

**WHOLESALE SEWER SERVICE CONTRACT
BETWEEN
SAN ANTONIO WATER SYSTEM AND CITY OF LEON VALLEY**

This Contract is entered into by and between the San Antonio Water System Board of Trustees a water, wastewater, and water recycling agency of the City of San Antonio established and created pursuant to the provisions of Ordinance No. 75686 and Texas Revised Civil Statutes Annotated Article 1115, as amended, acting by and through its President and Chief Executive Officer (CEO) or his authorized representative, and the City of Leon Valley a municipal corporation, organized under the laws of the State of Texas, acting by and through its City Manager or authorized representative, pursuant to Ordinance No. 98-028.

Whereas, the City of San Antonio, acting by and through the San Antonio Water System Board of Trustees ("**Board**") provides sewer service in the San Antonio, Bexar County and other areas; and

Whereas, the City of Leon Valley ("**Entity**") operates a retail sewer service system and has been provided sewer service by the Board and City of San Antonio departments and agencies for several years; and

Whereas, the purpose for creating regional systems is to maintain and enhance the quality of the water of the State; and

Whereas, both the Board and Entity further recognize that the public interest will be served by having the Board provide wholesale sewer service through the execution of this Wholesale Sewer Service Contract ("**Contract**"); **now therefore**,

The Parties hereto agree as follows:

1.00 Intent of the Parties

The Board shall supply wholesale sewer transportation and treatment service to Entity in accordance with the terms and conditions contained herein. Both Parties acknowledge and agree that such service shall be provided and utilized pursuant to all applicable local, state, and federal laws.

Both Parties further agree that such service is nondiscriminatory and provided for the benefit of the public interest.

2.00 Definitions – Unless a provision of this contract explicitly states otherwise, the following terms and phrases shall have the meanings set forth below.

- a) **The Board** - The San Antonio Water System Board of Trustees

- b) **Board Impact Fee** - A charge or assessment imposed by the Board against new development in order to finance the costs of capital improvements or facility expansions necessitated by and attributable to the new development as specified in the Sanitary Sewer Capital improvements Plan for designated impact fee service areas. The term is consistent with Chapter 395 of the Texas Local Government Code and includes amortized charges, lump sum charges, capital recovery fees, contributions in aid of construction, and any other fee that functions as described by this definition.
- c) **Biochemical Oxygen Demand (BOD)** - The quantity of oxygen utilized in five (5) days at twenty (20) degrees centigrade for biochemical oxidation of the organic matter present in wastewater, expressed in mg/l and measured by the method set forth in the most recent edition of *Standard Methods for the Examination of Water and Wastewater*, or such other method as approved by the EPA and published in 40 CFR 136.
- d) **ccf** - Hundreds of cubic feet.
- e) **Chemical Oxygen Demand (COD)** - A measure of the oxygen required in mg/l for the oxidation of organic matter to CO² and water while under acidic conditions using a strong chemical oxidizing agent. See *Standard Methods for the Examination of Water and Wastewater*, (current edition).
- f) **Code** - Chapter 34 of the City Code of the City of San Antonio as may be amended.
- g) **Contributed Sewer Service Volume** - The quantity of sewer service expressed in ccf or hundreds or thousands of gallons that is reasonably estimated to be generated within the "Entity Sewer Service Area" measured on a monthly basis and delivered to the Board's sanitary sewer outfall mains for transportation to, and treatment by, the Board's sewer service treatment facilities.
- h) **Entity** – The city, town, district, or other political subdivision, association or facility which establishes, operates or maintains a sanitary sewer collection system within its jurisdictional boundaries and connects that sanitary sewer collection system to the Board's System in order that the Board can provide for the transportation and treatment of sewer service discharged by Entity.
- i) **Entity Sewer Service Area** - The geographic region(s) or locations being lawfully served by Entity as depicted in Appendix A.
- j) **Entity Sewer Service System** - All properties and facilities currently owned, operated and maintained by Entity for the collection and transportation of sewer service together with repairs, replacements, and additions thereto that are utilized to collect and transport sewer service generated within Entity Sewer Service Area to the Board's System.

