WHOLESALE WASTEWATER COLLECTION AGREEMENT

This Wholesale Wastewater Collection Agreement (this "<u>Agreement</u>") is executed by and between the City of Wylie, Texas (the "<u>City</u>") and Wylie Northeast Special Utility District ("<u>Wylie SUD</u>") to be effective as of the 1st day of December, 2017. The City and Wylie SUD may be individually referred to herein as a "<u>Party</u>" and collectively as the "<u>Parties</u>".

RECITALS:

WHEREAS, North Texas Municipal Water District (the "<u>District</u>") is a conservation and reclamation district created and functioning under Article 16, Section 59 of the Texas Constitution, pursuant to Chapter 62, Acts of the 52nd Legislature of the State of Texas, Regular Session, 1951, as amended, with the authority to provide and develop regional systems for wastewater treatment; and

WHEREAS, City is a Texas home-rule municipality that owns, operates and maintains a wastewater collection system ("<u>City System</u>"); and

WHEREAS, Wylie SUD is a conservation and reclamation district created and functioning under Article 16, Section 59 of the Texas Constitution, and Chapters 49 and 65 of the Texas Water Code, as amended, with the authority to provide retail wastewater service in an area defined by Certificate of Convenience and Necessity (CCN) No. 21056 ("<u>SUD Service Area</u>") issued by the Texas Commission On Environmental Quality ("<u>TCEQ</u>") on May 19, 2011, with the SUD Service Area depicted in the map attached as **Exhibit B** and incorporated herein by reference for all purposes; and

WHEREAS, Collin County Water Control Improvement District #3 ("<u>WCID #3</u>") is a conservation and reclamation district created and functioning under Article 16, Section 59 of the Texas Constitution, and Chapters 49 and 51 of the Texas Water Code; and

WHEREAS, WCID #3 is located inside the boundaries of the SUD Service Area; and

WHEREAS, Wylie SUD provides wastewater services to property located within the boundaries of WCID #3 pursuant to a contract dated September 3, 2008, between Wylie SUD and WCID #3 (through an assignment to WCID #3); and

WHEREAS, the District owns, operates and maintains a wastewater treatment and collection system known as the Muddy Creek Regional Wastewater System") pursuant to which the District operates the Muddy Creek Regional Wastewater Treatment Plant (the "<u>Muddy Creek Plant</u>") for the treatment of wastewater; and

WHEREAS, the District and the City previously entered into that certain Muddy Creek

Regional Wastewater System Contract, a contract for wastewater treatment dated effective May 27, 1999, and that certain contract for wastewater transmission dated effective May 27, 2004 (collectively, the "<u>Wastewater Contracts</u>"); and

WHEREAS, Wylie SUD entered into an agreement with NTMWD dated effective December 20, 2010, authorizing Wylie SUD to transport the wastewater it collects to another regional wastewater treatment facility plant operated by NTMWD known as the Wilson Creek Regional Wastewater Treatment Plant; and

WHEREAS, the City and Wylie SUD previously entered into that certain interim Wastewater Service Agreement dated effective August 23, 2016 (the "<u>Interim Wastewater</u> <u>Service Agreement</u>"), which provided, in part, (i) for interim transmission and of wastewater that originates within the boundaries of the SUD Service Area to the Muddy Creek Plant, and (ii) that the Parties would structure a mutually agreeable program to plan, develop, fund and construct long-term improvements that would allow the Regional Wastewater System and the Muddy Creek Plant to serve Wylie SUD on a permanent basis; and

WHEREAS, in accordance with the Interim Wastewater Service Agreement, Wylie SUD constructed a lift station inside WCID #3 (the "<u>Lift Station</u>") and a pipeline to transport wastewater to an interim point of entry located within the City, referred to in the Interim Wastewater Service Agreement as the "<u>WCID #3/City POE</u>"; and

