

The North Utility District of Decatur and Benton Counties, Tennessee

Subscribers Contract

And

Water Users Agreement

This Agreement entered into between The North Utility District of Decatur and Benton Counties, Tennessee, and any successor thereof, hereinafter called the "Utility District", and

_____ Hereinafter called "Subscriber".

WITNESSETH

Whereas, the Subscriber desires to purchase water from the Utility District, and to purchase a right to connect to the water lines of the Utility District and request the District to endeavor to secure enough customers to warrant the construction of a water system to serve the Subscribers' property as described herein, and the District desires to install a feasible project and permanent financing therefor can be obtained through USDA-FHA, or elsewhere, and subject thereto, the District and Subscriber agrees as follows:

The Utility District agrees to furnish, subject to the limitation set out in its Bylaws and Rules and Regulations now in force or as hereafter amended, such quantity of water as Subscriber may desire in connection with Subscribers occupancy of the following described property:

Located in the _____ Civil District of _____ County, Tennessee, and designated on the assessors of property tax map of _____ County as Map No. _____, Group _____, Parcel No. _____, and on the _____ side of _____ Road.

The Subscriber agrees to grant to the Utility District, its successors and assigns, a perpetual easement in, over, and under and upon the above-described land, or other adjacent lands owned by the Subscriber, with the right to erect, construct, install, and lay, and thereafter use, operate, inspect, repair, maintain, replace, and remove water pipe lines, and appurtenant facilities, together with the right to utilize adjoining lands belonging to the Subscriber for the purpose of ingress and egress from the above-described lands.

The Subscriber shall install and maintain at his own expense a service line which shall begin at the meter and extend to the dwelling or place of use. The service line shall connect with the distribution system of Utility District at the nearest place of desired use by the Subscriber provided the Utility District has determined in advance that the system is of sufficient capacity to permit delivery of water at that point; however that the meter set by the Utility District shall be set in its discretion at a location no further than 50 feet from the main water line of the Utility District.

The Utility District may, if it desires, purchase and install a cutoff valve and a water meter in each service. The Utility District shall have exclusive right to use such cutoff valve and water meter.

The Utility District shall have final authority in any question of location of any service line connection to its distribution system; shall determine the allocation of water to Subscriber in the event of a water shortage; and may shut off water to a Subscriber who allows a connection or extension to be made of his service line for the purpose of supplying water to another user. In the event the total water supply shall be insufficient to meet all of the needs of the Subscriber, or in the event there is a shortage of water, the Utility District may prorate the water available among the various of hours covering use of water for garden purposes by particular Subscribers and require adherence thereto or prohibit the use of water for garden purposes; provided that if at any time total water supply shall be insufficient to meet all of the needs of all of the Subscribers, the Utility District must first satisfy all of the needs of all Subscribers for domestic purposes before supplying any water for livestock purposes and must satisfy the needs of all Subscribers for both domestic and livestock purposes before supplying water for garden purposes.

The subscriber agrees that no other present or future source of water will be connected to any water lines served by the Association's water lines and will disconnect from his present water supply prior to connecting to and switching to the Association's system and shall eliminate their present or future cross-connections in his system. No connections will be allowed to any other residence, business, mobile home or unit of any kind.

The subscriber shall connect his service lines to the Utility District distribution system and shall commence to use water from the system on the date the water is made available to the Subscriber by the Utility District. Water charges to the Subscriber commence on the date service is made available regardless of whether the Subscriber connects to the system. If service is not connected or "dry tap" is taken, Subscriber agrees to pay a minimum bill as prescribed by the District for at least 60 months, commencing upon installation of said tap, and if such minimum bill is not so paid, the fee shall be forfeited and not refundable.

The Subscriber hereby agrees to pay to the District a tap fee of \$300.00 for a standard, 3/4" meter, payable herewith. If the Subscriber should desire a larger meter, it shall be made available at the cost of \$300.00 plus the current market value price of the larger meter. This contract will not be effective unless or until tap fee is paid. No tap shall be transferable to any other lot or subscriber without approval of the Utility District. If the Utility District does not make water service available, the tap fee will be returned.

In the event the Subscriber shall refuse or fail to connect his service line to the Utility District's distribution system when water service is made available, the Subscriber agrees to forfeit any tap fee paid.

The failure of a customer to pay water charges duly imposed shall result in the automatic imposition of the penalties as shall be prescribed by the rules, regulations and bylaws of the Utility District as applies to all other Subscribers to its water service, which shall include but not limited to forfeiture of any water tap then existing, and reconnection charges as provided by its rules and regulations.

IN WITNESS WHEREOF, we have executed this agreement this ___ day of _____, 20__.

For OFFICE USE ONLY: Date of Installation: _____

Subscriber: _____

Subscriber: _____

ACCEPTED:

THE NORTH UTILITY DISTRICT OF DECATUR AND BENTON COUNTIES, TENNESSEE

By: _____

Name of All Property Owners: _____

Mailing Address for Billing Purposes: _____

911 Address for Tap Location: _____

Telephone Numbers: (Home) _____

(Cell) _____ (Work) _____

(Alternate) _____ Type of Property: Residential Commercial

*****Note: Return to The North Utility District at P.O. Box 54, Parsons, TN 38363 with payment of \$300.00 for a standard meter. The price of a larger meter shall be determined by current market value and can be obtained from the General Manager. Office phone (731) 847-3838 Fax (731)847-3846**

For Office Use Only:
Subscriber Ethnicity: Caucasian African-American Other
Subscriber Sex: Male Female