

DRAFT: FOR REVIEW ONLY
02/26/202403/08/20243/13/2024

**AMENDED AND RESTATED WHOLESALE WATER SERVICES AGREEMENT
BETWEEN
WEST TRAVIS COUNTY PUBLIC UTILITY AGENCY
AND
THE CITY OF DRIPPING SPRINGS**

This AMENDED AND RESTATED WHOLESALE WATER SERVICES AGREEMENT (this “**Agreement**”) is made and entered into by and between WEST TRAVIS COUNTY PUBLIC UTILITY AGENCY, a public utility agency created pursuant to Chapter 572, Texas Local Government Code (“**WTCPUA**”) and THE CITY OF DRIPPING SPRINGS, a Texas municipality (the “**City**”).

RECITALS

1. WTCPUA owns and operates raw water intake and pumping system facilities, a water treatment plant, treated water storage facilities, and treated water transmission and distribution facilities which have been designed to serve the existing needs of customers in western Travis and northern Hays County, and which may be expanded and added to serve future needs of WTCPUA water customers (collectively, the “**WTCPUA Water System**”).
2. The City is a WTCPUA wholesale customer pursuant to that certain March 11, 2003 Wholesale Water Services Agreement as assigned by the Lower Colorado River Authority (“**LCRA**”) to the WTCPUA (“**2003 Agreement**”) and amended from time to time as listed on **Exhibit A** (the “**Previous Amendments**”).
3. WTCPUA and City now desire to amend and restate their agreement regarding the provision of Wholesale Water Services, as more fully defined herein, to City under the conditions described in this Agreement. Specifically, WTCPUA has agreed to construct an elevated storage tank for the benefit of the City’s wholesale service area and, in return, the City agrees to clarification of (i) its wholesale service area, (ii) the maximum level of service to be provided, and (iii) the process for evaluating and providing for new delivery points for the wholesale service area and the use of a Supplement to Wholesale Agreement form for individual projects in the Wholesale Service Area.

AGREEMENT

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements set forth and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, WTCPUA and City replace the 2003 Agreement in its entirety and agree as follows:

ARTICLE I
DEFINITIONS

Section 1.01 Definitions of Terms. In addition to the terms otherwise defined in the above recitals or the provisions of this Agreement, the terms used in this Agreement will have the meanings set forth below.

“**Agreement**” means this agreement.

“**Annual Raw Water Supply**” means the amount of water necessary to serve ~~7000~~ 7000 LUEs on an annual basis.

“**AWWA**” means the American Water Works Association.

“**City**” means the City of Dripping Springs.

“**City System**” means the City’s water transmission, distribution and delivery systems that provide service to the City’s retail customers through the Wholesale Water Services provided under this Agreement, including any facilities required to extend service to the Wholesale Service Area from City’s side of the Delivery Points. The City System shall be owned, operated and maintained by City and shall not include the Master Meter or any facilities on WTCPUA’s side of the Delivery Points.

“**Delivery Points**” means the point or points at which WTCPUA will deliver treated water to the City under this Agreement at locations approved by the WTCPUA for each Proposed Development as specified in a Supplement to Wholesale Agreement.

“**Delivery Point Improvements**” means the installation of the tap and Master Meters at the Delivery Points, and any valves and pressure reducing devices required by WTCPUA for City to connect to and receive service from the WTCPUA Water System but does not include any facilities on WTCPUA’s side of the Delivery Points and does not include any facilities comprising the City System.

“**Effective Date**” means the last date this Agreement has been executed by both City and WTCPUA.

“**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 WTCPUA. The term includes Force Majeure and acts of third parties that cause the WTCPUA Water System to be unable to provide the Wholesale Water Services agreed to be provided herein.

“**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 WTCPUA 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.

“**LCRA**” means the Lower Colorado River Authority.

“**Improvements**” means extensions or additions to the WTCPUA Water System that are not identified as WTCPUA Capital Projects that need to be completed to allow the WTCPUA to provide service to a particular project and Delivery Point in the Wholesale Service Area as identified in a Supplement to Wholesale Agreement in the form at **Exhibit B** and approved by the parties in accordance with this Agreement.

“**LUE**” or “**Living Unit Equivalent**” means an amount of Wholesale Water Services sufficient for one single family residential connection or its equivalent. The number of LUEs for each retail connection in the Wholesale Service Area for each Supplement to the Wholesale Agreement shall be calculated based on the WTCPUA Service Rules and Policies governing the calculation of LUEs for service connections at the time of the execution of that particular Supplement to the Wholesale Agreement.

“**Master Meters**” means the master meters meter vault, and all metering and telemetering equipment required to measure Wholesale Water Services provided by WTCPUA pursuant to this Agreement that shall be installed by City at the Delivery Points as described in this Agreement.

“**Max Day Reservation**” means the maximum amount of water to be delivered by WTCPUA to the City at a specific Delivery Point on an average daily basis in accordance with the flow rates and capacity commitments established for such Delivery Point in a Supplement to Wholesale Agreement. The Max Day Reservations for all Delivery Points combined may not exceed the Annual Raw Water Supply.

“**Maximum Annual Quantity**” means the Max Day Reservation computed as a daily average over a calendar year for a specific Delivery Point as identified in a Supplement to Wholesale Agreement.

“**Maximum Peak Day Use**” means the maximum amount of water to be delivered by WTCPUA to the City at a specific Delivery Point in a single 24-hour period in accordance with the flow rates and capacity commitments established for such Delivery Point in a Supplement to Wholesale Agreement.

“**Monthly Charge**” means the monthly charge by the WTCPUA to the City for the provision of Wholesale Water Services by the WTCPUA to the Wholesale Service Area as described in this Agreement.

“**Parties**” means the City of Dripping Springs and the WTCPUA.