- k) **Entity Sewer Service Charge** - Monetary value of services provided by the Board to Entity based upon: (1) the monthly service availability charge, and (2) the computation of Entity sewer service rate times the Contributed Sewer Service Volume. Such charges may also include an industrial waste surcharge as addressed in Paragraph 15.06 herein.
- l) **Entity Sewer Service Rate** - Dollar cost per thousands of gallons of contributed sewer service charged to Entity as established by the San Antonio City Council and set out in Chapter 34 of the City Code. Such rate shall include a factor, which represents a reasonable calculation of Entity's pro-rata share of treatment costs to the System due to infiltration and inflow.
- m) **Entity User Classes** – Classes of users within Entity’s Sewer Service Area, having similar flows and sewer service strength characteristics; classified as:
 - a) Residential (One and two unit family residences)
 - b) General Service (commercial, industrial, apartment)
 - c) Public and Private Schools.
- n) **Environmental Protection Agency (EPA)** – United States Environmental Protection Agency is an agency of the federal government of the United States that is charged with establishing regulations designed to protect the quality of the environment within the United States.
- o) **FOG** – Fats, Oils, and Grease that are waste products produced by restaurants and food service kitchens.
- p) **Incompatible Waste** - Substances that are not amenable to the treatment processes which will interfere with the operation of the System, including interference with the use or disposal of municipal sludge, and pollutants that will pass through the treatment works unchanged by the treatment processes.
- q) **Industrial Waste Surcharge** - An additional charge assessed against an industrial waste discharges for excessive BOD and TSS in the waste stream as such terms are defined herein. This surcharge is assessed in accordance with the procedures set forth in the City of San Antonio Industrial Pretreatment Program administered by the Board and Codified in Chapter 34 of the San Antonio City Code.
- q) **Infiltration** - The water entering a sewer system and service connections from the ground through such means as but not limited to defective pipes, pipe joints, connections, or manhole walls. Infiltration does not include, and is distinguished from, Inflow.
- r) **Inflow** - The water discharged into a sewer system, including service connections from such sources as, but not limited to, roof leaders, yard and area drains, foundation drains,

cooling water discharges, drains from springs and swampy areas, manhole covers, cross-connections from storm waters, surface run-off, street wash "waters, or drainage. Inflow does not include, and is distinguished from, Infiltration.

- s) **Interference** – A discharge that, alone or in conjunction with a discharge or discharges from other sources inhibits or disrupts the wastewater system, its treatment processes or operations, or its sludge processes use or disposal.
- t) **Pass Through** - A discharge which exits the Publicly Owned Treatment Works (POTW) into waters of the United States in quantities or concentrations which, alone or in conjunction with a discharge or discharges from other sources, is a cause of a violation of any requirement of the control authority's National Pollutant Discharge Elimination System (NPDES) permit, including an increase in the magnitude or duration of a violation.
- u) **System** - All properties, facilities, and plants currently owned, operated and maintained by the Board for the collection and treatment of sewer service, together with all future extensions, improvements, purchases, repairs, replacements and additions thereto, whether situated within or without the limits of the City of San Antonio.
- v) **Sewer Connection** - The joining of an individual sanitary sewer user's private service lateral to Entity's sanitary collection system or a direct tie to the Board's System.
- w) **Sewer Service Fee** - The dollar amount charged to individual sanitary sewer users by Entity for sanitary sewer service within the "Entity Sewer Service Area" which includes (1) the monthly service availability charge, and (2) the monthly volumetric charge.
- x) **Texas Commission on Environmental Quality (TCEQ)** - an agency of the State, empowered to perform any action specific or implied pursuant to the Texas Water Code or other laws.
- y) **Total Suspended Solids (TSS)** - analyzed in accordance with the latest edition of *Standard Methods for the Examination of Water and Wastewater*, or the latest E.P.A.-approved method, and reported in units of milligrams per liter (mg/l).

3.00 **Consideration**

The Board shall transport, process and treat sewage generated within a designated Entity Sewer Service Area and discharged by Entity into the Board's System the Contributed Sewer Service Volume. Such designated service area is Entity Sewer Service Area more specifically depicted in Appendix A, which is attached hereto and incorporated herein for all purposes. In consideration for such service, Entity shall timely pay Board Impact Fees and the monthly Entity Sewer Service Charge, billed by the Board to Entity as more fully detailed herein.

4.00 Rate-Making

- a) Entity Sewer Service Charges shall be billed on a monthly basis and shall be based on rates authorized and approved by the San Antonio City Council, which may be amended, or repealed and replaced from time to time. Rates initially in effect upon execution of this Contract are evidenced by Code Sec. 34-226. The rate structure established under this contract shall be the prevailing “Wholesale Class Sewer Rate” as set forth in Chapter 34 of the City Code as may be amended.
- b) The Board agrees to notify Entity of any such proposed modifications and resultant adjustment to Entity Sewer Service Rate along with documentation relating to such proposed modifications at least 30 days prior to of the effective date of such rate.
- c) Upon any adjustment in Entity Sewer Service Rate, Entity shall have the option to terminate this Contract within ninety (90) days after the effective date of the adjustment by giving written notice to that effect to the President/Chief Executive Officer of the Board, which termination shall be effective as of the date specified by Entity in that notice. After termination, Entity shall not thereafter receive such service from the Board without the execution of a new contract for such service.

