

**MARSHA WATER SUPPLY CORPORATION
MEMBER
TERMS AND CONDITIONS**

1 § 1. APPLICATION FOR MEMBERSHIP
2

3 An application for membership does not convey membership to the applicant. The Board of Directors
4 must review the application, and if found acceptable, will convey membership to the applicant as given
5 in the Bylaws of the Corporation. When the Board of Directors conveys membership, the applicant will
6 be informed by a Notice of Membership.
7

8 § 2. SERVICE MEMBERSHIP
9

10 Once membership is conveyed to the applicant, the now member may apply for water service at
11 property owned by the member that is within the service area of the Corporation. The application and
12 agreement for water service is made separately from a Member Application and this Member
13 Agreement.
14

15 A member may own several properties that receive water service from the Corporation. A member
16 must own at least one property to qualify as a member of the Corporation.
17

18 § 3. TRANSFER OF MEMBERSHIP
19

20 A membership is not transferable, except

- 21 (1) as inheritance in the manner of personal property, or
 - 22 (2) as a court ordered division of property (e.g. by divorce or probate proceedings).
- 23

24 When a membership transfers, the transferee must still qualify as a member applicant regarding
25 ownership of property being served, and filing a membership agreement, and other such terms as the
26 board may require.
27

28 A member who sells the underlying property of the membership, will present their membership to the
29 corporation for termination. The purchaser of the property will have to apply for membership as a new
30 member.
31

32 § 4. NO PROFIT ON TRANSFER
33

34 The consideration for the transfer of any membership in the Corporation from the original members,
35 their transferees, pledges, administrators or executors, or other persons, shall never exceed the
36 amount of the original costs of such membership. No gain or profit shall ever be realized from the sale
37 or transfer of a membership.
38

1 § 5. TERMINATION OF MEMBERSHIP

2
3 A member may terminate the membership by sale of the membership to the Corporation.

4
5 The membership rights to utility service from the Corporation shall automatically terminate upon the
6 occurrence of any event or change of circumstances which would disqualify the person from
7 membership, including but not limited to, the sale of the membership real property to which the
8 membership is tied.

9
10 § 6. CANCELLATION OR FORFEITURE OF MEMBERSHIP

11
12 The Board of Directors, by resolution, may suspend or expel any member who is not in good standing or
13 who violates the prescribed terms and conditions of service applicable to all customers for so long as
14 such violations occur.

15
16 § 7. JOINT MEMBERS

17
18 A joint member has and enjoys the rights, benefits and privileges, and is subject to the obligations,
19 requirements, and liabilities of being a member. For joint members:

- 20
21 (1) notice of a meeting provided to a joint member constitutes notice to all joint members;
22 (2) the presence of a joint member or any number of joint members at a meeting constitutes
23 the presence of one member at the meeting; and
24 (3) if only one joint member votes on a matter, signs a document, or otherwise acts, then the
25 vote, signature, or action binds the joint members and constitutes one vote, signature, or action.

26
27 § 8. GOOD STANDING

28
29 A member is in good standing so long as all service memberships held by that member are in good
30 standing. If the member holds several service memberships, if any one service membership is not in
31 good standing, the member is not in good standing.

32
33 § 9. LIEN

34
35 This corporation shall have a perpetual lien upon all memberships, and the water rights (if any)
36 represented by the same, for any and all assessments, charges of any type, and all other debts owed the
37 Corporation, until the same are fully paid.

38
39 § 10. CURRENT MAILING ADDRESS

40
41 The member is responsible for keeping the Corporation informed of the member's current postal
42 mailing address. If the mailing address on record with the Corporation becomes outdated, and the
43 Corporation is unable to contact the member for two years, the membership may be cancelled or
44 forfeited, depending on the good standing of the member.

