

WASTEWATER AREA TRANSFER AGREEMENT

BETWEEN

CITY OF SEGUIN, TEXAS

AND

GUADALUPE-BLANCO RIVER AUTHORITY

WASTEWATER SERVICE AREA TRANSFER AGREEMENT

This Wastewater Service Area Transfer Agreement (“Agreement”) is made and entered into by and between the City of Seguin, Texas (hereinafter “Seguin”), a home rule city and body politic of the State of Texas, and the Guadalupe-Blanco River Authority, a conservation and reclamation district organized under Article 16, Section 59 of the Texas Constitution and political subdivision of the State of Texas (hereinafter “GBRA”), and is effective on the Effective Date, as defined below. Seguin and GBRA may be collectively referred to herein as the “Parties,” or individually as a “Party.”

RECITALS

WHEREAS, Seguin provides retail sewer service in Guadalupe County, Texas under sewer Certificate of Convenience and Necessity (“CCN”) No. 20270, issued by the Public Utility Commission of Texas (“PUC”).

WHEREAS, GBRA provides retail sewer services in Comal, Guadalupe, Hays, and Kendall counties under sewer CCN No. 20892, issued by the PUC.

WHEREAS, a portion of the service area associated with Seguin’s CCN located in Guadalupe County, Texas lies adjacent to a portion of service area of GBRA’s CCN No. 20892.

WHEREAS, Seguin desires to and is capable of being the sole retail sewer provider to the approximately ±4,452 acre portion of the service area under GBRA’s CCN No. 20892, identified as the blue shaded area on Exhibit A (the “Service Area”), which is attached hereto and incorporated herein for all purposes;

WHEREAS, GBRA desires to transfer the Service Area to Seguin, and GBRA and Seguin mutually agree that Seguin should be the sole sewer service provider to the Service Area in accordance with the terms and conditions of this Agreement, thereby relieving GBRA of its obligation to provide sewer service in the area;

WHEREAS, as of the Effective Date, there are no retail sewer customers in the Service 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

WHEREAS, the Seguin City Council and the GBRA Board of Directors each considered and approved this Agreement at meetings conducted in compliance with the Texas Open Meetings Act.

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

II. TERMS OF AGREEMENT

Section 1 Transfer and Conveyance of Service Area. Subject to the terms and conditions in this Agreement, GBRA agrees to convey and transfer to Seguin the Service Area.

Section 2 Service in a Portion of GBRA Sewer CCN. Seguin and GBRA agree that, upon and following the approval of the PUC, Seguin shall have the right to be the sole provider and shall be responsible for providing retail sewer service within the Service Area identified on Exhibit A as “Portion of GBRA WW CCN Service Area to be Transferred to Seguin,” and GBRA shall have no obligation to provide retail sewer service in the Service Area.

Section 3 Amendment of CCNs.

(a) The Parties agree that, pursuant to TWC § 13.247(a), Seguin may only provide retail sewer utility service within the Service Area if the boundaries of Seguin’s sewer CCN No. 20270 include the Service Area. Therefore, prior to its provision of retail sewer service in the Service Area and following the Effective Date, Seguin shall prepare, file, and prosecute, at its sole and reasonable cost, a petition with the PUC (the “13.248 Petition”) requesting that the PUC:

- i. approve and incorporate, as applicable, the terms of this Agreement into the respective sewer CCNs of GBRA and Seguin, pursuant to TWC § 13.248; and
- ii. decertify the Service Area from GBRA’s CCN and recertify the Service Area to Seguin’s sewer CCN No. 20270.

(b) Seguin shall file the 13.248 Petition no later than 120 days after the Effective Date.

(c) In furtherance hereof, GBRA hereby agrees and consents to (i) any decertification of the Service Area following the PUC’s approval of the 13.248 Petition pursuant to Article II, Section 3(a) above; and (ii) recertification of the Service Area to Seguin.

(d) Upon the filing of the 13.248 Petition, the Parties shall make all reasonable efforts to obtain in an expeditious manner the PUC’s approval of the Petition and the sewer CCN amendments contemplated herein and will support and cooperate with each other and the PUC to accomplish this goal. If the 13.248 Petition is opposed by a third party at the PUC, the Parties agree that each Party, at their own respective cost, will be responsible to defend the petition by fully participating in any contested case hearing ordered as a result of intervention.