“**Proposed Development**” means an individual development project in the Wholesale Service Area to which the City intends to provide retail water service.

“**Raw Water Contract**” means the Water Sale Contract entered into between the City and the LCRA, as it may be amended, superseded or supplemented, executed on September 22, 2022.

“**Raw Water Supply**” means the 2,438 acre-feet per annum of raw water that the City shall reserve from LCRA under the Raw Water Contract for the Wholesale Service Area for the provision of Wholesale Water Services.

“**Reservation Fee**” shall mean an annual fee imposed pursuant to the WTCPUA’s Rules and Policies, as amended from time to time, to reserve water capacity in the WTCPUA System.

“**Reservation Period**” shall mean a five (5) year period commencing on the date of the Supplement to Wholesale Service Agreement.

“**Service Availability Letter**” means the letter issued by WTCPUA in response to an application by the City to the WTCPUA for a new Delivery Point in the Wholesale Service Area identifying the terms and conditions of service to such new Delivery Point, including identification and funding of Improvements, needed WTCPUA Capital Improvements, and the Max Day Reservation.

“**Supplement to Wholesale Agreement**” means the form at [Exhibit B](#) to be executed by the parties establishing service levels and conditions for individual projects at specific Delivery Points in the Wholesale Service Area.

“**TCEQ**” means the Texas Commission on Environmental Quality or its successor agency.

“**USFWS MOU**” means the “Memorandum of Understanding” between the LCRA and the United States Fish and Wildlife Service, dated May 24, 2000, and the “Settlement Agreement and Stipulation of Dismissal” from the lawsuit Hays County Water Planning Partnership, et. al. vs. Lt. General Robert B. Flowers, U.S. Army Corps of Engineers, Thomas E. White, Secretary of the Army, Gale Norton, Secretary of the Department of the Interior, and the Lower Colorado River Authority, W.D. Tex. 2002 (No. AOOCA 826SS).

“**Water Impact Fee**” means a charge imposed per water LUE in accordance with Chapter 395 of the Local Government Code for funding the costs of water capital improvements or facility expansions necessary to serve the Wholesale Service Area in the amount set forth in the WTCPUA Service Rules and Policies and as amended from time to time by the WTCPUA Board of Directors.

“**Wholesale Water Services**” means the diversion of the Raw Water Supply from the Colorado River, the transmission of the Raw Water Supply 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 Points.

“**Wholesale Service Area**” means the territory more particularly described or depicted in [Exhibit A of the 2003 Agreement, which is incorporated herein by reference. ~~Exhibit C attached hereto.~~](#)

“**WTCPUA**” means the West Travis County Public Utility Agency or its successor.

“**WTCPUA Capital Projects**” means WTCPUA capital projects identified in a WTCPUA current or future capital improvements plan that need to be completed to allow the WTCPUA to provide service to a particular project and Delivery Point in the Wholesale Service Area as identified in a Supplement to Wholesale Agreement in the form at **Exhibit B** and approved by the parties in accordance with this Agreement.

“**WTCPUA Service Rules and Policies**” means the WTCPUA’s Schedule for Rates, Fees, and Charges, the WTCPUA Service and Development Policies, and any other rules or policies applicable to the provision of wholesale treated water service, as amended by the WTCPUA Board of Directors from time to time.

“**WTCPUA Service Area**” means the service area for the WTCPUA Water System, as depicted in the WTCPUA Service Rules and Policies, together with such other service areas as may be added by WTCPUA in the future.

“**WTCPUA Water System**” means the facilities owned and operated by WTCPUA, as described in this Agreement, together with all extensions, expansions, improvements, enlargements, betterments and replacements to provide water or Wholesale Water Services to WTCPUA’s customers in the WTCPUA Service Area. The WTCPUA Water System does not include any improvements on City’s side of a Delivery Point for purposes of this Agreement, and does not include any facilities used by WTCPUA solely to provide retail potable water service, such as costs of retail distribution lines and related valves, pressure reducing devices, pressure boosting facilities and improvements; retail meters and taps and individual retail customer service lines.

“**WTCPUA Water Conservation and Drought Contingency Plan**” means, collectively, the WTCPUA Water Conservation Plan and the WTCPUA Drought Contingency Plan, as may be amended by the WTCPUA Board of Directors from time to time. A copy of the WTCPUA Water Conservation and Drought Contingency Plan in effect as of the Effective Date is attached hereto as **Exhibit D**.

“**1340 EST**” means the elevated storage tank to be funded and constructed by WTCPUA located at the 1340 pressure plane as shown on **Exhibit C**.

“**1340 EST Site**” means the site the City will cause to be conveyed to WTCPUA for the construction of the 1340 EST as generally shown on ~~**Exhibit -C-**~~ and to be conveyed to WTCPUA as provided in this Agreement.

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
PROVISION OF WHOLESALE WATER SERVICES

Section 2.01 Wholesale Water Services. WTCPUA agrees to provide Wholesale Water Services to the City for the Wholesale Service Area in an amount and quantity no greater than the Annual Raw Water Supply and in accordance with the flow limitations and other provisions of this Agreement, including the provisions located in Article III, all as hereafter specified.

Section 2.02 City Responsible for Retail Connections. City will be solely responsible for providing retail water service within the Wholesale Service Area. City shall not provide or sell water received under this Agreement to any entity, private or public, other than the City's retail customers located within the Wholesale Service Area. City will be solely responsible for ensuring compliance by its retail customers with the applicable terms of this Agreement, for the applicable provisions of the WTCPUA Service Rules and Policies, and for the proper and lawful application of City's policies and regulations governing connection to the City System.

Section 2.03 Diversion of Water; Primary Source.

