SETTLERS ESTATES, SETTLERS MEADOWS
HOME OWNERS ASSOCIATION
PO Box 1295
Sealy, Texas 77474

SETTLERS' ESTATES / SETTLERS MEADOWS HOME OWNERS ASSOCIATION

RULES AND CONDITIONS GOVERNING PRIVATE WATER WELLS

Adopted pursuant to Article IV, Section 15 of the Covenants, Restrictions and Conditions of Settlers' Estates / Settlers Meadows

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1. PURPOSE AND AUTHORITY

These Rules and Conditions are adopted pursuant to Article IV, Section 15 of the Covenants, Restrictions and Conditions ("CC&Rs") for the purpose of establishing reasonable and uniform requirements governing the installation, construction, connection, operation, maintenance, appearance, and use of private water wells within Settlers' Estates and Settlers Meadows.

These Rules are intended to protect the health, safety, welfare, and property of the community; prevent cross-connections with the public water system; preserve the residential appearance of the neighborhood; and establish consistent standards for Architectural Control Committee ("ACC") review.

Nothing in these Rules shall be interpreted as a representation or warranty by SESM HOA that groundwater is available, potable, sufficient, or suitable for any particular use.

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2. PRIVATE RESIDENTIAL WELLS PERMITTED

Subject to Article IV, Section 15 of the CC&Rs and these Rules, a Lot Owner may install and operate a private water well for:

- Irrigation;
- Agricultural purposes;
- Domestic purposes; and
- Residential household water service, including connection of the private well to the residence.

Installation or use of a private well is entirely voluntary.

Nothing in these Rules requires an Owner to install a private well or to discontinue service from CSWR-Texas Utility Operating Company, LLC ("CSWR-Texas") or any successor public water utility.

3. PRIOR ACC APPROVAL REQUIRED

No private water well may be drilled, constructed, materially modified, enclosed, connected to a residence, or placed into service unless:

1. A written application has been submitted to the ACC; and
2. Written ACC approval has been issued before work begins.

The application shall include, at a minimum:

- Proposed well location;
- Site or plot plan;
- Location of the residence and property lines;
- Location of septic facilities and drain fields;
- Proposed location of pumps, pressure tanks, treatment equipment and related equipment;
- Proposed plumbing arrangement if the well will serve the residence;
- Plans and specifications for any well house, pump house or enclosure;
- Proposed screening, if applicable; and
- Documentation reasonably requested by the ACC demonstrating compliance with applicable governmental requirements.

ACC approval constitutes approval under the CC&Rs only and does not constitute governmental, regulatory, engineering, plumbing, health, or utility approval.

4. GOVERNMENTAL AND REGULATORY COMPLIANCE

The Lot Owner is solely responsible for obtaining and maintaining all registrations, authorizations, permits, inspections, reports, approvals, and other requirements applicable to the private well.

This includes compliance, where applicable, with requirements of:

- Bluebonnet Groundwater Conservation District ("BGCD");
- Texas Department of Licensing and Regulation ("TDLR");
- Texas Commission on Environmental Quality ("TCEQ");
- Texas Water Development Board;
- Austin County;
- Public Utility Commission of Texas ("PUCT");
- Applicable plumbing, electrical and health requirements; and
- Any other governmental or regulatory authority having jurisdiction.

Before drilling begins, the Owner shall provide the ACC reasonable documentation demonstrating that any required BGCD registration and Well Development Authorization have been obtained.

All well drilling and pump installation work shall be performed by properly licensed persons whenever licensing is required by Texas law.

The Owner shall ensure that all required State of Texas water-well reports and other regulatory documentation are properly filed.

5. LOCATION, SETBACKS AND SPACING

Private wells shall comply with all applicable governmental and groundwater-district setback and spacing requirements, including requirements relating to:

- Septic systems;
- Septic drain fields;
- Property lines;
- Existing wells;
- Utility easements;

- Drainage easements;
- Buildings and structures; and
- Other potential sources of contamination.

The ACC may impose reasonable additional location or screening requirements when necessary to protect neighboring property or preserve the appearance of the subdivision, provided such requirements do not conflict with applicable law or regulatory requirements.

No approval by the ACC shall constitute a determination that governmental setback or spacing requirements have been satisfied.

6. CONNECTION TO A RESIDENCE AND SEPARATION FROM PUBLIC WATER SYSTEM

A properly approved private well may be connected to and used as the water source for a residence.

