

Corrective Action: The effluent line was prepped and painted on October 6, 2011. Before and after photos are attached.

Please contact Jon Clack, Assistant Director of Public Services – Water/Wastewater, at (512) 393-8003 if further information concerning these alleged violations is needed.

Respectfully,

A handwritten signature in black ink, appearing to read 'Thomas P. Taggart', with a long horizontal flourish extending to the right.

Thomas P. Taggart
Director of Public Services

Cc: Jon Clack, COSM
File



Texas Aquastore, Inc.

PO Box 1965, Pottsboro, TX 75076

Administrative Office

4722 NW Boca Raton Blvd., Suite C-102, Boca Raton, FL 33431

Phone: (561) 994-2400

Fax: 561-994-2444

INVOICE

Date: September 6, 2011

Invoice No: T11.0906-1

To: City of San Marcos
630 Hopkins
San Marcos, TX 78666
Attn: Bert Hendrix

Re: Repair Work

Terms: Net 30

DESCRIPTION:

Leak repair on the Comanche Tank
And Ranch Road 12 Tank

Labor \$ 1,200.00

Per diem \$ 84.00

Motel Exp \$ 280.00

Travel Exp \$ 350.00

Misc. MTS \$ 70.00

Rental EQ \$ 980.00

\$ 2,964.00 US

TOTAL DUE THIS INVOICE \$ 2,964.00 US

FOR YOUR CONVENIENCE YOU MAY WIRE FUNDS PER THE FOLLOWING:

Mellon United National Bank
ABA No. 067009646, Account No. 0221003213
For Credit to Texas Aquastore Inc.



Unpredicted Maintenance
On-Site Work Request

Completed by: LeRoy Garza Completion Date: 8/10/2011

Equipment Description: Fluoride injection quill

Equipment Number: Well-1 Location: Spring Lake

Description of task:

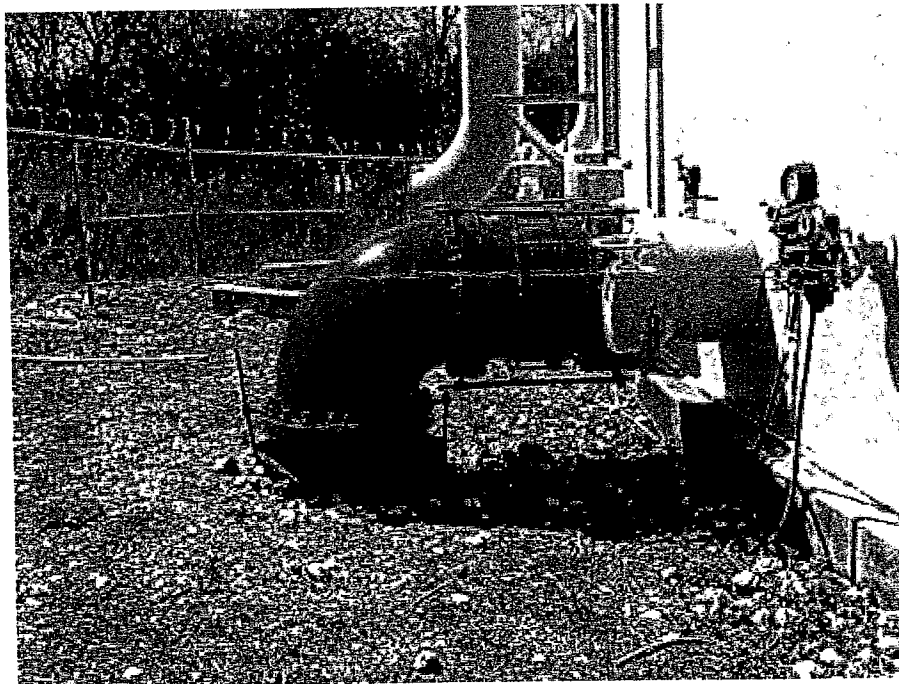
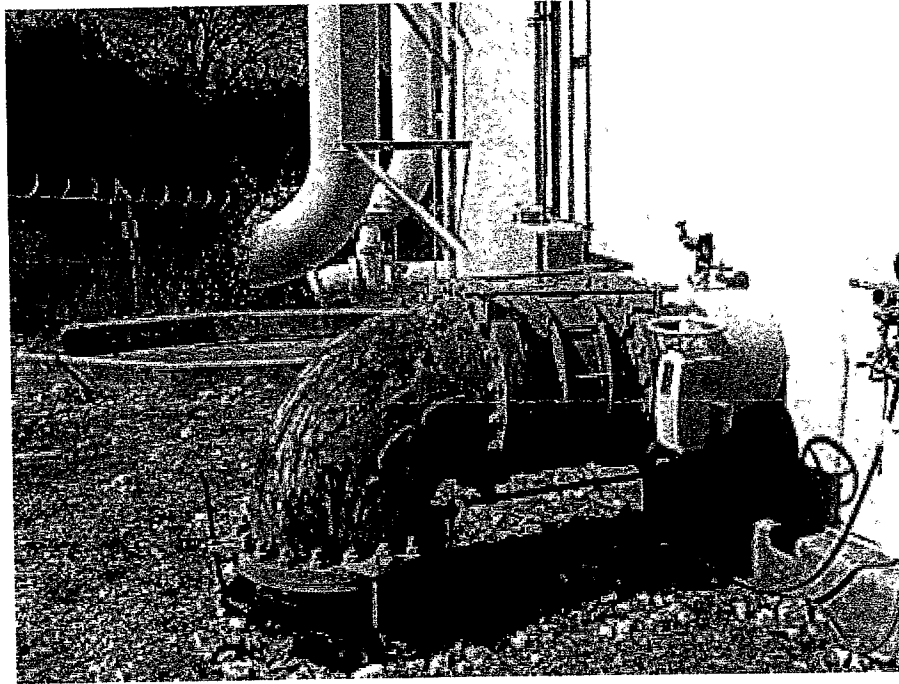
The fluoride injection quill at Well-1 at Springlake
was removed due to it leaking. The valve from
the fluoride line is closed and isolated.