- a. WTCPUA agrees to provide Wholesale Water Services to City for the Raw Water Supply purchased by the City from LCRA pursuant to the Raw Water Contract in accordance with the terms provided in this Agreement.
- b. Except for the Previous Amendments identified on **Exhibit A** for which WTCPUA provides raw water, it shall be the City's sole responsibility to secure and maintain the right for WTCPUA to divert and use water under the Raw Water Contract as may be necessary in order for WTCPUA to provide Wholesale Water Services to the City. Water made available under the Raw Water Contract and provided through the Wholesale Water Services furnished by WTCPUA pursuant to this Agreement will be used by City in order to provide potable water service within the Wholesale Service Area prior to the use of potable water obtained from any other source.
- c. WTCPUA, by entering into this Agreement with City, does not confer upon City, and City, as a result of this Agreement, shall never have or claim, any interest in raw water owned or controlled by WTCPUA.
- d. The Parties agree that the Master Meters shall be utilized for purposes of measuring the quantity of raw water purchased by the City under the Raw Water Supply Contract, and the WTCPUA agrees to fully cooperate with the City for purposes of furnishing all Master Meter readings to LCRA for City billing and payment purposes under the Raw Water Contract.

Section 2.04 Title to and Responsibility for Water.

- a. Title to the water diverted, treated, and transported to City by WTCPUA under this Agreement shall remain with WTCPUA at all times until it reaches the Delivery Points. At the Delivery Points, title, control, and dominion of the water shall pass to the City.

- b. City shall be solely responsible for conveying water from the Delivery Points to the City's intended places of use.

Section 2.05 Delivery Points, Supplement to Wholesale Agreement, Quantity and Pressure.

- a. Subject to the terms of this Agreement, including Section 2.01 above and Article III below, WTCPUA agrees to divert, transport, and treat for City, water requested by City for the Wholesale Service Area, up to, but not in excess of, the Annual Raw Water Supply at maximum daily flow rates or maximum hourly rates expressed in gallons per day and gallons per hour for specific Delivery Points within the Wholesale Service Area pursuant to a written Supplement to Wholesale Agreement to be executed by the parties for each Proposed Development in the Wholesale Service Area. The Parties agree that the Previous Amendments remain in full force and effect, are consistent with the provisions of this restated Agreement without further amendment or modification, and are to be treated as Supplements to Wholesale Agreement.
- b. The City shall follow the process established in the WTCPUA Service Rules and Policies for new development (file a Service Extension Request as defined in the WTCPUA Service Rules and Policies) to confirm availability of service at its desired Delivery Points, and the WTCPUA shall evaluate the City's application and issue a Service Availability Letter identifying the level of service available and any conditions for service related to Improvements and WTCPUA Capital Projects. Such conditions shall be incorporated into any Supplement to Wholesale Agreement.
- c. WTCPUA shall provide Wholesale Water Services at the minimum rates required for purchased water systems under TCEQ rules (30 TAC §290.45(f), as amended from time to time).— WTCPUA reserves the right to require the City, at its expense, to install flow restriction devices of such type and at such locations as WTCPUA may reasonably specify in order to restrict the flow of water to City to the specified levels.
- d. WTCPUA will construct the 1340 EST. The Parties agree that WTCPUA shall have no obligation to provide elevated storage as a part of its WTCPUA Capital Projects for the Wholesale Service Area beyond the 1340 EST and the level available in the WTCPUA Water System as of the Effective Date.
- e. If the demands of City for Wholesale Water Services ever exceed the amount specified in this Agreement, then City shall notify WTCPUA of the amount of additional potable water needed. If WTCPUA is unable to provide the additional water required by City, City, at its option, may acquire additional water from other sources so long as the addition of such other sources does not conflict with or impact the WTCPUA Water System or the collection of Water Impact Fees for connections served by the WTCPUA.
- f. The City, at any time and upon first giving WTCPUA sixty (60) days prior written notice, may reduce the Annual Raw Water Supply. The written notice furnished by City to WTCPUA shall specify the number of LUEs to be released. In the event of any such reduction, WTCPUA's obligation to provide Wholesale Water Services shall be reduced

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accordingly. Notwithstanding the foregoing, the City shall not reduce its Annual Raw Water Supply for the Wholesale Service Area to a quantity less than 2,438 acre-feet per year without the written approval of the WTCPUA.

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Section 2.06 Quality of Water Delivered to City. The water delivered by WTCPUA 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. 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 2.07 Maintenance and Operation; Future Construction. WTCPUA shall be responsible for operating, maintaining, repairing, replacing, extending, improving, and enlarging the WTCPUA Water System, including the Master Meters, in good working condition and shall promptly repair any leaks or breaks in the WTCPUA Water System. City shall be responsible for operating, maintaining, repairing, replacing, extending, improving, and enlarging the City System in good working condition and shall promptly repair any leaks or breaks in the City System.

Section 2.08 Rights and Responsibilities in Event of Leaks or Breaks. City shall be responsible for paying for all water delivered to it under this Agreement at the Delivery Points even if such water passed through the Delivery Points as a result of leaks or breaks in the City System. In the event a leak, break, rupture or other defect occurs within the City System that could either endanger or contaminate the WTCPUA Water System or prejudice WTCPUA's ability to provide water service to its other customers, WTCPUA, after providing reasonable notice to City and an opportunity for consultation, shall have the right to take reasonable, appropriate action to protect the public health or welfare of the WTCPUA Water System or the water systems of WTCPUA's customers including, without limitation, the right to restrict, valve off or discontinue service to City until such leak, break, rupture or other defect has been repaired.

Section 2.09 Wholesale Service Commitment Not Transferable. WTCPUA's commitment to provide Wholesale Water Services is solely to City and solely for the Wholesale Service Area. City may not assign or transfer in whole or in part its right to receive Wholesale Water Services without WTCPUA's prior written approval. Notwithstanding the foregoing, the WTCPUA reserves the right to provide water service to other properties located within the WTCPUA Service Area, as may be amended from time to time.

