

**SECTION I:  
SAMPLE  
APPLICATION  
PACKET**

Levi Water Supply Corporation Service Application and Agreement Form (USDA RUS-TX Bulletin 1780-9 (Rev. 5/2017))

Easement and Right of Way Agreement

Right-of-Way Easement (Location Required)(Form RD-TX 442-8 (Rev. 6-06))

Right-of-Way Easement (General)(Form RD-TX 442-9 (Rev. 6-06))

Non-Standard Service Application

Non-Standard Service Contract



**AGREEMENT** made this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, between  
LEVI WATER SUPPLY CORPORATION, a corporation organized under the Laws of  
The State of Texas (hereinafter called the Corporation) and  
\_\_\_\_\_, (hereinafter called the Applicant  
and/or Member)

Witnesseth:

The Corporation shall sell and deliver water and/or wastewater service to the Applicant and the Applicant shall purchase, receive, and/or reserve service from the Corporation in accordance with the bylaws and tariff of the Corporation as amended from time to time by the Board of Directors of the Corporation. Upon compliance with said policies, including payment of a Membership Fee, the Applicant qualifies for Membership as a new Applicant or continued Membership as a transferee and thereby may hereinafter be called a Member.

The Member shall pay the Corporation for service hereunder as determined by the Corporation's tariff and upon the terms and conditions set forth therein, a copy of which has been provided as an information packet, for which Member acknowledges receipt hereof by execution of this agreement. A copy of this agreement shall be executed before service may be provided to the Applicant.

The Board of Directors shall have the authority to discontinue service and cancel the Membership of any Member not complying with any policy or not paying any utility fees or charges as required by the Corporation's published rates, fees, and conditions of service. At any time service is discontinued, terminated or suspended, the Corporation shall not re-establish service unless it has a current, signed copy of this agreement.

If this agreement is completed for the purpose of assigning utility service as a part of a rural domestic water and/or wastewater system loan project contemplated with the Rural Development, an Applicant shall pay an Indication of Interest Fee in lieu of a Membership Fee for the purpose of determine

- 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
  - 1) a new water system or
  - 2) Expanding the facilities of an existing water system.

The Applicant hereby agrees to obtain, utilize, and/or reserve service as soon as it is available. Applicant, upon qualification for service under the terms of the Corporation's policies, shall further qualify as a Member and the Indication of Interest Fee shall then be converted by the Corporation to a Membership Fee. Applicant further agrees to pay, upon becoming a Member, the monthly charges for such service as prescribed in the Corporation's tariff. Any breach of this agreement shall give cause for the Corporation to liquidate, as damages, the fees previously paid as an indication of interest. In addition to any Indication of Interest Fees

Forfeited, the Corporation may assess a lump sum of \$300.00 as liquidated damages to defray any losses incurred by the Corporation. If delivery of service to said location is deemed infeasible by the Corporation as part of the project, the Applicant shall be denied Membership in the Corporation and the Indication of Interest Fee, fewer expenses, shall be refunded. The Applicant may apply for service at a later date under the terms and conditions of the Corporation's policies. For the purposes of this agreement, an Indication of Interest Fee shall be an amount equal to the Corporation's Membership Fees.

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

The Corporation shall have the right to locate a water service meter and the pipe necessary to connect the meter on the Member's property at a point to be chosen by the Corporation, and shall have access to its property and equipment located upon Member's premises at all reasonable and necessary times for any purpose connected with or in the furtherance of its business operations, and upon discontinuance of service the Corporation shall have the right to remove any of its equipment from the Member's property. The Member shall install at their own expense any necessary service lines from the Corporation's facilities and equipment to the point of use, including any customer service isolation valves, backflow prevention devices, clean-outs, and other equipment as may be specified by the Corporation. The Corporation shall also have access to the Member's property for the purpose of inspecting for possible cross-connections, potential cross-connection hazards, illegal lead materials and other violations or possible violations of state and federal statutes and regulations relating to the federal Safe Drinking Water Act of Chapter 341 of the Texas Health and Safety Code or the Corporation's Tariff and service policies.

