RESOLUTION NO. R-2019-99

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BASTROP, TEXAS, ADOPTING A WHOLESALE WATER AGREEMENT WITH WEST BASTROP VILLAGE MUNICIPAL UTILITY DISTRICT OF BASTROP COUNTY AND WEST BASTROP VILLAGE, LTD.; ATTACHED IN EXHIBIT A; AUTHORIZING THE CITY MANAGER TO EXECUTE ALL NECESSARY DOCUMENTS; PROVIDING FOR A REPEALING CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the City of Bastrop, City Council understands the importance of fiscal sustainability; and

WHEREAS, the City of Bastrop, City Council understands the value in managing growth for future generations; and

WHEREAS, the City of Bastrop understands the importance of focusing on the standardization of water wholesales and providing fairness and consistercy; and

WHEREAS, the City of Bastrop adopted a standardized wholesale water agreement on April 23, 2019 by Resolution R-2019-33; and

WHEREAS, the City of Bastrop chooses to approve the attached wholesale water agreement shown as exhibit A; and

WHEREAS this Resolution R-2019-99 expressly repeals and replaces Resolution R-2019-33; and

WHEREAS, the City of Bastrop City Council has unequivocally committed to fiscal sustainability, responsibly managing growth, and taking definitive action towards lasting solutions.

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

Section 1. The City Manager is hereby authorized to execute a wholesale water contract between the City of Bastrop Texas and West Bastrop Village Municipal Utility District of Bastrop County and West Bastrop Village Ltd. (attached as Exhibit A) as well as all other necessary documents.

Section 2. The City Council adopts a standardized wholesale water agreement, as attached in Exhibit A, for use with future wholesale customers.

Section 3. All orders, ordinances, and resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

Section 4. This resolution shall take effect immediately from and after its passage, and it is duly resolved.
DULY RESOLVED AND ADOPTED by the City Council of the City of Bastrop, Texas this 26th day of November 2019.

APPROVED:

[Signature]
Connie B. Schroeder, Mayor

ATTEST:

[Signature]
Ann Franklin, City Secretary

APPROVED AS TO FORM:

[Signature]
Alan Bojorquez, City Attorney
WHOLESALE WATER AGREEMENT
BETWEEN THE CITY OF BASTROP, WEST BASTROP VILLAGE MUNICIPAL
UTILITY DISTRICT OF BASTROP COUNTY AND WEST BASTROP VILLAGE, LTD.

This WHOLESALE WATER AGREEMENT ("Agreement") is made and entered into by and
between the CITY OF BASTROP, a home rule city located in Bastrop County ("Bastrop" or
"City") and the West Bastrop Village Municipal Utility District of Bastrop County, a political
subdivision of the state operating under Chapters 49 and 54, Texas Water Code ("District"), and
West Bastrop Village, LTD., a Texas limited partnership ("Developer") (collectively referred to
herein as the "Parties"). The Parties hereby mutually agree as follows:

RECITALS

WHEREAS, the City and the Developer entered into a Planned Development Agreement, to be
known in this Agreement as "the PDA" on August 11, 2006, requiring a wholesale
water agreement; and

WHEREAS, by Resolution R-2006-24, on September 13, 2006, the City granted consent for
creation of West Bastrop Village Municipal Utility District; and

WHEREAS, by Order signed on April 24, 2007, the Texas Commission on Environmental
Quality granted the Petition for Creation of West Bastrop Village Municipal Utility
District; and

WHEREAS, by Resolution R-2007-12 the City confirmed its consent for creation of the West
Bastrop Village Municipal Utility District, on June 26, 2007; and

WHEREAS, the District encompasses approximately 347.9 acres of land within the
extraterritorial jurisdiction ("ETJ") of the City (the "Tract"). The Tract is more
particularly described in Exhibit "A"; and

WHEREAS, Developer intends to develop the Tract as a master-planned, mixed-use community,
initially to be referred to as "West Bastrop Village" projected to consist primarily
of residential uses, expected at the time of execution of this Agreement to include
approximately 1,500 homes, and also will include other limited nonresidential uses
(the "Development"); and

WHEREAS, the Tract is within the water CCN of Aqua Water Supply Corporation (10294), from
which the City intends to purchase potable water at wholesale rates pursuant to the
Bastrop Aqua Agreement (as defined herein), and intends to sell potable water at
wholesale rates to the District; and

WHEREAS, Bastrop will have adequate water supply and distribution infrastructure to provide
up to a peak hourly flow rate of 200,000 gallons per hour and a maximum daily
flow of 2,785,000 gallons per day to District at the time of final buildout by Developer; and

WHEREAS, City, District and Developer wish to enter into this Agreement, to provide the terms of wholesale water service for the benefit of the present and future residents of City and the District.

NOW, THEREFORE, for and in consideration of the agreements set forth below, the City, District and Developer agree as follows:

ARTICLE I. DEFINITIONS

Section 1.01 Definitions of Terms.

In addition to the terms otherwise defined in the above recitals; in the City’s ordinances; or the provisions of this Agreement, the terms used in this Agreement will have the meanings set forth below.

*Agreement:* means this Wholesale Water Agreement by and among the City of Bastrop, Texas, West Bastrop Village Municipal Utility District, and West Bastrop Village, LTD.

*AWWA:* means the American Water Works Association.

*Bastrop Aqua Agreement:* means the Wholesale Water Service Agreement between the City of Bastrop and Aqua Water Supply Corporation ("Aqua"), effective November 28, 2018, a copy of which is attached hereto as Exhibit "B", pursuant to which Aqua will sell potable water at wholesale to the City.

*Bastrop’s System Agreement:* means any agreements necessary to provide wholesale water service to District, including but not limited to the Bastrop Aqua Agreement.

*Bastrop System:* means the facilities, including water production wells, pumps, lines, meters, components, and equipment owned and operated by Bastrop, together with all extensions, expansions, improvements, enlargements, betterments and replacements to monitor, convey, supply, deliver and distribute potable water or Wholesale Water Services to Bastrop's customers, including water storage necessary for peaking and firefighting purposes, including Water Storage West. The Bastrop System does not include any improvements on District’s side of the Delivery Point or any facilities on any other wholesale customer’s side of its delivery point.

*Bastrop Water Conservation and Drought Contingency Plan:* means, collectively, the Bastrop Water Conservation Plan and the Bastrop Drought Contingency Plan, as may be amended by the Bastrop City Council from time to time. A copy of the Bastrop Water Conservation and Drought Contingency Plan in effect as of the Effective Date is attached hereto as Exhibit "C".

*CCN:* means a certificate of convenience and necessity or similar permit authorizing a specified entity to be the retail water or sewer service provider in a specified area.
City: means The City of Bastrop, Texas, a home rule municipality, organized and operating pursuant to the applicable laws of the State of Texas

City Manager: means the City of Bastrop’s City Manager.

Commission or TCEQ: means the Texas Commission on Environmental Quality or its successor agency.

Connecting Facilities: means District-owned infrastructure and facilities including, but not limited to valves, vault, backflow preventer, meter, and pressure reduction valve if required, utilized to connect any Internal Facilities to a Delivery Point.

County: means Bastrop County, Texas.

Delivery Point: means the point at which Bastrop will deliver treated water to District under this Agreement, which point shall be at the Master Meter to be installed as depicted on Exhibit “D”. Future Delivery Point(s), if any, shall be agreed upon by Bastrop, District and Developer.

Developer: means West Bastrop Village, LTD., a Texas limited partnership, its successors or assigns.

Development: means the mixed-use development of the Tract, including residential and non-residential land uses, together with parkland, open space, recreational amenities and related facilities, intended to produce developed lots.

District: means the municipal utility district organized and operating in accordance with Section 54.016, Texas Water Code and Section 42.042, Texas Local Government Code, encompassing the Tract, known as West Bastrop Village Municipal Utility District.

District System: means District’s water transmission, distribution and delivery systems that provide service to District’s retail customers through the Wholesale Water Services provided under this Agreement. The District System shall be owned, operated and maintained by West Bastrop Village Municipal Utility District and shall not include the Master Meter or any facilities on Bastrop’s side of the Delivery Point.

District Service Area: means the retail water service territory of West Bastrop Village Municipal Utility District of Bastrop County, which shall be the boundaries of the West Bastrop Village Municipal Utility District of Bastrop County.

Effective Date: means the last date of execution by all of the Parties.

ETJ: means extraterritorial jurisdiction.

Emergency: means a sudden unexpected happening; an unforeseen occurrence or condition; exigency; pressing necessity; or a relatively permanent condition or insufficiency of service or of
facilities resulting from causes outside of the reasonable control of Bastrop. The term includes Force Majeure and acts of third parties that cause the Bastrop System to be unable to provide the Wholesale Water Services agreed to be provided herein.

**EPA:** means the United States Environmental Protection Agency.

**Force Majeure:** means acts of God, strikes, lockouts, or other industrial disturbances, acts of the public enemy, orders of any kind of any governmental entity other than Bastrop or any civil or military authority, acts, orders or delays of any regulatory authorities with jurisdiction over the parties, insurrections, riots, acts of terrorism, epidemics, landslides, lightning, earthquakes, fires, hurricanes, floods, washouts, droughts, arrests, restraint of government and people, civil disturbances, explosions, breakage or accidents to machinery, pipelines or canals, or any other conditions which are not within the control of a party.

**Governmental Authority:** means and includes any federal, state, local or other governmental body, including but not limited to the Lost Pines Groundwater Conservation District, the Gonzales County Underground Water Conservation District, the Fayette County Underground Water Conservation District, any governmental or quasi-governmental, regulatory or administrative agency, commission, body, or other authority exercising or entitled to exercise any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power; or any court or other governmental tribunal.

**Internal Facilities:** means the internal Water distribution facilities and related equipment, facilities, and appurtenances within the boundaries of the District to be constructed by or on behalf of District for the District System.

**Master Meter:** means the water flow meter, meter vault, and all metering and telemetering equipment located at a Delivery Point to measure Wholesale Water Service to District. The Bastrop System shall include the Master Meter.

**Parties:** means the City, the District, and the Developer.

**Planned Development Agreement or PDA:** means the agreement that was entered into by the City and the Developer on August 11, 2006.

**Planned Outage:** means a shut-down by Bastrop in the operation of all or a portion of Bastrop’s System or by Aqua for all or part of Aqua’s system, such that no water service is provided to District (i) which shut-down is scheduled by Bastrop in order to carry out foreseeable preventive, corrective, and other maintenance activities on such System or which may be required by any Governmental Authority; (ii) for which Bastrop has notified District; (iii) which occurs no more than two (2) times in one (1) calendar year; and (iv) lasts for no more than three (3) Days unless another time period is mutually agreed-to in writing by both Parties.

**Subscribed Capacity:** means, for purposes of calculating the monthly fixed charge described in Section 6.02, the amount of water that passes through the Master Meter based on monthly readings.
of the Master Meter, divided by the number of days in the month. For example, if the monthly reading of the Master Meter is 1,500,000 gallons for a 30-day month, the Monthly Fixed Charge, based on rates set forth in Section 6.02, would be equal to $2,464.42.

Source Cost: \((1,500,000/30) / 1,000,000 \times 45,000 = \$2,250\)
Plus Transmission Cost: \((1,500,000/30) / 1,000,000 \times 4,243.70 = \$212.19\)
Plus Customer Charge: \$2.23

**SUE**: means service unit equivalent which is the basis for establishing equivalency among and within various customer classes, based upon the relationship of the continuous duty flow rate in gallons per minute for a water meter of a given size and type compared to the continuous duty maximum flow rate in gallons per minute for a 5/8" diameter simple water meter, using American Water Works Association C700-C703 standards. For purposes of this Agreement and as reflected in Bastrop Code of Ordinances Section 10.02.004, 5/8" water meters are considered to equal one SUE; except that for multi-family development, each living unit is equivalent to 0.5 SUE.

**Tract**: means the approximately 347.9 acres of land within the District’s boundaries.

**Water Storage West**: means the 250,000 gallon-elevated storage tank and 250,000 gallon-ground storage tank to be built by the City in which the District’s peaking, storage and fire flow needs will be met once it is connected to the District System. Such facilities may be expanded by the City in the future as needed to meet the needs of the City and District. The City has or will acquire necessary easements and complete construction of Water Storage West on a schedule that serves and protects the property owners and their structures in the District, but in no event later than May 31, 2020. The Water Storage West facilities are shown generally on Exhibit “E.”

**Wholesale Water Services**: means the diversion or the production of water, the transmission thereof to a place or places of treatment, the treatment of the water into potable form, and the transmission of the potable water to the Delivery Point in a quantity not to exceed 2,785,000 gallons per day, unless increased as provided herein.

**Section 1.02 Captions.**

The captions appearing at the first of each numbered section or paragraph in this Agreement are inserted and included solely for convenience and shall never be considered or given any effect in construing this Agreement.

**ARTICLE II. DESIGN AND CONSTRUCTION OF FACILITIES**

**Section 2.01 Design and Construction of the Internal Facilities.**

a. District will be responsible for design and construction of, or for causing one or more third parties to design and construct, the Internal Facilities within the District System.

b. District agrees to be responsible for and pay for all costs of rights-of-way, easements,
design, engineering, contracting, construction and inspection of the Internal Facilities; provided that District may require Developer to be responsible and pay for all or a portion of the costs of rights-of-way, easements, design, engineering, contracting, construction, and inspection of the Internal Facilities.

c. The Internal Facilities will be designed and constructed in accordance with applicable regulations and specifications of Bastrop, the State of Texas and United States, and with the terms and conditions of this Agreement.

Section 2.02 Design and Construction of the Connecting Facilities.

a. District shall be responsible for design and construction of, or for causing one or more third parties to design and construct, any Connecting Facilities, or modification to the existing Connecting Facilities, required for the transmission of water from the Bastrop System.

b. Subject to the terms and conditions of this Agreement, District agrees to engage or cause to be engaged the services of a professional engineer registered in Texas to produce the engineering design, including detailed plans and specifications for Connecting Facilities in conformance with Bastrop’s design criteria and construction standards in effect as of the Effective Date, and any approved variances. Notwithstanding the foregoing, at the option of the District or Developer, District or Developer may avail itself of any change to laws, rules, regulations or ordinances affecting design and/or construction of facilities for the Tract. The plans and specifications will address the sizing, routing, material selection, service method, cost estimates, proposed construction schedule, easements, and such other requirements and information required in Bastrop’s Construction Standards Manual, Ordinance or other City regulation related to the design and construction of public improvements that are reasonably necessary or advisable for proper review and assessment of the plans and specifications. The design for the Connecting Facilities shall be procured at District’s sole expense; provided that District may cause Developer to be responsible for designing the Connecting Facilities, and the cost thereof. The plans and specifications for the Connecting Facilities will be submitted to Bastrop for review and comment before District approves said plans and specifications. Review of plans and specifications are subject to applicable City review fees. Bastrop shall approve the plans and specifications or provide written comments in accordance with any applicable state-mandated timeframes and applicable City policies and processes. District shall cause any comments provided by Bastrop that comply with the applicable design criteria and construction standards to be addressed.

c. District solely shall be responsible for funding construction, and all costs related thereto, of the Connecting Facilities, or for causing one or more third party developers or owners of land within the District Service Area to be responsible for funding construction, and all costs related thereto, of the Connecting Facilities.

d. District agrees to be responsible for, and pay for all costs of rights-of-way, easements, design, engineering, contracting, construction and inspection of the Connecting Facilities
required to be constructed for the connection to the Bastrop System, or for causing Developer to be responsible for and to pay all costs of rights-of-way, easements, design, engineering, contracting, construction and inspection of the Connecting Facilities required to be constructed for the connection to the Bastrop System.

e. The parties will cooperate in good faith to determine the location of Connecting Facilities that are located in Bastrop’s ETJ and within the District boundaries. Bastrop agrees to cause the dedication of easements or rights-of-way that may be necessary for the location and installation of Connecting Facilities within the ETJ of Bastrop. Pursuant to separate written instruments, Bastrop will further allow District to access and use rights-of-way and easements owned or controlled by City for the purpose of installing, constructing, repairing, replacing, maintaining, and operating or causing to be installed, constructed, repaired, replaced, maintained and operated, Connecting Facilities.

Section 2.03 Notification of Commencement of Construction on Connecting Facilities.

After all required approvals for construction of the Connecting Facilities are obtained, but prior to commencement of construction, District will provide, or cause to be provided, written notice to Bastrop of the date on which construction of the Connecting Facilities is scheduled to commence. Bastrop must receive this written notice at least five (5) days before the scheduled construction date.

Section 2.04 Inspection and Acceptance of a Portion or All of the Connecting Facilities.

The Parties agree that Bastrop has the right to make periodic inspections during the construction phase of the Connecting Facilities. Acceptance of the Connecting Facilities constructed by District is subject to final inspection by Bastrop.

Section 2.05 Agreement to Submit As-Built or Record Drawings and Final Plats.

District agrees to provide, or cause to be provided to Bastrop:

a. as-built or record drawings of all Internal Facilities and Connecting Facilities that contribute directly to the Bastrop System; and

b. final plats for property located within the District Service Area; within thirty (30) days of District receiving them, not to exceed sixty (60) days following completion and acceptance of the construction of such facilities or recording of the final plat, as appropriate.

Section 2.06 Ownership and Operation of Connecting Facilities.

Except as set forth below or otherwise agreed, District shall own and operate all Connecting Facilities located on its side of a Delivery Point after completion of construction by District or the Developer, and acceptance of the Connecting Facilities by Bastrop.

ARTICLE III. PROVISION OF WHOLESALE WATER SERVICES
Section 3.01  Wholesale Water Services.

a. Bastrop agrees to provide Wholesale Water Services to District in amount not to exceed 2,785,000 gallons per day (which includes peaking use, storage, and fire flow) and in accordance with the flow limitations and other provisions of this Agreement, all as hereafter specified. Provided, however, to allow flexibility to respond to market conditions, subject to prior written notice by the District or Developer and approval by the City, the wholesale water service commitment, currently 2,785,000 gallons per day can be increased without the need for amending this Agreement so long as such increase does not exceed the wholesale water service commitment set forth herein by more than 25%. In such event, Bastrop City Manager shall provide a letter to the District and Developer, within sixty (60) days of receipt of notice from the District and/or Developer requesting such increase in wholesale water service commitment, approving the increased wholesale water service commitment.

b. The wholesale water service commitment, initially 2,785,000 GPD, is based on a quantity of gallons per day to be provided to the District and is not limited to a specific number of SUEs. Although such amount is initially calculated at an amount sufficient to provide wholesale water service to at least 1,500 SUEs, the actual number of SUEs that may ultimately be served pursuant to this Agreement may increase if City determines, at any time, that the actual daily water use per connection is less than current use assumptions.

Section 3.02  District Responsible for Retail Connections.

District will be solely responsible for providing retail water service within the District Service Area. District will be solely responsible for the proper and lawful application of District’s policies and regulations governing connection to the District System.

Section 3.03  Source.

a. Bastrop, by entering into this Agreement with District and Developer, confers upon District, the right to purchase on a wholesale basis water in amount not to exceed 2,785,000 gallons per day from the water secured by Bastrop from Aqua Water Supply Corporation.

b. In the event that the amount of water supplied by Aqua to Bastrop pursuant to the Bastrop Aqua Agreement is reduced, the amount of water supply available to the District pursuant to this Agreement shall be reduced on a pro rata basis among all City water users. Provided, however, upon completion of the City’s water plant, which is anticipated to be completed by 2022, the City will provide sufficient water to the District, subject to the conditions in Section 3.12, such that the water supplied to the District pursuant to this Agreement is not reduced due to any reduction of water by Aqua to Bastrop pursuant to the Bastrop Aqua Agreement.

Section 3.04  Title to and Responsibility for Water; Delivery Point(s).
a. Title to the water diverted, treated and transported to District by Bastrop under this Agreement shall remain with Bastrop at all times until it reaches the Delivery Point. At the Delivery Point, title, control and dominion of the water shall pass to District.

b. District shall be solely responsible for conveying water from the Delivery Point to the District’s intended places of use. At its cost and expense, District may change the Delivery Point from time to time following prior written notice to and written approval by Bastrop, which approval shall not be unreasonably withheld, denied or delayed.

Section 3.05 Quantity and Pressure.
Subject to the terms of this Agreement, Bastrop agrees to deliver to District all potable water needed and requested by District for the District Service Area, up to, but not in excess of: (i) a minimum of 1,855 GPD per SUE (ii) a maximum hourly delivery of 200,000 gallons per hour; (iii) a maximum daily delivery of 2,785,000 gallons per day; (iii) a maximum yearly delivery of 383,250,000 per year; and (iv) a maximum flow rate of 1.5 gallons per minute per connection at a delivery pressure of 35 psi as measured at the Delivery Point. The service provided by Bastrop shall provide for peaking, storage and fire flows, including standards found in 30 Texas Administrative Code, Chapter 290, Subchapter F (the “TCEQ Requirements”).

Section 3.06 Quality of Water Delivered to District.
The water delivered by Bastrop at the Delivery Point shall be potable water of a quality conforming to the requirements of any applicable federal or state laws, rules, regulations or orders, including requirements of the TCEQ applicable to water provided for human consumption and other domestic use, specifically to satisfy the TCEQ Drinking Water Standards Governing Drinking Water Quality and Reporting Requirements for Public Water Systems, 30 Tex. Admin. Code Chapter 290, Subchapter F, as currently in effect or as may be amended from time to time. The water that Bastrop delivers to the District shall be of the same quality of water that Bastrop delivers to its retail members. Each party agrees to provide to the other party, in a timely manner, any information or data regarding this Agreement or the quality of treated water provided through this Agreement as required for reporting to the TCEQ or other state and federal regulatory agencies.

Section 3.07 Maintenance and Operation; Future Construction.
a. Bastrop shall be responsible for operating, maintaining, repairing, replacing, extending, improving and enlarging the Bastrop System, including the Master Meter, in good working condition and shall promptly repair any leaks or breaks in the Bastrop System. Bastrop commits to completing construction, by May 31, 2020, of additional water storage known as Water Storage West to consist of one elevated 250,000-gallon storage tank and one 250,000-gallon ground storage tank in which the District’s peaking, storage and fire flow needs will be met once it is connected to the District System. Such facilities may be expanded by the City in the future as needed to meet the needs of the City and the District. The City has or will acquire necessary easements and complete construction of Water
Storage West on a schedule that serves and protects the property owners and their structures in the District, but in no event later than May 31, 2020.

b. District shall be responsible for operating, maintaining, repairing, replacing, extending, improving and enlarging the District System in good working condition and shall promptly repair any leaks or breaks in the District System.

Section 3.08 Rights and Responsibilities in Event of Leaks or Breaks.

District shall be responsible for paying for all water delivered to it under this Agreement at the Delivery Point even if such water passed through the Delivery Point as a result of leaks or breaks in the District System.

Section 3.09 Commencement of Wholesale Water Service.

Bastrop will commence the provision of Wholesale Water Service to District upon final inspection and approval of Connecting Facilities to the District.

Section 3.10 Wholesale Service Commitment Not Transferable.

Bastrop’s commitment to provide Wholesale Water Services pursuant to this Agreement is solely to District. District may not assign or transfer in whole or in part it’s right to receive Wholesale Water Services without Bastrop’s prior written approval.

Section 3.11 Conservation and Drought Planning.

Within ninety (90) days of the date the District begins operation of the District Water System, the District shall adopt a water conservation plan consistent with and no less stringent than the City’s drought contingency plan then in effect and in compliance with TCEQ Rules, 30 Texas Administrative Code, Chapter 288. A copy of the City’s current drought contingency plan is attached as Exhibit “C” to this Agreement.

Section 3.12 Curtailment of Service.

The Parties agree that if Water Service is curtailed by Bastrop due to a Planned Outage or Emergency, Bastrop may impose a like curtailment, with notice to District, on Wholesale Water Service delivered to District under this Agreement. Bastrop will impose such curtailments in a nondiscriminatory fashion. The curtailment Bastrop imposes on District shall be equal in duration to the curtailment imposed on Bastrop’s retail members.

For Planned Outages, Bastrop shall provide notice to District of the date and duration of any Planned Outages to be conducted by Bastrop that may affect water service to the District at least thirty (30) days prior to the Planned Outage. To the extent reasonably possible, Bastrop shall coordinate the timing of any Planned Outage with District and shall cooperate with District to minimize the impact of any Planned Outage on the operation and maintenance of District System.
When an Emergency occurs curtailing water service to District, Bastrop shall notify District of the existence, nature, and expected duration of the Emergency as soon as reasonably practical. Bastrop shall use its best efforts to ensure that any interruption in the delivery of water service due to an Emergency shall continue only for so long as reasonably necessary. Bastrop shall immediately inform District of any changes in the nature and expected duration of such Emergency.

Section 3.13 Cooperation during Maintenance or Emergency.

District will reasonably cooperate with Bastrop during periods of Emergency or required maintenance of the Bastrop System. If necessary, upon prior notice, District will operate and maintain the District System in a manner reasonably necessary for the safe and efficient completion of repairs or the replacement of facilities, the restoration of service, and the protection of the public health, safety, and welfare.

Section 3.14 Re-sale of Water Prohibited.

District is prohibited from selling any water sold to District hereunder to any person or entity, except to its retail water customers served within its boundaries.

Section 3.15 CCN Amendment.

