

# EXHIBIT

## "A"

### AGREEMENT FOR THE TRANSFER OF RETAIL WASTEWATER UTILITY SERVICE AREA BETWEEN THE CITY OF ROUND ROCK AND WINDERMERE UTILITY COMPANY

This Agreement Between City of Round Rock and Windermere Utility Company (this "Agreement") is entered into this day of \_\_\_\_\_, 2017, by and between the City of Round Rock, a Texas home rule municipality (hereinafter "Round Rock"), and SWWC Utilities, Inc., a Delaware corporation d/b/a Windermere Utility Company, an Investor Owned Utility Company regulated by the Public Utility Commission of Texas (hereinafter "Windermere") with respect to the boundary lines of the Certificates of Convenience and Necessity (hereinafter "CCN's") held by each for the provision of wastewater service to users pursuant to the Texas Water Code.

WHEREAS, Round Rock is the holder of wastewater CCN #20421 from the Public Utility Commission of Texas (hereinafter "PUC"), for the provision of retail wastewater service to certain areas in and about Williamson and Travis Counties, Texas; and

WHEREAS, Windermere is the holder of wastewater CCN #20542 from the PUC, for the provision of retail wastewater service to certain areas in and about Travis County, Texas; and

WHEREAS, the boundaries of the Round Rock CCN and the Windermere CCN are adjacent to one another;

WHEREAS, Windermere wishes to alter the boundaries of its CCN by decertifying and transferring an area (the "Windermere Transfer Area") contained within the boundaries of the Windermere CCN to Round Rock, so that such area is removed from the Windermere CCN and added to the Round Rock CCN; and

WHEREAS, Round Rock wishes to alter the boundaries of its CCN by decertifying and transferring an area (the "Round Rock Transfer area") contained within the boundaries of the Round Rock CCN to Windermere, so that such area is removed from the Round Rock CCN and added to the Windermere CCN; and

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

- 1.1 Round Rock is the owner and holder of wastewater CCN #20421.
- 1.2 Windermere is the owner and holder of wastewater CCN #20542.
- 1.3 The Round Rock Transfer Area is located within the boundaries of CCN #20421 and adjacent to the boundaries of CCN #20542, such property more fully described in Exhibit "A" attached hereto.
- 1.4 The Windermere Transfer Area is located within the boundaries of CCN #20542 and adjacent to the boundaries of CCN #20421, such property more fully described in Exhibits "B1" and "B2" attached hereto.

#### Transfer of Windermere CCN Area

- 2.1 In accordance with Texas Water Code Section 13.248, and subject to the approval by the PUC, Windermere hereby agrees to the modification of the boundaries of its CCN #20542 to exclude

the area contained within the Windermere Transfer Area, such area to be transferred from Windermere's CCN #20542 to the area to be encompassed within the Round Rock CCN #20421.

2.2 In accordance with Texas Water Code Section 13.248, and subject to the approval by the PUC, Round Rock hereby agrees to the expansion and modification of the boundaries of its CCN #20421 to include the area contained within the Windermere Transfer Area, such area to be transferred from Windermere's CCN #20542 to now be encompassed within the Round Rock CCN.

2.3 Round Rock agrees that, upon approval of the revision to its CCN boundaries by PUC to include the Windermere Transfer Area within the boundaries of its CCN #20421, Windermere shall have no further obligation to provide retail wastewater service to the Windermere Transfer Area, and that Round Rock shall be solely responsible for the provision of retail wastewater service to the owners and occupants of the Windermere Transfer Area under such terms and conditions as are allowed under its CCN and any applicable governmental statutes and regulations.

#### Transfer of Round Rock CCN Area

3.1 In accordance with Texas Water Code Section 13.248, and subject to the approval by the PUC, Round Rock hereby agrees to the modification of the boundaries of its CCN #20421 to exclude the area contained within the Round Rock Transfer Area, such area to be transferred from Round Rock's CCN #20421 to the area to be encompassed within the Windermere CCN #20542.

3.2 In accordance with Texas Water Code Section 13.248, and subject to the approval by the PUC, Windermere hereby agrees to the expansion and modification of the boundaries of its CCN #20542 to include the area contained within the Round Rock Transfer Area, such area to be transferred from Round Rock's CCN #20421 to now be encompassed within the Windermere CCN.

3.3 Windermere agrees that, upon approval of the revision to its CCN boundaries by PUC to include the Round Rock Transfer Area within the boundaries of its CCN #20542. Round Rock shall have no further obligation to provide retail wastewater service to the Round Rock Transfer Area, and that Windermere shall be solely responsible for the provision of retail wastewater service to the owners and occupants of the Round Rock Transfer Area under such terms and conditions as are allowed under its CCN and any applicable governmental statutes and regulations.

