

**MEMORIAL MUNICIPAL UTILITY DISTRICT  
AMENDED RATE ORDER**

Adopted October 26, 2020 and Effective January 1, 2021

THE STATE OF TEXAS                           §  
  §  
COUNTIES OF HARRIS AND FORT BEND   §

WHEREAS, Memorial Municipal Utility District (the “District”) owns and operates a water and sewer system to provide service to residential and commercial establishments within the District; and

WHEREAS, the Board of Directors (the “Board”) deems it necessary to amend the rates and charges for persons receiving water, sewer and drainage service from the District. Now, therefore,

BE IT ORDERED BY THE BOARD OF MEMORIAL MUNICIPAL UTILITY DISTRICT THAT:

**Section 1:       Definitions.**

The following words or phrases shall have the meanings indicated below:

A.       “Community Center Connection” means a connection to the District's water and sewer system for a non-profit community recreation facility.

B.       “Installation Costs” means the District’s actual cost of installing the tap, meter and any necessary service lines and the cost of repairing or restoring any yards, sidewalks, street or other improvements affect by the installation (as determined by the District’s operator).

C.       “Irrigation Connection” means a connection to the District's water system used solely for the purpose of irrigation

D.       “Non-Single Family Residential Connection” means any connection to the District's water and sewer system other than a Single Family Residential Connection, a Community Center Connection, or an Irrigation Connection including, but not limited to, commercial establishments, apartments, churches, schools and multi-family dwelling units.

E.       “Non-Taxable User” means a user of the District’s water and sewer system that is exempt from taxation by the District under state law, including, but not limited to, churches and schools.

F.       “Single Family Residential Connection” means a connection to the District's water and sewer system which consists of one residence designed for use and occupancy by a single family unit.

**Section 2:       Plumbing Material Restrictions.**

A.       Prohibition on Use of Specified Materials. The use of the following plumbing materials is prohibited in any and all improvements connected to the District's water system after May 11, 1994.

- (1)       Any pipe or pipe fitting which contains more than 8.0% lead; and
- (2)       Any solder or flux which contains more than 0.2% lead.

**Section 3: Plumbing Regulations; Prohibition against Cross-Connections and Unacceptable Plumbing Practices; Penalty for Violation.**

Pursuant to Chapter 290 of the Texas Administrative Code, 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 "A"**. In addition, if commercial dry cleaning facility and/or commercial laundry is to operate within the District, the user must also enter into an agreement with the District in the form attached hereto as **Exhibit "C"**. If the dry cleaning facility is not served by a separate tap but is part of a commercial center served by a master meter, then the owner of the property must also enter into the additional agreement attached hereto as **Exhibit "C"**.

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, if any, required by the city in whose jurisdiction the District is located.

C. Prohibition against Water Contamination. No direct 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, if any, required by the city in whose jurisdiction the District is located.

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 users to install a backflow prevention assembly at any meter(s) servicing such user's property. The District, in its sole discretion, also 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. A high health hazard is defined by the Texas Commission on Environmental Quality (the "Commission") 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, if any, required by the city in whose jurisdiction the District is located, and must be tested and certified at least annually by the District's operator.

The user is responsible for insuring that all backflow prevention assemblies are tested upon installation by the District's operator. The cost will be \$85.00 for a Single Family Residential Connection, \$135.00 for a Non-Single Family Connection, and will be determined on an individual basis for other users, which is due and payable prior to the test. 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. In that event, service will not be restored until the backflow prevention assembly has been installed and tested by 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 have the District's operator install the backflow prevention assembly within five (5) working days after receipt of notice from the District that such installation is required.

E. Customer Service Inspections. A customer service inspection 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. A service inspection certification containing at least the information contained in the Customer Service Inspection Certification Form attached hereto as **Exhibit "B"** must be submitted to the District upon completion of the inspection. The cost of such customer service inspection will be the sole responsibility of the user. The District's operator shall perform this customer service inspection, and the cost will be \$85.00 for a Single Family Residential Connection, \$135.00 for a Non-Single Family Residential Connection, and will be determined on an individual basis for other users. 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. The District shall maintain completed Customer Service Inspection Certifications submitted to it pursuant to this Section for a minimum of ten (10) years.

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 Commission. 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. 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's 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.