WHEREAS, the City has advised Wylie SUD and the District, and the City and the District have agreed, that the City's existing wastewater collection system has sufficient excess capacity for the permanent transmission of wastewater originating within the boundaries of the SUD Service Area, as depicted in **Exhibit B**, to the Muddy Creek Plant; and

WHEREAS, pursuant to a Muddy Creek Regional Wastewater System Additional Participant Evaluation Study dated January 2017 (Project No. ENG 16-02) performed by Perkins Engineering Consultants, Inc. for NTMWD, NTMWD has advised Wylie SUD and the City that Muddy Creek Plant has sufficient excess treatment capacity for the permanent treatment of wastewater originating from the SUD Service Area; and

WHEREAS, the Parties now desire to enter into this Agreement to set forth the terms and conditions for (i) the planning, construction, development and funding of a wastewater meter and an off-site twelve inch (12") gravity sewer line and appurtenances (collectively, the "<u>SUD_Facilities</u>") connecting Wylie SUD's wastewater collection system to that of the City System as generally depicted on **Exhibit A**, and (ii) the City providing wastewater collection services to Wylie SUD as a wholesale customer; and

WHEREAS, the Parties hereto are entering into this Agreement in order to control water pollution, and to protect, improve, and enhance the water quality of Lake Lavon, Muddy Creek and the Trinity River and the water supplies impounded therein; and WHEREAS, the City and Wylie SUD are authorized to make and enter into this Agreement under the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, governing interlocal agreements between political subdivisions of the state, and other applicable laws.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the City and Wylie SUD hereby contract and agree as follows:

ARTICLE 1

DEFINITIONS

Section 1.01 <u>DEFINITION OF TERMS</u>. In addition to the definitions stated in the preamble hereof, the terms used in this Agreement, unless the context clearly shows otherwise, shall have the following definitions:

"Additional Participants" means any person or persons, in addition to Wylie SUD, with whom the City makes a contract for receiving and transporting wastewater through the City's wastewater collection system; *provided, however*, the City shall not permit any person to transport wastewater through the SUD Facilities without the prior written consent of Wylie SUD which may be conditioned upon, among other factors determined by Wylie SUD in its reasonable discretion, the following: (i) the existence of sufficient remaining excess capacity in the City's wastewater collection system not intended for use by Wylie SUD; and (ii) the payment by such Additional Participant to Wylie SUD of a portion of the cost of the planning, construction and development of the SUD Facilities as reasonably determined by Wylie SUD.

"<u>Fiscal Year</u>" means the twelve (12) month period beginning each October 1 and ending the following September 30.

"Participants" means Wylie SUD and all Additional Participants, if any.

"Participant" means any of the Participants.

"<u>Person</u>" shall have the meaning set forth in the Texas Code Construction Act, Chapter 311, Texas Government Code, as amended.

"<u>Point of Entry</u>" means the point of connection by any Participant to the City System as agreed upon by that Participant and the City.

"<u>SUD Point of Entry</u>" means the wastewater meter connecting Wylie SUD's wastewater collection system to the City system at the location shown on **Exhibit A** (the "<u>WW Meter</u>"), which exhibit is attached hereto and incorporated herein by reference.

"<u>Wastewater</u>" means sewage, residential wastewater, and commercial wastewater as defined in the Texas Water Code, and such infiltration water that may be present.

ARTICLE 2

CONSTRUCTION, OWNERSHIP AND MAINTENANCE OF THE SUD FACILITIES

Section 2.01 ENGINEERING PLANS.

(a) Plans for the SUD Facilities must be prepared by a registered professional engineer.

(b) Within seventy-five (75) days after the effective date of this Agreement, Wylie SUD shall deliver to the City and NTMWD a set of engineering plans and specifications for the construction of the SUD Facilities (the "<u>Plans</u>") prepared by a registered professional engineer.

(c) Within forty-five (45) days after receiving the Plans, City shall provide to Wylie SUD any comments the City may have on the Plans. After receipt of such comments, Wylie SUD shall have twenty (20) days to address the comments and concerns of City. If the Parties are unable to resolve any differences over the Plans within such twenty-day period, they shall thereafter meet with one another, with each Party agreeing to work in a commercially reasonable manner to resolve such differences as expeditiously as possible. Once the Plans have been approved by City, the City shall promptly provide written approval of such Plans to Wylie SUD.

