WATER CCN TRANSFER AGREEMENT

This WATER CCN TRANSFER AGREEMENT is entered into this ______ day of ______, 2024 (this "Agreement"), by and among NEW BRAUNFELS UTILITIES, a Texas municipally owned utility ("NBU"), GREEN VALLEY SPECIAL UTILITY DISTRICT, a special utility district created pursuant to Chapter 65 of the Texas Water Code ("Green Valley"), and PACE HOMES OF TEXAS, LLC, a Texas limited liability company (the "Developer" and, together with NBU and Green Valley, the "Parties"), in connection with the boundary lines of the Certificates of Convenience and Necessity ("CCNs") held by NBU and Green Valley for the provision of water services to users pursuant to the Texas Water Code.

RECITALS:

WHEREAS, NBU holds water CCN No. 10677 for the provision of retail water service to certain areas in and about Comal County and Guadalupe County;

WHEREAS, Green Valley holds water CCN No. 10646 for the provision of retail water service to certain areas in and about Bexar County, Comal County and Guadalupe County;

WHEREAS, Section 13.248 of the Texas Water Code authorizes contracts between retail public utilities designating areas and customers to be served by those retail public utilities, when approved by the Public Utility Commission of Texas (the "PUC") after public notice and hearing

WHEREAS, the Parties' respective water CCN boundaries are adjacent to one another;

WHEREAS, Developer owns 8.442 acres of real property located at 254 East County Line Road, near the intersection of FM 725 and East County Line Road, Guadalupe County, more particularly described and illustrated in Exhibit A (the "Property"), which is currently located in Green Valley's water CCN;

WHEREAS, the Developer has requested that Green Valley transfer the portion of its water CCN associated with the Property to NBU so that NBU can provide retail water services to the Property;

WHEREAS, the Property contains one single family dwelling which is served by a Green Valley water connection;

WHEREAS, NBU currently has water connections or water facilities adjacent to or near the Property;

WHEREAS, NBU and Green Valley are amenable to altering the boundaries of their respective water CCNs by transferring the Property contained within the boundaries of the Green Valley water CCN to NBU so that the Property is removed from Green Valley's water CCN and added to NBU's water CCN and the current Green Valley customer's existing retail water service is transferred from Green Valley to NBU; and

WHEREAS, the Developer has provided to NBU maps and GIS data illustrating the Property to include with a petition to the PUC to transfer the Property from Green Valley's water CCN to NBU's water CCN.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

AGREEMENT:

Water CCN

- 1. In accordance with Section 13.248 of the Texas Water Code, but at all times subject to the approval of the PUC and the United States Department of Agriculture (the "USDA"), Green Valley hereby agrees to the modification of the boundaries of its water CCN to exclude the area contained within the Property, such area to be transferred from Green Valley's water CCN to the area to be encompassed within NBU's water CCN.
- 2. In accordance with Section 13.248 of the Texas Water Code, but at all times subject to the approval of the PUC, NBU hereby agrees to the expansion and modification of the boundaries of its water CCN to include the area contained within the Property, such area to be transferred from Green Valley's water CCN to the area to be encompassed within NBU's water CCN.
- 3. NBU shall be responsible for preparing and filing the petition to obtain the PUC's approval of the transfer of the Property from Green Valley's water CCN to NBU's water CCN. The Developer shall be responsible for hiring a third-party vendor to prepare hard copy maps with supporting electronic metadata for the Property that satisfies the PUC rules. The Developer shall submit the hard copy maps and supporting electronic metadata, including but not limited to GIS shapefiles, to NBU and Green Valley for review and approval prior to filing the PUC petition for approval of the Property transfer.
- 4. NBU has provided a link to the Developer with PUC's mapping guidance webpage with instructions to Developer and the third-party vendor to comply with the PUC's guidance for preparation of the maps. Neither NBU nor Green Valley shall be liable for any mapping deficiencies identified by the PUC Staff or delays resulting from any requirements by PUC for revisions of the maps or mapping data.
- 5. Green Valley shall be responsible for obtaining USDA consent to the transfer of the Property from Green Valley's water CCN to NBU's water CCN.
- 6. The Developer agrees to pay all the expenses of NBU and Green Valley in connection with the water CCN transfer, including, but not limited to, the following:
 - a. legal fees for NBU and Green Valley;
 - b. PUC administrative fees;

