

Service Application and Agreement

AGREEMENT made this _____ day of _____, 20____,
between The City of Cut And Shoot a City organized under the laws of the State of Texas
(hereinafter called the City) and _____ (hereinafter called the
Applicant and/or Customer)

Witnesseth:

The City shall sell and deliver water and/or wastewater service to the Applicant and Applicant shall purchase, receive, and/or reserve service from the City in accordance with the City's Rates and Rules of Operation as amended from time to time by the City Council of the City of Cut And Shoot. Upon compliance with said policies, including payment of a Deposit Fee, the Applicant qualifies as a Customer and thereby may hereinafter be called a Customer.

The Customer shall pay the City for service hereunder as determined by the City's Rates and Rules of Operation and upon the terms and conditions set forth therein, a copy of which is available at the City Hall.

The City Council shall have the authority to cancel the account of any Customer not complying with any policy or not paying any utility fees or charges as required by the City's published rates, fees, and conditions of service.

If this agreement is completed for the purpose of assigning water utility service as part of a rural domestic water and/or wastewater system loan project contemplated with the Farmers Home Administration, an Applicant shall pay an Indication of Interest Fee in lieu of a Deposit Fee for the purposes of determining

- a. the number of taps to be considered in the design and
- b. the number of potential ratepayers considered in determining the financial feasibility of constructing either
 - (1) a new water system or
 - (2) expanding the facilities of an existing water system, the Applicant thereby agrees to obtain, utilize, and/or reserve service as soon as it is available. Applicant, upon qualification for service under the terms of the City's policies, shall further qualify as a Customer and the Indication of Interest Fee shall then be converted by the City to a Deposit Fee. Applicant further agrees to pay, upon becoming a Customer, the monthly water charges for such service as prescribed in the City's published rates, fees, and conditions of service. Any breach of this agreement shall give cause for the City to liquidate, as damages; the fees previously paid as an indication of interest. In addition to any Indication of Interest Fees forfeited, the City may assess a lump sum of \$300.00 as liquidated damages to defray any losses incurred by the City. If delivery of service to said location is deemed infeasible by the City as a part of this project, the Applicant shall be denied as a Customer in the system and the Indication of Interest Fee, less expenses, shall be refunded. The Applicant may re-apply for service at a later date under the terms and conditions of the City's policies. For the purposes of this agreement, an Indication of Interest Fee shall be of an amount equal to the City's Deposit Fees.

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All water shall be metered by meters to be furnished and installed by the City. The meter and/or wastewater connection is for the sole use of the Customer and is to provide service to only one (1) dwelling and/or only one (1) business. Extension of pipe or pipes to transfer water utility service from one property to another, to share, resell, or sub-meter water to any other persons, dwellings, business, and/or property, etc., is prohibited.

The City shall have the right to locate a water service meter and the pipe necessary to connect the meter on the Customer's property at a point to be chosen by the City, and shall have access to its property and equipment located upon Customer's premises at all reasonable times for any purpose connected with or in the furtherance of its business operations, and upon discontinuance of service the City shall have the right to remove any of its equipment from the Customer's property.

The City's authorized employees shall have access to the Customer's property or premises and service lines and plumbing facilities at all reasonable times for the purpose of inspection to ensure compliance with state required Minimum Acceptable Operating Practices for Public Drinking Water Systems, as promulgated by the Texas Commission on Environmental Quality (TCEQ) or successor agency, applicable plumbing codes, and utility construction standards. The City strictly prohibits the connection of service pipelines from its water service meter to any private well or other unknown water supply.

In the event the total water supply is insufficient to meet all of the needs of the Customers, or in the event there is a shortage of water, the City may initiate the Emergency Rationing Program as specified in the City's Rates and Rules of Operation. By execution by the Applicant of this agreement, Applicant hereby shall comply with the terms of said Program.

The Customer shall install at his own expense any necessary service lines from the City's facilities and equipment to the point of use, including any customer service isolation valves, clean-outs, or other equipment that may be specified by the City. The use of pipes and pipe fittings that contain more than 0.25% lead or solders and flux that contain more than 0.2% lead is prohibited for any plumbing installation or repair of any residential or non-residential facility providing water for human consumption and connected to the City.

By execution hereof, the Customer shall hold the City harmless from any and all claims for damages caused by service interruptions due to waterline breaks by utility or like contractors, tampering by other Customer/Users of the City, normal failures of the system, or other events beyond the City's control.

The Customer shall grant to the City, now or in the future, any easements of right-of-way for the purpose of installing, maintaining, and operating such pipelines, meters, valves, and any other such equipment which may be deemed necessary by the City to extend or improve service for existing or future Customers, on such forms as required by the City.

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By execution of this Service Application and Agreement, Applicant shall guarantee payment of all other rates, fees, and charges due on any account for which said Applicant holds. Said guarantee shall pledge any and all Deposit Fees against any balance due the City. Liquidation of said Deposit Fees shall give rise to discontinuance of water utility service under the terms and conditions of the City's Rates and Rules of Operation.

By execution of this Service Application and Agreement, Applicant agrees that non-compliance with the terms of this Agreement by said Applicant shall constitute denial or discontinuance of service until such time as the violation is corrected to the satisfaction of the City.

Any misrepresentation of the facts by the Applicant on any of the four pages of this form shall result in discontinuance of service pursuant to the terms and conditions of the City's Tariff.

Applicant/Customer

Witnesseth

Approved and Accepted