

CERTIFICATE FOR ORDER

THE STATE OF TEXAS     §  
                                     §  
COUNTY OF HARRIS     §

I, the undersigned officer of the Board of Directors of Harris County Municipal Utility District No. 81 of Harris County, Texas, hereby certify as follows:

1. The Board of Directors of Harris County Municipal Utility District No. 81 of Harris County, Texas, convened in regular session on the 26th day of October, 2023, and the roll was called of the duly constituted officers and members of the Board, to-wit:

Patrick W. Cathcart	President
Bruce Cox	Vice President
Michael Olsen	Secretary
George Goff	Treasurer
Donna Brown	Assistant Secretary

and all of said persons were present except Director(s) \_\_\_\_\_, thus constituting a quorum. Whereupon, among other business, the following was transacted at the meeting:

AMENDED RATE ORDER

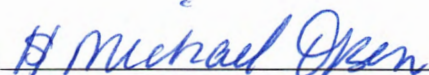
was introduced for the consideration of the Board. It was then duly moved and seconded that the Order be adopted; and, after due discussion, the motion, carrying with it the adoption of the Order, prevailed and carried unanimously.

2. That a true, full and correct copy of the aforesaid Order adopted at the meeting described in the above and foregoing paragraph is attached to and follows this certificate; that the Order has been duly recorded in the Board's minutes of the meeting; that the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of the Board as indicated therein; that each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance, of the time, place and purpose of the aforesaid meeting, and that the Order would be introduced and considered for adoption at the meeting, and each of the officers and members consented, in advance, to the holding of the meeting for such purpose; that the meeting was open to the public as required by law; and that public notice of the time, place and subject of the meeting was given as required by Chapter 551, Texas Government Code, and Section 49.063, Texas Water Code.

SIGNED AND SEALED the 26th day of October, 2023.

(SEAL)



  
Secretary, Board of Directors

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 81  
OF HARRIS COUNTY, TEXAS

AMENDED RATE ORDER

WHEREAS, Harris County Municipal Utility District No. 81 of Harris County, Texas (the "District"), owns a water and sewer system designed to serve present and future inhabitants within the District and is also providing garbage service to users within the District; and

WHEREAS, it is necessary that fees, charges, and conditions be established for service from the District's water and sewer system and for garbage service; and

WHEREAS, the Board of Directors has carefully considered the matter and is of the opinion that the following conditions should be established for service from the District's water and sewer system and for garbage service; Now, Therefore,

BE IT ORDERED BY THE BOARD OF DIRECTORS OF HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 81 OF HARRIS COUNTY, TEXAS, THAT:

Section 1: Tap Fees. The following fees shall be received by the District before any connection is initially made to the District's water and/or sewer system:

A. Single Family Residential User. Single Family Homes shall pay the following tap fees:

WATER

3/4" x 5/8" tap (standard) \$500

1" tap \$600

All other taps Cost to District  
plus 20%

B. Other User. Any user, other than a single family residential, irrigation, fire line, or non-taxable user, shall pay a tap fee to the District equal to three (3) times the cost to the District of installing the water tap, meter, and any necessary service lines.

C. Irrigation User. Any irrigation user - cost plus 20%.

D. Fire Line. Any fire line - cost.

E. Non-Taxable User. Any user that is exempt from the payment of ad valorem property taxes under Texas law shall pay a tap fee equal to the District's actual cost of installing the water tap, meter, plus such non-taxable user's pro rata share of the District's actual cost of the facilities necessary to provide District services to such user that are financed or to be fully or partially financed by the District's tax bonds, as determined by the District's consultants and approved by the Board of Directors.

F. Required Sewer Inspection. Connections to the District's water system shall not be allowed prior to an approved sewer inspection, and all such connections shall be inspected by the District's operator or its subcontractor.

Section 2: Sewer Inspection Fee. All connections to the District's sewer system shall be made in accordance with the District's rules and regulations. No sewer connection or house lead shall be covered in the ground before a representative of the District has inspected the connection. A fee of \$55 per trip shall be charged by the District to a single family residential user for the expense of making such inspection. A fee of the actual cost plus twenty percent (20%) per trip shall be charged by the District to any user other than a single family residential user for the expense of making such inspection.

Section 3: Maintenance and Repair. It shall be the responsibility of each user to maintain the water and sewer lines from the point of connection to the District's water and sewer system to the building served.

Section 4: Service Initiation Fee. Each user shall pay a service initiation fee of \$37.00 to the District to cover the administrative costs of the Service Agreement required by Section 16A below. The service initiation fee shall be in addition to any other fees and charges that may be due pursuant to this Rate Order and shall be billed on the user's initial bill for water and sewer service.

Section 5: Water and Sewer Rates. The rates for water and sewer service shall depend upon the type of user. Monthly water and sewer service charges may be pro rated by the District for a user that receives services for less than a month. Monthly rates for water and sewer service are hereby established as follows:

## WATER

A. Single Family Residential User. During construction and prior to initial occupancy, a fee of \$5.00 per month shall be charged for each single family residential user. After initial occupancy, each single family residential user shall be billed as follows:

First 5,000 gallons	\$12.00
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5,001 to 15,000 gallons	\$1.50/1,000 gallons
15,001 to 30,000 gallons	\$2.50/1,000 gallons
Over 30,000 gallons	\$3.50/1,000 gallons

B. Other User. Any user other than a single family residential user shall be billed as follows:

First 5,000 gallons	\$17.50
5,001 to 15,000 gallons	\$1.50/1,000 gallons
15,001 to 30,000 gallons	\$2.50/1,000 gallons
Over 30,000 gallons	\$3.50/1,000 gallons

Each business unit occupied by a separate business, including separate establishments within a single building, is billed as a separate user.

C. Clubs. Each club shall be deemed to be a single family residential user for purposes of water service.

D. Multi-Family Buildings. Each multi-family residential user which is served by a single meter shall be billed for water at the same rate as a single family residential user times the number of living units within the building. If a multi-family residential user is served by more than one meter, then water delivered through each meter shall be billed at the same rate as a single family residential user times the number of living units served through such meter.

E. Irrigation Connection. There shall be a \$25.00 flat monthly charge for water used by an unmetered irrigation connection within the District, regardless of actual usage. The monthly charge for water used by a metered irrigation connection shall be determined by the amount of water used and the rate for the type of improvement the irrigation connection is related to (e.g., single family residential or multi-family residential); provided, however, a metered irrigation connection in the name of a homeowner association shall be billed as follows:

First 7,000 gallons	\$8.00
Over 7,000 gallons	\$1.00/1,000 gallons

F. Flush Valve Connection. Each flush valve connection authorized by the District shall be billed at the rate of \$2.00 per 1,000 gallons of water used. If the connection is unmetered, water usage shall be estimated by the District's operator using the best available data. Should a user make an unauthorized connection to a flush valve, such user shall be billed at the rate of \$2.00 per 1,000 gallons of water used, with a minimum charge of \$50.00. Water usage shall be estimated by the District's operator using the best available data. Said charge shall be in addition to any other charges, fees,

finer, or penalties associated with an unauthorized connection, and nothing herein shall be construed as authorizing connection to a flush valve without prior consent of the District.

## SEWER

A. Single Family Residential User. Each single family residential user shall be billed at a flat rate of \$37.83 per month.

B. Multi-Family Residential User. Each unit of a multi-family residential user shall be considered one unit, and each multi-family residential user shall be billed at a flat rate of \$15.00 per month per unit. A multi-family residential user will begin paying for sewer service when completed and ready for occupancy.

C. Nonresidential User, Including Clubs and Non-Taxable User. All users other than single family residential users and multi-family residential users shall pay for sewer service at the rate of \$15.00 per month for the first 12,000 gallons of water used and \$2.00 for each 1,000 gallons of water used over the first 12,000 gallons

Section 6: West Harris County Regional Water Authority ("WHCRWA") Fee. The WHCRWA assesses a fee upon the District for each 1,000 gallons of groundwater withdrawn by the District in a calendar quarter. Each user of District water for any purpose, whether builder, single-family residential, multi-family residential, commercial, or any other type of user, shall be charged, in addition to the water rates set forth above, a separate amount for each 1,000 gallons of water delivered to such user in a billing cycle times the amount charged to the District by the WHCRWA for each 1,000 gallons of water for that cycle.

Section 7: Garbage Service. All single family residential users shall be charged for and receive garbage service. No exceptions will be made.

Section 8: Regulatory Assessment. Pursuant to Section 5.235 of the Texas Water Code, each user of the District's water system is hereby assessed a charge of one-half of one percent of the District's charge for water and sewer service. This assessment is included in the rate schedules listed above and will be forwarded to the Texas Commission on Environmental Quality, as required by Section 5.235, and used to pay costs and expenses incurred in its regulation of water districts.

Section 9: Billing and Late Penalty. Charges for water, sewer service, and garbage service shall be billed monthly. All bills shall be due and payable on the 18<sup>th</sup> day of the month (the "Due Date"). In the event the Due Date falls on a weekend or a state holiday, the payment is considered to be timely made if received by the operator's office or in the dropbox at the District's office by 8:00 a.m. the first morning after the

weekend or state holiday. Unless payment is received by the Due Date, as described, such account shall be considered delinquent and a penalty of ten percent (10%) of the unpaid balance shall be assessed against the account.

Section 10: Termination and Reconnection of Service.

A. Termination for Delinquent Account. The District reserves the right to terminate all services to any user whose account is delinquent in excess of twenty-five (25) days. In such event, services shall be disconnected and/or terminated only after sending the user written notice by first class United States mail and providing the user with an opportunity to appear in person or by written correspondence at a scheduled meeting of the Board of Directors to contest, explain, or correct the charges, services, disconnection, or termination. The notice shall inform the user of the full amount due, including all past due and currently due amounts and any additional fees and deposits; the date service will be disconnected or terminated if payment in full is not received; and of the right to contest, explain, or correct the charges, services, disconnection, or termination. No user shall be disconnected or terminated who has informed the District or the District's operator of his desire to contest or explain his bill. If the user appears before the Board, in person or by written correspondence, the Board shall hear and consider the matter and inform the user of the Board's determination by sending written notice to the user by first class United States mail stating whether service will be continued or disconnected or terminated.

B. Delinquent Letter Charge. Any user who is sent a notice of delinquency as described in this order shall be charged a fee of \$15.00 for each such notice required, in addition to all other fees and charges provided for in this Order. The fee shall be assessed regardless of whether service is actually terminated to the user.