(d) Wylie SUD agrees that the Plans and the construction of the SUD Facilities shall comply with all applicable laws and regulations.

Section 2.02 <u>CONSULTING ENGINEERS</u>. Wylie SUD is entitled to enter into any such contracts with consulting engineers deemed necessary to provide engineering services for the design of the SUD Facilities. All engineering fees and expenses associated with the SUD Facilities will paid by Wylie SUD, and NTMWD and City shall have no responsibility for such fees or expenses.

Section 2.03 <u>CONSTRUCTION CONTRACTS</u>: COSTS. Wylie SUD will, at its sole cost, enter into such contracts as are necessary to provide for all labor and materials necessary or appropriate for the construction of the SUD Facilities, and said contracts shall be executed as required by the laws applicable to Wylie SUD. All costs for the construction of the SUD Facilities shall be the responsibility of Wylie SUD, and NTMWD and City shall have no responsibility for such costs. All operational and maintenance costs for the SUD Facilities until conveyance and acceptance of the same by the City pursuant to Section 2.07 shall be the sole responsibility of Wylie SUD, and NTMWD and City shall be the sole responsibility of Wylie SUD, and NTMWD and City shall be the sole responsibility of Wylie SUD, and NTMWD and City shall be the sole responsibility of Wylie SUD, and NTMWD and City shall be the sole responsibility of Wylie SUD, and NTMWD and City shall be the sole responsibility of Wylie SUD, and NTMWD and City shall have no responsibility for such costs.

Wylie SUD, and NTMWD and City shall have no responsibility for such costs.

Section 2.04 <u>USE AND ACQUISITION OF EASEMENTS; CONSTRUCTION</u>. Wylie SUD shall proceed promptly with the acquisition, by condemnation or otherwise, of all easements necessary for construction of the SUD Facilities. Wylie SUD shall pay all easement acquisition costs, which shall be included as a cost of the acquisition and construction of the SUD Facilities. Wylie SUD is solely responsible for acquiring all such easements and paying all related acquisition costs. Wylie SUD shall complete construction of the SUD Facilities within two (2) years after Wylie SUD has acquired all necessary easement rights.

Section 2.05 <u>CONDITIONS PRECEDENT</u>. The obligation on the part of Wylie SUD to acquire and construct the SUD Facilities is conditioned upon the following:

(a) The acquisition by Wylie SUD of all easements necessary for the SUD Facilities; and

(b) Wylie SUD's ability, or the ability of its contractors and subcontractors, to obtain all permits, materials, labor and equipment necessary for the construction of the SUD Facilities.

Section 2.06 <u>OWNERSHIP AND MAINTENANCE</u>. Within sixty (60) days after completion of the SUD Facilities by Wylie SUD and acceptance of the same by the City, Wylie SUD shall convey to the City ownership of the SUD Facilities, from and including the WW Meter to the SUD Point of Entry, and the City shall assume responsibility for maintaining the conveyed SUD Facilities as a component of the City System. As part of, and at the same time of, such conveyance, Wylie SUD shall assign to the City all necessary easement rights for the City to operate the SUD Facilities and shall cause to be delivered a two (2) year maintenance bond in an amount equal to one hundred percent (100%) of the amount of the actual cost of the SUD Facilities to ensure the repair or remedy of any maintenance issues the City may have regarding the SUD Facilities after City's acceptance thereof. The bond required by this Section must be: (a) a good and sufficient bond; (b) in the amount prescribed herein; (c) with a reputable and solvent corporate surety and in favor of the City; and (d) in compliance with any other City requirements relating to such bond.