Following execution of this Agreement, and prior to provision of Wholesale Water Service by Bastrop, Developer, at its expense, will prepare, file and pursue decertification of the Tract from Aqua’s CCN and City agrees to cooperate with Developer in connection with same.

ARTICLE IV. WATER METERING PROVISIONS

Section 4.01 Meter Specifications.

All meters shall be as specified in Exhibit “F” and installed as specified in Exhibit “G”.

Section 4.02 Master Meter Accuracy.

Meters shall meet accuracy standards required by the AWWA with calibration maintained as described in Section 4.03.

Section 4.03 Meter Calibration.

a. The Master Meter(s) shall be calibrated each calendar year by City at City’s sole cost and expense. District shall be provided 30 days prior notice of each such calibration, and a representative of District may be present to observe each calibration.

b. In the event any question arises at any time as to the accuracy of the Master Meter, but not more than a frequency of once per consecutive twelve (12) month period without mutual consent of both Parties, then the Master Meter shall be tested by Bastrop promptly upon demand of District. The expense of such test shall be borne by District, unless such meter
is found to be registering inaccurately. The District shall have the right to test the meter at any time at its cost and expense.

c. If, as a result of any test, the Master Meter is found to be registering inaccurately (in excess of AWWA and manufacturer's standards for the type and size of meter), the readings of the Master Meter shall be corrected at the rate of their inaccuracy for any period which is definitely known or agreed upon, if no such period is known or agreed upon, the shorter of:

1. a period extending back either sixty (60) days from the date of demand for the test or, if no demand for the test was made, sixty (60) days from the date of the test; or

2. a period extending back one-half of the time elapsed since the last previous test; and the records of the readings, and all payments which have been made on the basis of such readings, shall be adjusted accordingly.

ARTICLE V. FIRE FLOW

Section 5.01. Fire flow Availability.

Sixty days from the preconstruction meeting for the initial public improvements, City will provide water to the District for up to fifty-three (53) connections without fire flow.

City is under contract to construct Water Storage West, a 250,000-gallon elevated storage tank and 250,000-gallon ground storage tank, with an anticipated completion date of May 31, 2020, subject to change based on weather and other factors. Fire flow will be available to the District within thirty (30) days of completion of Water Storage West and connection of the water line to the District. In the event such facilities have not been constructed by the City by May 31, 2020.

Section 5.02 Hydrants.

Fire hydrants shall be painted as specified in 2009 NFPA 291 Chapter 5, Appendix B.

Section 5.03 Measurement of Water Used for Fire Flow.

The measurement of water used for fire flow shall be based on reports provided to Bastrop by the responding fire department documenting the number of gallons pumped over the duration of the response.
ARTICLE VI. WATER RATES AND CHARGES

Section 6.01 Wholesale Water Rates, Fees and Charges.

District will pay Bastrop for the Wholesale Water Service provided under this Agreement based on a monthly fixed charge plus the volumetric charge. Except as provided in this Agreement, no other rates, fees or charges shall be owed by the District to Bastrop for Wholesale Water Service.

Section 6.02 Monthly Fixed Charge.

District will pay Bastrop the monthly fixed charge comprised of the Source Cost per MGD of Subscribed Capacity, plus the Transmission Cost per MGD of Subscribed Capacity, plus a Customer Charge per wholesale meter as adopted in Bastrop Code of Ordinances Section A13.02.004(b). Such fee shall be subject to change from time to time when Bastrop wholesale rates are reviewed. The initial monthly fixed charge is as follows:

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<table>
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<td>Source Cost</td>
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<tr>
<td>Transmission Cost</td>
<td>$4,243.70 per MGD of Subscribed Capacity</td>
</tr>
<tr>
<td>Customer Charge</td>
<td>$2.23 per wholesale meter</td>
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Section 6.03 Volumetric Charge.

a. Bastrop will measure water flows monthly based on monthly readings of the Master Meter. The total of this amount multiplied by the volumetric rate will be used by Bastrop to compute the volume charge as provided in Section 6.03(b) below.

b. The volumetric rate shall be Bastrop’s Wholesale Volumetric Water Rate as adopted in Bastrop Code of Ordinances Section A13.02.004(b), which rate is initially $1.97 per 1,000 gallons of actual consumption. Such fee shall be subject to change from time to time when Bastrop retail rates are reviewed.

c. Bastrop may amend the volumetric rate from time to time when Bastrop retail rates are reviewed.

Section 6.04 Changes to Rates and Fees.

Bastrop shall provide written notice to District of any rate adjustments not later than thirty (30) days prior to the effective date thereof. The City agrees that a change in the monthly fixed charge or volumetric charge will not become effective against the District until thirty (30) days after effective written notice to the District if a change is provided by the City.

Section 6.05 District Water Rates and Charges.

District will determine and charge its retail water customers such rates as are determined by its governing body. During the term of this Agreement, District will fix and collect rates and charges
for retail water service that are, in the opinion of its governing body, sufficient, together with any
other revenues available to District, to produce the amount necessary to operate, repair, and
maintain the District System, and to pay the cost of Wholesale Water Service from Bastrop.
District will be solely responsible for ensuring that its retail rates and charges are determined and
collected in accordance with applicable law.

Section 6.06  District and Developer to Pay All Costs for Connection to the City.

The District, or Developer if the District does not have sufficient funds, will pay the entire cost of
connection to the City’s Water System.

Section 6.07  Wholesale Water Rates.

The City shall invoice the District for wholesale water delivery and treatment service at the same
rate that the City charges its other wholesale customers for fixed and volumetric charges. The
District shall pay the City monthly, one month in arrears, as more fully described in Article VII of
this Agreement.

Section 6.08  District Payment for Wholesale Service.

Billing for wholesale service will commence after the first date water service is provided to the
District. The City will send one bill to the District on or after the first day of each month after the
date water service has commenced.

ARTICLE VII. WHOLESALE WATER BILLING METHODOLOGIES; REPORTS
AND OTHER RELATED MATTERS

Section 7.01  Monthly Statement.

For each monthly billing period, Bastrop will forward to District a bill providing a statement of
the Fixed Charge and the total Volume Charge owed by District for Wholesale Water Service
provided to District during the previous monthly billing period. A sample billing statement is
attached as Exhibit “H.” District will pay Bastrop for each bill submitted by Bastrop to District
by check or bank-wire on or before thirty (30) days from the date of receipt of the invoice.
Payments shall be mailed to the address indicated on the invoice or can be hand-delivered to
Bastrop’s headquarters in Bastrop County, Texas. If payments will be made by bank-wire, District
shall verify wiring instructions. Payment must be received at Bastrop’s headquarters or bank by
the due date in order not to be considered past due or late. In the event District fails to make
payment of an uncontested bill within said thirty (30) day period, District shall pay a one-time late
payment charge of five percent (5%) of the unpaid balance of the invoice. In addition, District
shall pay interest on the unpaid uncontested balance at a rate equal to one and one-half percent
(1.5%) per month.

Section 7.02  Monthly Billing Calculations.
Bastrop will compute the sum of the fixed charge and the volume charge for Wholesale Water Service on the basis of monthly readings of the Master Meter and will bill District such sum on a monthly basis.

Section 7.03 Effect of Nonpayment.

With respect to monthly billings, if Bastrop has not received payment from District by the due date, the bill will be considered delinquent, unless contested in good faith. In such event, Bastrop will notify District of such delinquency in writing, and if District fails to make payment of the delinquent billing within thirty (30) calendar days from the date of transmittal of such written notice of delinquency from Bastrop, then Bastrop may, at its discretion, terminate or reduce the level of Wholesale Water Service to District until payment of all sums owed, including applicable disconnection and reconnection fees is made.

Section 7.04 Protests, Disputes or Appeals.

Nothing in this Agreement is intended to limit, impair or prevent any right of District to protest, dispute or appeal with respect to rate making, the establishment of fees and charges or any other related legal or administrative proceedings affecting services or charges to District under this Agreement.

Section 7.05 Records and Reports.

The District shall promptly provide to the City upon written request, copies of any District records or documents relating to the construction, operation, maintenance, or repair of the District System.

ARTICLE VIII. REGULATORY COMPLIANCE

Section 8.01 Agreement Subject to Applicable Law.

The Agreement will be subject to all valid rules, regulations, and applicable laws of the United States of America, the State of Texas and/or any other governmental body or agency having lawful jurisdiction or any authorized representative or agency of any of them.

Section 8.02 Cooperation to Assure Regulatory Compliance.

Each Party will cooperate in good faith with the other Party at all times to assure compliance with any applicable governmental requirements where noncompliance or non-cooperation may subject the Parties to penalties, loss of grants or other funds, or other adverse regulatory action in the performance of this Agreement.

ARTICLE IX. TERM, TERMINATION, DEFAULT, REMEDIES

Section 9.01 Term and Termination.

This Agreement shall become effective upon the Effective Date and shall extend until December 31, 2069 unless terminated earlier as provided herein. Provided,
however, unless the District provides at least six (6) months’ written notice to the City prior to the end of the first fifty-year term, the Agreement shall be renewed for one additional term of fifty (50) years.

b. District may terminate this Agreement by providing not less than sixty (60) days written notice of termination to Bastrop.

c. In the event that the Bastrop Aqua Agreement is terminated or expires, this Agreement shall be terminated and be of no further force or effect. The City shall give six (6) months prior written notice of an anticipated termination or expiration of the Bastrop Aqua Agreement. In the event this Agreement is terminated in accordance with this provision, Bastrop agrees to enter into a wholesale water service agreement, in substantially similar terms, with the District to provide water service sufficient to meet the District’s needs at full build-out.

Section 9.02 Default.

a. In the event District shall default in the payment of any amounts due to Bastrop under this Agreement, or in the performance of any material obligation to be performed by District under this Agreement, then Bastrop shall give District at least thirty (30) days’ written notice of such default and the opportunity to cure same. Thereafter, Bastrop shall have the right to pursue any remedy available at law or in equity (other than termination of this Agreement), pending cure of such default by District.

b. In the event Bastrop shall default in the performance of any material obligation to be performed by Bastrop under this Agreement, then District shall give Bastrop at least thirty (30) days’ written notice of such default and the opportunity to cure same. Thereafter, in the event such default remains uncured, the District shall have the right to pursue any remedy available at law or in equity, pending cure of such default by Bastrop.

Section 9.03 Additional Remedies upon Default.

It is not intended hereby to specify (and this Agreement shall not be considered as specifying) an exclusive remedy for any default, but all such other remedies existing at law or in equity may be availed of by any party and shall be cumulative of the remedies provided. Recognizing however, that Bastrop's undertaking to provide Wholesale Water Service to the District System is an obligation, failure in the performance of which cannot be adequately compensated in money damages alone, Bastrop agrees, in the event of any default on its part, that District shall have available to it the equitable remedies of mandamus and specific performance in addition to any other legal or equitable remedies (other than termination of this Agreement) that may also be available. In recognition that failure in the performance of District's obligations could not be adequately compensated in money damages alone, District agrees in the event of any default on its part that Bastrop shall have available to it the equitable remedies of mandamus and specific performance in addition to any other legal or equitable remedies (other than termination of this Agreement) that may also be available to Bastrop including the right to obtain a writ of mandamus
or an injunction against District requiring the District to collect rates and charges sufficient to pay the amounts owed to Bastrop by District under this Agreement. If either party institutes legal proceedings to seek adjudication of an alleged default under this Agreement, the prevailing party in the adjudication shall be entitled to its reasonable and necessary attorneys' fees. THE PARTIES ACKNOWLEDGE AND AGREE THAT THIS AGREEMENT IS SUBJECT TO SUBCHAPTER I, CHAPTER 271, TEXAS LOCAL GOVERNMENT CODE.

**ARTICLE X. GENERAL PROVISIONS**

**Section 10.01 Assignability.**

Assignment of this Agreement is prohibited without the prior written consent of the Parties, which consent shall not be unreasonably withheld, delayed or conditioned. Notwithstanding anything herein to the contrary, the rights and obligations of the Developer, in whole or in part, may be assigned by Developer to a subsequent owner or developer of all or a portion of the Tract.

**Section 10.02 Amendment.**

This Agreement may be amended or modified only by written agreement duly authorized by the respective governing bodies of District and Bastrop and executed by duly authorized representatives of each.

**Section 10.03 Necessary Documents and Actions.**

Each Party agrees to execute and deliver all such other and further instruments and undertake such actions as are or may become necessary or convenient to effectuate the purposes and intent of this Agreement.

**Section 10.04 Entire Agreement.**

This Agreement constitutes the entire agreement of the Parties and this Agreement supersedes any prior or contemporaneous oral or written understandings or representations of the Parties regarding Wholesale Water Service by Bastrop to District for the District Service Area.

**Section 10.05 Applicable Law.**

This Agreement will be construed under and in accordance with the laws of the State of Texas.

**Section 10.06 Venue.**

All obligations of the Parties created in this Agreement are performable in Bastrop County, Texas, and venue for any action arising under this Agreement will be in Bastrop County, Texas.

**Section 10.07 Third Party Beneficiaries.**
Nothing in this Agreement, express or implied, is intended to confer upon any person or entity, other than to the Parties, any rights, benefits, or remedies under or by reason of this Agreement.

Section 10.08 Duplicate Originals.

This Agreement may be executed in duplicate originals each of equal dignity.

Section 10.09 Notices.

Any notice required under this Agreement may be given to the respective Parties by deposit in regular first-class mail or by hand-delivery to the address of the other party shown below:

**DISTRICT:**
West Bastrop Village Municipal Utility District  
Allen Boone Humphries Robinson, LLP  
1108 Lavaca, Suite 510  
Austin, TX 78701  
Attn: D. Ryan Harper

**DEVELOPER:**
West Bastrop Village, Ltd.  
610 West 5th St., Ste. 601  
Austin, TX 78701  
Attn: David C. Mahn

**CITY OF BASTROP:**
City of Bastrop  
P. O. Box 427  
Bastrop, TX 78602  
Attn: City Manager

**WITH REQUIRED COPY TO:**  
Alan Bojorquez  
Bojorquez Law Firm, PC  
12325 Hymeadow Drive, Suite 2-100  
Austin, Texas 78750

Notices shall be deemed received on the date of hand delivery or within three (3) days of deposit in first-class mail.

Section 10.10 Consents and Approvals.

Wherever this Agreement requires any Party, or its agents or employees to provide a consent, approval or similar action, the parties agree that such consent, approval or similar action will not be unreasonably withheld or delayed.

Section 10.11 Severability.
Should any court declare or determine that any provisions of this Agreement is invalid or unenforceable under present or future laws, that provision shall be fully severable; this Agreement shall be construed and enforced as if the illegal, invalid, or unenforceable provision had never comprised a part of this Agreement and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid, or unenforceable provision or by its severance from this Agreement. Furthermore, in place of each such illegal, invalid, or unenforceable provision, there shall be added automatically as a part of this Agreement a provision as similar in terms to such illegal, invalid, or unenforceable provision as may be possible and be legal, valid, and enforceable. Texas law shall govern the validity and interpretation of this Agreement.

Section 10.12 Records.

Bastrop and District each agree to preserve, for a period of at least two (2) years from their respective dates of origin, all books, records, test data, charts and other records pertaining to this Agreement. Bastrop and District shall each, respectively, have the right during reasonable business hours to inspect such records to the extent necessary to verify the accuracy of any statement, charge or computation made pursuant to any provisions of this Agreement.

Section 10.13 State Approval; Compliance with TCEQ Rules.

Anything herein to the contrary notwithstanding, it is the intention of the parties that this Agreement fully comply with the requirements of the TCEQ applicable to public drinking water systems which receive water through a sole-source water supply contract, including the requirements of 30 Texas Administrative Code, Section 290.45(f). The parties each agree to provide any information which may be requested by the other in order to respond to any inquiries or reports required by the TCEQ. If, at any time, it is determined that this Agreement does not comply with all applicable TCEQ requirements, the parties agree to cooperate to modify this Agreement in order to effect such compliance.

Section 10.14 Force Majeure.

If any party is rendered unable, wholly or in part, by Force Majeure to carry out any of its obligations under this Agreement, other than an obligation to pay or provide money, then such obligations of that party to the extent affected by such Force Majeure and to the extent that due diligence is being used to resume performance at the earliest practicable time shall be suspended during the continuance of any inability so caused to the extent provided but for no longer period. Such cause, as far as possible, shall be remedied with all reasonable diligence. It is understood and agreed that the settlement of strikes and lockouts shall be entirely within the discretion of the affected party, and that the above requirements that any Force Majeure shall be remedied with all reasonable dispatch shall not require the settlement of strikes and lockouts by acceding to the demand of the opposing party or parties when such settlement is unfavorable to it in the judgment of the affected party.

Section 10.15 Good Faith.
Each party agrees that, notwithstanding any provision herein to the contrary (i) it will not unreasonably withhold or condition or unduly delay any consent, approval, decision, determination or other action which is required or permitted under the terms of this Agreement, and (ii) it will act in good faith and shall at all times deal fairly with the other party.

Section 10.16 Authority of Parties Executing Agreement, Validity.

By their execution, each of the individuals executing this Agreement on behalf of a Party represents and warrants to the other Party that he or she has the authority to execute the document in the capacity shown on this document. Each of the Parties further represent and warrant that this Agreement constitutes a valid and binding contract, enforceable against it in accordance with its terms.

Section 10.17 Exhibits.

The following exhibits are attached to and incorporated into this Agreement for all purposes:

Exhibit A: Metes and Bounds Description of the Land
Exhibit B: Bastrop Aqua Agreement
Exhibit C: Bastrop Water Conservation and Drought Contingency Plans
Exhibit D: Map Showing Locations of Water Delivery Points, Connecting Facilities
Exhibit E: Location of Water Storage West Facilities
Exhibit F: Meter Specifications
Exhibit G: Meter Installation Specifications
Exhibit H: Sample Billing Statement

Section 10.18 Effective Date and Counterparts.

This Agreement will be effective from and after the last date of due execution by all Parties. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original.

Remainder of Page Intentionally Left Blank
CITY OF BASTROP, TEXAS

By: ____________________________
Name: Lynda Humble
Title: City Manager
Date: 11-9-19

ATTEST: ____________________________
City Secretary

Wholesale Water Agreement
Bastrop, West Bastrop Village, West Bastrop Village MUD
WEST BASTROP VILLAGE MUNICIPAL UTILITY DISTRICT OF BASTROP COUNTY

By: __________________________________________
Name: _________________________________________
Title: __________________________________________
Date: ______________________________

STATE OF ____________________ §

COUNTY OF ____________________ §

This instrument was acknowledged before me on the _______ day of _____________, 2019, by ________, ______________ of West Bastrop Village Municipal Utility District of Bastrop County, a Political Subdivision of the State of Texas, on behalf of said District.

_____________________________________

Notary Public, State of ____________________
WEST BASTROP VILLAGE, LTD.
A Texas limited partnership
By: WBV GP, LLC
A Texas limited liability company, general partner

By: ___________________________________________________________________
   David C. Mahn
Title: Manager
Date: ________________

STATE OF ________________ §
COUNTY OF ________________ §

This instrument was acknowledged before me on the _____ day of ________________, 2019, by David C. Mahn, Manager of WBV GP, LLC, a Texas limited liability company, General Partner of West Bastrop Village, Ltd., a Texas limited partnership, on behalf of said limited liability company as general partner of the general partner of the limited partnership.

_____________________________________________________________________

Notary Public, State of ________________
AN ORDER GRANTING THE PETITION FOR CREATION OF
WEST BASTROP VILLAGE MUNICIPAL UTILITY DISTRICT OF BASTROP COUNTY
AND APPOINTING TEMPORARY DIRECTORS

A petition by J.D. Weaver/Bastrop, Ltd., (hereafter "Petitioner") was presented to the Executive Director of the Texas Commission on Environmental Quality (hereafter "Commission") for approval of the creation of West Bastrop Village Municipal Utility District of Bastrop County (hereafter "District") pursuant to Article XVI, Section 59 of the TEXAS CONSTITUTION and TEX. WATER CODE, Chapters 49 and 54.

The Commission, after having considered the petition, application material, and Memorandum from the Executive Director’s staff dated April 12, 2007 regarding the petition, a copy of which is attached as Exhibit “B”, finds that the petition for creation should be approved.

The Commission finds that the creation of the proposed District as set out in the application is feasible, practicable, necessary and would be a benefit to the land to be included in the proposed District.

The Commission further finds that the proposed District and its system and subsequent development within the proposed District will not have an unreasonable effect on land elevation, subsidence, groundwater level within the region, recharge capability of a groundwater source, natural run-off rates or drainage, water quality, or total tax assessments on all land located within the proposed District.

All of the land and property proposed may properly be included within the proposed District.

All statutory and regulatory requirements for creation of West Bastrop Village Municipal Utility District of Bastrop County have been fulfilled in accordance with TEX. WATER CODE § 54.021 and 30 TEX. ADMIN. CODE §§ 293.11-293.13.

NOW THEREFORE, BE IT ORDERED BY THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY THAT:

1. The petition for the creation of West Bastrop Village Municipal Utility District of Bastrop County is hereby granted.

2. The District is created under the terms and conditions of Article XVI, Section 59 of the TEXAS CONSTITUTION and TEX. WATER CODE, Chapter 54.
3. The District shall have all of the rights, powers, privileges, authority, and functions conferred and shall be subject to all duties imposed by the Texas Commission on Environmental Quality and the general laws of the State of Texas relating to municipal utility districts.

4. The District shall be composed of the area situated wholly within Bastrop County, Texas, described by metes and bounds in Exhibit “A”, attached hereto and incorporated herein for all purposes.

5. The memorandum from the Executive Director’s staff dated April 12, 2007 (hereafter “Memorandum”) is hereby attached as Exhibit “B” and incorporated as part of this order.

6. The persons listed in Recommendation No. 3 of the Memorandum are hereby named and appointed as temporary directors and shall, as soon as practicable after the date of entry of this Order, execute their official bonds and take their official oaths of office. All such bonds shall be approved by the Board of Directors of the District, and each bond and oath shall be filed with the District and retained in its records.

7. This Order shall in no event be construed as an approval of any proposed agreement or of any particular item in any document provided in support of the petition for creation, nor as a commitment or requirement of the Commission in the future to approve or disapprove any particular item or agreement in future applications submitted by the District for Commission consideration.

8. This Order shall not constitute approval or recognition of the validity of any provision in the City of Bastrop creation consent Resolution No. R-2006-24, effective August 22, 2006, and any other ordinance/resolution incorporated therein by reference to the extent that such provisions exceed the authority granted to the City of Bastrop by the laws of the state of Texas.

9. The Chief Clerk of the Commission shall forward a copy of this Order to all affected persons.

10. If any provision, sentence, clause or phrase of this Order is for any reason held to be invalid, the invalidity of any portion shall not affect the validity of the remaining portions of the Order.

