

CERTIFICATE FOR RESOLUTION

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

I, the undersigned officer of the Board of Directors of Harris County Municipal Utility District No. 71, hereby certify as follows:

1. The Board of Directors of Harris County Municipal Utility District No. 71 convened in special session on the 28th day of August, 2023, at the regular meeting place inside the boundaries of the District, and the roll was called of the members of the Board:

Pam Kerr	President
Jennifer Elms	Vice President
Mary DuBois	Secretary
Katrina Thornhill	Assistant Secretary
José Ruiz	Assistant Vice President

and all of said persons were present except Director(s) _____, thus constituting a quorum. Whereupon, among other business, the following was transacted at the meeting: a written

AMENDED RESOLUTION ADOPTING POLICY AND PROCEDURES
FOR LEAK ADJUSTMENT CREDITS

was introduced for the consideration of the Board. It was then duly moved and seconded that the resolution be adopted, and, after due discussion, the motion, carrying with it the adoption of the resolution, prevailed and carried unanimously.

2. A true, full, and correct copy of the aforesaid resolution adopted at the meeting described in the above and foregoing paragraph is attached to and follows this certificate; the action approving the resolution has been duly recorded in the Board’s minutes of the meeting; the persons named in the above and foregoing paragraph are the duly chosen, qualified, and acting officers and members of the Board as indicated therein; each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose of the aforesaid meeting, and that the resolution would be introduced and considered for adoption at the meeting, and each of the officers and members consented, in advance, to the holding of the meeting for such purpose; the meeting was open to the public as required by law; and public notice of the time, place, and subject of the meeting was given as required by Chapter 551, Texas Government Code, and Section 49.063, Texas Water Code.

SIGNED AND SEALED the 28th day of August, 2023.

(SEAL)



Mary DuBois
Secretary, Board of Directors

AMENDED RESOLUTION ADOPTING POLICY AND PROCEDURES
FOR LEAK ADJUSTMENT CREDITS

WHEREAS, Harris County Municipal Utility District No. 71 (the "District") has been duly created and organized to provide water, sewer, and drainage facilities and services, as well as other matters, within its boundaries; and

WHEREAS, the District's Board of Directors ("Board") previously established a written policy and procedure for the consistent evaluation and treatment of requests for credits to water bills from District customers who have lost significant amounts of water due to an excusable defect in the customer's water line that was repaired within a reasonable time after discovery; and

WHEREAS, the Board now wishes to amend such policy and procedures;

NOW, THEREFORE, the Board of Directors of Harris County Municipal Utility District No. 71 of Harris County, Texas, resolves as follows:

1. Any retail customer of the District may request an adjustment to a water bill showing excessive use due to a loss of water attributable to an excusable defect in the customer's water line (a "Leak Adjustment Credit") for a period not to exceed two consecutive billing cycles (as hereinafter defined). An "excusable defect" means a rupture in or leakage of the customer's water lines caused by freezing weather, settlement, corrosion, wear, or accident. The term does not apply to visible leaks, including defective or out-of-repair faucets and hose leaks.

2. In order to apply for a Leak Adjustment Credit, the customer must file a sworn written application with the District within three months of the date of repair of the excusable defect. A customer may apply for no more than two Leak Adjustment Credits in any twelve-month period for any one account. Such application shall contain at least the following information, as well as any other information the District may require:

- (a) The name of the applicant, the address or description of the property or premises furnished water, the bill which is sought to be corrected, the date of the bill, and the period of water usage covered by the bill (the "billing cycle(s)");
- (b) A statement of the date on which the excusable defect in the applicant's water line was discovered, the date on which it was repaired, and a statement that the water lost from the leak was not used in any manner by anyone;

- (c) A statement regarding whether any additional water consuming devices, including but not limited to a washing machine, toilet, pool, dishwasher, water softening system, indoor greenhouse or aquarium, were placed in use on the applicant's premises during the relevant billing cycle(s);
- (d) Documentation evidencing the exact nature and date of repairs to the applicant's water line;
- (e) A statement that the applicant is personally familiar with all of the matters of fact stated in the application and sworn to therein, that they are made on his or her personal knowledge, and that they are each true and correct;
- (f) A certification by the applicant that the application contains no false statements;
- (g) A certification by the applicant that the applicant has created an "Eye on Water" account and has registered their smart meter with such account; and
- (h) A written acknowledgement that the applicant makes the statements shown on the application and swears to their veracity for the purpose of inducing the District to grant a reduction in the amount of the water bill for which an adjustment is requested.

3. Applications for the Leak Adjustment Credit shall be made on the form attached to this Resolution, as may be amended from time to time by the District.

4. Upon receipt of a properly completed application, the District's Board of Directors shall review the application. If the Board grants a Leak Adjustment Credit, the applicant's bill shall be corrected by applying to the amount of the water consumption in excess of the applicant's average water usage, a rate of charge equal to one-half of the normal rate of such water usage by a customer in the applicant's user classification (excluding any West Harris County Regional Water Authority fees, which are not subject to adjustment or reduction), which reduction shall be calculated as follows:

- (a) No adjustment shall be made and no credit shall be granted until the District confirms the applicant has created an "Eye on Water" account and has registered their smart meter with such account.
- (b) The District shall determine, in its sole discretion, the applicant's average water usage (on the basis of historical usage and other relevant factors) prior to the billing cycle(s) in which the water loss occurred (the "Average

Usage"). A Leak Adjustment Credit is available only for a customer with at least twelve (12) billing cycles of usage history on their account at the subject address at the time of the water loss.