C. Termination for Rate Order Violation. Any user who has opened an account with the District and who violates any provision of this rate order, in addition to being subject to the penalties described in Section 25 below, shall be subject to having water, sewer, and garbage service terminated; provided, however, that prior to disconnecting service for such violation, the District shall give written notice, by first class United States mail or otherwise, to such user of the pending termination and shall give such user the opportunity to contest, explain, or correct the violation of the rate order at a meeting of the Board of Directors of the District.

D. Termination for No Account. The District has no obligation to provide services to a user before the user has opened a service account with the District and the District may terminate services to such a user. If service to a user is terminated under this subsection 10C, a service account with the District shall be opened and the service initiation fee described in Section 4 shall be collected by the District before services are provided by the District to such user. If service to a user is terminated under this

subsection 10C and the user reconnects to the District's system without properly opening a District account and paying the service initiation fee, services to such user may again be terminated by the District and, in addition to opening a service account and paying the service initiation fee, the user shall be subject to the reconnection provisions of subsection 10E as well as to any other penalties provided by this rate order.

E. Reconnection. If service to a user is disconnected or terminated pursuant to subsections 10A or 10C or if service to a user without a District account has been terminated more than once, in addition to all past due and current amounts owed to the District, including any additional deposits due, a reconnection fee of \$80 shall be collected before services again commence to such user; provided, however, if the District locks the water meter or takes out the water meter in connection with a disconnection or termination of services, a fee of an additional \$70 for unlocking or reinstalling the meter (in addition to the reconnection fee of \$80 first mentioned above) shall be collected before services again commence. In addition, a deposit of \$100 will be required before service is again commenced to a single family residential user each time the user is disconnected, up to a maximum cumulative deposit of \$350. No deposit shall be required that would cause the deposit for a single family residential user to exceed a cumulative total of \$350. Such sum shall be held by the District as a deposit to assure prompt payment of all charges for water and sewer service. No interest will be allowed on such deposit. If any user connects to the District's water or sewer system without authorization of the District, the District shall disconnect said connection; in such event, before services again commence, such user must pay (in addition to the aforementioned \$80 reconnection fee and any \$70 fee for unlocking or reinstalling the meter) any amount needed to repair damage to District facilities caused by the unauthorized tap or disconnection of same, plus costs of the District incurred to disconnect the unauthorized connection. Any user requiring re-connection outside business hours must pay, in addition to any other amounts, any overtime charges incurred by the District for such reconnection. All charges must be paid by approved money order prior to reconnection of service. In addition to any other requirements necessary to re-commence service to a user, any user whose service is disconnected or terminated pursuant to this Rate Order must execute a Service Agreement, as required by Section 16A below, before services again commence to such user.

F. Billing and Service During Extreme Weather Emergency. Notwithstanding any provisions of this Rate Order to the contrary, a User or entity may not be charged late fees nor have service disconnected for nonpayment of a bill that is due during an extreme weather emergency until after the emergency is over. A User or entity may, within thirty (30) days from the date the extreme weather emergency is over, request from the District a payment schedule for any unpaid bill that is due during an extreme weather emergency. Upon receipt of a timely payment schedule request, the District shall provide, in writing, a payment schedule and a deadline for



accepting the payment schedule. The District or the District's operator may, at the discretion of the District and/or the District's operator, determine the terms of the payment schedule described in this paragraph in accordance with applicable laws and regulations. If a User or entity requests a payment schedule pursuant to this paragraph, the District shall not disconnect the User or entity from service for nonpayment of bills that are due during an extreme weather emergency unless: (1) the payment schedule has been offered and the User or entity has declined to accept the payment schedule in a timely fashion; or (2) the User or entity has violated the terms of the payment schedule. Any preexisting disconnection notices issued to a User or entity for nonpayment of bills due during an extreme weather emergency are suspended upon the timely request for a payment schedule made under this paragraph; provided, however, that if: (1) the User or entity does not timely accept a payment schedule offered by the District; or (2) the User or entity violates the terms of the payment schedule, then any suspended disconnection notices may be reinstated. A User or entity who violates the terms of a payment schedule shall be subject to disconnection from service pursuant to the provisions of this Rate Order. For purposes of this paragraph, "extreme weather emergency" means a period when the previous day's highest temperature in an area did not exceed 28 degrees Fahrenheit and the temperature is predicted to remain at or below that level for the next 24 hours according to the nearest National Weather Service reports for that area. For purposes of this paragraph, an "extreme weather emergency" is over on the second business day the temperature exceeds 28 degrees Fahrenheit.

Section 11: Returned Checks. The District will assess a \$35 penalty fee to any customer for any check given to the District that must be returned for any reason. This penalty will be assessed each time that the check is returned or upon notification by the customer that the check will be returned. Payments due under this section are non-refundable. If a customer submits three or more checks to the District that must be returned for any reason, the District shall have the right to require that all future payments on the account be in the form of an approved money order.

Section 12: Additional Payment Options. Any User may pay the monthly water and sewer bill via the payment options provided through the District and its operator including but not limited to, online check and credit card payments, check and credit card payments processed over the telephone, and payment through various area retail locations. Certain payment options are made available through service providers who may charge Users a convenience fee in connection with some payment options. Such convenience fees are the sole responsibility of the Users and are separate from any amount owed by the User to the District. Non-payment of any such convenience fee shall subject the User to termination of service in accordance with this Order. If any User payment is refused or returned by the processing financial institution, the District will charge the User a return item fee of \$35.00. Acceptable payment methods for delinquent accounts or for accounts for which three or more checks submitted to the



District have been returned for any reason may be restricted as specified elsewhere in the Order.

Section 13: Approval of Plans. Plans and specifications for the internal water, sanitary sewer, and drainage facilities of each user other than a single family residential user including, without limitation, grease and lint traps and sample wells, must be submitted to and approved by the District's engineers prior to the commencement of construction of said facilities. Under no circumstances shall a connection be made to the District's water or sewer system by any user, other than a single family residential user, until such user's plans for water, sewer, and drainage facilities (including grease and lint traps and sampling wells) have been submitted to and approved by the District's engineer. The District hereby adopts Chapter 84 of the City of Houston Building Code, as amended, insofar as it applies to water supply and sewage collection systems, and to the extent that it does not conflict with this Rate Order or the District's rules and regulations. Only those materials listed on **Exhibit A** attached hereto are approved for use in the District. The City of Houston Building Code shall govern the method of installation, pipe sizing, fixture count and all general requirements. Grease traps, lint traps, and sample wells shall be required when required by the City of Houston for areas within the City and shall conform to City of Houston standards. All swimming pools, spas, or other similar facilities shall drain to the District's sanitary sewer system and not to any storm sewer or drainage system.

Any person, contractor, firm or corporation responsible for work not meeting the standards set out in **Exhibit A** attached hereto shall correct the deficiencies without delay. Parties responsible for the installation of illegal systems may be refused permits for future work until all corrections are made. Any installation found to be in violation of District specifications after the inspection is completed may be required to be corrected, based on the severity of the offense and a review by the Board of Directors of the District. Water service to illegal installations will be terminated ten (10) days after notification unless proper corrections are made.

Section 14: Grease Traps. The District shall require the owner of any establishment that discharges certain types of waste into the District's sanitary sewer system to install a trap to prevent the entry of the discharge into the system and a sampling well to allow for periodic sampling of the discharge from the establishment. Discharges requiring a trap and sampling well include, but are not limited to, grease, oil, sand, or flammable waste. Other discharges requiring a trap and sampling well shall be determined by the District's operator and engineer on a case-by-case basis based on the operator's and engineer's conclusion that the discharge in question will harm the District's facilities if allowed to enter the District's system.

Any person responsible for a discharge requiring a trap and sampling well shall provide equipment and facilities of a type and capacity approved by the District, locate

the trap in a manner that provides ready and easy access for cleaning and inspection, and maintain the trap in effective operating condition. For restaurants and similar developments, the District will require as a minimum one trap and one sampling well per restaurant. Each trap and sampling well required to be installed hereunder shall be subject to initial inspection and approval by a District representative; the fee for this initial inspection shall be \$95.

It shall be the responsibility of the owner of the property to maintain and service the trap(s). All traps shall be cleaned a minimum of once a month. Any time an owner files a "Liquid Waste Manifest" form with the City of Houston Health and Human Services Department, a copy of the form shall be sent to the District.

The District's operator may inspect the traps and may take samples and flow measurements from the sampling wells with no limit as to the frequency of the tests. A surcharge of \$70 per month will be added to the District's commercial sanitary sewer rates for each trap installed; provided, however, a dry cleaning business which performs dry cleaning on site within the District shall pay a surcharge of \$100 per month in addition to the District's commercial sanitary sewer rates for each tap installed. The surcharge will cover the cost of routine inspection, sampling, and testing. If a trap is found in violation of this Rate Order during a routine inspection, reinspection, sampling, and testing at the District's sole discretion as to time and frequency will be billed to the owner of the property as follows:

Reinspection	\$75 each trip
Sampling	\$25 each time
Lab analysis	Cost + 15%

The District has the right, in its sole discretion, to require the owner to pretreat discharge at the owner's expense.

#### Section 15: Construction Inspection Fees.

A. Pre-Construction Inspection. All builders or contractors within the District must contact the District's operator, prior to starting any work on property within the District, to do an inspection to verify District facilities. If any District facility is either damaged or cannot be located, the operator will make necessary repairs or locate and make the facilities visible at the expense of the District. A copy of the inspection report will be given to the builder's or contractor's representative. After the inspection and any necessary work is completed, the builder or contractor will then be responsible for paying the costs of all damages, adjustments, relocations and repairs found during the site inspection after construction, as described below. The cost for each inspection is \$90 which must be paid prior to the initiation of District service.

B. Inspection After Construction. After construction has been completed on the property, but before service is transferred to a user, the District's operator will reinspect the water tap, meter, and all other District facilities on the property for a fee of \$90 which must be paid prior to the initiation of District service. The property owner, builder or contractor will be held responsible for any damages or adjustments to District facilities and the cost of repairing, adjusting or relocating the facilities (the "Backcharges") before service shall be initiated to a user on the property. If any reinspections of the facilities are required to ensure that the District's facilities are repaired, relocated or adjusted, a fee of \$80 shall be charged for each such reinspection before service will be transferred to a subsequent user. Payment of the Backcharges, or any inspection or reinspection fees, shall be made on or before the 10th day after the date of the invoice for said charges. The District may withhold the provision of service to the property or to other property owned by any user, property owner, builder or contractor who has failed to timely pay for the Backcharges or any inspection or reinspection fee, including specifically the provision of additional taps; provided, however, the District shall follow the notification procedures set forth in this Rate Order prior to terminating services that have already been initiated.