Issue Date: APR 24 2007

For the Commission
348.053 ACRES
NANCY BLAKEY SURVEY A-98
BASTROP COUNTY, TEXAS

A DESCRIPTION OF A 348.053 ACRE TRACT OF LAND IN THE NANCY BLAKEY SURVEY A-98 IN BASTROP COUNTY, TEXAS,

BEING ALL OF A 322.2 ACRE TRACT OF LAND, KNOWN AS THE "SECOND TRACT", CONVEYED TO J. D. WEAVER/BASTROP, LTD. IN A SPECIAL WARRANTY DEED DATED SEPTEMBER 11, 1997 AND RECORDED IN VOLUME 870, PAGE 266 OF THE DEED RECORDS OF BASTROP COUNTY, TEXAS,

BEING A PORTION OF AN 18.969 ACRE TRACT OF LAND CONVEYED TO J. D. WEAVER/BASTROP, LTD. IN A SPECIAL WARRANTY DEED WITH VENDOR'S LIEN DATED JULY 18, 2003 AND RECORDED IN VOLUME 1350, PAGE 917 OF THE DEED RECORDS OF BASTROP COUNTY, TEXAS,

BEING ALL OF A 1.563 ACRE TRACT OF LAND CONVEYED TO J. D. WEAVER/BASTROP LTD. IN AN EXCHANGE DEED DATED SEPTEMBER 12, 2005 AND RECORDED IN VOLUME 1570, PAGE 742 OF THE DEED RECORDS OF BASTROP COUNTY, TEXAS,

AND BEING A PORTION OF TRACTS 7 AND 8, SUBURBIA ESTATES, A SUBDIVISION IN BASTROP COUNTY, TEXAS ACCORDING TO THE MAP OR PLAT THEREOF, RECORDED IN CABINET 1, PAGE 14B OF THE PLAT RECORDS OF BASTROP COUNTY, TEXAS;

SAVE AND EXCEPTION A 2.00 TRACT OF LAND CONVEYED TO AQUA WATER SUPPLY CORPORATION IN A GENERAL WARRANTY DEED DATED JUNE 4, 1991 AND RECORDED IN VOLUME 619, PAGE 164 OF THE DEED RECORDS OF BASTROP COUNTY, TEXAS AND SAVE AND EXCEPTION A 1.504 ACRE TRACT OF LAND CONVEYED TO AQUA WATER SUPPLY CORPORATION IN A SPECIAL WARRANTY DEED DATED APRIL 16, 1998 AND RECORDED IN VOLUME 906, PAGE 291 OF THE DEED RECORDS OF BASTROP COUNTY, TEXAS; SAID 348.053 ACRES BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING at a 1/2" rebar found in the west right-of-way line of F.M. Highway No. 20 (100' right-of-way width), being the southeast corner of the said 322.2 acre tract, being also the northeast corner of a 0.999 acre tract of land described in Volume 1342, Page 709 of the Deed Records of Bastrop County, Texas, from which a 1/2" rebar found in
the east right-of-way line of F.M. Highway No. 20, bears South 23°15'55" East, a distance of 126.22 feet;

THENCE South 86°57'52" West with the south line of the said 322.2 acre tract and the north line of the said 0.999 acre tract, a distance of 980.77 feet to a 1/2" rebar found for the northwest corner of a 7.208 acre tract of land described in Volume 1223, Page 150 of the Deed Records of Bastrop County, Texas, being the northeast corner of a 10.000 acre tract of land described in Volume 858, Page 689 of the Deed Records of Bastrop County, Texas;

THENCE South 88°15'23" West with the south line of the said 322.2 acre tract and the north line of the said 10.000 acre tract, a distance of 451.25 feet to a 1/2" rebar found for the northwest corner of the said 10.000 acre tract, being the northeast corner of a 1.000 acre tract of land described in Volume 973, Page 777 of the Deed Records of Bastrop County, Texas;

THENCE South 87°11'03" West with the south line of the said 322.2 acre tract and the north line of the said 1.000 acre tract, a distance of 966.24 feet to a 1/2" rebar found for the northwest corner of a 5.000 acre tract of land described in Volume 287, Page 685 of the Deed Records of Bastrop County, Texas, being the northeast corner of a 80.549 acre tract of land described in Volume 446, Page 222 of the Deed Records of Bastrop County, Texas;

THENCE South 87°07'57" West with the south line of the said 322.2 acre tract, which varies from the north line of the said 80.549 acre tract, a distance of 2065.75 feet to a 1/2" rebar found for the northwest corner of the said 80.549 acre tract, being the northeast corner of a 27.092 acre tract of land described in Volume 1261, Page 231 of the Deed Records of Bastrop County, Texas;

THENCE with the south line of the said 322.2 acre tract and the north line of the said 27.092 acre tract the following three (3) courses:

1. South 88°41'52" West, a distance of 656.84 feet to concrete monument found;

2. South 87°59'47" West, a distance of 885.88 feet 1/2" rebar with cap set;

3. South 87°35'04" West, a distance of 121.50 feet to a 1/2" rebar found for the northwest corner of the said 27.092 acre tract, being the northeast corner of a 1.188 acre tract of land described in Volume 998, Page 95 of the Deed Records of Bastrop County, Texas;

Exhibit "A"
THENCE South 87°35'04" West with the south line of the said 322.2 acre tract and the north line of the said 1.188 acre tract, a distance of 199.96 feet to a 1/2" rebar with cap found for the northwest corner of the said 1.188 acre tract, being the northeast corner of a 39.262 acre tract of land described in Volume 995, Page 650 of the Deed Records of Bastrop County, Texas;

THENCE South 87°35'04" West with the south line of the said 322.2 acre tract and the north line of the said 39.262 acre tract, a distance of 800.26 feet to 1/2" rebar found for the northwest corner of the said 39.262 acre tract, being the northeast corner of a 16.90 acre tract of land described in Volume 329, Page 359 of the Deed Records of Bastrop County, Texas;

THENCE South 87°35'04" West with the south line of the said 322.2 acre tract and the north line of the said 16.90 acre tract, a distance of 841.96 feet to 5/8" rebar found for the southwest corner of the said 322.2 acre tract, being the southeast corner of Lot 4, Oakwood Estates Subdivision, a subdivision of record in Volume 3, Page 181A of the Plat Records of Bastrop County, Texas, being also in the north line of a 15.000 acre tract of land described in Volume 568, Page 462 of the Deed Records of Bastrop County, Texas;

THENCE North 02°15'16" East with the west line of the said 322.2 acre tract and the east line of said Lot 4, a distance of 1704.79 feet to a concrete monument found for the northwest corner of the said 322.2 acre tract, being the southwest corner of a 4.71 acre tract of land described in Volume 185, Page 573 of the Deed Records of Bastrop County, Texas;

THENCE North 87°23'54" East with the north line of the said 322.2 acre tract and the south line of the said 4.71 acre tract, a distance of 283.71 feet to 1/2" rebar found for the southeast corner of the said 4.71 acre tract, being the southwest corner of a 9.965 acre tract of land described in Volume 1162, Page 823 of the Deed Records of Bastrop County, Texas;

THENCE North 88°18'58" East with the north line of the said 322.2 acre tract and the south line of the said 9.965 acre tract, a distance of 819.18 feet to a 3/8" rebar found for the southeast corner of the said 9.965 acre tract, being the southwest corner of a 44.531 acre tract of land described in Volume 203, Page 618 of the Deed Records of Bastrop County, Texas;

THENCE North 87°34'12" East with the north line of the said 322.2 acre tract and the south line of the 44.531 acre tract, a distance of 1598.97 feet to a fence post found for the southeast corner of the said 44.531 acre tract, being the southwest corner of a

Exhibit "A"
22.78 acre tract of land described in Volume 185, Page 498 of the Deed Records of Bastrop County, Texas;

THENCE North 88°31'12" East with the north line of the said 322.2 acre tract, which varies from the south line of the said 22.78 acre tract, a distance of 1056.69 feet to a fence post found for the southeast corner of the said 22.73 acre tract, being the southwest corner of a 36.557 acre tract of land described in Volume 1096, Page 488 of the Deed Records of Bastrop County, Texas;

THENCE North 87°33'38" East with the north line of the said 322.2 acre tract and the south line of the said 36.557 acre tract, a distance of 2077.19 feet to a nail on top of fence post found for the southwest corner of the said 18.969 acre tract, being the southeast corner of the said 36.557 acre tract;

THENCE North 03°22'26" West with the west line of the said 18.969 acre tract and the east line of the said 36.557 acre tract, a distance of 799.24 feet to a 1/2" rebar with cap set for the northwest corner of the said 18.969 acre tract, being the northeast corner of the said 36.557 acre tract, being also in the south line of Tract 13, of said Suburbia Estates, from which a 1" iron pipe found for the southwest corner of said Tract 13, bears South 87°52'17" West, a distance of 29.26';

THENCE with the north line of the said 18.969 acre tract and the south line of said Suburbia Estates the following two (2) courses:

1. North 87°52'17" East, a distance of 768.71 feet to a 1/2" rebar found;

2. North 88°08'34" East, a distance of 200.05 feet to a fence post found for the southwest corner of said Tract 8, being the southeast corner of Tract 9, of said Suburbia Estates;

THENCE North 02°14'34" West with the west line of said Tract 8 and the east line of said Tract 9, a distance of 770.81 feet to a 1/2" rebar with cap set in the south right-of-way line of State Highway No. 71 (right-of-way width varies), being the northwest corner of said Tract 8, being also the northeast corner of said Tract 9, from which a 1" iron pipe found in the south right-of-way line of State Highway No. 71, being the northwest corner of said Tract 9, bears South 88°19'34" West, a distance of 199.91 feet;

THENCE North 87°42'55" East with the south right-of-way line of State Highway No. 71 and the north line of said Tract 8, a distance of 199.92 feet to a 1/2" rebar with cap found at highway station 834+61.74, right 162', being the northeast corner of said Tract 8, being also the northwest corner of said Tract 7;

Exhibit "A"
THENCE North 87°42'55" East with the south right-of-way line of State Highway No. 71 and the north line of said Tract 7, a distance of 199.70 feet to a 1/2" rebar with cap found at highway station 836+61.36, right 162', being the northeast corner of said Tract 7, being also the northwest corner of the said 1.563 acre tract;

THENCE North 87°42'55" East with the south right-of-way line of State Highway No. 71 and the north line of the said 1.563 acre tract, a distance of 126.56 feet to a 1/2" rebar with cap set;

THENCE leaving the south right-of-way line of State Highway No. 71, with the north line of the said 1.563 acre tract the following three (3) courses:

1. South 02°16'25" East, a distance of 75.00 feet to a 1/2" rebar with cap set;

2. North 87°42'55" East, a distance of 40.00 feet to a 1/2" rebar with cap set;

3. North 02°16'25" West, a distance of 75.00 feet to a 1/2" rebar with cap set in the south right-of-way line of State Highway No. 71;

THENCE with the south right-of-way line of State Highway No. 71 and the north line of the said 1.563 acre tract the following two (2) courses:

1. North 87°42'55" East, a distance of 33.00 feet to a 1/2" rebar with cap found at highway station 838+60.98, right 162';

2. North 87°38'38" East, a distance of 25.00 feet to a 1/2" rebar with cap set for the northeast corner of the said 1.563 acre tract, from which a 1/2" rebar found in the south right-of-way line of State Highway No. 71, being the northeast corner of Tract 5, of said Suburbia Estates, bears North 87°38'38" East, a distance of 174.54 feet;

THENCE with the east line of the said 1.563 acre tract the following three (3) courses:

1. South 02°16'25" East, a distance of 95.22 feet to a 1/2" rebar with cap set;

2. Along a curve to the right, an arc length of 267.15 feet, having a radius of 300.00 feet and a chord which bears South 23°14'13" West, a distance of 258.41 feet to a 1/2" rebar with cap set;

Exhibit "A"
3. South 48°44'51" West, a distance of 146.00 feet to a 1/2" rebar with cap set for the southernmost corner of the said 1.563 acre tract, being the northernmost corner of a 1.363 acre tract of land described in Volume 1570, Page 742 of the Deed Records of Bastrop County, Texas;

THENCE with the west line of the said 1.363 acre tract the following four (4) courses:

1. South 48°44'51" West, a distance of 164.51 feet to a 1/2" rebar with cap set;

2. Along a curve to the left, an arc length of 104.34 feet, having a radius of 257.78 feet and a chord which bears South 37°09'06" West, a distance of 103.83 feet to a 1/2" rebar with cap set;

3. South 25°33'20" West, a distance of 161.54 feet to a 1/2" rebar with cap set;

4. South 61°42'45" East, a distance of 50.27 feet to a 1/2" rebar with cap set for a southwest corner of the said 1.363 acre tract, being the westernmost corner of a 0.200 acre tract of land described in Volume 1570, Page 742 of the Deed Records of Bastrop County, Texas;

THENCE South 61°42'45" East with the south line of the said 0.200 acre tract, a distance of 176.18 feet to a 1/2" rebar with cap set in the east line of the said 18.969 acre tract, being the west line of the remainder of a 59.2 acre tract of land described in Volume 245, Page 502 of the Deed Records of Bastrop County, Texas;

THENCE with the east line of the said 18.969 acre tract and the west line of the remainder of the said 59.2 acre tract the following three (3) courses:

1. Along a curve to the right, an arc length of 252.12 feet, having a radius of 545.00 feet and a chord which bears South 41°29'37" West, a distance of 249.88 feet to a 1/2" rebar with cap set;

2. Along a curve to the left, an arc length of 490.59 feet, having a radius of 555.00 feet and a chord which bears South 29°27'23" West, a distance of 474.77 feet to a 1/2" rebar with cap found;

3. South 04°09'32" West, a distance of 122.43 feet to a 1/2" rebar with cap found for the southeast corner of the said 18.969 acre tract, being in the north line of the said 322.2 acre tract, 

Exhibit "A"
THENCE North 87°45'26" East with the north line of the said 322.2 acre tract and the south line of the remainder of the said 59.2 acre tract, a distance of 2189.13 feet to a 1/2" rebar with cap set in the west right-of-way of F.M. Highway No. 20, being the northeast corner of the said 322.2 acre tract, being also the southeast corner of the remainder of the said 59.2 acre tract, from which a concrete monument found in the west right-of-way line of F.M. Highway No. 20, bears North 29°08'35" East, a distance of 317.96 feet;

THENCE South 29°08'35" West with the west right-of-way of F.M. Highway No. 20 and the east line of the said 322.2 acre tract, a distance of 1941.61 feet to the POINT OF BEGINNING, containing 348.053 acres of land, more or less.


Robert C. Watts, Jr.
Registered Professional Land Surveyor
State of Texas No. 4995

Exhibit “A”
Texas Commission on Environmental Quality

TECHNICAL MEMORANDUM

To: Michael D. Cowan, Division Director,
    Water Supply Division

Date: April 12, 2007

Thru: RE: Doug Holcomb, P.E., Manager, Utilities & Districts

RE: Robert Cummins, P.E., Leader, Districts Review Team

From: RN: Districts Review Team

Subject: Petition by J.D. Weaver/Bastrop, Ltd., for Creation of West Bastrop Village Municipal Utility District of Bastrop County; Pursuant to Texas Water Code Chapters 49 and 54.
    TCEQ Internal Control No. 10262006-D15(TC)
    CN: 603113952 - RN: 105093371

A. GENERAL INFORMATION

The petition within the application requests Texas Commission on Environmental Quality (the "Commission") approval of the creation of West Bastrop Village Municipal Utility District of Bastrop County (the "District"). The petition was signed by John Dale Weaver, Jr., President of and William S. Walters, III, Attorney-In-Fact for Brodie-Weaver, Inc., general partner of J.D. Weaver/Bastrop, Ltd (the "Petitioner"). According to the petition, the Petitioner states that there is one lien holder on the property, Plains Capital Bank, to be included in the proposed District. By separate affidavit, the lien holder has consented to the creation.

The District is proposed to be created and organized according to the terms and provisions of Article XVI, Section 59, of the Texas Constitution, and Chapters 49 and 54 of the Texas Water Code.

Location and Access

The proposed District is located just southwest of the intersection of F.M. 20 and State Highway 71 in Bastrop County. Application material indicates that the proposed District is located about 2 miles east of the City of Bastrop. Access will be provided via S.H. 71 and F.M. 20.

Metes and Bounds Description

The proposed District contains one tract of land totaling 348.05 (351.56 less 3.51) acres. The metes and bounds description of the proposed District has been checked by the Commission’s staff and has been found to form an acceptable closure.

Exhibit “B”
City Consent

The petition asserts that the land within the proposed District is located within the extraterritorial jurisdiction of the City of Bastrop. By Resolution No. R-2006-24, effective August 22, 2006, the City of Bastrop, Texas, granted its consent to the creation of the proposed District. Accordingly, the requirements of Tex. Water Code 54.016 and Tex. Loc. Gov't. Code 42.042 have been met.

Statements of Filing Petition

Evidence of filing the petition with the Bastrop County Clerk's office and TCEQ's Austin Regional office has been provided.

Type of Project

The proposed District will be considered a "developer project" as defined by Commission rules. Therefore, developer cost participation, in accordance with Commission Rule, 30 TAC Section 293.47, will be required.

Certificate of Ownership

By certificate dated March 19, 2007, the Bastrop Central Appraisal District has certified that the tax rolls indicate that J.D. Weaver/Bastrop LTD., is the owner of the property in the proposed District. The documents provided support that the petitioner owns a majority in value of the land in the proposal District.

Temporary Director Affidavits

The Commission has received affidavits for Commission consideration of the appointment of temporary directors for the following:

Jeanmarie Ficken  Lynn Frank  Kalinda Howe
Julie Huls  Mike Schoenfeld, Jr.

Each of the above persons named is qualified, as required by 30 TAC Section 293.32(a), to serve as a temporary director of the proposed District since each: (1) is at least 18 years old; (2) is a resident of the State of Texas; and (3) either owns land subject to taxation within the proposed District, or is a qualified voter within the District.

Developer Qualifications

The information provided states that the developer will be Bastrop Village, Ltd. which includes Mr. Dave Mahn and Mr. Terry Mitchell. Mr. Terry Mitchell will be the project manager of the proposed District, and has extensive experience in single family home development.
Notice

Proper notice of the application was published in the Bastrop Advertiser a newspaper regularly published or circulated in Bastrop County where the district is proposed to be located, on December 23 and 30, 2006, and posted in Bastrop County Courthouse on a bulletin board used for posting legal notices, on December 22, 2006. Accordingly, the notice requirements of 30 TAC Section 293.12 (b) have been satisfied.

B. SPECIAL CONSIDERATIONS

None.

C. CONCLUSIONS

1. Based on Commission policy, compliance with Commission rules, and review of the engineering report and supporting documents, the proposed District is considered feasible, practicable, would be a benefit to the land within the proposed District, and would be necessary as a means to finance utilities and to provide utility service to future customers.

2. Based on a review of the preliminary engineering report, market study, the proposed District funding a portion of water, wastewater, and drainage facilities, a combined projected tax rate of $1.00, proposed District obtaining a 6.0% bond coupon interest rate, and other supporting data, the proposed District is considered feasible under the feasibility limits prescribed by Commission Rule, 30 TAC Section 293.59.

3. The recommendations are made under the authority delegated by the Executive Director of the Texas Commission on Environmental Quality.

D. RECOMMENDATIONS

1. Grant the petition for creation of West Bastrop Village Municipal Utility District of Bastrop County.

2. The order granting the petition should include the following statements:

"This order shall in no event be construed as an approval of any proposed agreements or of any particular items in any documents provided in support of the petition for creation, nor as a commitment or requirement of the Commission in the future to approve or disapprove any particular items or agreements in future applications submitted by the District for Commission consideration."

"This order shall not constitute approval or recognition of the validity of any provision in the City of
Michael D. Cowan, Division Director, Water Supply Division
April 12, 2007
Page 4

Bastrop creation consent Resolution No. R-2006-24, effective August 22, 2006, and any other ordinance/resolution incorporated therein by reference to the extent that such provisions exceed the authority granted to the City of Bastrop by the laws of the State of Texas."

3. Appoint the following persons to serve as temporary directors until permanent directors are elected and qualified:

   Jeanmarie Ficken          Lynn Frank          Kalinda Howe
   Julie Huls                Mike Schoenfeld, Jr.

E. FEASIBILITY OF PROJECT

Market Study

A market study, prepared by Capitol Market Research, Inc., has been submitted in support of the creation of the proposed District. The market study indicates the proposed District will contain 1,100 single-family homes ranging in value from $115,000 to $200,000 per unit on 35 to 60-foot lots, and are expected to be absorbed at a rate of approximately 120 to 125 units per year. Absorption is expected to begin in June 2007.

Project Financing

The estimated total assessed valuation of the proposed District at completion is as follows:

<table>
<thead>
<tr>
<th>Units</th>
<th>Number of Units Planned</th>
<th>Average Unit Value</th>
<th>Total Value at Build-out</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,095</td>
<td>Single Family Homes</td>
<td>$165,753</td>
<td>$181,500,000</td>
</tr>
</tbody>
</table>

Total Assessed Value: $181,500,000

Considering an estimated bond issue requirement of $44,830,000 (assuming 70% financing), a coupon bond interest rate of 6.0%, and a 25-year bond life, the average annual debt service requirement would be approximately $3,506,904. Assuming a 95% collection rate and an ultimate assessed valuation of $181,500,000, a tax rate of approximately $2.03 per $100 assessed valuation would be necessary to meet the annual debt service requirements.

However, a preliminary cash flow analysis was provided showing the issuance of $20,300,000 in bonds, an estimated interest rate of 6.0%, a tax collection rate of 95%, an ultimate assessed valuation of $181,500,000, and a tax rate of approximately $0.95 per $100 to meet the annual debt service requirement. Application material projects a $0.05 per $100 assessed value operation and maintenance tax. The application recognizes that the developer will need to contribute additional amounts (above the standard 30%) toward facilities costs to keep the tax rate within required limits.
The total year 2005 overlapping tax rates on land within the proposed District are shown in the following table:

<table>
<thead>
<tr>
<th>Taxing Jurisdiction</th>
<th>Tax per $100 valuation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bastrop County General Fund</td>
<td>$0.5153</td>
</tr>
<tr>
<td>Bastrop County Road District</td>
<td>$0.1230</td>
</tr>
<tr>
<td>Bastrop ISD</td>
<td>$1.7280</td>
</tr>
<tr>
<td>Proposed West Bastrop Village MUD</td>
<td>$1.0000</td>
</tr>
</tbody>
</table>

**Total tax per $100 valuation** $3.3663

Based on the proposed District tax rate and the year 2005 overlapping tax rate on land within the proposed District, the project is considered economically feasible.

**Water and Wastewater Rates**

According to information provided, the following single-family water and wastewater rates are anticipated:

- **Water:**
  - Monthly charge: $19.95
  - 0 - 10,000 gallons: $2.95 per 1,000 gallons

- **Wastewater:**
  - Monthly Charge (0 – 3,000 gallons): $14.58
  - 3,000 - 5,000 gallons: $1.32 per 1,000 gallons
  - 5,001 - 10,000 gallons: $1.49 per 1,000 gallons

Based on the above rates, the estimated monthly fee for 10,000 gallons of water and wastewater would be $74.12.

**Comparative Water District Tax Rates**

An overlapping tax rate of $3.37 for the proposed District is on the high end compared to other districts in the area. Based on the requirements of Commission Rule 293.59, this project is economically feasible.
Michael D. Cowan, Division Director, Water Supply Division
April 12, 2007
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F. PURPOSE

Land Use

The land use for the proposed District is projected in the following table:

<table>
<thead>
<tr>
<th>Development</th>
<th>Acres</th>
<th>ESFCs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single-Family Residential</td>
<td>233.73</td>
<td>955</td>
</tr>
<tr>
<td>Condo/Townhome</td>
<td>14.12</td>
<td>140</td>
</tr>
<tr>
<td>Commercial/Retail/Office</td>
<td>3.03</td>
<td>25</td>
</tr>
<tr>
<td>Amenity Center</td>
<td>1.42</td>
<td>16</td>
</tr>
<tr>
<td>School</td>
<td>13.61</td>
<td>35</td>
</tr>
<tr>
<td>Fire Station</td>
<td>2.60</td>
<td>10</td>
</tr>
<tr>
<td>Open Space</td>
<td>51.64</td>
<td>0</td>
</tr>
<tr>
<td>Detention Pond</td>
<td>7.88</td>
<td>0</td>
</tr>
<tr>
<td>Floodplain</td>
<td>19.87</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>347.90</strong></td>
<td><strong>1,181</strong></td>
</tr>
</tbody>
</table>

Availability of Comparable Service

The creation engineering report indicates the proposed District is entirely within the Certificate of Convenience and Necessity ("CCN") of Aqua Water Supply Corporation ("Aqua"). The proposed District is negotiating with Aqua to obtain its water supply. The proposed District is also planning to negotiate wastewater treatment services from the City of Bastrop. No other water supply or wastewater treatment services are available in the area. All water, wastewater, and drainage projects will be designed and constructed in accordance with criteria of the City of Bastrop, Bastrop County, Aqua and the TCEQ.

Water Supply and Distribution Improvements

**The proposed District intends on receiving water from and being a wholesale customer of Aqua.** The proposed District will pay impact fees to Aqua, and plans to fund storage and pump station improvements. The proposed District will construct and own its water distribution system. The water distribution system at full development is anticipated to consist of a network of arterial and connecting loop mains, including 51,975 linear feet ("LF") of 8 – 12-inch pipe.

Wastewater Collection and Treatment Improvements

The proposed District is located within the ETJ of the City and plans to obtain wastewater treatment from the City. The proposed District will pay impact fees to the City. Wastewater will be collected in a gravity system to pump stations where it will be pumped into an off-site gravity line to the City’s
wastewater treatment plant. The internal wastewater collection system will consist of 46,980 LF of 6-12-inch pipe.

Drainage Improvements

The storm drainage within the proposed District will consist of curb inlets, and 38,270 LF of storm sewer lines with pipe diameters ranging from 18 inches to 60 inches. The proposed drainage system will convey flows to detention ponds, before discharging into Cedar Creek and eventually into the Colorado River.

G. DESCRIPTION AND IMPACT ON NATURAL RESOURCES

The preliminary engineering report includes the following findings:

Topography

The area within the proposed District is relatively flat. The land elevation ranges from approximately 400 feet mean sea level (msl) to 475 feet msl. The developer has no plans to significantly alter the topography of the land in the proposed District.

Floodplain

Federal Emergency Management Agency (FEMA) Flood Insurance Rate Map (FIRM) Map Number 48021C0335E, dated January 19, 2006, indicates approximately 19.87 acres of land in the proposed District lies within the 100-year flood plain. All of this area will be designated as open space or detention sites.

Land Elevation

The development planned for the proposed District is not expected to significantly alter land elevations. Some portions of the land will be lowered for detention and drainage, and some portions will be raised to provide for effective drainage.

Subsidence

The proposed District plans to obtain its water supply from Aqua. Aqua's current source is wells located in the Carrizo-Wilcox Aquifer. The Lost Pines Underground Water District permits wells in Bastrop County. There are no significant issues with subsidence in the area and the proposed District is expected to have negligible effect on subsidence.
Groundwater Levels

The proposed District water supply will be obtained from Aqua. Aqua’s main source of water is from wells located in the Carrizo-Wilcox aquifer, which has a substantial amount of water to serve the area. Therefore, the proposed District should have little to no effect on groundwater levels.

Groundwater Recharge

The proposed District is within the outcrop zone of the Carrizo-Wilcox aquifer. However, compared to the overall size of the recharge zone, the proposed District is not expected to significantly affect recharge capability of the aquifer.