ARTICLE 3

MEASUREMENT OF WASTEWATER FLOWS AND LIMITATION ON FLOWS

Section 3.01 <u>DISCHARGE INTO CITY SYSTEM</u>. In consideration of the payments to be made under this Agreement and subject to the capacity allocated to Wylie SUD, Wylie SUD may discharge all wastewater generated from Wylie SUD's wastewater collection system into the City System at the WW Meter in the location shown on **Exhibit A**. The City shall be the sole source of wholesale wastewater service to Wylie SUD for the SUD Service Area unless the City

consents in writing to Wylie SUD's conversion to another wholesale provider.

Section 3.02 METERING WASTEWATER FLOWS.

(a) Once the SUD Facilities have been completed by Wylie SUD and accepted by the City in writing, Wylie SUD may commence the transmission of wastewater from its collection system to the City System.

(b) The quantity of wastewater delivered by each Participant into the City System shall be metered at a location agreed to by the Participant and the City. The City will measure the quantity of wastewater transported by Wylie SUD to the City System at the location identified as "<u>WW Meter</u>" on **Exhibit A**. It shall be the sole responsibility of each Participant to transport, or cause to be transported, at no cost to the City or the other Participants, its wastewater to its respective wastewater meter or Point or Points of Entry as agreed to by the Participant and the City.

(c) Each Participant will furnish and install the necessary meter and equipment, as required by the City, for measuring properly all wastewater to be discharged into the City System by each such Participant. The specifications and installation design for each meter to be installed for each Participant must be approved, in writing, in advance by the City. Such meters and other equipment shall become and remain the property of the City. Each Participant shall have access to its metering equipment upon reasonable request for inspection and examination, but the reading, calibration, adjustment and maintenance thereof shall be done only by employees or agents of the City in the presence of a representative of the Participant if the Participant makes arrangements to be present. If a representative of the Participant is not present, nothing shall prevent the City from reading, calibrating, adjusting or maintaining the metering equipment. All readings of meters will be entered upon proper books of record maintained by the City. Upon reasonable written request, the Participant may have access to said record books during reasonable business hours.

(d) Not less than one time in each Fiscal Year the City shall calibrate, and if necessary adjust, Participant meters in the presence of a representative of the Participant.

(e) If a test shows the percentage of inaccuracy of any meter to be in excess of five (5%) per cent, prior meter readings shall be corrected for a period extending back to the time when such inaccuracy began, if such time is ascertainable, and if such time is not ascertainable, then for a period extending back one-half (½) of the time elapsed since the date of the last calibration, but in no event further back than a period of six (6) months.

(f) Each Participant may, at its option and its own expense, install and

the City for each such Participant, but the measurement for the purpose of this Agreement shall be solely by the City's meters.

Section 3.03 LIMITATION ON WASTEWATER FLOWS.

(a) The wastewater transported by Wylie SUD to the SUD Point of Entry shall be limited to wastewater produced within (!) the SUD Service Area depicted in **Exhibit B**. Wylie SUD may also provide wastewater service to properties that do not meet the aforementioned requirements with the City's advance written approval.

(b) The maximum discharge rate is defined as a rate in million gallons per day (MGD) exceeded for a period of sixty minutes which, if continued over a period of 24 hours, would be equal to 3.50 times the Participant's average daily flow during that Fiscal Year. The Parties estimate that the maximum projected wastewater discharged by Wylie SUD into the City System shall be equal to <u>0.81 MGD</u>. The total quantity of wastewater discharged into the City System shall never exceed the amount which the City System and the Regional Wastewater System are capable of receiving, treating and disposing, as determined by the City in its sole discretion, unless approved in writing by the City and the District, subject to terms and conditions to be established by the City. Notwithstanding the foregoing, no Participant shall ever make any discharge into the City System that would cause it to be overloaded or be in violation of existing permits issued by the State of Texas or the United States of America.

