

RAYFORD ROAD MUNICIPAL UTILITY DISTRICT

**ORDER ADOPTING WATER CONSERVATION PLAN AND PROVIDING FOR
IMPLEMENTATION AND ENFORCEMENT THEREOF**

The Board of Directors (“Board”) of Rayford Road Municipal Utility District (“District”) met at the Board’s regular meeting place on April 13, 2015, with a quorum of Directors present, as follows:

Jon Vallery, President
Frank Moore, Vice President
Brendon Keith, Secretary
Paul W. All, Director

and the following absent.

Michael Smith, Assistant Secretary

when the following business was transacted:

The order set out below (“Order”) was introduced and considered by the Board. It was then moved, seconded and unanimously carried that the following Order be adopted.

WHEREAS, the Board of Directors of Rayford Road Municipal Utility District has carefully considered the current water conditions in the District and area-wide and has determined that the adoption of this Water Conservation Plan (the “Plan”) by the District is necessary to ensure that an adequate supply of water is maintained; and

WHEREAS, the Board of Directors of the District desires to evidence its approval of this Plan and to adopt such Plan as the official policy of the District.

NOW, THEREFORE, BE IT ORDERED BY THE BOARD OF DIRECTORS OF RAYFORD ROAD MUNICIPAL UTILITY DISTRICT THAT:

Section 1. Approval of the Plan. The Board of Directors of the District hereby approves and adopts this Plan as set forth in this Order, and the provisions of such Plan shall be implemented immediately and enforced as rules of the District.

Section 2. Declaration of Policy, Purpose and Intent. The purpose of the Plan is to promote the efficient and responsible use of water by (1) implementing structural programs that result in quantifiable water conservation results, (2) developing, maintaining and enforcing water conservation policies, (3) adhering to all applicable rules of the Texas Commission on Environmental Quality and/or the Texas Water Development Board and (4) supporting public education programs that educate customers about water and wastewater facilities operations, water quantity and quality, water conservation and non-point source protection.

Section 3. Service Area. Profile data prepared in accordance with the Texas Water Use Methodology for the District is provided in Appendix "A". Appendix "A" includes data on the District's service area, including population and customer data, water use data, water supply system data and wastewater system data. Water use data includes total gallons per capita per day and total residential gallons per capita per day. Appendix "A" shall hereafter be updated at least once every five years.

Section 4. Five-year and Ten-year Targets. The District shall use reasonable efforts to reduce water loss and municipal use of water. In doing so, the District has identified the following goals for water savings:

- A. Five-year Target: Within five (5) years of the date hereof, the District shall attempt to reduce the average daily municipal use of water in the District's service area by 6 gallons per capita per day ("gpcd") and to keep the unaccounted water in the system below 5% annually.

- B. Ten-year Target: Within ten (10) years of the date hereof, the District shall attempt to reduce the average municipal use of water in the District's service area by 5 gpcd and to keep the unaccounted water in the system below 4% annually.

Notwithstanding the targets identified above, the District shall not be obligated to achieve any water savings in its service area, and the District's failure to do so shall not subject the District to any liability whatsoever.

Section 5. Metering Devices. The District will implement a plan of universal metering of all water delivered by the District, and all such metering devices will be tested, calibrated, repaired, and/or replaced regularly to ensure reasonable accuracy.

Section 6. Unaccounted Water Usage. The District authorizes the District's operator to implement any reasonable program to determine unaccounted uses of water and to make recommendations to the District regarding measures to control such unaccounted uses of water. Such measures may include periodic visual inspections along distribution lines, annual or monthly audits of the water system to determine illegal connections, and investigation of abandoned service connections. The District's operator shall also establish a program of leak detection, repair, and water loss accounting for the water storage, delivery, and distribution system in order to control unaccounted uses of water.

Section 7. Continuing Public Education and Information. The District hereby institutes an educational program, to be implemented immediately, to promote the Plan by the general public which may include any of the following:

- A. Publications of articles in a newspaper or newsletter of general circulation in the District's service area, providing information regarding water conservation;
- B. Direct distributions to all customers of the District of educational and informational material regarding water conservation; and
- C. Additional educational activities consisting of: (i) conducting an informational school program in a school attended by students within the District's service area, or (ii) conducting an educational program for users at a public place within or accessible to residents within the service area of the District, or (iii) conducting or engaging in such other informational or educational activity designed to further water conservation measures as, in the discretion of the Board of Directors, may be consistent with the purposes and policies of this Plan, or (iv) any combination of the foregoing.