Section 16: Plumbing Regulations; Prohibition Against Cross-Connections and Unacceptable Plumbing Practices; Penalty for Violation. Pursuant to Title 31 Texas Administrative Code, Chapter 290, the District adopts the following plumbing regulations, which apply to all users of the District's potable water distribution system.

A. Service Agreements. Prior to receiving service from the District to new construction or to buildings containing new plumbing fixtures, or prior to having service reconnected to any building after termination of water service, a user must execute a Service Agreement in the form attached to this Rate Order as **Exhibit B**.

B. Plumbing Fixtures. A user is not permitted to install any plumbing fixture which is not in compliance with a state-approved plumbing code and the plumbing code required by the City of Houston.

C. Prohibition Against Water Contamination. No direct or indirect connection between the District's potable water distribution system and a potential source of contamination is permitted. Potential sources of contamination shall be isolated from the District's potable water distribution system by the installation of an air-gap or an appropriate backflow prevention device in accordance with state plumbing regulations. In addition, all pressure relief valves and thermal expansion devices must be in accordance with state plumbing codes and the plumbing code required by the City of Houston.

D. Backflow Prevention Assemblies. All sprinkler systems, spas and pools must have backflow prevention assemblies installed by the user at the user's sole cost

and expense. In addition, the District, in its sole discretion, may require any non-single family residential user to install a backflow prevention assembly at any meter(s) servicing such user's property.

The District, in its sole discretion, may require any user to install other backflow prevention assemblies at any fixture in order to prevent contamination of the District's potable water distribution system or if the user's plumbing system poses a high health hazard, defined as a "cross-connection, potential cross-connection, or other situation involving any substance that could cause death, illness, spread of disease, or has a high probability of causing such effects if introduced into the potable drinking water supply."

If the District determines that a user must install a backflow prevention assembly as a protection against a high health hazard, the backflow prevention assembly used must comply with a state-approved plumbing code and the plumbing code of the City of Houston, and must be tested and certified at least annually. The user is responsible for ensuring that all backflow prevention assemblies are tested upon installation and annually by a recognized backflow prevention assembly tester. A list of certified backflow prevention assembly inspectors can be obtained from the local office of the Texas Commission on Environmental Quality. The annual administrative cost for locations with backflow prevention assemblies will be \$110.00, which is due and payable upon notification. The user is solely responsible for the cost of this test.

If the District requires the installation of a backflow prevention assembly in order to prevent a serious threat to the District's public water supply, then the District, in its sole discretion, may immediately terminate service to the user until such installation is complete. Service will be restored when the backflow prevention assembly has been installed and tested and a signed and dated original of a Backflow Prevention Assembly Test and Maintenance Report in the form attached to this Rate Order as **Exhibit C** has been provided to the District's operator.

If the District determines that a backflow prevention assembly must be installed pursuant to this Rate Order for reasons other than to eliminate a serious threat to the District's public water system, the user must install the backflow prevention assembly within five (5) working days after receipt of notice from the District that such installation is required. In addition, the user must provide the District's operator with a signed and dated original of a Backflow Prevention Assembly Test and Maintenance Report in the form attached to this Rate Order as **Exhibit C** within three (3) working days of the installation of the backflow prevention assembly and within three (3) working days of any subsequent repair, maintenance or testing of such assembly. If the user fails to provide the testing certificate within this time, the District, in its discretion, may terminate service to the user pursuant to the terms of this Rate Order. The District's operator will retain such reports for a minimum of three (3) years.

E. Customer Service Inspections. A customer service inspection by the District's operator is required prior to the time the District (i) provides continuous water service to new construction, (ii) provides water service to private plumbing facilities that have been added to existing construction or materially improved or corrected, or (iii) continues service to a user when the District has reason to believe that cross-connections or other unacceptable plumbing practices exist. The cost of such customer service inspection is \$90 for a single family residential user and the actual cost plus twenty percent (20%) for a non-single family residential user. All fees relating to the customer service inspection shall be paid by the user prior to the inspection, and if the inspection is made in connection with new construction, the fee will be collected with the tap fee.

Prior to initiating service to new construction or buildings containing new plumbing fixtures, the user must provide the District's operator with a signed and dated Customer Service Inspection Certification in the form attached to this Rate Order as **Exhibit D**. The District's operator will retain such inspection certifications for a minimum of ten (10) years. If the District's operator does not perform the initial customer service inspection, the user will need to obtain a final inspection certificate from the District's operator prior to receiving service. In connection with this final plumbing inspection, the user shall allow its property to be inspected by the District's operator or its subcontractors during normal business hours for possible cross-connections and other unacceptable plumbing practices which violate this Rate Order. The cost of this final plumbing inspection shall be \$90 for a single family residential user and the actual cost plus twenty percent (20%) for a non-single family residential user. The cost of this final inspection shall be paid by the user prior to such inspection. Thereafter, the District's operator or its subcontractors may, at the discretion of the District and/or the District's operator, periodically inspect a user's plumbing system during normal business hours for the purpose of identifying possible cross-connections and other unacceptable plumbing practices which violate this Rate Order.

F. Prohibition Against Cross-Connections. No cross-connection between the District's potable water distribution system and a private water system is permitted. Where an actual air gap is not maintained between the public water supply and a private water supply, an approved reduced pressure-zone backflow prevention assembly must be properly installed and such assembly must be annually inspected and tested by a certified backflow prevention device tester. A list of certified backflow prevention device testers may be obtained from the local office of the Texas Commission on Environmental Quality. By accepting service from the District, all users agree to allow such annual inspection and testing of backflow prevention assemblies to take place during normal business hours. If any user refuses to allow such annual inspection and testing, service to such user will be discontinued until such inspection and testing is completed.

No connection which allows water to be returned to the District's potable water distribution system is permitted. This includes, but is not limited to, any device pursuant to which water is removed from the District's potable water distribution system, circulated through a user's system for condensing, cooling and heating of fluids or industrial processes, including but not limited to a heat exchange system, and routed back to the District's potable water distribution system.

G. Pools Required to Drain to Sanitary Sewer System. All swimming pools, spas, or other similar facilities shall drain to the District's sanitary sewer system and not to any storm sewer or drainage system.

H. Notice of Unacceptable Plumbing Practices. The District shall notify the user in writing of any cross-connection or other unacceptable plumbing practice which has been identified during the customer service inspection, the final plumbing inspection, any periodic reinspection, or any other inspection. At its sole cost and expense, the user shall immediately correct any unacceptable plumbing practice on its premises and properly install, test and maintain any backflow prevention device required by the District within two (2) working days of receipt of notice of the improper cross-connection. The user shall provide copies of all testing and maintenance records on such devices to the District within three (3) working days of the testing or maintenance. If the user fails to correct the noted unacceptable plumbing practice, the District may immediately terminate water service or, at the user's sole cost and expense, eliminate the cross-connection or correct the unacceptable plumbing practice.

I. Penalty for Violation. The failure of a user to comply with the terms of this Section will be considered a violation of this Rate Order. If such a violation occurs, or if the District determines the existence of a serious threat to the integrity of the District's water supply, the District, in its sole option, may, in addition to all other legal remedies available to it, including those remedies set out in Section 25 of this Rate Order, immediately terminate service or, at the user's sole cost and expense, install the plumbing fixtures or assemblies necessary to correct the unacceptable plumbing practice. If the District terminates service in order to preserve the integrity of the District's water supply, service will be restored only when the source of the potential contamination no longer exists or until additional safeguards have been taken. Any and all expenses associated with the enforcement of this Section shall be billed to the user.

#### Section 17: Quality of Sewage.

A. Domestic Waste. Only ordinary liquid and water-carried waste from domestic activities that is amenable to biological treatment and that is discharged from

sanitary conveniences of buildings connected to a public sanitary sewer system shall be discharged into the District's sanitary sewer lines.

B. Commercial and Industrial Waste. All discharges other than waste described in subsection 17A are prohibited, including, but not limited to those prohibited discharges described in **Exhibit E**, unless the applicant has applied to and received written authorization from the District for such discharge. Waste resulting from any process of commerce or industry may not be discharged into the District's sanitary sewer lines except as authorized pursuant to this subsection 17B. The applicant must file a statement with the District containing the following information:

- (1) Name and address of applicant;
- (2) Type of industry, business, activity, or other waste-creative process;
- (3) Quantity of waste to be discharged;
- (4) Typical analysis of the waste;
- (5) Type of pretreatment proposed; and
- (6) Such other information as the District may request in writing.

The District shall have the right to reject any application for discharge of non-domestic waste into the District's sanitary sewer lines if the District determines in its sole discretion that the proposed discharge may be harmful to the District's sanitary sewer system or the environment. The District also shall have the right in approving any application for the discharge of non-domestic waste to impose any limitations on such discharge that the District determines in its sole discretion to be necessary to protect the District's sanitary sewer system or the environment.

In accordance with the preceding sentences, the District has determined that dry cleaning facilities and commercial laundry facilities pose special risks to the District's sanitary sewer system and the environment, and as such, the District shall require all such dry cleaning facilities and commercial laundry facilities to enter into a Wastewater Services Contract for Commercial Cleaners. A copy of the Wastewater Services Contract is attached as **Exhibit F**.

C. National Categorical Pretreatment Standard. If a user is subject to a national categorical pretreatment standard pursuant to regulations promulgated by the Environmental Protection Agency under Section 307 of the federal Clean Water Act, the user is prohibited from discharging pollutants into the District's sanitary sewer system in violation of applicable categorical pretreatment standards.

D. District Testing; Pretreatment. The District shall have the right to sample and test any user's discharge at the discretion of the District's operator, with no limit as to the frequency of the tests, and to charge the user for the District's cost of such sampling and testing. The District also shall have the right to require pretreatment, at



the user's expense, of any discharge of non-domestic waste if the District determines in its sole discretion that pretreatment of such waste is necessary to protect the District's sanitary sewer system or the environment, even if pretreatment is not otherwise required pursuant to subsection 17C above.

Section 18: Easements. Before service is begun to any user or, once begun but before reconnection is made, the person requesting such service shall grant an easement of ingress and egress to and from the meter for such maintenance and repair as the District, in its judgment, may deem necessary.

Section 19: No Free Service. No free service shall be granted to any user for services furnished by the District's water, sewer system, and garbage service whether such user be a charitable or eleemosynary institution, a political subdivision, or municipal corporation, and all charges for water, sewer, and garbage service shall be made as required herein.

Section 20: Required Service. No service shall be given from the District's water and sewer system unless such users agree to take both water and sewer service.

Section 21: Platting. Prior to initial connection to the District's water, sewer, or drainage systems, any user shall submit to the District's Operator proof that the user's property has been platted in accordance with the subdivision ordinances of the City of Houston. Acceptable proof of platting includes a copy of the recorded plat, or a certificate from the City of Houston that the property has been platted or that the property is legally exempt from the platting process.