Section 3.04 <u>LIABILITY FOR DAMAGES AND RESPONSIBILITY FOR TREATMENT AND</u> <u>DISPOSAL OF WASTEWATER</u>. Liability for damages arising from the reception and transportation of all wastewater discharged shall remain with each Participant from its wastewater collection system to the Participant's designated wastewater meter, and title to such wastewater shall be vested in such Participant to its designated wastewater meter. Upon passing through a Participant's wastewater meter, liability for such damages and title to such wastewater shall pass to the City, except as otherwise provided in this Agreement. The City has the responsibility for the proper reception and transportation of all wastewater through the City System. The City has the right to the re-use of all wastewater discharged into the City System.

Section 3.05 <u>TRANSPORT COVENANTS</u>. Wylie SUD covenants that the transport of wastewater to the SUD Point of Entry shall comply with all applicable laws and regulations.

Section 3.06 <u>UNIT OF MEASUREMENT</u>. The unit of measurement for wastewater delivered hereunder shall be 1,000 gallons, U. S. Standard Liquid Measure.

ARTICLE 4

QUALITY OF WASTEWATER FLOWS

Section 4.01 GENERAL. Each Participant shall be responsible for ensuring and hereby agrees to limit wastewater discharge into the City System to wastewater that complies with quality requirements of the Wastewater Contracts for discharge into the Regional Wastewater System. Each Participant shall adopt and enforce wastewater quality rules and policies at least as stringent as, and not inconsistent with, the City's wastewater quality rules and policies and any pretreatment requirements for each Participant's retail customers as may be necessary to cause the quality of wastewater each Participant discharges into the City System pursuant to this Agreement to meet the requirements of this Agreement and any applicable local, state or federal permit, law, rule, or regulation. The City shall be entitled to collect samples of wastewater at or near the SUD Point of Entry or from any point within the SUD Facilities and cause the same to be analyzed in accordance with accepted methods in the industry to determine if such wastewater quality complies with this Agreement. If analysis discloses that the wastewater does not comply with this Agreement, Wylie SUD shall be obligated to require the offending originator to immediately cease discharging such wastewater into the SUD Facilities or to pretreat such wastewater such that the discharge of prohibited wastewater ceases immediately.

ARTICLE 5

CHARGES AND PAYMENTS

Section 5.01 <u>CALCULATED RATE</u>. Wylie SUD shall pay to the City charges for the transport and treatment of Wylie SUD wastewater (the "<u>Wastewater Charges</u>") equal to the amount derived by multiplying the number of gallons of wastewater metered at the WW Meter for the billing period times the Calculated Rate. For purposes of this Agreement, the "<u>Calculated Rate</u>" shall be equal to the per gallon unit cost paid by City to NTMWD pursuant to the Wastewater Contracts times a factor of 1.2. The Wastewater Charges may also be calculated by multiplying the number of equivalent single family connections by the City of Wylie residential sewer rate times a factor of 1.2.

Section 5.02 <u>MONTHLY INVOICES</u>. The City shall invoice Wylie SUD on a monthly basis for the Wastewater Charges. Invoices shall be prepared by the City and delivered to Wylie SUD based on such billing cycle as agreed to between City and Wylie SUD and shall be consistent with the monthly meter reading at the SUD Point of Entry. Wylie SUD shall be responsible for paying such invoices within twenty (20) days after receipt. If an invoice is not paid within such time period, it shall be considered delinquent and subject to a late payment fee of 5% of the amount due together with any legal or other costs incurred by the City to collect the amount due.

Section 5.03 <u>CITY OBLIGATION TO PAY NTMWD</u>. Provided that Wylie SUD transmits

Wylie SUD wastewater into the City System in accordance with this Agreement, the City shall be obligated to NTMWD for the payment of all amounts due under the Wastewater Contracts for transport and treatment of Wylie SUD wastewater into the Regional Wastewater System and the Muddy Creek Plant.