The Corporation is responsible for protecting the drinking water supply from contamination or pollution which could result from improper plumbing practices. This service agreement serves as notice to each customer of the plumbing restrictions which are in place to provide this protection. The Corporation shall enforce these restrictions to ensure the public health and welfare. The following undesirable plumbing practices are prohibited by state regulations:

- a. No direct connection between the public drinking water supply and a potential source of contamination is permitted. Potential sources of contamination shall be isolated from the public water system by an air gap or an appropriate backflow prevention assembly in accordance with state plumbing regulations. Additionally, all pressure relief valves and thermal expansion units must be in compliance with state plumbing codes.
- b. No cross-connection between the public drinking water supply and a private water system is permitted. These potential threats to the public drinking water supply shall be eliminated at the service connection by the proper installation of an air gap or a reduced pressure-zone backflow prevention assembly and a service agreement must exist for annual inspection and testing by a certified backflow prevention device tester.
- c. No connection which allows condensing, cooling or industrial process water to be returned to the public drinking water supply is permitted.
- d. No pipe or pipe fitting which contains more than 8.0% lead may be used for installation or repair of plumbing on or after July 1, 1988, at any connection which provides water for human consumption.

- e. No solder or flux which contains more than 0.2% lead may be used for the installation or repair of plumbing on or after July 1, 1988, at any connection which provides water for human consumption.
- f. No plumbing fixture is installed which is not in compliance with a state-approved plumbing code.

The Corporation shall maintain a copy of this agreement as long as Member and/or premises is connected to the public water system. The Member shall allow his property to be inspected for possible cross-connections and other undesirable plumbing practices. These inspections shall be conducted by the Corporation or its designated agent(s) prior to initiating service and periodically thereafter. The inspections shall be conducted during the Corporation's normal business hours.

The Corporation shall notify the Member in writing of any cross-connections or other undesirable plumbing practices which have been identified during the initial or subsequent inspection. The Member shall immediately correct any undesirable plumbing practice on their premises. The Member shall, at his expense, properly install, test, and maintain any backflow prevention device required by the Corporation. Copies of all testing and maintenance records shall be provided to the Corporation as required. Failure to comply with the terms of this service agreement shall cause the Corporation to terminate service or properly install, test, and maintain an appropriate backflow prevention device at the service connection. Any expense associated with the enforcement of this agreement shall be billed to the Member.

In the event the total water supply is insufficient to meet all of the Members, or in the event there is a shortage of water, the Corporation may initiate the Emergency Rationing Program as specified in the Corporation's Tariff. By execution of this agreement, the Applicant hereby shall comply with the terms of said program.

By execution hereof, the Applicant shall hold the Corporation harmless from any and all claims for damages caused by service interruptions due to water line breaks by utility or like contractors, tampering by other Members/users of the Corporation, normal failures of the system, or other events beyond the Corporation's control.

The Member/Applicant shall grant to the Corporation, now or in the future, permanent recorded easements of right-of-way dedicated to Levi Water Supply Corp. for the purpose of installing, maintaining, and operating such pipelines, meters, valves, and any other equipment which may be deemed necessary by the Corporation to extend or improve service for existing or future Members, on such forms as are required by the Corporation. The easement shall be a minimum of 15'.

By execution hereof, the Applicant shall guarantee payment of all other rates, fees, and charges due on any account for which said Applicant owns a Membership Certificate. Said guarantee shall pledge any and all Membership Fees against any balance due the Corporation. Liquidation of said Membership Fees shall give rise to discontinuance of service under the terms and conditions of the Corporation's tariff.

By execution hereof, the 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 Corporation.

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

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Applicant Member

\_\_\_\_\_  
Approved and Accepted

\_\_\_\_\_  
Date Approved

Email: [accounts@leviwater.com](mailto:accounts@leviwater.com)

Cost: 150.00 Membership Fee, \$3,250 Capital Improvements Fee, \$685.00 Standard Installation

**Total: \$4,085.00 Payable to Levi Water Supply Corporation.**

TRANSFER CURRENT MEMBERSHIP: \$25.00

If a new water service requires a water line extension or road bore to receive service, the cost is added to the installation charge.

All new meter requests are subject to an engineering study done by the system engineer. The engineering fee for the engineering study is \$150.00 for standard service (one meter), payable to Levi Water Supply. Request for multiple meters requires a Non-Standard Application and the engineer fee is subject to number of meters requested. (We contact the engineer for the fee)

When received by Levi Water Supply, the engineer results and summary will be presented to the Board of Directors at the next scheduled board meeting for their review and decision. The Board of Directors is the authority for decisions on new water service requests.

Please allow a minimum of four weeks for the engineer results to be received.



assigns. Grantor warrants that Grantor is the owner of the Land and has the right to execute this instrument. Grantor warrants that there are no liens existing against the Land other than the following liens: \_\_\_\_\_.