Section 8. Cost-based Rate Structure. The District hereby acknowledges that it has adopted an increasing block water rate structure, as reflected in Sections 4.1 through 4.7 of its Rate Order adopted September 8, 2014 (attached hereto as Appendix "B"), that is intended to encourage water conservation and discourage excessive use and waste of water.

Section 9. Reservoir Systems Operations Plan. The District does not own any reservoirs within a common watershed or river basin and is not required to establish a reservoir systems operation plan.

Section 10. Implementation and Enforcement. Without limitation to specific actions stated in this Plan to be taken by the District's operator, the District's operator will

administer and enforce this Plan, and will oversee and be responsible for the execution and implementation of all elements of this Plan. The operator shall report to the Board of the District at meetings of the Board regarding actions taken and actions that need to be taken under this Plan.

Section 11. Record Management. The District authorizes the District's operator to establish a record management system to record water pumped, water delivery, water sales, and water losses, and which allows for the segregation of water sales and uses into residential, commercial, public and institutional, industrial, agricultural, and wholesale user classes.

Section 12. Wholesale Water Customers. The District shall require that each successive wholesale customer develop and implement a water conservation plan or water conservation measures in compliance with all applicable rules of the Texas Commission on Environmental Quality. This requirement will also extend to each successive wholesale customer in the resale of water.

Section 13. Five-year Review. The District shall review and update the Plan every five years, or more frequently, as appropriate, based on an assessment of previous five-year and ten-year targets and any other new or updated information.

Section 14. Coordination with Regional Water Planning Group. The service area of the District is located within the Region H Regional Water Planning Area, and the District has provided or will provide a copy of this water conservation plan to the Region H Regional Water Planning Group and the San Jacinto River Authority.

Section 15. Effective Date. This Order shall become effective on April 13, 2015 and as further provided herein.

Passed, ordered and approved, this April 13, 2015.

JON VALLERY

ATTEST:

President

BRENDON KEITH

Secretary

Appendix A

Utility Profile
TWDB Form No. 1965 - R
Revised on 4/1/14



UTILITY PROFILE FOR RETAIL WATER SUPPLIER

Fill out this form as completely as possible.
If a field does not apply to your entity, leave it blank.

CONTACT INFORMATION

Name of Utility: Rayford Road MUD

Public Water Supply Identification Number (PWS ID): 1700334

Certificate of Convenience and Necessity (CCN) Number: P0428

Surface Water Right ID Number: _____

Wastewater ID Number: TX0078263

Completed By: Keith Arrant Title: Operator for the District

Address: 2727 Allen Parkway, Suite 1100 City: Houston Zip Code: 77019

Email: karrant@municipalops.com Telephone Number: 281-367-5511

Date: 3/9/2015

Regional Water Planning Group: H Map

Groundwater Conservation District: LSGWD Map

Check all that apply:

- Received financial assistance of \$500,000 or more from TWDB
- Have 3,300 or more retail connections
- Have a surface water right with TCEQ

Section I: Utility Data

A. Population and Service Area Data

- Current service area size in square miles: 2
 (Attach or email a copy of the service area map.)
- Provide historical service area population for the previous five years, starting with the most current year.

Year	Historical Population Served By Retail Water Service	Historical Population Served By Wholesale Water Service	Historical Population Served By Wastewater Service
2014	11,445	0	11,445
2013	11,445	0	11,445
2012	11,442	0	11,442
2011	11,418	0	11,418
2010	11,322	0	11,322

- Provide the projected service area population for the following decades.

Year	Projected Population Served By Retail Water Service	Projected Population Served By Wholesale Water Service	Projected Population Served By Wastewater Service
2020	11,445	0	11,445
2030	11,445	0	11,445
2040	11,445	0	11,445
2050	11,445	0	11,445
2060	11,445	0	11,445

- Describe the source(s)/method(s) for estimating current and projected populations.

