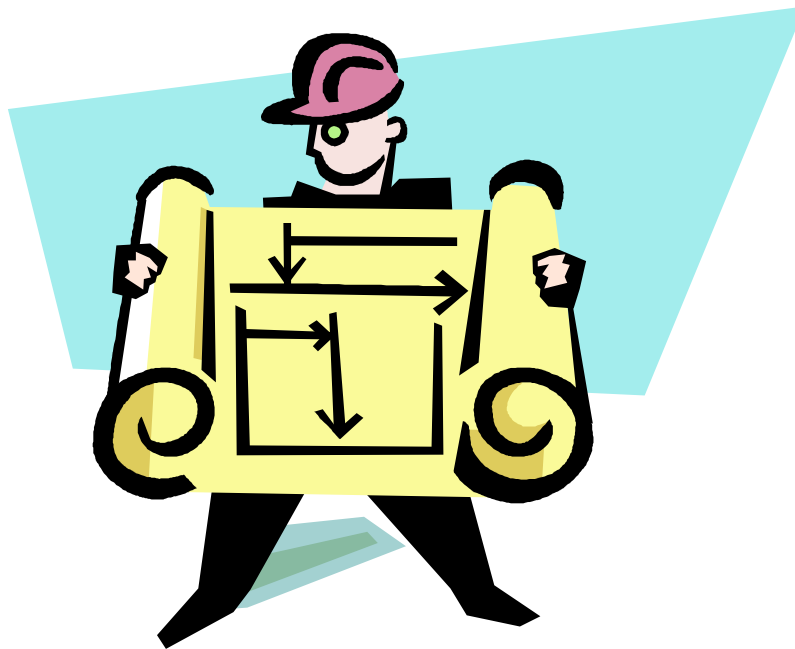


# Bolivar Peninsula Special Utility District

## Developer Packet



June 2008

BPSUD  
PO Box 1398  
1840 Highway 87  
Crystal Beach, Texas 77650  
Tel. (409) 684-3515 Fax (409) 684-2922  
Jennifer McKnight, General Manager

# **Bolivar Peninsula Special Utility District Procedure for Service to Subdivisions**

## **DEFINITIONS**

**INDIVIDUAL LAND OWNER:** An Individual Land Owner of a tract of land situated in the District's CCN which has frontage or direct physical access onto an existing public street or road, suitable for a single-family residence and is not part of a larger development or an attempt to avoid the District or Galveston County's Subdivisions Regulations.

**SUBDIVISION:** The division of a tract of land situated within the District's CCN into two (2) or more parts. The term subdivision as used in this policy expressly includes, as an example, offering to sell or transfer or selling or transferring, by contract, deed, devise or any other method of sale or transfer, a tract or parcel of land which is adjacent to another tract or parcel owned or held in the name of the same person who is offering to sell or transfer the tract or parcel, even if approval of a subdivision plat is not required by the county commissioners court or the governing body of any city prior to such intended or actual sale or transfer.

**DISTRICT:** Bolivar Peninsula Special Utility District (BPSUD).

## **PROCEDURES FOR SERVING SUBDIVISIONS**

1. Submit all of the following to the District:
  - a. Preliminary Application for Subdivision Service (provided by the District).
  - b. A preliminary plat that indicates all lot sizes, sewage control, drainage, right-of-way and other service facilities.
  - c. Detailed plans of the proposed development and associated water line(s) and facilities (meter locations, fire hydrants, valves, etc.). Water lines and facilities must be in accordance with District specifications as provided in Appendix A. The detailed plans must be certified by a Professional Engineer registered in the State of Texas.
  - d. A check or money order for Administrative and Plan Review Fee, payable to BPSUD.
2. Plans will then be sent to the District's Engineer for review and recommendations (approximate four week period). Should the cost of reviewing design plans by the District Engineer exceed the fee paid, Applicant is responsible for additional payments prior to plan and capacity approval.
3. After plans are approved by the District's Engineer and the fees are paid by applicant, a letter of capacity will be issued to the Applicant by the District.

The letter of capacity can be submitted to the Galveston County Engineer with the plat for their review and approval. Once an approved plat is received by the County, Applicant can proceed with Step 5 (below).

