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Crystal Beach, TX 77650

RESERVED SERVICE FEE AGREEMENT

This **Reserved Service Fee Agreement** (the "Agreement") is made by and between the **Bolivar Peninsula Special Utility District** (the "District") and

_____ ("Property Owner")

RECITALS

- The **District** has adopted a Reserved Service Fee defined as:
a monthly charge for each active account at a specific location for which a meter has not been installed but for which the District reserves capacity in the existing waterline for the future use of the applicant. The monthly charge shall be based on the District's fixed costs to service the applicant's dedicated facilities on a per service unit basis. This fee is determined based on the monthly minimum fee for a 5/8" residential meter.
- The **District** is experiencing rapid growth that causes waterlines with excess capacity to reach capacity in a short time.
- The **District** is aware of property owners who wish to market their property as having "water available" without having to immediately satisfy the permit requirements to set a meter.
- The **District** is aware there can be a significant time delay in receiving county permits for building. During that delay, a waterline that has capacity could be filled by other applicants preventing the subject property owner from being approved for a water meter.
- In an effort to ensure capacity is available to property owners from their point of monetary commitment in perpetuity, the **District** proposes this Reserved Service Agreement.

NOW, THEREFORE, in consideration of the Recitals set forth above and in compliance with the Policy, the District and Property Owner agree as follows:

1. Property Owner chooses to pay for the reservation of water but understands no meter will be set until all building and septic permits required by District policy have been received.
2. The Reserved Service Fee will be based on flow possible through a 5/8" meter. If the property owner needs a larger meter, the fee will be based on the monthly minimum charge in force at the time of application for that size meter.

3. All tap fees, Impact Fees and any other applicable fee will be charged at the time the meter is requested. No fees will be “grandfathered” to an earlier date. The cost will be based on the applicable fees on the date of application for a meter.
4. This reservation will not result in acquisition of water rights by the property owner.
5. Failure to pay the full monthly reserve service fee for three consecutive months will result in this Agreement becoming null and void. Any past due reserve fee must be paid prior to installation of a meter.
6. This Agreement may not be transferred by Property Owner to a new owner of the Property. When the property is sold, the new owner can apply for the same Reserve Service provided all past Reserve Fees have been fully paid and are current.

Date of Application: _____ Applicant's Name: _____

Service Address: _____

Contact Number: _____ Alternate Contact Number: _____

Billing Address: _____

Date: _____

Bolivar Peninsula Special Utility District

By: _____
General Manager

Date: _____

Property Owner(s):

By: _____

By: _____