Section 2.10 Conservation and Drought Planning. City, by signing below, certifies that it has adopted a water conservation plan and a drought contingency plan in compliance with TCEQ rules, 30 Texas Administrative Code, Chapter 288, and that the provisions of such plans are at least as stringent as the provisions of the WTCPUA Water Conservation and Drought Contingency Plan. City agrees that it will enforce such water conservation plan and drought contingency plan in the Wholesale Service Area.

Section 2.11 Plumbing Regulations. To the extent WTCPUA and City have the authority, both covenant and agree to adopt and enforce adequate plumbing regulations with provisions for the proper enforcement thereof, to ensure that neither cross-connection nor other undesirable plumbing practices are permitted, including an agreement with each of their respective water customers that allows it to inspect individual water facilities prior to providing service to ensure that no substandard materials are used and to prevent cross-connection and other undesirable plumbing practices.

Section 2.12 Curtailment of Service. The Parties agree that, if water service is curtailed by WTCPUA to other similarly situated customers of the WTCPUA Water System, WTCPUA may impose a like curtailment, with a minimum of 48-hour written notice (except in emergency situations which do not allow for 48-hour notice) to City, on Wholesale Water Services delivered to City under this Agreement. WTCPUA will impose such curtailments in a nondiscriminatory fashion. The Parties agree that they will not construe this Agreement to prohibit WTCPUA from curtailing service completely in the event of a maintenance operation or Emergency for a reasonable period necessary to complete such maintenance operations or repairs or respond to an Emergency circumstance. The City acknowledges and agrees that the WTCPUA's provision of Wholesale Water Services under this Agreement is subject to applicable provisions of the WTCPUA Water Conservation and Drought Contingency Plan.

Section 2.13 Fire Flows. The City understands and agrees the WTCPUA does not and is not required to provide fire flows to the Wholesale Service Area. As such, the City is solely responsible for the installation and maintenance of any water improvements necessary to provide fire flows to the Wholesale Service Area. Such improvements, if installed, shall be located on the City's side of the Delivery Points.

Section 2.14 Cooperation During Maintenance or Emergency. City will reasonably cooperate with WTCPUA during periods of Emergency or required maintenance.

Section 2.15 Right of Entry. City agrees to provide WTCPUA the right of entry and access to the City System at all reasonable times upon prior notice in order to inspect those facilities, to investigate the source of operational or maintenance problems or for preventive purposes intended to detect, minimize, or avert operational or maintenance problems, or for any other purpose reasonably related to the provision of Wholesale Water Services.

Section 2.16 Maintenance of Raw Water Supply. City shall be responsible for maintaining compliance with its Raw Water Contract. In the event the LCRA terminates or suspends the Raw Water Supply to the City for any reason, WTCPUA may similarly terminate or suspend its provision of Water Services under this Agreement. Except for the Previous Amendments identified on **Exhibit A** for which WTCPUA provides raw water, the WTCPUA shall not be responsible for the provision of raw water and shall not commence Wholesale Water Services to the Wholesale Service Area until the Raw Water Contract is fully executed and effective or amended to include the Raw Water Supply or any future additional water supply that may be needed to serve the Wholesale Service Area.

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ARTICLE III
CONSTRUCTION OF IMPROVEMENTS AND METERING PROVISIONS;
CONVEYANCE OF 1340 EST SITE

Section 3.01 As a condition precedent to the commencement of Wholesale Water Services by the WTCPUA to a particular project in the Wholesale Service Area, the City shall install, or cause the installation of Improvements to the WTCPUA Water System necessary for that particular project (and not otherwise already included in a WTCPUA Capital Improvement Plan) identified a Supplement to Wholesale Agreement. The design, location, and installation of the Improvements are subject to prior review and written approval by WTCPUA, which approval shall not be unreasonably withheld, denied or delayed provided the facilities comply with applicable standards of the TCEQ and the WTCPUA. WTCPUA acknowledges that timely review and approval of the plans for the Improvements are necessary in order for City to begin providing service as contemplated by this Agreement. The WTCPUA agrees to review all plans and either approve the plans or provide written comments specifically identifying the required changes within a reasonable amount of time from the submittal, provided that all submittals are complete. After completion of installation of the Improvements and inspection and written acceptance by the WTCPUA, City shall, as a condition precedent to this Agreement, dedicate and convey the Improvements to WTCPUA free and clear of any liens, claims and encumbrances and execute an appropriate document in form and substance reasonably acceptable to WTCPUA evidencing the dedication and conveyance. The Improvements shall be located in public rights of way, easements in final plats, or separate easements granted to the WTCPUA to facilitate maintenance, repair, and improvement of the facilities. Thereafter, the Improvements will be part of the WTCPUA Water System, and WTCPUA will repair, maintain, and replace the Improvements. The WTCPUA shall not commence Wholesale Water Services to a particular project in Wholesale Service Area until Improvements are accepted by and conveyed to the WTCPUA.

Section 3.02 Master Meter Accuracy; Calibration.

(a) The Master Meters shall be calibrated each calendar year by the WTCPUA. Such costs and expense shall be paid by the WTCPUA. The WTCPUA shall provide not less than 48 hours prior written notice of each such calibration, and a representative of the City may be present to observe each calibration.

(b) The Master Meters may be calibrated at any reasonable time by either party to this Agreement, provided that the party making the calibration notifies the other party in writing at least five days in advance and allows the other party to witness the calibration. 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 12-month period without mutual consent of both parties, then the Master Meter shall be tested by WTCPUA promptly upon request by the City. The expense of such test shall be borne by City if the Master Meter is found to be within AWWA and manufacturer's standards of accuracy for the type and size of meter, and by WTCPUA if the Master Meter is found to not be within AWWA and manufacturer's standards for the type and size of meter.

