

**KENTUCKYTOWN WATER SUPPLY CORPORATION
SERVICE APPLICATION AND AGREEMENT**

CORPORATION USE ONLY

Date Approved _____

Service Classification _____

Cost _____

Work Order Number _____

Account Number _____

Service Inspection Date _____

PLEASE PRINT:

DATE: _____

APPLICANT & CO-APPLICANT NAME: _____

CURRENT BILLING ADDRESS:

FUTURE BILLING ADDRESS:

PHONE NUMBER: HOME () ____ - ____ CELL () ____ - ____ WORK () ____ - ____

E-MAIL ADDRESS: _____

PROOF OF OWNERSHIP PROVIDED BY: _____

DRIVER'S LICENSE NUMBER: _____ ST _____

LEGAL DESCRIPTION OF PROPERTY: (Include name of road, subdivision with lot & block number):

PREVIOUS OWNER'S NAME AND ADDRESS : (If transferring Membership):

SPECIAL SERVICE NEEDS OF APPLICANT: _____

NOTE: FORM MUST BE COMPLETED BY APPLICANT ONLY. A MAP OF SERVICE LOCATION REQUEST MUST BE ATTACHED.

AGREEMENT made this ___ day of _____, 20___, between Kentuckytown 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 and 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 a transferee and thereby after may hereinafter be called a Member.

The Member shall pay the corporation for service hereunder as determined by the Corporations 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 for 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 current, signed copy of this agreement.

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

The number of taps to be considered in the design and the number of potential ratepayers considered in determining the financial feasibility of constructing a new water system or expanding the facilities of an existing water system.

The Applicant hereby agrees to obtain, utilize, and/or reserve 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 services as prescribed in Corporation's tariff. Any breach of this agreement shall give cause for the Corporation to liquidate, 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 \$300.00 as liquidated damages to defray any losses incurred by the Corporation. If delivery to service to said location is deemed infeasible by the Corporation as a part of this project, the Applicant shall be denied Membership in the Corporation 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 Corporations policies. For the purposes of this agreement, an Indication of Interest Fee shall be an amount equal to the Corporation's Membership Fee's.

All water shall metered by meters to be furnished and installed by the Corporation. The meter and/or wastewater connection is for 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 ser vice from one

property to another, to share, resell, or sub meter 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 and undesirable plumbing practices.

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 potential source of contamination is permitted. Potential sources of contamination shall be isolated from 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 expansions devices 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 back-flow 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 the 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.

The Corporation shall maintain a copy of this agreement as long as the 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 prior to initiating service and periodically thereafter. The inspections shall be conducted during normal business hours.

The Corporation shall notify 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 either terminate service or properly install, test, and maintain an appropriate backflow prevention device at the service connection. Any expenses associated with 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 application shall hold the Corporation harmless from any and all claims for damages caused by service interruptions due to waterline breaks by utility or like contractors, tampering by other Member/users of the Corporation, normal failures of the system or other events beyond the Corporation's control.

The Member shall grant to the Corporation, 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 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.

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.

Applicant signature

Date

Approved

Date

SERVICE AGREEMENT

- I. PURPOSE, KENTUCKYTOWN WATER SUPPLY CORPORATION IS RESPONSIBLE FOR PROTECTING THE DRINKING WATER SUPPLY FROM CONTAMINATION OR POLLUTION WHICH COULD RESULT FROM IMPROPER PRIVATE WATER DISTRIBUTION SYSTEM CONSTRUCTION OR CONFIGURATION. THE PRUPOSE OF THIS SERVICE AGREEMENT IS TO NOTIFY EACH CUSTOMER OF THE RESTRICTIONS THAT ARE IN PLACE TO PROVIDE THIS PROTECTION. THE UTILITY ENFORCES THESE RESTRICTIONS TO ENSURE THE PUBLIC HEALTH AND WELFARE. EACH CUSTOMER MUST SIGN THIS AGREEMENT BEFORE KENTUCKYTOWN WATER SUPPLY CORPORATION WILL BEGIN SERVICE. IN ADDITION, WHEN SERVICE TO AN EXISTING CONNECTION HAS BEEN SUSPENDED OR TERMINATED, THE WATER SYSTEM WILL NOT RE-ESTABLISH SERVICE UNLESS IT HAS A SIGNED COPY OF THIS AGREEMENT.
- II. RESTRICTIONS, THE FOLLOWING UNACCEPTABLE PRACTICES ARE PROHIBBITED BY STATE REGULATIONS.
 - A. NO DIRECT CONNECTION BETWEEN THE PUBLIC DRINKING WATER SUPPLY AND POTENTIAL SOURCE OF CONFIRMATION IS PERMITTED. POTENTIAL SOURCES OF CONTAMINATION SHALL BE ISOLATED FROM THE PUBLIC WATER SYSTEM BY AN AIR GAP OR AN APPROPRIATE BACKFLOW PREVENTION DEVICE.
 - 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 INSTALLATION OF AN AIR-GAP OR A REDUCED PRESSURE-ZONE BACKFLOW PREVENTION DEVICE.
 - C. NO CONNECTION WHICH ALLOWS 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 THE INSTALLATION OR REPAIR OF PLUMBING AT ANY CONNECTION WHICH PROVIDES WATER FOR HUMAN USE.
 - E. NO SOLDER OR FLUX WHICH CONTAINS MORE THAN 0.2% LEAD CAN BE USED FOR THE INSTALLATION OR REPAIR OF PLUMBING AT ANY WHICH PROVIDES WATER FOR HUMAN USE.
- III. SERVICE AGREEMANT. THE FOLLOWING ARE THE TERMS OF THE SERVICE AGREEMENT BETWEEN KENTUCKYTOWN WATER SUPPLY CORPORATION THE CUSTOMER.
 - A. THE WATER SYSTEM WILL MAINTAIN A COPPY OF THIS AGREEMENT AS LONG AS THE CUSTOMER AND /OR THE PREMISES IS CONNECTED TO THE WATER SYSTEM.
 - B. THE CUSTOMER SHALL ALLOW THE PROPERTY TO BE INSPECTED FOR POSSIBLE CROSS-CONNECTIONS AND OTHER POTENTIAL CONTAMINATION HAZARDS. THESE INSPECTIONS SHALL BE CONDUCTED BY KENTUCKYTOWN

