

NON-STANDARD
WATER SERVICE CONTRACT
(Developer)

This Non-Standard Water Service Agreement (“**Agreement**”) is entered into on this _____ day of _____, 2024 (the “**Effective Date**”) by and between Oak Hills Water Supply Corporation (the “**WSC**”) and _____ (“**Developer**”). The WSC and Developer may be referred to herein individually as a “**Party**” or collectively as the “**Parties**”.

RECITALS

WHEREAS, the WSC is the operator of a water supply system which provides retail water service to customer locations within its CCN No. 10647 and certain adjacent uncertified areas.

WHEREAS, Developer has proposed the _____ as depicted on Exhibit “A” attached hereto (which plat is incorporated herein by reference for all purposes), and consists of _____ residential homes, or the equivalent of _____ (_____) living unit equivalents “(**LUE’s**)” (“**Subdivision**”).

WHEREAS, the Subdivision is located on approximately _____ Acres at the _____, which is approximately _____ in Wilson County, Texas (“the **Property**”). This Agreement only addresses water service for _____ (_____) LUEs and any additional water service requirements for the Property must be addressed and paid for in subsequent non-standard service agreements or amendments to this Agreement.

WHEREAS, Developer has received and reviewed Section G of WSC’s Rates and Service Fees and Developer understands and acknowledges that Developer must pay the WSC all costs reasonable and necessary for the WSC to provide retail water service to the Subdivision as set forth in this Agreement.

WHEREAS, Developer understands and acknowledges that failure to pay the costs specified in this Agreement allows the WSC to refuse retail water service to Subdivision or any part of the Subdivision.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by both parties, the WSC and Developer agree as follows:

1. **Developer Payments.** In conjunction with the execution of this Agreement and not later than ten (10) calendar days after the Effective Date, Developer shall pay to the WSC, by cashier's check or money order the amounts set forth below in Paragraphs 1A and 1B. Developer shall also pay the Construction Deposit in Paragraph 4.B.1 within the time period described herein.
 - A. Equity Buy-In Fee (Impact Fee or Capital Improvement Fee). Not later than ten (10) calendar days after the Effective Date, Developer shall pay to the WSC the amount of _____ as an impact fee for the Subdivision to be used to assist in funding capital improvements to the WSC's system capacity, if paid prior to _____. If paid after that date, then Developer shall pay the fee then in effect.
 - B. Consultant Fees. Not later than ten (10) calendar days after the Effective Date, Developer shall pay to the WSC the amount of _____ for reimbursement of legal, engineering, inspection and administrative costs incurred by the WSC in connection with the review and analysis of the design and engineering of water systems for the Subdivision and the preparation of this Agreement. The WSC shall be under no obligation to undertake any effort, including but not limited to, oversight or review of engineering or construction plans for the purpose of providing retail water service to Subdivision until Developer has paid the foregoing amount.
 - C. Limitation. The WSC shall be under no obligation to undertake any effort, including, but not limited to, oversight or review of engineering or construction plans for the purpose or providing retail water service to the Subdivision until Developer has paid the amounts specified in Paragraphs 1A and 1B and the Construction Deposit in Paragraph 4.B.1 of this Agreement.

2. **Service Commitment.** It is hereby expressed agreed between the WSC and Developer that the total retail water service to the Subdivision which is provided under this Agreement for the Subdivision shall not exceed _____ LUEs.
 - A. Developer agrees that only those residential lots identified in the Subdivision, as depicted in Exhibit "A" hereto shall be provided retail water service pursuant to the terms of this Agreement, and that WSC is under no obligation to provide retail water service to any other lots resulting from any subdivision or resubdivision of such lots occurring subsequent to this Agreement.
 - B. Any additional phases or lots (beyond the lots depicted in Exhibit "A") for which Developer may seek water service will require a new non-standard application to be filed by Developer with the WSC approval of the WSC, and a new (or amended) agreement as to non-standard service. The cost of service to such

additional phases or lots will be based upon the WSC's Rate Order in effect at the time of filing any such new application for service.