In addition to the consideration above recited, the Grantee will pay to the owner of the Land, and if leased, to any tenant thereon, as they may be respectively entitled, for actual damage done to fences and growing crops by reason of the construction, maintenance or removal of said lines; provided, however, that no such payment shall be made for trimming or removal of shrubbery, trees or undergrowth hereafter permitted to grow on or encroach upon the easement, nor for removal of buildings, structures or obstructions erected upon the easement after the execution of this instrument.

TO HAVE AND TO HOLD the easement and rights unto the Grantee, its successors and assigns; and Grantor hereby binds Grantor, and Grantor's heirs, executors, administrators, and successors, to warrant and forever defend the easement and rights herein granted unto the Grantee, its successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof, by, through and under Grantor, but not otherwise.

IN WITNESS WHEREOF the Grantor has executed this instrument this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
\_\_\_\_\_

STATE OF TEXAS

COUNTY OF \_\_\_\_\_

Before me, the undersigned, a Notary Public in and for said county and State, on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_ personally appeared \_\_\_\_\_ and \_\_\_\_\_ known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument, and acknowledged to me that he/she/they executed the same for the purposes and consideration therein expressed.

\_\_\_\_\_  
Notary Public, State of \_\_\_\_\_  
My Commission expires \_\_\_\_\_

AFTER RECORDING RETURN TO:

Form RD-TX 442-9  
(Rev 6-06)

**UNITED STATES DEPARTMENT OF AGRICULTURE  
Rural Utilities Service**

**RIGHT-OF-WAY EASEMENT (General Type Easement)**

**KNOW ALL MEN BY THESE PRESENTS**, that \_\_\_\_\_  
(hereinafter called "Grantors"), in consideration of one dollar (\$1.00) and other good and valuable consideration paid by Levi Water Supply Corporation (hereinafter called "Grantee"), the receipt and sufficiency of which is hereby acknowledged, does hereby grant, bargain, sell, transfer, and convey to said Grantee, its successors, and assigns, a perpetual easement with the right to erect, construct, install and lay and thereafter access and use, operate, inspect, repair, maintain, replace, upgrade, parallel and remove water distribution and/or sewer collection lines and appurtenances, over and across \_\_\_\_\_ acres of land, more particularly described in instrument recorded in Vol. \_\_\_\_\_, Page \_\_\_\_\_, Deed Records, \_\_\_\_\_ County, Texas, together with the right of ingress and egress over Grantor's adjacent lands for the purpose for which the above mentioned rights are granted. The easement hereby granted shall not exceed 15' in width, and Grantee is hereby authorized to designate the course of the easement herein conveyed except that when the pipeline(s) is installed, the easement herein granted shall be limited to a strip of land 15' in width, the center line thereof being the pipeline as installed.

Grantee shall have such other rights and benefits necessary and/or convenient for the full enjoyment and use of the rights herein granted, including without limitation, (1) the reasonable right of ingress and egress over and across lands owned by Grantor which are contiguous to the easement; (2) the reasonable right from time to time to remove any and all paving, undergrowth and other obstructions that may injure Grantee's facilities and appurtenances or interfere with the construction, maintenance, inspection, operation, protection, repair, alteration, testing, replacement, upgrading, relocation (as above limited), substitution or removal thereof; and (3) the rights to abandon-in-place any and all water supply and/or sewer distribution lines, service lines and associated appurtenances, such that Grantee shall have no obligation or liability to Grantor, or their successors or assigns, to move or remove any such abandoned lines or appurtenances.

In the event the easement hereby granted abuts on a public road and the county or state hereafter widens or relocates the public road so as to require the relocation of this water and/or sewer line as installed, Grantor further grants to Grantee an additional easement over and across the land described above for the purpose of laterally relocating said water and/or sewer line as may be necessary to clear the road improvements, which easement hereby granted shall be limited to a strip of land 15' in width, the center line thereof being the pipeline as relocated.

The consideration recited herein shall constitute payment in full for all damages sustained by Grantors by reason of the installation of the structures referred to herein and the Grantee will maintain such easement in a state of good repair and efficiency so that no unreasonable damages will result from its use to Grantor's premises. This Agreement together with other provisions of this grant shall constitute a covenant running with the land for the benefit of the Grantee, its successors, and assigns. The Grantors covenant that they are the owners of the above described lands and that said lands are free and clear of all encumbrances and liens except the following:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Form RD-TX 442-9  
(Rev. 6-06)

Grantor does hereby bind itself, its successors and assigns, to WARRANT AND FOREVER DEFEND, all and singular, the easement herein granted to Grantee, or Grantee's successors and assigns, against every person whomsoever claiming, or to claim, the same or any part thereof.

