

JOHNSON COUNTY SPECIAL UTILITY DISTRICT

NON-STANDARD SERVICE APPLICATION PACKET



P.O. Box 1390 • 740 FM 3048
Joshua, TX 76058
Phone: 817-760-5200 • Fax: 817-760-5238

**Johnson County Special Utility District
Non-Standard Service Application**

Please Print:

Date of Application: _____

Name of Proposed Development: _____

Name of Person Completing Application: _____

Name of Developer(s)/Applicant: _____

Mailing Address: _____

Phone No: _____

Mobile No: _____

Email: _____

Please provide legal description of property as listed in deed records, filed plat, or other acceptable instrument. Please provide or attach acreage, vicinity, physical location, approved plat, etc.: _____

Check Type of Service Application Type:

- | | | |
|---|---|---|
| Subdivision/Development <input type="checkbox"/> | Apartment (Multi-Family Units) <input type="checkbox"/> | Mobile Home Park <input type="checkbox"/> |
| Commercial/Industrial Park <input type="checkbox"/> | Larger Meter (>3/4" meter) <input type="checkbox"/> | RV Park <input type="checkbox"/> |
| Fire Line/Fire Suppression <input type="checkbox"/> | Other _____ <input type="checkbox"/> | |

Water Demand Criteria (Please provide/attach all water demand criteria for each meter or meter equivalent, or any engineering studies completed for the proposed service):

Maximum number of proposed lots: _____ Range of standard lot size(s): _____

Are additional phases planned for this development? Yes (No. of Phases _____) No

Is the property located within a City Limits? Yes _____ No

Is the property located within an ETJ of a City? Yes _____ No

By execution hereof, as the authorized representative of the stated applicant, I hereby acknowledge receipt of the **JCSUD Non-Standard Service Application Packet**, in effect at the time issued, on such date as indicated.

Print & Sign Name

Title

Date Signed

Do not write below this line-OFFICE USE ONLY

Date Application Returned: _____

Layout Submitted with Application: Yes No

Non-Standard Service Request Type: Hydraulic Analysis Meter Other _____

Account/Project No.: _____

Map Page: _____

Hydraulic Analysis Fee: _____

Date Paid: _____

Comments: _____

A Message to Developer Applicants:

Over the years, Johnson County has grown to serve expanding residential, commercial, and industrial interests. As any area grows, residential and small commercial interests quickly move into the outlying areas seeking a small community atmosphere and better quality of life. This movement to the “non-urban” areas has created a need for the services of a water utility like Johnson County Special Utility District. The District proudly serves south of the Ft. Worth-Dallas metroplex with a population over 40,000 in the rural/ suburban area with excellent service which surpasses all regulatory requirements. JCSUD welcomes growth at any level and looks forward to remaining a stable force in meeting future growth and development needs.

While JCSUD supports growth and development of the rural community, it must also serve the interests of its customers. JCSUD's mission is to provide the very best water utility service at the lowest possible cost to the consumer. Planned growth and development can serve to meet the needs of both the community and the goals of the utility. In an effort to meet these needs, the District is well versed with proper planning and performing hydro-analysis' to simulate growth within its water system. The continuum of planning ahead to expand service facilities and supply capacity meets the projected growth in the coming years.

Balancing its efforts to meet development needs and regulatory requirements, JCSUD has also implemented new development policies to insure fair and equitable development practices. The Non-standard Service Application packet incorporates engineering, policy, and financial planning principles essential to the task of managing growth and development.

The Board's philosophy on serving the interests of growth and development is two-fold:

1. The District and its ratepayers have already provided the “foundation” for system-wide growth through sound planning, design, and financial practices. This insures that the system's infrastructure meets current and future demands for service.
2. Site-specific growth and development is expected to pay its own way in the expansion of the system's infrastructure to meet growth needs. This “growth pays for growth” policy is recognized and accepted by regulatory authority, cities, and industry professionals as the fairest means by which utilities can meet planned development objectives. It truly represents a “cost-based” formula whereby costs are directly related to their origin.

This philosophy is promulgated through the District's policies and procedures.

As you contemplate your planned venture, we look forward to assisting you in meeting your development goals. Our staff and support-group of industry professionals are ready and able to provide you with the information necessary for the successful evaluation of your water and/or wastewater utility needs. Please review the Non-Standard Service Application packet of information and complete and return the application form along with a preliminary or final plat so that we may begin the process of helping you make your project a success.

