

**NOTICE OF REQUIREMENT TO COMPLY WITH THE
SUBDIVISION SERVICE EXTENSION POLICY OF
NUECES WATER SUPPLY CORPORATION**

Pursuant to Chapter 13.2502 of the Texas Water Code, Nueces Water Supply Corporation hereby gives notice that any person who subdivides land by dividing any lot, tract, or parcel of land, within the service area of Nueces Water Supply Corporation, Certificate of Convenience and Necessity No. 11948, in Nueces County, 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 or sewer service connections on a single contiguous tract of land must comply with Section F - Service Extensions (the "Subdivision Policy") contained in Nueces Water Supply Corporation's Tariff.

Nueces Water Supply Corporation is not required to extend retail water or sewer utility service to a service applicant in a subdivision where the developer of the subdivision has failed to comply with the Subdivision Policy.

Applicable elements of the Subdivision Policy include:

Evaluation by Nueces Water Supply Corporation of the impact a proposed subdivision service extension will make on Nueces Water Supply Corporation's water supply 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 service capacity;

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

Payment of costs of any improvements to Nueces Water Supply Corporation's system that are necessary to provide the water service;

Construction according to design approved by Nueces Water Supply Corporation and dedication by the developer of water facilities within the subdivision following inspection.

Nueces Water Supply Corporation's tariff and a map showing Nueces Water Supply Corporation's service area may be reviewed at Nueces Water Supply Corporation's offices, at 2302 East Sage Road, Kingsville, Texas; the tariff and service area map also are filed of record at the Public Utility Commission of Texas.