The easement conveyed herein was obtained or improved through Federal financial assistance. This easement is subject to the provisions of Title VI of the Civil Rights Act of 1964 and the regulations issued pursuant thereto for so long as the easement continues to be used for the same or similar purpose for which financial assistance was extended or for so long as the Grantee owns it, whichever is longer.

IN WITNESS WHEREOF the said Grantors have executed this instrument this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

ACKNOWLEDGMENT  
(Individual)

STATE OF TEXAS §  
COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on \_\_\_\_\_ by \_\_\_\_\_.

(SEAL)

\_\_\_\_\_  
Notary Public, State of Texas

**LEVI WATER SUPPLY CORPORATION  
NON-STANDARD SERVICE APPLICATION**

Please Print or Type

Applicant's name/Company \_\_\_\_\_

Address/City/State/ZIP: \_\_\_\_\_

Phone number (\_\_\_\_) \_\_\_\_ - \_\_\_\_\_ FAX (\_\_\_\_) \_\_\_\_ - \_\_\_\_\_

E-mail \_\_\_\_\_

Please attach a legal description of the proposed development as listed in deed records as a filed plat or parcel of land where other types of non-standard water/sewer service is requested. Plat requirements include: name of subdivision, owner/developer's name, lot sizes and lot lines, lot numbers, right of way dimensions and dedicated utility easements, legal description, highway and county road numbers, total acreage, adjoining property owners, flood plain, and vicinity map. Instrument must show proof of ownership; preliminary plats are acceptable for discussion purposes but an "approved plat" must be provided before contract closing.

Check type of service application or development:

- Residential Subdivision     Multi-family     Mobile Home Park     Trailer Park     School
- Line Extension                 Commercial/Industrial Park     Large Meter (>1")
- Multi-use Facility                 Other

Please list all water demand criteria for each meter or meter equivalent, or attach any engineering studies completed for the proposed service:

\_\_\_\_\_

\_\_\_\_\_

Maximum number of proposed lots: \_\_\_\_\_ Range of standard lot sizes: \_\_\_\_\_

Acreage \_\_\_\_\_

Please describe in detail the nature and scope of the project/development.

Initial needs \_\_\_\_\_

\_\_\_\_\_

Phased and final needs, including a map showing each phase, and the projected land uses that support the requested level of service for each phase.

\_\_\_\_\_

\_\_\_\_\_

Please list any additional special service needs not listed above.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Please provide the flow, pressure and infrastructure needs for anticipated level of fire protection requested or required by ordinance, including line sizes and capacity.

\_\_\_\_\_

\_\_\_\_\_

Please provide the timeline for initiation of this service, and for service to each additional or projected phase following initial service, including a schedule of events leading up to the anticipated date of service. Specify this for all additional or projected phases.

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Please describe how the utility may access the property during evaluation of application.

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**Please attach the following information, as applicable:**

- A proposed calendar of events, including design, plat approval, construction phasing and initial occupancy.
- If applying for a single tap that requires a line extension, road bore, or upsizing of facilities, maps or plans detailing the location of the requested service installation and/or extension and details of demand requirements.

**Required Fees**

Applicant is required to pay a Non-Standard Service Investigation Fee of \$\_\_\_\_\_ to the Corporation in accordance with Section G of the Corporation's tariff for purposes of paying initial administrative, legal, and engineering fees. The Corporation will refund any balance that remains after it has completed its service investigation, and has completed all legal and engineering services associated with processing a request.

In the event the Investigation Fee is not sufficient to pay all expenses incurred by the Corporation, the Applicant agrees to pay all additional expenses that have been or will be incurred by the Corporation and Corporation will have no obligation to complete processing of the Applications until all remaining expenses have been paid.

**Corporation's response to service request**

The Corporation will prepare a written response to Applicant's service request within 90 days from the date the application was submitted and the required fees were paid. The Corporation's response will state whether the requested service can be provided, the timeframe within which it can be provided, and the costs for which the Applicant will be responsible, which may include capital improvements, easements or land acquisition costs, and professional fees.