Current population is based on connection count x 3. Rayford is built out, population should stay roughly the same.

D. Projected Demands

1. Estimate the water supply requirements for the next ten years using population trends, historical water use, economic growth, etc.

Year	Population	Water Demands (gallons)
2015	11,445	584,839,500
2016	11,445	584,839,500
2017	11,445	584,839,500
2018	11,445	584,839,500
2019	11,445	584,839,500
2020	11,445	584,839,500
2021	11,445	584,839,500
2022	11,445	584,839,500
2022	11,445	584,839,500
2023	11,445	584,839,500

2. Describe sources of data and how projected water demands were determined. Attach additional sheets if necessary.

Rayford is built out, estimating that population will remain the same and each connection will consume 0.420 mgd

E. High Volume Customers

- List the annual water use, in gallons, for the five highest volume **RETAIL** customers. Select one of the following water use categories to describe the customer; choose Residential, Industrial, Commercial, Institutional, or Agricultural.

Retail Customer	Water Use Category*	Annual Water Use	Treated or Raw
Rayford Rd. Inv	Commercial	2,058,000	Treated
Kroger	Commercial	1,995,000	Treated
Conroe ISD	Institutional	1,659,000	Treated
Imperial Oaks Park	Institutional	1,587,000	Treated
Imperial Oaks Park	Institutional	1,495,000	Treated

*For definitions on recommended customer categories for classifying customer water use, refer to the online [Guidance and Methodology for Reporting on Water Conservation and Water Use](#).

- If applicable, list the annual water use for the five highest volume **WHOLESALE** customers. Select one of the following water use categories to describe the customer; choose Municipal, Industrial, Commercial, Institutional, or Agricultural.

Wholesale Customer	Water Use Category*	Annual Water Use	Treated or Raw
MC 99	Municipal	39,000,000	Treated
	Choose One		Choose One
	Choose One		Choose One
	Choose One		Choose One
	Choose One		Choose One

*For definitions on recommended customer categories for classifying customer water use, refer to the online [Guidance and Methodology for Reporting on Water Conservation and Water Use](#).

F. Utility Data Comment Section

Provide additional comments about utility data below.

Section II: System Data

A. Retail Connections

1. List the active retail connections by major water use category.

Water Use Category*	Active Retail Connections			
	Metered	Unmetered	Total Connections	Percent of Total Connections
Residential – Single Family	3,634	0	3,634	95%
Residential – Multi-family (units)	0	0	0	0%
Industrial	0	0	0	0%
Commercial	12	0	12	0%
Institutional	169	0	169	4%
Agricultural	0	0	0	0%
TOTAL	3,815	0	3,815	

*For definitions on recommended customer categories for classifying customer water use, refer to the online [Guidance and Methodology for Reporting on Water Conservation and Water Use](#).

2. List the net number of new retail connections by water use category for the previous five years.

Water Use Category*	Net Number of New Retail Connections				
	2014	2013	2012	2011	2010
Residential – Single Family	0	1	7	25	14
Residential – Multi-family (units)	0	0	0	0	0
Industrial	0	0	0	0	0
Commercial	0	0	1	1	0
Institutional	0	5	1	3	1
Agricultural	0	0	0	0	0
TOTAL	0	6	9	29	15

*For definitions on recommended customer categories for classifying customer water use, refer to the online [Guidance and Methodology for Reporting on Water Conservation and Water Use](#).

B. Accounting Data

For the previous five years, enter the number of gallons of RETAIL water provided in each major water use category.

Water Use Category*	Total Gallons of Retail Water				
	2014	2013	2012	2011	2010
Residential - Single Family	350,590,000	400,814,000	416,098,000	501,366,000	400,039,000
Residential - Multi-family	0	0	0	0	0
Industrial	0	0	0	0	0
Commercial	6,726,000	6,517,000	5,704,000	6,093,000	5,160,000
Institutional	39,897,000	36,301,000	40,396,000	42,469,000	50,934,000
Agricultural	0	0	0	0	0
TOTAL	397,213,000	443,632,000	462,198,000	549,928,000	456,133,000

*For definitions on recommended customer categories for classifying customer water use, refer to the online [Guidance and Methodology for Reporting on Water Conservation and Water Use](#).