Johnson County Special Utility District

Preliminary Instructions

Non-Standard Service is a term which simply means that your request for service is not a standard request. Your service offers the potential for significant additional demands on the Johnson County Special Utility District's water and/or wastewater facilities.

All water/wastewater utilities struggle with meeting regulations for maintaining adequate service capacity. As your proposed project is evaluated, the District concerns itself with its ability to provide the necessary capacity to meet your needs while continuing to provide adequate service to its existing customers. For this reason, the potential impacts on system capacity must be carefully evaluated, priced according to the need to maintain adequate capacity, and constructed to meet local, state, and federal regulations.

The following information is designed to assist you in understanding the policies and procedures associated with meeting the terms and conditions for non-standard service with the District. As well, the application process is designed to assist the District in evaluating your needs. Through careful evaluation, you can be assured that your interests will be adequately served while protecting the District's physical and financial integrity. Through this process, everyone wins.

This application process can be simple or complex, depending on the nature of your service needs. Therefore, it is important to remember that the District is available to assist you in understanding this information. We encourage you to schedule a session with the staff to work through the details of this process. Helping you through this process will save time and money. Please take advantage of this opportunity.

The Non-Standard Service Application Form is provided in this packet. You may copy, complete and return it to the District. The staff can assist you in proper completion of the form, if necessary. The District will date stamp the Application Form upon receipt and return a copy to you for your records if needed. You will also need to provide a copy of the layout or map of your location, development, or facility to be served along with the application form. The District staff will also advise you of the specific requirements regarding the plat. Once you have completed the Application Form and submitted an acceptable plat, the staff will walk you through the rest of the process. Depending on the complexity of your service request, this process may be modified to specifically serve the demands of your project. Be assured that the District will apply the most streamlined process possible while maintaining consistency in policy application.

One final note: Providing water and wastewater services to the public costs money. In many cases, water/wastewater facilities are the single most costly component of projects such as yours. While such projects as yours can prove to be beneficial to the District, the District is not in a position to venture into speculative projects by extending its services for non-standard service applicants. If you are willing to pay your fair share of costs to provide service to your project, the District will do everything in its power to make water/wastewater services cost effective. To this end, we offer our best wishes and support.

NOTICE OF COMPLIANCE FOR LINE EXTENSION POLICY OF JOHNSON COUNTY SPECIAL UTILITY DISTRICT

Pursuant to Chapter 13.2502 of the Texas Water Code, Johnson County Special Utility District (JCSUD) hereby gives notice that any person who subdivides land by dividing any lot, tract or parcel within its service area, described as Certificate of Convenience and Necessity No. 10081, into two or more lots or sites for the purpose of sale or development including re-subdivision of a previously filed and recorded plat, or requests more than two water or sewer service connections on a single contiguous tract of land must comply with Section F of the JCSUD service policy as it addresses the issue of service line extensions.

JCSUD is not required to extend retail water or sewer utility service to an applicant in a subdivision where the developer of the subdivision has failed to comply with the provisions of the service policy.

Applicable requirements concerning service line extensions according to the JCSUD service policy include:

- Evaluation of subdivision impact on water system
- Evaluate design for proposed line extension
- Assess reasonable fees for investigation, engineering, inspection, etc.

Anyone interested in water service provided by JCSUD is encouraged to inquire about details at the office located at 2849 Hwy 171 South, Cleburne, TX. A copy of the service policy or service area map may be obtained at the office. Also, both are filed of record at the Texas Commission on Environmental Quality, c/o Utility Rates and Services Section, Water Utilities Division, PO Box 13087, Austin, TX 78711 for your review.

JCSUD SERVICE POLICY
SECTION F
NON-STANDARD SERVICE
REQUIREMENTS

SECTION F.