(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 and WTCPUA shall pay for the testing or, if no such period is known or agreed upon, the shorter of:

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

The records of the readings, and all payments which have been made on the basis of such readings, shall be adjusted accordingly.

Section 3.03 Conveyance of 1340 EST Site. As a condition of Wholesale Water Services to the City pursuant to this Agreement, the City shall convey or cause to be conveyed to the WTCPUA the 1340 EST Site at a size, location, layout, and form and manner acceptable to WTCPUA, at the location generally shown on Exhibit C. The conveyance shall be in the form of an exclusive easement for the benefit of the WTCPUA or fee simple title with adequate access from a public right of way, and the City shall convey the 1340 EST Site within three months of the Effective Date.

ARTICLE IV **RATES AND CHARGES**

Section 4.01 Wholesale Water Rates, Charges, and Fees

(a) City will pay WTCPUA for the Wholesale Water Services provided under this Agreement based on rates, charges, and fees for the Wholesale Water Services set by the WTCPUA Board of Directors and amended from time to time. The WTCPUA shall provide Wholesale Water Supply to the City for the Wholesale Service Area in an amount not to exceed the number of LUEs identified in a Supplement to Wholesale Agreement for a particular project as measured at the Delivery Points. The Parties agree that pursuant to the Agreement, the City shall provide retail potable water utility service for the Wholesale Service Area to such numbers of LUEs.

(b) The Supplement to Wholesale Agreement shall specify a Max Day Reservation, a Maximum Annual Quantity, and a Maximum Peak Day Use for each Delivery Point. In the event the total quantity of water as measured at the Delivery Point exceeds the Maximum Annual Quantity and/or the Maximum Peak Day Use, the WTCPUA may assess, and the City agrees to pay a water surcharge for water used that is in excess of such amount. In addition, to address repeated exceedances of the Maximum Annual Quantity and/or Maximum Peak Day Use, the WTCPUA may install, at the City's sole cost, a water rate flow of controller to restrict or limit the maximum flow at the Delivery Point.

(c) The City shall be solely responsible for establishing, billing, and collecting water or other rates, charges, and fees from customers within the Wholesale Service Area in accordance with applicable law. Failure to collect from its customers will not affect the City's obligation to make all payments due to the WTCPUA.

(d) The City shall deposit with the WTCPUA the sum of \$5,000 ("City Deposit"), which shall be used to pay the WTCPUA's charges and fees as provided in Sections 5.14 through 5.17 of the WTCPUA Rules and Policies with respect to the extension of service to a Proposed Development in the Wholesale Service Area. To the extent such charges and fees incurred for the Proposed Development exceed or are projected to exceed the amount of the City's Deposit as specified above, the WTCPUA shall invoice City for such additional amounts and payment by City shall be due upon its receipt of such invoice. Delay by City in paying an invoice when due shall delay WTCPUA review and acceptance of any facility relating to the Proposed Development, including the Facilities and the commencement of service to the Proposed Development. Any funds remaining in the City Deposit not used by the WTCPUA shall be reimbursed to City upon the commencement of service in accordance with Article IV.

Section 4.02 Monthly Charge and Volume Charge

(a) The WTCPUA shall utilize the base-extra capacity methodology performed by a qualified professional to determine the appropriate Monthly Charge and Volume Charge for each wholesale customer, including the City for the Wholesale Service Area, and may be adjusted from time to time by the WTCPUA's Board of Directors.

(b) The City shall pay to the WTCPUA a Monthly Charge for each full calendar month in accordance with Section 4.04(b). The Monthly Charge has been designed primarily to recover allocated pro-rata debt service for installment payments to the LCRA, including interest, and for the City's pro-rata share of debt related to capital costs, including interest, for facilities necessary to maintain and expand WTCPUA System capacity to serve the Wholesale Service Area, including costs for rehabilitation and regulatory improvements which may be necessary to provide continuous and adequate service. The Monthly Charge shall be the amount specified for a specific project in the Supplement to Wholesale Agreement and shall be assessed by the WTCPUA on a monthly basis. The absorption (i.e., build-out) schedule used as part of the Monthly Charge calculation for the Wholesale Service Area is thirty (30) years, and shall be based on a schedule included in the Supplement to Wholesale Agreement for a Proposed Development. The City shall pay the Monthly Charge regardless of whether build-out within the Wholesale Service Area meets the absorption schedule used to develop the Monthly Charge. ~~The Monthly Charge shall be reduced by the amount of Reservation Fees paid by the City for the associated LUEs as specified in the Supplement to Wholesale Agreement.~~

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(c) The City shall pay to the WTCPUA a monthly Volume Charge for the diversion, transportation, treatment, and delivery of the actual amount of water delivered to the City for the Wholesale Service Area, as measured by the Master Meter at each Delivery Point for a Proposed Development. The Volume Charge shall recover the City's pro-rata portion of the WTCPUA's expenses associated with operating and maintaining the WTCPUA System, including system raw

water loss. The Volume Charge does not include any charges for raw water, and the City shall remain liable for such costs under the Raw Water Contract with LCRA.

(d) Within ten business days of a written request from the WTCPUA, the City shall provide the WTCPUA with copies of the City's monthly operating reports indicating the City's peak day consumption for the Delivery Points and Wholesale Service Area.

Section 4.03 Amendment of Wholesale Rates, Fees and Charges, Notice to and Review by City.

(a) WTCPUA may amend the Monthly Charge, the Volume Charge, and Water Impact Fees from time to time as approved by the WTCPUA Board of Directors.

(b) City will have the right to inspect and copy, at its expense, WTCPUA's books and records to verify any statement, billing, charge, computation, or demand made to City by WTCPUA. WTCPUA agrees to make all such information available to City for inspection and copying with reasonable promptness during normal business hours.

