



**WASTEWATER SERVICE AGREEMENT
for
WINDCLIFF HARBOR**

This Agreement is hereby made by and between the EMERALD BAY MUNICIPAL UTILITY DISTRICT (the "District"), 155 LaSalle Drive, Bullard, Texas 75757, and _____ (the "Subscriber"), of _____;

WHEREAS, the Subscriber is the owner of property in the vicinity of, but outside the official boundary of, the District, and desires to contract for sewer service therefore; and

WHEREAS, the District operates a wastewater treatment plant and gathering lines and is capable of providing, and is willing to provide, sewer service to the Subscriber on the terms and conditions set out herein:

NOW, THEREFORE, the parties hereto agree as follows:

1. SERVICE. The District agrees to accept the effluent from the Subscriber's property into its gathering lines for treatment and disposition, subject to the terms and conditions of this Agreement.

2. PROPERTY TO BE SERVICED. The property of the Subscriber to be serviced under this Agreement is located at _____, (street address) and/or legal description of the property.

3. SERVICE RATES. The Subscriber shall pay the District for the services to be rendered under this Agreement on the following basis:

a. A monthly service fee equal to the monthly service fee then being charged to each customer or Subscriber situated within the boundaries of the District. That base monthly service fee is presently THIRTY-FOUR DOLLARS AND EIGHTY-THREE CENTS (\$34.83) per month. All fees are subject to review periodically by the District.

b. An additional monthly charge equal to one-twelfth (1/12) of the product of the assessed valuation of Subscriber's property by the Smith County Appraisal District times ninety percent (90%) of the property tax rate fixed by the District for the calendar year. The District tax rate has been fixed at \$0.21 (21 cents) per ONE HUNDRED DOLLARS (\$100.00) valuation for calendar year 2007.

4. BILLING. The District will mail a statement for all current and past due fees and charges to the Subscriber on or before the 5th day of the month for which the service is provided.

a. All bills shall be due when rendered and are delinquent if full payment is not received by the District or its authorized payment agency by 5:00 p.m. on the last day of the billing month. If the due date falls on a holiday or weekend, the due date for payment purposes is the next work day after the due date.

b. Any fees and charges for sewer service provided by the District which remain unpaid on the last business day of the billing month shall be considered delinquent. The District shall then send the Subscriber written notice of the delinquency by certified and/or regular mail. The Notice shall state:

(1) The name of the Subscriber and the amount due for services provided by the District;

(2) That the sewer connection will be disconnected if the delinquent statement is not paid in full by the last business day of said Notice month.

c. The District may disconnect sewer service if:

(1) A delinquent statement owed to the District is not paid by the last business day of the month in which the Subscriber receives the Delinquency Notice in accordance with this Section.

(2) If a Subscriber's bill is paid with a check or draft that is not honored by the bank, the District may give the Subscriber ten (10) days' notice that the bill shall be paid in a form and manner specified in the Notice, failing which sewer service will be terminated. The District may offer a deferred payment plan to residential customers who cannot pay an outstanding bill in full but are willing to pay the balance in reasonable installments. If the bill is not paid in the manner and within the time specified in the Delinquency Notice, the Subscriber's sewer service may be terminated by the District. In addition, a Subscriber who pays a bill with a check or draft that is not honored by the bank may be charged an administrative fee of \$25.00.

(3) If the account has not been paid in full by the last business day of the month in which the Subscriber receives Notice of the delinquency, a Termination Notice will be mailed to the Subscriber stating that sewer service may be terminated by the District by the end of the month in which the Termination Notice was sent. A District representative will be directed to disconnect sewer service on the date specified in the Termination Notice. Subscriber will be billed for actual costs incurred for the disconnection and/or reconnection of sewer service.

5. TERM. The term of this Agreement shall commence on the date of execution of this agreement or first day of connection to the District's wastewater treatment plant, and shall continue in full force and effect thereafter from year to year unless sooner terminated by either the District or the Subscriber in accordance with the terms and provisions hereof.

6. TERMINATION. Either party hereto may terminate this Agreement upon sixty (60) days' written notice delivered to the aforementioned addresses for both parties. Sewer service may also be terminated for the following reasons:

a. Failure of a Subscriber receiving sewer service to comply with any of the provisions of this Agreement, or to pay when due all fees, deposits and other charges owed to the District under this Agreement, all taxes due the District for more than six months (Sec. 49.212(c), Water Code), or any other charges owed to the District, is a breach of the contract for service, and the District may disconnect all District service to the property for which the Subscriber was receiving sewer service, (hereafter referred to as the "delinquent property"), and also to any other properties for which the Subscriber is the customer of record until any such breach is remedied.

b. Any Subscriber or customer of record may appeal in writing a notice of delinquency by either postal service or hand delivery to the Board of Directors of the District at its posted address. The District will review and act on the written appeal within ten (10) days of receipt thereof. If the District's Board or its authorized representative denies the appeal, it may authorize and direct the disconnection of sewer service to the delinquent property on such terms and conditions as the Board in its judgment deems appropriate; may establish a deferred payment schedule for the delinquent amount, subject to disconnection if the schedule is not observed; or may take any other action that is reasonable under all of the circumstances. The decision shall be publicly announced by the Board or its authorized representative at an open meeting.

c. If it is determined pursuant to the aforesaid Section 6(b) that service to a property for sewer service is to be terminated or disconnected by the District for any cause, there shall be charged a termination fee and/or a reconnection fee based on actual cost per incident before service is again commenced to the property.

d. If sewer service has been disconnected by the District for non-payment of a statement, no service shall be reconnected until:

- (1) The balance of the statement has been paid in full;
- (2) An application has been filed for the service to be reconnected;
and
- (3) The appropriate reconnection fee has been paid to the District.
- (4) A service deposit may be required by the District.

e. If sewer service has been disconnected by the District as a result of a Prohibited Use under Section 2.08 of the District's rules, no service shall be reconnected until:

- (1) The Prohibited Use has been eliminated or the District has been provided adequate assurance, in a form acceptable to the District, that the Prohibited Use will not continue;
- (2) Any delinquent statement has been paid in full;
- (3) An application has been filed for the service to be reconnected; and
- (4) The appropriate reconnection fee has been paid to the District.
- (5) A service deposit may be required by the District.

f. Reconnection may be performed only by a District Representative or other District authorized representative. If the service is reconnected by someone other than a District Representative before all charges related to the disconnection of service are paid or arrangements for the payment thereof satisfactory to the District or its authorized representative have been made, the District may physically sever the service connection at the delinquent property. In this event, there shall be a charge of \$100.00, in addition to all other charges assessed, before service may again be commenced to the property.

7. NO EXTENSION OF DISTRICT'S LINES. The District shall have no responsibility or obligation to extend its lines and facilities beyond the District's boundaries, and the Subscriber shall be solely and exclusively responsible for delivery of the effluent to the District's gathering lines at the District's boundaries.

8. SUBSCRIBER'S RESPONSIBILITY. The Subscriber shall be solely and exclusively responsible for installation, service, maintenance, and the repair of gathering lines beyond, or outside of, the boundaries of the District, and the Subscriber expressly releases the District, and binds and obligates himself to indemnify and hold the District harmless, from any loss or damage to property of the Subscriber resulting from the District's operation of, and from the Subscriber's connection to, the District's wastewater treatment system.

EXECUTED this _____ day of _____, 20_____.

EMERALD BAY MUNICIPAL UTILITY DISTRICT

By _____

William F. Harris, President

ATTEST:

By _____

Deena Johnson, Secretary

SUBSCRIBER(S)

By _____

Print Name _____

By _____

Print Name _____