H. 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 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 4: Deposits for Water and Sewer Service.**

A. Non Single-Family Residential. Each Non-Single Family Residential User requesting water and sewer service from the District must place with the District a deposit equal to \$100.00 for each equivalent single family residential unit (as determined by the District's operator). This deposit shall be held by the District, bearing no interest, until the Non-Single Family Residential User closes its account.

**Section 5: Water Rates.**

A. Builder Connections. During construction and prior to initial occupancy a builder shall be charged a monthly flat rate of \$6.00 for water service.

B. Single-Family Residential Connections. Each Single Family Residential within the District shall be charged for water service from the District on a monthly basis according to water used in accordance with the following schedule:

<u>Amount of Payment</u>	<u>Water Usage</u>
\$ 12.50 (minimum monthly charge)	0 to 6,000 gallons
\$ 1.00 per 1,000 gallons	6,001 to 10,000 gallons
\$ 1.25 per 1,000 gallons	10,001 to 15,000 gallons
\$ 1.50 per 1,000 gallons	All over 15,000 gallons

C. Multi-Family Residential Connections. Apartments and other multi-family dwelling units within the District shall be charged for water service from the District on a monthly basis at the rate of \$1.25 for each 1,000 gallons of water usage or increment thereof.

D. Non-Single-Family Residential Users. Except as hereinafter provided for separately metered irrigation systems, Non-Single-Family Residential Users within the District shall be charged for water service from the District on a monthly basis according to the water used in accordance with the following schedule:

<u>Amount of Payment</u>	<u>Water Usage</u>
\$ 12.50 (minimum monthly charge)	0 - 6,000 gallons
\$ 1.00 per 1,000 gallons	6,001 - 10,000 gallons
\$ 1.25 per 1,000 gallons	10,001 - 15,000 gallons
\$ 1.50 per 1,000 gallons	All over 15,000 gallons

E. Irrigation Systems. Separately metered irrigation systems water within the District shall be charged for water service (but not sewer service) from the District on a monthly basis according to the water used at the rate of \$1.00 per 1,000 gallons.

F. Charge for Regional Water Authority. All users of water from the District's system will be charged monthly \$3.20 per 1,000 gallons of water used for the purpose of studying and meeting the District's requirement to reduce its usage of well water and to convert to surface water.

**Section 6: Sewer Charges.**

A. Single Family Residential Connection. Each Single Family Residential Connection within the District shall pay a flat monthly sewer service charge of \$29.25.

B. Multi-Family Residential Connection. Apartments and other multi-family residential users within the District shall be charged for sewer service from the District on a monthly basis according to the water used at the rate of \$5.25 for each 1,000 gallons of water usage or increment thereof.

C. Non-Single-Family Residential Connection. Each Non-Residential Connection within the District shall be charged for sewer service on a monthly basis according to water used in accordance with the following schedule:

<u>Amount of Payment</u>	<u>Water Usage</u>
\$ 40.00 (minimum)	First 6,000 gallons
\$ 1.00 per 1,000 gallons	Next 4,000 gallons
\$ 1.25 per 1,000 gallons	Next 5,000 gallons
\$ 1.50 per 1,000 gallons	All over 15,000 gallons

**Section 7: Garbage Service.**

The District shall provide garbage service to each Single Family Residential Connection free of charge.

**Section 8: Regulatory Assessment.**

Pursuant to Section 5.235 of the Texas Water Code, each user of the District's water and sanitary sewer 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 schedule listed above and will be forwarded to the Commission, as required by Section 5.235, and used to pay costs and expenses incurred in its regulation of water districts.

**Section 9: Tap Fees.**

A. Single Family Residential Connection. Prior to connection to the District's water system, a tap fee of \$550.00 shall be paid to the District to cover the cost of making each Single Family Residential Connection and the cost of providing a water meter.

B. Non-Single Family Residential Connection. Prior to any connection being made to the District's water system for a Non-Single Family Residential Connection, a tap fee in an amount equal to three (3) times the District's actual cost of installing the tap, meter, and necessary service line connections shall be paid to the District. If any repairs or restorations of any yards, sidewalks, streets, landscaping, concrete or other improvements affected by the installation (the "Installation Repairs") are required because of the tap installation, such Installation Repairs shall be made by the District, and the District will charge its actual costs to perform the Installation Repairs. Despite the fact that the Installation Repairs cannot be billed prior to connection, they are part of the tap fee and will be billed to the customer on its monthly water and sewer. If the Non-Single Family Residential Connection is a non-taxable entity, such tap fee shall not exceed the District's actual cost for such work plus the cost of all facilities that are necessary to provide district services to such entity and that are financed or are to be financed in whole or in part by tax-supported bonds of the District.

