OAK HILLS WATER SUPPLY CORPORATION

6646 US Hwy. 181 N Floresville, Texas 78114 830-393-7739 830-393-0064 (fax)

| CORPORATION USE ONLY | |
|--------------------------|--|
| Date Approved: | |
| Cost: | |
| Account Number: | |
| Service Inspection Date: | |

SERVICE APPLICATION

| Please Print: DATE | |
|--|---|
| MEMBERS NAME | |
| SPOUSE NAME | |
| CURRENT BILLING ADDRESS: | FUTURE BILLING ADDRESS: |
| PHONE NUMBER - Home (| Work (|
| | |
| ARE YOU THE RESIDENT PROPERTY OWNER WHE YESNO | ERE YOUR WATER SERVICE CONNECTION WILL BE LOCATED |
| LEGAL DESCRIPTION OF PROPERTY (Include name of | of road, subdivision with lot and block number, Physical Address) |
| PREVIOUS OWNER'S NAME AND ADDRESS (if trans | ferring Membership; a \$50 fee assessed to new owner) |
| | |
| ACREAGE | LIVESTOCK & NUMBER |
| NUMBER IN FAMILY | DO YOU HAVE A WELL |
| DO YOU HAVE A SPRINKLER SYSTEM | |
| SPECIAL SERVICE NEEDS OF APPLICANT | |
| | |

NOTE: FORM MUST BE COMPLETED AND SIGNED BY APPLICANT ONLY

SERVICE AGREEMENT

| AGREEMENT made this day of, | , | between |
|--|---------|---------|
| Oak Hills Water Supply Corporation, a corporation organized under the laws of the State of | f 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, 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 Corporation's tariff and upon the terms and conditions set forth therein, a copy of which is available upon request. 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 its Tariff, 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.

All water shall be metered by meters to be furnished and installed by the Corporation. The meter 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 submeter water (without a prior written agreement) 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, potential contamination

hazards, illegal lead materials, and any other violations or possible violations of state and federal statutes and regulations relating to the federal Safe Drinking Water Act or Chapter 341 of the Texas Health & Safety Code or and the corporation's tariff and service policies.

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 air gap 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 air gap 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 hazardous or 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 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 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 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 Corporation's control.

The Member shall grant to the Corporation, now or in the future, any easements of right-ofway for the purpose of installing, maintaining, and operating 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 promulgated 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. 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 five pages of this agreement shall result in discontinuance of service pursuant to the terms and conditions of the Corporation's tariff.

| Applicant | |
|-----------|--|

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

The Texas Legislature has enacted a bill, which was effective September 1, 1993, allowing publicly owned utilities to give their customers the option of making the customer's address, telephone number, account records, and social security number confidential. {TX Utility Code Confidential, Subchapter B. 182.052 (a)}

HOW CAN YOU REQUEST THIS?

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

Oak Hills Water Supply Corporation 6646 US Hwy 181 N Floresville, Texas 78114

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, wastewater, sewer, gas, garbage, electricity, or drainage service for compensation.

| Detach and Return This Section | | | | |
|--|----------------------------|--|--|--|
| Yes, I want you to make my personal in | formation confidential. | | | |
| | | | | |
| Name of Member | Account Number | | | |
| Address | Area Code/Telephone Number | | | |
| Citv. State. Zip Code | Signature | | | |

OAK HILLS WATER SUPPLY CORPORATION 6646 US Hwy 181 N FLORESVILLE, TEXAS 78114-6251 830-393-7739

MONTHLY RATES

The following charges were approved by the Board of Directors for OAK HILLS WATER SUPPLY on January 8, 2008. The new rates will go into effect with your **March 2008 billing**. (Our last rate increase was October 2004)

| 0 | to 1,000 gal. | \$24.00 minimum |
|--------|----------------|------------------------------------|
| 1,001 | to 8,000 gal. | 1.60 per thousand gal. over 1,000 |
| 8,001 | to 10,000 gal. | 1.80 per thousand gal. over 8,000 |
| 10,001 | to 20,000 gal. | 2.00 per thousand gal. over 10,000 |
| 20,001 | and over | 2.50 per thousand gal. over 20,000 |

| MEMBERSHIP FEE | \$100.00 |
|--------------------------|------------|
| INSTALLATION AND TAP FEE | 450.00 |
| CAPITAL IMPROVEMENT | 1,900.00 |
| TOTAL | \$2,450.00 |

