, advance for construction, or increased annual or monthly minimums, and may require a contract term of up to five years.

iv) Provide Liability Insurance:

Customer shall carry satisfactory liability insurance including contractual liability insurance covering indemnity agreements which insures Customer against all claims for property damage and for personal injury or death arising out of, resulting from or in any manner connected with the installation, operation, and maintenance of the Customer's generating equipment. The Customer shall continue to maintain insurance as required by the City for the interconnection and shall provide proof of such insurance to the City at its request.

v) Sign Contract:

Sign and deliver to the City an Agreement for Interconnection and Parallel Operation of Cogeneration or Small Power Production Installation: 20 kW or less.

vi) Complete Construction:

Construct the power generating installation and install a disconnect switch and other protective equipment as may be required by the City to protect its personnel, facilities, and operations.

vii) Comply With Laws:

Comply with applicable Federal, State, and Local laws, ordinances, and regulations applicable to power generating installations.

viii) Notify City:

Notify the City in writing at least thirty (30) days in advance of energizing the small power generating installation and permit the City to inspect and test protective equipment.

ix) Eliminate Conditions Preventing Interconnection:

In the event that it comes to the attention of the City that there are conditions preventing safe interconnection and proper parallel operation, it shall notify Customer and Customer shall not interconnect and/or initiate parallel operation until such conditions are corrected and Customer has provided at least ten (10) days written notice to the City. In the event, following interconnection, that conditions arise that would preclude operation, the City shall request disconnection or disconnect the Customer until the conditions preventing interconnection are corrected.

C. Parallel Operation

i) Installation:

With the exception of only the City's meter(s), the Customer shall own and be solely responsible for all expense, installation, maintenance, and operation of the power generating installation at and beyond the point where Customer's conductors contact City's conductors. The Customer's generating installation shall be designed and installed in accordance with applicable codes, regulations, and prudent engineering practices.

ii) Self-Protected Generating Installation:

The Customer will furnish, install, operate, and maintain in good order and repair all equipment necessary for the safe operation of the power generating installation in parallel with the City's electric distribution system. The equipment will have the capability to both establish and maintain synchronism with the City's system and to automatically disconnect and isolate the generating installation from the City's system due to either a malfunction of the power generating installation or loss of power on the City's system. The Customer's power generating installation will also be designed, installed, and maintained to be self-protected from normal and abnormal conditions in the City's electric distribution system. The conditions for which the power generating installation shall be self-protected shall include, but not be limited to, overvoltage, under voltage, overcurrent, frequency deviation, and faults. The self-protection will be compatible with the City's system protection arrangements and operating policies. Specialized protective functions may be required by the City when, in the sole judgment of the City, the particular generating installation characteristics and/or distribution system characteristics so warrant.

iii) Quality of Service:

Customer's generating installation will generate power at the nominal voltage of the City's electric distribution system at the Customer's delivery point plus or minus five percent (5%) at the nominal system frequency of 60 Hz or minus one half (1/2) Hz. Customer shall generate at a power factor that is as near one hundred percent (100%) as is practicable. In the event that the power factor is less than ninety percent (90%) lagging or leading, the Customer will provide proper power factor correction (within ten percent (10%) of unity) or reimburse the City for the cost of any necessary correction.

The overall quality of the power provided by Customer including, but not limited to, the effects of harmonic distortion, voltage regulation, voltage flicker, switching surges, and power factor, will be such that the City's electric distribution system is not adversely affected in any manner. In the event that adverse effects are caused in whole or in part by

Customer's power generating installation, the Customer will correct the cause of such effects or reimburse the City for the cost of any required correction.

iv) Safety Disconnect:

The Customer shall provide and install, at the Customer's expense, a visible break disconnect switch. The disconnect switch will be located so as to be readily accessible to City personnel in a location acceptable to both the Customer and the City. It shall be the type of switch which can be secured in an open position by a City padlock. The City shall have the right to lock the switch open whenever, in the judgment of the City

- (1) it is necessary to maintain safe electrical operating or maintenance conditions,
- (2) the Customer's power generating installation adversely affects the City's electric distribution system, or
- (3) there is a system emergency or other abnormal operating condition which warrants disconnection.