4. Applicant shall submit construction methods and material specifications on the interior water system in sufficient detail to be reviewed by the District's Engineer. (Cost of reviewing interior system by the District Engineer is payable by Applicant.) The materials and specifications list shall be submitted with a final plat that shows the requested service area. The plat must be approved by all regulatory authorities having jurisdiction over lot sizes, sewage control, drainage, right-of-way and other service facilities.
5. Return of critique of material on interior system from the District's Engineer to the District and the Applicant (approximately four weeks).
6. A Non-Standard Service Agreement will be presented to the Applicant by the District. The Applicant must reimburse the District for all Engineering Fees prior to proceeding with Step 8 (below).
7. Presentation of Applicant's accepted Non-Standard Service Agreement for District's Board approval. The Applicant must agree to enter into a written contract with the District's Board of Directors. The contract will include all items listed in Section 15(j) of the District's Service Policy (Appendix B of this packet). Applicant will be required to reimburse the District for any Legal Fees incurred by the District in drafting the contract. **CONSTRUCTION OF FACILITIES CANNOT PROCEED UNTIL A SIGNED SERVICE AGREEMENT IS APPROVED BY THE DISTRICT'S BOARD OF DIRECTORS AND AN INSPECTION SCHEDULE IS DETERMINED AS OUTLINED BELOW.**
8. Applicant will receive a Notice to Proceed with Construction from the District. The District requires a preconstruction meeting to determine a schedule of periodic inspections by the District. Please contact Jennifer McKnight at (409) 684-3515 to set up a meeting.

No later than the date of the preconstruction meeting, the Applicant will be required to pay a deposit to the District for the estimated costs of inspection, flushing, and sampling of the system. The deposit will be estimated based on the size of the development. The actual costs of inspection, flushing, and sampling will be deducted from the deposit and any unused portion will be reimbursed to the Applicant after project completion. Should the actual costs exceed the deposit amount, Applicant will be required to pay the remaining portion prior to the District's acceptance of the subdivision.

9. Pressure testing of lines to be accomplished under the supervision of the District and a Professional Engineer registered in the State of Texas (or his/her designee). Applicant is responsible for providing the Engineer to observe testing and to submit a certification to the District that the system passed pressure testing.
10. New mains will be and flushed, disinfected and sampled by District personnel in accordance with TCEQ Rules and Regulations for Public Water Systems.
11. Upon completion of subdivision, a set of "As Built" plans, certified by a Professional Engineer registered in the State of Texas, must be furnished to the District.
12. Within ninety (90) days following the final inspection by the District, a Bill of Sale and Assignment, signed by the Applicant, must be presented to the District's Board of Directors. The Bill of Sale and Assignment must be accompanied by a Maintenance Bond for 25% of the value of the improvements for a minimum of one year. The maintenance bond must be renewed and maintained by the Applicant for one year after 5% of meters are set in the subdivision. (For example, if the subdivision has 100 planned units, then the maintenance bond will need to be maintained until one year after the fifth meter is set in the subdivision.) The bond must be written on a surety acceptable to the District. The Applicant or its Utility Subcontractor should provide the bond with an assignment to the District. Applicant, and as may be required by the District, its utility sub-contractor, must also execute a Bills Paid Affidavit that will be provided by the District.

After acceptance of the subdivision by the Board, the District will operate and maintain the water infrastructure. However, the Applicant/Developer will be financially responsible for all operations and maintenance for a minimum of one year after acceptance by the District. Applicant/Developer will be required to renew the maintenance bond and maintain it in effect until one year after 5% of meters are set by the District in the subdivision.

13. Service for the subdivision will be made available.

***THESE PROCEDURES WILL BE FOLLOWED WITH NO DEVIATION***

Bolivar Peninsula Special Utility District  
Preliminary Application for Service to Subdivision

This application cannot be accepted by the District unless all of the following is submitted with it:

- \_\_\_\_\_ Preliminary or final plat
  - \_\_\_\_\_ Detailed Plans of development including water line(s)
  - \_\_\_\_\_ Check or Money Order for Administrative and Plan Review Fee (see bottom of Page 2)
- 

Date: \_\_\_\_\_

Proposed Subdivision Name: \_\_\_\_\_

Will this development be residential or commercial: \_\_\_\_\_

If commercial, describe the type of business: \_\_\_\_\_

Number of Lots: \_\_\_\_\_

Number of Single Family Dwellings: \_\_\_\_\_

Applicant Name(s): \_\_\_\_\_

Contact Name(s): \_\_\_\_\_

Mailing Address: \_\_\_\_\_

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Phone: \_\_\_\_\_ Cell Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

Driver's License or Taxpayer ID No.: \_\_\_\_\_

Legal Description of Property (include name of road, subdivision with lot/connection and block number):

\_\_\_\_\_  
\_\_\_\_\_

Acreage: \_\_\_\_\_ Number of 5/8-inch connections (or equivalent): \_\_\_\_\_

Special Service Needs of Applicant:

\_\_\_\_\_  
\_\_\_\_\_

By signing this application, the applicant acknowledges the receipt of a copy of the District's rules for service to subdivisions. These rules are incorporated into this application by reference and Applicant agrees that this application will be subject to the rules that the Applicant will comply with the rules and other valid laws, regulatory requirements and District policies.