Comments:

Springlake is not injecting fluoride, because we
are providing fluoride from the surface water plant.



City of San Marcos Spring Lake 1.5 MG Storage Tank. Discharge piping painting completed on October 6, 2011.





Bryan W. Shaw, Ph.D., *Chairman*
Carlos Rubinstein, *Commissioner*
Toby Baker, *Commissioner*
Zak Covar, *Executive Director*



City of San Marcos
630 East Hopkins
San Marcos, Texas 78666

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

September 4, 2012

Mr. Mark Speed, General Manager
Crystal Clear Water Supply Corporation
2370 FM 1979
San Marcos, Texas 78666-2100

Re: Notice of Compliance with Notice of Violation (NOV) dated June 14, 2011:
Crystal Clear Water Supply Corporation, FM 1979 South of San Marcos, Guadalupe
County, Texas
Regulated Entity No.: RN101437994, TCEQ ID No.: 0940015
Investigation No: 1028030

Dear Mr. Speed:

This letter is to inform you that Texas Commission on Environmental Quality (TCEQ) San Antonio Region Office has received adequate compliance documentation on January 5, 2012 to resolve the alleged violation documented during the investigation of the above-referenced regulated entity conducted on April 26, 2011. Based on the information submitted, no further action is required concerning this investigation.

The Texas Commission on Environmental Quality appreciates your assistance in this matter and your compliance efforts to ensure protection of the State's environment. If you or members of your staff have any questions, please feel free to contact Ms. Stacy Tanner in the San Antonio Region Office at (210) 403-4078.

Sincerely,

A handwritten signature in cursive script, appearing to read "Joy Thurston-Cook".

Joy Thurston-Cook
Water Section Work Leader
San Antonio Region Office

JTC/smt/eg

Enclosure: Summary of Investigation Findings



Summary of Investigation Findings

CRYSTAL CLEAR WSC

Investigation #

, GUADALUPE COUNTY,

1028030
Investigation Date: 08/20/2012

Additional ID(s): 0940015

ALLEGED VIOLATION(S) NOTED AND RESOLVED

Track No: 250878

30 TAC Chapter 290.43(e)

Alleged Violation:

Investigation: 483879

Comment Date: 08/25/2006

Failure to provide an intruder-resistant fence in order to protect the pump stations. During this investigation it was noted that vegetation has grown into the fences at the Pape, McCarty Tower and Redwood plants to the extent that security of the fences may be compromised. The fence at the Redwood Plant is also in need of repair.