*Applicant has received and reviewed Section F of the Corporation's tariff and agrees to comply with all the requirements contained therein.*

*Under penalties of perjury, I declare that I have reviewed the information presented in this Application, including accompanying documents, and to the best of my knowledge and belief, the information is true, correct and complete.*

\_\_\_\_\_  
Print Applicant/Name of Company

\_\_\_\_\_  
Signature of Authorized Representative

\_\_\_\_\_  
Date

For Corporation Use Only
_____ Date application received
_____ Amount Fees Paid / Date Paid
_____ Signature WSC staff member

## NON-STANDARD SERVICE CONTRACT

THE STATE OF TEXAS  
COUNTY OF MCLENNAN

THIS CONTRACT is made and entered into by and between \_\_\_\_\_, hereinafter referred to as "Applicant", and Levi Water Supply Corporation, hereinafter referred to as "WSC" or "Corporation".

WHEREAS, Applicant is engaged in developing that certain \_\_\_\_\_ acres of land in \_\_\_\_\_, County, Texas, more particularly known as the \_\_\_\_\_ subdivision, according to the plat thereof recorded at Vol. \_\_\_\_\_, Page \_\_\_\_\_ of the Plat Records of \_\_\_\_\_ County, Texas, said land being hereinafter referred to as "the Property"; and,

WHEREAS, Levi WSC owns and operates a water system which supplies potable water for human consumption and other domestic uses to customers within its service area; and,

WHEREAS, Applicant has requested Levi WSC to provide such water service to the Property through an extension of Levi WSC's water system, which includes all on-site and off-site service facilities to meet the level and manner of service requested by the Applicant, such extension being hereinafter referred to as "the Water System Extension";

NOW THEREFORE: KNOW ALL MEN BY THESE PRESENTS:

THAT for and in consideration for the mutual promises hereinafter expressed, and other good and valuable consideration, the sufficiency of which is hereby acknowledged by the parties, Applicant and Levi WSC agree and contract as follows:

1. **Engineering and Design of the Water System Extension.**
  - (a) The Water System Extension shall be engineered and designed by a Texas Licensed Professional Engineer in accordance with the applicable specifications of Levi WSC and all governmental agencies having jurisdiction. All plans and specifications must be reviewed and approved by Levi WSC's consulting engineer prior to the issuance of any request for bids for the construction of the Water System Extension. After such approval of the plans and specifications by Levi WSC's consulting engineer, the plans and specifications shall become part of this Agreement by reference and shall more particularly define "the Water System Extension".
  - (b) The Water System Extension must be sized to provide continuous and adequate water service to the Property based on plans for the development as provided to Levi WSC by the Applicant. Levi WSC may require the Water System Extension to be oversized in anticipation of the needs of other customers of the WSC, subject to the obligation to reimburse the Applicant for any such oversizing as provided below.
  
2. **Required Sites, Easements or Rights-of-Way.**
  - (a) Applicant shall be responsible for dedicating or acquiring any easements across privately owned land or sites (including off-site) which are necessary for the construction or operation of the Water System Extension and for obtaining any Governmental approvals necessary to construct the Water System Extension in public right-of-way.

- (b) Any easements acquired by the Applicant shall be in a form approved by the Levi WSC (see Form of Easement, attached to this Contract and made a part hereof) and shall be assigned to Levi WSC upon proper completion of the construction of the Water System Extension.
- (c) The validity of the legal instruments by which the Applicant acquires any such easements and by which Applicant assigns such easements to Levi WSC must be approved by Levi WSC's attorney.

