

SALADO

WATER SUPPLY CORPORATION SERVICE APPLICATION AND AGREEMENT

P.O. BOX 128, SALADO, TX 76571 254-947-5425 (PHONE) 254-947-5736 (FAX)

Date: _____

Applicants Name _____ Occupation _____

CoApplicants Name _____ Occupation _____

Billing Address: _____ Physical Address: _____

Phone Number (____) _____ - _____ Work Number (____) _____ - _____

Proof of Ownership: (Declaration Page of Deed) _____
(Omit Proof of Ownership unless requested by Corporation)

Previous Owner's Name and Address (if transferring Membership):

Realtor(s) _____

Home Information:
Acreage _____ Square Feet _____

Number in Family _____ Livestock _____

Special Service Needs of Applicant:

Please Note: Form must be completed by APPLICANT ONLY.

The following information is requested by the Federal Government in order to monitor compliance with Federal laws prohibiting discrimination against applicants seeking to participate in this program. You are not required to furnish this information, but are encouraged to do so. This information will not be used in evaluating your application or to discriminate against you in any way. However, if you choose not to furnish it, we are required to note the race/national origin of individual applicants on the basis of visual observation or surname.

White, Not of Hispanic Origin Black, Not of Hispanic Origin American Indian Alaskan Native Hispanic Asian or Pacific Islander Other _____ Male Female

FOR OFFICE USE ONLY

Type of Service: New Applicant of Membership Membership as a Transferee COST: _____
Proof of Ownership: Declaration Page of Deed Seller's Agreement ACCOUNT: _____

AGREEMENT made this _____ day of _____, _____,

between **SALADO 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 waste water 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 Corporations tariff and upon the terms and conditions set forth therein, a copy of which may be viewed anytime at the Corporate office, which Member acknowledges 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 Corporations published rated 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 a rural domestic water and/or waste water system loan project contemplated with the Rural Development, an Applicant shall pay an Indication of Interest Fee in lieu of Membership Fee for the purposes of determining:

- a. The number of taps to be considered in the design and
- b. The number of potential rate payers considered in determining the financial feasibility of construction
 - 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 Corporations 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 Corporations tariff. Any breach of the 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 Corporations 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 of an amount equal to the Corporations Membership Fees.

All water shall be metered by meters to be furnished and installed by the Corporation. The meter and/or waste water 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, 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 Members property at a point to be chosen by the Corporation, and shall have access to its property and equipment located upon Members 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 Members property. The Member shall install, at their own expense, any necessary service lines from the Corporations facilities and equipment to the point of use, including any customer service isolation valves, back-flow prevention devices, clean-outs, and other equipment as may be specified by the Corporation. The Corporation shall also have access to the Members property for the purpose of inspecting for possible cross-connections, potential contamination hazards, and illegal lead materials.

The Corporation is responsible for protecting the drinking water supply from contamination or pollution which could result from improper practices. This service agreement serves a notice to each customer of the restrictions which are in place to provide the protection. The Corporation shall enforce these restrictions to ensure the public health and welfare.

The following undesirable 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 back-flow prevention assembly in accordance with state regulations.

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 back-flow 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 the 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 of flux which contains more than 0.2% lead may be used for the installation or repair plumbing on or after July 1, 1988, at any connection which provides water for human consumption.

The Corporation shall maintain a copy of the agreement as long as the Member and/or premises is connected to the public water system. The Member shall allow their property to be inspected for possible cross-connections, potential contamination hazards and illegal lead materials. These inspections shall be conducted by the Corporation or its designated agent prior to initiating service and periodically thereafter. The inspection shall be conducted during the Corporations normal business hours.

The Corporation shall notify the Member in writing of any cross-connections or other undesirable practices which have been identified during the initial or subsequent inspection. The Member shall immediately correct any undesirable practice on their premises. The Member shall, at their expense, properly install, test and maintain any back-flow 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 back-flow prevention device at the service connection. Any expenses 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 Corporations Tariff. By execution of the 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 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 Corporations 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 operation 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 Corporations tariff.

By execution hereof, the Applicant agrees that non-compliance with the terms of the 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 pages of this agreement shall result in discontinuance of service pursuant to the terms and conditions of the Corporations tariff.

Witnesseth

Applicant Membership

Approved and Accepted

Date Approved

****NOTATIONS:**

1) No part of a septic is allowed within ten (10) feet of any water main or service line delivering water from the meter to the free flowing tap of the person served.

2) A sprinkler system shall be connected to the service line at least two (2) feet from the meter box. An approved back-flow prevention device must be installed and inspected upon installation by a licensed back-flow tester. Inspection results must be delivered to the Corporations office.

Initial _____

YOU CAN NOW REQUEST THAT PERSONAL INFORMATION CONTAINED IN OUR UTILITY RECORDS NOT BE RELEASED TO UNAUTHORIZED PERSONS

The Texas legislature recently enacted a bill, effective September 1, 1993, allowing non-profit water supply corporations to give their customers the option of making the customers address, telephone number, and social security number confidential.

IS THERE A CHARGE FOR THIS SERVICE?

Normally there is, but this organization does not charge.

HOW CAN YOU REQUEST THIS?

Simply complete the form at the bottom of this page and return it to:

**SALADO WATER SUPPLY CORPORATION
PO BOX 128
SALADO, TX 76571**

Your response is not necessary if you do not want this service.

WE MUST STILL PROVIDE THIS INFORMATION UNDER LAW TO CERTAIN PERSONS

We must still provide this information to (1) an official or employee of the state or a political subdivision of the state, or the federal government acting in an official capacity; (2) an employee of a utility acting in connection with the employee's duties; (3) a consumer reporting agency; (4) a contractor or subcontractor approved by and providing services to the utility or to the state, a political subdivision of the state, the federal government, or an agency of the state or federal government; (5) a person for whom the customer has contractually waived confidentiality for personal information, or (6) another entity that provides water, waste water, sewer, gas, garbage, electricity, or drainage service for compensation. However, such confidentiality does not prohibit the Corporation from disclosing the name and address of each member on a list to be made available to the Corporation voting members, or their agents or attorneys, in connection with any meeting of the Corporations members.

YES, I want to make my personal information (address, telephone number, and social security number) confidential.

Name of Account Holder

Account Number

Address

Telephone Number

City, State, Zip Code

Signature