Investigation: 924451

Comment Date: 06/13/2011

Failure to provide an intruder-resistant fence in order to protect the pump stations. It was noted that vegetation has grown into the fences at the Pape, McCarty Tower and Redwood plants to the extent that security of the fences may be compromised. The fence at the Redwood Plant is also in need of repair.

Investigation: 1028030

Comment Date: 08/20/2012

Failure to provide an intruder-resistant fence in order to protect the pump stations. It was noted that vegetation has grown into the fences at the Pape, McCarty Tower and Redwood plants to the extent that security of the fences may be compromised. The fence at the Redwood Plant is also in need of repair.

Recommended Corrective Action: Remove vegetation from fences and make repairs to fencing. Compliance documentation: submit a photo's of the corrections.

Resolution: Compliance documentation was received on January 5, 2012. This violation is resolved.



Texas Commission on Environmental Quality
Investigation Report
Crystal Clear Water Supply Corporation
CN600642268

CRYSTAL CLEAR WSC

RN101437994

Investigation # 1028030

Incident #

RECEIVED

Investigator: STACY TANNER

Site Classification

OCT 16 2012

GW >1K-10K CONNECTION

GROUNDWATER

TCEQ
CENTRAL FILE ROOM

Conducted: 08/20/2012 -- 08/20/2012

SIC Code: 4941

NAIC Code: 221310

Program(s): PUBLIC WATER
SYSTEM/SUPPLY

Investigation Type : Compliance Invest File Review

Location : FM 1979 S OF SAN MARCOS

Additional ID(s) : 0940015

Address: ; ,

Activity Type : REGION 13 - SAN ANTONIO
PWSFRR - PWS NOV Record ReviewPrincipal(s) :

Role	Name
RESPONDENT	CRYSTAL CLEAR WSC

Contact(s) :

Role	Title	Name	Phone
Notified		MR ROBERT W WYLY	Cell (830) 743-6221
			Fax (830) 372-0067
			Work (830) 372-1031 x. 204
Participated in Investigation		MR ROBERT W WYLY	
Regulated Entity Contact	GENERAL MANAGER	MR MARK L SPEED	(830) 372-0067
			Work (830) 372-1031 x. 203
Regulated Entity Mail Contact	GENERAL MANAGER	MR MARK L SPEED	

Other Staff Member(s) :

Role	Name
QA Reviewer	DESHAUNE BLAKE
Supervisor	JOY THURSTON-COOK

Associated Check ListChecklist Name

PWS GENERIC VIOLATIONS

Unit Name

GENERIC VIOLATION

Investigation Comments :

INTRODUCTION

A file record review was conducted on August 20, 2012, regarding an investigation that was conducted, on April 26 2011.



Documentation was submitted to the TCEQ on January 5, 2012, to resolve the outstanding alleged violation.

The entity will be issued a letter noting compliance with the previously issued Notice of Violation letter.

GENERAL FACILITY AND PROCESS INFORMATION

This is a community groundwater system which consists of 4,520 connections and population of approximately 13,560 people.

MCCARTY LANE PLANT (EP#002): Two wells (McCarty-1 & McCarty-2), vertical turbine pumps, discharge to one elevated tank. The Longcope Well (located on McCarty Lane), submersible pump, also discharges to this elevated storage tank. LAS (liquid ammonium sulfate) and gas chlorination at each well discharge.

HUNTER PLANT (EP#004): One well (Hunter), submersible pump, discharges to one ground storage tank. One service pump takes suction from the ground storage tank and discharges to distribution. LAS and gas chlorination prior to the ground storage tank.

NELSON PLANT (EP#005): One well (Nelson), submersible pump, discharges to one ground storage tank. Two service pumps take suction from the ground storage tank and discharge to distribution through one pressure tank. LAS and gas chlorination prior to the ground storage tank.

