

WEST GREGG S.U.D.
5782 HWY 31 WEST
KILGORE, TX 75663

SERVICE INVESTIGATION: The District shall conduct a service investigation for each service application submitted at the District office. An initial determination shall be made by the District, without charge, as to whether the service request is Standard or Non-Standard. An investigation shall then be conducted and the results reported under the following terms:

- a. All Standard Service requests shall be investigated without charge and all applicable costs for providing service shall be quoted in writing to the Applicant within ten (10) working days of application.
- b. All Non- Standard Service requests shall be subject to a fee, appropriate to each project, of sufficient amount to cover all administrative, legal, and engineering fees associated with the investigation of the District's ability to deliver service to the Applicant to;
 - (1) provide cost estimates of the project,
 - (2) to present detailed plans and specifications as per final plat,
 - (3) to advise and accept bids for the project,
 - (4) to present a Non-Standard Service Contract to the Applicant, and
 - (5) to provide other services as required by the District for such investigation.

A NON-STANDARD SERVICE INVESTIGATION FEE: Shall be paid to the District in accordance with the requirements of Section G for purposes of paying initial administrative, legal, and engineering fees. The District shall 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 such a fee is not sufficient to pay all expenses incurred by the District, the Applicant shall pay to the District all remaining expenses that have been, or will be incurred by the District and District shall have no obligation to complete processing of the request until all remaining expenses have been paid. Initial Service Investigation Fee \$1,000.00

NOTICE OF REQUIREMENT TO COMPLY WITH
EXTENSION POLICY OF
WEST GREGG SPECIAL UTILTIY DISTRICT

Pursuant to Chapter 13.2502 of the Texas Water Code, West Gregg SUD hereby give notice that any person who subdivides land by dividing any lot, tract, or parcel of land, within the service area of West Gregg SUD.Certificate of Convenience and Necessity No. 10409 in Smith, Rusk, or Gregg County, into two or more lots or sites for the purpose of sale or development, whether immediate or future, including re-subdivision of land for which a plat has been filed and recorded or requests more than two water connections on a single contiguous tract of land must comply with the “Extension Policy” contained in West Gregg SUD’s Rate of Order.

West Gregg SUD is not required to extend retail water service to a service applicant in a subdivision where the developer of the subdivision has failed to comply with the “Extension Policy”.

Among other requirements the “Extension Policy” requires:

Applicable elements of the “Extension Policy”, depending on the specific circumstances of the subdivision service, may include:

Evaluation by West Gregg SUD of the impact a proposed subdivision service extension will make on West Gregg SUD water supply system and payment of the cost this evaluation:

Payment of reasonable cost or fees by the developer for providing water supply capacity;

Payment of fees for reserving water supply capacity:

Forfeiture of reserved water supply capacity for failure to pay applicable fees;

Payment of costs of any improvements to West Gregg SUD system that are necessary to provide the water service Construction according to design approved by West Gregg SUD and dedication by the developer of water facilities within the subdivision following inspection.

West Gregg SUD Rate of Order and map showing West Gregg SUD service area may be reviewed at West Gregg SUD office, in Kilgore, Texas; the Rate of Order and Service area map also are filed of record a the Texas Commission on Environmental Quality in Austin, Texas and may be reviewed by contacting the TCEQ, C/O Utility Rates and Services {Certification and Rate Design} Section, Water Utilities Division, P.O. Box 13087, Austin, Texas.

**NON-STANDARD SERVICE CONTRACT
WEST GREGG SPECIAL UTILITY DISTRICT**

THE STATE OF TEXAS
COUNTY OF _____

THIS CONTRACT is made and entered into by and between _____, Hereinafter referred to as "Developer," and West Gregg Special Utility District, hereinafter referred to as "District."

WHEREAS, Developer 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 _____, or record number _____ of the plat records of _____ County, Texas, said land being hereinafter referred to as "the Subdivision;"

WHEREAS, WEST GREGG SPECIAL UTILITY DISTRICT is a political subdivision of the State of Texas, as authorized by Article XVI, Section 89 of the Texas Constitution and the laws of the state, and owns and operates a water system which supplies potable water for human consumption and other domestic uses to customers within its defined service area; and

WHEREAS, Developer has requested WEST GREGG SPECIAL UTILITY DISTRICT to provide such water service to the Subdivision through an extension of DISTRICT's water system, 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, Developer and WEST GREGG SPECIAL UTILITY DISTRICT 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 the District and all governmental agencies having jurisdiction. All plans and specifications must be reviewed and approved by DISTRICT's consulting engineer prior to the issuance of any requests for bids for the construction of the Water System Extension. After such approval of the plans and specifications shall become part of this Contract 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 of the subdivision provided to WEST GREGG SPECIAL UTILITY DISTRICT by the developer. WEST GREGG SPECIAL UTILITY DISTRICT may require the Water System Extension to be oversized in anticipation of the needs of other customers of the WEST GREGG SPECIAL UTILITY DISTRICT, subject to the obligation to reimburse the Developer for any such over sizing as provided below.