The City reserves the right to operate the disconnect for the protection of the City's system even if it affects Customer's power generating installation. In the event the City opens and closes the disconnect switch, it shall not be responsible for energization or restoration of parallel operation of the generating installation. The City will make reasonable efforts to notify the Customer in the event the disconnect switch has been opened. The Customer will not bypass the disconnect switch at any time for any reason.

v) Access:

Persons authorized by the City will have the right to enter the Customer's property for the purpose of operating or inspecting the automatic disconnect switch, the manual disconnect switch, or the metering. Such entry onto the Customer's property may be without notice. If the Customer erects or maintains locked gates or other barriers, the Customer will furnish the City with convenient means to circumvent the barrier for access to the disconnect switch and meter(s).

vi) Modifications of City System:

In the event that it is necessary at the time of initial interconnection or at some future time for the City to modify its electric distribution system in order to accommodate the Customer's output, the Customer will reimburse the City for all just and reasonable costs of modifications which are allocable to the Customer's small power generating installation. The modifications may include, but are not limited to, special interconnection equipment, protective devices, control devices, or upgrading of distribution system components.

vii) Liability for Injury and Damages:

Customer assumes full responsibility for electric energy furnished to him or her at and past the point of interconnection and will indemnify the City against and hold the City harmless from all claims for both injuries to persons, including death resulting therefrom, and damages to property occurring upon the premises owned or operated by Customer arising from electric power and energy delivered by City or in any way arising directly or indirectly from Customer's generating installation except (i) when the negligence of City or its agent or agents was the sole proximate cause of injuries, including death therefrom, to Customer or to employees of Customer or in the case of a residential Customer, to all members of the household; and (ii) as to all other injuries and damages, to the extent that injuries or damages are proximately caused by or result in whole or in part from (a) any negligence of City or its agent(s) independent of and unrelated to the maintenance of City's facilities or any condition on Customer's premises or (b) the breach by City of any provision of any contract regarding purchase and/or sale of electrical energy or service between City and Customer. The City shall not be liable for either direct or consequential damages resulting from failures, interruptions, or voltage and wave form fluctuations occasioned by causes reasonably beyond the control of the City, including, but not limited to, acts of God or public enemy, sabotage and/or vandalism, accidents, fire, explosion, labor troubles, strikes, order of any court or judge granted in any bona fide adverse legal proceeding or action, or any order of any commission, tribunal or governmental authority having jurisdiction. For claims resulting from failures, interruptions, or voltage and wave form

fluctuations occasioned in whole or in part by the negligence of the City or its agent(s), the City shall be liable only for that portion of the damages arising from personal injury, death of persons, or costs of necessary repairs to or reasonable replacement of electrical equipment proximately caused by the negligent acts of the City or its agent(s). The City shall not be liable in any event for consequential damages.

viii) Metering:

One standard service meter will be installed, maintained and operated by the City. A connection will be provided for the meter in a location that is acceptable to both the City and the Customer. The City may, at its own expense, supply, install, and maintain load research metering for the purpose of monitoring and evaluating the Customer's generating installation. The meter(s) will, by comparison with accurate standards, be tested and calibrated as often as necessary. The Customer or the City may reasonably request such tests, and shall be given notice of not less than five (5) working days when such tests are to be made. Both the Customer and the City will have the right to be present at such tests. If a meter is found to be inaccurate, it shall be restored to an accurate condition or replaced. If the tests disclose that no unacceptable inaccuracies exist in the meter(s), then the party requesting the tests shall bear the expense of the tests. A report of the results of any tests shall be furnished promptly by the party making such tests to the other party. Any meter(s) registering a deviation of not more than two percent (2%) from normal shall be deemed accurate. The readings of any meter(s) which have been inaccurate shall be corrected a period of no more than ninety (90) days prior to the tests. If any meter fails to register for any period, the facility output during such period shall be estimated in the best manner possible as agreed upon by the City and the Customer.

ix) Notice of Change in Installation:

Customer will notify the City in writing sixteen (16) days in advance of making any change affecting the characteristics, performance, or protection of the generating installation. If it comes to the City's attention that the modification will create or had created conditions which may be unsafe or adversely affect the City's system, then it shall notify Customer and Customer shall immediately correct such conditions.

x) Sales to Customer:

Sales to Customer shall be in accordance with the City's Service Policy at the current City billable rate.

xi) Purchases of Electricity from Customer:

If Customer's electric installation produces excess electricity, City shall pay Customer for excess electricity at the City's "avoided cost". Customer's excess electricity shall be carried over month to month as a credit; but, Customer shall be paid a refund when service is either discontinued or at the end of the City's fiscal year. Credits shall not be carried over into another fiscal year or be transferrable.