C. Irrigation Connection. Prior to any Irrigation Connection to the District's water system, a tap fee consisting of 120% of the charges of the District's operator for installing the water tap and meter and providing the materials shall be paid to the District.

D. Community Center Connection. Prior to any Community Center Connection to the District's water system, a tap fee consisting of 200% of the charge of the District's operator for installing the water tap and meter and providing the materials shall be paid to the District.

E. Non-Taxable Users. Non-Taxable Users shall pay a tap fee equal to the District's actual Installation Costs plus the user's pro rata share of the District's actual cost of the facilities necessary to provide District services to the Non-Taxable 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) (the "Tap Fee Costs").

The District's operator, together with the District's consultants, will produce an estimate of the Tap Fee Costs, which will then be approved by the Board and sent to the Non-Taxable User. The Non-Taxable User shall pay the estimated Tap Fee Costs plus 20%, prior to installation of the tap. If the actual Tap Fee Costs are greater than the estimated Tap Fee Costs paid by the Non-Taxable User, the difference must be paid by the Non-Taxable User before the District will provide service to the Non-Taxable User. If the actual Tap Fee Costs are less than the estimated Tap Fee Costs paid by the Non-Taxable User, a refund for the difference shall be issued to the Non-Taxable User.

F. Political Subdivisions of the State of Texas. The District may approve a payment plan for a tap fee to be paid by a political subdivision of the state of Texas that does not provide water or sewer services for a term of up to ten (10) years, with the term to be at the discretion of the District. The political subdivision shall pay the costs of the tap fee plus interest at the rate of the interest on the latest bonds issued by the District with interest to accrue from the date the tap was made until payment in full, but with no penalties for early payment.

G. All connections to the District's water system shall be made by the District's operator or its subcontractor.

**Section 10: Penalties.**

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

- (1) violates any Section of this Order; or
- (2) makes unauthorized use of District services or facilities; or
- (3) 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
- (4) uses or permits the use of any septic tank or holding tank within the District ; or
- (5) violates the District's Rules and Regulations Governing Sewer Lines and Sewer Connections; or
- (6) violates the provisions of any utility reservation letter issued by the District

shall be subject to a penalty of up to \$10,000.00 for each breach of each one 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, fees and charges provided by this Amended Rate Order and the laws of the State of Texas and in addition to any other legal rights and remedies of the District as may be allowed by law.

**Section 11: Backcharges to Builders.**

A. Tap and Inspection Fees.

- (1) Pre-Facility Inspection. All builders or contractors for property owners within the District must contact the 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 Final Site Survey. The cost for each inspection is \$60.00 for residential and \$75.00 for commercial and is payable with the tap fee.
- (2) Facility Inspection. After construction has been completed on the property, but before service is transferred to a user, the District's operator will conduct a Final Site Survey to reinspect the water tap, meter and all other District facilities on the property for a fee of \$60.00 for residential and \$75.00 for commercial. (The fee shall be collected at the time the tap fee is paid). 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. If any reinspections of the facilities are required to ensure that the District's facilities are repaired, relocated or adjusted, a fee in the amount of \$60.00 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 30th 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 withholding the provision of service.

B. Monthly Bills and Termination. Charges for services performed shall be billed monthly. All bills shall be payable on the 20<sup>th</sup> day after the date of the statement for said charges. Unless payment of the monthly bill is received on or before the 20<sup>th</sup> day after the date of said statement or unless payment of any Backcharges is received on or before the 30<sup>th</sup> day after the date of the invoice, such account shall be considered delinquent and a one time late charge equal to ten percent (10%) of the unpaid balance shall be charged. The District may, in its discretion, disconnect service for failure to pay all charges and Backcharges, including any late charge, by the 50<sup>th</sup> day after the due date; provided, however, that prior to disconnecting services, the District shall send written notice by United States first class mail to the user or entity at the appropriate address and provide the user or entity with an opportunity to contest, explain or correct the charges, services, or disconnection, at a meeting of the Board. The written notice shall inform the user or entity of the amount of the delinquent payment, the date service will be disconnected or additional service withheld if payment is not made, the date, time and place of the next scheduled meeting of the Board, and of the opportunity to contest, explain or correct the charges, services, or disconnection, by presenting in person or in writing such matter to the Board at the next scheduled meeting as shown on the notice. The date specified for disconnection shall be ten (10) days after the date of the next scheduled

meeting of the Board as shown in the notice and the date for withholding additional service shall be the date of that Board meeting. The notice shall be deposited, postpaid, in a post office or official depository under the care and custody of the United States Postal Service at least ten (10) days prior to the date of the scheduled meeting of the Board. A written statement by the District's operator that the notice was so mailed and a certificate of mailing by the United States Postal Service shall be prima facie evidence of delivery of same. If the user or entity appears before the Board in person or in writing, the Board shall hear and consider the matter and inform the user or entity of the Board's determination by sending written notice by United States first class mail to the user or entity at the appropriate address.