5.00 Method for Determining Volume of Sewer Service Contributed to Board's System

The determination of the Entity Sewer Service Volumetric Charge will be made using the Water Consumption by Entity User Class method described in Section 5.01. Entity will install a sewer service volumetric flow meter at a location agreed to in writing by the parties near the connection point between the two (2) systems, and the Board will use the Metered Sewer Service Volume method to verify flows and monitor for excessive Infiltration & Inflow, which will be used by the Board to modify the Water Consumption by Entity User Class method as necessary to reflect actual volumes discharged to the Board’s System.

5.01 Water Consumption By Entity User Class

- (a) **Residential**. Contributed Sewer Service Volume from residential connections shall be 100% of total metered water consumption during the Winter Averaging Sewer Charge Period for the Entity Residential Customer Class.
- (b) **Non-Residential**. Contributed Sewer Service Volume from non-residential connections shall be one hundred percent (100%) of metered water consumption on a monthly basis. However, Entity may request a reduction in the volume of waste estimated to be discharged from a premises if a non-residential user uses water in its daily activities which is not discharged into the sewer system.
- (c) **Schools with Irrigation Meters** - Schools (public or private), with water meters to measure separately irrigation and/or volumes of water not entering the sewer system and therefore not charged for sewer service through these meters shall be assessed charges computed under the general service schedule with sewage flow for billing

purposes computed as one hundred percent (100%) of water consumption on non-irrigation meters.

- (d) **Schools without Irrigation Meters** — Schools (public or private), with no water meters to measure separately irrigation and/or other volumes of water not entering the sewer system and therefore not charged for sewer service through these meters shall be assessed charges computed under general service schedule with sewage flow for billing purposes computed as seventy percent (70%) of water consumption.

The Board reserves the right to modify the percentages used in this Section if the Metered Sewer Service Volume method demonstrates a need for such a modification

5.02 Water Consumption

Entity shall provide data and supporting documentation on total water consumption for accounts feeding into the System on a monthly basis. Billing months need not be calendar months. This total consumption data should be separated into consumption by User Class as listed in Section 5.01 herein.

5.03 Metered Sewer Service Volume Method

At the initial expense of Entity, the sewer service volume meter(s) of a design and quality to be determined by the Board will be installed by Entity at location(s) determined by the Board to be adequate for the purpose of reasonably verifying the accuracy of the Water Consumption by Entity User Class method. The initial expense to Entity shall include, but not be limited to, the following:

- (i) Procurement of the meter(s) and acquisition cost thereof.
- (ii) Engineering and design costs prior to Entity installation of the meter and related fixtures.
- (iii) Entity installation of the meter and any related fixtures and piping modifications.

All initial expenses incurred by Entity, its agents, suppliers, or contractors shall be paid by Entity prior to the Board rendering the meter operable. The Board shall have the option to read the meter(s) on a monthly basis. Entity hereby agrees to give the Board any necessary access required by the Board to undertake such monthly meter readings. Routine maintenance of the meter(s) and related fixtures shall be the responsibility of Entity. Entity shall calibrate and routinely service the meters no less than once during each six-month period or as recommended by the meter manufacturer. Any replacement part costs shall be the responsibility of Entity.

6.00 Billing for Entity Sewer Service Volumetric Charge

Entity shall be billed on a monthly basis for the transportation and treatment of flow generated within Entity Sewer Service Area and discharged into the Board's System. The amount of the monthly volumetric charge shall be computed by applying the then current Entity Sewer Service Rate to the amount of sewer service volume determined using the Water Consumption by Entity User Class method described in Section 5.01.

7.00 Minimization of Inflow and Infiltration

It shall be the responsibility of Entity to undertake such measures, which are necessary and/or prudent to minimize Infiltration and Inflow. Entity shall not discharge or allow the discharge from stormwater drains, roof drains, yard and area drains, foundation drains street wash waters or drainage, or septage and liquid waste haulers, into the Entity Sewer Service System.