- C. Notwithstanding any plat approval, Developer agrees that it will not advertise or represent (either by itself or through any officers, employee or agent (to any person that retail water is available, or may be supplied, to any lot or lots in the Subdivision which are not specifically identified in Paragraph 2.A.
 - D. The WSC reserves the right to refuse to extend water service to any property for which Developer has not expressed obtained written approval from the WSC for service, irrespective of whether or not there is any water line located on or near such property. Developer acknowledges and agrees that the WSC's obligations to provide retail water service to the Subdivision are limited to those lots which are expressed covered in Paragraph 2.A. of this Agreement and that purchaser or purchasers of any lot or lots within the Subdivision which are not designated for retail residential water service, if any, shall have no recourse to the WSC but may have recourse to Developer.
 - E. Developer shall include deed restrictions limiting the number of residential structures on each lot in the Subdivision to no more than one (1). Developer shall provide the WSC with a file marked copy of these deed restrictions, evidencing the filing of the same in the county real property records, prior to the start of construction of any water supply lines.
3. **Initial Connection Fees.** For any lot for which the Equity Buy-In Fee has already been paid by Developer, the purchaser or owner of a lot in the Subdivision will pay those fees set forth in the WSC's Rates as in effect at the time of the purchaser's application for service (which amount will include the cost of the meter, plus a meter installation fees, deposit, and Customer Service Inspection ("CSI") fee) and to meet the other terms of the WSC's Rates to qualify for service. The purchaser or owner shall additionally execute the WSC's customer service agreement.
4. **Developer Construction.**
- A. On-Site Facilities. Prior to receiving water service to any lot in the Subdivision, Developer shall contract for, construct, and install all the necessary on-site distribution lines, valves, fire hydrants, and other appurtenances, as required by the WSC's consulting engineer and further described in the WSC's consulting engineer's water study letter, attached hereto as Exhibit "B" ("**On-Site Facilities**").
 - B. Off-Site Improvements. Prior to receiving water service to any lot in the Subdivision, the WSC shall contract for, construct, and install all necessary off-site distribution lines, valves, fire hydrants, and other appurtenances, including but not limited to a _____ - inch water line for a distance of approximately _____ feet along _____ to the planned entrance of the Subdivision, as

required by the WSC's consulting engineer and further described in the WSC's consulting engineer's water study letter, attached hereto as Exhibit "B" (the "**Off-Site Improvements**"). Developer shall be responsible for the costs associated with the construction of the Off-Site Improvements as well as the "Related Costs" (including engineering design, surveys, permits, storm water pollution prevention plans, and the contingency, but specifically not including the "Easement/Land Acquisition Agent Fees" or the "Easement/Land Acquisition") required by the WSC's consulting engineer and further described in Exhibit "C" hereto. Developer shall be a Construction Deposit, as defined below, related to the Off-Site Improvements and the **Related Costs**. The WSC shall first utilize the funds provided by the Developer as the Construction Deposit to pay any amounts associated with the Off-Site Improvements and Related Costs. In the event that the amounts exceed the amount paid in the Construction Deposit, the WSC shall invoice Developer for any additional amounts due for Off-Site Improvements and Related Costs. Developer shall have fifteen (15) calendar days to pay such invoices.

1. *Construction Deposit for Off-Site Improvements and Related Costs.* Developer shall deposit with the WSC the amount of _____ (the "Construction Deposit") as Developer's share of the estimated cost of the Off-Site Improvements and Related Costs. The Construction Deposit shall be paid as follows:

- a. Developer shall pay the amount of _____ of the Total Construction Deposit no earlier than the date that the WSC provides written notification to Developer that all required Off-Site Easements (as defined herein) have been acquired.'
- b. Developer shall pay the Construction Deposit balance in the amount of _____ upon the WSC's notification to Developer that the initial funds as specified in Paragraph 4.B.1.a. have been used and additional funds are required for construction of the Off-Site Improvements. Such payment shall be made by Developer within fifteen (15) days of the WSC's notification.