10. Deposit:

The City charges a deposit to all accounts upon completion of application for service connection regardless if they are residential or commercial. Deposits are held in a restricted account as long as the account is considered active. Deposits shall be refunded to the account holder upon termination of service and payment of final bill for service.

11. Owners and Renters:

Any Customer, renting, leasing, or allowing the use of real estate property designed to receive service according to the terms of this Policy to other parties, is responsible for all charges due the City. The City may carry the consumer on the books as a third party, but the Customer is fully responsible for any and all unpaid bills incurred by the renter/lessee/user. The Customer of Record shall take responsibility for any necessary deposits from the renter/lessee//user to ensure payment of a past due bill. The City will notify the Customer of Record of the renter's past due payment status only after the meter has been locked for non-payment. The City recommends owners manage monthly payments on rental property.

12. Denial of Service:

The City may deny service for the following reasons.

- A. Failure of the Applicant to complete all required forms and pay all required fees and charges;
- B. Failure of the Applicant to comply with rules, regulations, policies, of the City;
- C. Existence of a hazardous condition at the Applicant's property, which would jeopardize the welfare of the Customer/Consumer of the City upon connection;
- D. Failure of Applicant to provide representatives or employees of the City reasonable access to property for which service has been requested;
- E. Failure of Applicant to comply with all government rules and regulations of the City's Statement of Policy governing the service applied for by the Applicant;
- F. Failure of Applicant to provide proof of ownership, to the satisfaction of the City, of property for which service has been requested; and/or
- G. Applicant's service facilities are known to be inadequate or of such character, that satisfactory service cannot be provided.

13. Applicant's Recourse:

In the event the City refuses to serve an Applicant under the provisions of these rules, the City must notify the Applicant, in writing, on the basis of its refusal. The Applicant may file for an appeal, in writing, with the City Administrator. If the City Administrator and Applicant are unable to come to an agreement, the appeal will be presented to the Castroville City Council for review.

14. Insufficient Grounds for Refusal of Service:

The following shall not constitute sufficient cause for the refusal of service to an Applicant.

- A. Delinquency in payment for service by a previous Customer of Record of the premises to be served;
- B. Failure to pay a bill to correct previous under billing due to misapplication of rates more than six (6) months prior to the date of application;
- C. Violation of the City's rules pertaining to operation of non-standard equipment or unauthorized attachments which interferes with the service of others, unless the customer has first been notified and been afforded reasonable opportunity to comply with said requirements;
- D. Failure to pay a bill of another customer as guarantor thereof unless the guarantee was made in writing to the City as condition precedent to service;
- E. Failure to pay the bill of another customer at the same address except where the change of customer identity is made to avoid or evade payment of a utility bill;
- F. Failure to comply with regulations or rules for anything other than the type of utility service specifically requested.

15. Charge Distribution and Payment Application:

A. Service Availability Charges:

- 1) The Service Availability Charge is from the first day of the month to the last day of the month.
- 2) Charges shall be prorated for meter installation and service termination's falling during the monthly charges.
- 3) All service shall be subject to this charge whether or not the service is in use by the Customer.

B. Water Consumption Charge:

The Consumption Charge shall be charged at the rate specified in the Castroville Fee Ordinance and billing shall be calculated in one thousand (1,000) gallon increments.

C. Wastewater Charge:

- 1) The Charge for wastewater services for commercial customers shall be charged at the rate specified in the Castroville Fee Ordinance and billing shall be calculated in one thousand

(1,000) gallon increments of water consumed monthly.