8.00 Protection of Wastewater System

8.01 Connections

Entity agrees that only qualified employees, agents, or contractors of Entity shall be permitted to work on or make connections to those elements of the Entity Sewer Service System which ultimately discharge into the Board's System. Only qualified plumbers licensed by the State of Texas shall be permitted to work on building laterals entering into those elements of the Entity Sewer Service System which discharge into the Board's System. Entity agrees that Board's employees, agents or contractors shall be allowed to inspect Entity Sewer Service System.

8.02 Inspections of Entity Sewer Service System

It is mutually understood and agreed that Entity will maintain a careful inspection of Entity Sewer Service System and will exercise diligence and care in the maintenance of Entity Sewer Service System and in the installation of connections and laterals that may be connected with Entity Sewer Service System in order that the Board's System not be burdened with excess discharge at any time with specific emphasis during rainy and wet weather. Entity shall provide Board with annual reports regarding implementation of the testing and maintenance requirements in Section 14.04, and copies of any reports required to be filed with a state or federal agency relating to Entity Sewer Service System.

8.03 Liability for Damages and Responsibility for Treatment and Disposal of Wastewater

Liability for damages arising from the reception, transportation, delivery, and disposal of all wastewater discharged by Entity under this Contract shall remain with Entity up to and through the Entity side of the physical interface between the Entity's collection facilities and the Board's receiving facilities (the "Connection Point"). With exception of Incompatible Wastes or wastewater deemed to a cause of Interference, upon passage

through the Connection Point into the System side, liability for damages and the handling and treatment of the wastewater discharged by Entity shall belong to the Board. As between the parties and to the extent allowed by law, without waiving any sovereign governmental immunity available to the Board, Board and Entity agree to release, save, and hold the other party harmless from all claims, demands, and causes of action which may be asserted by any person on account of the reception, transportation, delivery, and disposal while wastewater is in the respective control of either the Board or Entity. The Board takes the responsibility, as between the parties, for the proper reception, transportation, treatment, and disposal of all wastewater received by the Board from Entity at the Connection Point. The provisions of this section are solely for the benefit of the parties to this Contract and are not intended to create or grant any rights, contractual or otherwise, to any other person or entity.

9.00 Compliance with Laws

Entity shall comply with all applicable Federal, State, and Local laws regarding the construction and operation of the Entity Sewer Service System.

10.00 Resolution of Disputes Arising Under This Contract

In the event Entity questions the computation of the sewer service charge, any adjustments to such charge resulting from adjustments to Contributed Sewer Service Volume, and/or the timing of the collection and/or payment of the fee, Entity shall first attempt to resolve the matter with the Board's designated customer service representative. The parties understand and agree that only the factual matters listed herein are subject to appeal. The terms of the contract are not subject to appeal.

11.00 Collection and Payment of the Monthly Entity Sewer Service Charge

11.01 Monthly Lump Sum Payment

The establishment of all sanitary sewer service fees to be charged to the individual users of Entity Sewer Service System shall be the responsibility of Entity. Payment of the monthly Entity Sewer Service Charge owed Board shall be made by Entity on a monthly lump-sum basis and is in no way contingent upon the collection of individual consumer sanitary sewer service fees by Entity.

11.02 Date Place and Method of Payment

All payments due the Board under this Contract shall be mailed to: Finance Department, San Antonio Water System, 2800 U.S. Hwy 281 North, P.O. Box 2449, San Antonio, Texas 78298, unless otherwise directed by the President/Chief Executive Officer or designated representative. Payments by Entity to the Board must be received by the Board on or before the fifteenth (15th) day following the date appearing on the Board invoice requesting payment ("due date"), otherwise they shall be subject to the penalty provisions set out in §11.04, below. If the due date falls on a weekend or holiday, payment will be due on the

first working day thereafter. Checks shall be made payable to the San Antonio Water System. Should Entity choose to make an electronic transfer, the procedures for such transfers shall be established between Entity and the Board.

The Board reserves the right to extend the payment due date for an Entity to accommodate unforeseen and excusable circumstances preventing timely payment. Such extension requests shall be submitted in writing and are subject to review and approval by the Board's Chief Financial Officer, whose decision shall be final.

11.03 Adjustment to Entity Sewer Service Charge

Adjustments to Entity Sewer Service Charge as set out herein, shall, when possible, be credited or adjusted to Entity account in the monthly statement following the month within which the event necessitating the adjustment occurs. In no event shall such credit or adjustment be made later than (6) six months following the month within which the event necessitating the adjustment occurs.

11.04 Penalty Provisions

An additional five percent (5%) of any unpaid monthly Entity Sewer Service Charge shall be assessed by the Board if payment by Entity is not received by the Board on or before the fifteenth (15th) day following the date appearing on the invoice requesting payment ("due date"). If the due date falls on a weekend or holiday, payment will be due on the first working day thereafter.