Some of the following charges have changed and procedures remain the same:

- Membership Transfer Fee-\$50.00
- Past Due charges \$10.00 (after 10th of month)

 Failure to receive bill does not exempt you from monthly payment or disconnect.
 - Return Check Charge (NSF) \$35.00
 - Processing Fee-\$50.00

The Past Due amount is due before 8:00 a.m. on or before the last Tuesday of the month. A \$50.00 lock-up processing fee will be assessed if meter is locked.

The total amount of the delinquent bill plus the lock-up processing fee must be paid in the office by 2:30 p.m. before the meter will be guaranteed to be unlocked that day.

- Please include the account number and/or the name of the individual who owns the membership to insure we credit the proper account. Never drop a payment in the "NIGHT DEPOSIT" box (located at the end of the building) and assume that based on the amount, we can figure out to which account payment has been made. If you pay in person, bring your entire bill, including the payment stub. If you pay by mail, please include the small payment stub with your payment.
- SELLING YOUR PROPERTY OR MOVING Please call the office (830) 393-7739

As a MEMBER, it is your RESPONSIBILITY to contact the office if you sell your property. YOU WILL NEED TO SIGN A MEMBERSHIP TRANSFER FORM and advise us of a final meter reading date, which would generate your final bill. Please pay this bill promptly to facilitate a smooth transfer of membership.

The <u>person buying your home</u> needs to contact us regarding the transfer of membership. The \$50.00 Transfer Fee will be assessed to the new owner.

Any MEMBER renting or leasing property is responsible for all charges due the Corporation. Billing will be sent to the property owner.

If you have any questions concerning your bill, please call (830) 393-7739 during OFFICE HOURS (9:00 a.m. to 5:00 p.m.) Monday through Friday. After office hours, please leave a message on recorder and we will return your call as soon as possible.

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If you are building a new home, please notify us when your contractor is ready for plumbing.

A Service Inspection needs to be done some time after the plumbing is installed and before the walls are installed.

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CONCERNING SPRINKLER SYSTEMS

Effective January 1, 1996, all backflow prevention assemblies shall be tested upon installation by a <u>licensed backflow prevention assembly tester</u> and certified to be operation within specifications. Backflow prevention assemblies which are installed to provide protection against health hazards must also be tested and certified to be operating within specifications at least <u>annually</u> by a licensed backflow prevention device tester.

MOST sprinkler systems used to water yards only are generally considered to be a non-health hazard. Meaning that they **do not** use chemicals or fertilizer injection; this would place your drinking water into a **health** hazard situation.

A **non-health** hazard system with an approved backflow prevention assembly has to be tested upon installation. If you have a sprinkler system that was not tested upon installation, you must have the **approved backflow prevention assembly tested now by a licensed backflow prevention assembly tester.**

A **health** hazard system with a **reduced pressure zone assembly** system must be tested annually by a **licensed backflow prevention** assembly tester.

A Test Report must be completed by the licensed backflow prevention assembly tester for each assembly tested. The signed and dated copy of the original must be submitted to Oak Hills Water Supply for record keeping purposes. These reports shall be retained for a minimum of three years. We are required to provide these records to the TCEQ (Texas Commission on Environmental Quality) for inspection upon request annually. This report must be in our office on or before **June 1, 2003**.

Thank you for your cooperation in the matter.

OAK HILLS WATER SUPPLY