1 § 11. CORPORATE DISSOLUTION
2

3 By application for and acceptance of membership in the Corporation, each member agrees that, upon
4 discontinuance of the Corporation by dissolution or otherwise, all assets of the Corporation transferred
5 to that member shall be in turn immediately transferred by that individual member to an entity that
6 provides a water supply or wastewater service, or both, that is exempt from ad valorem taxation.
7

8 By application for and acceptance of membership in the Corporation, each member grants the
9 Corporation's Board of Directors that member's irrevocable power of attorney to execute all
10 instruments and documents necessary to effectuate such transfers in order to preserve the
11 Corporation's statutory rights to exemption from income and ad valorem taxation.
12

13 § 12. MEMBER MEETINGS AND VOTE
14

15 As a member of the corporation, the member has a right to vote on matters presented to the
16 Corporation membership, in accordance with the Bylaws of the Corporation.
17

18 All member voting shall be by ballot. A returned ballot must be signed by the member, and promptly
19 validated by the Credentials and Election Committee to be a recorded vote. A ballot that has been
20 received from the member cannot be revoked.
21

22 Each member in good standing shall be entitled to only one vote on each matter submitted to a vote at
23 any member meeting regardless of the number of memberships held by that member. The vote of a
24 member not in good standing shall not be counted.
25

26 § 13. CORPORATION MEMBER LIST, RIGHTS TO INSPECTION AND LIMITATIONS ON USE
27

28 A member, by written request with clearly stated purpose, with five (5) business days prior notice to the
29 Corporation, may:
30

31 (1) inspect and copy the Member List at a reasonable time and location determined by the
32 Corporation; or

33 (2) pay the Corporation a reasonable charge determined by the Corporation covering the labor
34 and material cost of preparing and copying the Member List, and the Corporation must provide the
35 member a copy of the Member List.
36

37 A member may inspect, copy, or receive a copy of the Member List only if, as determined by the
38 Corporation:
39

40 (1) the member's notice or request is made in good faith and for a proper purpose;

41 (2) the member's written request describes with reasonable particularity the purpose for which
42 the member will use the Member List, and acknowledges that the Member List will not be used for any
43 other purpose; and

44 (3) the Member List is directly connected with the member's purpose.
45

1 Except as otherwise provided by the Board, a member may not:

- 2 (1) use the Member List for a purpose unrelated to the member's interest as a Member;
- 3 (2) use the Member List to solicit money or property;
- 4 (3) use the Member List for a commercial purpose; or
- 5 (4) sell the Member List.

6
7 § 14. ASSESSMENTS

8
9 If at the end of any fiscal year or in the event of emergency repairs the Directors determine the total
10 amount derived from the collection of water charges to be insufficient for the payment of all costs
11 incident to the operation of the Corporation's system during the year in which such charges are
12 collected, the Directors shall make and levy an assessment against each Member of the Corporation as
13 the Directors may determine, so that the sum of such assessments and the amount collected from
14 water and other charges is sufficient to pay fully all costs of operation, maintenance, replacement and
15 repayment on indebtedness for the year's operations, but this provision shall not operate for the
16 benefit of any third party creditor without a favorable vote of the majority of the Members. Any
17 assessments levied to make up operational deficits in any year shall be levied against Members in
18 proportion to the number of water connections owned by the Members.

19
20 § 15. FINANCIAL RESPONSIBILITY

21
22 The member, and only the member, is responsible for all service fees, assessments, or charges for water
23 service to property held the member.

24
25 § 16. AMENDMENT

26
27 The Board of Directors may amend these Terms and Conditions without notice, so long as any
28 amendment is consistent with the Bylaws of the Corporation. In the event of a contradiction between
29 these Terms and Conditions and the Bylaws, the Bylaws have precedence.

