

EXHIBIT A

WASTEWATER SERVICE AGREEMENT
BETWEEN THE CITY OF HUTTO
AND KELLY LANE UTILITY COMPANY
ADDENDUM NO. 2

This Addendum is effective the 1st day of January 2021, by and between the CITY OF PFLUGERVILLE (“City”), a Texas home-rule municipal corporation, and the CITY OF HUTTO (“Hutto”), a Texas home rule municipal corporation.

WHEREAS, on June 9, 1999, Hutto entered into a Wastewater Service Agreement (“Agreement”) with Kelly Lane Utility Company (Company); and

WHEREAS, on November 12, 2002, the City and Company entered into a Participating Agreement wherein the Parties agreed to the terms of a project to provide regional wastewater service in the northeast portion of the City and its extraterritorial jurisdiction, which include the City of Hutto; and

WHEREAS, the City and Company made application to the Texas Commission on Environmental Quality for transfer of the CCN effective December 10, 2002; and

WHEREAS, on December 10, 2002, the City and Company entered into a Wholesale Wastewater Service Agreement to provide wastewater service to the area covered by the terms of the Participating Agreement to all customers of Company, which includes the provision of service for Hutto; and

WHEREAS, on November 12, 2019, the City of Hutto and the City amended the Agreement to extend the Agreement for one additional year; and

WHEREAS, on June 3, 2020, Hutto notified the City of the status of a Project to transfer wastewater service for the customers within the City of Hutto covered under the Participating Agreement and its interest in extending the Agreement one (1) final time; and

WHEREAS, both parties are agreeable to a final extension of six (6) months. However, the Agreement as amended only provides for extensions for a period of one (1) year.

Now therefore, be it known that the City and Hutto agree to amend the Agreement as follows:

1. Pursuant to Section 6.6 of the Agreement the parties may by written agreement modify any terms and conditions. The parties agree to modify the term of the additional renewal terms from additional periods of one (1) year to additional periods of six (6) months.
2. Pursuant to Section 6.1, the term of the Agreement may be extended if written notice is given within six months of the date of expiration. This Agreement shall then be

renewable for additional periods as agreed to by both parties and formalized in writing. The parties agree to a six-month extension effective January 2, 2021 through July 1, 2021. The parties further agree to modify the Agreement to provide that additional renewal periods require that either party provide written notice to the other party within ninety (90) days of the termination date advising that the party desires to renew the Agreement.

3. Pursuant to Section 2.7.1, Hutto will establish rates and charges for Retail Service to its customers in the Service Area, except that the monthly retail rate to Hutto customers may not exceed \$40. The parties agree to modify the maximum monthly retail rate for Hutto customers from \$40 to \$52.82.
4. Pursuant to Section 2.7.4.6, the party seeking a review and adjustment of the Monthly Rate must so notify the other party in writing between January 1 and March of the calendar year for which the adjustment is sought. The parties agree to modify the Agreement to provide that a party seeking a review and adjustment of the Monthly Rate must so notify the other party in writing at least thirty (30) days before the proposed effective date of the Monthly Rate adjustment.
5. Pursuant to Section 2.7.4.2, the Monthly Rate for the calendar years, 1998 through 2010 and thereafter until changed as hereafter provided is \$30.00 per month for each single-family residence, each living unit in a multi-family residential structure, and each L.U.E. of service attributable to a commercial and industrial customer that is connected to the Collection System. The parties agree to a Monthly Rate of \$52.82 per month for each single-family residence, each living unit in a multi-family residential structure, and each L.U.E. of service attributable to a commercial and industrial customer that is connected to the Collection System for the term starting January 2, 2021 and ending July 1, 2021.

This Addendum No. 2, Addendum No. 1, the Agreement and Wholesale Wastewater Service Agreement shall constitute the sole agreements between City and Hutto relating to the object of this Addendum and correctly set forth the complete rights, duties, and obligations of each party to the other as of its date. All other terms and conditions not specifically amended above shall remain in full force and effect for the duration of this Agreement. Any prior agreements, promises, negotiations or representations, verbal or otherwise, not expressly set forth herein are of no force and effect.

City of Hutto

City of Pflugerville

Warren Hutmacher, City Manager

Sereniah Breland, City Manager

Date: _____

Date: _____

ATTEST:

ATTEST:

Holly Nagy, City Secretary

Karen Thompson, City Secretary

APPROVED AS TO FORM:

APPROVED AS TO FORM:

City Attorney

City Attorney