- c. USDA administrative fees; and
- d. fees associated with preparing hard copy maps and electronic maps with supporting electronic metadata for the Property filed in connection with the PUC application.
- 7. Green Valley and NBU agree that no compensation shall be due and owing between Green Valley and NBU in conjunction with such transfer as no real or personal property of either party is contained with the Property or is being affected by such transfer.
- 8. NBU shall not commence providing retail water services for compensation to the Developer or any retail customer on the Property until the PUC has authorized the transfer of the Property from Green Valley's water CCN to NBU's water CCN.
- 9. NBU shall not approve any documents indicating that NBU is the retail water services provider prior to the PUC authorizing the transfer of the Property from Green Valley's water CCN to NBU's water CCN.
- 10. NBU agrees that, upon approval of the revision to its water CCN boundaries by the PUC to include the Property within the boundaries of its water CCN, Green Valley shall have no further obligation to provide retail water service to the Property, and that NBU shall be solely responsible for the provision of retail water service to any owner or occupant of, or customers on, the Property under such terms and condition as are allowed under its water CCN and any applicable governmental statutes and regulations.

General Provisions

- THIS AGREEMENT SHALL BE GOVERNED, 1. GOVERNING LAW. CONSTRUED, AND INTERPRETED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS. ALL ACTS REOUIRED OR PERMITTED TO BE PERFORMED HEREUNDER ARE PERFORMABLE IN GUADALUPE AND GUADALUPE COUNTY, TEXAS, AS APPLICABLE, AND IT IS AGREED THAT ANY CIVIL ACTION BROUGHT TO ENFORCE OR CONSTRUE THE TERMS OR PROVISIONS HEREOF OR TO ENJOIN OR REQUIRE THE PERFORMANCE OF ANY ACT IN CONNECTION HEREWITH, SHALL BE BROUGHT IN A COURT OF COMPETENT JURISDICTION SITTING IN GUADALUPE COUNTY, TEXAS. IT IS AGREED THAT ANY ADMINISTRATIVE LAW ACTION BROUGHT TO ENFORCE OR CONSTRUE THE TERMS OR PROVISIONS HEREOF OR TO ENJOIN OR REQUIRE THE PERFORMANCE OF ANY ACT IN CONNECTION HEREWITH, SHALL BE BROUGHT AT THE PUC OR ITS SUCCESSOR AGENCY.
- 2. <u>Severability</u>. In the event one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

- 3. <u>Unintended Omission</u>. If any punctuation, word, clause, sentence, or provision necessary to give meaning, validity or effect to any other word, clause, sentence, or provision appearing in this Agreement shall be omitted here from, then it is hereby declared that such omission was unintentional and that the omitted punctuation, word, clause, sentence, or provision shall be supplied by inference.
- 4. <u>Amendment</u>. This Agreement shall not be amended or terminate except by an instrument signed by all parties to this Agreement.
- 5. <u>Entire Agreement</u>. This Agreement reflects the entire agreement among the parties hereto pertaining to the subject matter hereof and supersedes all prior and contemporaneous agreements and understandings of the parties in connection herewith.
- 6. <u>Multiple Counterparts</u>. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, and all of which together shall be construed as one and the same instrument.

[The remainder of the page is intentionally left blank.]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first above written.

NEW BRAUNFELS UTILITIES,

a Texas municipally owned utility

By:__

Ryan Kelso, Chief Executive Officer

[Signature Page of NBU]

GREEN VALLEY SPECIAL UTILITY DISTRICT,

a Texas special utility district

By:______Phillip Gage, General Manager

[Signature Page of Green Valley]

PACE Homes of Texas, LLC

a Texas limited liability company

By: _____ Name: Aaron Tyler Epstein Title: President

[Signature Page of the Developer]

Exhibit A



290 S. Castell Avenue, Ste. 100 New Braunfels, TX 78130 (830) 625-8555 TBPE-FIRM F-10961 TBPLS FIRM 10153600

METES AND BOUNDS DESCRIPTION FOR A 8.442 ACRE TRACT OF LAND

Being a 8.442 acre tract situated in the William Pate Survey, Abstract No. 259, Guadalupe County, Texas, being comprised of a 2.310 acre tract of land being the remainder of a called 3.000 acre tract land recorded in Volume 705, Page 184, Official Public Records, Guadalupe County, Texas and a 5.132 acre tract being the remainder of a called 5.453 acre tract of land recorded in Volume 773, Page 29, Official Public Records, Guadalupe County, Texas and being all of a called 1.000 acre tract of land recorded in Document No. 2017011748, Official Public Records, Guadalupe County, Texas and being more particularly described as follows:

BEGINNING at a 1/2" iron pin with yellow cap found for the Northwest corner of said 2.310 acre tract and the herein described tract, also being the Northeast corner of Lot 7 of Pecan Crossing Unit 1, plat of which is recorded in Volume 7, Pages 625-626, Map and Plat Records, Guadalupe County, Texas, and being in the South right-of-way line of County Line Road (variable width);

THENCE N 63°13'10" E, along the South right-of-way line of County Line Road, common with the North line of said 2.310 acre tract, a distance of 252.43 feet to a 1/2" iron pin with cap stamped "HMT" found for the Northeast corner of said 2.310 acre tract, common with the Northwest corner of said 1.000 acre tract;

THENCE N 63°13'10" E continuing along the South right-of-way line of County Line Road, passing at a distance of 33.27 feet, a 1/2" iron pin with cap stamped "Kolodzie" found, and continuing for a total distance of 71.22 feet to a 1/2" iron pin with cap stamped "HMT" found for the Northeast corner of said 1.000 acre tract and being the Northwest corner of a called 5.132 acre tract being the remainder of a called 5.453 acre tract recorded in Volume 773, Page 29 Official Public Records, Comal County, Texas;

THENCE N 63°13'10" E continuing along the South right-of-way of County Line Road, a distance of 221.61 feet to a 1/2" iron pin with cap stamped "MBC Eng" found for the Northeast corner of said 5.132 acre tract and the herein described tract and being the Northwest corner of a called 1.1 acre tract, recorded in Volume 1187, Page 889, Official Public Records, Guadalupe County, Texas;

THENCE S 38°52'19" E along the East line of said 5.132 acre tract and the herein described tract, common with the West line of said 1.1 acre tract and passing the Northwest corner of Lot 4, Pecan Crossing Unit 3, plat of which is Volume 8, Page 119, Map and Plat Records, Guadalupe County, Texas, continuing a total distance of 616.62 feet to a Nail found in a rock column, for the Southwest corner of Lot 3, of said Pecan Crossing Unit 3 and being the Southeast corner of said 5.132 acre tract and the herein described tract, also being in the North right-of-way line of Pecan Bluff (50ft- right-of-way) as shown on the aforementioned plat of Pecan Crossing, Unit 1;

THENCE S 63°07'52" W, along the North right-of-way of Pecan Bluff, common with the South line of said 5.132 acre tract and the herein described tract, passing at 163.74 feet a 3" fence post, and passing at an additional 300.70 feet a 3" fence post and continuing in all a distance of 673.53 to a 1/2" iron pin found

for the Southwest corner of said 5.132 acre tract and the herein described tract, and being the Southeast corner of Lot 13 and Lot 14 of the aforementioned Pecan Crossing Unit No. 1;

THENCE N 26°51′52″ W a distance of 146.75 feet to a 1/2" iron pin with cap stamped "Kolodzie" found for the Northeast corner of said Lot 13 and Southeast corner of Lot 12, Pecan Crossing Unit 1 and being the Northwest corner of said 5.132 acre tract, also being the Southwest corner of the aforementioned 2.310 acre tract;

THENCE N 26°51'52" W continuing along the West line of said 2.310 acre tract and the herein described tract, common with the East line of said Pecan Crossing Unit 1, a distance of 457.22 feet to the POINT OF BEGINNING and containing 8.442 acres of land in Guadalupe County, Texas.

Bearings shown hereon are based on the Texas Coordinate System, South Central Zone (4204), NAD 83.

