

**Reclaimed Water Supply Agreement between Flint Hills Resources Corpus Christi, LLC
and the City of Corpus Christi, Texas from Allison Wastewater Treatment Plant**

This Reclaimed Water Supply Agreement is entered into on date of last signature between the City of Corpus Christi, Texas (the “**City**”) and Flint Hills Resources Corpus Christi, LLC (“**Company**”). The purpose of this Agreement is for the City to make available to Company Reclaimed Water from the Allison Wastewater Treatment Plant for use by Company in further processing.

WHEREAS, the City operates the Allison Wastewater Treatment Plant. As part of processing wastewater for further beneficial use, the Allison Wastewater Treatment Plant produces an effluent known as “**Allison WWTP Reclaimed Water.**”

WHEREAS, Company has technology for further processing the Allison WWTP Reclaimed Water which results in water that has a beneficial use for Company’s refining production (“**Recovered Water**”) at its West Refinery at Suntide Road and Up River Road, Corpus Christi, TX.

WHEREAS, City is willing to sell to Company and Company desires to purchase from City the Allison WWTP Reclaimed Water.

NOW THEREFORE, in consideration of the mutual covenants herein, the parties agree as follows:

Article I. Definitions.

“**Agreement**” means this Reclaimed Water Supply Agreement between the City of Corpus Christi, Texas and Company.

“**Allison WWTP**” means the Allison Wastewater Treatment Plant owned and operated by the City of Corpus Christi, Texas.

“**Allison WWTP Reclaimed Water**” means wastewater from the Allison WWTP meeting TCEQ Specifications.

“**Alternate Reclaimed Water**” means reclaimed water made available by the City other than Allison WWTP Reclaimed Water.

“**Annual Period**” means the consecutive 12-month periods which begin the day that Company begins taking any quantity of Allison WWTP Reclaimed Water during Phase 1 or Phase 2.

“**Effective Date**” means the date of last signature to this Agreement.

“**MG**” means one million gallons.

“**MGD**” means one million gallons per day.

“**Non-compliant Water**” means wastewater from the Allison WWTP that does not meet TCEQ Specifications.

“**Pilot Phase**” is the initial 60-day period (or such longer period as agreed by the parties) of Phase 1 in which Company will be starting up its processing capabilities.

“**Phase 1**” is the period which begins once the Company has completed installation of processing equipment on two trailers. Equipment will be designed to reprocess up to 1.0 MGD of Allison WWTP Reclaimed Water. Phase 1 equipment installation is anticipated to occur onsite at the Allison WWTP.

“**Phase 2**” is the period which begins only after: i. the parties have secured all necessary permits to proceed with Company installing two additional trailers (for total of 4 trailers) with additional processing equipment designed to reprocess up to 2 MGD of Allison WWTP Reclaimed Water, and ii. the parties have jointly agreed in writing to begin Phase 2. Phase 2 equipment installation is anticipated to occur off-site of the Allison WWTP.

“**Reclaimed Water Rate**” means the Raw Water Cost Adjustment rate adopted or established in City ordinance 55-50(b)(17)(a) pursuant to City Ordinance 55-594, as each may be amended from time to time.

“**Reservation Phase**” is the period beginning as of the Effective Date and ending when Phase 1 begins.

“**Unrecovered RO Water**” means water separated from Recovered Water in the final stage of Company processing which is returned to the Allison WWTP.

“**TCEQ**” means the Texas Commission on Environmental Quality or successor agency.

“**TCEQ Specifications**” means the requirements of the permit issued by the Texas Commission on Environmental Quality for use and discharge of the Allison WWTP Reclaimed Water, as may be amended.

Article II. Term

Term. The term of this Agreement begins on the Effective Date and continues for 5 years unless terminated or renewed as herein provided.

Extension of Pilot Phase. The parties may extend the Pilot Phase by mutual written agreement.

Renewal Term. Company may, at its option, extend this Agreement for an additional term of five (5) years, upon six months written notice prior to the end of the then current term.

Article III. Quantity

Phase 1 Quantity of Allison WWTP Reclaimed Water Available to Company. In consideration for the City making available 1.0 MGD of Allison WWTP Reclaimed Water during Phase 1 (“**Phase 1 Volume Commitment**”), Company shall pay City a firm “**Phase 1 Monthly Volume Commitment Fee**” as follows: Reclaimed Water Rate multiplied by 30.417 MG.

