



MUSTANG SPECIAL UTILITY DISTRICT

7985 FM 2931, AUBREY TX 76227
PH: (940)440-9561 FAX: (940)440-9686

IMPORTANT CHANGES TO YOUR HYDRANT METER USAGE AGREEMENT

Please note the following changes to your hydrant meter usage agreement, rates and information. Changes will take effect on your NEXT billing cycle.

Flat Rates:

Monthly flat rates for Hydrant Meters are \$214.25 for the possession and use of the hydrant meter and backflow assembly in addition to actual water usage charges during the continuance of this agreement.

Water Usage Rates:

Rates per 1,000 gallons:

Mustang SUD \$3.95	Savannah \$3.25
Paloma Creek 8B \$2.75	Arrowbrooke \$3.25
Paloma Creek 8A \$3.25	Paloma Creek 11A \$5.00
Paloma Creek 11B \$3.25	

Penalty:

Every month before the 20th, the Contractor is required to bring the hydrant meter in for reading and physical inspection by Mustang. If the failure to do so will result in a penalty of **\$500** for the first month, and **forfeiture of the hydrant meter** the second month.

Customer Signature _____ Date _____

Name _____ Title _____

Email _____

HYDRANT METER USE AGREEMENT (MUSTANG'S METER)

THIS AGREEMENT is made between _____ (hereinafter called the "CONTRACTOR") and Mustang Special Utility District (hereinafter called "Mustang").

In consideration of the mutual covenants contained in this Agreement and other valuable consideration the receipt of which is acknowledged, the parties do hereby agree as follows:

1. On the terms and conditions set out in this Agreement or as otherwise provided here, Mustang agrees to let the CONTRACTOR use the hydrant meter as shown on page 1 and the backflow prevention assembly.
2. The CONTRACTOR shall use the Equipment only in the manner for which it was designed and intended. The CONTRACTOR shall not permit any Equipment to be used in violation of any federal, state, or municipal laws, ordinances, rules, or regulations, or contrary to the provisions of this Agreement. The CONTRACTOR shall indemnify and hold Mustang harmless from any and all fines, forfeitures, damages or penalties resulting from violations by the CONTRACTOR.
3. The term of this Agreement shall commence on the date shown on page 1 and ends when the meter is returned to Mustang for final reading and inspection.
4. The CONTRACTOR agrees to pay Mustang by the billing due date each month, a \$214.25 fee for the possession and use of the hydrant meter and backflow assembly in addition to actual water usage charges during the continuance of this agreement.
5. No Encumbrances: (a) Nothing shall affect Mustang's absolute ownership of and title to the hydrant meter and backflow prevention assembly. The ownership and title are reserved and retained by Mustang. (b) The CONTRACTOR agrees that it will not, in any manner, suffer or permit any of the Equipment to be pledged, seized, or held for any tax, debt, lien, or obligation arising because of the CONTRACTOR. (c) The CONTRACTOR will pay and discharge when due all taxes, fees, assessments and other governmental charges or levies imposed during the term of this Agreement with respect to any of the Equipment, provided that the tax, fee, assessment, charge or levy need not be paid if, and so long as, its validity shall currently be contested by appropriate proceedings. In case of the CONTRACTOR'S failure so to do, Mustang may recover the property and all costs of such recovery shall immediately be due and payable from the CONTRACTOR.
6. Return of Equipment: The CONTRACTOR shall at the end of this Agreement or at the earlier expiration, or other termination of this Agreement with respect to the hydrant meter and backflow prevention assembly, deliver the equipment in good order and repair, reasonable wear and tear excepted, free and clear of all liens, charges and encumbrances of any nature excepting only those

granted by or arising through Mustang. The CONTRACTOR shall be liable and billed in full for any damage or required repairs to the Equipment.

7. Indemnification: Except as otherwise provided in this Agreement, the CONTRACTOR shall release fully and hold Mustang, its agents and employees harmless and will indemnify them from all liabilities, including costs and legal fees, if any, including claims for damages on account of loss or damage to the property of, members of the public, the agents, servants employees, licensees, tenants, lessees and patrons of Mustang, in any manner attributable to or arising out of the ownership, operation or maintenance of the Equipment, regardless of whether caused in whole or in part by the negligence of Mustang, provided, however, that this provision shall not apply to liabilities proximately caused by acts of Mustang, which constitute willful and wanton negligence or criminal acts.

8. Loss of Equipment: If any of the Equipment is lost, stolen, or willfully or accidentally destroyed, the CONTRACTOR will notify Mustang immediately in writing and use all reasonable endeavors at the CONTRACTOR'S own expense to recover the Equipment. If the Equipment is not recovered within 15 days, the CONTRACTOR shall be billed full replacement cost for all Equipment not returned.

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9. The CONTRACTOR has this day deposited with Mustang the sum of One Thousand Eight Hundred Dollars (\$1,800.00), the receipt whereof is hereby acknowledged by Mustang, as security for the payment of faithful performance by it of all the other obligation hereunder, and for the payment of any and all sums of money for which it may be, or become, liable hereunder. Said sum of \$_1,800_ Dollars or so much thereof as shall not be applied for the purposes aforesaid, shall be returned to the CONTRACTOR, its successors or assigns, at the expiration of this Agreement, provided all the terms, conditions, covenants and agreements herein mentioned have been performed by the said CONTRACTOR, its successors and assigns.