WILLOW CREEK PLANT (EP#006): One well (Willow Creek), submersible pump, discharges to one ground storage tank. Three service pumps take suction from the ground storage tank and discharge to distribution through one pressure tank. LAS and gas chlorination prior to the ground storage tank.

REDWOOD PLANT: Two ground storage tanks are filled from distribution. Two service pumps take suction from the ground storage tank and discharge to distribution through one pressure tank.

PAPE PLANT: Two ground storage tanks are filled from distribution. Three service pumps take suction from the ground storage tanks and discharge to distribution.

ILKA PLANT: Two ground storage tanks are filled from distribution. Two service pumps take suction from the ground storage tanks and discharge to distribution through one pressure tank.

MILL CREEK PLANT: One ground storage tank is filled from distribution. Two service pumps take suction from the ground storage tank and discharge to distribution through one pressure tank. This plant is currently off-line.

EL CAMINO PLANT: One ground storage tank is filled from distribution. Two service pumps take suction from the ground storage tank and discharge to distribution.

BOEDER PLANT: Two elevated ground storage tanks are filled from distribution. Two service pumps take suction from the elevated ground storage tanks and discharge to distribution through one pressure tank serving the Kingsbury area. Gravity flow to the remainder of the system.

TRUCK STOP (EP#007): Located at IH-35 / Conrad Road. This is a point at which surface water purchased from New Braunfels Utilities (NBU) enters the Crystal Clear WSC distribution system.

KOLLENBERG (EP#009): Located at IH-35 / FM 1101. This is a point which surface water purchased from NBU enters the Crystal Clear WSC distribution system.

WINDMILL PLANT (EP#010): One ground storage tank is filled from distribution of from the Canyon Regional Water Authority-Dunlop Treatment Plant. Two service pumps take suction from the ground storage tank and discharge to distribution.



BACKGROUND

The previous CCI conducted on this system was 09/18/2007.

Current Enforcement Actions: N/A

Agreed Orders and Compliance Agreements: N/A

Complaints and other Compliance Issues: N/A

ADDITIONAL INFORMATION: N/A

Please see the attached T-NET documentation for system specifics. Attached for review are Water System, Storage Tank, Water Sources, Service Pumps, System Capacities, and Treatment Plants information sheets.

ALLEGED VIOLATION(S) NOTED AND RESOLVED

Track No: 250878

Resolution Status Date: 8/20/2012

Violation Start Date: Unknown

Violation End Date: 1/5/2012

30 TAC Chapter 290.43(e)

Alleged Violation:

Investigation: 483879

Comment Date: 08/25/2006

Failure to provide an intruder-resistant fence in order to protect the pump stations. During this investigation it was noted that vegetation has grown into the fences at the Pape, McCarty Tower and Redwood plants to the extent that security of the fences may be compromised. The fence at the Redwood Plant is also in need of repair.

Investigation: 924451

Comment Date: 06/13/2011

Failure to provide an intruder-resistant fence in order to protect the pump stations. It was noted that vegetation has grown into the fences at the Pape, McCarty Tower and Redwood plants to the extent that security of the fences may be compromised. The fence at the Redwood Plant is also in need of repair.

Investigation: 1028030

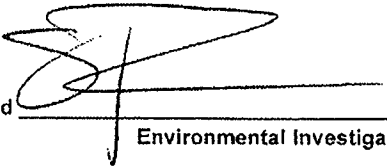
Comment Date: 08/20/2012

Failure to provide an intruder-resistant fence in order to protect the pump stations. It was noted that vegetation has grown into the fences at the Pape, McCarty Tower and Redwood plants to the extent that security of the fences may be compromised. The fence at the Redwood Plant is also in need of repair.

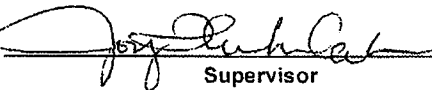
Recommended Corrective Action: Remove vegetation from fences and make repairs to fencing. Compliance documentation: submit a photo's of the corrections.

Resolution: Compliance documentation was received on January 5, 2012. This violation is resolved.