12.00 Collection and Payment of Board Impact Fees

Both Parties recognize that pursuant to Chapter 395 of the Local Government Code the Board will assess and collect Board Impact Fees to offset the Board's costs of sewer capital improvements and facility expansions necessitated by new development. Both System and Entity further recognize that new development occurring within Entity Sewer Service Area shall contribute to the increased demand and will require the expansion and/or new construction of sewer facilities within the Board's System.

Entity shall require all subdividers of property seeking sewer connections within Entity's jurisdictional area which may ultimately discharge flows into the Board's System to pay the Board's applicable impact fee (currently in the middle collection service area) directly to the Board to offset the costs sewer capital improvements and facility expansions necessitated by new development. Such impact fee charge shall be in accordance with the then current sewer impact fee charge set out in Chapter 35 of the San Antonio City Code. Entity shall not initiate a new service connection or set a new meter for water services until proof of paid sewer impact fees is provided by Board. Entity agrees that the failure to pay the Board's impact fee shall be deemed sufficient cause to disconnect water services until the impact fee is paid.

13.00 Records and Reports, Including the Reporting of all Unauthorized Discharges

13.01 General

All Reporting Agencies as defined herein doing business within Entity Sewer Service Area shall maintain water consumption data reports and platting information on file for the period of time required by law. Such files shall be available for audit purposes by the Board. All reporting agencies shall maintain water consumption data by Entity Customer Classes as defined herein. The number of customers in each class and the water consumption for each class shall be reported.

13.02 Plats and Sewer Connections

Within thirty (30) days of initial submittal of proposed subdivision plats or replats to Entity, Entity shall furnish the Board with copies of same. Applications for subdivision plats that affect property lying within Entity Sewer Service Area shall be reviewed to determine whether or not the intended development materially and/or adversely affect the existing capacity of Entity's sanitary sewer collection system or the Board's Regional System. Entity shall consult with the Board's Engineering Group before any plat or replat is approved by Entity. All Reporting Agencies shall report all new individual sewer connections.

14.00 Infrastructure Standards and Construction Maintenance and Operation

14.01 Location of Connection Points

Sewer service generated by or within the Entity Sewer Service Area shall be delivered to the Board's System outfall lines and mains at point or points within reasonably close proximity to Entity as determined by the Board's Engineering Group who shall employ generally accepted engineering principles.

14.02 Construction/Operation Standards

For service within the Entity Sewer Service Area, Entity shall, at a minimum, construct the Entity Sewer Service System in compliance with the Board's Utility Service Regulations and Construction Specifications and 30 TAC § 213.5(c). Entity shall have an engineer certify its compliance with these requirements. Entity may request a variance pursuant to the Board's Utility Service Regulations, which may be approved by the President/CEO.

Entity shall require all sewer connections to be made in conformity with the provisions of Board's Standard Construction Specifications and Chapter 10 San Antonio City Code (Plumbing Code), or as may be amended. Entity agrees that all sewer connections to Entity Sewer Service System will be constructed with a permanent type of material, carefully bedded to prevent over-stressing of the material and utilizing a joint which will provide a

permanent water-tight connection. Entity agrees that each such installation shall pass an air test performed in accordance with applicable A.S.T.M. Standards and shall be done under the supervision of Entity's authorized representative at the time of installation. All tests shall be at Entity's expense.

14.03 Maintenance and Operation Standards

Entity will inspect and clean the sewer lines every 5 years and smoke test every 2 years in accordance with 30 TAC §213.5. In the event that Entity discovers any failures in its collection system within the Entity Sewer Service Area, Entity shall use its best efforts to promptly resolve those issues and shall provide SAWS with notice within 24 hours of discovery.

14.04 Construction Obligations

Unless otherwise specifically provided for herein, or by separate construction and/or maintenance contract with the Board, maintenance, operation, construction, reconstruction, expansion and/or replacement of Entity's internal collection system (including any connector lines to the Board's System owned and operated by Entity, but not physically located within Entity Sewer Service Area), shall be the responsibility of Entity or Entity's own third-party contractor.

The Board and/or its customer/developers shall be responsible for the design, construction, maintenance, replacement, and costs associated therewith of existing and subsequent connector outfall lines and mains determined by Board to be required for the regional transportation of sewer service originating outside of Entity Sewer Service Area, where existing Board or Entity lines and mains are unavailable or inadequate to transport the flows intended.