Phase 2 Quantity of Allison WWTP Reclaimed Water Available to Company. In consideration for the City making available 2.0 MGD of Allison WWTP Reclaimed Water during Phase 2 (“**Phase 2 Volume Commitment**”), Company shall pay City a firm “**Phase 2 Monthly Volume Commitment Fee**” as follows: Reclaimed Water Rate multiplied by 60.833 MG.

Additional Quantities. The City Director of Water Utilities or director of the Allison WWTP is authorized to make additional quantities of Allison WWTP Reclaimed Water available to Company subject to availability.

Receipt. The Allison WWTP Reclaimed Water shall be made available to Company at a mutually agreed-upon location.

Alternate Supply. No Alternate Reclaimed Water supply is provided under this Agreement.

Quantity of Water. The quantity of Allison WWTP Reclaimed Water available to Company shall at all times be subject to the right of City to reduce said quantity of Allison WWTP Reclaimed Water as City, in its sole judgment, may deem necessary in order to comply with any order of any court or administrative body having appropriate jurisdiction, reduce flooding, or prevent injury.

No Guarantee of Water Quantity from Allison WWTP. The City’s agreement to provide Allison WWTP Reclaimed Water to Company pursuant to this Agreement shall not be deemed a guarantee on the City’s part that any particular quantity of Allison WWTP Reclaimed Water will be available from the Allison WWTP.

Not subject to allocation. The Allison WWTP Reclaimed Water is not subject to curtailment under the City’s Drought Contingency Plan. The City’s interpretation of Tex. Water Code 11.039 is that Reclaimed Water is not subject to allocation in the event of a shortage of non-reclaimed water.

Article IV. Water Quality

Quality of Allison WWTP Reclaimed Water. The Allison WWTP Reclaimed Water provided pursuant to this Agreement is treated to meet all applicable permits issued to the Allison WWTP by Texas Commission on Environmental Quality or its successor agency if any.

No Guarantee of Wastewater Quality. The City’s agreement to provide Allison WWTP Reclaimed Water to Company pursuant to this Agreement shall not be deemed a guarantee on the City’s part that the water meets TCEQ specifications at all times. Company acknowledges that occasionally the wastewater may not meet the TCEQ Specifications. The City will promptly notify Company when City test results indicate that the wastewater does not meet TCEQ Specifications. In the event the wastewater does not meet TCEQ Specifications, then Company’s sole remedy is for the then-current Volume Commitment to be adjusted to exclude such quantities of Non-compliant Water.

Water Quality testing. The City tests the wastewater from the Allison WWTP as required by the TCEQ permit issued to the City. Company is responsible for conducting its own testing associated with the operation of the Company processing facilities.

Additional treatment costs. Company may request additional treatment processes for the Allison

WWTP Reclaimed Water subject to agreement from the Chief Operating Officer and subject to Company's payment of all costs for such additional treatment.

Reimbursement for penalties. Company agrees to reimburse City for payment of any fines, fees, or penalties assessed to City to the extent arising directly out of the Company's activities at the Allison WWTP.

Article V. Permitting and Construction

Permitting. Each party is responsible for its respective permitting costs. City will obtain permit amendment from TCEQ for Allison WWTP. Company will obtain a permit if required by TCEQ for Company's use or further discharge of Recovered Water.

Infrastructure Costs. Company is responsible for all Company costs, including but not limited to engineering and infrastructure costs, necessary to receive Allison WWTP Reclaimed Water.

Compliance with laws. In use of City property or connection to City infrastructure, and in use of Allison WWTP Reclaimed Water and return of Unrecovered RO Water back to the Allison WWTP, Company shall perform its activities in compliance with applicable laws, codes and regulations, including but not limited to rules and regulations of the TCEQ.

Use of City property. Company use of City property at the Allison WWTP at mutually agreed upon locations authorized by the Corpus Christi Water Chief Operating Officer is authorized pursuant to the terms and conditions of the license in substantial form as provided in attached **Exhibit A**.

Review of construction plans; contractor's insurance. Company will provide plans for City review. Company's contractors will have City standard insurance coverages required for construction on City property.

Company's Insurance. Company will maintain standard insurance coverages required for operation on City property, including General liability and Environmental Liability.

Phase 2 Commencement. Prior to commencement of Phase 2, the Company shall send written notice to the City Chief Operating Officer to request review and approval to commence Phase 2.

Meter. Company will install a meter approved by the City Chief Operating Officer or designee to measure the Allison WWTP Reclaimed Water provided to Company under this Agreement at a mutually agreed upon location. Company will also build a meter run and tie-in at a mutually agreed upon location. City will own, operate, and maintain the meter, including output signal.