ARTICLE 6

GENERAL PROVISIONS

Section 6.01 FORCE MAJEURE. In case by reason of "Force Majeure" the City or any Participant shall be rendered unable wholly or in part to carry out its obligations under this Agreement, then if such Party shall give notice and full particulars of such "Force Majeure" in writing to the other Party within a reasonable time after occurrence of the event or cause relied on, the obligation of the Party giving such notice, so far as it is affected by such Force Majeure (with the exception of the obligation of each Participant to make the payments required in Section 5.02 of this Agreement, which in all events shall be made as provided therein) shall be suspended during the continuance of the inability then claimed, but for no longer periods, and any such Party shall endeavor to remove or overcome such inability with all reasonable dispatch. The term "Force Majeure" as employed herein, shall mean acts of God, strikes, lockouts, or other industrial disturbances, acts of public enemy, orders of any kind of the Government of the United States or the State of Texas or any civil or military authority, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, hurricanes, storms, floods, washouts, droughts, arrests, restraint of government and people, civil disturbances, explosions, breakage or accidents to machinery, pipelines or canals, partial or entire failure of water supply, and inability on the part of a Participant to provide water necessary for operation of its water and Local Wastewater Facilities hereunder, or of the City to receive or transport Wastewater on account of any other causes not reasonably within the control of the Party claiming such inability. It is understood and agreed that the settlement of strikes and lockouts shall be entirely within the discretion of the Party having the difficulty, and that the above requirement that any Force Majeure shall be remedied with all reasonable dispatch shall not require the settlement of strikes and lockouts by acceding to the demands of the opposing Party when such settlement is unfavorable to it in the judgment of the Party having the difficulty.

Section 6.02 <u>INSURANCE</u>. Each Party will carry insurance or maintain self-insurance for such purposes and in such amounts as are determined by that Party to be necessary or advisable.

Section 6.03 <u>REGULATORY BODIES</u>. This Agreement shall be subject to all valid rules, regulations and laws applicable hereto passed or promulgated by the United States of America, the State of Texas, the City, or any authorized agency of either having jurisdiction over the subject matter of this Agreement.

Section 6.04 <u>ANNUAL AUDIT OF CITY SYSTEM</u>. At the close of each Fiscal Year, commencing with the Fiscal Year beginning October 1, 2017, the City will perform an annual audit of the City System and will prepare and deliver an audit report to all Participants.

Section 6.05 <u>PUBLICATIONS, REFERENCE WORKS, GOVERNMENTAL REGULATIONS</u>. In each instance herein where reference is made to a publication, reference work or Federal or State regulation, it is the intention of the Parties that at any given time the then current edition of any such publication of reference work or federal or state regulation shall apply. If a publication or reference work is discontinued or ceases to be the generally accepted work in its field or if conditions change or new methods or processes are implemented by the City, new standards shall be adopted which are in compliance with state and federal laws and any valid rules and regulations issued pursuant thereto.

Section 6.06 <u>OPERATION OF THE WYLIE SUD FACILITIES</u>. Wylie SUD covenants that it will operate and maintain the SUD Facilities in accordance with accepted good business and engineering practices.

ARTICLE 7 REMEDIES

Section 7.01 <u>LEGAL AND EQUITABLE</u>. Any Party may require any other Party, and its officials and employees, to carry out, respect, and enforce the covenants and obligations of this Agreement by all legal and equitable means including specifically, but without limitation, the use and filing of mandamus or injunction proceedings, in any court of competent jurisdiction, against such Party, and its officials and employees.

ARTICLE 8

EFFECTIVE DATE AND TERM

Section 8.01 <u>EFFECTIVE DATE</u>. The date this Agreement is signed by the last Party to sign it (as indicated by the date associated with that Party's signature below) will be deemed the effective date of this Agreement.

Section 8.02 <u>TERM OF AGREEMENT</u>. This Agreement shall continue in force from the effective date hereof until the expiration of the useful life of the SUD Facilities.