C. Residential Water Use

For the previous five years, enter the residential GPCD for single family and multi-family units.

Water Use Category*	Residential GPCD				
	2014	2013	2012	2011	2010
Residential - Single Family	88	101	105	127	102
Residential - Multi-family	0	0	0	0	0

D. Annual and Seasonal Water Use

1. For the previous five years, enter the gallons of treated water provided to RETAIL customers.

Month	Total Gallons of Treated Retail Water				
	2014	2013	2012	2011	2010
January	23,512,000	28,724,000	26,536,000	28,840,000	25,977,000
February	21,116,000	26,162,000	26,365,000	25,752,000	25,302,000
March	28,284,000	26,536,000	22,615,000	27,932,000	23,504,000
April	51,653,000	40,006,000	35,298,000	47,842,000	36,896,000
May	62,567,000	40,283,000	46,724,000	63,394,000	46,668,000
June	41,509,000	53,589,000	59,098,000	74,504,000	48,209,000
July	42,958,000	67,340,000	57,254,000	56,373,000	45,340,000
August	50,864,000	56,328,000	49,752,000	65,694,000	54,823,000
September	45,216,000	56,755,000	70,952,000	73,424,000	55,262,000
October	36,922,000	42,613,000	47,722,000	50,295,000	50,255,000
November	30,590,000	31,865,000	39,572,000	42,068,000	44,323,000
December	22,961,000	24,439,000	37,624,000	29,773,000	31,275,000
TOTAL	458,152,000	494,640,000	519,512,000	585,891,000	487,834,000

2. For the previous five years, enter the gallons of raw water provided to RETAIL customers.

Month	Total Gallons of Raw Retail Water				
	2014	2013	2012	2011	2010
January					
February					
March					
April					
May					
June					
July					
August					
September					
October					
November					
December					
TOTAL	0	0	0	0	0

3. Summary of seasonal and annual water use.

Water Use	Seasonal and Annual Water Use					Average in Gallons
	2014	2013	2012	2011	2010	
Summer Retail (Treated + Raw)	135,331,000	177,257,000	166,104,000	196,571,000	148,372,000	164,727,000 5yr Average
TOTAL Retail (Treated + Raw)	458,152,000	494,640,000	519,512,000	585,891,000	487,834,000	509,205,800 5yr Average

E. Water Loss

Provide Water Loss data for the previous five years.

Water Loss GPCD = [Total Water Loss in Gallons ÷ Permanent Population Served] ÷ 365

Water Loss Percentage = [Total Water Loss ÷ Total System Input] x 100

Year	Total Water Loss in Gallons	Water Loss in GPCD	Water Loss as a Percentage
2014	16,973,000	4	4%
2013	35,923,000	9	7%
2012	37,764,000	9	7%
2011	17,951,000	4	3%
2010	18,451,000	4	4%
5-year average	25,412,400	6	5%

F. Peak Water Use

Provide the Average Daily Water Use and Peak Day Water Use for the previous five years.

Year	Average Daily Use (gal)	Peak Day Use (gal)	Ratio (peak/avg)
2014	1,255,000	2,935,000	2.34
2013	1,355,000	3,268,000	2.41
2012	1,423,000	3,287,000	2.31
2011	1,605,000	2,992,000	1.88
2010	1,336,000	2,534,000	1.90

G. Summary of Historic Water Use

Water Use Category	Historic 5-year Average	Percent of Connections	Percent of Water Use
Residential SF	413,781,400	95%	0%
Residential MF	0	0%	0%
Industrial	0	0%	0%
Commercial	6,040,000	0%	0%
Institutional	41,999,400	4%	0%
Agricultural	0	0%	0%

H. System Data Comment Section

Provide additional comments about system data below.

Section III: Wastewater System Data

If you do not provide wastewater system services then you have completed the Utility Profile. Save and Print this form to submit with your Plan. Continue with the Water Conservation Plan Checklist to complete your Water Conservation Plan.

A. Wastewater System Data (Attach a description of your wastewater system.)

- Design capacity of wastewater treatment plant(s): 950,000 gallons per day.
- List the active wastewater connections by major water use category.