Section 22: Temporary Water Service.

- A. The District's operator shall be authorized to make a temporary connection to any fire hydrant or flushing valve upon receipt of a written request for temporary water service. Such temporary service shall be supplied only through a District meter installed by the District's operator.
- B. The person applying for temporary water service shall be required to deposit \$1,000.00 with the District to secure the payment for water supplied by the District and the safe return of the District's meter. Upon receipt of full payment for temporary water used and return of the meter in good condition, the deposit will be returned; provided, however, any damage to the meter, fire hydrant or unpaid balances will be paid from the deposit.

Section 23: Swimming Pool Inspections and Fee. Swimming pool connections will be made in accordance with the City of Houston Plumbing Code requirements. Every User who plans to construct or install a swimming pool within the District shall notify the District's operator in writing prior to commencing construction of the pool. Upon notification by the User of the intention to construct or install a swimming pool, the User shall pay an inspection fee of \$75.00. After the notification is received, the District's operator shall ensure that all drains from the swimming pool are connected to the District's sanitary sewer system. After the drains have been installed, the User shall notify the District's operator, who shall make an inspection of all swimming pool drains to verify that the proper connection is made, before service is authorized for said swimming pool.

Section 24: Security Deposit.

- A. A deposit of \$100.00 shall be charged to all new Single-Family Residential Users in the District. A deposit of \$150.00 shall be charged to all Users who do not own the property for which residential water or sewer service is requested or who are obtaining service in the name of someone other than the owner of the property. A deposit equal to two times the average monthly utility bill, as determined by the District's operator, shall be required of all other Users in the District. Such sums shall be included in the User's first bill and shall be held by the District as a deposit to assure prompt payment of all charges for utility service. No interest will be allowed on such deposits.
- B. A \$500.00 deposit shall be required of each builder prior to any water taps being made for such builder in the District. Said deposit shall be refunded by the District upon written request by a builder; provided, however, that all or a portion of the deposit shall be forfeited as a penalty in the event that any provision of this Order or the District's Rules and Regulations Governing Sewer House Lines and Sewer Connections, as may be amended from time to time, is violated. The deposit described herein may be applied by the District to the cost of repair of any damage caused to District property by the builder or builder's agent, whereupon it will be the builder's responsibility to reinstate the original amount of the deposit prior to the District's operator making any additional water taps for said builder.

Section 25: Penalties for Violation. Any person, corporation, or other entity who:

- A. violates any Section of this Order; or

B. makes unauthorized use of District services or facilities, including solid waste receptacles provided by the District or its subcontractor; or

C. causes damage to District facilities by using such facilities in a manner or for a purpose contrary to the purpose for which such facilities were designed; or

D. uses or permits the use of any septic tank or holding tank within the District; or

E. violates the District's Rules and Regulations Governing Sewer Lines and Sewer Connections;

F. violates the District's Drought Contingency Plan; or

G. constructs facilities or buildings which are not included in the approved plans for development under as described in this Order;

shall be subject to a penalty of up to \$5,000 for each breach of the foregoing provisions. Each day that a breach of any provision hereof continues shall be considered a separate breach.

This penalty shall be in addition to the other penalties provided by the laws of the State of Texas and to any other legal rights and remedies of the District as may be allowed by law.

Section 26: Effective Date. This Order shall become effective as of the 26th day of October, 2023.

Section 27: Superseding Order. This order supersedes all prior orders, resolutions, and other actions of the Board concerning fees and charges for water, sewer service, and garbage service.

[EXECUTION PAGE FOLLOWS]

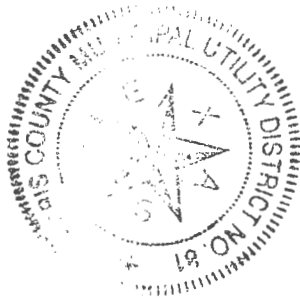
PASSED AND APPROVED this 26th day of October 2023.

*/s/ Patrick Calhead*  
President, Board of Directors

ATTEST:

*/s/ Michail Olsen*  
Secretary, Board of Directors

(SEAL)



## EXHIBIT A

### BUILDING MATERIALS

#### (4) BUILDING SERVICE LINES

##### A. Waste pipe material shall be of the following material only:

1. Schedule 40 ABS Plastic CS 270 NSF-DWV, ASTM Designation D-2661.
2. Schedule 40 PVC Plastic CS-272 NSF-DWV, ASTM Designation D-2665 or conforming to ASTM specification D3034 and installed according to ASTM D2321 with SDR35 or better.
3. For temperatures in excess of one hundred (100) degrees Fahrenheit, Schedule 40 CPVC Plastic, ASTM Designation D-3034 MUST BE USED.
4. Cast Iron Hub Type Soil pipe Extra Heavy Service weight, ASTM A-74, with Rubber Ring and Gasket or Lead and Oakum joint. "No-Hub" pipe is not permitted below grade.
5. SIX INCH ONLY shall be not less than ABS-SDR 23.5 - ASTM D-2751 0.265" wall thickness.
6. ABS Composite Truss pipe may be used for eight (8) inch diameter and above.
7. Ductile iron pipe (push on joint) conforming to ANSI A21.51.

##### B. Water pipe material shall be:

1. Schedule 40 galvanized steel pipe, ASTM A-53.
2. Seamless Copper Tubing Type K, L or M, ASTM B-88.
3. Type I PVC 1120 and PVC 1220, 160 psi minimum pressure rating, ASTM D-1784.
4. Asbestos cement pipe (Transite or equal) Class 150 for eight (8) inch and larger; Class 200 for six (6) inch.

5. Ductile iron pipe (push on joint) conforming to ANSI A21.51.
6. Polyethylene for one (1) inch and smaller, ASTM Designation D-2239.

C. Diameter of Service Lines:

1. Residential service lines shall be sized according to the City of Houston and in no case shall be smaller than 3/4 inch for water or 4 inch waste.
2. Commercial service lines shall be sized according to the City of Houston Building Code and in no case shall be smaller than 1 inch for water and 6 inch for waste.

D. Solvent for ABS shall be ASTM Designation D-2235. Solvent for PVC shall be ASTM Designation D-2564. Industrial Polychemical Solvent 793 shall be used for joining PVC to ABS.

(5) GRADE (WASTE LINES)

- A. Minimum grade for four inch sewer pipe shall be one percent (one foot drop/hundred feet), with a maximum grade of two percent (two foot drop/hundred feet).
- B. Minimum grade for six inch sewer pipe shall be 0.7 percent (8.5 inch drop/hundred feet), with a maximum grade of 1.5 percent (18 inch drop/hundred feet).

(6) CONNECTION OF BUILDING STUB-OUTS TO SERVICE LINES

- A. Building tie-on connections shall be made directly to the stub at the foundation on all waste outlets. Septic tanks and all grease traps must be bypassed. Septic tanks and grease traps should be pumped out, sides broken down, then filled with dirt or sand. (This applies only to existing residences being connected.)
- B. Type of Waste Connections: Watertight adaptor shall be used at house connections. All other connections shall be solvent weld.
- C. No drain rim shall be installed less than one foot above the top of the nearest manhole.

(7) FITTINGS AND CLEANOUTS

- A. No bends or turns at any point shall be greater than 45 degrees.
- B. Each horizontal drainage pipe shall be provided with a cleanout at its upper terminal; and each such run of piping which is more than 90 feet in length shall be provided with a cleanout for each 90 feet or fraction thereof, in the length of such piping.
- C. Each cleanout shall be installed so that it opens in a direction opposite to the flow of the waste and, except in the case of "wye" branch and end-of-line cleanouts, cleanouts shall be installed vertically above the flow line of the pipe.
- D. Cleanout should be made with air tight mechanical plug.

(8) UNDER SLAB PLUMBING

Under slab pipe and fittings shall be Cast Iron, Schedule 40 ABS or Schedule 40 PVC.



## **EXHIBIT B**

### **SERVICE AGREEMENT**

I. **PURPOSE.** The Harris County Municipal Utility District No. 81 ("District") is responsible for protecting the drinking water supply from contamination or pollution which could result from improper plumbing practices. The purpose of this service agreement is to notify each customer of the plumbing restrictions which are in place to provide this protection. The District enforces these restrictions to ensure the public health and welfare. Each customer must sign this agreement before the District will begin service. In addition, when service to an existing connection has been suspended or terminated, the District will not re-establish service unless it has a signed copy of this agreement.

II. **PLUMBING RESTRICTIONS.** The following unacceptable plumbing practices are prohibited by State regulations.

A. No direct connection between the public drinking water supply and a potential source of contamination is permitted. Potential sources of contamination shall be isolated from the public water system by an air-gap or an appropriate backflow prevention device.

B. No cross-connection between the public drinking water supply and a private water system is permitted. These potential threats to the public drinking water supply shall be eliminated at the service connection by the installation of an air-gap or a reduced pressure-zone backflow prevention device.

C. No connection which allows water to be returned to the public drinking water supply is permitted.

D. No pipe or pipe fitting which contains more than a weighted average of 0.25% lead may be used for the installation or repair of plumbing at any connection which provides water for human use.

E. No solder or flux which contains more than 0.2 percent lead can be used for the installation or repair of plumbing at any connection which provides water for human use.

III. **SERVICE AGREEMENT.** The following are the terms of the service agreement between the Harris County Municipal Utility District No. 81 (the "District") and [NAME OF CUSTOMER] (the "Customer").

A. The District will maintain a copy of this agreement as long as Customer and/or the premises is connected to the District's water system.

B. Customer shall allow his/her property to be inspected for possible cross-connections and other unacceptable plumbing practices. These inspections shall be conducted by the District or its designated agent prior to initiating new water service; when there is reason to believe that cross-connections or other unacceptable plumbing practices exist; or after any major changes to the private plumbing facilities. The inspections shall be conducted during the District's normal business hours.

C. The District shall notify Customer in writing of any cross-connection or other unacceptable plumbing practice which has been identified during the initial inspection or the periodic reinspection.

D. Customer shall immediately correct any unacceptable plumbing practice on his/her premises.

E. Customer shall, at his/her expense, properly install, test, and maintain any backflow prevention device required by the District. Copies of all testing and maintenance records shall be provided to the District.

F. Customer understands and agrees that the District does not guarantee any specific quantity or pressure of water for any purpose whatsoever and that the District is not liable to customer for failure or refusal to furnish any particular amount or pressure of water to Customer at any time.