3. **Construction of the Water System Extension**

- (a) If requested by Levi WSC, Applicant agrees to advertise for bids for the construction of the Water System Extension in accordance with generally accepted bidding practices and shall award the contract for the construction of the Water System Extension subject to the acceptance of the WSC. Levi WSC may reject any bid.
- (b) The Water System Extension shall be constructed in accordance with the accepted plans and specifications. Levi WSC shall have the right to inspect all phases of the construction of the Water System Extension. Levi WSC's engineer shall review all materials used in construction to ensure computability with Levi WSC's Water System. Applicant must give written notice to Levi WSC of the date on which construction is scheduled to begin so that Levi WSC may assign an Inspector. Levi WSC may charge reasonable inspection fees based on the actual costs of labor, travel and incidental expenses of the inspectors, plus 10% overhead.
- (c) Applicant shall obtain performance and payment bonds and proof of commercial general liability insurance under an occurrence policy form for all work under this Agreement. Except for worker's compensation insurance policies and automobile liability insurance, all insurance policies shall name Levi WSC as an additional insured on a primary and non-contributory basis with respect to bodily injury, property damage, personal injury and products/completed operations with limits for bodily injury and death of not less than one million dollars (\$1,000,000) each occurrence, limits for property damage of not less than one million dollars (\$1,000,000) each occurrence and two million dollars (\$2,000,000) in the aggregate per policy period. A single limit of two million dollars (\$2,000,000) of bodily injury or property damage is acceptable. The coverage shall contain no special limitations on the scope or protection afforded to the additional insured. The policy shall not contain any provision, definition, or endorsement which would serve to eliminate third party action-over claims. It is the intent of the parties to this Agreement that all insurance coverage required herein shall be primary to and shall seek no contribution for all insurance available to Levi WSC with Levi WSC's insurance being excess, secondary and non-contributing. Self-funded or other non-risk transfer insurance is not acceptable.

4. **Dedication of Water System Extension to WSC.**

- (a) Upon proper completion of construction of the Water System Extension and final inspection thereof by WSC, the Water System Extension shall become the property of the WSC. Applicant shall assign, dedicate, and convey to Levi WSC all constructed facilities and related rights, including but not limited to, contracts, easements, rights-of-way, deeds, and warranties. Applicant shall

bear all costs associated with transfer of the Water System Extension to Levi WSC. Applicant shall provide reproducible as-built drawings of all constructed facilities to Levi WSC. The as-built drawings must verify that all facilities have been properly located within the easements conveyed to Levi WSC. The Water System Extension shall thereafter be owned and maintained by WSC subject to the warranties required of Applicant under Subsection (b). Any connection of individual customers to the Water System Extension shall be made by the WSC.

- (b) Upon transfer of ownership of the Water System Extension, Applicant shall warrant materials and performance of the Water System Extension constructed by Applicant for 12 months following the date of the transfer.
- (c) **APPLICANT SHALL DEFEND, INDEMNIFY, AND HOLD HARMLESS LEVI AND LEVI'S DIRECTORS, OFFICERS, EMPLOYEES, AND AGENTS FROM ALL CLAIMS, ACTIONS, SUITS, DAMAGES, LAWSUITS, COURT COSTS, ATTORNEY'S FEES, AND LIABILITY ARISING OUT OF OR IN ANY WAY RELATED TO THE NEGLIGENCE OF LORENA, INCLUDING ITS AGENTS, EMPLOYEES, AND SUBCONTRACTORS, AND/OR ITS PERFORMANCE OR FAILURE TO PERFORM RELATING TO OR ARISING OUT OF THE WATER SYSTEM EXTENSION.**

5. **Cost of the Water System Extension.**

- (a) Applicant shall pay all costs incurred by Levi WSC associated with the Water System Extension as a contribution in aid of construction, including, without limitation, the cost of the following:
  - (1) Administration;
  - (2) engineering and design;
  - (3) easement or right-of-way acquisition;
  - (4) construction;
  - (5) inspection(s), bid review, and additional inspections required by Levi WSC
  - (6) attorneys' fees; and
  - (7) governmental or regulatory approvals required to lawfully provide service.
  - (8) **APPLICANT SHALL INDEMNIFY LEVI WSC AND HOLD LEVI WSC HARMLESS FROM ALL OF THE FOREGOING COSTS.**
- (b) Applicant must remit payment directly to the billing entity for the foregoing costs. If any invoice goes unpaid for more than thirty days after the date the invoice was forwarded to Applicant, Levi WSC may, in its sole discretion, delay or discontinue any and all plans associated with the Water System Extension until payment is made. Levi WSC may pursue any remedies for payment, in law or at equity, at Applicant's cost, including but not limited to discontinuing service and/or cancelling Membership. In the event Membership is cancelled and Applicant wishes to continue Membership and the Water System Extension, Applicant may be assessed a Membership Fee and either a Reconnect Fee or Re-Service Fee to re-establish service and renew Membership.
- (c) Provided, however, nothing herein shall be construed as obligating the Applicant to maintain the Water System Extension subsequent to its dedication and acceptance for maintenance by Levi WSC.
- (d) If Levi WSC has required the Water System Extension to be oversized in anticipation of the needs of the other customers of WSC, Levi WSC shall

reimburse Applicant for the additional costs of construction attributable to the oversizing, as determined by Levi WSC's consulting engineer, in three annual installments without interest beginning one year after dedication of the Water System Extension to WSC.

