

**AGREEMENT DESIGNATING RETAIL  
SEWER SERVICE TERRITORY**

**STATE OF TEXAS**                   §  
  §  
**COUNTY OF COMAL**               §

This Agreement Designating Retail Sewer Service Territory (“Agreement”) is made and executed by and between New Braunfels Utilities (hereinafter “NBU”) and the Guadalupe-Blanco River Authority (hereinafter “GBRA”). NBU and GBRA may be collectively referred to herein as the “Parties,” or individually as a “Party.”

**I. RECITALS**

WHEREAS, NBU is a municipally-owned water, sewer, and electric utility for the City of New Braunfels, Texas which provides sewer services under sewer Certificate of Convenience and Necessity (“CCN”) No. 20282;

WHEREAS, GBRA is a Texas conservation and reclamation district organized under Article 16, Section 59 of the Texas Constitution which provides sewer services under sewer CCN No. 20892;

WHEREAS, NBU is capable of providing sewer service to a portion of the service area under GBRA’s CCN No. 20892, identified as the green shaded area on Exhibit A (the “Service Area”), which is attached hereto and incorporated herein for all purposes;

WHEREAS, GBRA and NBU mutually agree that NBU should be the sewer service provider to the Service Area because of the proximity of NBU’s sewer collection facilities to the area, thereby relieving GBRA of its obligation to provide sewer service in the area;

WHEREAS, this Agreement will accomplish legitimate public purposes of the Parties and will allow for the provision of dependable sewer service to the Service Area, which will benefit the public health, safety, and welfare of current and future customers within the area; and

THEREFORE, for and in consideration of the mutual benefits, covenants, and agreements herein expressed and other good and valuable consideration, the receipt of which is hereby acknowledged, NBU and GBRA agree as follows:

**II. TERMS OF AGREEMENT**

Section 1     Service in a Portion of GBRA Sewer CCN. NBU and GBRA agree that, upon and following the Effective Date, NBU shall have the right to provide retail sewer service within the Service Area identified on Exhibit A as “Portion of GBRA WW CCN Service Area to be Served by NBU.”

Section 2     Amendment of CCNs.

a. The Parties agree that at any time following the Effective Date of this Agreement, NBU may prepare and file, at its sole discretion and cost, an application with the Public Utility Commission of Texas (“PUC”) requesting that the PUC:

i. incorporate the terms of this Agreement into the respective sewer CCNs of GBRA and NBU, pursuant to TWC § 13.248;

ii. decertify the Service Area from GBRA’s CCN and recertify the Service Area to NBU.

b. In furtherance hereof, GBRA hereby agrees and consents to (i) any decertification of the Service Area following the filing of any application pursuant to Article II, Section 2(a) above; and (ii) recertification of the Service Area to NBU.

c. Upon the filing of a request with the PUC to transfer the Service Area to NBU, the Parties shall make all reasonable efforts to obtain in an expeditious manner the PUC’s approval of the sewer CCN amendments contemplated herein and will support and cooperate with each other and the PUC to accomplish this goal.

Section 3 Applicable Law. This Agreement shall be construed and interpreted in accordance with the applicable provisions of the Texas Water Code including, but not limited to, TWC § 13.248, and applicable PUC rules and regulations.

Section 4 Waiver of Claim under TWC § 13.252. NBU agrees that it will not file an application with the PUC to transfer the Service Area to NBU prior to the execution of this Agreement. By consenting to NBU’s provision of sewer service to the Service Area, GBRA hereby waives all claims it might have against NBU under TWC § 13.252 relating to NBU’s provision of such sewer service.

Section 5 Waiver of Claim under 7 U.S.C. § 1926(b). The Parties agree that NBU’s sewer service in the Service Area as provided by this Agreement does not limit or curtail the water service provided or that may be provided by NBU to the Service Area, or limit or curtail the sewer service provided or that may be provided by GBRA outside of the Service Area.

Section 6 No Transfer of Customers or Facilities. The Parties agree that there will be no transfer of customers or facilities as part of this Agreement.

Section 7 Term. This Agreement shall remain valid and enforceable until superseded by subsequent written agreement.

### III. MISCELLANEOUS

Section 1 Applicable Texas Law. This Agreement shall be governed by, construed, and enforced under the laws of the State of Texas.