Developer agrees the Construction Deposit is to be used as payment to the WSC for (1) the costs of the design, materials, labor, contracting, construction, installation, and inspection rising in connection with the Off-Site Improvements; (2) all payment arising under any contracts entered into by the WSC arising in connection with the construction of the Off-Site Improvements; (3) all costs incurred by the WSC in connection with obtaining governmental approvals, certificates, permits, or sites required in connection with the construction of the Off-Site Improvements; (4) all out-of-pocket expenses incurred in connection with the construction of the Off-Site Improvements; and (5) any administrative, consulting, engineering, or legal fees or expenses, or any other fees or expenses, association with the design, materials, labor, construction,

installation, and inspection arising in connection with the Off-Site Improvements. An estimate of these costs is provided as Exhibit "C" hereto.

2. *Design and Construction.* Following receipt of the Construction Deposit and the acquisition of all required easements and permits, the WSC shall undertake the design, bidding and construction of the Off-Site Improvements. Developer agrees to grant to the WSC, at no cost to the WSC, all necessary easements on land owned by Developer for the location of the Off-Site Improvements. The Parties agree to work cooperatively in securing the easements for the offsite water lines and in conducting related surveying.
 3. *Oversizing of the Off-Site Improvements.* If the WSC chooses to oversize the Off-Site Improvements by installing a water line with a diameter of more than _____, the WSC shall be responsible for paying the incremental costs associated with the larger water line.
 4. *True-up of Costs.* After the completion of the construction of the Off-Site Improvements and within thirty (30) days after the WSC's acceptance for service of the Off-Site Improvements, the WSC shall compute the actual cost of the Off-Site Improvements and Related Costs and refund to Developer any excess payment or invoice Developer for any amount in excess of
- C. Developer is responsible to ensure that the On-Site Facilities meet all requirements of the TCEQ and all municipal, county and governmental agencies having jurisdiction. The On-Site Facilities shall be engineered (by a licensed Texas Professional Engineer), designed, and constructed to the reasonable specifications and satisfaction of WSC, including those specifications titled Specifications and Conditions for Water Line Extensions, available from the WSC (which are hereby incorporated by reference for all purposes). All plans and specifications for the On-Site Facilities must be reviewed and approved by the WSC's consulting engineer prior to the issuance of any request for bids for the construction of the On-Site Facilities.
- D. The On-Site Facilities (specifically the internal distribution lines) shall be tapped with the entire service connection necessary to enable a meter to be installed for each of the lots described in this Agreement (consistent with the WSC's specifications), including all valves, and fittings, and the meter tap and meter box necessary for each lot in the Subdivision. However, Developer will not install the water meter itself. All costs associated with the On-Site Facilities and Off-Site Improvements, including right-of-way easements, engineering, design, materials, and construction are to be borne by the Developer, with the exception of any oversizing costs as specified in Paragraph 4.B.6. and Paragraph 4.G.
- E. Approved Contractor. The contractor selected by Developer to undertake construction of the On-Site Facilities shall be experienced in water line construction and shall be approved by the WSC.

