

**APPENDIX D**  
**POLICIES AND PROCEDURES**  
**RELATED TO**  
**APPLICATIONS FOR WATER AND SEWER SERVICE,**  
**ANNEXATIONS, UTILITY COMMITMENTS AND OTHER REQUESTS**

The policies and procedures set forth below supplement the provisions set forth in the District's Amended and Restated Rules and Regulations Governing Water and Sanitary Sewer Facilities, Service Lines, and Connections regarding applications for service.

Any person requesting water or sewer service or other information from the District or its consultants must follow the policies and procedures set forth below.

The Application attached hereto as Exhibit 1, along with a deposit in the amount set forth below made payable to the District, should be completed and submitted to the District's engineer or the District's attorney. The deposit applicable to each type of request is as follows:

- |    |                                     |          |
|----|-------------------------------------|----------|
| 1. | <u>Annexation Requests:</u>         | \$10,000 |
| 2. | <u>Utility Commitment Requests:</u> | \$ 1,500 |
| 3. | <u>All Other Requests:</u>          | \$ 2,500 |

Upon receipt of the attached Application and the deposit, the engineer or attorney shall present the request to the Board of Directors of the District and obtain authorization for the District's consultants to begin the evaluation of the request. The Applicant will be notified of the time and place of the District's meeting at which the request will be discussed. The Applicant's attendance at the Board meeting is required to answer questions.

The deposit will be used to cover the expenses incurred by the District for the preliminary evaluation of the request by the consultants. The Board of Directors reserves the right to request additional deposit monies from the Applicant should the initial deposit not be sufficient to cover anticipated consultant costs during the review. If additional monies are not produced when requested, then all review work will be stopped and the application will become null and void upon ten (10) days written notice to the Applicant. Upon completion of the review by the District, any remaining portion of the deposit will be returned to the Applicant, except as otherwise provided in the utility commitment or other formal agreement issued by the Board.

Other pertinent facts and information the Applicant must be willing to agree to are listed below:

The Board of Directors has adopted the following policies for the purpose of providing water and sewer service for growth and development within the District in a uniform and nondiscriminatory manner. These policies and procedures shall apply uniformly throughout the District for any new or additional development:

1. Any party requesting service from the District shall be required to submit an Application to the Board of Directors for consideration. The Application shall be signed by the owner of the property for which service is requested.

2. Utility commitments shall not be issued on a long-term basis (i.e., generally no more than two (2) years).

3. Applications are non-transferrable, provided, however, that prospective buyers may jointly apply for service with the owner of the property.

4. Applications shall not be considered for property with delinquent taxes or other fees owed to the District.

5. No construction will begin on any improvements covered under a utility commitment or other formal agreement signed by the Board until the Applicant's construction drawings have been reviewed and approved by the engineer for the District.

6. No construction may begin on any improvements until all fees required by the District have been paid.

7. All conditions set forth in a utility commitment, including construction of above-ground improvements, must be satisfied prior to the expiration date contained in the commitment. If any conditions are not satisfied prior to the expiration of the commitment, the full amount of the deposit shall belong to the District.

8. The Applicant is required to provide the District with periodic written progress reports (at ninety (90)-day intervals or at other intervals approved by the Board) advising the Board of Directors as to the status of construction.

9. All tracts of land receiving service must be platted through the City of Houston, Harris County, and other appropriate agencies prior to utility service being provided by the District.

10. All temporary and permanent arrangements for sewer and water service must be coordinated in advance of construction with the District's engineer. The Applicant must make arrangements to extend the necessary trunk water, sanitary sewer and drainage

facilities to serve its property in areas where such facilities do not exist. The Applicant will be expected to finance the necessary construction of additional facilities, including additional water plant and wastewater treatment plant capacity if necessary to serve the Applicant's property, unless the Board determines after consultation with its consultants that it is economically feasible for the District to finance the facilities. Reimbursement agreements are subject to negotiation with the Board.

11. The Applicant must convey all necessary easements and rights-of-way to the District without cost to the District and with all lienholder subordinations.

12. All utility lines constructed that are not in public easements or rights of way or which lie within private developments (apartments, condominiums, etc.) shall remain the permanent property of the landowner and shall remain such owner's permanent maintenance responsibility.

13. The Applicant shall furnish a statement of the estimated value of the proposed project as a part of the initial Application, broken down by land value and improvements.

14. Any change to the previously approved use of the property covered by the Application shall terminate any utility commitments or other agreements issued by the District unless otherwise requested by the property owner and approved by the District in writing.

15. Service shall be extended to a tract in accordance with the District's then-current Rate Order, including the payment of any tap fee.

16. In addition to the other referenced prerequisites, the following requirements are applicable to requests for annexation:

a) An annexation agreement shall be signed by the District and the property owner before any property is annexed to the District. The annexation agreement shall govern the terms and conditions of each annexation.

b) A feasibility study shall be prepared by the District's engineer.

c) The Applicant shall provide to the District a copy of the deed showing current ownership of the property referenced in the Application.

d) The Applicant shall submit to the District a current title commitment.

e) The District's attorney shall prepare the annexation petition to the District and the petition to the City of Houston for its consent to the annexation. The Applicant acknowledges that the annexation process may take six (6) months or

more and that following completion of the annexation the annexed property will be subject to the annual ad valorem taxes and other fees charged by the District.

f) All costs of annexation, including attorney's fees, engineering fees, and any and all other fees relating to said annexation, shall be paid by the Applicant.

g) The Applicant shall provide to the District a copy of the current survey of the property, including a metes and bounds description.

EXHIBIT "1" TO APPENDIX D

APPLICATION FOR SERVICE  
CHIMNEY HILL MUNICIPAL UTILITY DISTRICT

Type of Application: \_\_\_\_\_ Single-Family Residential  
\_\_\_\_\_ Multi-Family Residential  
\_\_\_\_\_ Commercial  
\_\_\_\_\_ Institutional

Name of Applicant: \_\_\_\_\_

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

Type of Business: \_\_\_\_\_

Type of Service Requested: \_\_\_\_\_ In-District \_\_\_\_\_ Out-of-District  
\_\_\_\_\_ Water \_\_\_\_\_ Wastewater

Proposed Land Use:  
Estimated date construction will begin: \_\_\_\_\_

Proposed acreage in development: \_\_\_\_\_

Estimated taxable value: \_\_\_\_\_ land \_\_\_\_\_ improvements

Units per acre: \_\_\_\_\_

Type of wastewater to be put in system:  
\_\_\_\_\_

Capacity Required: Water \_\_\_\_\_ Wastewater \_\_\_\_\_

Name and address of title holder to referenced property:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Please attach a small map to the application indicating proposed location of project, and boundaries of subject tract.

Applicant agrees that it shall notify the District if any of the above information should change during the Application process. This Application along with the requisite deposit must be submitted to the District's engineer or the District's attorney.

Signature of Applicant: \_\_\_\_\_  
Date: \_\_\_\_\_

Signature of Owner: \_\_\_\_\_  
Date: \_\_\_\_\_

