

RESOLUTION NO. R-2025-68

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BASTROP, TEXAS, APPROVING AN AMENDMENT TO THE MASTER CCN TRANSFER AGREEMENT FOR THE VALVERDE DEVELOPMENT, AS SHOWN IN ATTACHMENT A; AUTHORIZING THE CITY MANAGER TO EXECUTE ALL NECESSARY DOCUMENTS; PROVIDING FOR FINDINGS OF FACTS; REPEALER; SEVERABILITY; EFFECTIVE DATE; PROPER NOTICE AND MEETING.

WHEREAS, pursuant to Texas Local Government Code Section 51.001, the City of Bastrop ("City") has general authority to adopt an ordinance, resolution, or police regulation that is for the good government, peace, or order of the City and is necessary or proper for carrying out a power granted by law to the City; and

WHEREAS, the master-planned development of Ironwood, currently in the Aqua WSC wastewater CCN, has submitted a Development Agreement for the Project consisting of 289.413 acres; and

WHEREAS, the Ironwood Development meets the requirements of the conditions stipulated in the Agreement to be considered for transfer from the Aqua WSC CCN to Bastrop; and

WHEREAS, the land under consideration and subject to conveyance is shown in the attachment to Exhibit "A, and said land is located within the Aqua WSC Wastewater CCN and the Bastrop Wastewater CCN; and

WHEREAS, Aqua WSC has no sewer customers in the Sewer CCN Transfer Area; and

WHEREAS, Chapter 13 of the Texas Water Code and the rules of the Public Utility Commission of Texas ("PUC") allow for the transfer or assignment of CCN service areas from a water supply corporation to a municipally owned utility; and

WHEREAS, Bastrop has determined that it has sufficient wastewater supplies available to provide wastewater services to the specific portion of the Aqua WSC CCN proposed to be served by Bastrop and agrees that such availability will be a condition precedent before any CCN may be transferred from the Aqua WSC CCN to Bastrop; and

WHEREAS, the transfer of the specific portion of the Aqua WSC CCN to Bastrop will further the public purpose of rationalizing the distribution of wastewater


services in the region, taking into account existing and future needs for additional infrastructure to serve all of Bastrop and its urbanizing areas.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BASTROP, TEXAS, THAT:

- Section 1.** All of the above premises are hereby found to be true and correct legislative and factual findings of the City Council of the City of Bastrop, Texas, and are hereby approved and incorporated into the body of this Resolution as if copied in their entirety.
- Section 2.** The City Council hereby approves the CCN Transfer Agreement for the Ironwood Development.
- Section 3.** The CCN Transfer Agreement for the Ironwood Development is attached hereto as Attachment "A" and incorporated into this Resolution for all intents and purposes.
- Section 4.** The City Manager is hereby authorized to execute a CCN Transfer Agreement for the Ironwood Development, attached hereto as Attachment "A".
- Section 5. Repealer:** To the extent reasonably possible, resolutions are to be read together in harmony. However, all resolutions, or parts thereof, that are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters regulated.
- Section 6. Severability:** Should any of the clauses, sentences, paragraphs, sections, or parts of this Resolution be deemed invalid, unconstitutional, or unenforceable by a court of law or administrative agency with jurisdiction over the matter, such action shall not be construed to affect any other valid portion of this Resolution.
- Section 7. Effective Date:** This Resolution shall take effect upon the date of final passage noted below, or when all applicable publication requirements, if any, are satisfied in accordance with the City's Charter, its Code of Ordinances, and the laws of the State of Texas.
- Section 8. Proper Notice & Meeting:** It is hereby officially found and determined that the meeting at which this Resolution was passed was open to the public, and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act, Texas Government Code, Chapter 551. Notice was also provided as required by Chapter 52 of the Texas Local Government Code.

DULY RESOLVED & ADOPTED by the City Council of the City of Bastrop, TX, on this, the 8th day of April 2025.

THE CITY OF BASTROP, TEXAS:




John Kirkland, Mayor Pro-Tem

ATTEST:



Victoria Psencik, Assistant City Secretary

APPROVED AS TO FORM:



City Attorney



**AGREEMENT BETWEEN THE CITY OF BASTROP
AND AQUA WATER SUPPLY CORPORATION**

This Agreement (the "Agreement") is executed between the City of Bastrop ("City"), a political subdivision of the State of Texas, and Aqua Water Supply Corporation ("Aqua"), effective as of the Effective Date as described below (City and Aqua are also sometimes referred to herein individually as a "Party" and collectively as the ("Parties")).