- 2) The Charge for wastewater services for residential customers is based on winter averaging. Winter averaging is based on actual water use for the preceding months of November, December, January, and February with the highest usage month being discarded and the remaining three months being averaged to determine the usage upon which the wastewater rate is based.
 - 3) Upon determination of the average consumption volume, the Charge for wastewater services for residential customers shall be charged at the rate specified in the Castroville Fee Ordinance and billing shall be calculated in on thousand (1,000) gallon increments of the average consumption volume.
- D. Gas Consumption Charge:
The Consumption Charge shall be charged at the rate specified in the Castroville Fee Ordinance and billing shall be calculated in one thousand (1,000) cubic feet increments.
- E. Electric Consumption Charge:
The Consumption Charge shall be charged at the rate specified in the Castroville Fee Ordinance and billing shall be calculated per kilowatt-hour (kwh) consumed.
- F. Solid Waste Charge:
The solid waste collection charge shall be charged at the rate specified in the Castroville Fee Ordinance and billing shall be calculated based on the container size.
- G. Miscellaneous Fees:
Other miscellaneous fees, including but not limited to the EAA fee, water acquisition fee, hazardous household waste and drainage utility fee, shall be charged at the rate specified in the Castroville Fee Ordinance and billed accordingly.
- H. Posting of Payments:
All payments shall be posted against previous balances prior to posting against current charges.
- I. Meter Readings:
The City conducts meter reading of all water, -electric and gas meters at regularly scheduled intervals. Each account will have an established and regular meter reading cycle. When City staff is unable to gain access to a property to read a meter, a note will be left for the location requesting access and a 2nd attempt made. If after the 2nd attempt the City is still unable to gain access to read a meter, utility billing staff will estimate the monthly consumption and bill accordingly. If after 2 consecutive attempts the City is unable to obtain access to the meters for reading, the location is subject to disconnection. Residents may request approval to read their own meters and submit readings to the City Billing Office each month. The City will visit those self-reading approved locations at least once per year to verify accurate readings and confirm the meters are in good working condition. Self- Reading residents who do not send in their readings for 2nd consecutive months are subject to revocation of self-reading authorization and/or disconnection.
- J. Transfer of Existing Accounts and Deposits:
In the event of the death of a spouse or divorce, the account and deposits associated with the account may be transferred without a new deposit. In the event of a spouse's death, a copy of the death certificate will allow for transfer to the surviving spouse. In the event of a divorce, the divorce decree denoting the ownership of said location to the individual will allow for transfer. In the event of a death of the property owner where the property goes to an estate, the account is not subject to transfer.

16. Due Date, Delinquent Bills, and Service Disconnection Date:

All monthly-incurred charges are billed on the 10th day of the month following the month of usage. Charges are payable through the 25th day of the month without penalty. All payments received after the 25th day of the month will incur a late charge of 10% of the total amount due. Payments made by mail will be considered late if postmarked after the 25th of the month. Late fees are assessed at noon the first business day following the 25th of each month. The drop box located at City Hall may be used at these times. When payments are not received by the 25th day of the month

they are due, a notice of discontinuance of service will be mailed to the account holder stating that the service will be disconnected if payment is not received within 10 business days. The City reserves the right to assess a reconnect fee per utility based on the payment history associated with the account subject to disconnect for nonpayment once an account has been dispatched for disconnection.

17. Deferred Payment Agreement:

The City may offer a deferred payment plan to a Customer/Consumer who cannot pay an outstanding balance in full and is willing to pay the balance in reasonable installments as determined by the City including any late penalty fees as determined per agreement.

18. Rules for Disconnection of Service:

A. Disconnection with notice:

Utility service may be disconnected for any of the following reasons after proper notification has been given.

i). Returned Payment:

The City shall mail, via the U. S. Postal Service, a notice requiring redemption of the returned instrument within ten (10) days of the date of the notice to be made in the City's office. Redemption of the returned instrument shall be made by cash, money order, or certified check, or credit card. Failure to meet these terms shall initiate disconnection of service. Any such instruments returned as insufficient or non-negotiable for any reason for any two billing periods within a twelve (12) month period shall be considered evidence of bad credit risk by the City. The Customer/Consumer in violation shall be placed on a "cash-only" basis for a period of twelve (12) months. ("Cash only" means cash, money order, or certified check).

ii). Delinquent Account:

Failure to pay a delinquent account for utility service or failure to comply with the terms of a deferred payment agreement.

iii). Rules Violations:

Violation of the City's rules pertaining to the use of service in a manner which interferes with the service of others or the operation of non-standard equipment if a reasonable attempt has been made to notify the Customer and the Customer is provided with a reasonable opportunity to remedy the situation.

iv). Terms of Contract:

Failure of the Customer to comply with the terms of the City's Service Agreement, Policies, and Ordinances provided that the City has given notice of said failure to comply, and the Customer has failed to comply within a specified amount of time after notification.

v). Meter Access:

Failure to provide access to the meter under the terms of this Policy or to property at which utility service is received when there is reason to believe that a hazardous condition or Policy violation exists for which access is necessary for verification.

vi). Misrepresentation:

Misrepresentation by any Applicant of any fact on any form, document, or other agreement required to be executed by the City.

vii). Re-Application:

Failure of the Customers to re-apply for service upon notification by the City that Customer no longer meets the terms of the service classification originally applied for under the original service application.