- F. WSC Approval, Inspection, and Costs. The On-Site Facilities shall be constructed in accordance with the approved plans and specifications. The WSC shall have the right to inspect all phases of the construction of the On-Site Facilities. Developer must give written notice to the WSC of the date on which construction is scheduled to begin so that the WSC may assign as inspector. Developer shall pay to the WSC the reasonable costs associated with the WSC's engineering review of the On-Site Facilities and Off-Site Improvements, the cost of inspections, water quality samples and testing (including the costs to bacteriological samples) for On-Site Facilities and Off-Site Improvements. In the event of such costs, the WSC shall provide Developer with a minimum of thirty (30) days notice of the amount due.
- G. Oversizing. The WSC may require any part of the On-Site Facilities and Off-Site Improvements to be oversized in anticipation of the needs of other customers, subject to the obligation to reimburse Developer for any such oversizing. Notification of such oversizing shall be in writing and provided to Developer not later than the date of approval of the On-Site Facilities and Off-Site Improvements plans and specifications by the WSC's consulting engineer. The WSC shall reimburse Developer for the additional costs of construction attributable to the oversizing, as reasonably determined by the WSC's consulting engineer. Such reimbursement shall occur not later than the date of the WSC's acceptance of the On-Site Facilities and Off-Site Improvements, as set forth in Paragraph 7.
- H. Guarantee and Maintenance Bond. Developer shall guarantee the materials and workmanship of the On-Site Facilities and shall remain responsible for any defect in materials, construction, or installation which occur within two years from the date of the On-Site Facilities are accepted by the WSC. Developer shall replace, or pay for the replacement of the WSC of, all materials and work involving any part of the On-Site Facilities which is found to be unsatisfactory by the WSC. As part of this guarantee, Developer agrees to provide to WSC a Maintenance Bond in the form and from a surety acceptable to WSC for all On-Site Facilities. The Maintenance Bond shall provide for the repair of any defects in materials, equipment, or workmanship for the On-Site Facilities appearing within two years from the date of the On-Site Facilities are accepted by WSC and shall be in an amount equal to ten percent (10%) of the total construction costs for the On-Site Facilities, as determined by the WSC's engineer.
- I. Insurance. Developer shall ensure that all workers involved with the installation and construction of the On-Site Facilities are covered by workers' compensation insurance as required by the laws of the State of Texas. Developer shall also procure and maintain, at its own cost, comprehensive general liability insurance insuring against the risks of bodily injury, property damage and personal injury liability occurring from, or arising out of, construction of the On-Site Facilities, with such insurance in the amount of a combined single limit of liability of at least \$500,000 and a general aggregate limit of \$500,000. Such insurance coverage shall be maintained in force at least until the inspection and acceptance of the On-Site Facilities by the WSC.

5. INDEMNITY. DEVELOPER SHALL INDEMNIFY, DEFEND AND HOLD HARMLESS THE WSC, ITS OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS FROM AND AGAINST ANY AND ALL CLAIMS, DEMANDS, DEBTS, SUITS, CAUSES OF ACTION, LOSSES, DAMAGES, JUDGMENTS, FINES, PENALTIES, COSTS AND LIABILITIES INCURRED BY THE WSC ARISING OUT OF OR RELATING TO THE DESIGN, CONSTRUCTION AND INSTALLATION OF THE ON-SITE FACILITIES. DEVELOPER AGREES, TO THE FULLEST EXTENT PERMITTED BY TEXAS LAW, TO INDEMNIFY AND HOLD HARMLESS THE WSC, ITS OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, AND CONSULTANTS FROM AND AGAINST ALL DAMAGES, LIABILITIES, AND COSTS, INCLUDING REASONABLE ATTORNEY FEES AND DEFENSE COSTS, ARISING OUT OF OR RELATING IN ANY WAY CONNECTED WITH DEVELOPER'S NON-COMPLIANCE WITH ALL APPLICABLE LAWS AND REGULATIONS AND/OR FAILURE TO OBTAIN ALL REQUIRED PERMIT(S) AND APPROVAL(S) REGARDING THIS AGREEMENT, EXCEPTING ONLY THOSE DAMAGES, LIABILITIES OR COSTS ATTRIBUTABLE TO THE SOLE NEGLIGENCE OR WILLFUL MISCONDUCT OF THE WSC. THIS INDEMNITY SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

6. **Easements.** Developer shall be responsible for recording a public utility easement of twenty (20) feet in width on the Property and for acquiring and paying for easements on other private property, if necessary, for the locations where the On-Site Facilities are to be run. Any easement on private property acquired by Developer shall be assigned to the WSC upon proper completion of the construction of the On-Site Facilities. All such dedications and easements shall be in a form approved by the WSC's attorney. Additionally, the WSC shall be responsible for acquiring twenty (20) foot wide private easements on other private property for the locations where the Off-Site Improvements, including, specifically the __ water line, are to be run (the "**Off-Site Easements**"). Developer shall be responsible for twenty-one percent (21%) of the cost of the Off-Site Easements acquired to provide service to the Subdivision, an estimate of which is provided in Exhibit "C" hereto.