Section 4.04 Volume and Minimum Monthly Charges.

(a) WTCPUA will measure water flows monthly based on monthly readings of the Master Meters. The total of these amounts multiplied by the Volume Charges will be used by WTCPUA to compute the monthly bill for the Volume Charges.

(b) Upon execution of a Supplement to Wholesale Agreement, the City will commence payment to the WTCPUA of the Minimum Monthly Charge based on the absorption schedule provided in the Supplement to Wholesale Water Agreement.

(c) For each monthly billing period, WTCPUA will forward to City a bill providing a statement of the total Minimum Monthly Charge and Volume Charges owed by City for Wholesale Water Services provided to City during the previous monthly billing period. City will pay WTCPUA for each bill submitted by WTCPUA to City by check or bank-wire on or before thirty (30) days from the date of the invoice. Payments shall be mailed to the address indicated on the invoice or can be hand-delivered to WTCPUA's administrative office in Travis County, Texas, upon prior arrangement. If payments will be made by bank-wire, City shall verify wiring instructions. Payment must be received at WTCPUA's administrative office or bank by the due date in order not to be considered past due or late. In the event City or an assignee responsible for payment in accordance with this Agreement fails to make payment of a bill within said thirty (30) day period, City shall pay late payment charges in accordance with WTCPUA Rules and Policies on the unpaid balance of the invoice.

(d) With respect to the Volume Charge and Minimum Monthly Charge, if WTCPUA has not received payment from City by the due date, the bill will be considered delinquent, unless contested in good faith. In such event, WTCPUA will notify City, or its assignee responsible for payment in accordance with this Agreement, of such delinquency in writing, if City or its assignee fails to make payment of the delinquent billing within 30 calendar days from the date of transmittal

of such written notice of delinquency from WTCPUA, then WTCPUA may, at its discretion, terminate or reduce the level of Wholesale Water Services to City until payment is made.

Section 4.05 Retail Meter Installation and Water Impact Fees.

(a) ~~City shall install the retail customer meters for each new retail water customer that connects to the City System within the Wholesale Service Area only after the WTCPUA confirms receipt of Impact Fee payment. WTCPUA shall install the retail customer meters for each new retail water customer that connects to the City System within the Wholesale Service Area and bill and collect from such customer all City retail fees and deposits and the WTCPUA's cost of meter, meter installation and Water Impact Fee prior to the commencement of service. WTCPUA shall timely remit to City any of its retail fees and deposits from such retail customer.~~ For the term of this Agreement, the Water Impact Fee will be the amount established from time to time by the WTCPUA Board of Directors.

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(b) ~~The City agrees to collect Impact Fees upon approval of the final plat of the Proposed Development and immediately remit such fees to the WTCPUA.~~ The City will add the WTCPUA as a required signature on the final plat. No meters will be set until Impact Fees have been paid to the WTCPUA. WTCPUA shall timely transmit to the City information on the receipt of payment of Impact Fees to allow the City to commence retail service.

(c) The Water Impact Fee has been designed to fund or recover all or a part of the costs of the WTCPUA Water System for capital improvements or facility expansions intended to serve "new development" (as that term is defined in the Texas Impact Fee Law, Chapter 395 of the Texas Local Government Code) in the WTCPUA Service Area and, upon payment, City will have a guaranteed reservation of capacity in the WTCPUA Water System, to serve the Wholesale Service Area, for the number of LUEs for which a Water Impact Fee has been paid. The Water Impact Fee will be reasonable and just and established as required by law and in accordance with the provisions of this Agreement.

(d) City shall be responsible for payment to LCRA for the availability and supply of raw water under the Raw Water Contract.

Section 4.06 Protests, Disputes or Appeals. Nothing in this Agreement is intended to limit, impair or prevent any right of City 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 the City under this Agreement.

Section 4.07 City Water Rates and Charges. City will determine and charge its retail water customers such rates as are determined by its governing body. During the term of this Agreement, City 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 City, to produce the amount necessary to operate, repair, and maintain the City System, and to pay the cost of Wholesale Water Services from WTCPUA. City will establish retail rates consistent with AWWA

ratemaking principles. City will be solely responsible for ensuring that its retail rates and charges are determined and collected in accordance with applicable law.

Section 4.08 City Water Impact Fees. The Parties acknowledge that City has the right to the extent allowed under applicable law to assess, charge, and collect such impact fees, capital recovery fees, connection fees, meter fees, or other service fees, rates, taxes, or other charges as its governing body will deem appropriate in addition to the Water Impact Fee. This Agreement will not be construed to require, limit, or restrict the governmental power of City to implement the same. City will be solely responsible for the proper exercise of its governmental power to assess and collect such fees and charges and for ensuring that all fees, taxes, rates, and charges City elects to charge are in compliance with applicable law.

Section 4.09 Verification of City Connections. For verification of total meters set within the City System and for any other purpose, City will make available for inspection and copying during regular business hours, at WTCPUA's expense, all records for retail connections to the City System. In addition, WTCPUA will have the right to inspect the City System at any time, at WTCPUA's sole expense, after giving City written notice of its intention to inspect and allowing the opportunity for City to be present, to verify the type and amount of retail connections made or the condition of the City System and City will provide lawful access to WTCPUA for this purpose. The City shall remit to WTCPUA Water Impact Fees due for any connections identified in such inspection for which such fees have not been paid within thirty days. After thirty days, the City shall pay a penalty per connection as set by the Board of Directors to the WTCPUA.

Section 4.10 Additional Required Notices. In addition other reports as may be provided herein, City shall provide to WTCPUA a copy of each final subdivision plat and address plat of property within the Wholesale Service Area.

Section 4.11 Reservation Fees. City shall annually pay Reservation Fees for water service during the Reservation Period for the Delivery Points associated with a particular project as set forth below.