B. Disconnection Without Notice:

Utility service may be disconnected without notice for any of the following reasons.

i). Hazardous Conditions:

A known dangerous or hazardous condition exists for which service may remain disconnected for as long as the conditions exist, including but not limited to a violation of the Texas Sanitation and Health Protection Law, or there is reason to believe a dangerous

or hazardous condition exists and the Customer refuses to allow access for the purpose of confirming the existence of such condition and/or removing the dangerous or hazardous condition.

ii). Unauthorized Connection:

Service is connected without authority by a person who has not made application for service or who has reconnected service without authority following termination of service for non-payment.

iii). Tampering with Meter:

In instances of tampering with the City's meters or equipment, by-passing the meters or equipment, or other diversion of service.

NOTE: Where reasonable, given the nature of the reason for disconnection, a written statement providing notice of disconnection and the reason therefore, shall be posted at the place of common entry or upon the front door of each affected residential unit as soon as possible after service has been disconnected.

C. Disconnection Prohibited:

Utility service may not be disconnected for any of the following reasons.

- i). Failure of the Customer to pay for merchandise or charges for non-utility service provided by the City, unless an agreement exists between the Applicant and the City whereby the Customer guarantees payment of non-utility service as a condition of service.
- ii). Failure of the Customer to pay for a different type or class of utility service unless a fee for such service is included in monthly charges.
- iii). Failure of the Customer to pay charges arising from an under billing occurring due to any misapplication of rates more than six (6) months prior to the current billing.
- iv). Failure of the Customer to pay the account of another Customer as guarantor thereof, unless the City has in writing the guarantee as a condition precedent to service.
- v). Failure of the Customer to pay charges arising from an under billing due to any faulty metering, unless this meter has been tampered with or unless such under billing charges are due under the Inoperative Meters Subsection E of this Policy.
- vi). In response to a request for disconnection by an Owner/Customer of rental property where the renter/lessee/user account is not scheduled for disconnection under the Rules for Disconnection of Service in this Statement of Policy.

D. Disconnection On Holidays and Weekends:

Unless a dangerous condition exists or the Customer requests disconnection, service shall not be disconnected on a day, or on a day preceding a day, when personnel of the City are not available to the public for the purpose of making collections and reconnecting service.

E. Disconnection Due to Utility Abandonment:

The City may not abandon a Customer or a Certificated Service Area without written notice to its Customers and all similar neighboring utilities and approval from the Texas Commission on Environmental Quality.

F. Disconnection for Critical Care and Chronic Condition Residential Customers:

The City may not discontinue service to a delinquent residential Customer permanently residing in an individually metered dwelling unit when the Customer establishes that discontinuance of service will result in some person at that residence becoming seriously ill or more seriously ill if service is disconnected. Each time a Customer seeks to avoid termination of service under this sub-section, the Customer must have the attending physician call or contact the City within fifteen (15) days of incurring charges. A written statement must be received by the City from the physician within ten (10) days of the due date of the incurred charges. The prohibition against service disconnection of a Critical Care Residential Customer provided by this subsection shall last 63 days from the issuance of the bill or a shorter period agreed upon by the city and the customer, secondary contact or attending physicians. The Customer shall enter into a Deferred Payment Agreement.

G. Disconnection During Extreme Weather:

The City will not disconnect services to a residential customer during an extreme weather emergency. Extreme weather emergencies means a period when:

- i) The previous day's highest temperature did not exceed 32 degrees Fahrenheit, and the temperature is predicted to remain at or below that level for the next 24 hours anywhere in the county, according to the nearest National Weather Service (NWS) reports; or
- ii) The NWS issues a heat advisory for the county, or when such advisory has been issued on any one of the preceding calendar days in the county.

Residential customers whose residential bill is due and unpaid during an extreme weather emergency must make arrangements for the payment of the past due bill.

H. **Disconnection of Temporary Service:**

When an Applicant with a temporary service fails to comply with the conditions stated in the Service Application and Agreement Form or other rules of this Statement of Policy, service may be terminated with notice.