A. Easement Deposit and Payment for Off-Site Easements. Developer shall deposit with the WSC the amount of (\$ _____) (the "**Easement Deposit**"). The Easement Deposit will be used by the WSC for Developer's estimated share for the costs incurred related to the acquisition of the Off-Site Easements. The Easement Deposit shall be paid within ten (10) calendar days of the Effective Date.

B. Thereafter, if the Easement Deposit is insufficient to pay for Developer's twenty-one percent (21%) share of the Off-Site Easement costs, the WSC

shall invoice Developer, with supporting documentation, for any additional amounts due for Developer's share of the Off-Site Easement costs. Developer shall have ten (10) calendar days to review such invoices and supporting documentation. Should Developer not submit any written objections to an invoice, approval will be deemed granted by Developer. Thereafter, Developer shall have twenty (20) calendar days to pay the amount invoiced for the Off-Site Easement costs. Thus, barring any written objections from Developer, all invoices related to Off-Site Easements must be paid within thirty (30) calendar days from receipt of the applicable invoice from the WSC.

- C. True-Up of Costs. Within thirty (30) days after the acquisition of all required Off-Site Easements, the WSC shall compute the actual cost of the Off-Site Easements and refund to Developer any excess payment or invoice Developer for any amount in excess of the amounts paid by Developer pursuant to Paragraph 7.A. The WSC agrees to refund the amount overpaid within thirty (30) days of such determination and Developer agrees to pay any such invoice for amounts owing within thirty (30) days of receipt. The WSC shall have no obligation to initiate service until the invoice is paid in full.

7. **Conveyance of On-Site Facilities.** Upon the WSC's inspection and acceptance of the On-Site Facilities, Developer shall grant the WSC title to the On-Site Facilities, free of any and all construction liens or other liens related thereto. The Bill of Sale granting title shall be in a form approved by WSC's attorney and shall include a representation by Developer that the On-Site Facilities have all been constructed within legal easements, and Developer shall bind itself and its successors and assigns to warrant and defend the title to the On-Site Facilities, including against any claims that such lines have been constructed illegally or not within proper easements.
8. **No Guarantee of Fire Protection.** The WSC shall design and construct the Off-Site Improvements to meet the fire flow design and construction requirements, including number and location of hydrants, of any municipality, county or local government with jurisdiction. Notwithstanding the foregoing or anything to the contrary herein, including any terms related to water service, fire hydrants, or other equipment that may be used or useful for fire protection, Developer acknowledges that although the WSC has sufficient water supply and pressure to support firefighting service requirements under normal operating circumstances, the WSC makes NO guarantee that sufficient water supply or pressure will be available at any particular time to support firefighting service requirements. Developer acknowledges that the availability of fire flows, if any, may vary depending on other water demands on the system, various water facility limitations, and other circumstances, including but not limited to, power failure and water line breakage. The WSC shall not be liability in any manner for any

loss or claim arising from or related to the quantity or pressure of water furnished to the Subdivision for fire flow purposes.

9. **Retail Water Service.** Following execution of this Agreement, and subject to Developer satisfactorily completing construction of the On-Site Facilities and meeting the terms of this Agreement, the WSC will provide water service to property owners who purchase a lot within the terms of this Agreement, and who pay the initial connection fees as set forth in Paragraph 3.
10. **Force Majeure.** In the event either Developer or the WSC is rendered unable by force majeure to carry out any of its obligations under this Agreement, 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, that 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 incapacities 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 part having the difficulty.
11. **Additional Regulatory Matters.**
 - A. **Evergreen Underground Water Conservation District.** Nothing in this Agreement shall require or obligate the WSC to supply water in violation of the rules and policies of the Evergreen Underground Water Conservation District (“EUWCD”), which has jurisdiction over water production from the aquifer which is a source of water supply to the WSC, or in violation of the WSC’s water conservation and drought rationing programs. Developer acknowledges that is has reviewed the EUWCD’s rules, including EUWCD’s Drought Contingent Plan includes various water rationing stages and triggers, and such plan and the WSC’s Rate Order are subject to change in the future. In compliance with the WSC’s Rate Order and EUWCD’s rules, Developer shall require all builders and lot

owners to use ultra low flow plumbing fixtures (including flow restrictors on faucets, restricted flow showerheads and ultra low volume flush toilets) and other water saving devices and methods in the construction of homes and landscaping.