- (a) Reservation Fees shall be calculated by multiplying the current Reservation Fee as contained in the WTCPUA Rules and Policies at the time of each anniversary of the date of the Supplement to Wholesale Agreement times the number of unused LUEs reserved for the City pursuant to the Supplement to Wholesale Agreement. The City shall calculate and pay annual Reservation Fees for reserved water LUEs on each annual anniversary of the commencement of the Reservation Period ("Due Date"). If the City pays the Reservation Fees prior to or on the Due Date, the LUEs for which Reservation Fees have been paid will be considered to be in "reserved status" for the next contract year in the Reservation Period. Reservation Fees are non-refundable and non-reimbursable. **If the City fails to pay Reservation Fees on the Due Date, no additional meters will be set until such time as Reservation Fees are paid in full.**
- (b) Reservation Fees for the initial year of the Reservation Period must be paid not later than six (6) months from the date of the Supplement to Wholesale Agreement if a water meter or meters have not been installed in accordance to WTCPUA Rules and Policies. Any LUEs in reserved status, but which are connected and for which Water Impact

Fees are paid during the six (6) month grace period, will be deducted from the number of LUEs for which the initial years' Reservation Fees are due.

- (c) The City may pre-pay Water Impact Fees at any time prior to final plat, and upon such payment, the accrual and payment of Reservation Fees for the associated LUEs will terminate.

ARTICLE V **REGULATORY COMPLIANCE**

Section 5.01 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 5.02 Cooperation to Assure Regulatory Compliance. Since the Parties must comply with all federal, state, and local requirements to obtain permits, grants, and assistance for system construction, studies, etc., each party will cooperate in good faith with the other Party at all times to assure compliance with any such 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 VI **TERM, TERMINATION, DEFAULT, REMEDIES**

Section 6.01 Term and Termination. This Agreement shall become effective upon the Effective Date and shall extend for a term of forty (40) years unless terminated earlier as provided herein. Provided the City provides at least twelve (12) months written notice to the WTCPUA, it may renew this Agreement for additional forty (40) year terms. –WTCPUA agrees that the City may prepay or cause to be prepaid Water Impact Fees no earlier than ten (10) years from the Effective Date but prior to such expiration in order to preserve the WTCPUA's service obligation with respect to such prepaid LUEs. To the extent any prepaid Water Impact Fees relate to real property that has not received final subdivision plat approval as of the date of payment, and the WTCPUA subsequently increases the amount of the Water Impact Fee between the date of prepayment and the date of final subdivision plat approval, then the incremental amount of the Water Impact Fee not prepaid shall be paid to WTCPUA within 45 days after the end of the calendar month in which the new retail water connection is made for the connection in accordance with the terms of Section 4.05 of this Agreement. The Parties may extend the termination deadlines in this Section upon written amendment of this Agreement.

Section 6.02 Default.

- (a) In the event City shall default in the payment of any amounts due to WTCPUA under this Agreement, or in the performance of any material obligation to be performed by City

under this Agreement, then WTCPUA shall give City at least 30 days' written notice of such default and the opportunity to cure same. Thereafter, WTCPUA shall have the right to temporarily limit Wholesale Water Services to City under this Agreement pending cure of such default by City and also to pursue any remedy available at law or in equity, pending cure of such default by City. Anything herein to the contrary notwithstanding, any Water Impact Fees paid to WTCPUA under this Agreement after the effective date of WTCPUA's written notice which are accepted by WTCPUA, or which are awarded as a remedy to WTCPUA shall increase the number of LUEs for which WTCPUA will provide Wholesale Water Services in accordance with this Agreement.

(b) In the event WTCPUA shall default in the performance of any material obligation to be performed by WTCPUA under this Agreement, then City shall give WTCPUA at least 30 days' written notice of such default and the opportunity to cure same. Thereafter, in the event such default remains uncured, the City shall have the right to pursue any remedy available at law or in equity, pending cure of such default by WTCPUA. In the event such default remains uncured for an additional 180 days, then City shall, in addition to and not in lieu of any other remedies available to City, have the right to notify WTCPUA that City intends to take a more limited amount of Wholesale Water Services from WTCPUA (which shall be at least the amount WTCPUA is then able to provide to City) and City may then obtain other water or Wholesale Water Services from another provider or may take appropriate action to supply itself with additional water or Wholesale Water Services upon giving WTCPUA written notice of its intent to do so.

ARTICLE VII **GENERAL PROVISIONS**

Section 7.01 Assignability. Assignment of this Agreement by either party is prohibited without the prior written consent of the other party, which consent shall not be unreasonably withheld, delayed or conditioned.

Section 7.02 Amendment. This Agreement may be amended or modified only by written agreement duly authorized by the respective governing bodies of City and WTCPUA and executed by duly authorized representatives of each.

Section 7.03 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 7.04 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 Services by WTCPUA to City for the Wholesale Service Area. The City has the right to provide water service to the Wholesale Service Area and, accordingly, the Wholesale Service Area is not required to be added to the City's Certificate of Convenience and Necessity as a condition of service.

Section 7.05 Applicable Law. This Agreement will be construed under and in accordance with the laws of the State of Texas.

Section 7.06 Venue. All obligations of the Parties created in this Agreement are performable in Travis County, Texas, and venue for any action arising under this Agreement will be in Travis County, Texas.

Section 7.07 No 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 7.08 Duplicate Originals. This Agreement may be executed in duplicate originals each of equal dignity.