I. **Reconnection of Service:**

Upon a customer's satisfactory correction of the reasons for disconnection, the City shall reconnect the customer's service based on the following timelines:

- i) Payments made between 8:00 AM and 12:00 PM on a business day, a reconnection request will be sent no later than 2:00 PM the same day with service reconnection being completed no later than the end of the next operational day after the reconnection request was received.
- ii) Payments made between 12:00 PM and 5:00 PM on a business day, a reconnection request will be sent no later than 9:00 AM the next business day with service reconnection being completed no later than the end of the next operational day after the reconnection request was received.
- iii) For payments made on a weekend day or a holiday, a reconnection request will be sent by 2:00 PM on the first business day after the payment was made. The City shall reconnect service to that customer no later than the end of the next operational day after the reconnection request was received.
- iv) In no event shall a reconnect service not be completed within 48 hours after a reconnection request is received

19. Billing Cycle Changes:

The City of Castroville has one billing cycle. The City reserves the right to change its billing cycles if the workload or other pertinent factors requires such a practice.

20. Back Billing:

The City may back-bill a Customer for up to 180 days from the date of issuance of the bill for meter error, misapplied meter multiplier, incorrect meter readings, or error in computing a Customer's bill. The City may back-bill a customer for the amount under-billed beyond the timelines provided if the under-billing is found to be a result of meter tampering by the customer. Failure to pay within a reasonable time will result in disconnection of service.

21. Disputed Bill:

In the event of a dispute between the Customer and the City regarding any bill, the City shall forthwith make and conduct an investigation as shall be required by the particular case, and report the results in writing thereof to the Customer. All disputes under this subsection must be submitted to the City, in writing, no more than 60 days from the original due date of the disputed bill.

22. Inoperative Meters:

Meters found inoperative will be replaced within a reasonable time. If a meter is found not to register for any period, unless by-passed or tampered with, the City shall make a charge for units used, but not metered, for a period not to exceed three (3) months, based on accounts usage under similar conditions during the period preceding or subsequent thereto or during corresponding periods in previous years.

23. Bill Adjustments Due to Meter Error:

The City shall test any Customer's meter upon written request of the Customer. In the event the meter tests within the accuracy standards of the American Water Works Association, American Public Power Association and/or American Public Gas Association, a test fee as prescribed in Section E of this Policy shall be imposed. In the event, the test results indicate the meter is faulty or inaccurate, the test fee shall be waived. The meter shall be calibrated or replaced, and a billing adjustment may be made as far back as six (6) months but not to extend beyond the current Customer. The charges adjustment shall be made to the degree of the meter's inaccuracy as determined by the test. The Customer shall complete a Meter Test Request Form prior to the test.

24. Tampering/Diversion/Defacement of City Property

A. Violation:

Any and every instance of tampering, bypassing and/or diversion, as defined in subsection B below, constitutes a separate violation and breach of the City's rules and regulations as established by the City's Statement of Policy.

B. Definition:

For purposes of this section and all other sections of the City's Statement of Policy, the phrase "meter tampering, bypassing and/or diversion" and the phrase "tampering, bypassing, diversion, and/or defacement" shall each be defined as knowingly or intentionally performing any of the following acts or causing or allowing another person to perform any of the following acts:

- i). Disconnecting a meter owned or operated by the City, or causing or allowing any meter owned or operated by the City to be disconnected;
- ii). Removing or causing or allowing the removal of, a locking or shut-off device used by the City to discontinue service;
- iii). Physically disorienting, or causing or allowing the physical disorienting of, any meter;
- iv). Attaching, or causing or allowing the attachment of, objects to a meter to divert service or to bypass the City's service equipment;
- v). Inserting objects into a meter;
- vi). Implementing any electrical and/or mechanical means resulting in the alteration or modification of the City's service equipment, the bypass of the City's service equipment, or the diversion of service in any manner;
- vii). Tapping onto or connecting to any pipeline owned or operated by the City, or causing or allowing another person to tap onto or connect any pipeline owned or operated by the City;
- viii). Altering, changing, defacing, damaging, removing, interfering with, opening, or closing any meter or other property or equipment owned or controlled by the City;
- ix). Marring or defacing any building, equipment, or other property owned or operated by the City;
- x). Damaging, removing, destroying or interfering with any fence, gate, or other enclosure owned or controlled by the City, or damaging, removing, destroying, or interfering with any sign or emblem on any structure or equipment owned or operated by the City; or
- xi). Defacing, writing or marking, cutting, printing, stamping, indenting or displaying any word, sentence, symbol or figure on property owned or operated by the City.

C. Defense.

A person does not violate the City rules if:

- i) The act of tampering, bypassing and/or diversion is conducted by a City employee authorized to perform the activity;
- ii) The City acting by and through its City Council or its officers or employees grants permission to the person to conduct the activity,
- iii) The person conducts the activity to prevent the waste of water.