(e) In the event a final order approving the 13.248 Petition is appealed pursuant to the Texas Administrative Procedure Act, the Parties agree that each Party, at its own respective cost, will be responsible to defend the petition by fully participating in any appeal(s) or any hearing ordered as a result of remands thereof. The Parties agree to: (i) advocate for the position

that would accomplish the goals of this Agreement; and (ii) cooperate with each other in any such prosecutions of such intervention(s), appeal(s) or remand(s).

Section 4 Consideration. The Parties agree that no compensation shall be due and owing between Seguin and GBRA in conjunction with the CCN transfer contemplated herein, since no real or personal property of either Party is contained within the Service Area or is being affected by such transfer.

Section 5 Transfer Alternative. If the PUC denies, rejects, or otherwise fails to approve the 13.248 Petition as contemplated by Section 3, the Parties agree to negotiate in good faith a mutually agreeable alternative solution that will accomplish the goals and terms of this Agreement.

Section 6 Applicable Law. This Agreement shall be construed and interpreted in accordance with the applicable provisions of the Texas Water Code ("TWC") including, but not limited to, TWC § 13.248, and applicable PUC rules and regulations.

Section 7 Waiver of Claim under TWC § 13.252. Seguin agrees that it will not file a petition with the PUC to transfer the Service Area to Seguin prior to the execution of this Agreement. By consenting to Seguin's provision of sewer service to the Service Area, GBRA hereby waives all claims it might have against Seguin under TWC § 13.252 relating to Seguin's provision of such sewer service in the Service Area.

Section 8 Waiver of Claim under 7 U.S.C. § 1926(b). The Parties agree that Seguin's sewer service in the Service Area as provided by this Agreement does not limit or curtail the sewer service provided or made available by GBRA outside of the Service Area. Accordingly, GBRA hereby waives all claims it might have against Seguin under 7 U.S.C. § 1962(b) relating to GBRA's federal indebtedness associated with the Service Area.

Section 9 No Transfer of Customers or Facilities. The Parties agree that there will be no transfer of customers or facilities as part of this 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 Guadalupe 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 Guadalupe County, Texas.

Section 3 Entire Agreement. This Agreement contains the entire agreement of Seguin 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 the authorized representatives of both Seguin 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 Seguin, 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 Seguin, as appropriate, at the address shown hereinafter. The addresses for GBRA and Seguin 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

If to Seguin: City of Seguin
 c/o City Manager
 205 N. River Street
 Seguin, TX 78155
 Phone: 830-401-2300

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 Captions. All titles of sections of this Agreement have been inserted for reference only and shall in no way affect the interpretation of this Agreement.

Section 8 Recitals. All Recitals of the Preamble are incorporated and made a part of this Agreement.

Section 9 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 10 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 11 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. Copies of the meeting agendas and minutes for the meetings during which this Agreement was discussed by the parties, together with affidavits attesting to the date of those meetings, are attached hereto as Exhibit B, incorporated herein by reference.

Section 12 Time. Time is of the essence in all things pertaining to the performance of this Agreement.

Section 13 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 Seguin.

IN WITNESS WHEREOF, EXECUTED by the City Manager of Seguin and General Manager/CEO of GBRA under the authority of their respective governing bodies in duplicate originals on the dates indicated below.

City of Seguin:

Guadalupe-Blanco River Authority:

Steve Parker
City Manager

Darrell Nichols
General Manager/CEO

Date: _____

Date: _____

ATTEST:

ATTEST:

Kristin Mueller
City Secretary

Joseph E. Cole
General Counsel

Date: _____

Date: _____

Exhibit A
Portion of GBRA's Guadalupe County Wastewater Service Area Map

EXHIBIT B

PROOF OF NOTICE OF TWC SECTION 13.248 AGREEMENT

Index:

1. Affidavit, Agenda, [Resolution] and Minutes of City Council Meeting, City of Seguin, Texas
2. Affidavit, and Agenda and Minutes of Board of Directors of Guadalupe-Blanco River Authority

