

RESOLUTION OF THE BOARD OF DIRECTORS OF CREEDMOOR-MAHA WATER SUPPLY CORPORATION AMENDING SECTION G OF ITS TARIFF, RELATING TO PENALTIES FOR VIOLATION OF WATER CONSERVATION PRACTICES

WHEREAS, Creedmoor-Maha Water Supply Corporation (the “Corporation”) is a non-profit, member-owned water supply corporation organized under article 1434a, Vernon’s Texas Civil Statutes, and operating pursuant to Chapter 67 of the Texas Water Code;

WHEREAS, Texas Water Code § 13.136(c) requires a water supply corporation to adopt and file a tariff with the Public Utility Commission of Texas (the “Commission”) containing the Corporation’s effective rates, rules, service policies, and regulations relating to or affecting the retail water utility service furnished by the Corporation to the public;

WHEREAS, the Board of Directors (the “Board”) of the Corporation has previously adopted a Tariff (“Tariff”) which was most recently amended on June 17, 2020;

WHEREAS, drought conditions in Texas have continuously worsened over the past several years, and wholesale water providers are limiting supplies and imposing more penalties for excess usage;

WHEREAS, the Board endeavors to make revisions to the Tariff to encourage water conservation and compliance with drought condition limitations;

WHEREAS, the Board, at its June 21, 2023 regular meeting, voted to approve the revision of its penalties for water conservation violations during drought conditions and other water conservation-causing events; and

WHEREAS, the Board finds that it is in the best interests of the Corporation and its members to amend portions of Section G of the Tariff relating to penalties for the violation of water conservation practices, to formally memorialize and implement the fine, as set forth below.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF CREEDMOOR-MAHA WATER SUPPLY CORPORATION THAT:

Section 1. **Findings Incorporated.** The above findings and recitals are incorporated into the body of this Resolution for all purposes as if set forth herein verbatim.

Section 2. **Amending Subsection G.24 of Tariff.** Section G, Subsection 24 of the Tariff, relating to penalties for violation of water conservation practices, is hereby amended and replaced in its entirety as set forth in Exhibit A, attached to this Resolution and incorporated herein by reference for all purposes.

Section 3. **Savings/Conflicts.** The Tariff adopted by the Board, and effective on June 17, 2020, shall remain in full force and effect except as amended by this Resolution or any other resolution in the future. All resolutions or the provisions of any resolution in conflict with this

Resolution are hereby repealed and any remaining portions of such resolutions that are not in conflict with this Resolution shall remain in full force and effect.


Section 4. Severability. Should any section, subsection, sentence, clause, or phrase of this Resolution be declared unconstitutional or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Resolution shall remain in full force and effect. The Corporation hereby declares that it would have passed this Resolution, and each section, subsection, clause or phrase thereof irrespective of that fact that any one or more sections, subsections, sentences, clauses and phrases be declared unconstitutional or invalid.

Section 5. State Filing Directive. The General Manager of the Corporation is hereby directed to file a copy of this amended Tariff with the Commission in accordance with its rules and regulations.

Section 6. Effective Date. The effective date of these Tariff revisions and all rate and fee changes herein shall be June 22, 2023.


PASSED and APPROVED on this the 21st day of June, 2023, by the Board of Directors of Creedmoor-Maha Water Supply Corporation.

[SEAL]



Carl Urban, President, Board of Directors
Creedmoor-Maha Water Supply Corporation

ATTEST:



Rebecca Richards, Secretary/Treasurer, Board of Directors
Creedmoor-Maha Water Supply Corporation

Exhibit A
Amended Tariff Provisions

1. Section G, Subsection 24 of the Tariff, relating to penalties for violation of water conservation practices, is hereby amended and replaced in its entirety with the following:

“24. Penalties for Violation of Water Conservation Practices. House Bill 1152 (78 Legislature Regular Session, 2003) empowered water supply corporations to enforce Customer water conservation practices by assessing reasonable penalties under the utilities’ tariffs. Pursuant to this bill, the Corporation adopts the following penalties for violations of noticed water conservation practices and water rationing restrictions.

A violation has occurred if a Member exceeds his or her previous year’s twelve (12) month average monthly water usage by thirty percent (30%) or more in a single billing cycle during Stage II through IV droughts as determined by the Barton Springs/Edwards Aquifer Conservation District.

Each time all involuntary water use restrictions are lifted, a new cycle begins and each Customer has a violation count of zero (0).

The penalty structure is as follows:

First Violation: Written warning will be sent by the Corporation to the violating property owner and to the member. Warning will include: 1) an explanation describing the violation; 2) the requirements for compliance; and 3) a description of the penalties for failure to comply.

Second Violation: Up to \$100.00 penalty.

Each Subsequent Violation: Up to \$100.00 plus an additional penalty in an amount equal to the water usage rate calculated at the maximum rate for the highest water usage.

For Example: If a member’s previous calendar year’s average monthly water use was 5000 gallons/month, a violation would occur if that member’s one-month water usage exceeded 6500 gallons. If that member committed a third violation in the same declared drought condition period, the penalty for that violation would be up to \$100 plus \$22.90 per 1000 gallons in excess of 6500 gallons.