NOTICE OF REQUIREMENT TO COMPLY WITH THE SUBDIVISION AND SERVICE EXTENSION POLICY OF CYPRESS SPRINGS SPECIAL UTILITY DISTRICT

Pursuant to Chapter §13.2502 of the Texas Water Code, Cypress Springs Special Utility District hereby gives notice that any person who subdivides land by dividing any lot, tract, or parcel of land, within the service area of Cypress Springs Special Utility District, Certificate of Convenience and Necessity No. 10532, located in Franklin, Hopkins, Titus and Wood Counties, into two or more lots or sites for the purpose of sale or development, whether immediate or future, including re-subdivision of land for which a plat has been filed and recorded or requests more than two water service connections on a single contiguous tract of land must comply with "Subdivision Policy" contained in Cypress Springs Special Utility District's Service Policy.

Cypress Springs Special Utility District is not required to extend retail water utility service to a service applicant in a subdivision where the developer of the subdivision has failed to comply with the Subdivision Policy.

Among other requirements, the Subdivision Policy requires:

Applicable elements of the Subdivision include:

Evaluation by Cypress Springs Special Utility District of the impact a proposed subdivision service extension will make on Cypress Springs Special Utility District water supply service system and payment of the costs for this evaluation;

Payment of reasonable costs or fees by the developer for providing water supply service capacity;

Payment of fees for reserving water supply capacity;

Forfeiture of reserved water supply service capacity for failure to pay applicable fees;

Payment of costs of any improvements to Cypress Springs Special Utility District system that are necessary to provide the water service;

Construction according to design approved by Cypress Springs Special Utility District and dedication by the developer of water facilities within the subdivision following inspection.

Cypress Springs Special Utility District Service Policy and a map Cypress Springs Special Utility District service area may be reviewed at Cypress Springs Special Utility District office, at 114 FM 115, Mount Vernon, Texas. The Service Policy and service area map also are files of record at the Public Utility Commission of Texas, 1701 N. Congress Ave., P.O. Box 13326, Austin, Texas 78711.