15.00 City of San Antonio Industrial Waste and Liquid Waste Transportation and Disposal /Fats, Oils, and Grease Regulations

15.01 Pretreatment Program and Report

Prior to connection of Entity Sewer Service System to the System, Entity shall develop and implement a pretreatment/FOG program that satisfies all applicable federal, state, and San Antonio City Code (Chapter 34) requirements and authorizes enforcement measures. Such program shall include general and specific prohibitions, including prohibitions against the introduction of pollutants that cause pass through or interference. In the event the delivered wastewater does not meet applicable pretreatment requirements, and upon the Board's verification of the same, Entity shall promptly undertake such enforcement action as is necessary to bring its wastewater deliveries into compliance.

By no later than January 31st of each year, Entity shall submit to the Board an annual Pretreatment Report that shall be prepared in accordance with the guidelines set forth in Table 1, attached.

15.02 Pretreatment Standards

Entity will undertake all required measures including, but not limited to, adoption of appropriate tariffs, to ensure that any wastewater generated by its customers and delivered to the System meets the pre-treatment standards and requirements set forth in 40 C.F.R. Part 403 and as otherwise required by the Environmental Protection Agency, TCEQ, or any other governmental agency with jurisdiction. Entity shall comply with the City of San Antonio's Code, Chapter 34, Article V, Division 3. The Board is authorized to randomly inspect, sample and monitor wastewater at the Point of Delivery or at any location where Entity's wastewater enters into the System to ensure that such wastewater meets San Antonio's pretreatment standards and local limits discharge requirements as set forth in San Antonio Code Section 34-472.

15.03 Pretreatment Violations

Within twenty-four (24) hours of the detection of a violation of any Pretreatment Standard (discharge limit) set forth herein, Entity shall: (1) notify the System's Industrial Compliance Supervisor ("Supervisor") and (2) re-sample its wastewater at the same sampling location of the Pretreatment Standard violation. Entity shall submit all such sampling and re-sampling results to the Supervisor and shall continue to re-sample so long as any pretreatment violation persists. Written copies of all results that indicate a violation must be submitted to the Supervisor within thirty (30) days of sampling. The Supervisor may require additional sampling as needed to confirm the status and resolution of any pretreatment violations in accordance with Pretreatment Enforcement Response Plan. All such samples must be analyzed according to approved laboratory procedures in accordance with this Agreement.

15.04 Dental Offices – Wastewater Discharge Rule

Entity shall require all Dental Dischargers, as defined by 40 Code of Federal Regulations Part 441, to submit a Dental Amalgam One-Time Compliance Report to the Board prior to connecting or transferring service to a customer.

15.05 Board's Right to Inspect

The Board is hereby granted the right to inspect all sewer lines, facilities, and sewer service flows that are subject to inspection by Entity, both public and private (including sampling points for businesses located on private property), that are located within Entity Sewer Service Area. Inspections must be reasonable as to the time, place and manner and must be for the purpose of taking samples of sewage, collecting data, and conducting tests on same to determine compliance. If such tests show harmful substances in excess of the quantity or concentrations permitted under the aforesaid standards, the Board shall notify

Entity in writing and Entity shall impose a surcharge in the manner set out herein. Entity shall impose the surcharge within a thirty-day period in order to provide sufficient time for Entity's governing body to approve said surcharge. Upon approval, Entity shall send notification in writing of such approval to the Board.

15.06 Imposition of Surcharge by Entity

Entity agrees to impose a surcharge on behalf of the Board to all non-residential customers for any BOD, COD or TSS in amounts in excess of those limits set out in Chapter 34 of the San Antonio City Code. Only such surcharge and/or penalties collected by Entity and referenced herein shall be apportioned between the Board and Entity based upon the damage, excessive maintenance or operational inconvenience caused to the respective systems.

16.00 Federal and State Requirements to Remain Sole Responsibility of Entity

Requirements of the Federal Water Pollution Control Act of 1972 (PL 92-500), as amended by the Clean Water Act of 1977 (PL 95-217), or future amendments hereto, as well as other Federal law, and the rules and regulations of the Texas Commission on Environmental Quality, including but not limited to reporting requirements, applicable to users of a sewage system shall remain the sole responsibility of Entity, and this Contract in no way implies assumption of such by the Board.

17.00 Interruption and or Suspension of Service

Entity further agrees that nothing herein shall be construed to prohibit the Board from interrupting and/or suspending service in the event of a maintenance operation or emergency for a reasonable period of time necessary to respond to such maintenance operation or emergency repairs. Entity shall cooperate with the Board during such periods of maintenance operation and emergency repair in a manner consistent with the preservation of and the protection of the public health, safety, and welfare.