Applicant acknowledges receipt of notice that the District 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 District's policies and rules.

Applicant acknowledges receipt of notice that prior to receiving service, applicant will be required to pay additional costs and fees for engineering, legal and other necessary services, provide required land and easements, sign a Non-Standard Service Agreement, enter into a contract with the District, and provide financial guarantees to the District. Applicant further acknowledges that he/she will be required to submit a set of "as built plans", certified by a Registered Engineer in the State of Texas to the District, and will be financially responsible for operation and maintenance of all improvements for one year after signing a Bill of Sale with the District.

Executed this \_\_\_ day of \_\_\_\_\_, 20\_\_

Applicant Signature: \_\_\_\_\_

State of Texas  
County of Galveston

This instrument was acknowledged before me on the \_\_\_ day of \_\_\_\_\_, 20\_\_,  
by \_\_\_\_\_.

\_\_\_\_\_  
Notary Public, State of Texas

Notary Seal:

**ADMINISTRATIVE AND PLAN REVIEW FEES**

2 to 10 lots.....\$825.00  
11 to 50 lots.....\$1400.00  
Over 50 lots.....\$1400.00 plus \$20.00 per lot over 50

Please make check payable to BPSUD.

BOLIVAR PENINSULA SPECIAL UTILITY DISTRICT  
WATER SERVICE AGREEMENT

THE STATE OF TEXAS

COUNTY OF GALVESTON

This Agreement is made and entered into by and between \_\_\_\_\_ hereinafter referred to as “Developer” and Bolivar Peninsula Special Utility District, hereinafter referred to as the “District”.

Whereas, Developer is engaged in serving that certain \_\_\_\_\_ acres of land in Galveston, County, Texas, according to the plat thereof recorded at Vol. \_\_\_\_\_, Page \_\_\_\_\_ of the Plat Records of Galveston County, Texas, said land being hereinafter referred to as “the property”; and,

Whereas, the District owns and operates a water system which supplies potable water for human consumption and other domestic uses to customers within its service area; and,

Whereas, Developer has requested the District to provide such water service to the Property through and extension of the 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 of the mutual promises hereinafter expressed, and other good and valuable consideration, the sufficiency of which is hereby acknowledged by the parties, Developer and District, hereby agree as follows:

1. Engineering and Design of the Water System Extension.
  - (A) The Water System Extension may be engineered and designed by a Texas Registered 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 the District’s consulting engineer prior to the issuance of any request for bids for the construction of the Water System Extension. After such approval of the plans and specifications by the District’s consulting engineer, the plans and specifications shall become part of this Agreement 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 Property provided to the District by the Developer. The District may require the Water System Extension to be oversized in anticipation of the needs of other customers of the District subject to the obligation to reimburse the Developer for any such over sizing paid for by them as provided below.
  
2. Required Easements or Rights-of way.
  - (A) Developer shall be responsible for dedicating or acquiring any easements across privately owned land which are necessary for the construction 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 acquired by the Developer shall be assigned to the District upon proper completion of the construction of the Water System Extension. The validity of the legal instruments by which the Developer acquires any such easements and by which Developer assigns such easements to the District may be approved by the District's attorney.