- B. **Wastewater and Other Services.** The WSC will have no obligation with regard to the construction, ownership, operation or maintenance of wastewater, drainage, or other non-water service facilities.
- C. **Wetlands and Floodplains.** The WSC will not provide water service to any new structures proposed to be built within the 100-year floodplain, as determined by current FEMA maps. The WSC will not provide service to any phase of the Subdivision where wetlands may be impacted by the development unless Developer provides written confirmation to the WSC that Developer has complied with the appropriate U.S. Army Corps of Engineers 404 permit process.
- D. **Permits and Regulations.** The Parties understand that their rights and obligations under this Agreement are, or may be, subject to, without limitation:
 - (i) the laws of the State of Texas; (ii) the laws of the United States; (iii) the regulations promulgated by the Texas Commission on Environmental Quality (TCEQ); (iv) the regulations promulgated by the United States Environmental Protection Agency; (v) the regulations promulgated by the United States Fish and Wildlife Service; (vi) the United States Army Corps of Engineers, and (vii) the regulations promulgated by any other regulatory agency(ies) which may now or in the future have jurisdiction over the WSC. Developer is solely responsible for obtaining all permit(s) and approval(s), if any, required by the United States Fish & Wildlife Service, the United States Army Corps of Engineers and/or any other regulatory agency(ies), for construction of the On-Site Facilities and Off-Site Improvements pursuant to this Agreement.

12. **Default and Remedies.**

- A. **Interest.** All amounts due and owing by Developer to the WSC shall, if not paid when due, bear interest at the Texas post-judgment interest rate as set out in Section 304.002, Texas Finance Code, or any successor statute, from the date when due until paid, provided that such rate shall never be usurious or exceed the maximum rate as permitted by law. If any amount due and owing by Developer to the WSC is placed with an attorney for collection, the prevailing Party in any litigation or arbitration involving the collection shall be paid in addition to all other payments provided for by this Agreement, including interest.
- B. **Notice and Opportunity to Cure.** If either Party (referred to herein as the “**Defaulting Party**”) fails to comply with its obligations under this Agreement or it otherwise in breach or default under this Agreement (collectively, a “**Default**”) then the other Party (referred to herein as the “**Non-Defaulting Party**”) may not invoke any rights or remedies with respect to the Default until and unless: (I) the Non-Defaulting Party delivers to the Defaulting Party a written notice (the

“Default Notice”) which specifies all of the particulars of the Default and specifies the actions necessary to cure the Default; and (ii) the Defaulting Party fails to cure, within fifteen (15) days after the Defaulting Party’s receipt of the Default Notice, any matters specified in the Default Notice which may be cured solely by the payment of money or the Defaulting Party fails to commence the cure of any matters specified in the Default Notice which cannot be cured solely by the payment of money within a reasonable period of time after the Defaulting Party’s receipt of the Default Notice or fails to thereafter pursue curative action with reasonable diligence to completion.