18.00 Contract Language to Control

In the event any City of San Antonio Code provisions or any Entity tariff provisions should conflict with the language of this Contract, the parties hereto agree that the Contract language shall prevail.

19.00 Obligation Conditioned.

The Board's obligation to provide wholesale sewer service pursuant to this contract is conditioned upon present rules, regulations and statutes of the United States of America and the State of Texas and any court order that directly affects the Board's System and/or the Entity Sewer Service System. Entity acknowledges that if the rules, regulations and statutes of the United States of America and/or the State of Texas that are in effect upon the execution date of this Agreement are repealed, revised or amended to such an extent

that the Board becomes incapable of, or prevented from, providing service, then no liability of any nature is to be imposed upon the Board as a result of the Board's compliance with such legal or regulatory mandates. The Board agrees that it will use its best efforts to prevent the enactment of such legal or regulatory mandates.

20.00 Term of Contract

This Contract shall be effective on and after the date of execution of the last party executing this Contract. The term of this Contract shall be for a period of ten (10) years with three mutually agreed upon five-year (5) options. The Parties hereby agree that such options may be executed administratively under the same terms and conditions contained herein. Entity may elect to terminate sooner in accordance with Section 4.00 and/or Section 21.00 herein.

21.00 Termination

Either Party shall have the right to terminate this Contract in the event of a material breach of the provisions of this Contract by the other if the defaulting Party has not cured such material breach within ninety (90) days after the non-defaulting party has made written demand to cure the same. The Contract may be terminated at any time upon the mutual written consent of the parties.

22.00 Assignment

No assignment of this Contract, in whole or in part for any purpose shall be made by either System or Entity without the prior written consent of the other Party. Subject to this limitation this Contract shall bind and inure to the benefit of the successors and assigns of the Parties.

23.00 Notices

All written notices required by the terms of this Contract shall be in writing and deposited in the United States mail addressed to such party at the address set forth below:

To Board:

General Counsel, Legal Department
San Antonio Water System
P.O. Box 2449
San Antonio, Texas 78298

To Entity:

City Manager
City of Leon Valley
6400 El Verde Road
Leon Valley, TX 78238

24.00 Interpretation of Contract

This Contract or any portion thereof shall not be interpreted by a court of law to the detriment of a Party based solely upon that Party's authorship of the Contract or any portion thereof.

25.00 Severability

If for any reason, any one or more paragraphs of this Contract are held legally invalid, such judgment shall not prejudice, affect, impair, or invalidate the remaining paragraphs of the Contract as a whole but shall be confined to the specific paragraphs, clauses, or paragraphs of this Contract held legally invalid.

26.00 Entire Contract

This Contract constitutes the entire contract between the parties hereto and supersedes all prior contracts understandings and arrangements oral or written, between the parties hereto with respect to the subject matter hereof.

27.00 Governing Law and Venue

This Contract shall be construed and enforced in accordance with and governed by the laws of the State of Texas. The venue for any dispute related to this Contract shall be in Bexar County Texas.

28.00 Execution In Counterparts

This Contract may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument.

29.00 Amendments and Waivers

This Contract may not be modified or amended except by an instrument or instruments in writing signed by the party against whom enforcement of any such modification or amendment is sought. The waiver by any party hereto of a breach of any term or provision of this Contract shall not be construed as a waiver of any subsequent breach.

30.00 Authority to Contract

Board hereby affirms that it has the authority to enter into this Contract pursuant to a duly adopted resolution of its Board of Trustees and that its President and Chief Executive Officer has the authority to execute this Contract.

Entity hereby affirms that it has the authority to enter into this contract pursuant to a duly adopted resolution of its Board of Directors and that its President and Chief Executive Officer have the authority to execute this Contract.