#### Compensation

4.1 Windermere and Round Rock agree that no compensation shall be due and owing between Round Rock and Windermere in conjunction with such transfer, since no real or personal property of either party is contained within either Transfer Area or is being affected by such transfer.

#### Facilities

5.1 Neither party owns any wastewater connections or wastewater facilities within their respective transfer areas.

#### Transfer and Amendment of CCNs

- 6.1 Round Rock and Windermere shall each file appropriate applications with the PUC to formally transfer the Transfer Areas from Round Rock's CCN to Windermere's CCN and from Windermere's CCN to Round Rock's CCN (the "CCN Transfers"). Round Rock and Windermere shall endeavor to obtain PUC approval of the CCN transfers contemplated herein in an expeditious manner and will support and cooperate with each other and the PUC to accomplish this goal. The Parties shall file the necessary applications to transfer the CCNs by March 1, 2017.
- 6.2 The Parties shall make all reasonable efforts to file the applications simultaneously with the PUC.
- 6.3 Each Party shall bear their own costs associated with preparing and filing the CCN applications and the pursuit of regulatory approvals.
- 6.4 Round Rock and Windermere agree that, pending PUC approval, Round Rock will have the sole right to provide retail wastewater service within the Windermere Transfer Area, and Windermere will have no further obligation or right to provide wastewater service to any existing or future customers in the Windermere Transfer Area.
- 6.5 Round Rock and Windermere agree that, pending PUC approval, Windermere will have the sole right to provide retail wastewater service within the Round Rock Transfer Area, and Round Rock will have no further obligation or right to provide wastewater service to any existing or future customers in the Round Rock Transfer Area.

#### Customers

- 7.1 Upon approval of the transfer of the Windermere Transfer Area by the PUC, Windermere shall transfer all existing wastewater customers within the Windermere Transfer Area to Round Rock. At such time, Windermere shall also transfer to Round Rock all current Windermere accounts and related deposits for customers with the Windermere Transfer Area.

#### General Provisions

- 8.1 Effective Date. This Agreement is effective and enforceable as between Round Rock and Windermere following execution by both parties.
- 8.2 Governing Law. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS. ALL ACTS REQUIRED OR PERMITTED TO BE PERFORMED HEREUNDER ARE PERFORMABLE IN TRAVIS COUNTY, TEXAS, 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 TRAVIS 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.
- 8.3 Construction and Severability. If this Agreement, or any word, clause, sentence, paragraph or

other part thereof, shall be susceptible to more than one or conflicting interpretations, then the interpretation which is more nearly in accordance with the general purposes and objectives of this Agreement shall govern. 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.

- 8.4 Unintended Omission. 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 herefrom, 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.
- 8.5 Amendment. This Agreement may not be amended or terminated except by an instrument signed by all parties to this Agreement.
- 8.6 Limitation of Liability. Neither party shall be responsible for indirect, incidental, special, exemplary or punitive damages.
- 8.7 Assignment. Neither party may assign this Agreement without the prior written consent of the other, which consent shall not be unreasonably withheld, delayed or denied.
- 8.8 Attorneys' Fees. In the event of any dispute and/or legal action arising from an interpretation and/or performance of any of the provisions of this Agreement, the parties hereby agree that the prevailing party shall be awarded reasonable attorneys' fees and costs.
- 8.9 Notice. Any notice required or permitted by this Agreement shall be in writing and shall be delivered as follows with notice deemed given as indicated: (i) by personal delivery; (ii) by overnight courier upon written verification of receipt; or (iii) by certified or registered mail, return receipt requested, to the following:

If to Round Rock:

City of Round Rock  
Attn: City Manager  
221 E. Main St.  
Round Rock, Texas 78664  
Tel. 512-218-5460

With a copy to:

Sheets & Crossfield, P.C.  
Attn: Steve Sheets  
309 E. Main St.  
Round Rock, Texas 78664  
Tel. 512-255-8877

If to Windermere:

SWWC Utilities, Inc. d/b/a  
Windermere Utility Company  
1620 Grand Avenue Pkwy #140  
Pflugerville, Texas 78660  
Attn: Gary Rose  
Tel. 512-531-6266

With a copy to:

SWWC Utilities, Inc. d/b/a Windermere  
Utility Company  
1325 N. Grand Avenue  
Suite 100  
Covina, CA 91724-4044  
Attn: General Counsel  
Tel. 626-543-2500

8.10 Entire Agreement. This Agreement reflects the entire agreement between the parties hereto pertaining to the subject matter hereof and supersedes all prior and contemporaneous agreements and understandings of the parties in connection herewith.

8.11 Multiple Counterparts. 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.

8.12 Authority. This Agreement has been approved by both the Round Rock City Council and the Board of Directors of Windermere.

WHEREFORE, this Agreement is executed this \_\_\_\_\_ day of \_\_\_\_\_, 2017, at Round Rock, Texas.