Signed 
Environmental Investigator

Date 8.20.12

Signed 
Supervisor

Date 8-28-2012

Attachments: (in order of final report submittal)

☐ Enforcement Action Request (EAR)

☒ Letter to Facility (specify type) : FR

☐ Investigation Report

☐ Sample Analysis Results

☐ Manifests

☐ NOR

☐ Maps, Plans, Sketches

☐ Photographs

☒ Correspondence from the facility

☐ Other (specify) :



Attachment 7, Question 23.
City of San Marcos Water Operators

NAME	CLASS	LICENSE
Briceno, Carlos	C-Distribution	WD0009549
Domingez, Rubin	D-Water	WO0029251
Flores, Ruben	C-Distribution	WD0002723
Gonzalez, Andres	C-Distribution	WD0001322
Gonzalez, Andres	C-Ground Water	WG0008775
Guardiola, Sergio	C-Distribution	WD0003522
Guardiola, Sergio	C-Ground Water	WG0008776
Haner, Richard	C-Distribution	WD0006462
Haner, Richard	C-Ground Water	WG0013452
Haner, Richard	C-Surface Water	WS0010103
Hendrix, James (Bert)	B-Surface Water	WS0007188
Hendrix, James (Bert)	C-Ground Water	WG0005583
Hernandez, Rick	C-Distribution	WD0006345
Juarez, Lloyd	C-Distribution	WD0005117
Juarez, Lloyd	C-Ground Water	WG0008777
Klapuch, Zachary	C-Distribution	WD0009331
Kupper, Douglas	C-Distribution	WD0008737
Montoya, Daniel	D-Water	WO0027243
Noel, Bruce	C-Ground Water	WG0013568
Noel, Bruce	C-Surface Water	WS0010106
O'Donnell, Patrick	B-Distribution	WD0004606
O'Donnell, Patrick	C-Ground Water	WG0008778
Patin, Tony	C-Distribution	WD0009954
Perez, Mike	D-Water	WO0032899
Reyna, Victor	C-Distribution	WD0007213
Salinas, Juan A. (Tony)	B-Distribution	WD0002520
Salinas, Juan A. (Tony)	C-Ground Water	WG0008466
Sipes, Eugene	D-Water	WO0032903
Sirilo, Rayne	C-Distribution	WD0006045
Trevino, Jesse	C-Distribution	WD0007558



OVERSIZED DOCUMENT(S)

TO VIEW

OVERSIZED DOCUMENT(S)

PLEASE GO TO

CENTRAL RECORDS

(512) 936-7180

AGREEMENT REGARDING RETAIL WATER SERVICE AREAS

This Agreement Designating Retail Water Service Areas between Crystal Clear Water Supply Corporation ("CCWSC") and the City of San Marcos, Texas, a home-rule municipal corporation ("City"), is made and entered into effective the ____ day of _____, 2013 (the "Effective Date"). CCWSC and the City may be collectively referred to herein as the "Parties."

ARTICLE I. RECITALS

WHEREAS, CCWSC is a water supply corporation authorized by of the State of Texas; and

WHEREAS, the City is a home-rule municipal corporation under Article XI, § 5 of the Texas Constitution; and

WHEREAS, CCWSC holds water Certificate of Convenience and Necessity ("CCN") No. 10297; and City holds water Certificate of Convenience and Necessity No. 10298, and each entity is a retail public utility providing retail water utility service as defined in §13.002(19) of the Texas Water Code; and

WHEREAS, CCWSC and City are dually certificated to serve the areas that are being transferred between the Parties which are depicted in Exhibits A and B attached hereto and incorporated herein by reference; and

WHEREAS, the Parties agree it is mutually beneficial to designate the City as the sole retail service provider for the area described in the map attached hereto in Exhibit A (illustrated in tan color) under CCN No. 10298 and to designate CCWSC as the sole retail service provider for the area described in the map attached hereto in Exhibit B (illustrated in tan color) under CCN No. 10297 rather than each entity being dually certificated in both of these areas;

WHEREAS, the City is best positioned to provide future continuous and adequate retail public water utility service to the area described in the map in Exhibit A under CCN No. 10298;

WHEREAS, CCWSC is best positioned to provide future continuous and adequate retail public water utility service to the area described in the map in Exhibit B under CCN No. 10297;