WATERSUPPLY OR ITS DESIGNATED AGENT PRIOR TO INITIATING SERVICE ; OR AFTER ANY MAJOR CHANGES TO THE PRIVATED WATER DISTRIBUTION FACILITIES. THE INSPECTIONS SHALL BE CONDUCTED DURING THE NORMAL BUSINESS HOURS OF KENTUCKYTOWN WATER SUPPLY.

- C. KENTUCKYTOWN WATER SUPPLY SHALL NOTIFY THE CUSTOMER IN WRITING OF ANY CROSS CONNECTION OR OTHER POTENTIAL CONTAMINATION HAZARD WHICH HAS BEEN IDENTIFIED DURING THE INITIAL INSPECTION OR THE PERIODIC RE-INSPECTION.
- D. THE CUSTOMER SHALL IMMEDIATELY REMOVE OR ADEQUAETLY ISOLATE ANY POTENTIAL CROSS-CONNECTIONS OR OTHER POTENTIAL CONTAMINATION HAZARDS ON HIS PREMISSES.
- E. THE CUSTOMER SHALL, AT HIS EXPENSE PROPERLY INSTALL,TEST,AND MAINTAIN ANY BACKFLOW PREVENTION DEVICE REQUIRED BY KENTUCKYTOWN WATER SUPPLY. COPIES OF ALL TESTING AND MAINTENANCE RECORDS SHALL BE PROVIDED TO KENTUCKYTOWN WATER SUPPLY.

- IV. ENFORCEMENT. IF THE CUSTOMER FAILS TO COMPLY WITH THE TERMS OF THIS SERVICE AGREEMENT, KENTUCKYTOWN WATER SUPPLY CORPORATION SHALL, AT ITS OPTION, EITHER TERMINATE SERVICE OR PROPERLY INSTALL, TEST AND MAINTAIN AN APPROPRIATE BACKFLOW PREVENTION DEVICE AT THE SERVICE CONNECTION. ANY EXPENSES ASSOCIATED WITH THE ENFORCEMENT OF THIS AGREEMENT SHALL BE BILLED TO THE CUSTOMER.

APPLICANT SIGNATURE _____

DATE _____

RULES AND REGULATIONS FOR PWSs: 3D TAC 290 SUBCHAPTER D

RG-346 REVISED FEBRUARY 2004

Customer Service Inspection

Please understand that once the meter is installed and completion of the residency, we must have a Customer Service Inspection on file. This inspection is at the owner's expense and Kentuckytown WSC will furnish a list of several companies in the area that can complete the inspection.

I _____ understand that I am responsible to obtain the Customer Service Inspection at my expense and provide Kentuckytown WSC a copy.

Owner

Date

RIGHT OF WAY 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 _____, (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 use, operate, insect, repair, maintain, replace, remove and /or supplement water distribution lines and appurtenances over and across _____ acres of land, more particularly described in instrument recorded in Doc. _____, Year _____, Deed Records, _____ County, Texas, together with the right of ingress and egress over Grantor's adjacent lands for purpose for which the above mentioned rights are granted. The easement hereby granted shall not exceed 20' in width, and Grantee is hereby authorized to designate the course of the easement herein conveyed except that when the water distribution lines and appurtenances are installed the easement herein granted shall be limited to a strip of land 20' in width the center line thereof being the water distribution lines and appurtenances as installed.

In the event 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 line as installed, Grantor further grants to Grantee an additional easement over and across the land described above for the purpose of lately relocating said water line as may be necessary to clear the road improvements, which easement hereby granted shall be limited to as strip of land 20' 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 land and that said lands are free and clear of all encumbrances and liens except the following:

IN WITNESS WHEREOF THE SAID Grantors have executed this instrument this ____ day of _____.

ACKNOWLEDGEMENT

State of Texas
County of _____

BEFORE ME, the undersigned, a Notary Public in and for said County and STATE, on this day personally appeared _____ 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.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS IS THE ____ day of _____, 20__.

_____ COUNTY, Texas.

(Seal)