- (e) Applicant shall pay all costs associated with the Water System Extension required by Levi WSC's tariff as amended from time to time including, but not limited to, the following list. Each cost described below is nonrefundable except as expressly stated otherwise in Levi WSC's tariff and Applicant shall not be reimbursed for any such charges. Payment of all charges listed below (including initial Monthly Base Rate charges) is due upon execution of this agreement. Applicant acknowledges and understands that if Applicant does not pay a Monthly Base Rate charge to reserve service, connections are not guaranteed or reserved:
- (1) Monthly Base Rate charge to reserve service as specified in existing tariff, as amended, pursuant to Applicant's connection size. As Applicant transfers membership to a new property owner, Applicant's monthly obligation shall be reduced accordingly. The transfer of membership shall be considered complete and Applicant's obligation shall be reduced once the Transfer Fee has been paid by either Applicant or the new property owner, Transferee has completed an application and all required paperwork and paid the Installation Fee for Standard Service, and Levi WSC has accepted the transfer of membership. In no event will costs of material installed by Applicant be duplicated or charged by Levi WSC to a Transferee;
  - (2) Equity Buy-In Fee (Front-End Capital Contribution) of \$\_\_\_\_\_ per connection; and
  - (3) Membership Fee of \$\_\_\_\_\_ per connection.

**6. Service From the Water System Extension.**

- (a) After proper completion and dedication of the Water System Extension to Levi WSC, Levi WSC shall provide continuous and adequate water service to the Property, subject to all duly adopted rules and regulations of Levi WSC and the payment of the following:
- (1) All standard rates, fees and charges as reflected in Levi WSC's approved tariff;
  - (2) Any applicable Equity Buy-In fee adopted by Levi WSC;
  - (3) Any applicable reserved service charge adopted by Levi WSC.
- (b) It is understood and agreed by the parties that the obligation of Levi WSC to provide water service in the manner contemplated by this Contract is subject to the issuance by the Texas Commission on Environmental Quality or Public Utility Commission and all other governmental agencies having jurisdiction of all permits, certificates or approvals required to lawfully provide such service.
- (c) Unless the prior approval of Levi WSC is obtained, the Applicant shall not:
- (1) construct or install additional water lines or facilities to service areas outside the Property;
  - (2) add any additional lands to the Property for which water service is to be provided pursuant to this Agreement; or
  - (3) connect or serve any person or entity who, in turn, sells water service directly or indirectly to another person or entity.

7. **Effect of Force Majeure.**

In the event either party is rendered unable by force majeure to carry out any of its obligations under this Contract, in whole or in part, then the obligations of that party, to the extent affected by the force majeure shall be suspended during the continuance of the inability, provided however, that due diligence is exercised to resume performance at the earliest practical time. As soon as reasonably possible after the occurrence of the force majeure relied upon to suspend performance, the party whose contractual obligations are affected thereby shall give notice and full particulars of the force majeure to the other party.

The cause, as far as possible, shall be remedied with all reasonable diligence. The term "force majeure" includes acts of God, strikes, lockouts or other industrial disturbances, acts of the public enemy, orders of the government of the United States or the State of Texas or any civil or military authority, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, hurricanes, storms, floods, washouts, droughts, arrests, restraints of government and civil disturbances, explosions, breakage, or accidents to equipment, pipelines, or canals, partial or complete failure of water supply, and any other inability's of either party, whether similar to those enumerated or otherwise, that are not within the control of the party claiming the inability and that could not have been avoided by the exercise of due diligence and care. It is understood and agreed that the settlement or strikes and lockouts shall be entirely within the discretion of the party having the difficulty and that the requirement that any force majeure be remedied with all reasonable dispatch shall not require the settlement of strikes and lockouts by acceding to the demands of the opposing party if the settlement is unfavorable to it in the judgment of the party having the difficulty.

