

SUBDIVISION CONTRACT

THE STATE OF TEXAS

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF _____

THIS AGREEMENT made and entered into on this _____ day of _____, _____, by and between Rice Water Supply and Sewer Service Corporation, a non-profit corporation, duly incorporated under the laws of the State of Texas, acting by and through its duly authorized officers, Party of the First Part, hereinafter referred to as the Corporation, and _____

Party of the Second Part, hereinafter referred to as Developers.

WITNESSETH:

WHEREAS First Part is engaged in the sale of potable drinking water to members of its water supply system; and

Whereas, Second Part is the owner of a sub-division, known as _____, consisting of approximately _____ acres situated in the _____ Survey (s), Navarro/Ellis County, Texas all of which lies within the boundaries of the Rice Water Supply and Sewer Service Corporation; and

WHEREAS Developers desire to obtain an extension of the water distribution line from the Corporation into said subdivision to service _____ lots therein for the purpose of providing domestic water for future residential owners of the property situated in said Subdivision; and

WHEREAS, the Corporation is willing to extend its service to said Subdivision for the purpose of servicing a maximum of _____ lots therein, subject, however, to the general conditions set forth in this agreement, the Corporation’s Service Extension Policy, Bylaws, Water Tariffs and Individual Service agreements as may be revised from time to time and that are in effect at the time individual meters are set.

NOW, THEREFORE, in consideration of the premises, and the mutual promises of the parties hereto, it is agreed by and between the Corporation and the Developers as follows:

- A. DEVELOPERS shall construct or allow the Corporation to construct a water distribution system including necessary appurtenances within the subdivision conforming, as a minimum, to the standards and specifications governing the construction of the existing water works system of the corporation heretofore prepared by J.F. Fontaine and Associates, Inc. according to standards approved by the Rural Development and the Texas Commission on Environmental Quality. Any person with more than one meter is considered a subdivision. They are required by Rice Water Supply to supply us with a plat or Preliminary plat even if the governmental body does not require one. All legal, engineering, inspection, installation, and testing cost, and also all cost for obtaining and recording of required easements for Rights-of-way including title policies for each easement, shall be borne by the developers. Inspection expenses incurred by the Corporation shall be paid by the Developers.
- B. It is agreed between the parties that the water distribution facilities will be installed as follows:
 - 1. Facilities within the subdivision in accordance with construction plans prepared by or approved by J.F. Fontaine and Associates, Consulting Engineering Firm employed by First Party through fee paid by Second Party. The minimum line size sleeves. Each lot’s meter tap will be located on the approved plans and included as a part of the developer’s

expense as directed by Party of the First Part. Meters will be supplied and installed by First Party when membership and tap fee in effect at that time is paid. Engineering fees for a subdivision with less than 10 meters is \$250.00 plus \$100.00 per lot. Also the engineering fees for subdivisions greater than 10 meters is \$500.00 plus \$100.00 per lot.

2. Facilities outside the subdivision include a minimum line size of _____ inch routed on private right-of-way to a point on an existing _____ inch line with required capacity as determined by the Consulting Engineer or equal point of supply capacity. A maximum of _____ feet of line will be covered by Second Party's contribution.
- C. Second Party agrees to secure or have secured right-of-way easement on private property for all portions of said distribution lines including title policy for each easement. This includes providing an easement for lines within the subdivision to be located on private property. These easements shall be in the name of Rice Water Supply and Sewer Service Corporation and shall be in a form acceptable to the First Party. Use of dedicated utility easements will be permitted providing a letter from the County or appropriate authority agreeing to pay for any future required relocation cost of facilities located therein is attached to and made a part of this agreement. Written permission will also be obtained by Second Party from Navarro/Ellis County or other appropriate authorities for all road crossing and other locations of lines on public right-of-ways. A notification must be made and written permission obtained if facilities to be installed must cross or encroach on right-of-way of pipeline or other such companies. All expenses involved in obtaining easements or permits will be paid for by the Party of the Second Part.
3. Equity Buy in Fee. Second Party agrees to pay First party the sum of \$1,300.00 per lot/unit in said subdivision for use by First Party, as it deems fit, to maintain adequate reserve capacity in its physical facilities, as was available before reserving meters for said subdivision. The total equity buy in fee improvement fees required with agreement _____ x \$1300.00 = \$ _____. This amount is due upon approval of the subdivision contract of the First Party.
4. The Second Party is to pay all attorney and legal fees to complete service to subdivision.
5. Second Party is to pay all engineering fees.
- D. It is agreed by and between the parties hereto that water distribution lines including those in the Subdivision to the members side of the meter, shall become the property of the First Party upon acceptance by the First Party. All improvements shall be maintained by the Second Party for a period of twelve months from the date of acceptance of improvements by the First Party. Member's meter will be located as directed by Party of First Party.
- E. Approved contractor shall sign a contract with Second Party for lines constructed within said subdivision, using a form approved by First Party, providing unit cost figures, total cost amount, bonding, full liability/workman compensation insurance coverage, agreement to specifications and completion date. The Contractor shall receive from the Developer the \$350.00 to install each meter service.
- F. Party of the Second Part and/or its contractor agrees to hold First Party harmless from any Liability or cause of action arising or resulting from the negligence of its agents, employees, contractors or sub-contractors in connection with construction of the water distribution system to facilities owned by Second Part. Also, any other expense due to legal actions or complaints incurred by First Party as a result of Second Parties actions will be paid by Second Party upon a ruling in favor of First Party.

G. Developers shall submit, to the Corporation's attorney, for examination and approval, all required easement with title policies.

H. Developers and/or contractors agree to install improvements meeting or exceeding standards of the Rural Development and Texas Commission on Environmental Quality, including provision for inspection and testing. Inspections must be made before line and valves are covered during pressure test. Arrangements for inspections must be made 24 hours in advance. Lines shall be chlorinated by contractors and samples submitted as required.

IN WITNESS WHEREOF the parties hereto have executed this instrument on the _____ day of _____, _____.

ATTEST:

Secretary

Rice Water Supply and Sewer Service Corporation
By: _____

FIRST PARTY

By: _____

SECOND PARTY

“This institution is an equal opportunity provider and employer.”