Natural Run-off and Drainage

The surface drainage will flow into the tributaries of Cedar Creek, which is a tributary of the Colorado River. Detention storage will mitigate the impact of development on downstream landowners. Therefore, there should be minimal effects on downstream runoff rates.

Water Quality

The proposed District should be minimal effect on the water quality.

H. SUMMARY OF COSTS

<table>
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<tr>
<th>Construction Costs</th>
<th>Total Cost</th>
<th>District Cost(1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Developer Contribution Items</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Water Distribution System</td>
<td>$6,367,500</td>
<td>$4,457,250</td>
</tr>
<tr>
<td>2. Wastewater Collection</td>
<td>9,444,000</td>
<td>6,610,800</td>
</tr>
<tr>
<td>3. Storm Drainage System</td>
<td>4,564,000</td>
<td>3,194,800</td>
</tr>
<tr>
<td>4. Detention Ponds</td>
<td>2,352,550</td>
<td>1,646,785</td>
</tr>
<tr>
<td>5. Excavation</td>
<td>604,430</td>
<td>423,101</td>
</tr>
<tr>
<td>6. 404 Permitting &amp; Mitigation</td>
<td>1,750,000</td>
<td>1,225,000</td>
</tr>
<tr>
<td>7. Contingency (23% of items 1-6)</td>
<td>5,768,970</td>
<td>4,038,279</td>
</tr>
<tr>
<td>8. Engineering (15% of items 1-6)</td>
<td>3,762,372</td>
<td>2,633,660</td>
</tr>
<tr>
<td><strong>Total Developer Contribution Items</strong></td>
<td><strong>$34,613,822</strong></td>
<td><strong>$24,229,675</strong></td>
</tr>
</tbody>
</table>

| B. District Items | | |
| 1. Water Connection Fees | | $2,800,000 |
| 2. Wastewater Connection Fees | | 2,500,000 |
| 3. Off-site Water Storage Facilities | | 472,400 |
| 4. Water Pump Station | | 400,000 |
| 5. Off-site Wastewater Improvements | | 450,000 |
| 6. Contingency (23% of items 3-5) | | 304,152 |
7. Engineering, Surveying & Permitting (15% of items 3-5) 198,360
8. Land Costs 80,000

**Total District Items**

$7,204,912

**Total Construction Costs (70.1% of BIR)**

$31,434,587

**Non-Construction Costs**

A. Legal Fees (3.0%) $1,344,900
B. Fiscal Fees (2.0%) 896,600
C. Interest Costs
   1. Capitalized Interest (2 years @ 6.0%) 5,379,600
   2. Developer Interest (2 years @ 6.0%) 3,772,150
D. Bond Discount (3.0%) 1,344,900
E. Operating Costs 150,358
F. Creation Costs 100,000
G. Bond Application Report 250,000
H. Attorney General’s Fee (0.1% of BIR) 44,830
I. TCEQ Bond Issuance Fee (0.25%) 112,075

**Total Non-Construction Costs (30.0% BIR)**

$13,395,413

**Total Bond Issue Requirement**

$44,830,000

**Proposed Eligible Bond Issue Requirement**

$20,300,000

Note: (1) Consider that the District pays 70% and the developer contributes 30%.

Eligibility of costs and 30% developer contribution requirements will be determined in accordance with Commission rules in effect at the time bond applications are reviewed.

### I. ADDITIONAL INFORMATION

The petitioner's professional representatives are as follows:

Attorney: Ms. Sue Brooks Littlefield – Armbrust & Brown L.L.P.
Engineer: Mr. Sam W. Jones, P.E – Sam Jones Consulting, Inc.
Market Analyst: Mr. Charles H. Heimsath - Capitol Market Research

Greg Charles
Districts Review Team
EXHIBIT B

WHOLESALE WATER SERVICE AGREEMENT

BETWEEN

AQUA WATER SUPPLY CORPORATION

AND

CITY OF BASTROP
WHOLESALE WATER SERVICE AGREEMENT

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<td>30</td>
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<td>10.2</td>
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<td>Termination for Continued or Multiple Force Majeure</td>
<td>32</td>
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<td>10.5</td>
<td>Effective Date of Termination for Continued or Multiple Force Majeure</td>
<td>32</td>
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<td>XI.</td>
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<td>33</td>
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EXHIBITS

Exhibit A – Aqua WSC’s Retail Water CCN Service Area as of Effective Date

Exhibit B – Aqua WSC’s Terms and Conditions for Wholesale Service Outside CCN No. 10294

Exhibit C – Description(s), Map(s) of Point(s) of Delivery, and Technical Information for Point(s) of Delivery

Exhibit D – Map of Aqua WSC’s Retail Water CCN Service Area, City of Bastrop’s Retail Wastewater CCN Service Area, and Areas of Overlap between Both CCN Service Areas

Exhibit E – City of Bastrop Water CCN Service Area as of Effective Date

Exhibit F – City of Bastrop Wastewater CCN Service Area as of Effective Date

Exhibit G – Resolution of the Aqua WSC Board of Directors

Exhibit H – Aqua WSC’s Water Rationing Plan
WHOLESALE WATER SERVICE AGREEMENT

THIS WHOLESALE WATER SERVICE AGREEMENT is made and entered into by and between Aqua Water Supply Corporation (hereinafter called "Aqua"), a non-profit water supply corporation operating under Texas Water Code Chapter 67 in Bastrop, Caldwell, Williamson, Lee, Fayette, and Travis Counties, Texas, and the City of Bastrop (hereinafter called "Purchaser"), a home rule city, body politic of the State of Texas, and retail public utility. This Agreement is effective on the date of the last to execute below, (the "Effective Date").

WITNESSETH:

WHEREAS, Bastrop County is experiencing substantial economic and population growth and the growth will continue for the decades to come; and

WHEREAS, Aqua and Purchaser are both integral parts of the past, present, and future of Bastrop County; and

WHEREAS, Aqua and Purchaser strongly agree that the two entities must work together both now and in the future to not only address the growth and water needs that Bastrop County is experiencing but to enable Bastrop County to meet its full potential as a great place to work and live; and

WHEREAS, Aqua and Purchaser believe this Agreement is crucial to making certain the Purchaser has the water the area needs to grow; and

WHEREAS, Aqua holds retail water Certificate of Convenience and Necessity ("CCN") No. 10294, issued by the Texas Commission on Environmental Quality, ("TCEQ") or its predecessors or successors in interest, identified as Exhibit "A" and made a part hereto; and
WHEREAS, Purchaser holds retail water CCN No. 11198, issued by the TCEQ or its predecessors or successors in interest, which is adjacent to Aqua’s retail water CCN and identified as Exhibit “E”; and

WHEREAS, Purchaser holds retail wastewater CCN No. 20466, issued by the TCEQ or its predecessors or successors in interest, identified as Exhibit “F”; and

WHEREAS, on September 1, 2014, the Public Utility Commission (“PUC”) took over regulation of water utility rates and services including wholesale water rate appeals and the issuance of water and wastewater CCNs; and

WHEREAS, Purchaser desires to contract with Aqua for the purchase of wholesale water service (“Wholesale Service”) to be provided by Aqua; and

WHEREAS, Aqua’s Terms and Conditions, attached hereto as Exhibit “B” and which may be amended from time to time, set forth the minimum conditions under which it will agree to provide Wholesale Service to Purchaser; and

WHEREAS, Purchaser shall submit an application to Aqua for Wholesale Service under the provisions of Aqua’s Terms and Conditions for each Point of Delivery and area of service from Aqua; and

WHEREAS, Aqua has determined that Aqua has sufficient water supplies available to enable it to contract with Purchaser for Wholesale Service, and has documented such findings with a Resolution adopted by its Board of Directors, attached hereto as Exhibit “G”; and

WHEREAS, Aqua and Purchaser wish to enter into an agreement whereby Aqua will provide Wholesale Service to Purchaser at rates that are generally applicable and uniformly applied to similarly situated purchasers; and
WHEREAS, Aqua and Purchaser wish to enter into an agreement that may be amended from time to time to include additional locations where Purchaser will receive Wholesale Service from Aqua upon the subsequent written request by Purchaser for additional Wholesale Service under this Agreement, and only in such areas where Aqua’s retail water CCN service area and Purchaser’s retail wastewater CCN service area overlap, as further detailed in the map attached hereto as Exhibit “D”; and

WHEREAS, Purchaser intends to take water purchased from Aqua pursuant to this Agreement at the locations as specified in Exhibit “C” and which may be amended from time to time as such locations may change and/or water is used by Purchaser at additional locations; and

WHEREAS, the Wholesale Service to be provided by Aqua hereunder and purchased by Purchaser is for a public purpose and not for the benefit of any private entity; and

WHEREAS, the provision of Wholesale Service to Purchaser by Aqua will further the public purpose of regionalization of water supplies;

NOW THEREFORE, in consideration of the foregoing and the mutual agreements hereinafter set forth, and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, Aqua agrees to furnish and Purchaser agrees to pay for Wholesale Service upon the Terms and Conditions and for the consideration set forth herein.

ARTICLE I. DEFINITIONS AND CONSTRUCTION OF AGREEMENT

1.1 Defined Terms. Capitalized terms used in this Agreement and in any exhibit or attachment that is made a part of this Agreement, and not otherwise defined herein, shall have the meanings contained in Aqua’s Terms and Conditions. The following additional terms shall have the meanings set forth herein:
(a) "Agreement" means this contract or agreement between the Parties, otherwise known as the Wholesale Service Agreement and any written amendments thereto.

(b) "Annual Daily Average" means the total amount of water taken by Purchaser in the prior Water Year, divided by 365.

(c) "Aqua Indemnified Party" means Aqua, its officials, employees, contractors, agents and representatives.

(d) "Business Day" means any Day other than Saturdays, Sundays, and Days on which banks in the Service Area of Aqua are required or permitted to be closed for all or part of their customary hours of operation.

(e) "CCN" means a certificate of convenience and necessity granted by the Texas Commission on Environmental Quality or its predecessor or successor agency, or the Public Utility Commission under the provisions of the Texas Water Code.

(f) "Claim" means any claim, action, cause of action, suit or proceeding before any Governmental Authority or arbitral tribunal.

(g) "Commencement Date" means the date that Aqua begins providing Wholesale Service to Purchaser at the Point of Delivery.

(h) "Day" and "Days" mean and refer to calendar day(s), unless otherwise specified herein.

(i) "Effective Date" means the date set forth above on which this Agreement becomes effective.

(j) "Event of Default" means an event by which a Party is in default of this Agreement.
(k) “Force Majeure” means, and shall be limited to, any event or circumstance that is beyond the reasonable control of, without the fault or negligence of, and should not, in the exercise of reasonable caution, have been foreseen and avoided or mitigated by, the Party asserting Force Majeure (the “Affected Party”), and which delays or prevents the Affected Party from timely performing any obligation hereunder, including, without limitation: (i) acts of God, earthquakes, fire, storms, unprecedented droughts that render Aqua unable to provide water to its members and purchasers, floods, lightning, hurricanes, tornadoes, and severe snow storms; (ii) explosions, wars, civil insurrections, acts of the public enemy, acts of civil or military authority, sabotage, and terrorism; (iii) strikes, lockouts or other labor disputes with respect to which the Affected Party has not been determined by the National Labor Relations Board to have engaged in any unfair labor practices; and (iv) any change in any Requirement of Law or the interpretation thereof by a responsible Governmental Authority that shall in any circumstances impact a Party’s ability to perform its obligations of the Agreement; provided, a “Force Majeure” shall not include economic conditions that render a Party’s performance of this Agreement unprofitable or otherwise uneconomic, or the inability of a Party to make payment when due under this Agreement, unless the cause of such inability is an event that physically prevents payment and that would otherwise constitute Force Majeure as described above.

(l) “Forced Outage” means a shut-down by Aqua in the operation of all or a portion of Aqua’s System, such that no water is delivered to Purchaser’s Point of Delivery: (i) which shut-down is, in the reasonable opinion of Aqua, necessary or required to protect persons or property (including the System) from contamination or releases that could reasonably result in harm, injury, or material damage; and (ii) with respect to which Aqua has notified Purchaser in accordance with Section 3.2.
(m) "Governmental Authority" means and includes any federal, state, local or other governmental body, including but not limited to the Lost Pines Groundwater Conservation District, the Gonzales County Underground Water Conservation District, the Fayette County Underground Water Conservation District, any governmental or quasi-governmental, regulatory or administrative agency, commission, body, or other authority exercising or entitled to exercise any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power; or any court or other governmental tribunal.

(n) "Loss(es)" means and includes any loss, cost, expense, Claim, demand, damage, fine, liability, obligation or penalty (including court costs and reasonable attorney's fees and expenses) to the extent allowed by law.

(o) "Master Meter(s)" means the necessary metering equipment, including a meter house or pit, and any other required devices of standard type, for properly measuring the quantity and delivery rate of water delivered by Aqua to Purchaser at the Point(s) of Delivery.

(p) "Maximum Daily Delivery Rate" means the maximum rate at which Aqua is obligated to deliver water to Purchaser in one twenty-four (24) hour period.

(q) "Maximum Instantaneous Delivery Rate" means the Maximum Daily Delivery Rate expressed in gallons per minute. For example, a Maximum Daily Delivery Rate of 1 MGD is equivalent to a Maximum Instantaneous Delivery Rate of 694.4 gallons per minute.

(r) "MGD" means millions of gallons per day.

(s) "New Rate Billing Cycle" means the second billing cycle after the New Rate Effective Date.

(t) "Party" or "Parties" means Purchaser, Aqua, and their respective successors or/and assigns.
(u) "Permit" means any permit, order, license, declaration, consent, waiver, approval, registration, or filing with or other requirement of any Governmental Authority.

(v) "Planned Outage" means a shut-down by Aqua in the operations of Aqua's System, such that no water is delivered to the Point(s) of Delivery: (i) which shut-down is scheduled by Aqua in order to carry out foreseeable preventive, corrective, and other maintenance activities on such System or which may be required by any Governmental Authority; (ii) for which Aqua has notified Purchaser in accordance with Section 3.1; (iii) which occurs no more than two (2) times in one (1) calendar year; and (iv) lasts for no more than three (3) Days unless another time period is mutually agreed-to in writing by both Parties.

(w) "Point(s) of Delivery" means one or more point(s) designated and approved under this Agreement at which Purchaser may withdraw water from Aqua’s System for distribution as more particularly described in Article VI and in Exhibit “C”.

(x) "Prevailing Pressure" means the pressure of Aqua’s System at the Point(s) of Delivery as specifically provided in pounds per square inch (psi) for each Point of Delivery in Exhibit “C”.

(y) "Purchaser Indemnified Party" means Purchaser, its officials, employees, contractors, agents, and representatives.

(z) "Rate" or "Rates" means the price to be paid by Purchaser to Aqua for the purchase and delivery of water to Purchaser's Point(s) of Delivery under this Agreement, which Rate shall be based on Aqua’s then current Terms and Conditions.

(aa) "Rate Effective Date" means the date on which Aqua adopts new Rates.

(bb) "Requirement of Law" means any statute, ordinance, code, rule or regulation, tariff or policy, and judicial or administrative order, request or judgment, any common law
doctrine or theory, any provision or condition of any Permit, or any other binding determination of any Governmental Authority.

(cc) "Service Area" means the area contained within Aqua's CCN or Purchaser's CCN, as appropriate, as may be amended from time to time.

(dd) "System" means collectively all of Aqua's production, distribution, and transmission facilities, including, without limitation, wells, ground storage reservoirs, pump stations, elevated storage tanks, water transmission and distribution lines connecting any of the aforementioned facilities, and other properties or interest therein wherever located for the production, distribution, and transmission of water, which heretofore have been acquired or constructed by Aqua, together with all future improvements, enlargements, extensions and additions to any of the foregoing, and all the future new facilities that are required or constructed by Aqua, and all repairs to, or replacement of, the System.

(ee) "Tariff" means the Water Supply Corporation Tariff for Aqua, as approved by Aqua's Board of Directors, and as may be amended or revised from time to time.

(ff) "TCEQ" or "Commission" means the Texas Commission on Environmental Quality, and its successor agencies.

(gg) "Terms and Conditions for Wholesale Service Outside CCN No. 10294" or "Terms and Conditions" shall mean the Aqua Water Supply Corporation Terms and Conditions for Wholesale Service Outside CCN No. 10294, as adopted by the Aqua Board of Directors, and as may be amended from time to time by Aqua.

(hh) "Water Year" means a calendar Year.

(ii) "Year" and "Years" mean and refer to calendar year(s).
1.2 Rules of Construction.

(a) Unless the context otherwise clearly requires:

(i) references to the plural include the singular, and references to the singular include the plural;

(ii) references to the masculine, feminine or neuter include all such forms;

(iii) the words “include,” “includes,” and “including” do not limit the preceding terms or words and shall be deemed to be followed by the words “without limitation”;

(iv) the terms “hereof,” “herein,” “hereunder,” “hereeto,” and similar terms refer to the entire agreement in which they appear and not to any particular provision of such agreement; and

(v) “or” is used in the inclusive sense of “and/or.”

(b) Unless otherwise specified, any reference to any document, instrument or agreement:

(i) includes and incorporates all exhibits, schedules and other attachments thereto;

(ii) includes and incorporates all documents, instruments or agreements issued or executed in connection therewith or in replacement thereof; and

(iii) means such document, instrument or agreement, or replacement or predecessor thereto, as amended, modified or supplemented from time to time in accordance with its terms and in effect at any given time.

(c) Unless otherwise specified, all references to articles, sections, schedules and exhibits are references to the Articles, Sections, Schedules and Exhibits of this Agreement.
1.3 Recitals. All recitals of the Preamble are incorporated and made a part of this Agreement.

1.4 Captions. All titles of sections of this Agreement have been inserted for reference only and shall in no way affect the interpretation of this Agreement.

ARTICLE II.
PROVISION OF WATER

2.1 Agreement to Sell and Purchase.

(a) Subject to all the terms and conditions set forth in this Agreement, and Exhibit “B” - Aqua’s Terms and Conditions for Wholesale Service Outside CCN No. 10294, Aqua agrees to sell and the Purchaser agrees to buy water on a wholesale basis. The water shall be provided at the Point(s) of Delivery for Purchaser’s own use and for distribution to customers served by Purchaser’s water distribution system within Purchaser’s certificated Service Area.

(b) The Wholesale Service provided hereunder is partial requirements only. Purchaser shall, at all times during the term of this Agreement, maintain at least one (1) other source of supply of water. Purchaser’s failure to comply with this provision shall be an Event of Default of a material obligation under the provisions of Article X hereof.

(c) All sales of water from Aqua to Purchaser under this Agreement are subject to any applicable rules of the Lost Pines Groundwater Conservation District. No sales shall take place without any required approval by Lost Pines Groundwater Conservation District.

(d) Unless waived in writing by Aqua, Purchaser shall be required to submit requests for feasibility studies for all Point(s) of Delivery and pay all fees required by Aqua for such studies.
2.2 Quantity of Water to be Delivered. The Maximum Daily Delivery Rate of water to be treated and delivered under this Agreement to any Point(s) of Delivery in any Water Year shall be specifically provided in Exhibit “C” for each Point of Delivery in gallons per minute (GPM).

2.3 Rate of Delivery and Pressure.

(a) Aqua shall deliver water to the Point(s) of Delivery at the Maximum Daily Delivery Rate. Aqua shall install devices to insure compliance with this section, and may restrict deliveries to Purchaser to the Maximum Instantaneous Delivery Rate when appropriate.

(b) Water will be furnished at the Prevailing Pressure of Aqua’s System at the Point(s) of Delivery. Emergency failure of pressure or supply shall excuse Aqua from this provision for such reasonable period of time as may be necessary to restore service.

(c) Aqua’s responsibility and liability for the water being delivered to Purchaser shall cease after said water passes through the Master Meter(s) at the Point(s) of Delivery and enters Purchaser’s system.

(d) Aqua is under no obligation to increase the capacity of its System to satisfy any of the provisions of the Agreement, except as otherwise expressly stated herein.

2.4 Responsibilities of Purchaser and Aqua.

(a) Purchaser is solely responsible for meeting its minimum production, storage, service pump, and pressure maintenance requirements, and any other requirements imposed on Purchaser under Title 30 Texas Administrative Code, Chapters 290 and 291, and any other regulatory requirements. Aqua shall bear no such responsibility to Purchaser or any of Purchaser’s customers.

(b) With the exception of a backflow prevention device specified in Section 2.7, the Master Meter(s) specified in Section 5.1 and any feasibility study related to the provision of
Wholesale Service under this Agreement, Purchaser and Aqua agree to evenly split on a fifty percent / fifty percent (50%/50%) basis all costs associated with each Point of Delivery with the planning, siting, development, design, engineering, procurement, construction and testing of all pipes, interconnects, pumps, mains, trunk lines, junctions, extensions, and other infrastructure, equipment, improvements and facilities, and all easements and right-of-way acquisitions required for Purchaser to connect to Aqua's System at the Point(s) of Delivery described herein to receive the Wholesale Service to be furnished by Aqua under this Agreement or any subsequent amendments hereto. Within ninety (90) Days of the Purchaser receiving the Preliminary Cost Summary ("PCS") from Aqua regarding a Point of Delivery, Purchaser shall pay the full amount indicated on the PCS to Aqua. After each Point of Delivery project has been completed, the final cost of the project will be reconciled with the payments made by Purchaser. Aqua shall reimburse Purchaser in the amount of fifty percent (50%) of the final cost within ninety (90) Days of completion of the Point of Delivery project.

2.5 Water Quality.

(a) The quality of Water to be supplied and delivered by Aqua at the Point(s) of Delivery shall meet the quality criteria prescribed by federal or state law for public water supply and specifically satisfy the TCEQ Drinking Water Standards Governing Drinking Water Quality and Reporting Requirements for Public Water Systems, 30 Tex. Admin. Code Chapter 290, Subchapter F, as currently in effect or as may be amended or superseded from time to time. The water that Aqua delivers to Purchaser shall be of the same quality of water that Aqua delivers to its retail members. Purchaser has satisfied itself that such water is suitable for its needs.

(b) Purchaser shall protect Purchaser's system from cross-connection and contamination under the specifications required by the health standards of the State of Texas.
Aqua becomes aware of any situation involving Purchaser’s system that could reasonably lead to the contamination of Aqua’s System or could otherwise compromise the integrity of Aqua’s System, Aqua shall immediately notify Purchaser of the situation and request immediate remediation of the situation by Purchaser. If Aqua determines that the seriousness of the situation requires such action, it may immediately, and without prior notice to Purchaser, take such steps to prevent the contamination or compromise of System integrity, including, without limitation, severing connections between Aqua’s System and Purchaser and terminating delivery of water to the extent necessary to remedy the problem. If such conditions or problems persist or recur, then Aqua may, in its sole discretion, require the installation of an air gap between Aqua’s System and Purchaser. The expenses associated with the installation of such air gap shall be the sole responsibility of Purchaser.

2.6 Sale of Water by Purchaser. Purchaser shall not provide retail water utility service using the water taken from Aqua under this Agreement within Aqua’s retail water CCN service area, as identified on Exhibits “A” and “D”, and outside of Purchaser’s retail wastewater CCN service area as indicated in Exhibit “F”, during the Term of this Agreement unless specifically approved in writing by Aqua. Purchaser’s provision of retail water service within the area identified on Exhibit “A” as Aqua’s retail water CCN service area and not within Purchaser’s retail wastewater CCN service area identified as Exhibit “F” shall be considered an Event of Default pursuant to Article X hereof.

2.7 Separation of Systems. A device purchased by Purchaser and approved by Aqua to prevent flow reversal shall be maintained between Aqua’s System and Purchaser’s system at the Point(s) of Delivery.
2.8 CCN Amendment Application. Purchaser shall submit an application for service to any Point(s) of Delivery and provide Aqua with documentation that identifies the area to be served by Purchaser with the water purchased from Aqua. After approval of the application by Aqua, Aqua shall prepare, file and pursue approval of an application with the PUC to amend Aqua’s retail water CCN to exclude the area identified by Purchaser in its application for service. Purchaser shall pay the full cost to Aqua to prepare, file, and pursue the approval of the CCN amendment application at the PUC.

ARTICLE III.
MAINTENANCE AND CURTAILMENT

3.1 Planned Outages. By December 1 of any Calendar Year during the Contract term, Aqua shall provide notice to Purchaser of the number and duration of any Planned Outages to be conducted by Aqua during the subsequent Calendar Year that may affect delivery of water to Purchaser. Provided, however, that Aqua shall not schedule more than two (2) such Planned Outages in any given Calendar Year. To the extent reasonably possible, Aqua shall coordinate the timing of any Planned Outage with Purchaser and shall cooperate with Purchaser to minimize the impact of any Planned Outage on the operation and maintenance of Purchaser’s system.

3.2 Forced Outages. When a Forced Outage occurs, curtailing the flow of water to the Point(s) of Delivery, Aqua shall notify Purchaser of the existence, nature, and expected duration of the Forced Outage as soon as practical. Aqua shall use its best efforts to ensure that any interruption in the delivery of water to the Point(s) of Delivery due to a Forced Outage shall continue only for so long as reasonably necessary. Aqua shall immediately inform Purchaser of any changes in the nature and expected duration of such Forced Outage.
3.3 Curtailment.