10. The CONTRACTOR shall on or before the __20th__ day of each month during the term of this Agreement bring the hydrant meter in for reading and physical inspection by Mustang. If the CONTRACTOR fails to do so, it will agree and accept to pay a penalty of \$500 the first month and will forfeit the meter the second month. If the Contractor brings the hydrant meter in for reading, on or before the billing date, the CONTRACTOR will be billed for the actual amount of water used. The security deposit may be used against any billing that is due and outstanding at the time of the termination of this Agreement.

11. Default:

(a) If, during the continuance of this Agreement one or more of the following events ("Events of Default") shall occur: (i) Default shall be made in the payment of any payment to be made by the CONTRACTOR and the default shall continue for 30 days after written notice from Mustang to the CONTRACTOR of the default and demand that it be remedied; (ii) Default shall be made in the

observance of performance of any other of the covenants, conditions and agreements on the part of the CONTRACTOR contained here and the default shall continue for 30 days after written notice from Mustang to the CONTRACTOR, specifying the default and demanding that it be remedied; then in any such case the Authority, at its option, may exercise any or all of the following rights: (iii) Proceed by appropriate court action, either at law or in equity, to enforce performance by the CONTRACTOR of this Agreement or to recover damages for breach; or (iv) By notice in writing to the CONTRACTOR, terminate this Agreement, at which time all right of the CONTRACTOR to the use of the Equipment shall terminate as though this Agreement had never been made Mustang shall have a right to recover from the CONTRACTOR all amounts which under the term of this Agreement may be then due or which may have accrued to the date of the termination; or (v) Pay any expense or charges that the CONTRACTOR is obligated to pay pursuant to this Agreement that the CONTRACTOR has failed timely to pay. These amounts shall then be immediately due and payable by the CONTRACTOR to Mustang.

(b) The remedies in this Agreement provided in favor of Mustang shall not be deemed exclusive but shall be in addition to all other remedies in its favor existing at law or in equity. The CONTRACTOR waives any mandatory requirements of law, now or subsequently in effect, which might limit or modify any of the remedies here, to the extent that law permits the waiver.

(c) The failure or delay of Mustang to exercise the rights granted it here upon any occurrence of any of the events set out here shall not constitute a waiver of any right upon the continuation or recurrence of those or similar events.

(d) The CONTRACTOR shall promptly advise Mustang of all correspondence, notices, accident reports, and other documents, received by the CONTRACTOR and asserting any claim or demand involving or relating to title to, or liens upon, the Equipment and will notify Mustang of any claim of injury or property damage involving the Equipment during the term of this Agreement.

12. Warranty Disclaimer. MUSTANG, NOT BEING THE MANUFACTURER OF THE EQUIPMENT NOR THE MANUFACTURER'S AGENT, MAKES NO EXPRESSED OR IMPLIED WARRANTY

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OF ANY KIND WHATSOEVER WITH RESPECT TO THE EQUIPMENT, THE AUTHORITY DISCLAIMS ALL WARRANTIES, INCLUDING BUT NOT LIMITED TO: THE MERCHANTABILITY OF THE EQUIPMENT OR ITS FITNESS FOR ANY PARTICULAR PURPOSE, THE DESIGN OR CONDITION OF THE EQUIPMENT, THE WORKMANSHIP IN THE EQUIPMENT, COMPLIANCE OF THE EQUIPMENT WITH THE REQUIREMENTS OF ANY LAW, RULE, SPECIFICATION OR CONTRACT PERTAINING TO THE EQUIPMENT, PATENT INFRINGEMENT, LATENT DEFECTS, AND TITLE. Mustang and the CONTRACTOR shall cooperate for the purpose of obtaining the full benefit of any manufacturers' warranties with respect to the Equipment.

13. Disclaimer of Liability. Neither the Board President nor any individual Board member of the Mustang or its employees or agents shall be personally liable to the CONTRACTOR in any way by reason or any clause of this Agreement.

14. Governing Law. This Agreement shall be construed in accordance with and shall be governed by the State of Texas.

15. Notices. Any notice required or permitted by this Agreement shall be in writing and may be either delivered in person or delivered by depositing in the United States Mail, postage paid, addressed to the following: Mustang SUD 7985 FM 2931 Aubrey, Texas 76227

Contractor address as shown on page 1

16. Assignment. The CONTRACTOR agrees that this Agreement shall not be assigned or transferred without the prior written consent of Mustang and any successor to the CONTRACTOR’S rights under this Agreement will be required to accede to all of the terms, conditions and requirements of this Agreement as a condition precedent to succession.

17. This Agreement shall not be of any force or effect unless the change or modification is embodied in an amendment, which is dated and is reduced to writing executed by both parties and approved by Mustang.

18. Severability. The parties agree that if any provision of this Agreement shall be held invalid for any reason, the remaining provisions shall not be affected if the remaining provisions may continue to conform with the purposes of this Agreement and the requirement of applicable law.

19. Headings. The headings of this Agreement are for convenience and reference only, and in no way limit or describe the scope or intent of this Agreement.

Customer Signature _____ **Date** _____

Name _____ **Title** _____