ARTICLE 9 NOTICES

Section 9.01. <u>NOTICES</u>. Any notice, request or other communication under this Agreement shall be given in writing and shall be deemed to have been given by either Party to the other Party at the addresses shown below upon any of the following dates:

(a) The date of notice by facsimile, electronic mail, or similar telecommunications, which is confirmed promptly in writing; or

(b) The date of dispatch when given to a delivery service for same day hand delivery; or

(c) One business day after the date the notice, request or other communication is given to an overnight courier of recognized national standing for overnight hand delivery; or

(d) Three business days after the date of the mailing thereof, as shown by the post office receipt if mailed to the other Party hereto by certified mail;

(e) The date of actual receipt thereof by such other Party if not given pursuant to (a), (b) (c) or (d) above.

The address for notice for each of the Parties shall be as follows:

City of Wylie 300 Country Club Rd., Building 100, 1st Floor Wylie, Texas 75098 Attention: City Manager Fax: (972) 516-6026 Email: citymgr@wylietexas.gov

Wylie Northeast SUD 745 Parker Road Wylie, Texas 75098 Attention: General Manager Fax: (972) 429-9413 Email: chester@wylienortheastwater.com

or the latest address specified by such other Party in writing in accordance with the notice provisions set forth above.

ARTICLE 10

TERMINATION OF INTERIM WASTEWATER SERVICE AGREEMENT

Section 10.01 <u>TERMINATION OF INTERIM WASTEWATER SERVICE AGREEMENT</u>. The City and Wylie SUD agree that the Interim Wastewater Service Agreement terminates upon the effective date of this Agreement; provided, however, that the terms and conditions set forth therein relating to payment by Wylie SUD to the City shall remain in effect until such time as Wylie SUD has fully complied with all such payment obligations. This Agreement contains the entire agreement between the Parties respecting the matters herein set forth and supersedes all prior or contemporaneous agreements or understandings, verbal or written, between the Parties hereto respecting such matters.

ARTICLE 11

EARLY TERMINATION BY WYLIE SUD TO PARTICIPATE IN REGIONAL WASTEWATER SYSTEM

Section 11.01 <u>EARLY TERMINATION</u>. If at any time NTMWD extends a wastewater interceptor pipeline southward along Country Club Road past the intersection of Country Club Road and Lakeway Drive, in close proximity to the WW Meter, the Parties agree that Wylie SUD may formally request to connect its wastewater system directly to the Regional Wastewater System by becoming a direct participating member or customer of NTMWD. Should NTMWD agree to this request, this Agreement will terminate upon Wylie SUD notifying the City that a direct connection between Wylie SUD's wastewater system to the Regional Wastewater System has been achieved. Wylie SUD will pay all costs to decouple the SUD Facilities from the City System.

ARTICLE 12

RECITALS

Section 12.01 <u>INCORPORATION AND CONSIDERATION</u>. Each Party acknowledges the Recitals set forth in this Agreement and agrees that such Recitals are hereby incorporated into, and made a part of, this Agreement for all purposes. The Parties agree and acknowledge that the Recitals and the representations, promises, agreements and covenants contained in this Agreement are adequacy and sufficient consideration.

ARTICLE 13

MISCELLANEOUS

Section 13.01 <u>SEVERABILITY</u>. If any clause, provision or Section of this Agreement should be held illegal or invalid by any court, the invalidity of such clause, provision or Section shall not affect any of the remaining clauses, provisions or Sections hereof and this Agreement shall be construed and enforced as if such illegal or invalid clause, provision or Section had not been contained herein. In case any agreement or obligation contained in this Agreement should be held to be in violation of law, then such agreement or obligation shall be deemed to be the agreement or obligation of the Participants or the City, as the case may be, to the full extent permitted by law.

<u>Section 13.02 MODIFICATION</u>. This Agreement may be changed or modified only with the consent of the governing bodies of the City and the affected Participant or Participants. No

such change or modification may be made which will affect adversely the prompt payment when due of all moneys required to be paid by the Participants under the terms of this Agreement.

Section 13.03 <u>VENUE</u>. All amounts due under this Agreement, including, but no limited to, payments due under this Agreement or damages for the breach of this Agreement, shall be paid and be due in Collin County, Texas, which is the County in which the SUD Facilities, the City and Wylie SUD are located. It is specifically agreed among the Parties to this Agreement that Collin County, Texas, is the place of performance of this Agreement; and in the event that any legal proceeding is brought to enforce this Agreement or any provision hereof, the same shall be brought in Collin County, Texas.