**Section 12: Sewer Connections.**

All connections to the District's sewer system shall be made in accordance with the provisions of the rules and regulations governing sewer house lines and sewer connections. All connections to the District's sewer system shall be inspected by a representative of the District prior to being covered in the ground. In the event a connection is made and covered without inspection by a representative of the District, water service at such location shall be terminated. An inspection fee of \$60.00 for a Single Family Residential Connection and \$125 for a Non-Single Family Connection shall be paid to the District to cover the cost of making said inspection.

**Section 13: Payment.**

Charges for water and sewer service shall be billed monthly. All bills shall be payable on the 10th day after the date of the statement for said charges. Unless payment is received on or before the 11th day after the date of said statement, such account shall be considered delinquent and a penalty of 10% of the unpaid balance shall be assessed against the account.

**Section 14: Termination of Service.**

The District may, in its discretion, disconnect service for failure to pay all charges by the 50th day after the due date or breach of any utility reservation letter issued by the District; provided, however, that prior to disconnecting services, the District shall send written notice by United States first class mail to the user at the address of the connection and provide the user with an opportunity to contest, explain or correct the breach, charges, services, or disconnection, at a meeting of the Board. The written notice shall inform the user of the amount of the delinquent payment, the date service will be disconnected if payment is not made, the date, time and place of the next scheduled meeting of the Board, and of the opportunity to contest, explain or correct the charges, services, or disconnection, by presenting in person or in writing such matter to the Board at the next scheduled meeting as shown on the notice. The date specified for disconnection shall be 10 days after the date of the next scheduled meeting of the Board as shown in the notice. The notice shall be deposited, postpaid, in a post office or official depository under the care and custody of the United States Postal Service at least ten (10) days prior to the date of the scheduled meeting of the Board. A written statement by the District's operator that the notice was so mailed shall be prima facie evidence of delivery of same. If the user appears before the Board in person or in writing, the Board shall hear and consider the matter and inform the user of the Board's determination by sending written notice by United States first class mail to the user at the address of the connection. A fee of \$50.00 shall be charged for reconnection of water and/or sewer services discontinued as the result of delinquency in payment of water or sewer charges or other similar User or entity default. In addition to the reconnection fee established herein, a fee of \$50.00, or the District's actual costs incurred plus ten percent (10%) thereof, whichever is greater, shall be charged for the resetting of any meter removed from service as a result of continued delinquency in payment of water or sewer charges, abuse of facilities or other similar User or entity default. A charge of \$30.00 per check shall be made for each User or entity check in payment of charges due the District which is returned unpaid.



**Section 15: 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. 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 subsection (b) below.

B. Commercial and Industrial Waste. All discharges other than waste described in subsection (a) are prohibited unless the user has applied to and received written authorization from the District for such discharge. 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.

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 (c) above.

**Section 16: 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 \$85.00.

It shall be the responsibility of the owner of the property to maintain and service the trap(s). All traps shall be cleaned by the user as necessary to avoid any release of grease into the District's sanitary sewer system. Whenever a trap is cleaned, the user shall file a copy of a fully executed copy of a "Liquid Waste Manifest" form, evidencing the legal disposition of such waste, at the District office within ten (10) days of such disposition. Failure to timely file such form with the District shall subject the user to the penalties set forth in this Amended Rate Order.