3. Construction of the Water System Extension.

- (A) The Developer may contract for construction of the Water System Extension or the District may advertise for bids for the construction of the Water System Extension. If the District advertises for construction, bids will be obtained in accordance with State procurement laws and requirements. The District's Board of Directors shall award the bid and reserves the right to reject any and all bids if within the best interest of the District.
- (B) Construction of Water System Extension must begin within one year of the date this agreement is signed by the District. Failure to commence construction within one year will require new plan approval by the District and payment of all fees in affect at that time.
- (C) The Water System Extension shall be constructed in accordance with District approved plans and specifications. The District shall have the right to inspect all phases of the construction of the Water System Extension. Developer must provide written notices to the District of the date on which construction is scheduled to begin and/or attend a preconstruction meeting with District personnel prior to commencing construction. The District may assign an inspector to observe during all phases of construction and may charge reasonable inspection fees based on the actual cost of labor, travel, and incidental expenses of the inspectors, plus 10% overhead to the Developer.
- (D) Developer shall indemnify the District and hold harmless from any claims of any nature of arising from death, personal injury or property damage suffered by any person or entity during the Water System Extension.
- (E) The District may require the contractor to provide liability insurance coverage from an insurance company licensed to do business in Texas in the amount of \$250,000.00 for property damage and \$500,000.00 for personal injury and death, which insurance coverage shall specifically name the District as co-insured. Insurance will be required if the District lets bids for construction of the Water System Extension.

4. Dedication of the Water System Extension to the District.

After construction and testing, the Water System Extension shall be directed to the District by an appropriate legal instrument approved by the District's attorney. The Water System Extension shall thereafter be owned and maintained by the District. The Developer shall be financially responsible for the Water System Extension for one year after 5% of approved meters are set by the District and shall be required to provide a maintenance bond at the time of District acceptance. The maintenance bond shall be renewed, and a copy submitted to the District annually, until one-year

after 5% of approved meters are set in the subdivision. At the end of this period, the District shall fully own and maintain the system.

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;
- (6) Governmental or regulatory approvals required to lawfully provide service.

(B) Developer shall indemnify the District and hold the District harmless from all of the foregoing costs.

(C) Provided, however, nothing herein shall be construed as obligating the Developer to maintain the Water System Extension subsequent to its dedication and acceptance for maintenance by the District, other than financial maintenance for one year following District acceptance.

(D) If the District has required the Water System Extension to be oversized by the Developer in anticipation of the needs of the other customers of the District, the District shall reimburse Developer for the additional costs of construction attributable to the over sizing, as determined by the District's consulting engineer, in payment terms agreed to by both the Developer and the District.

6. Service from the Water System Extension

(A) After proper completion of the Water System Extension to the District, the District shall provide continuous and adequate water service to the Property, subject to all duly adopted rules and regulations of the District and the payment of the following:

- (1) All standard rates, fees, and charges as reflected in the District's approved Service Policy;
- (2) Any applicable impact fee adopted by the District;
- (3) Any applicable reserved service charge adopted by the District.

(B) It is understood and agreed by the parties that the obligation of the District to provide water service in the manner contemplated by this Agreement is subject to the issuance by the Texas Commission on Environmental Quality any and all other governmental agencies having jurisdiction of all permits, certificates, or approvals required to lawfully provide such services.

(C) Unless the prior approval of the District is obtained, the Developer shall not:

- (1) Construct or install additional water lines or facilities to service areas outside the Property;

- (2) Add any additional lands to the Property for which water service is to be provided pursuant to this agreement; 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 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 continuous 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 actual 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 disturbance, 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 of strikes and lockouts shall be entirely within the discretion of the party having the difficulty and that the requirements 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 difficulty.

8. Notices

Any notice to be given hereunder by either party to the other party shall be in writing and may be affected by personal delivery or by sending said notices by first class U.S. Mail 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 sufficient postage affixed. Any notice mailed to the District shall be addressed to:

General Manager  
Bolivar Peninsula Special Utility District  
PO Box 1398  
Crystal Beach, Texas 77650

Any notices mailed to Consumers shall be addressed:

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Either party may change the address for notice to it by giving notice of such change in accordance with the provisions of this paragraph.

9. Severability

The provisions of this Agreement are severable, and if any word, phrase, clause, sentence, paragraph, section, or other part of this Agreement 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 Agreement and the application of such word, phrase, clause, sentence, paragraph, section, or other part of this Agreement to other person or circumstances shall not be affected thereby and this Agreement shall be construed as if such invalid or unconstitutional portion had never been contained therein.

10. Entire Agreement

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

11. Amendment

No amendment of this Agreement 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 District and the Developer, respectively, which amendment shall incorporate this Agreement in every particular not otherwise changed by the Amendment.

12. Governing Law

This Agreement 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 Galveston County, Texas.

13. Venue

Venue for any suit arising hereunder shall be in Galveston County, Texas.

- 14. Successors and Assigns  
This Agreement shall be binding on and shall inure to the benefit of the heirs, successors and assigns of the parties.
- 15. Assign Ability  
The rights and obligations of the Developer hereunder may not be assigned without the prior written consent of the District.
- 16. Effective Date  
This Agreement shall be effective from and after the date of due execution by all parties.