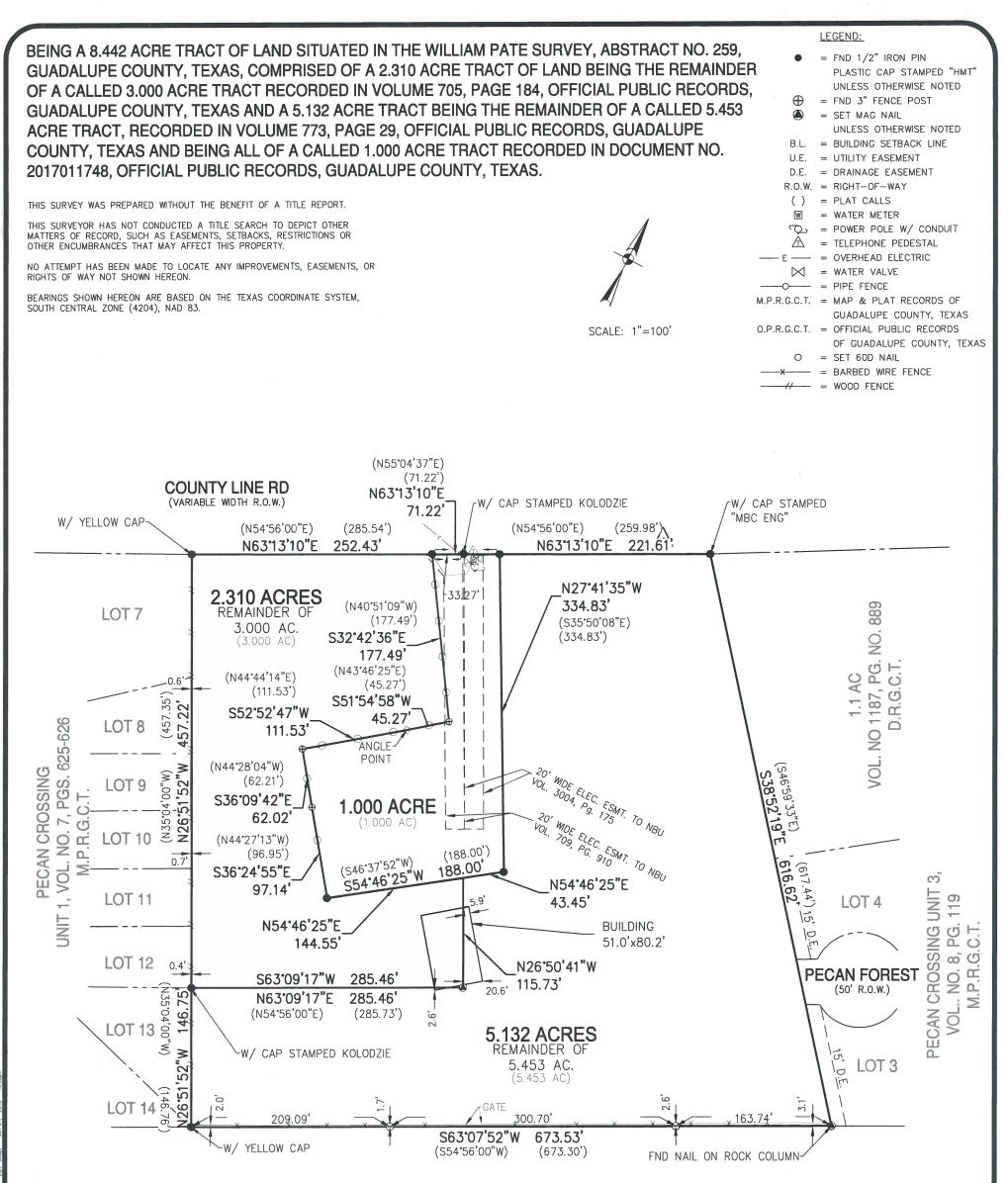
Surveyed this the 18th day of March, 201 and revised June 1, 2018, to add fences.

Reference survey of said 8.442 acre tract of land prepared this same date.

Douglas B. Cottle Registered Professional Land Surveyor No. 6149

S:\!Projects\!Title Surveys\Pate, William - Guadalupe\8.453 ac - 254 E. County Line Rd\ 18-0504 BNDY\Pate William 8.442ac MB_254 E County Line Rd_18-0504.docx



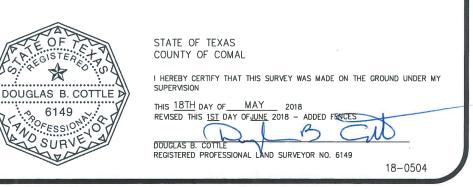


(50' R.O.W.) PECAN CROSSING UNIT-1 VOL. 7, PGS. 625-626 M.P.R.G.C.T.

*

254 E. COUNTY LINE RD NEW BRAUNFELS, TEXAS

THIS SURVEY IS CERTIFIED TO: TIM FOWLER





410 N. SEGUIN AVE. NEW BRAUNFELS, TEXAS, 78130 WWW HMTNB COM PH: (830)625-8555 TBPLS FIRM 10153600