IV. **ENFORCEMENT.** If Customer fails to comply with the terms of the Service Agreement, the District shall, at its option, either terminate service or properly install, test, and maintain an appropriate backflow prevention device at the service connection. Any expenses associated with the enforcement of this Service Agreement shall be billed to Customer.

CUSTOMER'S SIGNATURE: \_\_\_\_\_

DATE: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

## EXHIBIT C

### Texas Commission on Environmental Quality BACKFLOW PREVENTION ASSEMBLY TEST AND MAINTENANCE REPORT

The following form must be completed for each assembly tested. A signed and dated original must be submitted to the public water supplier for recordkeeping \*purposes.

NAME OF PWS	
PWS ID#	
PWS MAILING ADDRESS:	406 W Grand Parkway S, Suite 260, Katy, TX 77494
PWS CONTACT PERSON:	Municipal District Services, Builder Services Department, 281-290-6503, option 2, bldrservices@mdswater.com
ADDRESS OF SERVICE:	

The backflow prevention assembly detailed below has been tested and maintained as required by commission regulations and is certified to be operating within acceptable parameters.

TYPE OF BACKFLOW PREVENTION ASSEMBLY (BPA):					
<input type="checkbox"/>	Reduced Pressure Principle (RPBA)	<input type="checkbox"/>	Reduced Pressure Principle-Detector (RPBA-D)	Type II	<input type="checkbox"/>
<input type="checkbox"/>	Double Check Valve (DCVA)	<input type="checkbox"/>	Double Check-Detector (DCVA-D)	Type II	<input type="checkbox"/>
<input type="checkbox"/>	Pressure Vacuum Breaker (PVB)	<input type="checkbox"/>	Spill-Resistant Pressure Vacuum Breaker (SVB)		

Manufacturer:	Main:	Bypass:	Size:	Main:	Bypass:
Model Number:	Main:	Bypass:	BPA Location:		
Serial Number:	Main:	Bypass:	BPA Serves:		

Reason for test:	New <input type="checkbox"/>	Existing <input type="checkbox"/>	Replacement <input type="checkbox"/>	Old Model/Serial #
Is the assembly installed in accordance with manufacturer recommendations and/or local codes?				<input type="checkbox"/> Yes <input type="checkbox"/> No
Is the assembly installed on a non-potable water supply (auxiliary)?				<input type="checkbox"/> Yes <input type="checkbox"/> No

TEST RESULT	Reduced Pressure Principle Assembly (RPBA)			Type II Assembly	PVB & SVB	
	DCVA		Relief Valve	Bypass Check	Air Inlet	Check Valve
	1 <sup>st</sup> Check	2 <sup>nd</sup> Check***				
<b>PASS</b> <input type="checkbox"/>						
<b>FAIL</b> <input type="checkbox"/>						
<b>Initial Test</b>	Held at ____ psid	Held at ____ psid	Opened at ____ psid	Held at ____ psid	Opened at ____ psid	Held at ____ psid
Date:	Closed Tight <input type="checkbox"/>	Closed Tight <input type="checkbox"/>	psid	Closed Tight <input type="checkbox"/>	Did not open <input type="checkbox"/>	psid
Time:	Leaked <input type="checkbox"/>	Leaked <input type="checkbox"/>	Did not open <input type="checkbox"/>	Leaked <input type="checkbox"/>	Did it fully open (Yes <input type="checkbox"/> /No <input type="checkbox"/> )	Leaked <input type="checkbox"/>
Repairs and Materials Used**	Main: Bypass:					
<b>Test After Repair</b>	Held at ____ psid	Held at ____ psid	Opened at ____ psid	Held at ____ psid	Opened at ____ psid	Held at ____ psid
Date:	Closed Tight <input type="checkbox"/>	Closed Tight <input type="checkbox"/>	psid	Closed Tight <input type="checkbox"/>		
Time:						

\*\*\* 2<sup>nd</sup> check: numeric reading required for DCVA only

Differential pressure gauge used:	Potable <input type="checkbox"/>	Non-Potable: <input type="checkbox"/>
Make/Model:	SN	Date tested for accuracy

Remarks:	

Company Name	Licensed Tester Name (Print/Type):	
Company Address:	Licensed Tester Name (Signature):	
Company Phone #:	BPAT License #	
	License Expiration Date:	

The above is certified to be true at the time of testing.

\* TEST RECORDS MUST BE KEPT FOR AT LEAST THREE YEARS [30 TAC §290.46(B)]

\*\* USE ONLY MANUFACTURER'S REPLACEMENT PARTS

## EXHIBIT D

### Texas Commission on Environmental Quality Customer Service Inspection Certificate

Name of PWS:	
PWS ID #:	
Location of Service:	

Reason for Inspection:	
New construction	<input type="checkbox"/>
Existing service where contaminant hazards are suspected	<input type="checkbox"/>
Material improvement, correction or expansion of distribution facilities	<input type="checkbox"/>

I, \_\_\_\_\_, upon inspection of the private water distribution facilities connected to the aforementioned public water supply do hereby certify that, to the best of my knowledge

Compliance	Non-Compliance	
<input type="checkbox"/>	<input type="checkbox"/>	(1) No direct or indirect connection between the public drinking water supply and a potential source of contamination exists. Potential sources of contamination are isolated from the public water system by an air gap or an appropriate backflow prevention assembly in accordance with Commission regulations.
<input type="checkbox"/>	<input type="checkbox"/>	(2) No cross-connection between the public drinking water supply and a private water system exists. Where an actual air gap is not maintained between the public water supply and a private water supply, an approved reduced pressure principle backflow prevention assembly is properly installed.
<input type="checkbox"/>	<input type="checkbox"/>	(3) No connection exists which would allow the return of water used for condensing, cooling or industrial processes back to the public water supply.
<input type="checkbox"/>	<input type="checkbox"/>	(4) No pipe or pipe fitting which contains more than 8.0% lead exists in private water distribution facilities installed on or after July 1, 1988 and prior to January 4, 2014.
<input type="checkbox"/>	<input type="checkbox"/>	(5) Plumbing installed on or after January 4, 2014 bears the expected labeling indicating ≤0.25% lead content. If not properly labeled, please provide written comment.
<input type="checkbox"/>	<input type="checkbox"/>	(6) No solder or flux which contains more than 0.2% lead exists in private water distribution facilities installed on or after July 1, 1988.

I further certify that the following materials were used in the installation of the private water distribution facilities:

Service lines:	Lead <input type="checkbox"/>	Copper <input type="checkbox"/>	PVC <input type="checkbox"/>	Other <input type="checkbox"/>
Solder:	Lead <input type="checkbox"/>	Lead Free <input type="checkbox"/>	Solvent Weld <input type="checkbox"/>	Other <input type="checkbox"/>

Remarks:	

I recognize that this document shall be retained by the aforementioned Public Water System for a minimum of ten years and that I am legally responsible for the validity of the information I have provided.

Signature of Inspector:	License Type:
Inspector Name(Print/Type):	License Number:
Title of Inspector:	Date / Time of Insp.: _____ / _____

A Customer Service Inspection Certificate should be on file for each connection in a public water system to document compliance with 30 TAC § 290.44(h)/290.46(j).

**EXHIBIT E**  
**DISCHARGES**

(1) **PROHIBITED DISCHARGES**

- A. No person may discharge to the District's sewers any waste which by itself or by interaction with other wastes may
  - 1. injure or interfere with wastewater treatment processes or facilities;
  - 2. constitute a hazard to humans or animals, or
  - 3. create a hazard in receiving waters of the wastewater treatment plant effluent.
- B. All discharges shall conform to requirements of the District's Rate Order.

(2) **CHEMICAL DISCHARGES**

- A. No discharge to the District's sewers may contain:
    - 1. cyanide greater than .01 mg/l;
    - 2. fluoride other than that contained in the public water supply;
    - 3. chlorides in concentrations greater than 250 mg/l;
    - 4. gasoline, benzene, naphtha, fuel oil, or other flammable or explosive liquid, solid or gas; or
    - 5. substances causing an excessive Chemical Oxygen Demand
- (C.O.D.)
- B. No waste or wastewater discharged to public waters may contain:
    - 1. strong acid, iron pickling wastes, or concentrated plating solutions whether neutralized or not;
    - 2. fats, wax, grease, or oils, whether emulsified or not, in excess of one hundred (100) mg/l or containing substances which may solidify or become viscous at temperature between thirty-two (32) and one

hundred fifty (150) degrees Fahrenheit (0 and 65 degrees Centigrade).

3. objectionable or toxic substances, exerting an excessive chlorine requirement, to such degree that any such material received in the composite wastewater treatment works exceeds the limits established by the District for such materials; or
  4. obnoxious, toxic or poisonous solids, liquids, or gases in quantities sufficient to violate the provisions of subsection A of this section.
- C. No waste, wastewater, or other substance may be discharged into the District's sewers which has a pH lower than 6.0 or higher than 9.0 or any other corrosive property capable of causing damage or hazard to structures, equipment, and/or personnel at the wastewater facilities.
- D. All waste, wastewater, or other substance containing phenols, hydrogen sulfide, or other taste-and-odor producing substances, shall conform to concentration limits established by the District. After treatment of the composite wastewater, concentration limits may not exceed the requirements established by state, federal, or other agencies with jurisdiction over discharges to receiving water.

(3) HAZARDOUS METALS AND TOXIC MATERIALS

- A. No discharges may contain concentrations of hazardous metals other than amounts specified in subsection "B" of this section.
- B. The allowable concentrations of hazardous metals, in terms of milligrams per liter (mg/l), for discharge to inland waters, and determined on the basis of individual sampling in accordance with "Standard Methods" are:

Grab			<u>Not To Exceed</u>	
	<u>Metal</u>	<u>Average</u>	<u>Composite</u>	<u>Sample</u>
1.	Arsenic	0.1	0.2	0.3
2.	Barium	1.0	2.0	4.0
3.	Cadmium	0.05	0.1	0.2
4.	Chromium	0.5	1.0	5.0
5.	Copper	0.5	1.0	2.0
6.	Lead	0.5	1.0	1.5

7.	Manganese	1.0	2.0	3.0
8.	Mercury	0.005	0.005	0.01
9.	Nickel	1.0	2.0	3.0
10.	Selenium	0.05	0.1	0.2
11.	Silver	0.05	0.1	0.2
12.	Zinc	1.0	2.0	6.0

The allowable concentrations of each of the hazardous metals are stated in terms of milligrams per liter (mg/l).

C. No other hazardous metals or toxic materials may be discharged into the District's sewers without a permit from the District specifying conditions of pretreatment, concentrations, volumes, and other applicable provisions.