Section 13.04 <u>ARTICLE AND SECTION HEADINGS</u>. Article and Section headings in this Agreement shall not be used in construing this Agreement.

Section 13.05 <u>COUNTERPARTS</u>. This Agreement may be executed in several counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same document.

Section 13.06 <u>SEVERABILITY</u>. If any provisions of this Agreement shall, to any extent, be determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder this Agreement shall not be affected thereby, and every other term and provisions of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

Section 13.07 <u>COOPERATION</u>. Each Party hereby agrees that it will take all actions necessary to fully carry out the purposes and intent of this Agreement and reasonably cooperate with each other Party in doing so.

Section 13.08 <u>WHOLESALE CUSTOMER; NO JOINT VENTURE</u>. The Parties agree and acknowledge that Wylie SUD is a wholesale wastewater customer of the City under this Agreement and that this Agreement does not create a joint venture, partnership, or joint enterprise, that each Party is not an agent of the other entity, and that each Party is responsible for its own acts and omissions in conjunction with performance of this Agreement, and without waiving any rights or defenses under the laws of the State of Texas.

Section 13.09 I<u>MMUNITY</u>. It is expressly understood and agreed that, in the execution and performance of this Agreement, neither Party has waived, nor shall be deemed hereby to have waived, any defense or immunity, including governmental, sovereign and official immunity, that would otherwise be available to it against claims arising in the exercise of governmental powers and functions.

THIS AGREEMENT REVIEWED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF WYLIE in

a Regular Meeting on the <u>12th</u> day of <u>December</u>, 2017, with authorization for the City Manager to execute the Agreement on behalf of the City of Wylie.

CITY OF WYLIE, TEXAS,

a Texas home rule municipality

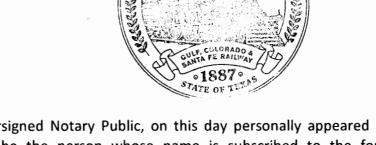
Bv:

Mindy Manson, City Manager

ATTEST:

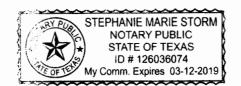
Carole Ehrlich, City Secretary

STATE OF TEXAS § § COUNTY OF COLLIN §



BEFORE ME, the undersigned Notary Public, on this day personally appeared **MINDY MANSON**, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that she executed the same as the act of the **CITY OF WYLIE, TEXAS**, a Texas home-rule municipality, as its City Manager, for the purposes and consideration therein expressed.

GIVEN under my hand and seal of office, this the <u>12</u> day of <u>December</u>, 2017.



Notary Public, Collin County, Texas

THIS AGREEMENT REVIEWED AND APPROVED BY THE BOARD OF DIRECTORS OF THE WYLIE NORTHEAST SPECIAL UTILITY DISTRICT in a Regular Meeting held on the 14th day of November, 2017, with authorization for the President and Board Secretary to execute the Agreement on behalf of the Wylie Northeast Special Utility District.

> WYLIE NORTHEAST SPECIAL UTILITY DISTRICT, a Texas political subdivision

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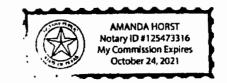
Brenda Kellow, Secretary

STATE OF TEXAS § § COUNTY OF COLLIN §

BEFORE ME, the undersigned Notary Public, on this day personally appeared JIMMY C. BEACH, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that she executed the same as the act of the WYLIE NORTHEAST SPECIAL UTILITY DISTRICT, a Texas political subdivision, as its President, for the purposes and consideration therein expressed.

GIVEN under my hand and seal of office, this the $\frac{1444}{100}$ day of November, 2017.

Notary Public, Collin County, Texas



2017-1201 Wastewater Interceptor System Contract - Wylie SUD-Wylie.docx