WHEREAS, the City is a political subdivision of the State of Texas organized and operating under various provisions of the Texas Local Government Code and other statutory provisions, and is a "retail public utility" as defined by Texas Water Code § 13.002(19); and

WHEREAS, Aqua is a Texas nonprofit corporation organized in accordance with Texas Water Code Chapter 67, and is a "retail public utility" as defined by Texas Water Code § 13.002(19); and

WHEREAS, the City holds sewer Certificate of Convenience and Necessity ("CCN") No. 20466 issued by the Public Utility Commission of Texas ("PUC") or a prior agency with CCN regulatory authority authorizing exclusive retail sewer utility service by the City, including the area described and depicted in Exhibit "A" in Bastrop County; and

WHEREAS, Aqua holds sewer CCN No. 20962 issued by the PUC or a prior agency with CCN regulatory authority authorizing, in pertinent part, exclusive retail sewer utility service to certain areas in Bastrop County near and adjacent to the City's sewer CCN No. 20466, as described and depicted in Exhibit "A"; and

WHEREAS, Wan Bastrop Land, LLC ("Developer"), seeks to develop a residential subdivision project on a 285.671-acre property owned by Developer in Bastrop County ("Development Property"), as described and depicted in Exhibit "A"; and

WHEREAS, Developer and the City are in the process of entering into a development agreement under which the City will agree to provide retail sewer service to the Development Property; and

WHEREAS, 189.244 acres of the Development Property is within the territory of Aqua's sewer CCN No. 20962 ("Sewer CCN Transfer Area") and 96.427 acres of the Development Property is within the territory of the City's sewer CCN No. 20466; and

WHEREAS, City and Aqua agree pursuant to Texas Water Code § 13.248 that City will extend retail public sewer utility service to the entire Development Property, including to the 189.244 acres in the Sewer CCN Transfer Area; and

WHEREAS, the City has received requests from the Developer to provide sewer services to the entirety of Development Properties; and

WHEREAS, there are no Aqua sewer customers in the Sewer CCN Transfer Area; and

WHEREAS, there are no existing liens, security interests, or other agreements that could interfere with Aqua's ability to enter into this agreement or to transfer the Sewer CCN Transfer Area to the City; and

WHEREAS, conditioned upon PUC approval of this transaction, City agrees to accept the Sewer CCN Transfer Area and accept the obligation to serve it as consideration for the proposed transfer from Aqua to City.

NOW, THEREFORE, for and in consideration of the promises, covenants and agreements set forth herein, the receipt and sufficiency of which are hereby acknowledged, City and Aqua hereby agree as follows:

1. **Term.** This Agreement shall continue in effect for five (5) years from the Effective Date. Notwithstanding the foregoing, this Agreement will terminate earlier on the date the approval by the PUC of this Agreement is final and non-appealable.

2. **Property Subject to the Agreement.** The property that is the subject of this Agreement is the Sewer CCN Transfer Area, which is the 189.244 acres of the Development Property.

3. **Transfer of Aqua CCN Service Areas.** Aqua consents and agrees to the transfer of the Sewer CCN Transfer Area to City provided the following conditions and obligations are satisfied:

3.1 Within 30 days of execution of this Agreement, the City and Aqua shall jointly prepare, file and diligently prosecute, at their own expense, an application pursuant to Texas Water Code §13.248 with the PUC ("13.248 Application") to have the Sewer CCN Transfer Area transferred from Aqua sewer CCN No. 20962 to the City's sewer CCN No. 20466. Aqua consents to City sewer service within the Sewer CCN Transfer Area, including during the pendency of PUC consideration of the 13.248 Application, and will

not object or otherwise attempt to defeat the 13.248 Application to include the Sewer CCN Transfer Area within the City's sewer CCN.

3.2 The City shall serve the Sewer CCN Transfer Area pursuant to separately agreed upon terms with Developer.

3.3 If the PUC denies the 13.248 Application for any reason, this Agreement shall be terminated when the PUC order denying the 13.248 Application is final and appealable.

4. **Retail Service.** Aqua hereby consents to City serving the Sewer CCN Transfer Area as contemplated by this Agreement during the pendency of the 13.248 Application at the PUC. The Parties agree that upon PUC approval of the 13.248 Application, Aqua shall have no further obligation to provide service to the Sewer CCN Transfer Area.