AFFIDAVIT OF STEVE PARKER

(City of Seguin, Texas)

STATE OF TEXAS §

COUNTY OF GUADALUPE §

On this day, Steve Parker appeared before me, the undersigned notary public, and after I administered an oath to him, upon his oath, he said:

1. “My name is Steve Parker. I am the City Manager for the City of Seguin, Texas. I am more than 21 years of age and capable of making this affidavit (“Affidavit”). I have personal knowledge of the facts stated herein, which are true and correct.
2. I am employed as the City Manager for the City of Seguin and coordinate on water utility issues directly with my colleagues at the City of Seguin who prepare and post notices of City Council Agendas at least three (3) business days prior to City Council meetings in accordance with the Texas Open Meetings Act.
3. I have prepared this affidavit to address Public Utility Commission Rule 24.253(c)(3) in support of the City of Seguin’s joint petition with the Guadalupe-Blanco River Authority filed under Section 13.248 of the Texas Water Code requesting approval of the Parties' Texas Water Code Section 13.248 Retail Water Certificate of Convenience and Necessity Service Area Transfer Agreement (“CCN Transfer Agreement”), which is effective _____.
4. I am aware of Public Utility Commission Rule 24.253(c)(3) which requires that '[i]f notice was provided in accordance with paragraph (1) or (2) of this subsection, both parties to the contract under this section shall ensure that the following are filed with the commission: an affidavit attesting to the date that notice was provided and copies of the notice that was sent. Both Parties are complying with paragraph (2) of Rule 24.253(c) by submitting with our petition their respective meeting agendas and meeting minutes, which reflect our respective notices to the public and action taken regarding our above-referenced CCN Transfer Agreement.
5. By this affidavit, I am attesting to the date that the City of Seguin notice was provided and am attaching a copy of that notice-specifically, the City of Seguin City Council’s publicly noticed agenda for its meeting held on _____, 2026, beginning at 6:00 PM as well as the minutes of that meeting showing the action taken to Approve the CCN Transfer Agreement. I am personally aware that this notice was timely posted at least three (3) business days in advance of the meeting.

6. This affidavit is also filed in accordance with Texas Rules of Evidence 803(6) and 902(10) to ensure this attached notice/agenda and minutes are helpful to the Administrative Law Judge and admissible, as necessary. These attachments are an exact duplicate of the original records, and are true and correct copies of the notice/agenda and minutes. It is the regular practice of the City of Seguin to make and/or maintain these types of records, or to incorporate into City of Seguin's records, at or near the time of each act, event, condition, or opinion set forth in the records, or reasonably sooner thereafter. It is the regular practice of the City of Seguin for these types of records to be made by, or from information transmitted by, persons with knowledge of the matter set forth in them, or to incorporate those documents into the City of Seguin's records. It is the regular practice of the City of Seguin's to make, keep or incorporate these types of records in the course of regularly conducted business activity.
7. There are no retail water customers within the CCN Transfer Area.”

By: _____
Steve Parker
City Manager, City of Seguin, Texas

STATE OF TEXAS §

COUNTY OF GUADALUPE §

This instrument was sworn to and acknowledged before me on _____, 2026 by Steve Parker, City Manager, City of Seguin, Texas.

(seal)

Notary Public, State of Texas

COUNTY OF GUADALUPE §

By: _____
Kristin Mueller
City Secretary, City of Seguin, Texas

STATE OF TEXAS **§**

COUNTY OF GUADALUPE §

This instrument was sworn to and acknowledged before me on _____, 2026 by Kristin Mueller, City Secretary, City of Seguin, Texas.