Section 2 Performance. The obligations and undertakings of each Party to this Agreement shall be performed in Comal County, Texas. Except for matters within the jurisdiction of the PUC (or its

successor), the Parties expressly agree that all judicial proceedings to enforce any of the provisions of this Agreement shall take place in Comal County, Texas.

Section 3     Entire Agreement. This Agreement contains the entire agreement of NBU and GBRA with respect to the subject matter of the Agreement and shall supersede any and all prior agreements and understandings of the Parties hereto, whether oral or written, with respect to the subject matter of the Agreement. This Agreement may only be amended or modified by written agreement executed by both NBU and GBRA.

Section 4     Notice. Any notice required or permitted hereunder shall be in writing and shall be deemed to be delivered on the date received if delivered by hand to the address shown hereinafter for GBRA or NBU, as appropriate, or such notice shall, if deposited in the mail, be deemed to be delivered, whether actually received or not, on the first business day after having been deposited in the United States mail, postage prepaid, registered or certified mail, return receipt requested, addressed to GBRA or NBU, as appropriate, at the address shown hereinafter. The addresses for GBRA and NBU for all purposes under this Agreement shall be the following:

If to the GBRA:	Guadalupe-Blanco River Authority c/o General Manager/CEO 2225 E. Common Street New Braunfels, TX 78130 Phone: 830-379-5822
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If to NBU:	New Braunfels Utilities c/o Chief Executive Officer 263 Main Plaza New Braunfels, TX 78130 Phone: 830-629-8400
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The Parties hereto shall have the right to change their respective addresses, and each Party may specify as its address any other address within the United States of America by at least five (5) days' written notice to the other Party.

Section 5     Successors and Assigns. This Agreement shall be binding upon the Parties hereto and their respective successors, heirs, representatives, and assigns.

Section 6     Agreement Drafted Equally. This Agreement shall be deemed drafted equally by the Parties hereto. The language of all parts of this Agreement shall be construed as a whole according to its fair meaning, and any presumption or principle that the language herein is to be construed against either Party shall not apply.

Section 7     Severability. Should any provision of this Agreement be declared void by a court of competent jurisdiction, the remaining provisions of this Agreement shall remain in full force and effect.

Section 8     Attorney's Fees. In the event of any lawsuit or other adjudication between the Parties to enforce any claim arising out of this Agreement, or to interpret the terms of this Agreement, the

prevailing Party shall be entitled to recover its fees, damages, costs, attorneys' fees, and such other and further relief, general or special, at law or in equity, from the non-prevailing Party, to which the prevailing Party may show itself justly entitled.

Section 9 Covenant of Authority. Each Party covenants that it has authority to agree to the transfer of the Service Area. The respective signatories to this Agreement covenant that they are fully authorized to sign this Agreement on behalf of their respective Party.

Section 10 Time. Time is of the essence in all things pertaining to the performance of this Agreement.

Section 11 Effective Date. The term "Effective Date" as used in this Agreement shall be the date on which this Agreement is executed by the last to sign of GBRA or NBU.

IN WITNESS WHEREOF, EXECUTED by the Chief Executive Officer of NBU and General Manager/CEO of GBRA under the authority of their respective governing bodies in Duplicate Originals on the dates indicated below.

**New Braunfels Utilities:**

\_\_\_\_\_  
[Name]  
Chief Executive Officer

Date: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
[Name]  
[Title]


Date: \_\_\_\_\_

**Guadalupe-Blanco River Authority:**

  
\_\_\_\_\_  
Darrell Nichols  
General Manager/CEO

Date: DECEMBER 19, 2023

ATTEST:

  
\_\_\_\_\_  
Joseph E. Cole  
General Counsel

Date: DECEMBER 19, 2023

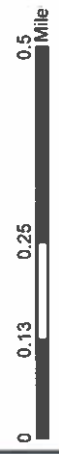
**Exhibit A**  
**Portion of GBRA's Stein Falls Wastewater Service Area Map**



Guadalupe-Blanco River Authority

# Stein Falls Wastewater Service Area

-  GBRA WWTP
-  GBRA Lift Station
-  GBRA Gravity Main
-  GBRA Force Main
-  Portion of GBRA WW CCN to be served by NBU
-  Existing GBRA WW CCN



DATE 9/20/2023

DISCLAIMER: The data contained in this map is not survey grade and is provided for informational and reference purposes only. The Guadalupe-Blanco River Authority makes no claim or guarantee for the accuracy or validity of the information presented herein.