5. **Default.** In the event City or Aqua fail to comply with the terms of this Agreement, each Party has the right to enforce the terms of this Agreement by any remedy permitted by law.

6. **Miscellaneous.**

a. This Agreement may not be assigned by any Party without the prior written consent of the other Party.

b. This Agreement contains the entire agreement of the Parties with respect to the matters contained herein and may not be modified or terminated except upon the provisions hereof or by the mutual written agreement of the Parties hereto.

c. This Agreement shall be construed in accordance with the laws of the State of Texas and shall be performable in Bastrop County, Texas.

d. This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns.

e. The individuals executing this Agreement on behalf of the respective Parties below represent to each other and to others that all appropriate and necessary action has been taken to authorize the individual who is executing this Agreement to do so for and on behalf of the Party for which his or her signature appears, that there are no other Parties or entities required to execute this Agreement in order for the same to be an authorized and binding agreement on the Party for whom the individual is signing this Agreement and that each

individual affixing his or her signature hereto is authorized to do so, and such authorization is valid and effective on the date hereof.

f. This Agreement is executed by the Parties hereto without coercion or duress and for substantial consideration, the sufficiency of which is forever confessed. Each signatory represents this Agreement has been read by the Party for which this Agreement is executed and that such Party has had an opportunity to confer with its counsel.

g. Any notice provided for under the terms of this Agreement by either party to the other shall be in writing and shall be deemed to have been properly given when delivered to the respective Party at the addresses below:

To the City:

Sylvia Carrillo-Trevino
City Manager
1311 Chestnut St
Bastrop, TX 78602

To Aqua:

Dacy Cameron
General Manager
Aqua Water Supply Corporation
415 Old Austin Highway
Drawer P

Bastrop, Texas 78602

dcameron@aquawsc.com

(512) 581-3451

Each Party may change the address to which notice may be sent to that Party by giving notice of such change to the other Party in accordance with the provisions of this Agreement.

h. This Agreement may be executed in multiple identical counterparts, each of which shall be deemed an original for all purposes.

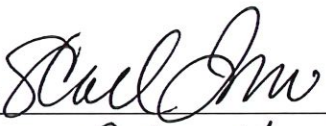
i. In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision thereof, and this

Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

j. This Agreement shall be deemed drafted equally by each Party hereto. The language of all parts of this Agreement shall be construed as a whole according to its fair meaning, and any presumption or principle that the language herein is to be construed against any Party shall not apply. Headings in this Agreement are for the convenience of the Parties and are not intended to be used in construing this document.

IN WITNESS WHEREOF, the Parties have executed this Agreement and caused this Agreement to be effective on the latest date as reflected by the signatures on the following pages which is effective on the date of the latest signature (the "Effective Date").

CITY OF BASTROP

By: 
Title: City Manager
Date: 4/28/25

AQUA WATER SUPPLY CORPORATION

By: 
Title: **General Manager**
Date: 4/7/2025

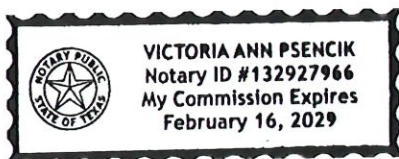
ACKNOWLEDGMENTS

STATE OF TEXAS

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COUNTY OF Bastrop

This instrument was acknowledged before me on this 28th day of April, 2025, by Sylvia Carrillo-Trevino City Manager for the City of Bastrop on behalf of said city.



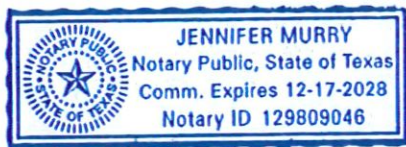
Victoria Psenick
Notary Public, State of Texas

STATE OF TEXAS

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COUNTY OF BASTROP

This instrument was acknowledged before me on this 7 day of April, 2025, by Dacy Cameron, General Manager of Aqua Water Supply Corporation, a Texas nonprofit corporation, on behalf of said corporation.



Jennifer Murry
Notary Public, State of Texas

EXHIBIT LIST

EXHIBIT "A" **City of Bastrop's Wastewater CCN Service Area**
Aqua WSC's Wastewater CCN Service Area
Wan Bastrop Land, LLC's Wastewater CCN Service Area