2. **Required Sites, Easements or Right-of-Way.**
 - (a) Developer shall be responsible for dedicating or requiring any easements across privately owned land or sites (including off-site locations) 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 dedicated or acquired by the developer shall be in a form approved by the DISTRICT (see Form of Easement, attached to this Contract and made a part hereof) and shall be assigned to WEST GREGG SPECIAL UTILITY DISTRICT upon proper completion of the construction of the Water System Extension.
- (c) The validity of the legal instruments by which the Developer acquires any such easements and by which Developer assigns such easements to WEST GREGG SPECIAL UTILITY DISTRICT must be approved by the DISTRICT's attorney.

3. Construction of the Water System Extension

- (a) Developer shall 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 approval of the WEST GREGG SPECIAL UTILITY DISTRICT. WEST GREGG SPECIAL UTILITY DISTRICT may reject any bid.
- (b) The Water System Extension shall be constructed in accordance with the approved plans and specifications, WEST GREGG SPECIAL UTILITY DISTRICT shall have the right to inspect all phases of the construction of the Water System Extension. Developer must give written notice to WEST GREGG SPECIAL UTILITY DISTRICT of the date on which construction is scheduled to begin so that DISTRICT may assign an inspector. WEST GREGG SPECIAL UTILITY DISTRICT may charge reasonable inspection fees based on the actual costs of labor, travel and incidental expenses of the inspectors, plus 100% overhead.

4. Dedication of Water System Extension to WEST GREGG SPECIAL UTILITY DISTRICT

- (a) Upon proper completion of construction of the Water System Extension and final inspection thereof by WEST GREGG SPECIAL UTILITY DISTRICT, the water System Extension shall be dedicated to the WEST GREGG SPECIAL UTILITY DISTRICT by an appropriate legal instrument approved by WEST GREGG SPECIAL UTILITY DISTRICT Attorney. The Water System Extension shall thereafter be owned and maintained by WEST GREGG SPECIAL UTILITY DISTRICT 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 WEST GREGG SPECIAL UTILITY DISTRICT.
- (b) Upon dedication of the Water System Extension, Developer shall warrant Materials and performance of the Water System Extension constructed by Applicant for 12 months following the date of dedication.

5. Cost of the Water System Extension

- (a) Developer shall pay all costs associated with the Water System Extension as a contribution in aid of construction, including without limitation, the cost of the following:
 - (1) engineering and design;
 - (2) easement or right-of-way acquisition;
 - (3) construction;
 - (4) inspection;

- (5) attorney's fees; and
- (6) governmental or regulatory approvals required to lawfully provide service
- (b) Developer shall indemnify WEST GREGG SPECIAL UTILITY DISTRICT and hold DISTRICT harmless from all of the foregoing costs provided, however, nothing herein shall be construed as obligating the Developer to maintain the Water System Extension subsequent to its dedication and acceptance for operation and maintenance by WEST GREGG SPECIAL UTILITY DISTRICT; and
- (c) Provided that if WEST GREGG SPECIAL UTILITY DISTRICT has required the Water System Extension to be oversized in anticipation of the needs of the other customers of WEST GREGG SPECIAL UTILITY DISTRICT, DISTRICT shall reimburse Developer for the additional costs of construction attributable to the over sizing, as determined by the DISTRICT's consulting engineer, in three annual installments without interest, beginning one year after dedication of the Water System Extension to WEST GREGG SPECIAL UTILITY DISTRICT.

6. Service From the Water System Extension.

- (a) After proper completion and dedication of the Water System Extension to WEST GREGG SPECIAL UTILITY DISTRICT, WEST GREGG SPECIAL UTILITY DISTRICT shall provide continuous and adequate water service to the Subdivision, subject to all duly adopted rules and regulations to WEST GREGG SPECIAL UTILITY DISTRICT and the payment of the following:
 - (1) All standard rates, fees and charges as reflected in WEST GREGG SPECIAL UTILITY DISTRICT's service policies;
 - (2) Any applicable impact fee adopted by WEST GREGG SPECIAL UTILITY DISTRICT;
 - (3) Any applicable reserved service charge adopted by WEST GREGG SPECIAL UTILITY DISTRICT.
- (b) It is understood and agreed by the parties that the obligation of WEST GREGG SPECIAL UTILITY DISTRICT to provide water service in the manner contemplated by this Contract is subject to the issuance by the Texas Commission on Environmental Quality 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 WEST GREGG SPECIAL UTILITY DISTRICT is obtained, the developer shall not:
 - (1) construct or install additional water lines or facilities to service areas outside the Subdivision;
 - (2) Add any additional lands to the subdivision for which water service is to be provided pursuant to this contract; 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, the 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 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 inability.