(a) If water supplies or services are curtailed to Aqua's retail members, or if water conservation measures are mandated by a Governmental Authority, Aqua shall impose a like curtailment on deliveries or water conservation measures on Purchaser as provided in Texas Water Code § 11.039. The curtailment Aqua imposes on Purchaser shall be equal in duration to the curtailment imposed on Aqua's retail members.

(b) Aqua will notify Purchaser of the quantity by which Purchaser will reduce its daily take from Aqua, as well as the duration of the requirement that the take be reduced. Purchaser shall cooperate by imposing conservation measures upon its customers.

(c) The reduction to Purchaser's daily take under this Section shall be calculated as follows: (i) determine the total volume of water taken by Purchaser in the same month of the previous calendar year; (ii) divide this monthly volume by the number of days in the month to arrive at an average take per day of that month; (iii) apply the reduction percentage to the average take per day of that month. For example, if it becomes necessary for Aqua to impose a 5% reduction in Purchaser's daily take starting on August 15, 2018, Aqua will determine, based on meter data, the amount of water purchased by Purchaser in August 2017, and divide that number by thirty-one (31) (the number of days in August). The product of that calculation times 5% will be the amount, in gallons, that Purchaser must reduce its daily take until further notice from Aqua. If it becomes necessary for Aqua to impose a curtailment in the year immediately following the Effective Date, Aqua shall use a 5% reduction of the average gallon per person per day amount of 182 gallons for Purchaser in place of the calculation provided above in this section.
3.4 Conservation Measures.

(a) Aqua has in place a Water Rationing Plan in its Tariff as identified as Exhibit “H”. Purchaser is required to abide by the Water Rationing Plan in accordance with Aqua’s Tariff and Aqua’s Terms and Conditions, and is subject to the penalty provisions therein.

(b) Before taking water from Aqua, Purchaser shall either adopt or amend, then enforce water conservation and drought contingency plans that specifically references Aqua’s Water Rationing Plan, and that:

(i) comply with Title 30 Texas Administrative Code, Chapter 288;

(ii) will conserve the same or a greater amount of water as under the plans implemented by Aqua, and

(iii) are approved by TCEQ and provided to Aqua.

Such water conservation and/or drought contingency plans shall be applicable to water taken by Purchaser from Aqua. Purchaser shall submit to Aqua a copy of Purchaser’s water conservation and/or drought contingency plans as originally adopted and as updated from time to time during the term of this Agreement.

3.5 Emergency Notification. Aqua shall notify Purchaser as promptly as possible of all emergency and other conditions of which it becomes aware that may directly or indirectly affect the quality or quantity of the water provided by Aqua, and to provide Purchaser a copy, upon receipt, of all notices received from state or federal agencies or departments having jurisdiction over the installation and operation of public water systems.

3.6 No Statutory Violation for Curtailment. The Parties agree that curtailment of the provision of services under this Agreement is not a violation of the anti-curtailment provision of the Consolidated Farm and Rural Development Act, 7 U.S.C. § 1926(b). If Aqua curtails the
delivery of water under this Agreement it shall not incur any liability under the provisions of this statute.

ARTICLE IV.
RATES AND COMPENSATION

4.1 Rates. The Rate for Wholesale Service under this Agreement shall be as provided in Aqua’s Terms and Conditions.

4.2 Adjustment to Rates.

(a) The Rates to be paid by Purchaser for services under this Agreement are subject to adjustment by Aqua for each Water Year. Any adjustment made by Aqua shall remain in effect until the next adjustment of Rates which, except as provided in this Section 4.2 and in Section 4.3, shall occur no earlier than twelve (12) months following the date of the last adjustment to Rates.

(b) In determining the Rates to be set hereunder, Aqua may, but need not, consider, but shall not be limited to considering, all costs incurred by Aqua to build, maintain and operate the System, which shall include but not be limited to: operation and maintenance expenses, debt service requirements along with an adequate amount of insurance coverage as determined by Aqua’s financial policies now and in the future, depreciation expense, contractual obligations, capital improvements, administrative overhead, supplies, personnel services, and other utility services, and all other costs or expenses directly or indirectly related to Aqua’s ability to meet the conditions of this Agreement and determined by Aqua to relate to its performance hereunder.

(c) Aqua shall notify Purchaser of Aqua’s proposed Rate adjustments for the ensuing Water Year at least sixty (60) Days prior to the Rate Effective Date. Thereafter, Purchaser may request additional information from Aqua and provide Aqua with any information Purchaser deems pertinent to the level of the Rates to be established by Aqua. The Rate Effective Date will
be the date on which Aqua's Board of Directors adopts the new Rate. The new Rate will be billed to Purchaser effective on the New Rate Billing Cycle.

(d) Aqua may adjust Rates more often than once every twelve months if, in the sole determination of Aqua, additional revenues are needed for the continued prudent operation of the System or to meet Aqua's obligations, and it would not be prudent to wait the full twelve months for a Rate adjustment. In the event Aqua determines to adjust Rates under this paragraph, it shall provide advance notice to Purchaser of at least sixty (60) Days prior to the implementation of such adjustment.

4.3 Pass-through of Rate Adjustments and Other Costs Imposed by Third Parties. The Rates may be adjusted, at any time, for an amount equivalent to any increased charges for any new or revised Governmental Authority restrictions, impositions, rental fees or charges levied, assessed or imposed on Aqua by any new or amended Governmental Authority law or regulation.

4.4 Books and Records. All books and records upon which such Rate adjustment is based shall be made available to Purchaser at the office of Aqua during the regular business hours of Aqua, upon request by Purchaser.

4.5 Reasonableness of Rates. Purchaser agrees that the Rates initially charged by Aqua and the policies defined in this Agreement are just and reasonable, and do not adversely affect the public interest. The Rates charged by Aqua are subject to modification as provided herein. Purchaser agrees that it is reasonable for Aqua to adjust the Rates periodically as provided herein, including the considerations provided in Section 4.2(b), and understands that any adjustments made in accordance with this Agreement, and the considerations provided in Section 4.2(b) are part of the consideration for this Agreement. Notwithstanding any provision to the
contrary, Purchaser does not waive the right to file and pursue an appeal of any increase in Rates proposed or adopted by Aqua that is not in conformance with the terms of this Agreement.

4.6 Rate Case. If a court, the Public Utility Commission, or any federal or state regulatory authority finds that Aqua’s Rates or policies for services provided under this Agreement are unreasonable or otherwise unenforceable, Aqua has the option to terminate this Agreement without liability to Purchaser, but Aqua shall provide Purchaser at least six (6) months’ notice prior to such termination.

4.7 Pledge of Revenues. Purchaser represents and covenants that all payments to be made by it under this Agreement will be made from the revenues associated with the sale of water purchased from Aqua. Purchaser agrees throughout the term of this Agreement to continuously operate and maintain its water system and to fix and collect such rates and charges for water services to be supplied by its water system as will produce revenues in an amount equal to at least all of its payments under this Agreement.

4.8 Funds on Hand. Purchaser shall use funds on hand to pay Aqua for Wholesale Service provided on a monthly basis.

ARTICLE V.
EQUIPMENT AND OPERATION

5.1 Master Meter(s). Aqua shall furnish and install, or caused to be furnished and installed, operate, and maintain a Master Meter(s) at the Point(s) of Delivery as provided by Aqua’s current specifications and standards. Purchaser shall be responsible for the cost of the Master Meter(s). The Master Meter(s) shall remain the property of Aqua at all times and shall be located on Aqua’s property or on an easement dedicated to Aqua. The amount of water delivered by Aqua through the Point of Delivery to Purchaser shall be determined based upon the data collected at the Master Meter(s) at such location. Purchaser shall install and maintain, and
be responsible for all costs of acquisition, installation, maintenance, and operation of, a Supervisory Control and Data Acquisition ("SCADA") system at the Master Meter(s) to enable the Master Meter(s) to communicate with Aqua’s System.

5.2 Access to Master Meter(s). Purchaser may have access to the Master Meter(s) only upon approval by Aqua and only for the purpose of verifying its readings. Such approval shall not be unreasonably withheld or delayed, so long as Purchaser provides Aqua with a written request at least forty-eight (48) hours before such access would occur. At no time shall Purchaser be permitted to tamper with, alter, or otherwise adjust any meter or appurtenances at the Point(s) of Delivery or any other component of Aqua’s System. If the Master Meter(s) is located within an area of restricted access, Purchaser shall ensure that Aqua has access at all times.

5.3 Reading of Meter. On a monthly basis, Aqua shall be responsible for reading the meter(s) at the Point(s) of Delivery and submitting an invoice to Purchaser for the quantity of water provided. Aqua shall keep accurate records of all measurements of water required under this Agreement. Upon reasonable request and notice, Purchaser or its agents may have access to the records maintained by Aqua of meter readings associated with the Point(s) of Delivery.

5.4 Regular Testing of Master Meter(s). It shall be the duty of each of the Parties to notify the other Party in the event that the Master Meter(s) is not registering accurately or is malfunctioning, so that the meter can be promptly repaired. Aqua shall test the Master Meter(s) for accuracy at least once each twelve (12) month period, and more often as deemed necessary by Aqua to ensure its accuracy. Aqua shall provide Purchaser with five (5) Business Days’ notice of its intent to perform the annual test of the Master Meter(s), and Purchaser shall have the right to be present when such testing is conducted. In the event the percentage of accuracy of the Master Meter(s) is found to be within the tolerance of one and one-half percent (1.5%) after any
test, such Master Meter(s) shall be deemed to have correctly measured the quantity of water taken under this Agreement. If, however, upon any test of the percentage of accuracy tolerance, such tolerance is found to be in excess of one and one-half percent (1.5%), then such Master Meter(s) shall be adjusted at once to register correctly and accurately, and the amount of water delivered to Purchaser shall be corrected in accordance with the percentage of inaccuracies found by such test for a period extending back to the time when such inaccuracy began, if such time is ascertainable. If such time is not ascertainable, then the correction shall account for a period extending back one-half (1/2) of the time elapsed since the last date of calibration, but in no event further back than a period of six (6) months.

5.5 Additional Testing of Master Meter(s). Purchaser shall have the right to request Aqua to test the Master Meter(s) more frequently than once per Year as contemplated by Section 5.4 herein, but no more frequently than once a month. Upon any such request, Aqua agrees to perform its testing and calibration of the Master Meter(s) in the presence of a representative of Purchaser, and the Parties shall jointly observe any adjustments that are made to the Master Meter(s) in case any adjustments shall be necessary. For such additional testing requests, Aqua shall give Purchaser forty-eight (48) hours’ notice of the time when any such testing shall occur. Aqua may proceed with such testing and adjustment, if necessary, in the absence of any representative of Purchaser. Purchaser shall pay the cost of any additional test for a Master Meter if the test shows that such Master Meter is accurate [within one and one-half percent (1.5%) registration], but Aqua shall pay the costs of the additional test for such if the results indicate that such Master Meter is not accurate [in excess of one and one-half percent (1.5%) registration].
5.6 Maintenance of Master Meter(s). Except as provided in Section 5.5 above, all maintenance, testing and/or repairs or replacement of the Master Meter(s) and related appurtenances at the Point(s) of Delivery shall be made by Aqua. Aqua shall provide repairs to the Master Meter(s) in a prompt and timely manner. If Aqua cannot make such repairs in a timely manner, then Purchaser shall have the option of making such repairs at its own expense, subject to the prior approval and post-inspection of the repairs by Aqua.

ARTICLE VI.
POINT(S) OF DELIVERY

6.1 Location of and Cost Responsibility for Point(s) of Delivery. Each Point of Delivery for Water delivered and taken under this Agreement is located as described in Exhibit “C” hereto. Purchaser agrees to be responsible for all costs associated of the acquisition, construction, and installation of each Point(s) of Delivery, any associated metering station(s), and any line extension(s) from Aqua’s existing water infrastructure to the Point(s) of Delivery that are necessary to enable Aqua to deliver water to the Point(s) of Delivery. Aqua shall own any water line extensions that connect Aqua’s water distribution infrastructure to the Point(s) of Delivery and such line extensions shall be part of Aqua’s System. Purchaser shall own any water line extensions that connect Purchaser’s water distribution infrastructure to the Point(s) of Delivery and such line extensions shall be part of Purchaser’s System.

6.2 Relocation of Point(s) of Delivery. The Parties may agree in writing to relocate any Point of Delivery or to add additional Points of Delivery as necessary. Any such relocation and/or each such additional Point(s) of Delivery will be reflected by amendment to this Agreement and to Exhibit “C”.

6.3 Acquisition of Necessary Easements. Aqua will acquire the necessary easements, through either negotiation or eminent domain, if required, and Purchaser will pay the full cost of
acquiring the necessary easements and rights-of-way in which any of Aqua’s System is located, including any such easements as become necessary for any additional Point(s) of Delivery.

ARTICLE VII.
OWNERSHIP OF WATER AND FACILITIES

7.1 Transfer of Ownership. As between the Parties, Aqua shall be: (i) deemed to have exclusive care, custody, and control for all water up to the Point(s) of Delivery; and (ii) responsible for all Losses required to deliver water to the Point(s) of Delivery. Purchaser shall be: (i) deemed to take exclusive care, custody, and control of all water from and after the Point(s) of Delivery; and (ii) responsible for all Losses associated with all water from and after the Point(s) of Delivery.

7.2 No Ownership of Facilities.

(a) Purchaser obtains no ownership, leasing, or management interest in any of Aqua’s System by or through this Agreement or payment of any Rate set forth herein.

(b) Purchaser shall be responsible for maintenance and repairs on all facilities located downstream of the Point(s) of Delivery. Aqua and Purchaser will use all reasonable efforts to prevent waste through line leakages or breaks.

ARTICLE VIII.
BILLING AND PAYMENT

8.1 Meter Readings.

(a) Aqua shall send a bill to Purchaser once per month setting forth the quantity of water delivered to Purchaser as determined by Aqua’s periodic readings of the Master Meter(s) installed at the Point(s) of Delivery. Purchaser shall pay the total amount owed to Aqua by the due date on each bill. Penalties for late payment shall be imposed according to the provisions of Aqua’s Terms and Conditions.
(b) Aqua shall also invoice Purchaser for additional charges, if any, as provided in this Agreement. These invoices shall be due and payable by Purchaser within fifteen (15) Days after receipt.

8.2 Breach for Failure to Timely Pay. Should Purchaser fail to tender payment to Aqua by the due date, the bill shall be considered delinquent, unless contested in good faith as provided herein. In such event, Aqua shall notify Purchaser of such delinquency in writing. If Purchaser fails to make payment of the delinquent billing within thirty (30) Days from the due date, then Aqua may, at its discretion, temporarily terminate service to Purchaser until payment is made. If such delinquency is not cured within thirty (30) Days after temporary termination of service, Purchaser will be in breach of a material term and/or condition of this Agreement and Aqua may terminate this Agreement as provided herein.

8.3 Disputed Bills. If Purchaser in good faith disputes the amount of the bill, Purchaser shall submit such dispute in writing to Aqua no later than thirty (30) Days after receipt of the invoice, and shall timely make the disputed payment or payments. If it is subsequently determined by agreement or court decision that the disputed amount paid by Purchaser should have been less, or more, Aqua shall promptly revise the monthly invoice amount in a manner that Purchaser or Aqua will recover the amount due plus interest, with interest being calculated at an annual rate of five percent (5%).

**ARTICLE IX.**

**FORCE MAJEURE**

9.1 Procedure for Calling Force Majeure.

(a) Notice of Force Majeure. The Affected Party shall give prompt notice to the other Party of any event or circumstance of Force Majeure as soon as reasonably practicable after becoming aware of such event or circumstance. Each notice served by an Affected Party to
the other Party pursuant to this Subsection 9.1(a) shall specify the event or circumstance of Force Majeure in respect of which the Affected Party is claiming relief. Noncompliance by the Affected Party with the procedure specified in this Subsection 9.1(a) shall relieve the other Party from accepting the Affected Party’s claim of Force Majeure until the Affected Party so complies, and the Affected Party shall not be excused from performance of any obligation under this Agreement until it so complies.

(b) Obligations During Pendency of Force Majeure. The Affected Party shall, by reason of any event or circumstance of Force Majeure in respect of which it has claimed relief under Subsection 9.1(a):

(i) use its best efforts to mitigate the effects of such Force Majeure and to remedy any inability to perform its obligations hereunder due to such event or circumstance as promptly as reasonably practicable;

(ii) furnish timely reports to the other Party regarding the progress in overcoming the adverse effects of such event or circumstance of Force Majeure; and

(iii) resume the performance of its obligations under this Agreement as soon as is reasonably practicable after the event or circumstance of Force Majeure is remedied or such event or circumstance, or the effect thereof on the Affected Party, ceases to exist.

(c) Resumption of Performance. When the Affected Party is able, or would have been able if it had complied with its obligations under this Article IX, to resume the performance of any or all of its obligations under this Agreement affected by the occurrence of an event or circumstance of Force Majeure, then the period of Force Majeure relating to such event or circumstance shall be deemed to have ended.
9.2 Effects of Force Majeure.

(a) Relief From Obligation of Performance. Provided it has complied with its obligations under Section 9.1, the Affected Party shall be relieved from any liability for the non-performance of its obligations under this Agreement where and to the extent that such non-performance is attributable directly to the event or circumstance of Force Majeure asserted.

(b) Relief From Obligation of Counterperformance. The non-Affected Party shall not be required to perform or resume performance of its obligations to the Affected Party corresponding to the obligations of the Affected Party excused by reason of Force Majeure.

9.3 Limitations on Force Majeure.

(a) Scope and Duration. No event or circumstance of Force Majeure shall relieve the Affected Party of any obligation that accrued prior to the commencement of such event or circumstance of Force Majeure, and the suspension of the Affected Party’s performance shall be no longer in duration and no greater scope than is required by the event or circumstance of Force Majeure.

(b) No Extension of Term. Except as agreed by the Parties, no suspension, delay or failure of performance caused by a Force Majeure event shall extend this Agreement beyond the Term.

ARTICLE X.
DEFAULT AND TERMINATION

10.1 Event of Default. It shall be an Event of Default by either Party if such Party shall breach any material covenant, obligation, representation, or warranty of such Party under this Agreement, which breach remains uncured for a period of thirty (30) Days after written notice from the non-breaching Party of the existence of such breach; provided, that the non-breaching Party shall extend the cure period for any such breach (and thus no Event of Default shall occur)
if the nature of the default is such that it cannot reasonably be remedied within such thirty (30) Day period, and the breaching Party has diligently commenced corrective action within such thirty (30) Day period and is diligently pursuing such correction thereafter.

10.2 Remedies. If an Event of Default has occurred and is continuing, the non-defaulting Party shall be entitled to the following remedies, which shall be cumulative:

(a) injunctive relief;
(b) specific performance;
(c) the right to cure the other Party’s default;
(d) suspension of delivery of water hereunder;
(e) termination of this Agreement;
(f) any of the remedies afforded in this Agreement; and
(g) any other remedies permitted at law or in equity, including damages.

Provided, that Aqua shall not be responsible in damages for any failure to supply water or for any interruption of the supply of water under this Agreement.

10.3 Aqua Right to Suspend or Terminate. Aqua shall have the right, for its sole convenience and without cause, to terminate or suspend, in whole or in part, Aqua’s performance of any of its duties or obligations under this Agreement, upon sixty (60) Days prior written notice to Purchaser, in the event that:

(a) Aqua, through no fault or negligence of its own, loses any Permit or other authorization from a Governmental Authority that is required by Aqua to perform its obligations under this Agreement; or

(b) Aqua, after due diligence, is unable to obtain any necessary Permit, Permit amendment, or other necessary authorization from a Governmental Authority or is subject to an
action by a Governmental Authority that reduces its permitted quantity of surface water or groundwater that is necessary to perform its respective duties under this Agreement.

10.4 Termination for Continued or Multiple Force Majeure. Either Party shall have the right (but not the obligation) to terminate this Agreement upon seven (7) Days prior written notice to the other Party in the event the suspension of any material obligation of the Affected Party resulting from one or more events of Force Majeure continues for a period of more than three (3) consecutive months or for a period of more than three (3) months in the aggregate during a one (1) year period; provided that the Affected Party shall only be entitled to terminate this Agreement under this Section 10.4 if it has met its obligations under Section 9.1 (Procedures for Calling Force Majeure). The non-affected Party may, but shall not be obligated to, extend either such period for such additional period as it deems appropriate, if the Affected Party is exercising due diligence in its efforts to cure the Force Majeure event.

10.5 Effective Date of Termination for Continued or Multiple Force Majeure. Upon receipt of any notice of termination delivered pursuant to this Article X, this Agreement shall terminate, effective immediately, and will be of no further force or effect, except with respect to: (i) rights and obligations of the Parties arising during or relating to any period prior to termination, including, in the case of termination for any Event of Default, all of the damages incurred by the non-defaulting Party in connection with such Event of Default, which shall include but not be limited to, Aqua’s stranded investment incurred in anticipation of providing the services to Purchaser throughout the term of this Agreement; and (ii) the covenants and obligations of the Parties set forth in this Agreement intended to survive the expiration or termination of this Agreement, which shall survive the expiration or earlier termination of this Agreement as
expressly provided in this Agreement, or if no express survival period is provided for, then until such obligations have been satisfied, or, if later, pursuant to any applicable statute of limitations.

10.6 Mutual Termination by Parties. This Agreement may be terminated upon agreement of Aqua and Purchaser as evidenced in writing. The termination shall take effect upon the date agreed to in writing by Aqua and Purchaser.

ARTICLE XI.
DISPUTE RESOLUTION

11.1 Attempt to Resolve. The Parties agree that, prior to instituting any lawsuit or other proceeding arising from a dispute under this Agreement, the Parties will first attempt to resolve the dispute by taking the following steps:

(a) A written notice substantially describing the nature of the dispute shall be delivered by the dissatisfied Party to the other Party, which notice shall request a written response to be delivered to the dissatisfied Party not less than five (5) Days after receipt of the notice of dispute.

(b) If the response does not reasonably resolve the dispute, in the opinion of the dissatisfied Party, the dissatisfied Party shall give notice to that effect to the other Party whereupon each Party shall appoint a person having authority over the activities of the respective Parties who shall promptly meet, in person, in an effort to resolve the dispute.

(c) If those persons cannot or do not resolve the dispute, then the Parties shall each appoint a person from the highest tier of managerial responsibility within each respective Party, who shall then promptly meet, in person, in an effort to resolve the dispute.

11.2 Non-Binding Mediation for Matters not under PUC Jurisdiction. In the event the measures provided for in Section 11.1 are not successful in resolving the dispute for matters not under the PUC's jurisdiction, Aqua and Purchaser shall enter into non-binding mediation in an
attempt to resolve the dispute prior to commencing litigation. Aqua and Purchaser shall mutually select an impartial individual to serve as mediator. In the event the Parties are unable to agree on an individual to serve as the mediator, either Party may apply to a District Judge for Bastrop County who shall be empowered to designate an individual to serve as the mediator.

11.3 Rates Not Subject to Mediation. Notwithstanding Sections 11.1 and 11.2, and in accordance with Sections 4.5 and 4.6, neither the Rates to be paid hereunder, nor the provisions for payments of said Rates, shall be subject to mediation unless ordered by the PUC.

11.4 Costs of Mediation. Each Party shall bear its own costs and expenses associated with any mediation or appeal of any provision of this Agreement.

ARTICLE XII.
LIABILITY

12.1 Limitation on Liability and Responsibility / Hold Harmless. Neither Aqua nor Purchaser shall be liable or responsible to the other for any claims or damages of any kind for injury to or death of any person or persons, for damage to or loss of property arising out of or attributed directly or indirectly to operations, acts or failures to act by the other and shall hold the other party harmless for any such claims, damages, losses, injuries or deaths.

12.2 General Limitation on Liability. Notwithstanding any other provision of this Agreement, in no event shall either Party be liable to the other under any theory of tort, contract, strict liability, or other legal or equitable theory, whether by way of indemnity or otherwise, for any lost profits, exemplary, punitive, special, incidental, indirect, or consequential damages of the other Party.
ARTICLE XIII.
REPRESENTATIONS, WARRANTIES AND COVENANTS

13.1 Aqua Representations and Warranties. Aqua hereby represents and warrants to Purchaser, as of the date hereof, as follows:

(a) Aqua is a retail public utility holding a CCN and has all requisite power and authority to enter into and to perform its obligations hereunder, and to carry out the terms hereof and the transactions contemplated hereby.

(b) This Agreement has been duly executed and delivered on behalf of Aqua by the appropriate officials of Aqua, and constitutes the legal, valid and binding obligation of Aqua, enforceable against Aqua in accordance with its terms except as the enforceability thereof may be limited by: (i) bankruptcy, insolvency, reorganization, moratorium, or other similar laws affecting the enforcement of creditors’ rights generally; and (ii) general equitable principles.

(c) The execution, delivery and performance of this Agreement by Aqua have been duly authorized under the bylaws and all other applicable Requirements of Law of Aqua and will not contravene any provision of or constitute a default under any other agreement or instrument to which Aqua is a party or by which Aqua or its property may be bound, and do not conflict with any Requirement of Law currently in force and applicable to Aqua.

