

**GOFORTH SPECIAL UTILITY DISTRICT'S POLICY REGARDING WATER  
SERVICE TO LANDS AND NEW DEVELOPMENTS  
LOCATED OUTSIDE THE DISTRICT'S SERVICE AREA**

**SECTION A  
AUTHORITY**

1. Goforth Special Utility District ("District"), is a conservation and reclamation district created pursuant to Article 16, Section 59 of the Texas Constitution, and Chapters 49 and 65 of the Texas Water Code by an act of the Texas Legislature.
2. Pursuant to Chapter 13 of the Water Code, the District is obligated to provide retail water service to customers and developers located within the District's Certificate of Convenience and Necessity ("CCN") No. 11356, so long as such applicant's for service abide by the District's rate order and service policies, and pay the cost of such service.
3. The District has no obligation by law, or otherwise, to provide retail water service outside of its CCN area, but may choose to do so, if the terms of service are found by the Board to be beneficial to the District, and if the District is legally allowed to serve the subject land (for example, because the land is uncertificated or the entity with the right to serve has consented and the Public Utility Commission of Texas, has approved, if required).
4. This Policy Regarding Water Service to Land and New Developments Outside the District's Service Area (the "Policy") was adopted by unanimous vote of the Board of Directors of Goforth Special Utility District (the "District") on March 30, 2022.
5. An original of this Policy as approved shall be maintained in the records of the District and all additions, deletions, and changes thereto shall be clearly exhibited.
6. Rules and regulations of state and federal agencies having applicable jurisdiction, promulgated under any applicable state or federal law, shall supersede all terms of the Policy that directly conflict with such state and federal rules or regulations. If any section, paragraph, sentence, clause, phrase, word or words of the Policy are declared unconstitutional or in violation of law, the remainder of the Policy shall not be affected thereby and shall remain in full force and effect.
7. This Policy is effective March 30, 2022.

**SECTION B  
POLICY REGARDING NEW DEVELOPMENT REQUESTS OUTSIDE OF THE  
DISTRICT'S SERVICE AREA**

1. In the event the District receives a water service request for a property ("Property") located partially or entirely outside of its current service area, as reflected in the Certificate of Convenience and Necessity ("CCN") No. 11356, the District staff shall comply with the following steps to assess whether the District will provide service to the Property:

- a. The Developer shall submit a Service Application (the “Application”) to the District, along with the applicable fees.
- b. The District’s consulting engineer shall assess the Application and prepare a water study letter, which shall include the following information:
  - i. A description of where the Property is located, including the entities currently certificated to provide water service to the Property;
  - ii. An assessment of whether the District has capacity to provide water service to the Property;
  - iii. A summary of the development request, including the number of living unit equivalents anticipated for the development and any meter requests;
  - iv. A description of the on-site and off-site improvements that will be required to provide continuous and adequate water service to the Property, including but not limited to, water lines, storage tanks, and easements; and
  - v. Any extra-ordinary costs that may be incurred by the District, or risks to the District, due to service to the Property, including the need for municipal plan or building approvals, significant water system upgrades, difficult easements to acquire, or conflicts with the service areas of nearby cities, district’s or existing water suppliers.
- c. The consulting engineer’s water study letter shall be presented to the District’s Board of Directors (the “Board”), along with a recommendation from District Staff. The Board shall consider the water study and staff recommendation, may choose to hear from the landowner, and shall vote on whether the District will elect to provide water service to the Property. The District approval may be contingent on any approvals needed from entities currently certificated to provide water service to the Property.
- d. The Board may condition the service to the Property on the landowner or developer’s payment of fees, costs, or charges to the District which reflect benefits to the District over and above the payment for the basic cost of service.
- e. Special consideration shall be given for Applications where the Property is located partially within the District’s service area, particularly when over half of the Property is located within the District’s service area. Additionally, special consideration shall be given for tracts where the existing CCN provider is agreeable to transferring the applicable area to Goforth’s CCN.
- f. In the event the Board votes to the provide service to the Property, Goforth’s legal counsel shall prepare a Non-Standard Service Agreement for the Property. The developer for the Property shall be responsible for certain fees as provided below:

- i. The District's impact fee at the time of signing a Non-Standard Service Agreement;
- ii. The District's water reservation fees at the time of signing a Non-Standard Service Agreement;
- iii. Consulting fees, which include legal, engineering, inspection, and administrative costs incurred by the District in connection with the review and analysis of the design and engineering of water systems for the Property and the preparation of the Non-Standard Service Agreement;
- iv. All legal costs associated with the transfer or annexation of a service area into Goforth's CCN;
- v. All costs related to on-site and off-site improvements to provide water service to the Property, as specified in the District's consulting engineer's water study letter;
- vi. All costs to acquire on-site and off-site easements, as required by the District's consulting engineer's water study letter and design plans; and
- vii. The payment of fees, costs or charges to the District which reflect benefits to the District over and above the payment for the basic cost of service.