NOW, THEREFORE, for and in consideration of the foregoing 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:

**ARTICLE II.
TRANSFER OF SERVICE AREA,
CERTAIN FACILITIES AND COMPENSATION**

IN CONSIDERATION of the mutual promises and covenants contained in this Agreement, including the recitals set forth above, and other good and valuable consideration, the receipt of which is hereby acknowledged, by their representatives affixing signatures below, the Parties agree as follows:

2.1 **Service Area.** CCWSC is the retail public utility providing retail water service in the area certificated under CCN No. 10297. The City is the retail public utility providing retail water service in area certificated under CCN No. 10298. Both entities are currently dually certificated to provide retail water service in the areas designated on the maps attached hereto as Exhibits A and B illustrated in the tan color on each map.

2.2 **Amendment of CCN.** The Parties shall jointly file a copy of this Agreement with the Texas Commission on Environmental Quality ("TCEQ") in conjunction with the filing of the Parties' joint STM application to effectuate the transfer of service area and customers between the parties, decertify service areas, amend service area boundaries, and for the sale and transfer of facilities and utility easements.

2.3 **Transfer Areas and Customers.** The Parties are seeking to amend their respective water service areas as follows:

(a) Transfer Areas. The City is seeking the addition of approximately 2,462 acres to its CCN (includes the parcels north of Kingswood) and to release, decertify and transfer approximately 4,044 acres of its service area to CCWSC. CCWSC is seeking the addition of approximately 1,360 acres to its CCN and to release, decertify and transfer approximately 4,510 acres of its service area to the City of San Marcos.



(b) Customers. The number of customers being transferred from the CITY to CCWSC on the Effective Date is 239 customers in the City's ETJ. The number of customers being transferred from CCWSC to the CITY on the Effective Date is 206 within the City's ETJ.

2.4 Sale, Transfer and Exchange of Certain Water Facilities. Subject and pursuant to the terms and conditions set forth in this Agreement, each Party shall sell, transfer and exchange water lines, appurtenances, meter boxes and hydrants (excluding the water meters themselves) owned by each Party as well as the easements that are no longer necessary to provide service resulting from the transfer of service area to the other Party ("Surplus Waterlines"). The Surplus Waterlines are identified in Exhibit C and will be conveyed at Closing.

(a) The Parties acknowledge and agree that the Surplus Waterlines are currently used and at Closing will be conveyed by a Bill of Sale, **AS IS, WHERE IS, AND WITH ALL DEFECTS** and after such conveyance neither party shall have any obligation whatsoever to maintain, replace or repair any of the Surplus Waterlines. Prior to closing each Party shall maintain the Surplus Waterlines in accordance with best practices and industry standards.

(b) Those easements or rights-of-way (or portions thereof) which are located within the Transfer Areas and are specifically described in Exhibit D will be assigned (without representations or warranty) to the other Party at Closing.

(c) City will construct approximately 2,269 linear feet of 8" pipe along Hunter Road between Reimer and McCarty to be transferred to CCWSC upon completion of construction.

2.5 Compensation. The Parties agree that the value of the service rights, customers and Surplus Waterlines in the Transfer Areas being exchanged is sufficient just, adequate, and reasonable compensation; and therefore, no additional compensation other than the service areas and Surplus Waterlines exchanged shall be paid by either Party to the other Party.

2.6 Deposits and Memberships. CCWSC shall refund membership fees to those customers being transferred to the City. City shall waive deposits for all customers being transferred to it through this CCN amendment.

ARTICLE III. REGULATORY APPROVALS

3.1 The Parties shall prepare, file and pursue a joint Sale, Transfer, Merger Application ("STM Application") with the TCEQ requesting the transfer of the of the service areas specified in this Agreement. Prior to filing each Party will provide a complete copy of the STM Application to the other Party for its review and approval. The Parties agree to cooperate with each other in the filing,



review and approval of the STM Application, and to execute documents consistent with this Agreement which are needed in support of the STM Application.

3.2 Unless waived by TCEQ, notice of the STM Application shall be as required by law. The Parties agree to request TCEQ approval to waive notice of the STM Application.