(d) There is no legislation, litigation, action, suit, proceeding, or investigation pending or (to the best of Aqua’s knowledge) threatened, against Aqua, whether related to the operation of any facility that will supply water under this Agreement, or otherwise, before or by any Governmental Authority which, if adversely determined, individually or in the aggregate: (i) could adversely affect the performance by Aqua of its obligations hereunder; (ii) could have a material adverse effect on the condition (financial or otherwise), business or operations of Aqua;
or (iii) questions the validity, binding effect or enforceability thereof or of this Agreement, any action taken or to be taken pursuant hereto or any of the transactions contemplated hereby.

13.2 Purchaser Representations and Warranties. Purchaser represents and warrants to Aqua, as of the date of this Agreement, as follows:

(a) Purchaser is a retail public utility holding a CCN and is authorized to provide retail water utility service to the areas within its CCN, and has all requisite power and authority to enter into and to perform its obligations hereunder, and to carry out the terms hereof and the transactions contemplated hereby.

(b) This Agreement has been duly executed and delivered on behalf of Purchaser, and constitutes the legal, valid and binding obligation of Purchaser, enforceable against Purchaser in accordance with its terms except as the enforceability thereof may be limited by: (i) bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally; and (ii) general equitable principles.

(c) There is no legislation, litigation, action, suit, proceeding or investigation pending or (to the best of Purchaser's knowledge) threatened, against Purchaser or related to Purchaser's activities by any court, administrative agency, arbitrator or governmental authority, body or agency which, if adversely determined, individually or in the aggregate: (i) could adversely affect the performance by Purchaser of its obligations hereunder; (ii) could have a material adverse effect on the condition (financial or otherwise), business or operations of Purchaser; or (iii) questions the validity, binding effect or enforceability thereof or of this Agreement, any action taken or to be taken pursuant hereto or any of the transactions contemplated hereby.

(d) No officer or employee of Aqua has been or will be compensated in any manner with respect to directly or indirectly bringing the Parties together, agreement negotiations, or the
entering into this Agreement. In no event will Purchaser pay a fee to or in any other manner compensate any of Aqua’s board members, officers, or employees in connection with the acceptance of this Agreement. A breach of this Subsection 13.2(d) shall result in automatic and immediate termination of this Agreement and shall be an Event of Default.

**ARTICLE XIV.**
**TERM**

This Agreement shall be effective on the date of the last to execute below, the Effective Date of this Agreement, and shall remain in force and effect for a period of fifty (50) years from the Effective Date hereof. However, this Agreement may be terminated by either Party in accordance with Article X of this Agreement. As provided in Article X, earlier termination by Purchaser shall render Purchaser liable in damages for repayment of Aqua’s stranded investment incurred in anticipation of providing services to Purchaser throughout the term of this Agreement. Purchaser agrees that Aqua has no obligation to provide it with water after the termination of this Agreement. Unless either Purchaser or Aqua provides the other party with its written intent to not renew this Agreement not later than one (1) year prior to the date of the expiration of the initial term of this Agreement, this Agreement shall automatically renew for an additional fifty (50) year period and the Agreement’s terms and conditions shall remain in effective for the length of the additional fifty (50) year period.

**ARTICLE XV.**
**MISCELLANEUS**

15.1 Assignment. This Agreement shall be binding upon and inure to the benefit of the Parties and their legal successors, but the Agreement shall not be otherwise assignable in whole or in part by either Aqua or Purchaser without first obtaining the written consent of the other.
15.2 Governing Law and Venue. The Constitution and the laws of the State of Texas and the
decisions of its courts shall govern with respect to any question or controversy that may arise
hereunder. All amounts due under this Agreement, including but not limited to payments due
under this Agreement or damages for breach of this Agreement, shall be paid and be due in
Bastrop County, Texas, which is the county in which the principal administrative offices of Aqua
are located. It is specifically agreed that Bastrop County, Texas, is a principal place of
performance of this Agreement. Venue for any actions arising under this Agreement shall lie
exclusively in the courts of Bastrop County, Texas.

15.3 Notices. Unless the context requires immediate notice, which may be provided by
telephone, any notice, request or other communication required by this Agreement between the
Parties regarding the Agreement shall be given in writing and shall be deemed to have been
given to the other Party upon either of the following dates:

(a) The date of the mailing thereof, as shown by a post office receipt, if mailed to the
Party by registered or certified mail at the latest address specified for such other Party in writing;
or

(b) The date of the receipt thereof by such other Party if not so mailed by registered
or certified mail. Notice shall be made to Aqua as follows:

    General Manager
    Aqua Water Supply Corporation
    P.O. Drawer P
    415 Old Bastrop Highway
    Bastrop, Texas 78602

    With copy to: Ty Embrey
    Lloyd Gosselink, P.C.
    1800 Congress Avenue, Suite 1900
    Austin, Texas 78703
Notice to Purchaser shall be made as follows:

City of Bastrop  
P.O. Box 427  
Bastrop, Texas 78602  
Attn: City Manager

With copy to: Alan Bojorquez  
Bojorquez Law Firm  
12325 Hymeadow Drive  
Suite 2-100  
Austin, Texas 78750

(c) The Parties shall have the right from time to time to change their respective addresses by giving written notice to the other Party.

15.4 No Waiver of Rights.

(a) No waiver by either Party of any default or defaults by the other Party in the performance of any of the provisions of this Agreement shall operate or be construed as a waiver of any other or further default or defaults whether of a like or different character or shall be effective unless in writing, duly executed by a duly authorized representative of the Party waiving any such default.

(b) Neither the failure by a Party to insist on any occasion upon the strict performance of the terms, conditions, and provisions of this Agreement, nor time or other indulgence granted by one Party to the other, shall act as a waiver of such breach.

15.5 Severability. In case any one or more of the Articles, Sections, provisions, clauses, or words of this Agreement shall for any reason be held to be invalid, unenforceable or unconstitutional, such invalidity, unenforceability or unconstitutionality shall not affect any other Articles, Sections, provisions, clauses, or words of this Agreement, and it is intended that this Agreement shall be severable and shall be construed and applied as if such invalid or unconstitutional Article, Section, provision, clause or word had not been included herein.
15.6 Entire Agreement. This Agreement contains all of the agreements between the Parties on the subjects contained herein. As of the Effective Date of this Agreement, this Agreement shall replace any and all prior agreements between the Parties, both oral and written, with regard to the subject matter.

15.7 Amendments. This Agreement may be changed or modified at any time by a written instrument signed by both Parties and only after having obtained approval from the governing bodies of Aqua and Purchaser. Any amendments to any exhibits attached hereto that become necessary from amendments to this Agreement shall be done and be made effective contemporaneously with any amendments to this Agreement. No change or modification shall be made to this Agreement that will affect adversely the prompt payment, when due, of all monies to be paid by Purchaser under the terms of the contract or that will adversely affect the tax-exempt status of any tax-exempt obligations issued by Aqua or Purchaser. The foregoing notwithstanding, the Parties hereto agree to use their best efforts to modify this Agreement if the Internal Revenue Service determines that a failure to do so would adversely affect the tax-exempt status of any outstanding tax-exempt obligations issued by Aqua or Purchaser.

15.8 Cooperative Drafting. This Agreement is the product of a cooperative drafting effort by the Parties and shall not be construed or interpreted against either Party solely on the basis that one Party or its attorney drafted this Agreement or any portion of it.

15.9 Counterparts. This Agreement may be executed in counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument. The Parties may execute this Agreement and all other agreements, certificates, instruments and other documents contemplated by this Agreement and exchange the counterparts of such documents by means of facsimile transmission, and the Parties agree that the receipt of such executed counterparts shall
be binding on such Parties and shall be construed as originals. Thereafter, the Parties shall promptly exchange original versions of this Agreement and all other agreements, certificates, instruments and other documents contemplated by this Agreement that were executed and exchanged by facsimile transmission.

15.10 Third Party Beneficiaries. Nothing in this Agreement is intended or shall be construed to confer upon, or to give to, any legal Person other than the parties, any right, remedy, or Claim under or by reason of this Agreement. Any covenants, terms, conditions, and provisions in this Agreement by and on behalf of the Parties shall be for the sole and exclusive benefit of the Parties. Nothing in this Agreement is intended to interfere with any agreement of any Party with a third party.

15.11 Certified Copy to PUC. Aqua shall provide the PUC with a certified copy of the executed wholesale water supply contract with Purchaser within thirty (30) Days after the date of execution of the Contract in accordance with Texas Water Code Section 13.144.

15.12 Deadlines. To the extent that the date for any payment or notice due hereunder by either Party shall fall on a Day that is not a Business Day, such deadline for payment or notice, as the case may be, shall be automatically extended to the next following Business Day.
IN WITNESS WHEREOF, the parties have executed this Agreement as indicated below.

AQUA

By: ______________________
    Alan David McMurry
    General Manager

Date: 11/28/2018

PURCHASER

By: ______________________
    Lynn Humble
    City Manager

Date: 11/28/2018

Attest: By: ______________________
        Ann Franklin
        City Secretary
Exhibit A

AQUA WSC CCN

[Map of AQUA WSC with various locations and water system areas marked.]

© OpenStreetMap (and contributors), CC-BY-SA
Exhibit B

AQUA WATER SUPPLY CORPORATION
TERMS AND CONDITIONS FOR WHOLESALE
SERVICE

City of Bastrop

November 2018
SECTION 1.0
DEFINITIONS

“Aqua” means Aqua Water Supply Corporation as represented by its Board of Directors.

“Aqua’s Engineer” means a person or firm licensed by the State of Texas and engaged by Aqua to provide engineering consulting services to Aqua.

“Aqua’s System” means collectively all of Aqua’s production, distribution, and transmission facilities, including, without limitation, wells, ground storage reservoirs, pump stations, elevated storage tanks, water transmission and distribution lines connecting any of the aforementioned facilities, and other properties or interest therein wherever located for the production, distribution, and transmission of water.

“Bastrop” means the City of Bastrop, Texas.

“Bastrop’s Engineer” means a person or firm licensed by the State of Texas and engaged by the City of Bastrop to provide engineering consulting services to Bastrop.

“Bastrop’s System” means collectively all of Bastrop’s production, distribution, and transmission facilities, including, without limitation, wells, ground storage reservoirs, pump stations, elevated storage tanks, water transmission and distribution lines connecting any of the aforementioned facilities, and other properties or interest therein wherever located for the production, distribution, and transmission of water.

“Board of Directors” or “Board” means the duly elected members of the Board of Directors of Aqua Water Supply Corporation.

“Capacity Charge” means the cost to have water service available under a Wholesale Service Agreement.

“Commodity Replacement Charge” means the charge assessed against Bastrop under a Wholesale Service Agreement for the purpose of replacing the water supply contracted for sale to Bastrop.

“Cost of Construction” means all expenses associated with constructing, installing and placing a facility into operation including, but not limited to, planning, engineering, clearing, surveying, legal, land acquisition, acquisition of rights-of-way, the construction contract, and the like.

“Maximum Daily Delivery Rate” means the maximum rate at which Aqua will deliver water to a Bastrop under a Wholesale Service Agreement in one twenty-four (24) hour period.

“Monthly Customer Charge” means the cost to have water available at a meter.

“Service Area” means that area to which Aqua may lawfully provide water service, whether within or outside the area described by the Certificate of Convenience and Necessity held by Aqua.

“Usage Charge” means the charge billed for water delivered through a metered point of delivery.
“Wholesale Service” means wholesale water service provided to a retail public utility, as defined by the Texas Water code, located outside of Aqua’s service area. Water provided under Wholesale Service shall be partial requirements only, pursuant to a Wholesale Service Agreement between Aqua and Bastrop. Such water shall be submetered for resale by the Bastrop within Bastrop’s service area. Aqua will not be the retail service provider to the customers of Bastrop.

SECTION 2.0
WHOLESALE SERVICE RATE SCHEDULE

Section 2.01 – Water Rates

The monthly charge for Wholesale Service shall be the sum of the Capacity Charge, the Usage Charge, and the Commodity Replacement Charge.

The Capacity Charge is a fixed charge assessed against the contractual Maximum Daily Delivery Rate (0.75 MGD) in the amount of $45,000 per million gallons of water per day (“MGD”). Such amount shall be payable in advance on a monthly basis.

The Usage Charge is applicable to all water actually delivered to Bastrop by Aqua pursuant to the Wholesale Service Agreement in the amount of $0.75 (seventy five cents) per 1,000 gallons delivered.

The Commodity Replacement Charge is a variable charge applicable to all water actually delivered to Bastrop in the amount of $0.20 (twenty cents) per 1,000 gallons delivered.

Lost Pines Groundwater Conservation District Assessment
The assessments established by the Lost Pines Groundwater Conservation District shall be collected from each member.

Section 2.02 – Other Fees

After receipt of the Feasibility Study, Aqua will determine the size meter assembly required to meet the request. Aqua shall also calculate the appropriate Meter Set Fee associated with the requested meter. The Tap Fee shall include the actual cost for purchasing and installing the appropriate size and type meter and any flow controlling device and backflow prevention device as determined to be necessary by Aqua. The Membership Fee for Wholesale Service shall be $100.00.

Bastrop shall be responsible for all fees and expenses incurred by Aqua associated with Aqua applying for, and obtaining, all permits required by a groundwater conservation district for the transport of water out of such district for the benefit of Bastrop and all fees and expenses, such as attorneys’ fees, estimated to be incurred by Aqua in negotiating and drafting a Wholesale Service Agreement.
A deposit of $2,500.00 to cover expected fees and expenses shall be submitted to Aqua by Bastrop at the time Bastrop submits its request for a Wholesale Service Agreement to Aqua. Aqua shall issue an invoice to Bastrop for all such fees and expenses incurred in excess of the deposit, and Bastrop shall promptly submit payment in full to Aqua. The failure of Bastrop to timely reimburse Aqua for such fees and expenses will be cause for Aqua to reject Bastrop’s request for a Wholesale Service Agreement or to abate consideration of such request pending receipt of payment from Bastrop. If such permits are required, the issuance of such permits shall be a condition precedent to Aqua providing a Wholesale Service Agreement to Bastrop.

Section 2.03 -- Miscellaneous Fees and Requirements for Service

a. Reconnection Fees
   Base Reconnection Fee $60.00
   Past Due Balance As applicable

The above Reconnection Fee must be paid before service can be restored to Bastrop who has been disconnected. A Base Fee of $60.00 shall be charged for all reconnections. At service locations where equipment tampering or an unauthorized connection has resulted in forfeiture of membership and tap rights, the former member shall be required to make full payment of the Membership Fee and the Tap Fee in effect at the time service is requested. Additionally, the former member shall be required to make full payment of applicable Equipment Damage Fees.

b. Late Charge
   A 10% penalty will be added for payment received after the 10th day of the month. Failure to pay by the 10th, may require disconnection. The penalty on delinquent bills may not be applied to any balance to which the penalty was applied in a previous billing.

c. Returned Check Charge $35.00

SECTION 3.0
SERVICE RULES AND REGULATIONS

Section 3.01 - Application for Wholesale Service

Wholesale Service is provided pursuant to a long-term Wholesale Service Agreement, after (i) receipt of an application for Wholesale Service, and (ii) a determination is made by Aqua that Wholesale Service is available to Bastrop. This service may be provided by Aqua in Aqua’s sole determination, taking into consideration the proposed place of use of the water, the furtherance of the goals of regionalization, the optimal use of Aqua’s infrastructure, and other policies and guidelines adopted by Aqua from time to time. Aqua is under no obligation to provide Wholesale Service.

Entities meeting the following minimum qualifications may apply for Wholesale Service. However, meeting the following minimum qualifications in no event entitles any entity to become a purchaser of Wholesale Service. Minimum qualifications for Bastrop for Wholesale Service include, but are not limited to, the following:
1. Bastrop is a retail public utility as defined by the Texas Water Code that either (i) holds a valid Certificate of Convenience and Necessity ("CCN") for the provision of retail water utility service issued by the Texas Commission on Environmental Quality, its predecessors or successors, or (ii) is statutorily exempt from the requirement that it hold a CCN in order to provide retail water utility service.

2. Bastrop’s service area is adjacent to the CCN held by Aqua.

3. Bastrop demonstrates to Aqua’s satisfaction its creditworthiness and ability to perform financially under the terms of the Wholesale Service Agreement. Unless Aqua agrees otherwise, such demonstration shall be made by Bastrop providing to Aqua an irrevocable letter of credit in the amount of six (6) months’ estimated billings by Aqua under the requested Wholesale Service Agreement. The letter of credit shall be continuously valid for the term of the Agreement, shall be issued by a bank authorized to do business in the State of Texas, and shall identify Aqua as the beneficiary.

4. Bastrop has other water supplies available and will not be a full-requirements wholesale customer of Aqua.

Bastrop must present a complete application for Wholesale Water Service.

If the sale of water by Aqua to Bastrop requires a transport permit from an underground water conservation district, then upon request by Bastrop, Aqua will submit an application for a Transport Permit at Bastrop’s expense. By accepting Bastrop’s application for Wholesale Water Service, and by submitting an application for a Transport Permit, Aqua makes no warranty or guarantee to Bastrop that the Transport Permit application will be successful.

Section 3.02 -- Billing

Water bills shall be rendered monthly unless service is terminated before the end of a billing cycle. Service initiated less than one week before the next billing cycle may be billed with the following month’s bill.

Payment is considered late if not received at Aqua’s office or postal address by the 10th of the month. A 10% penalty will be added for payment received after the 10th day of the month. Failure to pay by the 10th may result in disconnection.

Section 3.03 -- Service Disconnection

Wholesale service to Bastrop may be disconnected if a bill has not been paid and proper notice has been given.

Proper notice shall consist of a separate mailing or hand delivery at least five (5) days prior to a stated date of disconnection, with the words “termination notice” or similar language prominently displayed on the notice. If applicable, the notice must also list the past due balance.
Service may be disconnected after proper notice for any of the following reasons:

1. Failure to pay a delinquent account or to comply with a deferred payment agreement;
2. Willful violation of a usage rule when that violation interferes with another member’s service;
3. Other reasons set forth in the Wholesale Service Agreement.

Service may only be disconnected without notice:

1. When a known dangerous condition exists, for as long as the condition exists;
2. When service is established through meter bypassing, an unauthorized connection or unauthorized reconnection; or
3. In instances of tampering with Aqua’s meter or equipment.

Section 3.04 -- Forfeiture of Membership

If Wholesale Service has been disconnected for nonpayment for more than 365 consecutive days or if Aqua’s equipment has been tampered with or water is taken by means of an unauthorized connection, or both:

Bastrop shall forfeit all rights and privileges of membership;

Bastrop shall forfeit all connection and tap rights;

The meter shall be removed; and

The Point of Delivery shall be sealed.

Section 3.05 -- Limitation of Liability

Aqua shall not be liable for any damages, including without limitation, direct damages, special damages, incidental damages, consequential damages, or loss of profit or revenue, resulting from failures or interruptions of water supply occurring because of maintenance of Aqua’s water distribution system or that are occasioned by causes beyond the control of Aqua. Aqua shall not be liable in any event for consequential damages.

Section 3.06 -- Litigation

These Terms and Conditions shall be construed under and in accordance with the laws of the State of Texas. All obligations of the parties created under these Terms and Conditions shall be performable in Bastrop County, Texas. All payments required to be made to Aqua under the Wholesale Service Agreement shall be made at Aqua’s offices in Bastrop County, Texas. Bastrop County, Texas shall be the exclusive place of venue for any disputes arising under the Wholesale
Service Agreement. In the event Aqua is required to retain an attorney to enforce the Wholesale Service Agreement or any of the Terms and Conditions or to collect amounts owed, Bastrop shall be responsible for all costs incurred by Aqua, including reasonable attorneys’ fees.

SECTION 4.0 -- WATER RATIONING PLAN

Aqua has enacted a Water Rationing Plan as set out in its Tariff and Water Conservation Plan. Prior to service by Aqua, Bastrop is required to adopt Aqua’s Water Rationing Plan and Water Conservation Plan, or a plan that is substantially similar that has been approved by the Texas Commission on Environmental Quality. Aqua will notify Bastrop of any revisions to the Water Rationing Plan and Water Conservation Plan and Bastrop shall ensure that their plan conforms with such amendments within thirty (30) days of notification.
Exhibit C

Description(s), Map(s) of Point(s) of Delivery, and Technical Information for Point(s) of Delivery

- To Be Determined
Aqua WSC CCN and City of Bastrop WW CCN Overlap

Exhibit D
RESOLUTION #18.11.02
A RESOLUTION OF THE BOARD OF THE DIRECTORS OF AQUA WATER SUPPLY CORPORATION AUTHORIZING THE GENERAL MANAGER TO NEGOTIATE AND EXECUTE A WHOLESALE WATER SERVICE AGREEMENT WITH THE CITY OF BASTROP

WHEREAS, Aqua Water Supply Corporation ("Aqua") is a non-profit water supply corporation, operating under the authority of Chapter 67 of the Texas Water Code and the holder of retail water Certificate of Convenience No. 10294 ("CCN") issued by the Texas Commission on Environmental Quality; and

WHEREAS, the City of Bastrop ("Bastrop") is a home rule city, body politic of the State of Texas, and retail public utility located adjacent to Aqua's CCN in Bastrop County and the holder of retail water Certificate of Convenience No. 11198 ("CCN") issued by the Texas Commission on Environmental Quality; and

WHEREAS, Bastrop County is experiencing substantial economic and population growth and the growth is likely to continue for the decades to come; and

WHEREAS, Aqua and Bastrop are both integral parts of the past, present, and future of Bastrop County; and

WHEREAS, Aqua and Bastrop strongly agree that the two entities must partner and work together both now and in the future to not only address the growth and water needs that Bastrop County is experiencing but to enable Bastrop County to meet its full potential as a great place to work and live; and

WHEREAS, Aqua and Bastrop believe this Agreement is crucial to making certain the Bastrop area has the water the area needs to grow; and

WHEREAS, Aqua and Bastrop desire to enter a Wholesale Water Service Agreement ("Agreement") that would enable Aqua to provide wholesale water service to Bastrop to allow Bastrop to provide water service in those areas where Bastrop's retail wastewater CCN as of the effective date of the Agreement overlaps with Aqua's retail water CCN; and

WHEREAS, Aqua has determined that it has sufficient facilities and capacity to provide wholesale water service to Bastrop in the areas specified in the Agreement; and

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF AQUA WATER SUPPLY CORPORATION THAT:

1. The above recitals are true and correct

2. The General Manager is hereby authorized to negotiate and execute, on behalf of Aqua, a Wholesale Water Service Agreement with the City of Bastrop.

3. The Board of Directors hereby authorizes the President, the General Manager, Aqua staff and Aqua's attorneys and engineers to take any action necessary to implement the terms of this resolution.

PASSED, APPROVED AND ADOPTED this the 5th day of November, 2018.

Cliff Kessler, President

/

William J. F. Lomax, Secretary, Treasurer
Exhibit H

SECTION 5.0 – WATER RATIONING PLAN

Section 5.01 – General Provisions

1. **Declaration of Necessity for Rationing:** When system demand threatens to exceed production or storage capability, or refilling the storage facilities is rendered impossible, Aqua, acting through its General Manager, may declare that a necessity for rationing exists, and thereafter ration water in the following manner.

2. **Notice Requirements:** Reasonable notice, including, by way of example and without limitation, notice published in a local newspaper, radio and television announcements, and by posting notice in public buildings, of the proposed rationing shall be provided 24 hours before Aqua actually starts the program. Published notice may be followed by mailed notice included in the next regular bill. Any notice shall contain the following information:
   a. the date rationing shall begin;
   b. the date rationing shall end;
   c. the stage (level) and explanation of rationing to be employed; and
   d. explanation of penalties for violations.

3. **Violation of Rationing Rules:**
   a. First violation -- Aqua may install a flow restrictor in the line to limit the amount of water which will pass through the meter in a 24-hour period. The cost to be charged to the member’s account shall be the actual installed cost to Aqua.
   b. Subsequent violations -- Aqua may terminate service at the meter for a period of seven (7) days, or until the end of the calendar month, whichever is LESS. The normal reconnect fee of Aqua shall apply for restoration of service.

4. **Exemptions or Variances From Rationing Rules:** Aqua may grant any member an exemption or variance from the uniform rationing program, for good cause. Aqua shall treat all members equally concerning exemptions and variances, and shall not employ discrimination in such grants.

5. **Rates:** All existing rates schedules shall remain in effect during the rationing period, and no charges may be levied against a member which are not contained in the approved Tariff of Aqua as filed with the Commission.

The purpose of the Water Rationing Program is to conserve the total amount of water demanded from Aqua until supply can be restored to normal levels.
Section 5.02 – Stages of Rationing

Stage I (Voluntary Conservation)

Under Stage I, Aqua members will be requested to voluntarily restrict usage of water for outdoor purposes such as lawns, gardens, car washing, etc. Members will be requested to voluntarily limit the amount of water used to that amount absolutely necessary for health, business, and outdoor water use. Voluntary Conservation may include following the “Central Texas Water Wise Plan” which includes the following:

1. **Landscape Watering Schedule**: Aqua will provide a calendar noting the respective outdoor watering days and the order will remain consecutive as new months begin. For members having rural delivery numbers, the last numerical digit of the rural delivery number, whether route or box number, shall be used to determine watering days.

2. **Restricted Outdoor Watering Hours**: Outdoor watering should be done only before 10 a.m. and after 7 p.m. on your watering day.

3. **Restricted Outdoor Watering Volume**: Water no more than 1 inch on your watering day.