(seal)

Notary Public, State of Texas

[INSERT SEGUIN CITY COUNCIL MINUTES OR RESOLUTION]

(GUADALUPE-BLANCO RIVER AUTHORITY)

COUNTY OF COMAL §

1. “My name is Darrell Nichols. I am the General Manager/CEO of the Guadalupe-Blanco River Authority. I am more than 21 years of age and capable of making this affidavit (“Affidavit”). I have personal knowledge of the facts stated herein, which are true and correct.
2. I am employed as the General Manager/CEO of the Guadalupe-Blanco River Authority and coordinate on water utility issues directly with my colleagues at the Guadalupe-Blanco River Authority who prepare and post notices of Board of Director Agendas at least three (3) business days prior to Board of Director meetings in accordance with the Texas Open Meetings Act.
3. I have prepared this affidavit to address Public Utility Commission Rule 16 Texas Administrative Code (“TAC”) § 24.253(c)(3) in support of Guadalupe-Blanco River Authority’s joint petition with the City of Seguin filed under Section 13.248 of the Texas Water Code requesting approval of the Texas Water Code Section 13.248 – Wastewater Area Transfer Agreement (“CCN Transfer Agreement”), which is effective as of the _____ day of _____, 2026.
4. I am aware of Public Utility Commission Rule 16 TAC § 24.253(c)(3) which requires that ‘[i]f notice was provided in accordance with paragraph (1) or (2) of this subsection, both parties to the contract under this section shall ensure that the following are filed with the commission: an affidavit attesting to the date that notice was provided and copies of the notice that was sent.’ Both Parties are complying with paragraph (2) of 16 TAC § 24.253(c) by submitting with our petition their respective meeting agendas and meeting minutes, which reflect our respective notices to the public and action taken regarding our above-referenced CCN Transfer Agreement.

5. By this affidavit, I am attesting to the date that Guadalupe-Blanco River Authority's notice was provided and am attaching a copy of that notice-specifically, Guadalupe-Blanco River Authority's publicly noticed agenda for its meeting held on July 15, 2026, beginning at 10:00 AM as well as the minutes of that meeting showing the action taken to Approve the CCN Transfer Agreement. I am personally aware that this notice was timely posted at least three (3) business days in advance of the meeting.
6. This affidavit is also filed in accordance with Texas Rules of Evidence 803(6) and 902(10) to ensure this attached notice/agenda and minutes are helpful to the Administrative Law Judge and admissible, as necessary. These attachments are an exact duplicate of the original records and are true and correct copies of the notice/agenda and minutes. It is the regular practice of the Guadalupe-Blanco River Authority to make and/or maintain these types of records, or to incorporate into Guadalupe-Blanco River Authority's records, at or near the time of each act, event, condition, or opinion set forth in the records, or reasonably sooner thereafter. It is the regular practice of the Guadalupe-Blanco River Authority for these types of records to be made by, or from information transmitted by, persons with knowledge of the matter set forth in them, or to incorporate those documents into Guadalupe-Blanco River Authority's records. It is the regular practice of the Guadalupe-Blanco River Authority to make, keep or incorporate these types of records in the course of regularly conducted business activity.
7. There are no retail water customers within the CCN Transfer Area."

By: _____
Darrell Nichols
General Manager/CEO
Guadalupe-Blanco River Authority

STATE OF TEXAS §

COUNTY OF COMAL §

This instrument was sworn to and acknowledged before me on _____, 2026, by Darrell Nichols, General Manager/CEO of the Guadalupe-Blanco River Authority.

(seal)

Notary Public, State of Texas

STATE OF TEXAS §

COUNTY OF COMAL §

I, Marella Dalme, Records Manager for the Guadalupe-Blanco River Authority, am the legal custodian of the Guadalupe-Blanco River Authority's files and records. I hereby certify that the attached are true, accurate and complete copies of the Guadalupe-Blanco River Authority's instruments and records as those instruments and records are filed in the official records of the Guadalupe-Blanco River Authority, specifically consisting of the agenda for the Guadalupe-Blanco River Authority's Board Meeting held on July 15, 2026 beginning at 10:00 A.M. and the signed and approved minutes of that meeting.

By: _____
Marella Dalme
Records Manager
Guadalupe-Blanco River Authority

STATE OF TEXAS §

COUNTY OF COMAL §

This instrument was sworn to and acknowledged before me on _____, 2026 by Marella Dalme, Records Manager of the Guadalupe-Blanco River Authority.

(seal)

Notary Public, State of Texas

[INSERT GUADALUPE-BLANCO RIVER AUTHORITY BOARD MEETING MINUTES]