8. **Notices.**

Any notice to be given hereunder by either party to the other party shall be in writing and may be affected by personal delivery or by sending said notices by registered or certified mail, return receipt requested, to the address set forth below. Notice shall be deemed given when deposited with the United States Postal Service with sufficient postage affixed. Any notice mailed to the WSC shall be addressed:

Levi Water Supply

P.O. Box 490 2757 Rosenthal Pkwy

Lorena, Texas 7655-0490

Any notice mailed to Applicant shall be addressed:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Either party may change the address for notice to it by giving **written** notice of such

change in accordance with the provisions of this paragraph

9. **Breach of Contract and Remedies.**

- (a) If either party breaches any term or condition of this Contract, the non-breaching party may, at its sole option, provide the breaching party with a notice of the breach within sixty (60) days of discovery of the breach by the non-breaching party. Upon notice of breach, the breaching party shall have sixty (60) days to cure the breach. If the breaching party does not cure the breach within the sixty (60) days, the non-breaching party, below, shall have all rights at law and in equity including the right to enforce specific performance of this Contract by the breaching party, the right to perform the obligation in question and to seek restitution for all damages incurred in connection therewith.
- (b) In the event of termination of this Contract by a non-breaching party, such action shall not affect any previous conveyance.
- (c) The rights and remedies of the parties provided in this Contract shall not be exclusive and are in addition to any other rights and remedies provided by law and under this Contract.

10. **Third Parties.**

It is the express intention of the parties that the terms and conditions of this Contract may be enforced by either party but not by any third party or alleged third-party beneficiary.

11. **Captions.**

Captions are included solely for convenience of reference and if there is any conflict between captions and the text of the Contract, the text shall control.

12. **Context.**

Whenever the context requires, the gender of all words herein shall include the masculine, feminine, and neuter, and the number of all words shall include the singular and the plural.

13. **Mediation. [Optional]**

Prior to the institution of legal action by either party related to any dispute arising under this Contract, said dispute shall be referred to mediation by an independent mediator mutually agreed upon by both parties. The cost of the mediator shall be shared equally by both parties.

14. **Litigation Expenses.**

Either party to this Contract who is the prevailing party in any legal proceeding against the other party, brought in relation to this Contract, shall be entitled to recover court costs and reasonable attorneys' fees from the non-prevailing party.

15. **Intent.**

The parties hereto covenant and agree that they shall execute and deliver such other and further instruments and documents as are or may become necessary or convenient to effectuate and carry out the intent of this Contract.

16. **Multiple Originals.**

This Contract may be executed in multiple originals, any copy of which shall be considered to be an original.

17. **Authority.**

The signatories hereto represent and affirm that they are authorized to execute this Contract on behalf of the respective parties hereto.

18. **Severability.**

The provisions of this Agreement are severable, and if any word, phrase, clause, sentence, paragraph, section, or other part of this Agreement or the application thereof to any person or circumstance shall ever be held by any court of competent jurisdiction to be invalid or unconstitutional for any reason, the remainder of this Agreement and the application of such word, phrase, clause, sentence, paragraph, section, or other part of this Agreement to other persons or circumstances shall not be affected thereby and this Agreement shall be construed as if such invalid or unconstitutional portion had never been contained therein.

19. **Entire Agreement.**

This Agreement, including any exhibits attached hereto and made a part hereof, is executed in connection with a NonStandard Service Application and Agreement (together with this Contract, "Contract Documents") pursuant to the requirements of Levi WSC's Tariff. In the event of any conflicts between the Contract Documents and Levi WSC's Tariff, Levi WSC's Tariff, as amended, shall control. The Contract Documents constitute the entire agreement between the parties relative to the subject matter of this Agreement. All prior agreements, covenants, representations, or warranties, whether oral or in writing, between the parties are merged herein.

20. **Amendment.**

No amendment of this Agreement shall be effective unless and until it is duly approved by each party and reduced to a writing signed by the authorized representatives of the WSC and the Applicant, respectively, which amendment shall incorporate this Agreement in every particular not otherwise changed by the amendment.

21. **Governing Law.**

This Agreement shall be construed under and in accordance with the laws of the State of Texas and all obligations of the parties are expressly deemed performable in McLennan & Falls County, Texas.

22. **Venue.**

Any action at law or in equity brought to enforce or interpret any provision of this Contract shall be brought in a state court of competent jurisdiction with venue in McLennan County, Texas.

23. **Successors and Assigns.**

This Agreement shall be binding on and shall inure to the benefit of the heirs, successors and assigns of the parties.

24. **Assignability.**

The rights and obligations of the Applicant hereunder may not be assigned without the prior written consent of the WSC.

25. **Effective Date.**

This Agreement shall be effective from and after the date of due execution by all parties.

IN WITNESS WHEREOF each of the parties has caused this Agreement to be executed by its duly authorized representative in multiple copies, each of equal dignity, on the date or dates indicated below.

Levi Water Supply Corporation

APPLICANT

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_