Section 7.09 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 and by email to the address of the other party shown below:

City: Deputy City Administrator
City of Dripping Springs
P.O. Box 384
Dripping Springs, Texas 78620

WTCPUA: Jennifer Riechers, General Manager
West Travis County Public Utility Agency
13215 Bee Cave Parkway
Building B, Suite 110
Bee Cave, Texas 78738
jriechers@wtcpua.org

With copy to: Lauren Kalisek
Lloyd Gosselink Rochelle & Townsend, PC
816 Congress Avenue, Suite 1900
Austin, Texas 78701
Email: lkalisek@lglawfirm.com

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

Section 7.10 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 7.11 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 7.12 Records. WTCPUA and City each agree to preserve, for a period of at least two years from their respective dates of origin, all books, records, test data, charts and other records pertaining to this Agreement. WTCPUA and City 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 7.13 State Approval; Compliance with TCEQ Rules; MOU Compliance.

(a) Each party represents and warrants that the plans and specifications for its respective system have been or will be approved by the TCEQ or its successors. 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.

(b) City agrees that it will provide retail water service to the Wholesale Service Area in a manner that complies with the USFWS MOU. The City agrees to provide written documentation to WTCPUA detailing the manner and method in which it will comply with the USFWS MOU.

Section 7.14 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 7.15 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 7.16 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 7.17 Other Agreements. Nothing in this Agreement shall be construed as amending, modifying, or limiting the rights and obligations of the Parties under any other agreements between the Parties.

Section 7.18 Exhibits. The following exhibits are attached to and incorporated into this Agreement for all purposes:

- Exhibit A Previous Amendments
- Exhibit B Supplement to Wholesale Agreement Form
- Exhibit C ~~Wholesale Service Area and~~ 1340 EST Site
- Exhibit D WTCPUA Water Conservation and Drought Contingency Plan

Section 7.19 Effective Date. This Agreement will be effective from and after the last date of due execution by all Parties.

[Remainder of page left intentionally blank – signature pages to follow]

WEST TRAVIS COUNTY PUBLIC UTILITY AGENCY

By: _____
Scott Roberts, President
Board of Directors

Date: _____

ATTEST: _____
Walt Smith, Secretary

CITY OF DRIPPING SPRINGS

By: _____
Bill Foulds, Jr., Mayor

Date: _____

ATTEST: _____
Andrea Cunningham, City Secretary

EXHIBIT A
PREVIOUS AMENDMENTS

First Amendment to Wholesale Water Services Agreement Between the Lower Colorado River Authority and the City of Dripping Springs (January 21, 2016) (Blue Blazes) (WTCPUA provides raw water)

Second Amendment to Wholesale Water Supply Agreement Between the West Travis County Public Utility Agency and the City of Dripping Springs (May 18, 2017) (Blue Blazes) (WTCPUA provides raw water)

Third Amendment to Wholesale Water Services Agreement Between the Lower Colorado River Authority and the City of Dripping Springs (February 19, 2019) (Driftwood Ranch Tract) (WTCPUA provides raw water)
(replaced by Sixth Amendment)

Fourth Amendment to Wholesale Water Services Agreement Between the Lower Colorado River Authority and the City of Dripping Springs (September 19, 2019) (Driftwood Creek Tract Service Property--Commercial) (WTCPUA provides raw water)

Fifth Amendment to Wholesale Water Services Agreement Between the Lower Colorado River Authority and the City of Dripping Springs (_____) (Driftwood Creek Tract Service Property—Residential Amendment) (WTCPUA provides raw water)

Sixth Amendment Wholesale Water Services Agreement Between the Lower Colorado River Authority and the City of Dripping Springs (June 6, 2020) (Driftwood Ranch Tract Service Property) **(replaced Third Amendment)** (WTCPUA provides raw water)

Wholesale Water Services Agreement between the West Travis County Public Utility Agency and the City of Dripping Springs for the Cannon Ranch Subdivision (February 24, 2023)

EXHIBIT ~~BC~~

**SUPPLEMENT TO WHOLESALE WATER AGREEMENT BETWEEN WTCPUA &
CITY OF DRIPPING SPRINGS**

Project: _____

Service Availability Letter {insert date} (See **Attachment A**):

Delivery Point(s): *insert description and include map at Attachment B*

Max Day Reservation _____ LUEs

Maximum Daily Flow _____

Maximum Hourly Rate _____

Maximum Annual Quantity for each Delivery Point (Surcharge Applies) _____

Maximum Peak Day Use for each Delivery Point (Surcharge Applies) _____

Initial Monthly Charge: _____ (See also schedule at **Attachment C**)

The West Travis County Public Utility Agency (“WTCPUA”) and the City of Dripping Springs enter into this Supplement to Wholesale Water Agreement (“Supplement”) pursuant to that certain Amended and Restated Wholesale Water Services Agreement Between the West Travis County Public Utility Agency and the City of Dripping Springs effective _____ (“Wholesale Agreement”) for the above referenced Project in the Wholesale Service Area. Terms as defined in the Wholesale Agreement apply to this Supplement. WTCPUA agrees to provide Wholesale Service to the Project, and the City agrees to compensate WTCPUA for such service in accordance with the terms and conditions of the Wholesale Service Agreement under the specific conditions as set forth above in this Supplement. WTCPUA and the City agree that commencement of Wholesale Water Services to the Project at the Delivery Point, or any phase thereof, shall be subject to the completion of and WTCPUA’s acceptance of Improvements and completion of WTCPUA Capital Projects as identified in the Service Availability Letter.

WTCPUA may terminate this Supplement upon written notice to City for any of the LUEs for which a Water Impact Fee has not been paid in accordance with the Wholesale Agreement and this Supplement by the fifteenth anniversary of the Effective Date of this Supplement as shown below. Otherwise, the term of this Supplement remains in effect for the same term as the Wholesale Agreement.

{insert signature blocks}

EXHIBIT D

WTCPUA WATER CONSERVATION AND DROUGHT CONTINGENCY PLAN

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EXHIBIT E
FORM FOR REPORTS ON SERVICE CONNECTIONS