Article VI. Payment

Reservation Phase Fee. During the Reservation Phase, Company shall pay a monthly Reservation Phase Fee equal to $\frac{1}{2}$ of the Phase 1 Volume Commitment multiplied by the Reclaimed Water Rate, prorated on a monthly basis. That notwithstanding, the Reservation Fee is waived for the first year of this Agreement. If Company has not entered Phase 1 by one year from Effective Date, then

Company shall begin paying the monthly Reservation Phase Fee which is due the first day of each month and continues to be payable to the City until Phase 1 begins.

Phases 1 and 2 Volume Commitment Fees. Once Company enters Phase 1 and subsequently Phase 2, Company shall begin to pay Monthly Volume Commitment Fees for the applicable Phase 1 or Phase 2 period, whether or not Company has taken the full quantity. Company agrees to issue payment to City in full within 30 days of receipt of invoice.

Annual True-up. City shall bill Company at the end of each Annual Period at the Reclaimed Water Rate for Allison WWTP Reclaimed Water taken or received by Company that exceeded the Volume Commitment during the Annual Period. If the actual quantity of Allison WWTP Reclaimed Water available to Company during an Annual Period is less than the Volume Commitment, the City shall issue a credit to Company for the shortage.

Additional costs of service. Company will pay for the cost of service to treat the water delivered to the headworks, which is \$2.72 per 1,000 gallons of brine/reject material delivered to the headworks.

Additional treatment costs. Company will pay for reasonable additional treatment costs necessary for City to meet permit due to Company's operations at the Allison WWTP.

Article VII. Termination

Right to Terminate Agreement. Company may terminate this Agreement without cause by providing at least six months prior written notice to the City.

Right to Terminate Agreement at conclusion of Pilot Phase. Company may terminate this Agreement at conclusion of the Pilot Phase upon written notice to the City.

Either party may terminate this Agreement without penalty if required for said party's compliance with applicable State or Federal laws, TCEQ permits, or orders of regulatory authority or court.

City may terminate this Agreement by providing at least six months prior written notice if the Company has not begun taking any water from the Allison WWTP within 4 years from the Effective Date.

Article VIII. Miscellaneous Terms

Restrictions on Resale. Company may only use Recovered Water provided by this agreement for Company's industrial use at its premises located at Suntide Road and Up River Road, Corpus Christi, Texas. Company may not resell any water provided by this Agreement. Any other use or any sale to any other person, corporation, partnership, or entity without prior authorization from the City shall be cause for City to terminate this Agreement.

Force Majeure. If the City or Company should be prevented, wholly or in part, from fulfilling its obligations under this Agreement by reason of any act of God, unavoidable accident, acts of enemies, strikes, fires, floods, conservation of water for those with superior and legal rights to such

water, governmental restraint or regulation, other causes of force majeure, or by reason of circumstances reasonably beyond its control, then the obligations of City or Company, as hereinabove provided, shall be temporarily suspended during continuation of such force majeure. No damage shall be recoverable by Company from City by reason of the temporary suspension of delivery of water due to any of the causes above mentioned. If City determines that the Allison WWTP Reclaimed Water will be temporarily unavailable due to any of the force majeure causes mentioned above, then City shall promptly notify Company in writing, giving full particulars of such force majeure as soon as possible after the occurrence of the cause or causes relied upon.

Default. It is covenanted and agreed that if either party to this Agreement shall fail to perform any of the covenants or obligations imposed upon it under and by virtue of this Agreement, then in such event the other party hereto may at its option terminate this Agreement by proceeding as follows: the party not in default shall cause a written notice to be served on the party in default stating specifically the cause for terminating this Agreement and declaring it to be the intention of the party giving the notice to terminate the same; thereupon the party in default shall have 30 days after the service of the aforesaid notice in which to remedy or remove the cause or causes stated in the notice for terminating this Agreement, and, if within said period of 30 days the party in default does so remedy or remove said cause or causes and fully indemnifies the party not in default to the extent allowed under Texas law for any and all consequences of such breach, then such notice shall be withdrawn and this Agreement shall continue in full force and effect. In case the party in default does not so remedy or remove the cause or causes or does not indemnify the party giving the notice for any and all consequences of such breach within said period of 30 days, then, at the option of the party giving the notice, this Agreement shall become null and void from and after the expiration of said period. Any cancellation of this Agreement pursuant to the provisions of this section shall be without prejudice to the right of either party hereto to collect any amounts then due it from the other party prior to the time of cancellation and without waiver of any remedy to which the party not in default may be entitled for violations of this Agreement. No waiver by either party hereto of any one or more defaults by the other in the performance of any provisions of this Agreement shall operate or be construed as a waiver of any future default or defaults, whether of a like or of a different character.