- (c) No adjustment shall be made and no credit shall be granted for: (1) West Harris County Regional Water Authority pumpage or surface water fees; and (2) the sewer portion of the bill, which is charged at a flat rate.
- (d) From the total water consumption shown on the bill submitted for adjustment, the Average Usage will be deducted. The resulting figure is the "Excess Usage."
- (e) The Excess Usage will be considered consumption beyond the Average Usage. The District shall apply to the Excess Usage the regular water rate for users in the applicant's rate classification for usage equal to the Average Usage pursuant to the District's Amended Rate Order in effect at the time of the water loss, and this will determine the amount the applicant must pay for the Excess Usage.
- (f) The regular rate for users in the applicant's rate classification will be applied to the Average Usage, and this amount will be added to the amount due for the Excess Usage calculated in accordance with section 4.(d) above. The total of those two amounts, plus the West Harris County Regional Water Authority pumpage or surface water fees due on the total unadjusted amount, will be the amount the applicant must pay for water usage during the period covered by the adjusted bill, in addition to any other amounts due pursuant to the District's Amended Rate Order.

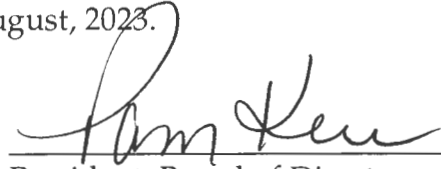
5. If the applicant has already paid the bill for which a Leak Adjustment Credit is authorized, any excess amount actually paid by the applicant shall be applied as a credit to the applicant's account. In no case shall an actual refund of payment be made. If an applicant discontinues water service before subsequent charges have depleted the Leak Adjustment Credit, no refund to the applicant shall be made.

6. A determination by the District's Board of Directors regarding whether to grant a Leak Adjustment Credit and the amount of any such Leak Adjustment Credit in accordance with this Resolution shall be final.

7. The Board of Directors reserves the right to amend or repeal this Resolution at its sole discretion at any time without notice.

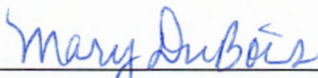
8. This Resolution supersedes all previous Resolutions addressing the issues herein. This Resolution is effective as of the date of this Resolution, and shall apply to all persons requesting a Leak Adjustment Credit from the District on or after this date.

Passed and approved this 28th day of August, 2023.



President, Board of Directors

ATTEST:



Secretary, Board of Directors

(SEAL)



**HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 71
Leak Adjustment Request Form**

Account No. _____

Service Address _____

Daytime Phone No. _____

E-Mail Address _____

Harris County Municipal Utility District No. 71 (the "District") has adopted a Policy and Procedures for Leak Adjustment Credits (the "Policy") under which the District will consider permitting a credit because of loss of water through an "excusable defect" in the customer's water lines. An excusable defect means a rupture in or leak from the customer's water lines caused by freezing weather, settlement, corrosion, wear, or accident. **Visible leaks such as faucet and hose leaks are ineligible.** Credit may be given for a portion of the District's regular rate charged for water usage in excess of the customer's average usage, as determined by the District (the "Leak Adjustment Credit"). Credits are only available for a customer with at least twelve (12) billing cycles of usage history in the customer's name at the service address given above. No credit or adjustment will be given for: (1) West Harris County Regional Water Authority pumpage or surface water fees; and (2) the sewer portion of the bill, which is charged at a flat rate. The Leak Adjustment Credit is limited to a maximum of two (2) consecutive billing cycles and must be requested within three (3) months of the date of the repair. **Customers may apply for no more than two (2) leak adjustments in any twelve (12) month period.**

I, _____ (Give full legal name and/or business identity), am the Responsible Party for the account at the above service address. I am asking the District to reduce the water bills for this account, to the extent allowed by the District's Policy because of a leak beginning on (date) _____ and repaired on (date) _____. The water lost from this leak was not used by anyone. During this period, the following additional water appliances (washing machine, dishwasher, spa, toilet, aquarium, pool, indoor greenhouse, etc.) were installed at the service address (State "NONE" if none were added): _____. I have signed up for an "Eye on Water" account and have registered my smart meter with such account.

IN ORDER TO PROCESS YOUR APPLICATION QUICKLY AND EFFICIENTLY, PLEASE READ THE FOLLOWING CAREFULLY AND GIVE A CLEAR DESCRIPTION OF THE REPAIRS.

Type of leak on customer's side of the meter: _____

Description of repair: _____

Attach the bill or bills for which adjustment is being sought and documentation of the repair date, address, type of repair, and cost. Acceptable documents include plumber's statement/bill or a receipt for parts. Businesses with in-house maintenance may submit a statement signed by a minimum of two (2) employees who witnessed the repair. In all cases, the District retains the right to make field verifications before approving a Leak Adjustment Credit. You will be notified by mail or e-mail (if provided) generally within 90 days whether your request is approved or denied.

I am familiar with all of the facts stated in this document and they are true and correct. I certify that this application and attached documents contain no false statements.

Print Name: _____

Date: _____

Signature of person requesting a leak adjustment: _____

Complete the form and return to:
Harris County Municipal Utility District No. 71
c/o Allen Boone Humphries Robinson LLP
3200 Southwest Freeway, Suite 2600
Houston, Texas 77027
Phone: 713-860-6400
Fax: 713-860-6401