D. Prohibited hazardous materials include but are not limited to:

1. Antimony,
2. Beryllium,
3. Bismuth,
4. Cobalt,
5. Molybdenum,
6. Uranyl ion,
7. Rhenium,
8. Strontium,
9. Tellurium,
10. Herbicides,
11. Fungicides, and
12. Pesticides.

#### (4) PARTICULATE SIZE

- A. No person may discharge garbage or other solids into the District's sewers unless it is shredded to a degree that all particles can be carried freely under the flow conditions normally prevailing in public sewers. Particles greater than one-half ( $\frac{1}{2}$ ) inch in any dimension are prohibited.
- B. The District is entitled to review and approve the installation and operation of any garbage grinder equipped with a motor of three-fourths ( $\frac{3}{4}$ ) horsepower (0.76 hp metric) or greater.

#### (5) STORM WATER AND OTHER UNPOLLUTED DRAINAGE

- A. No person may discharge to the District's sanitary sewers



1. unpolluted storm water, surface water, groundwater, swimming pools, roof runoff or subsurface drainage;
2. unpolluted cooling water;
3. unpolluted industrial process waters;
4. other unpolluted drainage;

or make new connections from inflow sources.

- B. In compliance with the Texas Water Quality Act and other statutes, the District may designate storm sewers and other watercourses into which unpolluted drainage described in subsection "A" of this section may be discharged.

(6) TEMPERATURE

No persons may discharge liquid or vapor having a temperature higher than one hundred fifty (150) degrees Fahrenheit (65 degrees Centigrade), or any substance which causes the temperature of the total wastewater treatment plant influent to increase at a rate of ten (10) degrees Fahrenheit or more per hour, or a combined total increase of plant influent to one hundred ten (110) degrees Fahrenheit.

(7) RADIOACTIVE WASTES

- A. No person may discharge radioactive wastes or isotopes into the District's sewers without the permission of the District.
- B. The District may establish, in compliance with applicable state and federal regulations, regulations for discharge of radioactive wastes into its sewers.

(8) IMPAIRMENT OF FACILITIES

- A. No person may discharge into the District's sewers any substance capable of causing
1. obstruction to the flow in sewers;
  2. interference with the operation of treatment processes of facilities;
- or

3. excessive loading of treatment facilities.
- B. Discharge prohibited by subsection "A" of this section include, but are not limited to, materials which exert or cause concentrations of
1. inert suspended solids greater than 250 mg/l including but not limited to
    - (a) Fuller's earth
    - (b) lime slurries; and
    - (c) lime residues;
  2. dissolved solids greater than 750 mg/l including but not limited to
    - (a) sodium chloride; and
    - (b) sodium sulfate;
  3. excessive discoloration including but not limited to
    - (a) dye wastes; and
    - (b) vegetable tanning solutions; or
  4. BOD, COD, or chlorine demand in excess of normal plant capacity.
- C. No person may discharge into the District's sewers any substance that may
1. deposit grease or oil in the sewer lines in such a manner as to clog the sewers;
  2. overload skimming and grease handling equipment;
  3. pass to the receiving waters without being effectively treated by normal wastewater treatment processes due to the nonamenability of the substance to bacterial action; or
  4. deleteriously affect the treatment process due to excessive quantities.
- D. No person may discharge any substance into the District's sewers which
1. is not amenable to treatment or reduction by the processes and facilities employed; or

2. is amenable to treatment only to such a degree that the treatment plant effluent cannot meet the requirements of other agencies having jurisdiction over discharge to the receiving waters.
- E. The District shall regulate the flow and concentration of slugs when they may
1. impair the treatment process;
  2. cause damage to collection facilities;
  3. incur treatment costs exceeding those for normal wastewater; or
  4. render the effluent unfit for stream disposal or industrial use.
- F. No person may discharge into the District's sewers solid or viscous substances which may violate subsection "A" of this section if present in sufficient quantity or size including but not limited to
1. ashes;
  2. cinders;
  3. sand;
  4. mud;
  5. straw;
  6. shavings;
  7. metal;
  8. glass;
  9. rags;
  10. feathers;
  11. tar;
  12. plastics;
  13. wood;
  14. unground garbage;
  15. whole blood;
  16. paunch manure;
  17. hair and fleshings;
  18. entrails;
  19. paper products, either whole or ground by garbage grinders;
  20. slops;
  21. chemical residues;
  22. paint residues; or
  23. bulk solids.

## EXHIBIT F

### WASTEWATER SERVICES CONTRACT FOR COMMERCIAL CLEANERS

THE STATE OF TEXAS   §  
                                     §  
COUNTY OF HARRIS   §

WHEREAS, Harris County Municipal Utility District No. 81 of Harris County, Texas (the "District") provides water, sewer and drainage service to residential and commercial establishments within the District's jurisdiction;

WHEREAS, \_\_\_\_\_ (the "Cleaner") operates a commercial dry cleaning facility and/or commercial laundry at \_\_\_\_\_ (the "Facility") within the District's service area and desires to receive sewage treatment services from the District;

WHEREAS, the use of perchloroethylene, also known as tetrachloroethene, tetrachloroethylene, perc, and PCE, is prevalent in the commercial dry cleaning and commercial laundry business;

WHEREAS, perchloroethylene is a hazardous substance under the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C. §§ 9601-9675, and regulations promulgated pursuant to CERCLA;

WHEREAS, the Cleaner may use other organic solvents, detergents and/or stain and spot removers, including but not limited to 1,1,1-trichloroethane, trichloroethylene, methylene chloride, trichlorofluoroethane, stain/spot removers containing chlorinated and/or aromatic hydrocarbons, amonic detergents, and emulsifying, dispersing and pH controlling agents used for the removal of fats, oils, greases, paints and enamels, that may be hazardous substances pursuant to CERCLA and regulations promulgated thereto;

WHEREAS, perchloroethylene and other organic solvents, detergents and/or stain and spot removers may deteriorate or contribute toward the deterioration of pipes, pipe fittings, joints, and the sealants around such pipes, pipe fittings, and joints in the District's sanitary sewer system in a manner which causes such substances to be released into the environment;

WHEREAS, perchloroethylene and other organic solvents, detergents and/or stain and spot removers are toxic or otherwise injurious to human health and the environment when released into the environment;

WHEREAS, perchloroethylene and other organic solvents, detergents and/or stain and spot removers are persistent when released into the environment, and as such are expensive to contain and remove once released into the environment; and

WHEREAS, the District has determined not to allow discharges of any wastewater into the District's sanitary sewer system from commercial dry cleaning and commercial laundry facilities to prevent harm to the District's facilities and the environment, unless such commercial dry cleaning and commercial laundry facilities agree by contract to strict controls on the use and discharge of perchloroethylene and other organic solvents, detergents and/or stain and spot removers;

NOW, THEREFORE, THIS CONTRACT is entered into by and among the District and the Cleaner this \_\_\_\_ day of \_\_\_\_\_, 2\_\_\_\_.

For and in consideration of the mutual promises and benefits set forth herein, the District and the Cleaner agree to the following:

1. Wastewater Services. The District agrees to receive into its sanitary sewer system wastewater discharged from operations at the Cleaner, subject to the terms of this Contract and the District rate order, as currently existing or hereinafter amended (the "Rate Order"). The Cleaner is hereby notified that it is also subject to all subsequent modifications, revisions, and/or amendments to the Rate Order that may be adopted by the District after the date first written above.
2. Compliance With Laws and Regulations. The Cleaner shall operate in compliance with all applicable federal, state and local laws and regulations, including but not limited to the National Perchloroethylene Air Emission Standards for Dry Cleaning Facilities, 40 C.F.R. Part 63, Subpart M; all applicable requirements set forth in and promulgated pursuant to the Clean Water Act, 33 U.S.C. §§ 1251-1387; all applicable requirements set forth in and promulgated pursuant to the Safe Water Drinking Act, 42 U.S.C. §§ 300f to 300j-26; all applicable requirements set forth in and promulgated pursuant to the Resource Conservation and Recovery Act ("RCRA"), 42 U.S.C. §§ 6901-6992k; all applicable requirements set forth in and promulgated pursuant to CERCLA, 42 U.S.C. §§ 9601-9675; all applicable requirements set forth in and promulgated pursuant to the Emergency Planning and Community Right-to-Know Act, 42 U.S.C. §§ 11001-11050; all applicable requirements set forth in and promulgated pursuant to the Texas Solid Waste Disposal Act ("TSWDA"), Texas Health & Safety Code §§

361.001-.754; and all applicable requirements set forth in and promulgated pursuant to any section within the Texas Water Code.

3. Maximum Contaminant Levels. The Cleaner (and any other person or entity associated with the Facility) is prohibited from discharging any wastewater containing any organic solvent, including but not limited to perchloroethylene, 1,1,1-trichloroethane, trichloroethylene, methylene chloride, trichlorofluoroethane, stain/spot removers containing chlorinated and/or aromatic hydrocarbons, amonic detergents, and emulsifying, dispersing and pH controlling agents used for the removal of fats, oils, greases, paints and enamels, into the District's sanitary sewer system in excess of the Maximum Contaminant Levels ("MCLs") established in 40 C.F.R. § 141.61. The Cleaner warrants and represents that it has checked all drains and pipes at the Facility and that no drain or pipe that may receive wastewater in excess of any MCL established in 40 C.F.R. § 141.61 discharges directly or indirectly into the District's sanitary sewer system. In the event any wastewater containing organic solvents, including but not limited to perchloroethylene, 1,1,1-trichloroethane, trichloroethylene, methylene chloride, trichlorofluoroethane, stain/spot removers containing chlorinated and/or aromatic hydrocarbons, amonic detergents, and emulsifying, dispersing and pH controlling agents used for the removal of fats, oils, greases, paints and enamels, are discharged into the District's sanitary sewer system that exceed or may exceed the MCLs established in 40 C.F.R. § 141.61, the Cleaner shall immediately notify the District so that the District may take steps to control and/or contain the discharge with minimal disruptions to the wastewater treatment facility that will receive the discharge.
4. Stain/Spot Treatment. The Cleaner (and any other person or entity associated with the Facility) shall not pretreat any clothing with perchloroethylene prior to introducing such clothing into equipment, such as commercial washing machines, that discharge wastewater directly or indirectly into the District's sanitary sewer system. To the extent the Cleaner or any other person or entity uses any other stain/spot remover or other substance to pretreat clothing prior to introducing such clothing into equipment discharging directly or indirectly into the District's sanitary sewer system, the Cleaner shall verify that the wastewater discharged into the District's sanitary system does not contain any constituent of such stain/spot remover or other substance in excess of the MCLs established in 40 C.F.R. § 141.61.
5. Spills. The Facility shall have no floor drains near the area where organic solvents, including but not limited to perchloroethylene, 1,1,1-trichloroethane, trichloroethylene, methylene chloride, trichlorofluoroethane, stain/spot removers containing chlorinated and/or aromatic hydrocarbons, amonic detergents, and emulsifying, dispersing and pH controlling agents used for the

removal of fats, oils, greases, paints and enamels, are used that lead to the District's sanitary sewer or storm water drain. The Cleaner shall have absorbent cotton blankets, or other suitable cleanup and containment materials, available at the Facility for use in the event of a spill of any organic solvent, including but not limited to perchloroethylene, 1,1,1-trichloroethane, trichloroethylene, methylene chloride, trichlorofluoroethane, stain/spot removers containing chlorinated and/or aromatic hydrocarbons, amonic detergents, and emulsifying, dispersing and pH controlling agents used for the removal of fats, oils, greases, paints and enamels.