However, **a private well serving a residence shall not be directly or indirectly interconnected with the CSWR-Texas public water supply system or any successor public/community water system.**

The private well system and public water system shall remain **completely physically separated** in accordance with applicable law, public-health requirements, and utility requirements.

A shutoff valve, bypass valve, check valve, backflow preventer, or similar device shall not by itself constitute physical separation where the configuration would create a prohibited cross-connection.

An Owner shall not construct or maintain plumbing that permits water from a private well to enter the public water system.

The Owner is solely responsible for all plumbing modifications, disconnections, inspections, backflow protections, cross-connection controls, and other work necessary to maintain lawful separation of the systems.

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7. CSWR-TEXAS AND EXISTING WATER SERVICE

Approval of a private well by SESM HOA does **not** require an Owner to terminate CSWR-Texas water service.

Any decision to initiate, maintain, discontinue, disconnect, terminate, or later restore public water service is solely between the individual Lot Owner and the applicable water utility.

SESM HOA:

- Does not require or recommend that an Owner terminate CSWR-Texas service;
- Does not act on behalf of an Owner in terminating public water service;
- Does not guarantee that a utility will discontinue a particular charge or fee;
- Makes no representation concerning minimum charges, base charges, availability charges, termination charges, reconnection charges, or other utility obligations; and
- Is not responsible for disputes between an Owner and CSWR-Texas or any successor water provider.

Each Owner is responsible for determining the Owner's own contractual and financial obligations to the applicable water provider.

8. WATER QUALITY AND TESTING

The Lot Owner is solely responsible for determining the quality and potability of water produced by the private well.

For any private well supplying residential household water:

1. Initial potability testing shall be performed before the water is used for household consumption;
2. The Owner is encouraged, and may be required by applicable law, to perform periodic testing thereafter;
3. Any testing specifically required by governmental or regulatory authorities shall be performed at the Owner's expense; and
4. Documentation of required testing shall be provided to the Association upon reasonable written request when necessary to verify compliance with these Rules.

The Association does not test, certify, monitor, or guarantee the safety or quality of privately supplied water.

The Association makes no representation regarding groundwater availability, water level, production capacity, mineral content, contamination, pressure, or long-term reliability.

9. WELL HOUSES, PUMP HOUSES AND ENCLOSURES

Any well house, pump house, equipment enclosure, or similar exterior structure requires prior written ACC approval.

A. Visibility and Screening

Well houses and related equipment shall be located and/or screened so as to minimize visibility from public streets, roadways, and rights-of-way to the greatest extent reasonably practicable.

The ACC may require landscaping, fencing, placement, or other reasonable screening.

B. Architectural Compatibility

Well houses and permanent enclosures shall be constructed using materials, exterior finishes, roofing, and colors that are compatible with the residence and residential character of the neighborhood.

C. Plans

The Owner shall submit the proposed:

- Location;
- Dimensions;
- Height;
- Exterior materials;
- Roofing;
- Colors; and
- Screening

to the ACC before construction.

D. Maintenance

Well houses, enclosures, screening, and related equipment shall be maintained in good condition and repair.

E. Prohibited Structures

Temporary, makeshift, deteriorated, or unsightly coverings or enclosures are prohibited.

Plastic sheds, prefabricated structures, metal enclosures, or similar structures may not be used as permanent well houses unless specifically approved in writing by the ACC.

10. OPERATION, MAINTENANCE AND COSTS

The Lot Owner is solely responsible for all costs associated with the private well, including:

- Application and regulatory costs;
- Drilling;
- Pumps and pressure tanks;
- Plumbing;
- Electrical work;
- Water treatment and filtration;
- Testing;
- Well houses and screening;
- Operation;
- Maintenance;
- Repairs;
- Replacement;
- Regulatory compliance; and
- Proper plugging or abandonment when required.

SESM HOA shall have no obligation to construct, operate, maintain, repair, replace, inspect, test, or provide water from any privately owned well.

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11. NUISANCE, DAMAGE AND IMPACT ON OTHER PROPERTY

A private well and associated equipment shall not be operated or maintained in a manner that unreasonably:

- Creates excessive noise or vibration;
- Causes erosion or drainage problems;
- Creates standing water;
- Damages streets, Common Areas, utilities, or neighboring property;
- Creates a public-health or environmental hazard; or
- Interferes with the reasonable use and enjoyment of neighboring Lots.