3.3 The Parties shall endeavor to obtain TCEQ approval of this Agreement in an expeditious manner and each Party will support and cooperate with the other, and the TCEQ to accomplish this goal. The Parties have prepared all of the required documents and maps required by the TCEQ as part of their respective STM Applications for their respective CCN amendment.

3.4 Statutory Basis. This Agreement shall be construed and interpreted in accordance with Sections 13.248 and/or 13.301 of the Texas Water Code.

ARTICLE IV. CONDITIONS

4.1 Conditions Precedent to Closing. The obligations of the Parties to consummate the transactions to be performed hereunder in connection with the Closing are subject to satisfaction of all of the following conditions (collectively, the "Conditions Precedent"):

(a) TCEQ's approval of the STM Application to be filed by the Parties as set forth in Article III herein, which approval shall be shown by the TCEQ's issuance of a letter or order authorizing the Parties to complete the proposed transaction.

ARTICLE V. CLOSING

5.1 Closing. Within sixty (60) days after the TCEQ approves the Parties' applications or at such other time agreed to by the City and CCWSC, a closing (the "Closing") shall be held. All matters to take place at the Closing shall take place simultaneously, and no delivery shall be considered to have been made until all such proceedings have been completed.

5.2 Delivery. At the Closing, each Party shall deliver or cause to be delivered to the other Party for its respective Transfer Area:



(a) A Bill of Sale and Assignment duly executed and acknowledged transferring and assigning all rights, title, and interest in the CCN rights to the Transfer Area and in the Surplus Waterlines;

(b) An updated list of all customer names;

(c) An assignment of the easements, rights-of-way or portions thereof, described in Section 2.4(b);

(d) A written statement affirming that all customer deposits for those customers located in the CCN Transfer Area have been returned to the Customer;

(e) Any additional documents as in the mutual opinion of the City's counsel and CCWSC's counsel reasonably necessary to complete this transaction.

ARTICLE VI. POST-CLOSING MATTERS

6.1 Service Transfer Date. On or after the date of Closing, but not later than 6 months after the date of Closing ("Service Transfer Date"), each Party will begin providing retail water service to all retail water customers whose place of use of water is located within the Transfer Area, unless otherwise agreed to in writing by the City and CCWSC.

6.2 Notice and Charges to Customers within the Transfer Area. Each Party shall provide notice of the transfer to each customer located within its respective Transfer Area. No existing customer located in the Transfer Area shall be required to pay, or be charged, any connection fee, tap fee, impact fee or like charge for continuing their existing level of retail service. Customers may be required on a case-by-case basis to relocate their respective customer-owned service lines if necessary to effectuate the change in service providers. CCWSC shall be entitled to charge a membership fee to customers within its Transfer Area.

6.3 No Impairment of Other Customers. Nothing in this Agreement shall in any way impair, or adversely affect each Party's right to provide water to any customers located outside of the Transfer Area. Except for the Surplus Waterlines, each Party shall continue to own and have the right to use, repair, replace, and upgrade all of its water transmission and distribution lines and facilities, including those that are located within the Transfer Area, provided however, that each Party shall not provide retail water service to any customer within the other Party's Transfer Area.

6.4 Revenues for Service Prior to the Service Transfer Date. All revenues due to, or received by each Party for water utility service rendered for the period prior to the Service Transfer Date in the area transferred will remain the property of the Party providing such service and be retained by



said Party. All revenues from water utility services rendered by each Party to customers in the area transferred from and after the Service Transfer Date shall be the property of the Party to which the Transfer Area has been transferred. The Parties shall cooperate with each other as necessary including the termination of water service, to collect the revenues from any customers who fail to timely pay for service rendered by the Party providing service prior to the Service Transfer Date.

6.4 Prevention of Service Interruption. The Parties shall cooperate to prevent any interruption of water service to the customers located with the Transfer Areas.

6.5 The parties shall request that TCEQ not formally approve the their request to incorporate the Agreement into their respective CCNs as specified in Article II unless and until the Parties have closed on the transfer of facilities as provided by this Agreement. If the Parties fail to close on the transfer of the facilities, this Agreement shall terminate.