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

“The District”

_____	_____ <u>General Manager</u> _____
Signature	Title
_____ <u>Jennifer McKnight</u> _____	_____
Printed Name	Date

Witness under my hand this \_\_\_\_ day of \_\_\_\_\_, 200 \_\_\_\_.

\_\_\_\_\_  
Notary Public, State of Texas

“The Developer”

_____	_____
Signature	Title
_____	_____
Printed Name	Date

Witness under my hand this \_\_\_\_ day of \_\_\_\_\_, 200 \_\_\_\_.

\_\_\_\_\_  
Notary Public, State of Texas

**SECTION 16**

SUBDIVISION POLICY

a) The District is not required to extend retail utility service to an applicant in a subdivision where the responsible party (Applicant/Developer) of the applicable property has failed to comply with the terms of this policy.

b) This section is applicable to subdivisions, developments, or whenever additional service facilities are required.

c) Any Applicant/Developer subject to this section is required to pay all applicable costs necessary to provide service to the requested area including the cost of facilities, legal expenses, engineering expenses, construction expenses, inspection expenses, and administration expenses.

d) This Section may be altered or suspended for planned facility expansions when the District extends its indebtedness. The District Directors shall interpret on an individual basis whether or not the Applicant/Developer's service request shall be subject to all or part of the conditions of this section on a non-discriminatory basis and a manner that is equitable to current users and future users.

e) The Applicant/Developer shall complete a Service Application and Agreement including the completion of the item titled "Special Service Needs of the Applicant/Developer". The Application must include a final plat that shows the Applicant/Developers requested service area. The plat must be approved by all regulatory authorities having jurisdiction over lot sizes, sewage control, drainage, right-of way, and other service facilities. Plans, specifications, and special requirements of such regulatory authorities shall be submitted with the plat. Detailed plans of the proposed development and associated water line(s) and facilities, certified by a Professional Engineer registered in the State of Texas, must be submitted at the time of application. Water lines and facilities shall be in accordance with District specifications as provided in Appendix A of this Service Policy.

f) At the time the Applicant/Developer submits the Application, an Administrative and Plan Review Fee as indicated below shall be paid to the District.

2 to 10 lots.....	\$825
11 to 50 lots.....	\$1400.00
Over 50 lots.....	\$1400.00 plus \$20.00 per lot over 50

g) Upon receipt of the signed service application and Administrative Fee, the District shall investigate the service requirements for the requested area by reviewing all plans submitted to ensure compliance with the District's detailed specifications for water utilities as contained in Appendix A.

h) The District may require a plan review by the District's Consulting Engineer. The Applicant/Developer shall be responsible for reimbursing the District for engineering fees incurred from this review. The District will provide a statement of fees to the Applicant/Developer. Plans will not be approved until reimbursement is received.

i) The District reserves the right to upgrade design of service facilities to meet future demands; provided however, that the District pays the expense of such upgrading above the Applicant/Developer's facility requirements.

j) All Applicant/Developers falling under this section shall enter into a written contract, drawn up by the District's attorney, in addition to submitting the District's Service Application and Agreement. The Applicant/Developer shall be required to reimburse the District for all legal costs associated with obtaining a contract. Said contract shall define the terms of service prior to construction of required service facilities. Guidelines for the service contract may include, but are not limited to:

- 1) All cost associated with required administration, design, construction, and inspection of facilities for utility service to the Applicant/Developer's service area and terms by which these costs are to be paid.
- 2) Procedures by which the Applicant/Developer shall accept or deny a contractor's bid, thereby committing to continue or discontinue the project.
- 3) Terms by which the District shall administer the Applicant/Developer's project with respect to:
  - Design of the Applicant/Developer's service facilities;
  - Securing and qualifying bids;
  - Execution of the Service Agreement;
  - Selection of a qualified bidder for construction;
  - Dispensing advanced funds for construction of facilities required for the Applicant/Developer's service;
  - Inspecting construction of facilities; and
  - Testing facilities and closing of the project.
- 4) Terms by which the Applicant/Developer shall indemnify the District from all third party claims or lawsuit in connection with the project contemplated.
- 5) Terms by which the Applicant/Developer shall deed all constructed facilities to the District and by which the District shall assume operation and maintenance responsibility, including any enforcement of warranties in connection with the construction of the Applicant/Developers project.
- 6) Terms by which the Applicant/Developer shall grant title or easement for right-of-ways, constructed facilities, and facility sites and/or terms by which the Applicant/Developer shall provide for the securing of required right-of-ways and sites.
- 7) Terms by which the District shall review and approve the Service Contract pursuant to current rules, regulations, and policies.