Water Use Category*	Active Wastewater Connections			
	Metered	Unmetered	Total Connections	Percent of Total Connections
Municipal	3,634	0	3,634	100%
Industrial	0	0	0	0%
Commercial	12	0	12	0%
Institutional	1	0	1	0%
Agricultural	0	0	0	0%
TOTAL	3,647	0	3,647	

- What percent of water is serviced by the wastewater system? 100 %
- For the previous five years, enter the number of gallons of wastewater that was treated by the utility.

Month	Total Gallons of Treated Wastewater				
	2014	2013	2012	2011	2010
January	22,955,000	21,550,000	22,198,000	24,565,000	22,089,000
February	20,649,000	18,965,000	20,791,000	23,000,000	20,795,000
March	22,681,000	20,854,000	21,667,000	20,102,000	20,829,000
April	21,370,000	22,894,000	20,290,000	19,495,000	19,034,000
May	24,173,000	23,035,000	20,854,000	20,949,000	20,829,000
June	22,907,000	21,823,000	20,492,000	19,881,000	19,865,000
July	22,587,000	22,712,000	22,912,000	20,560,000	22,184,000
August	23,205,000	23,235,000	21,479,000	21,101,000	20,490,000
September	23,434,000	23,666,000	20,408,000	19,361,000	20,840,000
October	22,634,000	24,829,000	20,827,000	20,761,000	19,472,000
November	21,945,000	22,150,000	19,860,000	20,760,000	19,991,000
December	23,497,000	23,121,000	20,601,000	21,535,000	20,748,000
TOTAL	271,937,000	268,834,000	252,379,000	252,070,000	247,166,000

4. Can treated wastewater be substituted for potable water?
 Yes No

B. Reuse Data

1. Provide data on the types of recycling and reuse activities implemented during the current reporting period.

Type of Reuse	Total Annual Volume (in gallons)
On-site irrigation	
Plant wash down	900,000
Chlorination/de-chlorination	900,000
Industrial	
Landscape irrigation (parks, golf courses)	
Agricultural	
Discharge to surface water	
Evaporation pond	
Other	
TOTAL	1,800,000

C. Wastewater System Data Comment

Provide additional comments about wastewater system data below.

You have completed the Utility Profile. Save and Print this form to submit with your Plan. Continue with the Water Conservation Plan Checklist to complete your Water Conservation Plan.

Appendix "B"

Sections 4.1 through 4.7 of Rate Order adopted September 8, 2014

Section 4.1 Monthly rates for residential water service

a) *The following rates per month shall be charged for water service furnished by the District through meters to each separate connection in every instance in which a different charge is not expressly and clearly provided for elsewhere herein:*

For first 6,000 gallons of water used *\$14.50*

*For each 1,000 gallons of water used
between 6,001 and 12,000 gallons* *\$1.65*

*For each 1,000 gallons of water used between
12,001 and 22,000 gallons* *\$2.25*

*For each 1,000 gallons of water used between
22,001 and 32,000 gallons* *\$3.00*

*For each 1,000 gallons of water used between
32,001 and 42,000 gallons* *\$3.50*

*For each 1,000 gallons of water used in
excess of 42,000* *\$3.75*

b) *The minimum monthly charge shall be \$14.50 for which 6,000 gallons of water may be used. Until a meter is installed, the minimum amount shall be charged each month.*

c) *The rates provided in a) above for water service shall be applicable to each occupied apartment within an apartment project; provided, however, that water to an apartment project may be furnished through a master meter and the rate per unit calculated by dividing the total number of gallons furnished during the month by the number of units therein occupied during that month; provided, however, that when a project's occupancy has reached 85% of capacity, and at all times thereafter, the operator shall calculate the amount due for an apartment project using a master meter on 85% of occupancy; that is, using the following formula:*

$$\frac{\text{Total number of gallons used}}{\text{Total number of units in project}} \times 85\%$$

Section 4.2 Monthly rates for residential waste collection and disposal service

a) The following rates per month shall be charged for residential waste collection and disposal service furnished by the District in every instance in which a different charge is not expressly and clearly provided for herein:

<i>Up to 6,000 gallons of water used</i>	<i>\$26.70</i>
<i>Over 6,000 gallons of water used per 1,000 gallons</i>	<i>\$1.25</i>

The minimum monthly charge shall be \$26.70. Until a meter is installed, the minimum amount shall be charged each month.

b) The following rates per month shall be charged for residential waste collection and disposal service furnished by the District for consumers over the age of 65 and/or disabled.