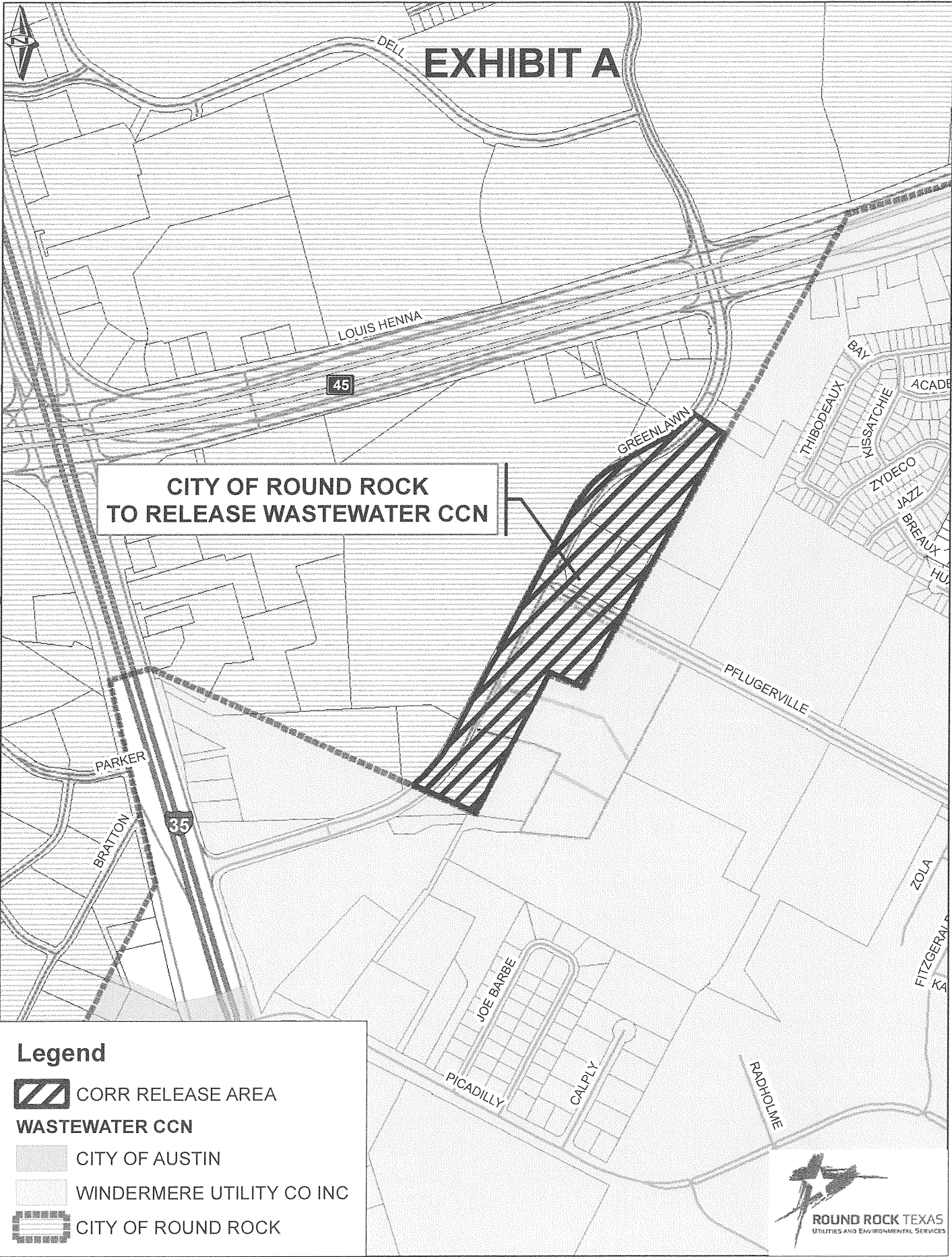
**CITY OF ROUND ROCK, TEXAS**

By: \_\_\_\_\_  
Alan McGraw, Mayor

**SWWC UTILITIES, INC. d/b/a  
WINDERMERE UTILITY COMPANY**

By: \_\_\_\_\_  
Name: Gary Rose  
Title: Vice-President, Swwc  
Utilities Inc.

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# EXHIBIT B1

DELL

SUNDANCE

45

LOUIS HENNA

WINDERMERE UTILITY CO.  
TO RELEASE WASTEWATER CCN

35

PFLUGERVILLE

JARRETT PARKER

GREENLAWN

MICHAEL ANGELO WADLEY

JOE BARBE

PICADILLY

CALPLY

RADHOLME

CE

## Legend



WINDERMERE RELEASE AREA  
WASTEWATER CCN



CITY OF AUSTIN



WINDERMERE UTILITY CO INC



CITY OF ROUND ROCK



ROUND ROCK TEXAS  
UTILITIES AND ENVIRONMENTAL SERVICES