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 \$60.00 month will be added to the District's Non-Single Family Residential Connection sanitary sewer rates for each grease trap installed. This surcharge will cover the cost of routine inspection, sampling, and testing. If a grease 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	\$60.00 each trip
Sampling	\$25.00 each time
Lab Analysis	Cost + 15%

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

**Section 17: Swimming Pool and Water Softener Inspections and Fee.**

Every user who plans to construct or install a swimming pool, hot tub or water softener within the District shall notify the District's operator in writing prior to commencing construction of such facility. Upon notification by the User of the intention to construct or install a swimming pool, hot tube or water softener, the user shall pay an inspection fee of \$150.00 for each swimming pool, and \$100.00 for each hot tub or water softener. 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 18: Pressure of Water.**

The District agrees to use all reasonable efforts to supply to any user adequate pressure of water. The District does not and will not guarantee to any user a specific quantity or pressure of water for any purpose whatsoever. The District is required only to furnish a connection to its System and in no case shall the District be liable for the failure or refusal to furnish water or any particular amount or pressure of water; however, the District shall use reasonable efforts to supply water to all users at an acceptable minimum pressure.

**Section 19: Free Service.**

No free service shall be provided by the District to any person, organization or institution, including charitable institutions.

**Section 20: Easements.**

Before water or sewer service commences to any user, the user requesting services shall grant an ingress and egress easement to and from the water meter(s) appurtenant to the premises to be served for the purposes of operating, maintaining, reading, and repairing the meter(s) as the District may deem necessary.

**Section 21: Maintenance and Repair.**

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

**Section 22: Destruction, Abuse or Damage to District Facilities.**

In the event of destruction, abuse, damage, alteration or similar misuse of any of the District's facilities, the District may institute suit to enjoin or restrain such defaults and/or to collect damages resulting therefrom, including interest thereon at the maximum legal rates and reasonable attorneys' fees, and, at the option and discretion of the District, and in compliance with this Rate Order, the District may disconnect the user's services, lock or remove metering devices or otherwise suspend or interrupt the provision of services to such user. In addition, the District may impose the penalties for violation of this Rate Order contained within Section 9.

**Section 23: User Damage to Meters.**

No user shall cover or otherwise obstruct or place a water meter in a condition of inaccessibility for purposes of monthly reading by the District's operator. Any costs incurred by the District in uncovering or making accessible water meters which have become obstructed because of actions of a User shall be charged to the User. Users which do not pay within thirty (30) days the amount billed to them by the operator under this Section shall be subject to any of the delinquent or penalty provisions of this Rate Order. In addition, the District, in its discretion, may refuse to install meters to any User who refuses to pay for any damages incurred by him to District facilities or District property while constructing within the District.

**Section 24: Required Services.**

In order to obtain service from the District's water and sewer system, a Single Family Residential User must agree to take water, sewer and garbage service. In order to obtain service from the District's water and sewer system, a Non-Single Family Residential User must agree to take water and sewer service unless such User's property does not have any facilities that require sewer service (i.e., property that requires irrigation or fire protection services only).

**Section 25: Platting Requirement.**

Prior to initially connecting to the District's water, sewer or drainage system, a Single-Family Residential User or Non-Single Family Residential 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 26: Service Inspection Fees.**

In the event that the District's operator is requested, or reasonably deems it necessary, to locate, excavate, inspect or otherwise investigate whole or partial failure of services to one or more Users, the District's actual cost incurred in connection therewith plus ten percent (10%) thereof shall be charged to

the User(s) if, upon such inspection, it is found that the failure of such services occurred in the service lines or facilities of the User(s) and not within the lines, works or facilities of the District, and the User(s) experiencing such failure of services shall be responsible for making all necessary repairs or reconstructions for the restoration of services. No charge shall be made for the inspection, repair or reconstruction of the District's lines, works or facilities necessary for the restoration of services.

**Section 27: Superseding Orders.**

This Order supersedes all prior policies relating to water and sewer service (and revisions thereto), orders, resolutions and other actions of the Board concerning fees and charges for water and sewer services and shall go into effect on January 1, 2021.

PASSED AND APPROVED on October 26, 2020.

*Timothy C. Miller*  
[Timothy C. Miller \(Nov 7, 2020 21:16 CST\)](#)

---

President, Board of Directors



## EXHIBIT "A"

### SERVICE AGREEMENT

- I. **PURPOSE.** Memorial Municipal Utility District (the "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 8.0% 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 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 are 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 B**

Sample Customer Service Inspection Certification

Name of PWS \_\_\_\_\_

PWS ID # \_\_\_\_\_

Location of Service \_\_\_\_\_

Reason for Inspection:     \_\_\_\_\_ New construction  
  \_\_\_\_\_ Existing service where contaminant hazards are suspected  
  \_\_\_\_\_ Major renovation or expansion of distribution facilities

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:

	<u>Compliance</u>	<u>Non-Compliance</u>
(1) No direct 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-zone backflow prevention assembly is properly installed and a service agreement exists for annual inspection and testing by a certified backflow prevention assembly tester.	<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.	<input type="checkbox"/>	<input type="checkbox"/>
(5) No solder or flux which contains more than 0.2% lead exists in private water distribution facilities installed on or after July 1, 1988.	<input type="checkbox"/>	<input type="checkbox"/>

Water service shall not be provided or restored to the private water distribution facilities until the above conditions are determined to be in compliance.