6. Storage Area. All organic solvents, including but not limited to perchloroethylene, 1,1,1-trichloroethane, trichloroethylene, methylene chloride, trichlorofluoroethane, stain/spot removers containing chlorinated and/or aromatic hydrocarbons, amonic detergents, and emulsifying, dispersing and pH controlling agents used for the removal of fats, oils, greases, paints and enamels, shall be stored in a separate area. The floor in the organic solvent storage area should be leak-proof, such as a floor constructed of stainless steel, fiberglass, or concrete with a thick coating of epoxy applied frequently enough to completely cover the floor area at all times, and designed to contain 110% of any organic solvent contained in any single container, tank, or dry cleaning equipment that contains organic solvent.
7. Storage Containers. The Cleaner (and any other person or entity associated with the Facility) shall keep all organic solvents, including but not limited to perchloroethylene, 1,1,1-trichloroethane, trichloroethylene, methylene chloride, trichlorofluoroethane, stain/spot removers containing chlorinated and/or aromatic hydrocarbons, amonic detergents, and emulsifying, dispersing and pH controlling agents used for the removal of fats, oils, greases, paints and enamels, and all waste materials potentially contaminated with such organic solvents in leak-proof, tightly covered containers and stored in the organic solvent storage area. All spent cartridge filters shall be placed inside leak-proof, tightly covered containers and stored in the organic solvent storage area.
8. Secondary Containment. All dry cleaning machines, washers, dryers, or other equipment that use, contain or store organic solvents, including but not limited to perchloroethylene, 1,1,1-trichloroethane, trichloroethylene, methylene chloride, trichlorofluoroethane, stain/spot removers containing chlorinated and/or aromatic hydrocarbons, amonic detergents, and emulsifying, dispersing and pH controlling agents used for the removal of fats, oils, greases, paints and enamels, or any water contaminated by such organic solvents, shall be placed in an area surrounded by a containment curb or similar secondary containment structure designed to contain spills or leaks. The containment curb or similar secondary containment structure shall be non-porous, constructed of materials



such as fiberglass, steel, or concrete with a thick coating of epoxy applied frequently enough to completely cover the containment area at all times, and designed to contain at least 110% of the contents of any single tank, container, or equipment that may contain organic solvents, including but not limited to perchloroethylene, 1,1,1-trichloroethane, trichloroethylene, methylene chloride, trichlorofluoroethane, stain/spot removers containing chlorinated and/or aromatic hydrocarbons, amonic detergents, and emulsifying, dispersing and pH controlling agents used for the removal of fats, oils, greases, paints and enamels, or water contaminated by such organic solvents.

9. Hazardous Waste. The Facility shall not be used as a hazardous waste treatment, storage, and disposal facility. No hazardous waste, whether generated by the Cleaner at the Facility, by the Cleaner at another facility, or by any third party, shall be transported to the Facility or to any facility receiving water or sewer services from the District. Further, all hazardous waste generated at the Facility, including but not limited to still residues from solvent distillation, spent filter cartridges, cooked powder residue, separator water, and any other contact water contaminated with organic solvent, shall be stored at the Facility only for such time as is necessary to accumulate sufficient quantities for transportation to a permitted hazardous waste treatment, storage, and disposal facility. Under no circumstances shall any hazardous waste be accumulated at the Facility for a length of time such that the Facility becomes subject to the requirements for hazardous waste treatment, storage, and disposal facilities.
10. EPA Identification Number. If it has not already done so, the Cleaner shall obtain an EPA identification number from the U.S. Environmental Protection Agency ("EPA") pursuant to 40 C.F.R. § 262.12 for the Facility notwithstanding any regulatory exemption or exception, including the provisions for conditionally exempt small quantity generators. The Cleaner shall comply with the manifest requirements in 40 C.F.R. Part 262 when transporting or arranging for the transportation of hazardous waste from the Facility, and the Cleaner shall use the EPA identification number that identifies the Facility in all such manifests.
11. Waste Disposal. The Cleaner shall arrange for the transportation of hazardous waste generated at the Facility, including but not limited to still residues from solvent distillation, spent filter cartridges, cooked powder residue, separator water, and any other contact water contaminated with organic solvent, only with a transporter who complies with all applicable requirements for the handling and transportation of hazardous waste. The Cleaner shall transport or arrange for the transportation of hazardous waste generated at the Facility, including but not limited to still residues from solvent distillation, spent filter cartridges, cooked powder residue, separator water, and any other contact water

contaminated with organic solvent, only to a permitted hazardous waste treatment, storage, and disposal facility who complies with all applicable federal, state, and local requirements set forth in and promulgated pursuant to RCRA, 42 U.S.C. §§ 6901-6992k, and TSWDA, Texas Health & Safety Code §§ 361.001-361.754. The Cleaner shall be obligated to make all reasonable inquiries regarding any hazardous waste transporter or hazardous waste treatment, storage, and disposal facility in order to verify compliance with all applicable federal, state, and local requirements. At a minimum, such inquiry shall include verification that each transporter has an EPA identification number and each hazardous waste treatment, storage, and disposal facility has an EPA identification number and a valid permit for hazardous waste treatment, storage, and disposal.

12. Operation and Maintenance. All dry cleaning and laundry equipment at the Facility shall be operated and maintained according to the manufacturer's instructions, including all instructions set forth in the operator's manual provided by the manufacturer and supplied with the dry cleaning and/or laundry equipment. The Cleaner shall keep a copy of the operator's manual at the Facility and shall make each person employed by the Cleaner aware of the location of the operator's manual.
13. Inspections. The Cleaner shall allow reasonable access on prior written request by the District to allow the District's representative to inspect the Facility for compliance with this Contract. Failure to provide access for such inspection shall be a violation of this Contract and sufficient grounds for the termination of water, sewer, and drainage services.
14. Wastewater Sampling. The District's representative shall be allowed to sample and analyze the wastewater discharged from the Cleaner into the District's sanitary sewer system to ensure compliance with this Contract, the Rate Order, and any applicable federal, state, or local law or regulation. The Cleaner shall provide reasonable access to the District's representative for purposes of sampling the Cleaner's wastewater discharge, and the Cleaner shall pay the District's reasonable costs for such sampling and analysis necessary to ensure compliance with this Contract, the Rate Order, and any applicable federal, state, or local law or regulation. Such sampling shall be no more frequent than once per month unless the analysis of any prior sample indicates a violation or potential violation of this Contract, the Rate Order, or any applicable federal, state, or local law or regulation, in which case subsequent samples shall be no more frequent than necessary to ensure continuous compliance with this Contract, the Rate Order, and any applicable federal, state, or local law or regulation.

15. Remedies. The District may terminate services provided under this Contract, at the Cleaner's sole cost and expense, including a reasonable fee for terminating service, court costs, attorneys' fees, and any other cost related to enforcing this Contract and terminating service, for a violation of any provision set forth in this Contract. The District may also impose fines and penalties authorized in the Rate Order or take any other action authorized in the Rate Order or under law for any violation of this Contract or the Rate Order, and, notwithstanding any provision in the Rate Order to the contrary, the Cleaner is liable for all costs related to enforcing the terms or conditions of this Contract or the Rate Order, including court costs and attorneys' fees.
16. Insurance.
  - A. The Cleaner shall maintain at its own expense environmental pollution insurance in the form of a pollution legal liability select policy or other environmental pollution insurance policy in full compliance with this paragraph and satisfactory to the District ("Mandatory Insurance"). The Mandatory Insurance shall provide coverage, with limits of not less than \$1,000,000 (ONE MILLION DOLLARS) annual aggregate limit on a claims made basis, for the following: (i) the Cleaner's own pollution cleanup costs, including any costs or expenses for the investigation of, removal of, remediation of, or the rendering nonhazardous or less hazardous of, any environmental pollution conditions (whether pre-existing or new) resulting from the discharge, dispersal, release, or escape of pollutants into the environment or into the sewage treatment system of the District; (ii) any pollution cleanup costs by the District, including any costs or expenses for the investigation of, removal of, remediation of, or the rendering nonhazardous or less hazardous of, any environmental pollution conditions (whether pre-existing or new) resulting from the discharge, dispersal, release, or escape of the Cleaner's pollutants into the environment or into the sewage treatment system of the District; (iii) any governmental pollution cleanup costs that may result if the Cleaner or the District fails to perform any necessary cleanup, including any governmental costs or expenses for the investigation of, removal of, remediation of, or the rendering nonhazardous or less hazardous of, any environmental pollution conditions (whether pre-existing or new) resulting from the discharge, dispersal, release, or escape of the Cleaner's pollutants into the environment or into the sewage treatment system of the District; (iv) any property damage to tangible property of the District, including any damage to the sewage treatment system of the District; (v) any restoration costs for restoring the sewage treatment system of the District after cleanup of the pollution, or restoring the property or environment damaged by the pollution or the pollution cleanup,

including any affected surface vegetation or soils, subsurface soils, surface water, or groundwater; (vi) any business interruption losses incurred by the District as a result of the pollution or pollution cleanup; (vii) any legal expense or defense costs that may be incurred by the District; (viii) any third-party claims for the cleanup of pollution conditions against the Cleaner or the District; (ix) any third-party claims for bodily injury resulting from the pollution conditions against the Cleaner or the District; and (x) any third-party claims for property damage resulting from the pollution conditions against the Cleaner or the District. Voluntary cleanups by the Cleaner or the District shall be specifically covered under the Mandatory Insurance. The Mandatory Insurance shall allow the Cleaner and the District to self-report pollution and recover cleanup costs either or both may incur after reporting the pollution voluntarily. Exclusions shall not be written that remove or limit the coverage intended by this paragraph.

B. The District shall be named as an additional insured with waiver of subrogation rights on all insurance coverage provided by the Cleaner except where the District may decline same in advance and in writing.