DEVELOPER, SUBDIVISION AND NON-STANDARD SERVICE REQUIREMENTS

1. ***District's Limitations.*** All Applicants shall recognize that the District must comply with local, state, and federal rules and regulations as promulgated from time to time, and with covenants of current indebtedness.
2. ***Purpose.*** It is the purpose of this Section to define the process for which the specific terms and conditions for service to subdivisions and other kinds of Non-Standard Service are determined, including the Non-Standard Service Applicant's and the District's respective costs. The Applicant must be the same person or entity that is authorized to enter into a contract with the District setting forth terms and conditions pursuant to which Non-Standard Service will be furnished to a property or subdivision.
3. ***Application of Rules.*** This Section is applicable to subdivisions, additions to subdivisions, developments, or whenever additional service facilities are required for a single tract of property. Examples of non-standard services for a single tract of property include, but are not limited to, road bores and extensions to the distribution system. For the purposes of this Service Policy, Applications subject to this Section shall be defined as Non-Standard. The Board of Directors allows the General Manager or his designee to interpret on an individual basis whether or not the Applicant's service request shall be subject to all or part of the conditions of this Section.

This Section sets forth the general terms and conditions pursuant to which the District will process Non-Standard Service Requests. The specific terms and conditions pursuant to which the District will provide non-standard service in response to any request will depend upon the nature of such request and may be set forth in a legally enforceable, contractual agreement to be entered into by the District and the service Applicant. The agreement may not contain any terms or conditions that conflict with this Section.

4. ***Non-Standard Service Application.*** The Applicant shall meet the following requirements prior to the initiation of a Non-Standard Service Contract by the District:
 - a. The Applicant shall provide the District a completed Service Application and Agreement giving special attention to the item(s) on SPECIAL SERVICE NEEDS OF THE APPLICANT.
 - b. A preliminary or final plat acknowledged by the District must accompany the Application showing the Applicant's requested service area. The plat must ultimately be approved by all governmental authorities exercising jurisdiction over lot sizes, sewage control, drainage, right-of-way, and other service facilities. Plans, specifications, and special requirements of such governmental authorities shall be submitted with the plat. Applicants for single taps involving extension or upsizing of facilities shall be required to submit maps or plans detailing the location of the requested extension and details of demand requirements.
 - c. A Non-Standard Service Investigation Fee shall be paid to the District in accordance with the requirements of Section G for purposes of covering initial administrative, legal, and engineering costs. The District shall refund any balance that remains after it has completed its service investigation, and has completed all legal and engineering services associated with processing a request. In the event such a fee is not sufficient to pay all

expenses incurred by the District, the Applicant shall pay to the District all remaining expenses that have been, or will be incurred by the District and District shall have no obligation to complete processing of the request until all remaining expenses have been paid.

- d. If after the service investigation has been completed, the District determines that the Applicant's service request is for property located, in whole or in part, outside the area described in the District's defined service area, service may be extended provided that:
 - 1) The service location is not in an area receiving similar service from another retail utility;
 - 2) The service location is not within another retail utility's Certificate of Convenience and Necessity; and
 - 3) Where applicable the District's defined service area shall be amended to include the entirety of Applicant's property for which service is requested. Applicant is subject to pay all costs incurred by District for annexation or for amending its CCN, including but not limited to engineering and professional fees. The District may extend service prior to completing the amendment to its CCN, but will do so only upon Applicant's legally enforceable agreement to fully support such amendment (including but not limited to payment of all professional fees, including legal, surveying and engineering fees incurred by District in securing the amendment). If the District determines to annex the property, the applicant shall secure written requests for annexation from all ownership interests in the property to be annexed, and shall pay all costs, including engineering and professional fees for the annexation.
5. **Design.** Upon receipt of the signed Service Application and Investigation Fee, the District shall study the design requirements of the Applicant's required facilities prior to initiation of a Non-Standard Service Contract by adopting the following schedule:
 - a. The Developer is subject to submitting an engineered design and plans for the proposed development. The District maintains the right to have its Engineer to give a cost estimate, design, or review and approve design and/or plans for, all on-site and off-site service facilities for the Applicant's requested service within the District's specifications, incorporating any applicable municipal or other governmental codes and specifications.
 - b. The Engineer providing design and plans shall ensure all facilities for any Applicant meet the demand for service as platted and/or requested in the plans or plat submitted an application for service. The District reserves the right to upgrade design of service facilities to meet future demands provided however, that the District shall participate in such upgrading in excess of the Applicant's facility requirements.
 - c. Extending water line facilities are subject to being installed the full length of the property.
6. **Non-Standard Service Contract.** Applicants requesting or requiring Non-Standard Service may be required to execute the District's Service Application and Agreement. Said agreement shall define the terms of service prior to construction of required service facilities. The service contract may include, but is not limited to:
 - a. All costs associated with required administration, design, construction, and inspection of facilities for water/sewer service to the Applicant's service area and terms by which these costs are to be paid.
 - b. Procedures by which the Applicant shall accept or deny a contractor's bid, thereby committing to continue or discontinue the project.
 - c. Terms by which service capacity shall be reserved for the Applicant and duration of reserved service with respect to the impact the Applicant's service demand will have upon

the District's system capability to meet other service requests, including assessment of any reserved service fee (if applicable).