30
31 End of Marsha WSC Member Terms and Conditions

**MARSHA WATER SUPPLY CORPORATION
WATER SERVICE
TERMS AND CONDITIONS**

- 1 § 1. The Corporation shall sell and deliver water service to the Applicant and the Applicant
2 shall purchase, receive, and/or reserve service from the Corporation in accordance with
3 the bylaws and tariff of the Corporation as amended from time to time. Upon
4 compliance with Corporation bylaws and tariff, the Corporation Board of Directors may
5 recognize the Applicant as a new applicant or continued Membership as a transferee
6 and thereby hereinafter be called a Member.
7
- 8 § 2. The Service Agreement and these Terms and Conditions are between the Corporation
9 and the property owning Member. The Member may either occupy the property, or
10 lease/rent the property to a tenant. The occupant of the property receiving service is a
11 Corporation customer, and may be either the Member or the Member's tenant. It is the
12 Member, and not the Member's tenant unless otherwise noted, that has responsibility
13 under these Terms and Conditions.
14
- 15 § 3. The Member shall pay the Corporation for service as determined by the Corporation's
16 tariff. A Water Service Application and Agreement shall be executed before service may
17 be provided to the Applicant.
18
- 19 § 4. The Board of Directors shall have the authority to discontinue service and cancel the
20 Membership of any Member not complying with any policy or not paying any utility fees
21 or charges as required by the Corporation's published rates, fees, and conditions of
22 service. At any time service is discontinued, terminated or suspended, the Corporation
23 shall not re-establish service unless it has a current, and Member signed Water Service
24 Application and Agreement.
25
- 26 § 5. All water shall be metered by meters to be furnished, installed, and owned by the
27 Corporation. The meter is for the sole use of the customer and is to provide service to
28 only one (1) dwelling or one (1) business. Extension of pipe(s) to transfer utility service
29 from one property to another, to share, resell, or sub-meter water to any other persons,
30 dwellings, businesses, or property, etc., is prohibited.
31
- 32 § 6. The Corporation shall have the right to locate a water service meter and the pipe
33 necessary to connect the meter on the Member's property at a point to be chosen by
34 the Corporation, and shall have access to its property and equipment located upon
35 Member's premises at all reasonable and necessary times for any purpose connected
36 with or in the furtherance of the Corporation's business operations, and upon

**MARSHA WATER SUPPLY CORPORATION
WATER SERVICE
TERMS AND CONDITIONS**

1 discontinuance of service the Corporation shall have the right to remove any of its
2 equipment from the Member's property.

3
4 § 7. The Member shall install, at their own expense, any necessary service lines from the
5 Corporation's facilities and equipment to the point of use, including any customer
6 service isolation valves, backflow prevention devices, clean-outs, and other equipment
7 as may be specified by the Corporation.

8
9 § 8. The Corporation shall also have access to the Member's property for the purpose of
10 inspecting for possible cross-connections, potential contamination hazards, illegal lead
11 materials, and any other violations or possible violations of local, state and federal
12 statutes and regulations relating to the federal Safe Drinking Water Act or Chapter 341
13 of the Texas Health & Safety Code or the corresponding ordinances of the City of Austin
14 relating the plumbing practices or the corporation's tariff and service policies. These
15 inspections shall be conducted in accordance with the Corporation cross connection
16 control policy. The inspections shall be conducted during the Corporation's normal
17 business hours.

18
19 § 9. The Corporation shall notify the Member in writing of any cross-connections or other
20 undesirable practices which have been identified during the inspection. The Member
21 shall correct any undesirable practice on their premises within the time interval as may
22 be set by such notification. The Member shall, at their expense, properly install, test,
23 and maintain any backflow prevention device required by the Corporation. Copies of all
24 testing and maintenance records shall be provided to the Corporation as required by
25 regulation. Failure to comply with this term and condition of service shall be grounds for
26 the Corporation to terminate service as provided by tariff. Any expenses associated with
27 the enforcement of this term and condition shall be billed to the Member.

28
29 § 10. The Corporation is responsible for protecting the drinking water supply from
30 contamination or pollution which could result from improper practices. This service
31 terms and condition shall serve as notice to each customer of the restrictions which are
32 in place to provide this protection. The Corporation shall enforce these restrictions to
33 ensure the public health and welfare. The following undesirable practices are prohibited
34 by state or local regulations:

35
36 a. No direct connection between the public drinking water supply and a potential

**MARSHA WATER SUPPLY CORPORATION
WATER SERVICE
TERMS AND CONDITIONS**

1 source of contamination is permitted. Potential sources of contamination shall
2 be isolated from the public water system by an air-gap or an appropriate
3 backflow prevention assembly in accordance with state regulations.
4