An Owner is responsible, to the extent provided by applicable law, for damage caused by the construction, operation, maintenance, failure, leakage, discharge, or abandonment of the Owner's private well and associated equipment.

Nothing in these Rules authorizes installation of wells, piping, equipment, or improvements upon another Owner's property, Common Area, utility easement, drainage easement, or other restricted area without all required permissions.

12. INSPECTION, DOCUMENTATION AND ENFORCEMENT

Upon reasonable notice and when reasonably necessary to determine compliance, the Association may:

- Request documentation demonstrating compliance with these Rules;
- Request copies of applicable permits, registrations, authorizations, reports, or inspections;
- Inspect visible exterior components of the well and associated structures from areas where the Association is legally entitled to be present; and
- Require corrective action for violations.

Nothing in this Section grants the Association a general right to enter a residence or private property without the Owner's consent or other lawful authority.

Violations of these Rules may be enforced in the same manner as violations of the CC&Rs, including applicable notice, cure, hearing, fine, and other enforcement procedures required by Texas law and Association policy.

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13. NO ASSOCIATION WARRANTY OR LIABILITY

Approval by SESM HOA or the ACC constitutes approval under the Association's governing documents only.

Neither SESM HOA, its Board of Directors, the ACC, nor their officers, members, agents, or representatives:

- Certify that a well complies with governmental regulations;
- Certify that a well is properly designed, drilled, constructed, or maintained;
- Guarantee groundwater availability;
- Guarantee water quality or potability;
- Guarantee adequate water pressure or production;
- Assume responsibility for contamination or system failure;
- Guarantee that CSWR-Texas will permit a particular disconnection arrangement; or
- Assume responsibility for an Owner's obligations to a water utility.

The installation and use of a private well are undertaken at the individual Owner's sole risk and expense.

14. OWNER RESPONSIBILITY AND INDEMNIFICATION

To the fullest extent permitted by Texas law, each Owner installing, maintaining, or operating a private water well assumes responsibility for the well and associated private water system.

The Owner shall indemnify and hold harmless SESM HOA, its Board of Directors, officers, ACC members, agents, and representatives from claims, damages, liabilities, fines, penalties, costs, and expenses arising from the construction, installation, operation, maintenance, contamination, cross-connection, failure, leakage, abandonment, or use of the Owner's private well or associated equipment, except to the extent caused by the negligence or willful misconduct of the party seeking indemnification.

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15. EXISTING PRIVATE WELLS

Private wells lawfully existing before the effective date of these Rules may continue to be used for purposes previously permitted under the CC&Rs.

However, any existing private well that is subsequently connected to a residence for household water service shall comply with the requirements of Article IV, Section 15 and these Rules applicable to residential connections.

Any material modification, relocation, replacement, new well house, or new residential connection shall require ACC approval.

Nothing in this Section shall grandfather or authorize an unlawful cross-connection with the public water system.

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16. CHANGES IN GOVERNMENTAL REQUIREMENTS

Owners shall remain responsible for compliance with applicable governmental and regulatory requirements as those requirements may be amended from time to time.

If a future change in law, regulation, groundwater-district rule, or utility requirement requires modification of a private water system, the individual Owner shall be responsible for making the necessary modifications at the Owner's expense.

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17. SEVERABILITY

If any provision of these Rules is determined to be invalid, unlawful, or unenforceable, the remaining provisions shall remain in full force and effect to the maximum extent permitted by law.

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18. CONFLICT WITH CC&Rs OR LAW

These Rules supplement Article IV, Section 15 of the CC&Rs.

In the event of a conflict between these Rules and the recorded CC&Rs, the recorded CC&Rs shall control.

In the event applicable law or a valid governmental or regulatory requirement imposes a stricter requirement, the applicable law or regulatory requirement shall control.

19. EFFECTIVE DATE

These Rules and Conditions shall become effective only after:

1. The proposed amendment to Article IV, Section 15 has been approved and signed by the percentage of Lot Owners required by Article IX, Section 1 of the CC&Rs;
2. The amendment has been properly recorded in the Official Public Records of Real Property of Austin County, Texas; and
3. These Rules and Conditions have been formally adopted by the SESM HOA Board of Directors.

Adopted by the Board of Directors on: _____

Effective Date: _____

SETTLERS' ESTATES / SETTLERS MEADOWS HOME OWNERS ASSOCIATION

By: _____
President

By: _____
Secretary