

WATER CCN SERVICE AREA TRANSFER AGREEMENT

STATE OF TEXAS §
 §
COUNTY OF DENTON §

This WATER CCN SERVICE AREA TRANSFER AGREEMENT (this “*Agreement*”) is entered into by and between **Bolivar Water Supply Corporation**, a Texas non-profit water supply corporation (“*Bolivar WSC*”) and the **City of Sanger, Texas**, a home rule municipality organized and existing under the laws of the State of Texas (the “*City*”) to be effective as of the date this Agreement is fully executed (the “*Effective Date*”). Bolivar WSC and the City are each referred to herein as a “*Party*” and are collectively referred to herein as the “*Parties*.”

RECITALS

WHEREAS, Bolivar WSC is the holder of water Certificate of Convenience and Necessity (“*CCN*”) No. 11257 (the “*Bolivar WSC’s Water CCN*”), the boundaries of which are partially within Denton County, Texas;

WHEREAS, the City is the holder of water CCN No. 10196, the boundaries of which are within Denton County, Texas (the “*City’s Water CCN*”);

WHEREAS, Texas Water Code (“*TWC*”) § 13.248 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*”);

WHEREAS, Bolivar WSC and the City are “retail public utilities”, as such term is defined in TWC § 13.002(19), and their water CCN service area boundaries are adjacent to each other in certain locations;

WHEREAS, Sky110 Group, LLC (“*Sky110*”) is the developer of approximately 4.13 acres of land in Denton County, Texas and of those 4.13 acres (“*Sky110 Tract*”);

WHEREAS, 2.4 acres of the Sky110 Tract are located within Bolivar WSC’s Water CCN (the “*Sky110 Transfer Tract*”) which are more specifically depicted in **Exhibit A**, attached hereto and incorporated herein for all purposes;

WHEREAS, Sky110 desires to obtain retail water service from the City for the Sky110 Tract and the City desires to provide retail water service to the Sky110 Tract;

WHEREAS, Bolivar WSC has never provided retail water service to the Sky110 Tract; and

WHEREAS, the Parties desire to transfer the portion of Bolivar WSC’s Water CCN service area that overlaps with the Sky110 Transfer Tract to the City’s Water CCN service area in

accordance with the terms of this Agreement.

AGREEMENT

NOW THEREFORE, for and in consideration of the mutual promises and covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which is acknowledged by the Parties, it is agreed as follows:

1. **Purpose.** This Agreement shall be a “contract” designating areas and customers to be served by the Parties in accordance with TWC § 13.248, as more specifically described in Section 2 of this Agreement; and the intent of the Parties is in part to fully remove the Transfer Tract from the Bolivar WSC CCN service area, without leaving any strips or other pieces.
2. **Transfer.** Bolivar WSC agrees to transfer and convey to the City, and the City accepts from Bolivar WSC, the portion of the Bolivar WSC’s Waer CCN that overlaps with the Sky110 Transfer Tract; and the Parties hereby agree to the modifications of the service area boundaries of their respective water CCNs, accordingly. The City, at its sole cost, shall prepare, file, and prosecute an application at the PUC under TWC § 13.248 to secure the PUC’s approval of this Agreement and the transfer of the portion of Bolivar WSC’s Water CCN service area that overlaps with the Sky110 Transfer Tract to the boundaries of the City’s Water CCN service area (the “**Application**”). Bolivar WSC agrees to cooperate in a timely manner with the City in advancing the Application, should the need arise, and the City agrees to keep the City apprised of the status of the Application. If the PUC denies the Application in whole or in part, or is unwilling to process the Application, then the Parties agree to implement an alternate approach in a reasonable amount of time that is substantially similar to and accomplishes the purposes of this Agreement.
3. **Compensation.** The Parties agree that each Party shall pay for its own costs in the preparation and implementation of this Agreement, except as provided in Section 2, herein. The Parties agree that no other compensation is due under this Agreement.
4. **Termination.** This Agreement shall only be terminated upon the mutual written agreement of all Parties.
5. **Applicable Law.** This Agreement shall be governed by, and construed in accordance with, the Constitution and laws of the State of Texas.
6. **Entire Agreement.** This Agreement reflects the entire agreement between the Parties, and supersedes all prior and contemporaneous agreements and understanding, both written and oral, between the Parties with respect to the subject matter hereof.
7. **Notices.** All notices and correspondence pertaining to the Agreement shall be in writing delivered by hand or certified mail, return receipt requested and postage prepaid, or by nationally recognized courier service, and shall be addressed as follows,

unless a Party notifies the other in accordance with this Section of a change of address or other information provided herein:

If to Bolivar WSC:

Bolivar Water Supply Corporation
Attn.: General Manager
P.O. Box 1006
Sanger, Texas 76266
Telephone: (512) 990-4400 Ext. 103

CC: Polly J. Kruger, Registered Agent
4551 FM 455 West, PO Box 1789
Sanger, Texas 76266

If to City:

City of Sanger, Texas
Attn: John Noblitt
P.O. Box 1729
Sanger, Texas
Telephone: (940) 458-2059

CC: Ramie Hamonds, Director of Development Services/Building Official
P.O. Box 1729
Sanger, Texas 76266
Telephone: (940) 458-2059

Notice shall be effective only upon receipt by the Party being served, except notice shall be deemed and delivered and received seventy-two (72) hours after posting by the United States Post Office, by the method described above.

8. **Successors and Assigns.** This Agreement shall bind the Parties and their legal successors, but shall not otherwise be assignable by any Party without the prior written consent of the other Party, which consent shall not be unreasonably withheld.
9. **Venue.** Actions taken by either Party in connection with this Agreement shall be deemed to have occurred in Denton County, Texas, and venue, either administrative or judicial, shall be proper and lie exclusively in the state courts of Denton County.
10. **Recitals.** The above recitals are true and correct and are incorporated into this Agreement for all intents and purposes.
11. **Multiple Originals.** This Agreement may be executed in any number of counterparts, each of which shall be, for all purposes, deemed to be an original, and all such counterparts shall together constitute and be one and the same instrument.

12. **Authority.** The Parties represent that the individuals named below are duly authorized to execute this Agreement on behalf of their respective Party.
13. **Enforceability.** The Parties agree that this Agreement constitutes the legal, valid, and binding obligation of each Party hereto, enforceable in accordance with its terms, and that each Party is entering into this Agreement in reliance upon the enforceability of this Agreement.
14. **Exhibits.** All exhibits attached to this Agreement are hereby incorporated in this Agreement as if the same were set forth in the full body of this Agreement.

[remainder of page intentionally blank]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement effective as of the Effective Date.

BOLIVAR WATER SUPPLY CORPORATION, a Texas non-profit water supply corporation

By: _____

Name: _____

Title: _____

Date: _____

CITY OF SANGER, TEXAS, a Texas home rule city

By: _____

Name: _____

Title: _____

Date: _____

ATTEST:

By: _____

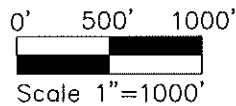
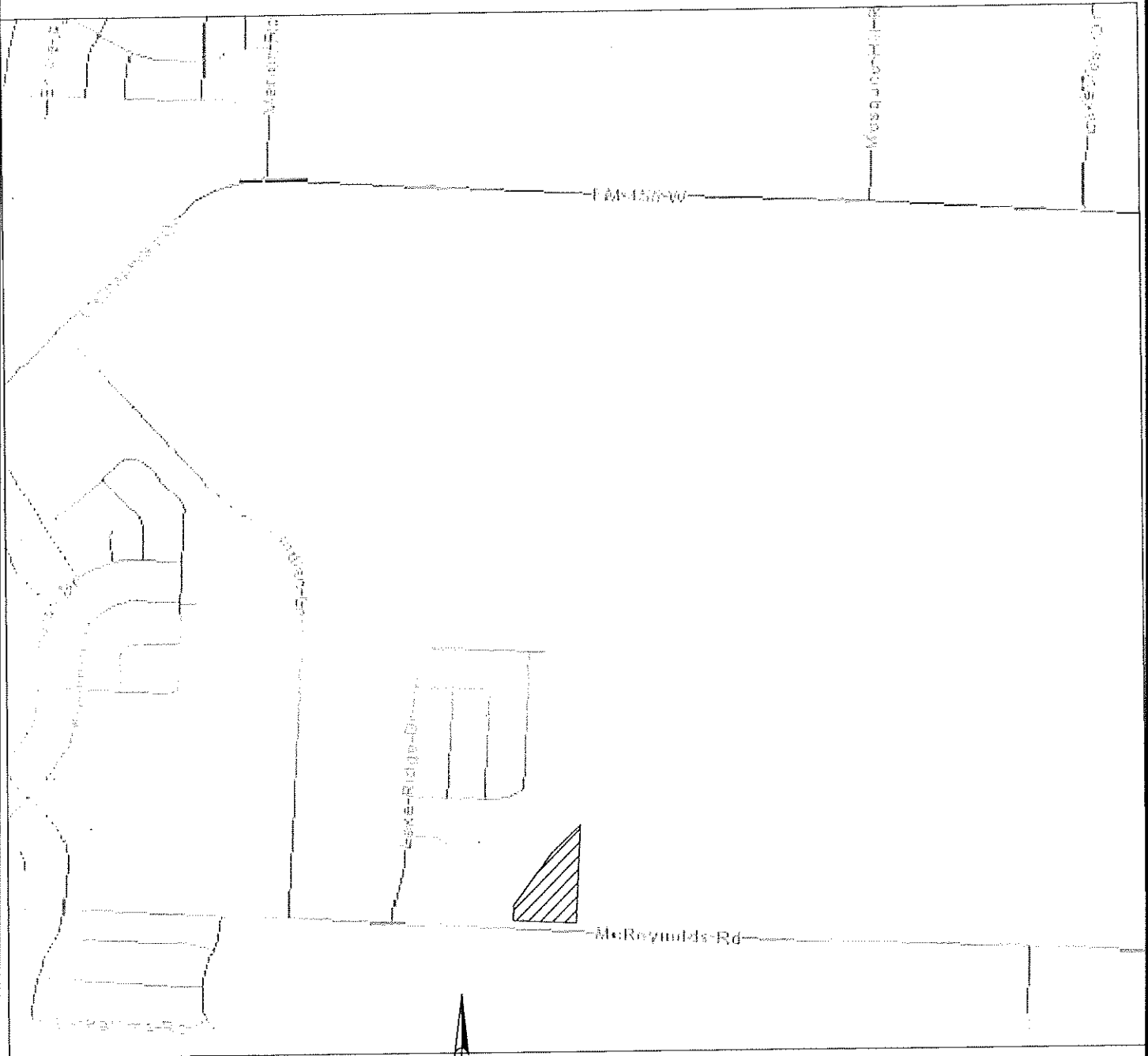
Name: _____

Title: _____

Date: _____

EXHIBIT A
The “*Sky110 Transfer Tract*”

13.248 PETITION TO AMEND BOLIVAR WATER SUPPLY CORPORATION (WATER CCN NO. 11257) AND CITY OF SANGER (WATER CCN NO. 13106) IN DENTON COUNTY



REQUESTED AREA OF TRANSFER

| | |
|----------------------------|--|
| | Middleton & Associates, LLC. CONSULTING CIVIL ENGINEERS & LAND PLANNERS TPBE #F-10900 2785 ROCKBROOK DRIVE, SUITE 105 LEWISVILLE, TEXAS 75067 (972) 393-9800 |
| | © Copyright 2024 |
| Date : 6-6-24 | |
| Scale : 1"=1000' | |
| Dwg. File : 0123001CCN.DWG | |
| Project No. : 0123001 | |

DETAILED MAP

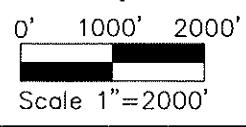
SHEET

1
OF

13.248 PETITION TO AMEND BOLIVAR WATER SUPPLY CORPORATION (WATER CCN NO. 11257) AND CITY OF SANGER (WATER CCN NO. 13106) IN DENTON COUNTY



Middleton & Associates, LLC.
 CONSULTING CIVIL ENGINEERS
 & LAND PLANNERS TBPE #10900
 2785 ROCKBROOK DRIVE, SUITE 105
 LEWISVILLE, TEXAS 75067
 (972) 393-9800
 © Copyright 2024



 REQUESTED AREA OF TRANSFER

Date : 6-6-24
 Scale : 1"=2000'
 Dwg. File : 0123001CCN.DWG
 Project No. : 0123001

GENERAL LOCATION MAP

SHEET
1
 OF
1