

MATAGORDA INTRACOASTAL ESTATES SUBDIVISION 3rd Draft 6 Oct 2019

PRIVATE WELL WATER & WATER DISTRIBUTION SYSTEM AGREEMENT

This Agreement, made and entered into this _____ day of _____ by and between CROSSTIMBERS LAND DEVELOPMENT, LLC; as 'Declarant' and Developer of the subject Subdivision and NAME – LOT OWNER # XX for the purpose of buying into the Subdivision's Private Water Well & Distribution System for provision of potable water to the 'Connection Point' at the front of the Lot Owners property for receiving water onto their LOT(s) in the subject Subdivision.

RECITALS

WHEREAS, under Texas TECQ requirements, the subdivision is required to have a permitted water well and water distribution system for provision of water to Lot Owners in the subdivision.

WHEREAS, as part of the subdivision's development plan, CrossTimbers Land Development, LLC as Declarant and Developer has applied for and received a Texas TECQ water permit and constructed the subject private well and water distribution system to meet current existing state TECQ requirements.

WHEREAS, the parties desire to enter into an Agreement regarding the Lot Owner's 'Tap Fee' for the water well and water distribution system as well as annual costs of maintaining the water well and distribution system and providing water to each lot as below:

- A) Each Lot Owner will pay a \$3,000 'Water Tap Fee' to the Developer for the Water Well and Water Distribution System construction cost. This payment will be part of the Lot purchase contract and included as part of the closing costs.
- B) An initial annual operating and maintenance costs of \$75/month per Lot for the Water Well and Water Distribution System.

WHEREAS, it is agreed that future Lot owners in the Sub-division will add their signatures to this document; and

WHEREAS, this Agreement is also appurtenant to to the 'Declaration of Covenants, Conditions and Restrictions of the Matagorda Intracoastal Estates Subdivision. **(Need Bill's input on this intent and wording)**

NOW THEREFORE, IT IS AGREED AS FOLLOWS:

1. **Ownership of the Private Water Well and Water Distribution System.** The assets will ultimately be owned by the Matagorda Intracoastal Estates Subdivision Lot owner and operated to provide potable water to each Lot owner. In the subject Subdivision.

2. **Operations of the Water Well & Water System Maintenance.** Initially, CrossTimbers Land Development as ‘Declarant’ and ‘Developer’ of the Sub-division will perform the supervisory role of maintaining the well and distribution systems. As provided in the Declaration of Covenants, Conditions and Restrictions of Matagorda Intracoastal Estates Subdivision, CrossTimbers Land Development, LLC will assign this responsibility to the Architectural Control Committee (“ACC”) contemporaneously with the sale of the last Lot owned by Declarant, or at any earlier time that Declarant, in its sole discretion determines it to be appropriate.

3. **Operating & Maintenance Cost.** Water well and water distribution systems operations and maintenance costs shall be shared between Subdivision Lot owners. Starting in Jan 2020, an invoice for that year will be forwarded to each Lot owner and payment will be due within thirty (30) days of the invoice date. The Initial Rate for 2020 will be \$75/month and payable for the entire year and invoiced in January with payment due within 30 days of the invoice date. For Lots that are sold after the January bill for that year has been prepared, the closing costs will include the billing for the months following the Closing date to the end of that year, and thereafter these Lot’s will be included in the general annual billing forwarded in January of each year as provided above. In the event there are unexpected maintenance costs that can not be covered by the annual billing amount, a special assessment shall be made, invoiced and Lot owners should pay within 30 days of the invoice date. Should Lot Owners become delinquent in paying the annual invoiced amounts, a lien will exist against any Lot for which payment is not received by March 1st of that year. Additionally, should Lot owners become 3 months late in the annual payment, the water system connection point to their lot may be disconnected. Should reconnection be desired, the Lot Owner will have to pay all outstanding balances as well as a \$500 reconnection fee. All legal fees, reasonable expenses and costs of court incurred in enforcing such liens are also secured by such liens. A list of Lot owners will be maintained with payment status and can be provided upon request to individual Lot owners for informational purposes.

4. **Connection Point.** The Water System will include a ‘Connection Point’ at the front of each residential Lot. It is the Lot Owners responsibility to arrange for connecting to the ‘Connection Point’ to establish water service onto their own property. Expenses for connecting into the community water system at the ‘Connection Point’ and for running water lines onto the individual lots and further distribution within a Lot is at the expense of each Lot Owner.

5. **Restrictions on Water Use to Lots.** No water may be hauled, piped or otherwise transferred off of any Lot for use elsewhere, except for Owners owning multiple adjoining Lots who share a single connection point for use on such adjoining Lots. Under no circumstances may any of the Subdivision’s water be used for commercial purposes, other than nominal usage as part of a business operated out of a Lot Owner’s residence.

6. **Checking Account.** The Developer shall establish and maintain a bank checking account with a local bank for maintaining the Subdivisions private water well, water distribution system and the two private roads.
7. **Effective Term.** This Agreement shall be perpetual, and shall encumber and run with the land as long as the water well and distribution system remains private.
8. **Binding Agreement.** This Agreement shall be binding upon the parties hereto, their respective heirs, executors, administrators and assigns.
9. **Amendment.** An Agreement may be amended only by a two-thirds majority consent of all Lot owners.
10. **Enforcement.** This Agreement may be enforced by the Declarant, or the ACC or a majority of Lot owners. If a court action or lawsuit is necessary to enforce this Agreement, the party commencing such action or lawsuit shall be entitled to reasonable attorney fees and costs, if the party prevails.
11. **Notices.** Lot owners under the Agreement shall be notified by mail or in person. If an address of a Lot owner is not known, a certified notice will be mailed to the address to which the Lot owner's property tax bills are sent.
12. **Invalidity.** Should any provision in this Agreement be deemed invalid or unenforceable, the remainder of the Agreement shall not be affected and each term and condition shall be valid and enforceable to the extent permitted by law.

13. **Recording This Document.** Original and amended copies of this document , including added signatures, shall be recorded and provided to the Matagorda County Clerk of Court by the 'Declarant' or the ACC when it is instituted.

CrossTimbers Land Development, LLC

James N. Quimby or Larry W. Quimby

Member and Authorized Agent of

CrossTimbers Land Development, LLC

Name:

Lot Owner # _____

IN WITNESS WHEREOF, the parties have hereunto set their hands and seal the day and year first above written.

BY _____ DATE _____

BY _____ DATE _____

County of Matagorda

State of Texas

Sworn and subscribed before me this _____ day of _____.

_____ Notary Public

My commission expires: _____.