

**Steamboat Mountain Water Supply Corporation
P.O. Box 367
Tuscola, TX 79562
325-554-7454 fax: 325-554-9112
steamboatmt@taylortel.net
Office Hours – 8:30 a.m. to 5:00 p.m.
Monday through Friday**

Dear Prospective Member:

Please find enclosed the forms for you to use to apply for water service from Steamboat Mountain Water Supply Corporation. Be sure to complete the information (Legal Description of Property) required on Form FmHA-TX 442-11 with respect to the location of the property where service is required. Please read and sign the Service Agreement form on the back side where it asks for the member's signature. Please list two phone numbers where you can be reached in case of an emergency. Enclose your \$35.00 transfer fee and your \$100.00 membership fee (if not being transferred to you) with your application. **YOUR APPLICATION CANNOT BE PROCESSED WITHOUT PAYMENT OF THE FEE(S).**

PLEASE BE ADVISED THAT THE CORPORATION CANNOT PROVIDE SERVICE TO ANY STRUCTURE CONSTRUCTED AFTER MAY 1, 1999 IN A DESIGNATED FLOOD PLAIN AREA. YOU ARE REQUIRED TO CERTIFY TO THE CORPORATION THAT THE STRUCTURE TO WHICH SERVICE IS TO BE PROVIDED WAS CONSTRUCTED PRIOR TO MAY 1, 1999 OR THAT SAID STRUCTURE IS NOT LOCATED IN A DESIGNATED FLOOD PLAIN AREA.

YOU ARE FURTHER ADVISED THAT YOU MAY BE REQUIRED TO OBTAIN A SECTION 404 PERMIT FROM THE U.S. ARMY CORPS OF ENGINEERS PRIOR TO ANY MODIFICATION OF AN AQUATIC OR WETLAND AREA. IT IS YOUR RESPONSIBILITY TO ASCERTAIN IF THE PROPERTY TO BE SERVED BY THIS APPLICATION LIES WITHIN SUCH AN AREA, AND, IF SO, PROVIDE THE CORPORATION WITH A SECTION 404 PERMIT. FAILURE TO DO SO MAY RESULT IN DENIAL OR TERMINATION OF WATER SERVICE.

Your completion of the enclosed forms in full will expedite service to you. If you have any questions concerning any of the forms, please do not hesitate to call the office for assistance. Thank you for your interest in becoming a member of Steamboat Mountain Water Supply Corporation.

PLEASE CONTACT THE OFFICE BEFORE YOU DO ANY DIGGING TO AVOID CUTTING ANY WATER LINES WHICH MAY LEAD TO COSTLY REPAIRS.
Please contact Larry Prentice at 669-5697 or Billy Lodermeier at 260-2339 to have the water lines marked.

Receipt acknowledged: _____

Date: _____

STEAMBOAT MOUNTAIN WATER SUPPLY CORPORATION
SERVICE APPLICATION AND AGREEMENT

Please Print

Date: _____

APPLICANT'S NAME _____

SPOUSE'S NAME _____

CURRENT BILLING ADDRESS:

FUTURE BILLING ADDRESS:

PHONE #: Home: () _____ Work: () _____ Email: _____

PROOF OF OWNERSHIP PROVIDED BY: _____

DRIVER'S LICENSE NO. OF APPLICANT: _____

LEGAL DESCRIPTION OF PROPERTY (911 address, Include name of road, and/or subdivision with lot and block number)

PREVIOUS OWNER'S NAME AND ADDRESS (if transferring Membership)

ACREAGE _____

HOUSEHOLD SIZE (Sq. Footage) _____

NUMBER IN FAMILY _____

LIVESTOCK & NO. _____

SPECIAL SERVICE NEEDS OF APPLICANT: (i.e. Sprinkler System, Hot tub, Pool, etc.) _____

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

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 or Alaskan Native Hispanic Asian or Pacific Islander Other (Specify) Male Female

EQUAL OPPORTUNITY PROGRAM

AGREEMENT made this _____ day of _____, _____, between Steamboat Mountain 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 service to the Applicant and Applicant shall purchase, receive, and/or reserve water 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 the 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 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 part of a rural domestic water 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 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
 - (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 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 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 Corporation's policies. For the purposes of this Agreement, an Indication of Interest Fee shall be of an amount equal to the Corporation's Membership Fee.

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

In the event the total water supply is insufficient to meet all of the needs 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, Applicant hereby agrees to comply with the terms of said Program.

THE CORPORATION IS PROHIBITED FROM PROVIDING SERVICE TO ANY STRUCTURE CONSTRUCTED AFTER MAY 1, 1999 IN A DESIGNATED FLOOD PLAIN AREA (DFPA). THE MEMBER UNDERSTANDS AND AGREES THAT PRIOR TO RECEIVING SERVICE TO ANY STRUCTURE, THE MEMBER WILL BE REQUIRED TO PROVIDE THE CORPORATION WITH PROOF THAT SUCH STRUCTURE DOES NOT LIE IN A DFPA OR THAT CONSTRUCTION OF SUCH STRUCTURE ACTUALLY BEGAN PRIOR TO MAY 1, 1999. THE CORPORATION RESERVES THE RIGHT TO REFUSE SERVICE TO A MEMBER WHO FAILS TO COMPLY WITH THE REQUIREMENTS OF THIS PARAGRAPH AND WILL NOT BE LIABLE FOR ANY DAMAGES, ACTUAL OR CONSEQUENTIAL, RESULTING THEREFROM.

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 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 as notice to each customer of the 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 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 airgap or an appropriate backflow 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 airgap 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 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 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 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 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 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 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 property 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 Member.

The Corporation's authorized employees shall have access to the Member's property or premises at all reasonable times for the purpose of inspecting for possible violations of the Corporation's policies and/or tariff or Texas Department of Health Rules and Regulations. The Corporation strictly prohibits the connection of service pipelines from its water service meter to any private well or other unknown water supply.

By execution hereof, the Member shall hold the Corporation harmless from any and all claims for damages, actual or consequential, 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, force majeure, acts of God or other events beyond the Corporation's control. **Excessive water pressure resulting from a faulty pressure regulator is a normal failure of the system. The Member is responsible for checking and monitoring water pressure at regular intervals, not less than monthly, and after each service interruption, and immediately notifying the Corporation if faucet pressure exceeds sixty pounds per square inch (60 psi).**

The Texas Commission on Environmental Quality (TCEQ) requires that all sprinkler systems connected to a customer water service line have a double-check valve installed at the point of connection. Customers with sprinkler systems are required to file a current certificate of inspection, or "test form," signed by a qualified inspector in the office of the Corporation. Failure to do so is cause for termination of water service. Customers should contact the office of the Corporation for the names of the qualified back flow test inspectors.

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 such equipment which may be deemed necessary by the Corporation to extend or improve service for existing or future Members, on such forms as required by the Corporation.

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 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 water utility service under the terms and conditions of the Corporation's Tariff.

By execution of the 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 Corporation.

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

Applicant/Member _____

Date Approved

Approved and Accepted