8. **Notices.**

Any notice to be given hereunder by either party to the other party shall be in writing and may be effected 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 the sufficient postage affixed. Any notice mailed to the WEST GREGG SPECIAL UTILITY DISTRICT shall be addressed:

West Gregg SUD
P.O. Box 1196
Kilgore, TX 75663

Any notice mailed to developer shall be addressed:

Either party may change the address for notice 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 conditions 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, and the right to perform the obligation in question and to seek restitution for all costs and damages incurred therewith including court costs and any attorney fees or professional fees.

(b) In the event of termination of this Contract by a non-breaching party, such action shall not affect any prior 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 the 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 attorney's 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 Contract are severable, and if any word, phrase, clause, sentence, paragraph, section, or other part of this Contract 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 Contract and the application of such word, phrase, clause, sentence, paragraph, section, or other part of this Contract to other persons or circumstances shall not be affected thereby and this Contract shall be construed as if such invalid or unconstitutional portion had never been contained therein.

19. **Entire Contract.**

This Contract, including any exhibits attached hereto and made a part hereof, constitutes the entire Contract between the parties relative to the subject matter of this Contract. All prior Contracts, covenants, representations, or warranties, whether oral or in writing, between the parties are merged herein.

20. **Amendment.**

No amendment of this Contract 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 WEST GREGG SPECIAL UTILITY DISTRICT and the Developer, respectively, which amendment shall incorporate this Contract in every particular not otherwise changed by the amendment.

21. **Governing Law.**

This contract 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 _____ 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 in _____ County, Texas.

23. **Successors and Assigns.**

This contract 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 Developer hereunder may not be assigned without the prior written consent of the WEST GREGG SPECIAL UTILITY DISTRICT. The rights and obligations of the WEST GREGG SPECIAL UTILITY DISTRICT hereunder may be assigned to the United States Department of Agriculture, Rural Development, or any other successor agency without the prior consent of the Developer.

25. **Effective Date.**

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

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

DEVELOPER

By: _____ By: _____

Name: _____ Name: _____

Title: _____ Title: _____

Date: _____ Date: _____

**West Gregg Special Utility District
Equipment and Line Dedication Agreement**

I, _____ (Transferor – Name of person, entity, corp., or other),
Having complied with the West Gregg Special Utility District’s Developer, Subdivision, and
Non – Standard Service Requirements Policy, do hereby dedicate, transfer and assign
to the West Gregg Special Utility all rights and privileges to the ownership of said equipment
and or line(s) installed as a condition of this service agreement and or line(s) being described in
the Non-Standard Service Agreement between the District and Transferor and the Non-Standard
Service Contract of _____ (date) including ant amendments thereto and being further
described as follows: (or see attachments)

_____.

The West Gregg Special Utility District through its designated representative having agreed to
accept the equipment and or line(s) as previously described on the ___ day of _____,
20___. The District shall hold harmless, _____ (name of person, entity, ect.) from this
day forward any costs for repairs or maintenance of said equipment and or line(s),
notwithstanding any warranty or bond for said repairs as per the Non-Standard Service
Contract/Agreement.

This agreement entered into on the ___ day of _____ in the year of ___ by:
West Gregg Special Utility District

	_____ Transferor Signature
_____ Signed by District Representative	_____ Transferor Address
_____ District Address	_____ City Zip
_____ City Zip	

THE STATE OF TEXAS, COUNTY OF _____ IN
WITNESS WHEREOF the said Transferor and the District Representative have executed this
instrument this ____ day of _____, 20__.

BEFORE ME, the undersigned, a Notary Public in and for said County and State of Texas, on
this day personally appeared _____ and

_____ known to me to be the persons whose names are subscribed to
the foregoing instrument, and acknowledged to me that he/she/they executed the same for the
purpose and consideration therein expressed.

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

Signature of Notary Public

WEST GREGG SPECIAL UTILITY DISTRICT
P.O. BOX 1196
KILGORE, TX. 75663
903-983-1816, FAX 903-984-0707

RIGHT OF WAY EASEMENT
(Location of Easement Required)

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 West Gregg SUD, (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 lines and appurtenances and any other facilities necessary to serve Grantors' property as well as the Grantee's current and future system wide customers, under, 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 to be located across said land as follows:

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, paralleling, relocation (as above limited), substitution or removal thereof; and (3) the right to abandon-in-place any and all water supply 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 county or state hereafter widens or relocates any 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 laterally relocating said water 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 Grantors' 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:

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

IN WITNESS WHEREOF the said Grantors have executed this instrument this _____ day of _____, 20____.

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(he) (she) (they) executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS THE _____ day of _____, 2-_____.

(Seal) _____ County, Texas.

Printed Name of Notary
(Notary Public in and for)