k) With regard to construction of facilities, the District shall require private right-of-way easements on private property. The District shall require an exclusive dedicated right-of-way on the Applicant/Developer's property (as required by the size of the

planned facilities and as determined by the District) and title to property required for other on-site facilities. If the District determines that right-of-way easements or facility sites outside the Applicant/Developer's property are required, the District shall require the Applicant/Developer secure easements or title to facility sites in behalf of the District. All right-of-way easements and property titles shall be researched, validated, and filed by the District at the expense of the Applicant/Developer.

l) Easements and facility sites shall be prepared for the construction of the District's pipeline and facility installations in accordance with the District's requirements and at the expense of the Applicant/Developer.

m) Should the District extend service utilities, the Applicant/Developer shall advertise for bids for the construction of the proposed facilities in accordance with generally accepted practices. Plans and specifications shall be made available, with or without charge, to prospective bidders. Although the District reserves the right to reject any bid or contractor, the District shall generally award the contract to the lowest and most qualified bidder in accordance with the following criteria:

- 1) The Applicant/Developer shall sign the Service Contract noting willingness to proceed with the project and shall pay all costs in advance of construction associated with the project;
- 2) The Contractor shall provide an adequate bid bond under terms acceptable to the District;
- 3) The Contractor shall secure adequate performance and payment bonding for the project under terms acceptable to the District;
- 4) The Contractor shall supply favorable references acceptable to the District;
- 5) The Contractor shall qualify with the District as competent to complete the work, and
- 6) The Contractor shall provide adequate certificates of insurance as required by the District.

n) After the Applicant/Developer has executed the Service Agreement, the Applicant/Developer shall pay to the District all costs necessary for completion of the project prior to construction and in accordance with the terms of the service contract.

o) All road work pursuant to county and/or municipal standards (if applicable) shall be completed prior to facility construction to avoid future problems resulting from road right-of-way completion and excavation. Subject to the approval of the requisite authority, road sleeves may be installed prior to road construction to avoid road damage during construction of the Applicant's facilities.

p) The District shall, at the expense of the Applicant/Developer, inspect the facilities to ensure that District standards are achieved. Prior to construction, the District shall set an inspection schedule with the contractor. Failure to comply with the inspection schedule may result in refusal of service to the subdivision.

- q) Applicant/Developer will be required to pay a deposit to the District for the estimated costs of inspection, flushing, and sampling of the system prior to the commencement of construction. The deposit will be estimated based on the size of the development. The actual costs of inspection, flushing, and sampling will be deducted from the deposit and any unused portion will be reimbursed to the Applicant/Developer after project completion. Should the actual costs exceed the deposit amount, Applicant/Developer will be required to pay the remaining portion prior to the District's acceptance of the subdivision.
- r) Construction plans and specification shall be strictly adhered to, but the District reserves the right to change-order any specifications, due to unforeseen circumstances during the design phase, to better facilitate operation of the Applicant/Developers facility. All change-order amounts shall be charged to the Applicant/Developer.
- s) After construction, the Applicant/Developer must provide a set of "As-Built" plans to the District. Applicant/Developer must coordinate a date for hydrotesting, line flushing and water line sampling with the District. All flushing and sampling will be performed by District personnel and the Applicant/Developer will be responsible for reimbursement of District expenses related to flushing and sampling. Hydrotesting must be performed in the presence of District personnel and a Professional Engineer registered in the State of Texas or the engineer's designee. The engineer must submit a certification to the District that the new water lines were properly hydrotested and passed all testing.
- t) After all of the above requirements are met, and within ninety (90) days after a final inspection is performed, Applicant/Developer shall submit a bill of sale and one-year maintenance bond for 25% of the value of the improvements to the District's Board of Directors at their next regularly scheduled meeting. After acceptance by the Board, the District will operate and maintain the water line infrastructure. However, the Applicant/Developer will be financially responsible for all operations and maintenance for a minimum of one year after acceptance by the District. Applicant/Developer will be required to renew the maintenance bond and maintain it in effect until 5% of approved meters are set by the District in the subdivision.

## Appendix A

### District Specifications

District specifications are available by hard-copy only. Please call the office at (409) 684-3515 if you would like a copy mailed to you.

Sorry for the inconvenience.