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

Service lines:   Lead            Copper            PVC            Other   
Solder:           Lead            Lead Free        Solvent Weld        Other

I recognize that this document shall become a permanent record of the aforementioned Public Water System and that I am legally responsible for the validity of the information I have provided.

Remarks:

\_\_\_\_\_  
Signature of Inspector

\_\_\_\_\_  
Registration Number

\_\_\_\_\_  
Date

\_\_\_\_\_  
Type of Registration



**EXHIBIT "C"**

**WASTEWATER SERVICES CONTRACT FOR COMMERCIAL CLEANERS**

THE STATE OF TEXAS       §  
   §  
COUNTY OF HARRIS       §

WHEREAS, Memorial Municipal Utility District (the "District") provides water, sewer and drainage service to residential and commercial establishments within the District's jurisdiction; and

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; and

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

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; and

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; and

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; and

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; and

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 between the District and the Cleaner this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

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 hereafter 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; the Texas Administrative Code; and all applicable requirements set forth in and promulgated pursuant to any section of 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 epoxy applied frequently enough to completely cover the floor area at all times, and designed to contain 110% of any organic solvent container 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 material 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 CLEANERS AND/OR COMMERCIAL LAUNDRY FACILITIES 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 AND 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 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, ATTORNEY'S FEES, AND/OR OTHER DEFENSE COSTS, AND EXPRESSLY INCLUDES ANY AND ALL CLAIMS THAT MAY BE BROUGHT BY PRIVATE PERSONS OR GOVERNMENTAL AGENCIES UNDER CERLA (42 U.S.C. §§ 9601-9675), RCRA (42 U.S.C. §§ 6901-6922K), TSWDA (TEXAS HEALTH AND 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 CONCURRENT NEGLIGENCE (INCLUDING GROSS NEGLIGENCE) OF THE DISTRICT, THE DISTRICT AND ITS AGENTS, OR ANY OTHER PERSON, ENTITY OR PORTION COMPRISING THE DISTRICT AND ITS AGENTS OF EVERY KIND OF CHARACTER WHATSOEVER, WHETHER AN AFFIRMATIVE ACT OF 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 THE 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 CONVENTS THAT IT WILL NOT CONTEST THE ENFORCEABILITY OF ANY PROVISIONS 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 EXTENT 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 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, included 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.

MEMORIAL MUNICIPAL UTILITY DISTRICT

\_\_\_\_\_  
President, Board of Directors

Address: c/o The Muller Law Group, PLLC  
202 Century Square Boulevard  
Sugar Land, Texas 77478

ATTEST:

\_\_\_\_\_  
Secretary, Board of Directors

(SEAL)

THE CLEANER

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

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

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

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

ATTEST:

\_\_\_\_\_






# Memorial MUD - Amended Rate Order For Signature

Final Audit Report

2020-11-08

Created:	2020-11-05
By:	Tara Miles (TARA@MULLERLAWGROUP.COM)
Status:	Signed
Transaction ID:	CBJCHBCAABAApfVzbq8RDF-ToB7IrZQNNNoYLuGcyh4MD

## "Memorial MUD - Amended Rate Order For Signature" History

-  Document created by Tara Miles (TARA@MULLERLAWGROUP.COM)  
2020-11-05 - 8:07:37 PM GMT- IP address: 98.196.64.179
-  Document emailed to Timothy C. Miller (tmiller@memorialmud.com) for signature  
2020-11-05 - 8:08:57 PM GMT
-  Email viewed by Timothy C. Miller (tmiller@memorialmud.com)  
2020-11-08 - 3:15:39 AM GMT- IP address: 66.102.7.2
-  Document e-signed by Timothy C. Miller (tmiller@memorialmud.com)  
Signature Date: 2020-11-08 - 3:16:36 AM GMT - Time Source: server- IP address: 76.200.142.9
-  Agreement completed.  
2020-11-08 - 3:16:36 AM GMT