ARTICLE VII. MISCELLANEOUS

7.1 **Applicable Texas Law and Performance.** This Agreement shall be governed by and construed and enforced under the laws of the State of Texas. The obligations and undertakings of each of the parties to this Agreement shall be performed in Hays County, Texas. Except for matters within the jurisdiction of the TCEQ (or its successor), the Parties expressly agree that all judicial proceedings to enforce any of the provisions of this Agreement shall take place in Hays County, Texas.

7.2. **Entire Agreement.** This Agreement contains the entire agreement of the Parties with respect to the subject matter of the Agreement. No agreement, statement, or promise made by any Party or to any employee, agent, or officer of any Party, that is not contained in this Agreement shall be valid, binding, or of any force or effect. Any amendments to this Agreement must be in writing and signed by the Parties.

7.3 **Successors and Assigns.** This Agreement shall be binding upon the Parties hereto and their respective successors, heirs, representatives, and assigns.

7.4 **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.

7.5 **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.



7.6 **Covenant of Authority.** The respective signatories to this Agreement covenant that they are fully authorized to sign this Agreement on behalf of their respective party.

7.7 **Notices.** Unless expressly required otherwise, 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 each Party, as appropriate, or, if deposited in the mail, such notice shall 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 each Party, as appropriate, at the address shown hereinafter. The addresses for each Party for all purposes under this Agreement shall be the following:

If to CCWSC

Mike Taylor, General Manager
Crystal Clear Water Supply Corporation
2370 FM 1979
San Marcos, TX 78666
Phone: (830) 372-1031
Email: miket@crystalclearwsc.com

With a copy to:

Mark H. Zeppa
Law Offices of Mark H. Zeppa, PC
4833 Spicewood Springs Road, Suite 202
Austin, Texas 78759
Phone: (512) 346-4011
Email: markzeppa@austin.rr.com

If to the City:

City of San Marcos
Attn: City Manager
630 E. Hopkins Street
San Marcos, TX 78666
Phone: (512) 393-8101
FAX: (855) 759-2844

With a copy to:



City Attorney
630 E. Hopkins Street
San Marcos, TX 78666
Phone: (512) 393-8150
FAX: (855) 759-2846

The Parties hereto shall have the right from time to time to change their respective addresses, and each shall have the right to 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.

7.8 Business Days. In the event that any date or any period provided for in this agreement shall end on a Saturday, Sunday or legal holiday, the applicable period shall be extended to the first business day following such Saturday, Sunday or legal holiday. As used herein, the term "legal holiday" means any state or federal holiday for which financial institutions or post offices are generally closed in the State of Texas.

7.9 Recitals. The recitals in this agreement are true, correct, and incorporated by reference.

ARTICLE VIII. LIST OF EXHIBITS

8.1 The following Exhibits are attached hereto and incorporated herein:

Exhibit A Map

Exhibit B Map

Exhibit C Description of the Surplus Waterlines

Exhibit D Easements and Rights-of-Way in Transfer Areas to be assigned to each Party.

IN WITNESS WHEREOF, each party hereto has signed this Agreement or caused this Agreement to be signed in its corporate name by its officer thereunto duly authorized, as of the date set forth in the opening paragraph to this Agreement.



Signatures on the Following Pages



CRYSTAL CLEAR WATER SUPPLY CORPORATION

By: _____
Mike Taylor, General Manager

CITY OF SAN MARCOS

By: _____
James R. Nuse, P.E.
City Manager



EXHIBIT A
CITY OF SAN MARCOS MAP



EXHIBIT B
CRYSTAL CLEAR WSC MAP



EXHIBIT C
Inventory of Surplus Waterlines

CCWSC to City:

<u>Line Size</u>	<u>Number of Linear Feet</u>
8"	2,140
6"	4,840
4"	8,810
3"	5,680
2" and smaller	13,965

Number of Meter Boxes transferred from CCWSC to City = 206

Number of Fire Hydrants transferred from CCWSC to City = 0

City to CCWSC:

<u>Line Size</u>	<u>Number of linear feet</u>
8"	2,269
6"	6,787
4"	6,561
3"	714
2"	25,813

Number of Meter Boxes transferred from City to CCWSC = 239

Number of Fire Hydrants transferred from City to CCWSC = 0