C. The Mandatory Insurance shall be maintained without a reduction in or narrowing of coverage during the period the District provides services under this Contract and for at least 4 years following the termination of services provided under this Contract. The Mandatory Insurance shall provide coverage for the acts and omissions of the Cleaner and its agents, employees, contractors and subcontractors. The Mandatory Insurance shall require that the District be provided with thirty (30) days advance written notice of cancellation, reduction, change or renewal of each such policy. Proof of insurance satisfactory to the District, including proof that the District has been named as an additional insured as provided in paragraph B, shall be provided by the Cleaner at execution of this Contract and attached to this Contract as **Exhibit B**.

D. The Mandatory Insurance shall provide that the District shall not be subject to the "other insurance" condition or other policy terms which conflict with this Contract. It is the intent of this Contract that the Mandatory Insurance, including the interest of the District as an additional insured, shall be primary insurance and not contributory with other insurance which the District may have in effect.

E. The Mandatory Insurance shall be provided by financially responsible insurance carriers licensed to do business in the state of Texas and rated by AMBest Rating Service as A- or better.

F. The Cleaner's failure to maintain the Mandatory Insurance shall be a basis for termination of services to be provided by the District under this Contract.

17. INDEMNITY.

A. AS PART OF THE CONSIDERATION FOR THE RIGHT TO DISCHARGE WASTEWATER FROM COMMERCIAL DRY CLEANER AND/OR COMMERCIAL LAUNDRY ACTIVITIES INTO THE SANITARY SEWER SYSTEM OF THE DISTRICT, THE CLEANER HAS AGREED TO AND DOES HEREBY FULLY AND COMPLETELY INDEMNIFY AND HOLD THE DISTRICT, EACH ANY EVERY MEMBER OF THE BOARD OF DIRECTORS OF THE DISTRICT, CONSULTANTS RETAINED BY THE DISTRICT TO CARRY OUT THIS CONTRACT OR OTHERWISE TO ASSIST IN PROVIDING WASTEWATER SERVICES TO THE CLEANER, CONTRACTORS OR EMPLOYEES RETAINED OR HIRED BY THE DISTRICT TO CARRY OUT THIS CONTRACT OR OTHERWISE TO ASSIST IN PROVIDING WASTEWATER SERVICES TO THE CLEANER, AND ANY OTHER AGENT OR REPRESENTATIVE OF THE DISTRICT WHO CARRIES OUT THIS CONTRACT ON BEHALF OF THE DISTRICT OR WHO ASSISTS THE DISTRICT IN PROVIDING WASTEWATER SERVICES TO THE CLEANER (COLLECTIVELY, THE "DISTRICT AND ITS AGENTS") HARMLESS FROM EVERY CLAIM, ACTUAL LOSS, DAMAGE, INJURY, COST, EXPENSE, JUDGMENT, OR LIABILITY SUSTAINED OR INCURRED BY, OR BROUGHT AGAINST THE DISTRICT AND ITS AGENTS, OF EVERY KIND OR CHARACTER WHATSOEVER, IN CONTRACT, TORT, STRICT LIABILITY, OR OTHERWISE, DIRECT OR INDIRECT, FOR BODILY INJURY, DEBT, PROPERTY DAMAGE, ECONOMIC LOSS AND/OR ANY INCIDENTAL, SPECIAL, OR CONSEQUENTIAL DAMAGES IN CONNECTION WITH THE DISCHARGE OF WASTEWATER FROM COMMERCIAL DRY CLEANER AND/OR COMMERCIAL LAUNDRY OPERATIONS INTO THE SANITARY SEWER SYSTEM OF THE DISTRICT. THIS INDEMNITY AND HOLD HARMLESS AGREEMENT RUNNING IN FAVOR OF THE DISTRICT AND ITS AGENTS IS SPECIFICALLY INTENDED TO COVER ALL COSTS OF ANY FUTURE CLAIMS OR LITIGATION, INCLUDING COURT COSTS, ATTORNEYS' FEES, AND/OR OTHER DEFENSE COSTS, AND EXPRESSLY INCLUDES ANY AND ALL CLAIMS THAT MAY BE BROUGHT BY PRIVATE PERSONS OR GOVERNMENTAL AGENCIES UNDER CERCLA (42 U.S.C. §§ 9601-9675), RCRA (42 U.S.C. §§ 6901-6922K), TSWDA (TEXAS HEALTH & SAFETY CODE §§ 361.001-.754), OR ANY OTHER FEDERAL OR STATE STATUTORY CAUSE OF ACTION. FURTHERMORE, THIS INDEMNITY AND HOLD HARMLESS

AGREEMENT RUNNING IN FAVOR OF THE DISTRICT AND ITS AGENTS IS SPECIFICALLY INTENDED TO OPERATE AND BE APPLICABLE EVEN IF IT IS ALLEGED, CHARGED, OR PROVEN THAT ALL OR SOME OF THE FACTS, INCIDENTS OR EVENTS COMPLAINED OF OR ALL OR SOME OF THE DAMAGES SOUGHT WERE SOLELY AND COMPLETELY CAUSED BY THE FAULT OR SOLE OR CONCURRENT NEGLIGENCE (INCLUDING GROSS NEGLIGENCE) OF THE DISTRICT, THE DISTRICT AND ITS AGENTS, OR ANY PERSON, ENTITY OR PORTION COMPRISING THE DISTRICT AND ITS AGENTS OF EVERY KIND OR CHARACTER WHATSOEVER, WHETHER AN AFFIRMATIVE ACT OR AN OMISSION, INCLUDING WITHOUT LIMITATION ALL TYPES OF NEGLIGENT CONDUCT (INCLUDING GROSS NEGLIGENCE) IDENTIFIED IN THE RESTATEMENT (SECOND) OF TORTS. FINALLY, IT IS AGREED THAT NO STATUTE OF LIMITATIONS PERIOD OR PERIOD OF LACHES SHALL BEGIN TO RUN AGAINST THIS INDEMNITY AND HOLD HARMLESS AGREEMENT UNTIL EACH CLAIM, DEMAND, OR CAUSE OF ACTION FOR WHICH HOLD HARMLESS OR INDEMNITY PROTECTION IS SOUGHT HAS BEEN ASSERTED AGAINST THE PARTY OR PARTIES SEEKING TO INVOKE THE PROTECTION OF THIS INDEMNITY AND HOLD HARMLESS AGREEMENT AND UNTIL SUCH PARTY HAS RECEIVED WRITTEN NOTIFICATION OF SUCH CLAIM, DEMAND, OR CAUSE OF ACTION.

- B. THESE CONTRACTUAL PROVISIONS RELIEVE ONE PARTY FOR RESPONSIBILITY IT OTHERWISE WOULD HAVE UNDER THE LAW FOR DAMAGES OR OTHER LIABILITY ARISING OUT OF THIS CONTRACT.
- C. THE PARTIES HAVE NEGOTIATED IN GOOD FAITH TO ELIMINATE UNKNOWN AND ARBITRARY ASPECTS OF THEIR RELATIONSHIP AND TO ALLOCATE THE RISK OF LOSS IN A MANNER THAT IS COMMENSURATE WITH THE EXPECTED BENEFITS. THE PARTIES HAVE ATTEMPTED TO STATE THEIR AGREEMENT CLEARLY AND EXPRESSLY WITHIN THE FOUR CORNERS OF THIS CONTRACT. THE PARTIES AGREE THAT ALL PROVISIONS OF THIS CONTRACT ARE INTENDED TO APPLY EVEN IF THEY HAVE THE RESULT OF RELIEVING ONE PARTY FROM RESPONSIBILITY IT WOULD OTHERWISE HAVE UNDER THE LAW FOR ITS CONDUCT, INCLUDING ITS SOLE OR CONCURRENT NEGLIGENCE (INCLUDING GROSS NEGLIGENCE), OR FOR ANY DAMAGES OR LIABILITY THAT WOULD OTHERWISE BE IMPOSED BY THE LAW IN CONNECTION WITH EITHER PARTY'S CONDUCT. EACH PARTY

AGREES AND COVENANTS THAT IT WILL NOT CONTEST THE ENFORCEABILITY OF ANY PROVISION OF THIS CONTRACT UNDER THE "EXPRESS NEGLIGENCE" RULE AND EACH PARTY AGREES AND COVENANTS THAT IF A PROVISION OF THIS CONTRACT IS NEVERTHELESS DEEMED BY A COURT TO BE SUBJECT TO THE "EXPRESS NEGLIGENCE" RULE AND THAT IF THE PROVISION IS AMBIGUOUS, SUCH PROVISION WILL NOT BE DECLARED UNENFORCEABLE. INSTEAD, SUCH AMBIGUOUS PROVISION SHALL BE ENFORCED IN ACCORDANCE WITH THE COMMERCIAL AND ECONOMIC TERMS OF THE PARTIES' OVERALL AGREEMENT AND, TO THAT END, AND TO THAT END ONLY, ORAL TESTIMONY AND OTHER WRITING SHALL BE CONSIDERED BY THE COURT OR JURY TO DETERMINE THE INTENT OF THE PARTIES WITH RESPECT TO SUCH PROVISION.

18. Non-assignment. The Cleaner shall not assign or delegate this Contract to any person or entity, and the Cleaner shall be responsible for all duties and obligations set forth in this Contract notwithstanding any acts by third parties or intervening events.
19. Severability. In the event that any one or more of the provisions contained in this Contract or in any other instrument referred to herein, including but not limited to the Rate Order, shall, for any reason, be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Contract or any other such instrument.
20. Amendments, Waiver. This Contract may not be amended except in a writing specifically referring to the Contract and signed by the District and the Cleaner. Notwithstanding this paragraph, the Rate Order may be amended as provided in paragraph 1. Any right created under this Contract may not be waived, except in a writing specifically referring to this Contract and signed by the party waiving the right. The failure of a party to enforce strictly any provision of this Contract shall not be deemed to act as a waiver of any provision, including the provision not so enforced.
21. Merger. This Contract and all exhibits attached hereto constitute the entire understanding between the parties and supersede any prior negotiations, discussions, agreements, and understandings between the parties with respect to the subject of this Contract.

AGREED TO AND ACCEPTED as of the date first written above.

HARRIS COUNTY MUNICIPAL UTILITY  
DISTRICT NO. 81 OF HARRIS COUNTY,  
TEXAS

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President, Board of Directors

ATTEST:

Address: c/o Allen Boone Humphries  
Robinson LLP  
3200 Southwest Freeway,  
Suite 2600  
Houston, Texas 77027

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Secretary, Board of Directors

Attn: \_\_\_\_\_  
Harris County Municipal Utility District No. 81  
of Harris County, Texas



## THE CLEANER

\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_