Stage II (Mild Rationing Conditions)

Under Stage II, Aqua may select one or more of the alternatives listed below, except that usage for livestock is exempt.

1. **Time of Use Restriction**: Usage of water for outdoor purposes such as lawns, gardens, car washing, etc. may be restricted according to one or more of the following schedules, except that Aqua may allow irrigation by hand-held hoses, hand-held buckets, drip irrigation or permanently installed automatic irrigation sprinkler system only.

   a. **Landscape Watering Schedule**: Members with even numbered addresses or rural delivery numbers can use water outdoors on Monday and Thursday and members with odd numbered addresses or rural delivery numbers can use water outdoors on Tuesday and Friday. For members having rural delivery numbers, the last numerical digit of the rural delivery number, whether route or box number, shall be used to determine watering days.

   b. **Weekday Use Only**: No outside watering allowed on Saturdays, Sundays, or official Federal holidays.

   c. **Landscape Watering Schedule**: Aqua will provide a calendar noting the respective watering days. For members having rural delivery numbers, the
last numerical digit of the rural delivery number, whether route or box number, shall be used to determine watering days.

2. **Hand Watering Restriction**: Aqua may require that only a hand-held hose or a hand-held bucket be used for watering of lawns, gardens, trees, and shrubs.

3. **Vehicle Washing Restriction**: Aqua may prohibit or limit the times for washing of automobiles, trucks, trailers, boats, airplanes, and other types of mobile equipment.

**Stage III (Moderate Rationing Conditions)**

All outdoor water usage is prohibited; however, usage for livestock is exempt.

**Stage IV (Severe Rationing Conditions)**

All outdoor water usage is prohibited; usage for livestock is exempt. All consumption shall be limited to each member in one of the following ways:

1. A fixed percentage of each member’s average use in the prior month, the percentage to be uniformly applied on a system wide basis, each member being notified of this percentage amount, OR

2. A maximum number of gallons per meter (member), per week, with notice to each member of this number.

All meters shall be read as often as necessary to insure compliance with this program for the benefit of all the members.
RESOLUTION NO. R-2018-106

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BASTROP, TEXAS, APPROVING AN AGREEMENT WITH AQUA AS ATTACHED IN EXHIBIT A; AUTHORIZING THE CITY MANAGER TO EXECUTE ALL NECESSARY DOCUMENTS; PROVIDING FOR A REPEALING CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, Texas Water Code – Water §13.254, Revocation or Amendment of Certificate codifies SB 511, which created a streamlined expedited release of a Certificate of Convenience and Necessity (CCN) for landowners with at least 25 acres, who are not receiving water and wastewater service, and are located in one (1) of 33 counties to petition the Texas Commission on Environmental Quality (TCEQ) to remove their property from an existing CCN. Bastrop is one (1) of the 33 counties; and

WHEREAS, in 2017, Aqua Water Corporation worked with Representative John Cyrier to sponsor a bill to modify this process. The City of Bastrop opposed the bill. Representative Cyrier called a meeting with representatives from the City of Bastrop and Aqua Water Corporation and instructed both entities to work out some form of an agreement; and

WHEREAS, multiple meetings have occurred over the past 1 ½ years to reach a solution that creates a win-win scenario for both entities; and

WHEREAS, under this contract, the City agrees to purchase water at a wholesale cost for any development that wishes to decertify Aqua’s water CCN under Texas Water Code – Water §13.254, Revocation or Amendment of Certificate and have the City of Bastrop provide water; and

WHEREAS, Aqua Water Corporation maintains the collateral commitment for their USDA loans by still providing water at a wholesale cost to the same customers that use to be in their CCN. The City will establish a wholesale water rate that covers the cost of Aqua’s water, yet is cheaper than a developer installing their own water system; and

WHEREAS, the economic development challenge regarding fire flow is resolved through a connection at SH20 between the City of Bastrop and Aqua that will allow the wholesale water purchase to be pressurized in the City’s system for fire flow purposes, which will require less water to be purchased; and

WHEREAS, this agreement provides a “one-stop” shop for economic development opportunities regarding supplying water and wastewater services; and

WHEREAS, the City of Bastrop will be able to expand its Water CCN to match its Wastewater CCN through a long-term wholesale water agreement; and

WHEREAS, this agreement will provide immediate water supply redundancy that we currently do not have and helps manage peak demand until a new plant can be built in the Simsboro Aquifer; and

WHEREAS, both Aqua Water Corporation and the City of Bastrop believe this mutual agreement is a precedent setting agreement for the State of Texas and represents a win-win-win scenario for Aqua, the City, and the wholesale customer.
NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BASTROP, TEXAS:

Section 1. The City Manager is hereby authorized to execute this contract, which is attached as Exhibit A, as well as all other necessary documents.

Section 2. All orders, ordinances, and resolutions, or parts thereof, which 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 resolved herein.

Section 3. This resolution shall take effect immediately from and after its passage, and it is duly resolved.

DULY RESOLVED AND ADOPTED by the City Council of the City of Bastrop this 13th day of November 2018.

APPROVED:

Connie B. Schroeder, Mayor

ATTEST:

Ann Franklin, City Secretary

APPROVED AS TO FORM:

Alan Bojorquez, City Attorney
CITY OF BASTROP

DROUGHT CONTINGENCY PLAN

August 18, 2019

Prepared by:

Walker Partners
engineers • surveyors
AMENDED DROUGHT CONTINGENCY PLAN
FOR THE
CITY OF BASTROP, TEXAS

Introduction and Background

The City of Bastrop provides utility services which includes providing treated water to its residents. Refer to the information below concerning general details for the city’s water utility.

- Name of Utility: City of Bastrop
- Address: 300 Water Street., Bastrop, TX 78602
- Water CCN#: 11198
- PWS #: TX0110001

Safe, high quality drinking water is a precious resource in the Bastrop region. This Drought Contingency Plan (Plan) requires that the available resources of the City of Bastrop be put to the most beneficial use possible. The Plan also requires that the waste, unreasonable use, or unreasonable method of use of water be prevented and that conservation of water be extended with a view to reasonable and beneficial use in the interests of public health and welfare of the Bastrop community.

Section I: Declaration of Policy, Purpose, and Intent

In order to conserve the available water supply and protect the integrity of water supply facilities, with particular regard for domestic water use, sanitation, and fire protection, and to protect and preserve public health, welfare, and safety and minimize the adverse impacts of water supply shortage or other water supply emergency conditions, the City of Bastrop hereby adopts the following regulations and restrictions on the delivery and consumption of water by ordinance.

Water uses regulated or prohibited under this Plan are considered to be non-essential and continuation of such uses during times of water shortage or other emergency water supply conditions are deemed to constitute a waste of water which subjects the offender(s) to penalties as defined in Section XI of this Plan.

Section II: Public Involvement

Opportunity for the public to provide input into the preparation of the Plan was provided by the City of Bastrop by means of public hearing during a City Council meeting on August 27, 2019.

Section III: Public Education

The City of Bastrop will periodically provide the public with information about the Plan as well as water conservation and drought conditions, including information about the conditions under which each stage of the Plan is to be initiated or terminated and the drought response measures to be implemented in each stage. This information will be provided by means of paid advertisements, public notices, press releases, publication through City social media account(s), and/or utility bill inserts.
Section IV: Coordination with the Lower Colorado Regional Water Planning Group

The service area of the City of Bastrop is located within the Lower Colorado Regional Water Planning Region (Region K) and the City of Bastrop has provided a copy of this plan to the Lower Colorado Regional Water Planning Group.

Section V: Authorization

The City Manager, or his/her designee is hereby authorized and directed to implement the applicable provisions of this Plan upon determination that such implementation is necessary to protect public health, safety, and welfare. The City Manager, or his/her designee shall have authority to initiate or terminate drought or other water supply emergency response measures as described in this Plan. This Plan shall also be referenced in, and become an Appendix to, the City of Bastrop Emergency Management Plan, Annex L; Utilities.

Section VI: Application

The provisions of this Plan shall apply to all persons, customers, and property utilizing water provided by the City of Bastrop. The terms “person” and “customer” as used in the Plan include individuals, corporations, partnerships, associations, and all other legal entities. Utilization of a water source other than City potable water is exempt from the provisions of this Plan.

Section VII: Permanent Water Restrictions

This section establishes permanent water conservation regulations and applies year-round regardless of Drought stage.

(a) Landscape irrigation using automatic in-ground or hose-end sprinkler systems is prohibited between the hours of 9:30 a.m. and 6:30 p.m.
   1. The time restrictions do not apply to:
      i. The irrigation of commercial plant nurseries.
      ii. Irrigation using reclaimed water or other non-potable water sources.
      iii. New landscape installation during planting and the first ten (10) days after planting.
      iv. The testing of new irrigation systems or systems that are under repair.
      v. Irrigation using a hand-held bucket or hose equipped with a positive shut-off valve, pressure washer system, or other device that automatically shut off water flow when the hose is not being held by the water user.
      vi. Irrigation by drip irrigation or soaker hoses.

(b) The following constitute a waste of water and are prohibited:
   1. Washing sidewalks, walkways, driveways, parking lots, tennis courts, patios, or other hard-surfaced areas except with a pressure-washing system or to alleviate immediate health or safety hazards.
   2. Allowing water to run off a property or allowing water to pond or pool in the street, parking lot, or sidewalk.
   3. Operating an irrigation system with sprinkler heads that are broken or out of adjustment.
   4. Failure to repair a controllable leak(s) within a reasonable time period after having been given notice directing the repair of such leak(s).

(c) Ornamental fountains or ponds for aesthetic or scenic purposes must be equipped with a recirculation device. This restriction does not apply to ornamental fountains or ponds that use reclaimed water, non-potable water, or water provided by sources other than the City.

(d) Use of water for irrigation of golf course greens, tees, and fairways is permitted only on designated watering days as outlined in Section X of this plan. Such irrigation shall only occur from 1:00 a.m. to 7:00 a.m. and from 8:00 p.m. to midnight. These restrictions do not apply to irrigation of any golf course that uses reclaimed water or other non-potable sources.
Section VIII: Definitions

For the purposes of this Plan, the following definitions shall apply:

**Aesthetic water use**: water used for ornamental or decorative purposes such as fountains, reflecting pools, and water gardens.

**Commercial and institutional water use**: water use which is integral to the operations of commercial and non-profit establishments and governmental entities such as retail establishments, hotels and motels, restaurants, and office buildings.

**Conservation**: those practices, techniques, and technologies that reduce the consumption of water, reduce the loss or waste of water, improve the efficiency in the use of water or increase the recycling and reuse of water so that a supply is conserved and made available for future or alternative uses.

**Customer**: any person, company, or organization using water supplied by the City of Bastrop.

**Daily water demand**: the total amount of water pumped or otherwise released into distribution system(s) for customer use. Expressed in gallons, which are metered in a given 24-hour period (gallons per day).

**Declaration of disaster**: that action taken by the Mayor, as authorized by the City of Bastrop Emergency management Basic Plan and the Texas Disaster Act of 1975, when the Mayor determines that the public health, safety, and welfare may be threatened by a disastrous event, or the imminent threat of such an event.

**Director**: the director of water and wastewater, City of Bastrop, Texas.

**Domestic water use**: water use for personal needs or for household or sanitary purposes such as drinking, bathing, heating, cooking, sanitation, or for cleaning a residence, business, industry, or institution.

**Drip irrigation**: also known as *trickle irrigation* or *micro-irrigation* is an irrigation method which minimizes the use of water and fertilizer by allowing water to drip slowly to the roots of plants through a network of valves, pipes, tubing, and emitters.

**Even number address**: street addresses, box numbers, or rural postal route numbers ending in 0, 2, 4, 6, or 8 and locations without addresses.

**Hose-end sprinkler**: designed to screw into a standard hose and rest on the ground wherever you drag it and set it down; it then delivers water in a spray pattern in the immediate area.

**Industrial water use**: the use of water in processes designed to convert materials of lower value into forms having greater usability and value.

**Landscape irrigation use**: water used for the irrigation and maintenance of landscaped areas, whether publicly or privately owned, including residential and commercial lawns, gardens, golf courses, parks, and rights-of-way and medians.

**Non-essential water use**: water uses that are neither essential nor required for the protection of public, health, safety, and welfare, including:

(a) irrigation of landscape areas, including parks, athletic fields, and golf courses, except otherwise provided under this Plan;

(b) use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle;

(c) use of water to wash down any sidewalks, walkways, driveways, parking lots, tennis courts, or other hard-surfaced areas;

(d) use of water to wash down buildings or structures for purposes other than immediate fire protection;

(e) flushing gutters or permitting water to run or accumulate in any gutter or street;

(f) use of water to fill, refill, or add indoor or outdoor swimming pools or Jacuzzi-type pools;

(g) use of water in a fountain or pond for aesthetic water use or scenic purposes except where necessary to support aquatic life;
(h) failure to repair a controllable leak(s) within a reasonable period after having been given notice directing the repair of such leak(s); and

(i) use of water from hydrants for construction purposes or any other purposes other than firefighting.

Odd numbered address: street addresses, box numbers, or rural postal route numbers ending in 1, 3, 5, 7, or 9.

Total production capability: the total net aggregate amount of water that can be produced from all water wells capable of supplying water to the system in any given 16-hour period.

Trigger: a threshold level to be used as an initiation or termination point for actions based on certain mathematical criteria, or as per the authority granted by Section 13.06.013 of the Dastrop City Code of Ordinances.

Section IX: Criteria for Initiation and Termination of Drought Response Stages

Daily water demand will be monitored for emergency conditions by the City Manager or his/her designee. Trigger conditions will be based on an emergency situation caused by a natural disaster, equipment or system failure, natural or manmade contamination, high daily average water demand, or any other condition that substantially and negatively affects the City's potable water supply. The City Manager, on either the recommendations of the Director or pursuant to their sole discretion and authority, shall determine when conditions warrant initiation or termination of each stage of the Plan.

The triggering criteria described below are based on a statistical analysis of the vulnerability of the water source under drought of record condition, and on known system capacity limits.

Stage 1 Trigger -- MILD Water Shortage Conditions / Water Awareness

Requirements for initiation
Customers shall be requested to voluntarily conserve water and adhere to the prescribed restrictions on certain non-essential water uses, as provided in Section X of this Plan, when daily water demand exceeds 85% of Total Production Capability for three (3) consecutive days or water demand approaches a reduced delivery capacity for all or parts of the system, and the City Manager determines that no circumstances exist that will decrease the demand except conservation by customers.

Requirements for termination
Stage 1 of the Plan may be terminated or rescinded when all of the conditions listed as triggering events have ceased to exist for a period of (3) consecutive days and would be unlikely to recur upon termination, or until such time as determined by the City Manager.

Stage 2 Trigger -- MODERATE Water Shortage Conditions / Water Watch

Requirements for initiation
Customers shall be required to comply with the requirements and restrictions on certain non-essential water uses, as provided in Section X of this Plan, when the daily water demand exceeds 90% of Total Production Capability for three (3) consecutive days, and that response measures required by Stage 1 trigger -- MILD Water Shortage Conditions / Water Awareness have been implemented, and the City Manager determines that no circumstances exist that will decrease the demand below the Stage 2 Trigger except conservation by customers.

Requirements for Termination
Stage 2 of the Plan may be terminated or rescinded when all of the conditions listed as triggering events have ceased to exist for a period of (3) consecutive days and would be unlikely to recur upon termination, as determined by the City Manager. Upon termination of Stage 2, Stage 1 becomes operative.
Stage 3 Trigger -- CRITICAL Water Shortage Conditions

Requirements for Initiation
Customers shall be required to comply with the requirements and restrictions on certain non-essential water uses, as provided in Section X of this Plan, when the daily water demand exceeds 95% of Total Production Capability for three (3) consecutive days, and that response measures required by Stage 2 trigger – MODERATE Water Shortage Conditions / Water Watch have been implemented, and the City Manager determines that no circumstances exist that will decrease the demand below the Stage 3 Trigger except conservation by customers.

Requirements for Termination
Stage 3 of the Plan may be terminated or rescinded when all of the conditions listed as triggering events have ceased to exist for a period of (3) consecutive days. Upon termination of Stage 3, Stage 2 becomes operative.

Stage 4 Trigger -- EMERGENCY Water Shortage Conditions / Water Emergency

Requirements for Initiation
Customers shall be required to comply with the requirements and restrictions for Stage 4 of this Plan when the City Manager determines that a water supply emergency exists based on:

1. Major water line breaks, or pump or system failures occur, which cause substantially significant threat of a loss of capability to provide water service; or
2. Natural or man-made contamination of the water supply sources(s); or
3. Daily water demand equals or exceeds 100% of the Total Production Capability for three (3) consecutive days.

Requirements for Termination
Stage 4 of the Plan may be rescinded when all of the conditions listed as triggering events have ceased to exist for a period of three (3) consecutive days and would be unlikely to recur upon termination, as determined by the City Manager. Upon termination of Stage 4, the City Manager may impose requirements of Stage 1, 2, or 3 of the Plan if circumstances exist that require continued abatement to the effects of the emergency water shortage condition.

Stage 5 Trigger — WATER ALLOCATION

Requirements for Initiation
Customers shall be required to comply with the water allocation plan prescribed in Section IX of this Plan if the City Manager makes the determination that water shortage conditions threatened public health, safety, and welfare due to the type, effect, or magnitude of such conditions.

Requirements for Termination
Stage 5 of the plan may be rescinded when the City Manager makes a determination that the triggering conditions no longer threaten public health, safety, and welfare of the City of Bastrop water utility customers.

Section X: Drought Response Stages

The City Manager, or his/her designee, shall monitor water supply and/or demand conditions on a daily basis and, in accordance with the triggering criteria set forth in Section IX of this Plan, and the City Manager will determine if conditions exist that would trigger any of the designated drought stages, and if so, shall implement the following notification protocol:

Notification of the Public:
The City Manager or his/her designee shall notify the public by means of:

(a) Publication in a newspaper of general circulation, and/or direct mail to customers, or
(b) Public service announcements, or signs posted in public places, or
(c) Notice posted on the City of Bastrop's website at https://www.cityofbastian.org

Additional Notification:
The City Manager or his/her designee shall notify directly, or cause to be notified directly, the following individuals and entities:

(a) Mayor / Members of the City Council
(b) Fire Chief
(c) City and/or County Emergency Management Coordinator(s)
(d) County Judge
(e) State Disaster District / Department of Public Safety
(f) TNRCC (required when mandatory restrictions are imposed) Major water users
(g) Critical water users; i.e. hospitals, clinics and nursing homes
(h) City of Bastrop Department Heads

Stage 1 Response -- MILD Water Shortage Conditions

Target: Raise public awareness of water demand conditions and achieve a voluntary reduction such that daily water demand is equal to 85% or less of Total Production Capability.

Best Management Practices for Supply Management:
The City Manager shall implement supply management measures that include reduction in flushing of water mains, visually inspect lines and repair leaks on a daily basis, monthly review of customer use/consumption records and follow-up on any that have unusually high usage, as well as conservation of incidental water usage at water and wastewater plants. Activities shall be implemented which include increased monitoring of meters, gauges, water levels in tanks, and water well production data.

Voluntary Water Use Restrictions for Reducing Demand:
Water customers are requested to voluntarily limit the use of water for nonessential purposes and to practice water conservation.

(a) Restricted Days/Hours: Water customers are requested to voluntarily limit the irrigation of landscaped areas to Sundays and Thursdays for customers with a street address ending in an even number (0, 2, 4, 6 or 8), and Saturdays and Wednesdays for water customers with a street address ending in an odd number (1, 3, 5, 7 or 9), and to irrigate landscapes only between the hours of 12:00 a.m. (midnight) and 7:00 a.m., and between the hours of 6:00 p.m. to 9:00 p.m. on designated watering days. However, irrigation of landscaped areas is permitted at any time if it is by means of a hand-held hose, a faucet-filled bucket or watering can of five (5) gallons or less, or drip irrigation system.

(b) All general operations of the City of Bastrop shall adhere to mandatory water use restrictions prescribed for Stage 2 of the Plan.

(c) Water customers are requested to practice water conservation and to minimize or discontinue water use for non-essential purposes.
Stage 2 Response –MODERATE Water Shortage Conditions

**Target:** Achieve a reduction in water use such that daily water demand is equal to 90% or less of Total Production Capability.

**Best Management Practices for Supply Management:**

The City Manager shall implement supply management measures that discontinue flushing of water mains, irrigation of public landscaped areas and all water usage at water and wastewater plants not required for direct operations of the facilities.

**Mandatory Water Use Restrictions for Demand Reduction:**

Under threat of penalty for violation, the following water use restrictions shall apply to all City of Bastrop water utility customers.

(a) Irrigation of landscaped areas with hose-end sprinklers or automatic irrigation systems shall be limited to Sundays and Thursdays for customers with a street address ending in an even number (0, 2, 4, 6 or 8), and Saturdays and Wednesdays for water customers with a street address ending in an odd number (1, 3, 5, 7 or 9), and irrigate landscapes only between the hours of 4:00 a.m. and 8:00 a.m. and between the hours of 8:00 p.m. and 12:00 a.m. (midnight) on designated watering days. However, irrigation of landscaped areas is permitted at any time if it is by means of a hand-held hose, a faucet-filled bucket or watering can of five (5) gallons or less, or drip irrigation system.

(b) Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle is prohibited except on designated watering days between the hours of 7:00 p.m. until 11:00 p.m. Such washing, when allowed, shall be done with a faucet-filled bucket or a hand-held hose equipped with a positive shut-off nozzle. Vehicle washing may be done at any time on the immediate premises of a commercial car wash or commercial service station. Further, such washing may be exempted from these regulations if the health, safety, and welfare of the public is contingent upon vehicle washing, such as garbage trucks and vehicles used to transport food and perishables.

(c) Use of water to fill, refill, or add to any indoor or outdoor swimming pools, wading pools, or Jacuzzi-type pools is prohibited except on designated watering days during the hours prior to 8:00 a.m. and the hours after 8:00 p.m.

(d) Use of water from hydrants shall be limited to firefighting, related activities, or other activities necessary to maintain public health, safety, and welfare, except that use of water from designated fire hydrants for construction purposes may be allowed under special permit from the City Manager.

(e) Use of water for the irrigation of athletic fields or golf course greens, tees, and fairways is prohibited except on designated watering days between the hours of 4:00 a.m. and 8:00 a.m. and the hours of 8:00 p.m. and 12:00 a.m. (midnight). However, if the athletic field or golf course utilizes a water source other than that provided by the City of Bastrop, the facility shall not be subject to these regulations.

(f) The following uses of water are defined as non-essential and are prohibited:

1. Use of water to wash down any sidewalks, walkways, driveways, parking lots, tennis courts, or other hard-surfaced areas;
2. Use of water to wash down buildings or structures for purposes other than immediate fire protection;
3. Use of water for dust control;
4. Flushing gutters or permitting water to run or accumulate in any gutter or street; and
5. Failure to repair a controllable leak(s) within a reasonable period after having been given notice directing the repair of such leak(s).
Stage 3 Response - CRITICAL Water Shortage Conditions

**Target:** Achieve a reduction in water use such that daily water demand is equal to 95% or less of Total Production Capability.

**Best Management Practices for Supply Management:**

The City Manager shall implement supply management measures that discontinue flushing of water mains, irrigation of public landscaped areas and all water usage at water and wastewater plants not required for direct operations of the facilities. Water usage at all City buildings shall be restricted to health, sanitation, cleanliness or firefighting purposes.

**Mandatory Water Use Restrictions:**

Under threat of penalty for violation, the following water use restrictions shall apply to all City of Bastrop water utility customers:

(a) Irrigation of landscaped areas by means of hand-held hoses, hand-held buckets or drip irrigation shall be limited to designated watering days, as outlined in Stage 2 of this Plan and between the hours of 6:00 a.m. and 8:00 a.m. and between 8:00 p.m. and 12:00 a.m. (midnight). The use of hose-end sprinklers or automatic sprinkler systems are prohibited at all times.

(b) Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle not occurring on the premises of a commercial car wash and commercial service stations and not in the immediate interest of public health, safety and welfare is prohibited. Further, such vehicle washing at commercial car washes and commercial service stations shall occur only between the hours of 8:00 and 6:00 p.m.

(c) The filling, refilling, or adding of water to indoor or outdoor swimming pools, wading pools, and Jacuzzi-type pools is prohibited.

(d) Operation of any ornamental fountain or pond for aesthetic or scenic purposes is prohibited except where necessary to support aquatic life or where such fountains or ponds are equipped with a re-circulation system.

(e) No new, additional, expanded, or increased-in-size water service connections, meters, service lines, pipeline extensions, mains, or water service facilities of any kind shall be approved or installed for such time as this drought response stage or a higher-numbered stage shall be in effect.

(f) Use of water from hydrants shall be limited to firefighting, related activities, or other activities necessary to maintain public health, safety, and welfare. Use of water from fire hydrants for construction purposes is prohibited.

(g) Use of water for the irrigation of athletic fields or golf course greens, tees, and fairways is prohibited. However, if the athletic field or golf course utilizes a water source other than that provided by the City of Bastrop, the facility shall not be subject to these regulations.

(h) All non-essential uses of water as listed in Stage 2 of this plan are prohibited.