- 5 b. No cross-connection between the public drinking water supply and a private
6 water system is permitted. These potential threats to the public drinking water
7 supply shall be eliminated at the service connection by the proper installation of
8 an air-gap or a reduced pressure-zone backflow prevention assembly and a
9 service agreement must exist for annual inspection and testing by a certified
10 backflow prevention device tester.
11
- 12 c. No connection which allows condensing, cooling, or industrial process water to
13 be returned to the public drinking water supply is permitted.
14
- 15 d. No pipe or pipe fitting which contains more than 8.0 % lead may be used for the
16 installation or repair of plumbing on or after July 1, 1988, at any connection
17 which provides water for human consumption.
18
- 19 e. No pipe or pipe fitting which contains more than a weighted average of 0.25%
20 lead may be used for the installation or repair of plumbing on or after January 4,
21 2014, at any connection which provides water for human consumption.
22
- 23 f. No solder or flux which contains more than 0.2 % lead may be used for the
24 installation or repair plumbing on or after July 1, 1988, at any connection which
25 provides water for human consumption.
26

27 § 11. The Corporation shall maintain on file in the member records or service records of the
28 property a copy of these terms and conditions with the Member Water Service
29 Application and Agreement as long as the Member and/or premises is connected to the
30 Corporation's water system.
31

32 § 12. In the event the total water supply is insufficient to meet all of the customer's needs, or
33 in the event there is a shortage of water, the Corporation may initiate the Drought
34 Contingency Plan as specified in the Corporation's Tariff. The customer shall comply
35 with the terms of Drought Contingency Plan.
36

**MARSHA WATER SUPPLY CORPORATION
WATER SERVICE
TERMS AND CONDITIONS**

1 § 13. The Member shall hold the Corporation harmless from any and all claims for damages
2 caused by service interruptions due to waterline breaks by utility or like contractors,
3 tampering by other Member/users of the Corporation, failures of the water system, or
4 other events beyond the Corporation's control.

5
6 § 14. A Member who is not occupying the property but is instead renting/leasing to a tenant
7 shall require the tenant to agree to these Water Service Terms and Conditions, or
8 otherwise indemnify the Corporation against any and all claims for damages by the
9 tenant caused by service interruptions due to waterline breaks by utility or like
10 contractors, tampering by other Member/users of the Corporation, failures of the water
11 system, or other events beyond the Corporation's control.

12
13 § 15. The Member shall grant to the Corporation permanent recorded easement(s) dedicated
14 to the Corporation for the purpose of providing reasonable rights of access and use to
15 allow the Corporation to construct, maintain, replace, upgrade, parallel, inspect, test
16 and operate any facilities necessary to serve that Member as well as the Corporation's
17 purposes in providing system-wide service for existing or future members.

18
19 § 16. The Member shall guarantee payment of all other rates, fees, and charges due on any
20 account for which Member has received notice of Membership from the Corporation.
21 Said guarantee shall pledge any and all Membership Fees against any balance due the
22 Corporation. Liquidation of said Membership Fees shall give rise to discontinuance of
23 service under the terms and conditions of the Corporation's tariff.

24
25 § 17. The Member agrees that non-compliance with these terms and conditions shall
26 constitute denial or discontinuance of service until such time as the non-compliance is
27 corrected to the satisfaction of the Corporation.

28
29 § 18. Any misrepresentation of the facts by the Applicant in the Water Service Application
30 and Agreement shall result in discontinuance of service pursuant to the terms and
31 conditions of the Corporation's tariff.

32
33 § 19. The Board of Directors may amend these Water Service Terms and Conditions without
34 notice, so long as any amendment is consistent with the rules and regulations as
35 published in the corporation's tariff. In the event of a contradiction between these
36 Terms and Conditions and the corporation's tariff, the tariff shall have precedence.

**MARSHA WATER SUPPLY CORPORATION
WATER SERVICE
TERMS AND CONDITIONS**

1 § 20. The provisions of these Terms and Conditions are severable, and if any part shall ever be
2 held by any court of competent jurisdiction to be invalid for any reason, the remainder
3 of these Terms and Conditions shall not be affected thereby and shall be construed as if
4 such invalid portion had never been contained therein.

5
6 § 21. These Terms and Conditions are governed by the State of Texas.

7
8 End of Marsha WSC Water Service Terms and Conditions