D. Disconnection, Fees and Charges:

Any and every instance of tampering, bypassing, diversion, and/or defacement may result in the disconnection of service and the subsequent denial of service. In the event that service is disconnected due to an incident of tampering, bypassing, diversion, or defacement all

applicable fees, penalties and related expenses must be paid, in full, prior to reconnection of service. Such fees, penalties and expenses shall include, but not be limited to, unpaid utility charges, reconnect fee, equipment damage fee and all out-of-pocket expenses incurred by the City in connection with the incident.

E. **Civil Penalty:**

In addition, for each and every instance of tampering, bypassing, diversion, and/or defacement the City may impose a civil penalty in an amount authorized by State Law. Any and every civil penalty imposed by the City may be enforced by a complaint filed in an appropriate court of jurisdiction. In the event that the City prevails in a suit to enforce one or more civil penalties, the City shall be entitled to recover reasonable fees for attorneys, expert witnesses, and any and all other costs incurred by the City in prosecution of the suit.

F. **Evidence:**

The City shall bear the burden of proof in support of any action taken by the City in connection with tampering, bypassing, diversion, or defacement. Photographic evidence or any other reliable and credible evidence may be used by the City to satisfy its burden of proof. In every instance in which action is taken by the City in connection with tampering, bypassing, diversion, or defacement, evidence used by the City to satisfy its burden of proof shall be accompanied by an affidavit sworn to by a member of the City's staff. A court finding of tampering, bypassing, diversion, and/or defacement may alone satisfy the City's burden of proof.

G. **Prosecution:**

Any and every instance of tampering, bypassing, diversion, and/or defacement shall be prosecuted to the fullest extent allowed by law under Texas Penal Code, as those laws are currently in effect or as amended or superseded from time to time.

H. **Presumption:**

Whenever the evidence shows the commission of any tampering, bypassing, diversion, and/or defacement as defined by this section, the City will presume, and the same will constitute prima facie (true and authentic) evidence of the fact, that the person who subscribed to utility service, as well as any person having the custody, control or management of the premises receiving utility service from the City is subscribed, had knowledge that the act or acts were performed and that such customer and such other person having the custody, control or management of the premises committed such act or acts or caused or occasioned the commission of the act or acts.

I. **Responsibility:**

The term "person" as used in this section has the meaning provided by the general law and includes individuals and corporations of every sort. If a person commits a violation of this section as an agent of another person, both the agent and the principal are subject to the sanctions described in this section.

Note: If any court of competent jurisdiction rules that any portion of the Tampering, Diversion, and Defacement of Property Policy as set forth is invalid or unconstitutional, any such portion shall be deemed a separate, distinct, and independent provision and any such ruling shall not affect the validity of the remaining portions thereof.

25. Meter Relocation:

Relocation of service shall be allowed by the City provided that:

- A. The Customer pays the cost of the relocation; and
- B. The desired meter location is on the same property as described on the deed to the property on which the meter is presently located.

26. Prohibition of Multiple Connections to a Single Tap:

The City's Policy, as per Texas Commission on Environmental Quality Rules and Regulations, specified in Chapters 290 and 291 of the Texas Administrative Code (30 TAC), states, "one meter is

required for each residential, commercial, or industrial service connection.” The connection of an additional residential, commercial, or industrial service to an existing connection that is currently in service is in violation of the City’s Policy. Any unauthorized sub-metering or diversion of service shall be considered a multiple connection and subject to disconnection of service and subject to penalties and fines identified above in paragraph 24 of this section.

A. The Customer of Record found to be in violation of this policy will be notified in writing and will have ten (10) days from the date of the letter of notification of violation, to either permanently disconnect the second dwelling or complete the procedures described below, to secure additional needed connection(s).

The Steps Necessary to Secure a Connection are:

- 1) The property owner must complete and sign a Service Application and Agreement.
- 2) All required connection costs must be paid.
- 3) Any additional costs to provide service to the property in question, such as line extensions and/or road crossings must be paid.

B. During the time period of notification of violation of double hookup policy and the time new service is completed, the violator (Customer of Record) will be required to pay the current minimum monthly payment for each additional dwelling plus pay for all usage registered on the existing meters and any applicable service fees.