Stage 4 Response - EMERGENCY Water Shortage Conditions

**Target:** Achieve reduction in daily water demand sufficient to assure protection of public health, safety, and welfare of the City of Bastrop water utility customers.

**Best Management Practices for Supply Management:**

The City Manager shall implement supply management measures that discontinue flushing of water mains, irrigation of public landscaped areas and all water usage at water and wastewater plants not required for direct operations of the facilities. Water usage at all City buildings shall be restricted to health, sanitation, cleanliness or firefighting purposes.
Mandatory Water Use Restrictions:

Under threat of penalty for violation, all requirements of Stage 3 shall remain in effect during Stage 4 except:

(a) Irrigation of landscaped areas is absolutely prohibited.
(b) Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle is absolutely prohibited.
(c) Curtailment of service to persons shown to be of violation of prohibited uses of water may be ordered by the City Manager, if the City Manager determines that such curtailment would not be detrimental to the public health, safety, and welfare, and determines that such curtailment would benefit the mitigation of Stage 4 conditions.

Stage 5 Response - WATER ALLOCATION

In the event that water shortage conditions threaten public health, safety, and welfare due to the duration, type, effect or magnitude of such conditions, and a Declaration of Disaster has been issued relating to such conditions, the City Manager is hereby authorized to allocate water according to the following plan. In addition to other restrictions required in Stage 2, 3, or 4 Response, a monthly water allocation may be established by the City Manager for single family residential water customers.

Single-Family Residential Customers

The allocation to residential water customers residing in a single-family dwelling shall be as follows:

<table>
<thead>
<tr>
<th>Persons per Household</th>
<th>Gallons per Month</th>
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<tbody>
<tr>
<td>1 or 2</td>
<td>4,500</td>
</tr>
<tr>
<td>3 or 4</td>
<td>5,500</td>
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<tr>
<td>5 or 6</td>
<td>6,500</td>
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<tr>
<td>7 or 8</td>
<td>7,500</td>
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<tr>
<td>9 or 10</td>
<td>8,500</td>
</tr>
<tr>
<td>11 or more</td>
<td>10,000</td>
</tr>
</tbody>
</table>

"Household" means the residential premises served by the customer’s meter. "Persons per household" includes only those persons currently physically residing at the premises and expected to reside there for the entire billing period. It shall be assumed that a particular customer’s household is comprised of two (2) persons unless the customer notifies the City of Bastrop of a greater number of persons per household on a form prescribed by the City Manager. It shall be the customer’s responsibility to go to the City of Bastrop offices to complete and sign the form claiming more than two (2) persons per household. When the number of persons per household increases so as to place the customer in a different allocation category, the customer may notify the City of Bastrop on such form and the change will be implemented in the next practicable billing period. If the number of persons in a household is reduced, the customer shall notify the City of Bastrop in writing. Any person who knowingly, recklessly, or with criminal negligence falsely reports the number of persons in a household or fails to timely notify the City of Bastrop of a reduction in the number of persons in a household shall be subject to penalties set forth in Section XI of this Plan.

Residential water customers shall pay the following surcharge: 125 % of the normal and routine charge for water billed in excess of allocation.

Master-Metered Multi-Family Residential Customers

In addition to other restrictions in Stage 2, 3 or 4 Responses, a monthly water allocation may be established by the City Manager for master-metered multi-family water customers. The allocation to a customer billed from a master meter which jointly measures water to multiple permanent residential dwelling units (e.g., apartments, mobile homes) shall be allocated 6,000 gallons per month for each dwelling unit. A dwelling unit may be claimed under this provision whether it is occupied or not. Any person who knowingly, recklessly, or with criminal negligence falsely reports the
number of dwelling units served by a master meter shall be subject to penalties set forth in Section XI of this Plan.

Customers billed from a master meter under this provision shall pay the following monthly surcharge: 125% of the normal and routine charges for water billed in excess of allocation.

**Commercial Customers**

In addition to other restrictions in Stage 2, 3 or 4 Responses, a monthly water allocation may be established by the City Manager for each commercial customer. The commercial customer's allocation shall be no less than 75 percent of the customer's usage for corresponding month's billing period for the previous 12 months. If the customer's billing history is shorter than 12 months, the monthly average for the period for which there is a record shall be used for any monthly period for which no history exists. However, a customer for which 75 percent of the monthly usage is less than 6,000 gallons, shall be allocated 6,000 gallons. Upon request of a customer or at the initiative of the City Manager, the allocation may be reduced or increased if, (1) the designated period does not accurately reflect the customer's normal water usage or (2) other objective evidence demonstrates that the designated allocation is inaccurate under present conditions. A customer may appeal an allocation established hereunder to the Bastrop City Council.

Non-residential commercial customers shall pay the following surcharges: 150% of the normal and routine charges for water billed in excess of allocation.

**Industrial Customers**

In addition to other restrictions in Stage 2, 3 or 4 Responses, a monthly water allocation may be established by the City Manager for each industrial customer, which uses water for processing purposes. The industrial customer's allocation shall be no less than 85 percent of the customer's water usage baseline. However, a customer of which 85 percent of the monthly usage is less than 6,000 gallons, shall be allocated 6,000 gallons. The industrial customer's water use baseline will be computed on the average water use for the three month period ending prior to the date of implementation of Stage 2 of the Plan. If the industrial water customer's billing history is shorter than 3 months, the monthly average for the period for which there is a record shall be used. Upon request of the customer or at the initiative of the City Manager, the allocation may be reduced or increased if, (1) the designated period for baseline calculation does not accurately reflect the customer's normal water usage, (2) the customer has added or is in the process of adding significant additional processing capacity, (3) the customer has shut down or significantly reduced the production of a major processing unit, (4) the customer has previously implemented significant permanent water conservation measures such that the ability to further reduce water use is limited, or (5) if other objective evidence demonstrates that the designated allocation is inaccurate under present conditions. A customer may appeal an allocation established hereunder to the Bastrop City Council.

Industrial customers shall pay the following surcharges: 150% of the normal and routine charges for water billed in excess of allocation.

**Section XI: Enforcement**

(a) No person shall knowingly or intentionally allow the use of water from the City of Bastrop for residential, commercial, industrial, agricultural, governmental, or any other purpose in a manner contrary to any provision of this Plan, or in an amount in excess of that permitted by the drought response stage in effect at the time pursuant to action taken by in accordance with provisions of this plan.

(b) Any person who violates this Plan is guilty of a Class C misdemeanor and, upon conviction shall be punished by a fine of not less than FIFTY DOLLARS ($50.00) and not more than FIVE HUNDRED DOLLARS ($500.00). Each day that one or more of the provisions in this Plan is violated shall constitute a separate offense. If a person is convicted of two or more distinct violations of this Plan, the City Manager shall, upon due notice to the customer, be authorized to discontinue water service to the premises where such violations occur. Services discontinued under such circumstances shall be
restored only upon payment of a re-connection charge, hereby established at $25.00, and any other costs incurred by the City of Bastrop in discontinuing service. In addition, suitable assurance must be given to the City Manager that the same action shall not be repeated while the Plan is in effect. Compliance with this Plan may also be sought through injunctive relief in the District Court.

(c) Any person, including a person classified as a water customer of the City of Bastrop, in apparent control of the property where a violation occurs or originates shall be presumed to be the violator, and proof that the violation occurred on the person's property shall constitute a rebuttable presumption that the person in apparent control of the property committed the violation, but any such person shall have the right to show the he/she did not commit the violation. Parents shall be presumed to be responsible for violations of their minor children and proof that violation, committed by a child, occurred on property within the parents' control shall constitute a rebuttable presumption that the parent committed the violation, but any such parent may be excused if he/she proves that he/she had previously directed the child not to use the water as it was used in violation of this Plan and that the parent could not have reasonably known of the violation.

(d) Any police officer, Code Compliance Official, building official or other City of Bastrop employee designated by the City Manager, may issue a citation to a person he/she reasonably believes to be in violation of this Ordinance. The citation shall be prepared in duplicate and shall contain the name and address of the alleged violator, if known, the offense charged, and shall direct him/her to appear in the Municipal Court on the date shown on the citation for which the date shall not be less than three (3) days nor more than five (5) days from the date the citation was issued. The alleged violator shall be served a copy of the citation. Service of the citation shall be complete upon delivery of the citation to the alleged violator, to an agent or employee of a violator, or to a person over fourteen (14) years of age who is a member of the violator's immediate family or is a resident of the violator's residence. The alleged violator shall appear in Municipal Court to enter a plea of guilty or not guilty for the violation of this Plan. If the alleged violator fails to appear in Municipal Court, a warrant for his/her arrest may be issued. A summons to appear may be issued in lieu of an arrest warrant. These cases shall be expedited and given preferential setting in Municipal Court before all other cases.

Section XII: Variances

The City Manager may, in writing, grant temporary variance for existing water uses otherwise prohibited under this Plan if it is determined that failure to grant such variance would cause an emergency condition adversely affecting the health, sanitation, or fire protection for the public or the person requesting such variance and if one or more of the following conditions are met:

(a) Compliance with this Plan cannot be technically accomplished during the duration of the water supply shortage or other condition for which the Plan is in effect.

(b) Alternative methods can be implemented which will achieve the same level of reduction in water use.

Persons requesting an exemption from the provisions of this Ordinance shall file a petition for variance with the City of Bastrop within five (5) days after the Plan or particular drought response stage has been invoked. All petitions for variances shall be reviewed by the City Manager, or his/her designee, and shall include the following:

(a) Name and address of the petitioner(s).

(b) Purpose of water use.

(c) Specific provision(s) of the Plan from which the petitioner is requesting relief.

(d) Detailed statement as to how the specific provision of the Plan adversely affects the petitioner or what damage or harm will occur to the petitioner or others if the petitioner complies with this Ordinance.

(e) Description of the relief requested.

(f) Period of time for which the variance is sought.

(g) Alternative water use restrictions or other measures the petitioner is taking or proposes to take to meet the intent of this Plan and the compliance date.
(h) Other pertinent information.

Variance granted by the City Manager shall be subject to the following conditions, unless waived or modified:

(a) Variances granted shall include a timetable for compliance.
(b) Variances granted in a particular stage shall expire upon advancing to a more restrictive stage of the Plan.
(c) Petitioners shall promptly display the variance granted where it can be read by the general public at all location(s) for which the variance applies, and make said variance available to the public.
(d) Variances granted may be rescinded or revoked by the City Manager if the Petitioner fails to meet specific requirements set forth in the variance. The variance will automatically expire when the Plan is no longer in effect.
(e) No variance shall be retroactive or otherwise justify any violation of this Plan occurring prior to the issuance of the variance.

Section XIII: City Manager's Authority to Impose Additional Restrictions

(a) The City Manager may, in his/her sole discretion, implement mandatory water restrictions in addition to those previously described in this Drought Contingency Plan, to protect the public health and safety in the event of an unusual water system operation event, equipment failure, catastrophic occurrence, or severe weather event.
(b) The City Manager may implement mandatory restrictions, immediately effective, by public announcement.
EXHIBIT E

West Water Tank Location Map

Date: 12/12/2019

The accuracy and precision of this cartographic data is limited and should be used for information display purposes only. This data does not replace surveys conducted by registered Texas land surveyors nor does it constitute an "official" verification of zoning, land use classification, or other classification set forth in local, state, or federal regulatory processes. The City of Bastrop, nor any of its employees, do not make any warranty of merchantability and fitness for particular purpose, or assume any legal liability or responsibility for the accuracy, completeness or usefulness of any such information, nor does it represent that its use would not infringe upon privately owned rights.

1 inch = 193 feet
OMNI™ T²
1-1/2", 2", 3", 4", 6", 8" and 10" OMNI T² Meter

Description

1-1/2", 2", 3", 4", 6", 8" and 10" Sizes

The OMNI T² meter operation is based on advanced Floating Ball Technology (FBT).

Features

CONFORMANCE TO STANDARDS
The OMNI T² meter meets and far exceeds the most recent revision of AWWA Standard C701 class II standards. Each meter is performance tested to ensure compliance. All OMNI meters are NSF/ANSI Standard 61, Annex F and G approved.

PERFORMANCE
The patented measurement principles of the OMNI T² meter assure enhanced accuracy ranges, an overall greater accuracy, and a longer service life than any other comparable class meter produced. The OMNI T² meter has no restrictions as to sustained flow rates within its continuous operating range. The floating ball measurement technology allows for flows up to its rated maximum capacity without affecting undue wear or accuracy degradation when installed in any orientation.

CONSTRUCTION
The OMNI T² motor consists of two basic assemblies; the maincase and the measuring chamber. The measuring chamber assembly includes the “floating ball” impeller with a coated titanium shaft, hybrid axial bearings, integral flow straightener and an all electronic programmable register with protective bonnet. The maincase is made from industry proven Ductile Iron with an approved NSF epoxy coating. Maincase features are; easily removable measuring chamber, unique chamber seal to the maincase using a high pressure o-ring, testing port and a convenient integral strainer.

OMNI ELECTRONIC REGISTER
The OMNI T² electronic register consist of a hermetically sealed register with an electronic pickup containing no mechanical gearing. The large character LCD displays AMR, Totalization and a Resettable Test Totalizer. OMNI register features; AMR resolution units that are fully programmable, Pulse output frequency that are fully programmable, Integral customer data logging capability, Integral resettable accuracy testing feature compatible with the UniPro Testing Assistant Program, Large, easy-to-read LCD also displays both forward and reverse flow directions and all with a 10-year battery life guarantee.

MAGNETIC DRIVE
Meter registration is achieved by utilizing a fully magnetic pickup system. This is accomplished by the magnetic actions of the embedded rotor magnets and the ultra sensitive register pickup probe. The only moving component in water is the “floating ball” impeller.

MEASURING ELEMENT
The revolutionary thermoplastic, hydro dynamically balanced impeller floats between the bearings. The Floating Ball Technology (FBT) allows the measuring element to operate virtually without friction or wear, thus creating the extended upper and lower flow ranges capable on only the OMNI T² meter.

STRAINER
The OMNI T² with the "V" shaped integral strainer using a stainless steel screen along with Floating Ball Technology (FBT) create a design that gives far improved accuracy even in those once thought questionable settings. A removable strainer cover permits easy access to the screen for routine maintenance.

MAINTENANCE
The OMNI T² meter is designed for easy maintenance. Should any maintenance be required, the measuring chamber and / or strainer cover can be removed independently. Parts and or a replacement measuring chamber may be utilized in the event repairs are needed. Replacement Measuring Chambers Exchange are available for the OMNI T² meters and may also be utilized for retrofitting to competitive meters to achieve increased accuracy and extended service life.

AMR / AMI SYSTEMS:
Meters and encoders are compatible with current Sensus AMR/AMI systems.

GUARANTEE:
Sensus OMNI T² Meters are backed by "The Sensus Guarantee." Ask your Sensus representative for details or see Bulletin G-500.
OMNI T²: 1-1/2", 2", 3", 4", 6", 8" and 10" Sizes

OMNI T²: 1 1/2" - 6"

OMNI T²: 8" - 10"

DIMENSIONS AND NET WEIGHTS

<table>
<thead>
<tr>
<th>Meter and Pipe Size</th>
<th>Normal Operating Range</th>
<th>Connections</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
<th>F</th>
<th>G</th>
<th>H</th>
<th>J</th>
<th>Net Weight</th>
<th>Shipping Weight</th>
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<td>200mm</td>
<td>4-1/8&quot;</td>
<td>105mm</td>
<td>6&quot;</td>
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<tr>
<td>4&quot; DN 100mm</td>
<td>3.0 gpm .68 m³/hr</td>
<td>Flanged</td>
<td>23&quot;</td>
<td>584mm</td>
<td>11-3/16&quot;</td>
<td>284mm</td>
<td>15/16&quot;</td>
<td>24mm</td>
<td>9-1/8&quot;</td>
<td>232mm</td>
<td>4-3/4&quot;</td>
<td>121mm</td>
<td>7-1/2&quot;</td>
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<tr>
<td>6&quot; DN 150mm</td>
<td>4.5 gpm .91 m³/hr</td>
<td>Flanged</td>
<td>27&quot;</td>
<td>685mm</td>
<td>13-1/4&quot;</td>
<td>336mm</td>
<td>15/16&quot;</td>
<td>24mm</td>
<td>11&quot;</td>
<td>279mm</td>
<td>5-3/4&quot;</td>
<td>146mm</td>
<td>9-1/2&quot;</td>
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<tr>
<td>8&quot; DN 200mm</td>
<td>5.5 gpm 1.1 m³/hr</td>
<td>Flanged</td>
<td>30-1/8&quot;</td>
<td>765 mm</td>
<td>15&quot;</td>
<td>381 mm</td>
<td>11-1/16&quot;</td>
<td>244 mm</td>
<td>13-1/2&quot;</td>
<td>343 mm</td>
<td>6-3/4&quot;</td>
<td>172 mm</td>
<td>11-3/4&quot;</td>
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<tr>
<td>10&quot; DN 250mm</td>
<td>6.5 gpm 1.4 m³/hr</td>
<td>Flanged</td>
<td>41-1/8</td>
<td>485mm</td>
<td>19&quot;</td>
<td>485 mm</td>
<td>11-1/16&quot;</td>
<td>177 mm</td>
<td>16&quot;</td>
<td>406 mm</td>
<td>8-1/2&quot;</td>
<td>216 mm</td>
<td>14-1/4&quot;</td>
</tr>
</tbody>
</table>
## OMNI T²: 1-1/2", 2", 3", 4", 6", 8" and 10" Sizes

### SPECIFICATIONS

<table>
<thead>
<tr>
<th>SERVICE</th>
<th>Measurement of potable and reclaim water. Operating temperature range of 33 °F (56 °C) - 150 °F (65.6 °C)</th>
</tr>
</thead>
</table>
| OPERATING RANGE  (100% ± 1.5%) | 1-1/2": 1.25 - 200 GPM (.28 - 45 m³/hr)  
2" and 2" without Strainer: 1.5 - 250 GPM (.34 - 57 m³/hr)  
3": 2.5 - 650 GPM (.57 - 148 m³/hr)  
4": 3 - 1250 GPM (.68 - 284 m³/hr)  
6": 4 - 2500 GPM (.91 - 588 m³/hr)  
8": 5 - 3500 GPM (1.1-795 m³/hr)  
10": 6 - 5500 GPM (1.4 - 1249 m³/hr) |
| LOW FLOW  (95% - 101.5%) | 1-1/2": .75 GPM (.17 m³/hr)  
2" and 2" without Strainer: 1.0 GPM (.23 m³/hr)  
3": 1.5 GPM (.34 m³/hr)  
4": 2.0 GPM (.45 m³/hr)  
6": 2.5 GPM (.57 m³/hr)  
8": 4 GPM (.9 m³/hr)  
10": 5 GPM (1.1 m³/hr) |
| MAXIMUM CONTINUOUS OPERATION | 1-1/2": 160 GPM (36 m³/hr)  
2" and 2" without Strainer: 200 GPM (45 m³/hr)  
3": 500 GPM (114 m³/hr)  
4": 1000 GPM (227 m³/hr)  
6": 2000 GPM (454 m³/hr)  
8": 3500 GPM (795 m³/hr)  
10": 5500 GPM (1249 m³/hr) |
| MAXIMUM INTERMITTENT OPERATION | 1-1/2": 200 GPM (45 m³/hr)  
2" and 2" without Strainer: 250 GPM (57 m³/hr)  
3": 650 GPM (148 m³/hr)  
4": 1250 GPM (284 m³/hr)  
6": 2500 GPM (568 m³/hr)  
8": 4700 GPM (1067 m³/hr)  
10": 7000 GPM (1590 m³/hr) |
| PRESSURE LOSS | 1-1/2": 6.9 psi @ 160 GPM (48 bar @ 36 m³/hr)  
2" and 2" without Strainer: 7.0 psi @ 200 GPM (.48 bar @ 45 m³/hr)  
3": 5.1 psi @ 500 GPM (.35 bar @ 114 m³/hr)  
4": 8.7 psi @ 1000 GPM (.60 bar @ 227 m³/hr)  
6": 8.2 psi @ 2000 GPM (.56 bar @ 454 m³/hr)  
8": 5.1 psi @ 3500 GPM (.35 bar @ 795 m³/hr)  
10": 7.2 psi @ 5500 GPM (.50 bar @ 1249 m³/hr) |
| FLANGE CONNECTIONS | U.S. ANSI B16.1 / AWWA Class 125 |
| REGISTER | Fully electronic sealed register with programmable registration (Gal./Cu. Ft./ Cu. Mtr. / Imp.Gal./ Acre Fl.) Programmable AMR/AMI reading and pulse outputs Guaranteed 10 year battery life |
| NSF APPROVED MATERIALS | Maincase: Coated Ductile Iron  
Measuring Chamber: Thermoplastic  
Rotor “Floating Ball”: Thermoplastic  
Radial Bearings: Hybrid Thermoplastic  
Thrust Bearings: Sapphire/Ceramic Jewel  
Magnets: Ceramic Magnet  
Strainer Screen: Stainless Steel  
Strainer Cover: Coated Ductile Iron  
Test Plug: Coated Ductile Iron |
OMNI \( T^2 \): 1-1/2", 2", 3", 4", 6", 8" and 10" Sizes

Headloss Curves

1.5" \( T^2 \) Pressure Loss Curve with Strainer

1.5" \( T^2 \) Accuracy Curve

2" \( T^2 \) Pressure Loss Curve with Strainer

2" \( T^2 \) Accuracy Curve

2" \( T^2 \) Pressure Loss Curve without Strainer

3" \( T^2 \) Pressure Loss Curve with Strainer

3" \( T^2 \) Accuracy Curve

4" \( T^2 \) Pressure Loss Curve with Strainer

4" \( T^2 \) Accuracy Curve
OMNI T^2: 1-1/2", 2", 3", 4", 6", 8" and 10" Sizes

Headloss Curves

6" T^2 Pressure Loss Curve with Strainer

6" T^2 Accuracy Curve

8" T^2 Pressure Loss Curve with Strainer

8" T^2 Accuracy Curve

10" T^2 Pressure Loss Curve with Strainer

10" T^2 Accuracy Curve

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8601 Six Forks Road, Suite 700
Raleigh, NC 27615
1-800-638-3748
www.sensus.com/water
LID
4000 to 4500 P.S.I. concrete, 28 day strength.
Recessed valve opening knockouts.
30"x30" door cast into lid.
Reinforcing for H-20 loading.
Lid as manufactured by Concrete Products, Incorporated, or approved equal.

VAULT
4000 to 4500 P.S.I. concrete, 28 day strength.
18"x18" pipe knockouts.
Reinforcing for H-20 loading to depth of 8".
Base without floor.
12" extension for base.
6" walls, with optional 8" walls for depth to 10".
Vault as manufactured by Concrete Products, Incorporated, or approved equal.

HATCH
Spring assisted steel hatch with manual lid lockouts.
Cast flush to top of lid.
30"x30" opening area.
H-20 steel door.
Door as manufactured by Concrete Products, Incorporated, or approved equal.

NOTE:
The meter vault shall be large enough, so that the fitted meter assembly can be easily maintained.
Account Name: NEW SUBDIVISION TEST
Account Number: 50-1000-00
Service Address: 100 ANYWHERE
Statement Date: 07/02/2019

Service Dates: 06/29/2019 thru 07/29/2019

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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<tbody>
<tr>
<td>WATER SOURCE COST</td>
<td>9,000.00</td>
</tr>
<tr>
<td>WATER TRANSMISSION COST</td>
<td>848.74</td>
</tr>
<tr>
<td>Consumption</td>
<td></td>
</tr>
<tr>
<td>Current Read</td>
<td>150</td>
</tr>
<tr>
<td>Previous Read</td>
<td>0</td>
</tr>
<tr>
<td>WATER METERED</td>
<td>576.73</td>
</tr>
<tr>
<td>SEWER METERED</td>
<td>297.73</td>
</tr>
<tr>
<td>TOTAL AMOUNT DUE</td>
<td>$10,723.20</td>
</tr>
</tbody>
</table>

Exhibit H

Important News and Information
Recycling Days:
JULY 1ST - 5TH; 15TH - 18TH & JULY 29TH - AUG 1ST

ONLINE PAYMENTS: WWW.MY78602.COM
**PAY BY PHONE: 512-332-8868**
VISIT OUR WEBSITE AND GIVE US YOUR FEEDBACK
BY TAKING OUR SURVEY
www.cityofbastrop.org FOR CITY INFORMATION

Please return the bottom stub with payment and include your account # on the check. Checks should be made payable to "City of Bastrop" and mailed to PO Drawer S, Bastrop Texas 78602. When making online payments through your Financial Institution, please allow a minimum of 5 days for arrival. Please see back for additional information.

DETACH ALONG PERFORATION AND RETURN THIS PORTION WITH YOUR PAYMENT. KEEP TOP PORTION FOR YOUR RECORDS.

Account No: 50-1000-00 Statement Date: 07/02/2019

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Previous Balance</td>
<td>0.00</td>
</tr>
<tr>
<td>TOTAL AMOUNT DUE</td>
<td>$10,723.20</td>
</tr>
<tr>
<td>Due on or before 07/02/2019</td>
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</tr>
<tr>
<td>Penalty Amount after the 15th</td>
<td>$11,795.51</td>
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</tbody>
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AMOUNT 
ENCLOSED

City of Bastrop
PO Drawer S
Bastrop, TX 78602