<i>Up to 6,000 gallons of water used</i>	<i>\$25.00</i>
<i>Over 6,000 gallons of water used per 1,000 gallons</i>	<i>\$1.25</i>

The minimum monthly charge for consumers over the age of 65 and/or disabled shall be \$25.00. Until a meter is installed, the minimum amount shall be charged each month.

c) The following monthly rate shall be charged for sewer service only to apartment projects:

<i>For each apartment unit:</i>	<i>\$9.00</i>
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Section 4.3 Monthly rates for commercial water service

a) The following rates per month shall be charged for commercial water service furnished by the District in every instance in which a different charge is not expressly and clearly provided for elsewhere herein:

<i>For first 2,000 gallons of water used</i>	<i>\$23.85</i>
<i>For each 1,000 gallons of water used between 2,001 and 10,000 gallons</i>	<i>\$2.30</i>
<i>For each 1,000 gallons of water used in excess of 10,000 gallons</i>	<i>\$3.75</i>

b) *The minimum monthly charge shall be \$23.85 for which 2,000 gallons of water may be used. Until a meter is installed, the minimum amount shall be charged each month.*

Section 4.4. Monthly rates for commercial sewer service

a) *The following rates per month shall be charged for commercial sewer service furnished by the District in every instance in which a different charge is not expressly and clearly provided for herein:*

<i>Up to 2,000 gallons of water used</i>	<i>\$13.50</i>
<i>Over 2,000 gallons of water used per 1,000 gallons</i>	<i>\$2.00</i>

b) *The minimum monthly charge shall be \$13.50. Until a meter is installed, the minimum amount shall be charged each month.*

Section 4.5. Community Consumer rates

The following rates shall be charged for water and sewer service to Community Consumers furnished by the District in every instance in which a different charge is not expressly and clearly provided for herein:

a) <i>For first 6,000 gallons of water used</i>	<i>\$14.50 (minimum)</i>
<i>For each 1,000 gallons of water used between 6,001 and 50,000 gallons</i>	<i>\$1.00</i>
<i>For each 1,000 gallons of water used between 50,001 and 100,000 gallons</i>	<i>\$1 65</i>
<i>For each 1,000 gallons of water used between 100,001 and 150,000 gallons</i>	<i>\$1 90</i>
<i>For each 1,000 gallons of water used in excess of 150,000</i>	<i>\$2.25</i>
b) <i>For monthly water service provided to a swimming pool:</i>	
<i>For first 6,000 gallons of water used</i>	<i>\$10.00</i>
<i>For each 1,000 gallons of water used in excess of 6,000 gallons</i>	<i>\$0.65</i>

- c) *For monthly sewer service provided to a swimming pool: \$10.00 per month*
- d) *In addition to such rates, Community Consumers shall be charged rates as provided in Sections 4.12 and 4.13 of this Order.*

Section 4.6 Irrigation Consumer rates

- a) *The following rates shall be charged to Irrigation Consumers for irrigation water service through each separate meter: The rates provided in Sections 4.1a), 4.12 and 4.13 of this Order.*
- b) *The minimum monthly charge shall be the charge established in Section 4 1b)*

above

Section 4.7. Monthly rates to builders for water and sewer service to unoccupied residences

The following rates shall be charged to builders for water and sewer service to unoccupied residences connected to the District's system: \$19.00 per month.

I, the undersigned Secretary of the board of directors of Rayford Road Municipal Utility District, hereby certify that the foregoing is a true and correct copy of the order adopting water conservation plan and minute entry showing its adoption at the Board's regular meeting held on April 13, 2015, the originals of which order and minute entry are on file in the minute book of the Board in the District's office.

I further certify that said meeting was open to the public and that notice thereof was posted in compliance with the provisions of Tex. Gov't. Code Ann. § 551.001 et seq.

Witness my hand and the seal of said District, this 4-13-2015.


Secretary