- C. **Default.** In the event of, and for so long as there is, any failure to provide a required payment hereunder by Developer that remains uncured by Developer, Developer agrees that the WSC shall not be obligated to sign any additional plats for phases within the Subdivision until payment in full is made to the WSC. In such event, Developer shall not take any actions to proceed with such a plat and the WSC shall not be obligated to provide water service to any such future phases within the Subdivision, until the monetary default is cured. Additionally, as to any failure by Developer to provide timely payment which remains uncured by Developer for more than thirty (30) days after receipt of notice of default by the WSC, then the WSC shall be entitled to terminate its commitment to serve new lots or connections within the Subdivision, and the WSC may thereafter transfer the amount of all unused reserved water rights and facility capacities otherwise committed hereunder, to other properties, lots, or customers.
 - D. **Payments Non-Refundable.** Except for a charge or fee which is expressly stated to be refundable in this Agreement, all payments made pursuant to this Agreement are non-refundable.
 - E. **Remedies.** If Developer fails or refuses to timely comply with its material obligations hereunder, the WSC will have the right, along with any other remedy at law or in equity, to (i) enforce this Agreement by specific performance, injunction, or any other remedy available by law or in equity in a court of competent jurisdiction including, but not limited to, an action for damages; or (ii) invoke the remedies provided by Water Code Section 13.2502, including delaying the extension of retail water service to the Subdivision or portions of the Subdivision until such time as the Developer complies with this Agreement and the provisions set forth in the WSC’s Rate Order; or (iii) terminate the WSC’s commitment to serve new lots or connections within the Subdivision, and the WSC may thereafter transfer the amount of all unused reserved water rights and facility capacities otherwise committed hereunder to other properties, lots, or customers.
13. **Term and Termination.** The Parties agree that if all lots subject to this Agreement are not Paid Connections by _____, the WSC may terminate this Agreement as to any lots which are not Paid Connections.

14. **Notices.**

- A. Any notice to be given hereunder by either Party to the other shall be in writing and may be affected by certified mail or facsimile transmission with confirmation of delivery addressed as follows:

To WSC:

Oak Hills Water Supply Corporation
6646 U.S. Hwy. 181 North
Floresville, Texas 78114
830-393-7739

To Developer:

- B. All notices will be deemed to have been given on the date of mailing or sending of such notice. Any Party may change its address upon five day's written notice to the other Party.

15. **Miscellaneous.**

- A. This Agreement supersedes any and all prior written or oral agreements or understandings in regard to the subject matter of this Agreement and may be amended only by written amendment signed by both Parties.
- B. This Agreement shall be binding on and shall inure to the benefit of the successors and assigns of the Parties. Developer may not assign this Agreement without the express written approval of the WSC. Notwithstanding the foregoing, the Agreement may be assigned by Developer in whole, on in part, to _____ without prior consent of the WSC. Developer shall provide written notice to the WSC of the assignment of any part of the Agreement to _____. Any permitted assignment hereunder by Developer shall not relieve Developer of any of its obligations under this Agreement (whether by operation of law or otherwise), unless, _____ with respect an assignment to _____, such assignee agrees in writing to assume Developer's obligations under this Agreement, in which case such Developer shall be relieved of its obligations hereunder from and after the effective date of such assignment and assumption. Developer shall provide the WSC with written notice of any such assignment and assumption agreement, including a copy of such agreement.

- C. This Agreement shall be construed and enforced in accordance with Texas law. Venue for litigation of any dispute arising hereunder shall be in Wilson County; venue for any dispute within the jurisdiction of the TCEQ shall be before the TCEQ and for any appeal from a final decision of the TCEQ shall be in Wilson County.
- D. In the event one or more provisions contained in this Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.
- E. The undersigned signatory for Developer hereby represents and warrants that such signatory has full and complete authority to enter into this Agreement on behalf of the Developer.
- F. This Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes.

(Signature Pages Follow)

IN WITNESS WHEREOF, the Parties have executed this Agreement and caused this Agreement to be effective on the date first written above as reflected by the signatures below.

OAK HILLS WATER SUPPLY CORPORATION

By: _____

Name:

Title: President

Oak Hills Water Supply Corporation

Board of Directors

ACKNOWLEDGEMENT

STATE OF TEXAS

COUNTY OF WILSON

This instrument was acknowledged before me on this _____ day of _____, ___ by _____, President of the Board of Directors of the Oak Hills Water Supply Corporation, a political subdivision of the state of Texas, on behalf of said OHWSC.

Notary Public, State of Texas

DEVELOPER

By: _____
(Name)

(Title)

ACKNOWLEDGEMENT

STATE OF TEXAS

COUNTY OF _____

This instrument was acknowledged before me on this ___ day of _____,
_____ by _____ as _____ of
_____.

Notary Public, State of Texas