27. Customer Responsibility:

A. Access:

The Customer shall provide access to all meters as per the service agreement. If access to the meters are hindered or denied, preventing the reading, checking or repair of the meters, a notice shall be sent to the effect that access could not be gained. If access is denied for two (2) consecutive attempts after proper notification to the Customer, then service shall be discontinued and the meters removed with no further notice.

B. Compliance:

The Customer shall be responsible for compliance with all utility, local, and state codes, requirements, and regulations.

i). All water connections shall be designed to ensure against back-flow or siphonage into the City's water supply.

C. Multiple Account:

A Customer having more than one deposit shall keep all payments current on all accounts. Failure to maintain current status on all accounts shall be enforceable as per Service Application and Agreement executed by the Customer.

D. Ownership and Maintenance:

The City's ownership and maintenance responsibility of the utility system and metering equipment shall end at the meter or the service equipment. Therefore, all utility usage registering upon and/or damages occurring to the metering equipment owned and maintained by the City shall be subject to charges as determined by the City's Statement of Policy as amended from time to time by the City Council. Although ownership of the backflow prevention equipment remains with the customer, the City will conduct backflow prevention testing as part of our meter maintenance service.

E. Cut-Off Valve:

The City shall require each Customer to have a cut-off valve on the Customer's side of the meter for water and a means of disconnect at the meter for electric service in accordance with the National Electric Code for purposes of isolating the Customers service facilities from the City's Utility System. The Customer's use of the City's curb stop or other similar valve for such purpose of controlling the flow of water is prohibited. Any damage to the City's equipment shall be subject to service charges. The City will install a basic gate valve on the customer side of every new water meter installation. Future replacement of this valve, as needed, is the responsibility of the Customer.

SECTION E – SERVICE FEES

All Fees associated with Utility Service are subject to change by the Castroville City Council to meet the

financial needs of the Castroville Utility System.

1. **New Service Installation Fee**

- A. All installation fees for residential accounts may be adjusted in accordance with the cost of installing service. Additional distant charges shall apply for services that exceed 100' in length. Distance charges shall be equal to the actual cost of installation. The installation fee may be reduced in a subdivision that has provided water and/or wastewater taps to each residential lot as part of the original subdivision construction.
- B. Commercial accounts shall be assessed installation fees based on the actual cost of providing service including metering equipment above the equipment required for standard residential service. The minimum commercial installation fee shall not be less than the standard installation fee for residential accounts.
- C. The New Service Installation Fee shall be charged at the rate specified in the Castroville Fee Ordinance.

2. **Impact Fees**

Impact Fees are based on a standard ¾ water meter service. Increased fees are due based on a multiplier assigned to the size of the water meter required to provide service. The Impact Fees shall be charged at the rate specified in the Castroville Fee Ordinance.

3. **Deposit**

All Utility Service Deposits are held by the City in a restricted account as long as the account is considered active. Deposits shall be refunded to the account holder upon termination of service minus the amount of the outstanding final bill.

4. **Reconnect Fee**

- A. A Reconnect Fee shall be due when utility service is disconnected for nonpayment. The fee shall be paid in full in addition to the past due amount before service will be reconnected unless otherwise stated in these policies.
- B. The City reserves the right to assess a reconnect fee per utility based on the payment history associated with the account subject to disconnect for nonpayment once an account has been dispatched for disconnection.

5. **Meter Re-read Fee**

- A. Customers that request their meter to be re-read shall be assessed a per meter re-read fee to be included in the next billing cycle if the meter reading is found to be accurate and the consumption levels indicated are within the historic consumption levels for the account in question. The re-read fee shall be waived if the meter reading is found to be in error. Billing records will be adjusted immediately if the meter is found to have been read in error causing an overcharge to the Customer.
- B. Requests to check the calibration of a meter shall be directed to the Director of Public Services for consideration and appropriate action. A Customer requesting a calibration check shall be responsible for the cost associated with providing this service. A third party qualified to calibrate utility meters shall be used for this service. Replacement meter will be installed to properly account for consumption during the testing / calibration time. If the meter(s) in question is found to be within acceptable calibration in accordance with American Water Works Association, American Public Power Association and American Public Gas Association Standards, the Customer will be assessed the cost of replacing the meter(s) at the hourly rate for labor listed in the Castroville Fee Ordinance plus the cost of the meter and associated materials. If the meter is found to be outside the established accuracy standards and has registered consumption rates in favor of the City, the Customer's account will be immediately credited for the amount of usage billed based on the percentage of inaccuracies found and the Customer will not be charged for this service.