SAN ANTONIO WATER SYSTEM

CITY OF LEON VALLEY

By: _____

By: _____

Date: _____

Date: _____

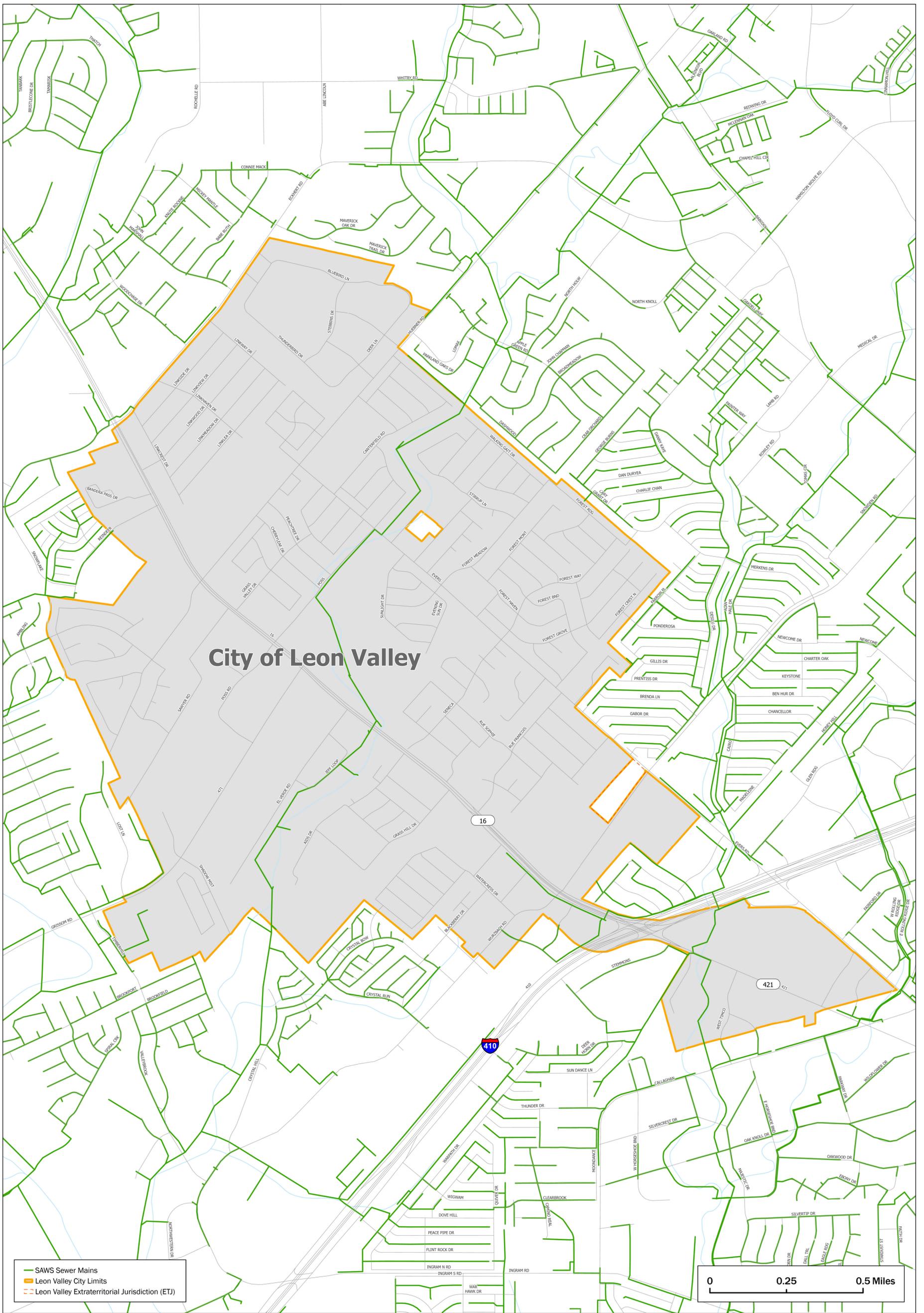
Name: Robert R. Puente

Name: _____

Title: President / CEO

Title: _____

Appendix A - Entity Sewer Service Area



San Antonio Water System Sewer Lines and the City of Leon Valley

This utility map is for reference only. The information may not represent what actually has been constructed. SAWS explicitly disclaims any representation of the accuracy of the information and assumes no liability for any errors, omissions, or inaccuracies in the map regardless of how caused. Field verification should be done as necessary. SAWS prohibits the reproduction or sale of this document. This utility map may not under any circumstances, be copied, reproduced or published in any form or media, or transferred to another without written permission of the San Antonio Water System.

GIS Division
June 18, 2024



TABLE 1
ANNUAL PRETREATMENT REPORT GUIDELINES

Report Contents	Description
Cover Letter	Name, Address, Date, Signature, Certification Statement (40 CFR § 403.12(q))
Introduction, Customer Survey	Survey/Inventory of Non-Residential Customers
Best Management Practices	Training related to pretreatment pollution prevention and waste minimization. Education and outreach activities
Number of Commercial Inspections	Number of Fats Oils and Grease (FOG), and Industrial Waste Surveys (IWS)
Pretreatment Program Survey	Compliance actions and program changes