- d. Terms by which the District shall administer the Applicant's project with respect to:
 - 1) Design of the Applicant's service facilities;
 - 2) Securing and qualifying bids;
 - 3) Execution of the Service Agreement;
 - 4) Selection of a qualified bidder for construction;
 - 5) Dispensing advanced funds for construction of facilities required for the Applicant's service;
 - 6) Inspecting construction of facilities; and
 - 7) Testing facilities and closing the project.
- e. Terms by which the Applicant shall indemnify the District from all third party claims or lawsuits in connection with the project.
- f. Terms by which the Applicant shall deed all constructed facilities to the District and by which the District shall assume operation and maintenance responsibility, including any enforcement of warranties in connection with construction of the Applicant's project.
- g. Terms by which the Applicant shall grant title or easement for right-of-ways, constructed facilities, and facility sites and/or terms by which the Applicant shall provide for the securing of required right-of-ways and sites.
- h. Terms by which the Board of Directors shall review and approve the Service Contract pursuant to current rules, regulations, and bylaws.
- i. Agreement to enforceable remedies in the event applicant fails to comply with all contract obligations, including specific performance.

The District and the Applicant must execute a Non-Standard Service Agreement prior to the initiation of construction of facilities by the Applicant. In the event that the Applicant commences construction of any such facilities prior to execution of said Agreement with the District, then the District may refuse to provide service to the Applicant (or require full costs of replacing/repairing any facilities constructed without prior execution of said Agreement from any person buying a lot or home from Applicant), require that all facilities be uncovered by the Applicant for inspection by the District, require that any facilities not approved by the District be replaced, or take any other lawful action determined appropriate by the Board of Directors of the District.

- 7. ***Property and Right-of-Way Acquisition.*** With regard to construction of facilities, the District shall require right-of-way easements or property dedicated to the District as per the following conditions:
 - a. If the District determines that right-of-way easements or facility sites outside the Applicant's property are required, the Applicant shall secure easements or title to facility sites in behalf of the District. All right-of-way easements and property titles shall be researched, validated, and filed by the District at the expense of the Applicant.
 - b. All costs associated with facilities that must be installed in public right-of-ways on behalf of the Applicant, due to the inability of the Applicant to secure private right-of-way easements, shall be paid by the Applicant. Alternatively, Applicant shall pay all costs, including legal and other professional fees and the condemnation award in the event District secures such private easements or facility sites through eminent domain proceedings.
 - c. The District shall require an exclusive dedicated right-of-way on the Applicant's property (as required by the size of the planned facilities and as determined by the District) and

title to property required for other on-site facilities.

- d. Easements and facilities sites shall be prepared for the construction of the District's pipeline and facility installations in accordance with the District's requirements and at the expense of the Applicant.
8. ***Bids for Construction.*** The Developer's Engineer is subject to advertise for bids for the construction of the Applicant's proposed facilities in accordance with generally accepted practices. Plans and specifications shall be made available, with or without charge, to prospective bidders. The District reserves the right to reject any bid or contractor. The contract is generally awarded to the lowest and best bidder, and subject to the following criteria:
- a. The Applicant shall sign the Service Contract noting willingness to proceed with the project and shall pay all costs in advance of construction associated with the project;
 - b. The Contractor shall provide an adequate bid bond under terms acceptable to the District;
 - c. The Contractor shall secure adequate performance and payment bonding for the project under terms acceptable to the District;
 - d. The Contractor shall supply favorable references acceptable to the District;
 - e. The Contractor shall qualify with the District as competent to complete the work; and
 - f. The Contractor shall provide adequate certificates of insurance as required by the District.
9. ***Pre-Payment for Construction and Service.*** After the Applicant has executed the Service Agreement, the Applicant is subject to pay to the District all costs necessary for completion of the project prior to construction and in accordance with the terms of the Non-Standard Service Contract.
10. ***Construction.***
- a. All roadwork pursuant to state, county and/or municipal standards (as applicable) shall be completed prior to facility construction to avoid future problems resulting from road right-of-way completion and excavation. Subject to approval of the requisite authority, road sleeves may be installed prior to road construction to avoid road damage during construction of Applicant's facilities.
 - b. The District shall, at the expense of the Applicant, inspect the facilities to ensure compliance with District standards.
 - c. Construction plans and specifications shall be strictly adhered to, but the District reserves the right to change-order any specifications, due to unforeseen circumstances during the design phase, to better facilitate construction or operation of the Applicant's facility. All change-order amounts shall be charged to the Applicant.
11. ***Service within Subdivisions.*** The District's objective to provide service to any customer located within a subdivision governed by this section is strictly limited to the nonstandard service specified by the Applicant. The District is not required to extend retail utility service to an Applicant in a subdivision where the responsible party (Applicant/Developer) of the applicable property (subdivision) has failed to comply with the terms of this Service Policy. The Applicant is responsible for paying for all costs necessary for non-standard service to a subdivision as determined by the District under the provisions of this Service Policy and specifically the provisions of this Section; if the Applicant fails to pay these costs, the District

has the right to require payment of these costs by any one or more of the persons purchasing lots within such subdivision before the District is obligated to provide water/sewer service. In addition, District may elect to pursue any remedies provided by the Non-Standard Service Contract. Applicant is advised that purchasers of lots also may have legal recourse to the Applicant under Texas law.

12. Fire Hydrant Installation Request. All requests for fire hydrant installation must be provided in writing to JCSUD. JCSUD reserves the right to determine “good cause” for approving such requests. Fire hydrants will only be installed by JCSUD or their designated installer. All costs for materials and labor will be paid in advance by the requestor. Upon completion of installation, fire hydrant will become the property of JCSUD. This policy will be reviewed and updated as required.

13. Portable Meter Request. All requests for the use of portable meters that attach to fire hydrants for “quick-fill” needs shall be by written application. Portable meters are issued for the temporary use primarily during construction projects. These meters are not intended for use as an alternate source for water service to a single location on a continuous or regular basis as would be appropriately served according to the provisions of standard service. Approved applicants will furnish a deposit for the use of a portable meter if needed. The portable meter issued will remain the property of JCSUD. Upon return, any damage to the equipment will be grounds for retaining a reasonable portion of the deposit to cover the cost of repair.

14. Pro-rata Reimbursement and Associated Fees. The District may from time to time enter into a pro-rata reimbursement agreement with a developer or applicant for remitting payment due to future connections that come onto the water utility line extended and funded by the developer/applicant.

- a. The developer/applicant (or “Constructing Applicant”) contemplating a line extension project is required to fund the construction of off-site facilities to the District’s utility system;
- b. The District will determine the facility needs and the total connections on the Project line to be extended. This also corresponds to the number of pro-rata fees to be collected and used to determine the reimbursement amount to the Constructing Applicant;
- c. The District shall assess a four percent administrative fee for each pro-rata fee collected from subsequent connecting applicants, which shall be deducted from the pro-rata reimbursement before remittance to the Constructing Applicant;
- d. The Pro-rata Reimbursement Agreement shall contain the following items:
 - 1) The term of the agreement shall not exceed seven years;
 - 2) Given that a single residential-type meter is applicable, the cost may be calculated based on extending a 2 inch water line (the District reserves the right to fund the over sizing of the line);

- 3) The total of reimbursements shall not be for more than 80 percent of the project cost for the off-site improvements; and
- 4) The pro-rata fee is the amount to be collected from future connections coming onto the Project line originally funded by the Constructing Applicant. This fee shall be based on an appropriate formula as determined at the onset of the Project by the District on a case by case basis. The following of which would be a likely scenario:

$$\text{Pro-rata fee} = [\text{PC} - (\text{PC}/\text{TC})] \div (\text{TC} - 1)$$

Where: PC is the project cost to the Constructing Applicant;
and TC is the total connections on the Project line.

EXAMPLE: Project Cost = \$14,000 Total Connections on Project = 5

$$\text{Then: } \frac{\$14,000 - (14,000 \div 5)}{5 - 1} = \frac{\$14,000 - 2,800}{4} =$$

\$2,800

Pro-rata fee = \$2,800