Authority to Execute. In order to make this Agreement fully binding, each of the parties has been duly authorized to execute this Agreement by proper ordinance or resolution of the respective governing body and certified copies of such resolution or ordinance shall be furnished by each party to the other party.

Notices and Addresses. Any notice, communication, or statement required to be given pursuant to this Agreement shall be in writing and deemed to have been sufficiently given when delivered in person or by registered or certified mail, postage prepaid, return receipt requested, to the address of the respective party indicated below:

IF TO CITY:

City of Corpus Christi
Attention: Director of Water Systems
P.O. Box 9277
Corpus Christi, Texas 78469

With copy to:
 City of Corpus Christi
 Attn: City Attorney
 P. O. Box 9277
 Corpus Christi, Texas 78469

IF TO COMPANY:

Flint Hills Resources Corpus Christi, LLC
 Attn: Refinery Manager
 2825 Suntide Rd
 Corpus Christi, Texas 78409

With copy to:
 Flint Hills Resources, LC
 Attn: General Counsel
 4111 East 37th Street North
 Wichita, Kansas 67220
 Fhr.legal@fhr.com

Captions. All titles of the sections of this Agreement have been inserted for convenience of reference only and are not considered a part of this Agreement and in no way shall they affect the interpretation of any provisions of this Agreement.

D. INDEMNITY. COMPANY COVENANTS AND AGREES TO HOLD HARMLESS AND SHALL UNCONDITIONALLY INDEMNIFY, PROTECT AND DEFEND THE CITY, ITS ELECTED OFFICIALS, EMPLOYEES, OFFICERS, DIRECTORS, VOLUNTEERS AND REPRESENTATIVES OF THE CITY, INDIVIDUALLY OR COLLECTIVELY, FROM AND AGAINST ANY AND ALL THIRD PARTY CLAIMS, DEMANDS, ACTIONS, LIABILITIES, LIENS, LOSSES, DAMAGES, COSTS AND EXPENSES, OF EVERY KIND AND CHARACTER WHATSOEVER, INCLUDING WITHOUT LIMITATION BY ENUMERATION THE AMOUNT OF ANY JUDGMENT, PENALTY, INTEREST, COURT COSTS AND REASONABLE LEGAL FEES INCURRED IN CONNECTION WITH THE SAME, OR THE DEFENSE THEREOF, FOR OR IN CONNECTION WITH LOSS OF LIFE OR PERSONAL INJURY (INCLUDING EMPLOYEES OF Company AND OF CITY) DAMAGE TO PROPERTY (INCLUDING PROPERTY OF Company AND OF CITY), TO THE EXTENT CAUSED BY THE NEGLIGENT ACTS OR OMISSIONS OF, OR INCIDENT TO OR IN CONNECTION WITH OR RESULTING FROM THE NEGLIGENT ACTS OR OMISSIONS OF, Company, ITS AGENTS, SERVANTS, AND EMPLOYEES, OR ITS SUBAGREEMENTORS AND THEIR AGENTS, SERVANTS, AND EMPLOYEES, IN CONNECTION WITH THIS AGREEMENT AND THE WATER TO BE SUPPLIED UNDER THIS AGREEMENT, INCLUDING BUT NOT LIMITED TO VIOLATIONS OF ANY STATUTE, REGULATION,

ORDINANCE OR PROVISION OF THIS AGREEMENT. NOTWITHSTANDING ANYTHING TO THE CONTRARY INCLUDED HEREIN, IN NO EVENT MAY THIS OR ANY PARAGRAPH UNDER THIS AGREEMENT BE CONSTRUED AS WAIVING ANY GOVERNMENTAL IMMUNITY AVAILABLE TO THE CITY UNDER TEXAS LAW AND WITHOUT WAIVING ANY DEFENSES OF EITHER OF THE PARTIES UNDER TEXAS LAW. THIS INDEMNIFICATION SHALL NOT EXTEND TO ANY COSTS, CLAIMS, LIENS, DAMAGES, LOSSES, EXPENSES, FEES, FINES, PENALTIES, PROCEEDINGS, ACTIONS, DEMANDS, CAUSES OF ACTION, LIABILITY, OR SUIT TO THE EXTENT THEY DIRECTLY OR INDIRECTLY ARISE OUT OF, RESULT FROM OR RELATE TO THE NEGLIGENCE OR WRONGFUL ACTS OR OMISSIONS OF CITY OR ITS OFFICERS, AGENTS, EMPLOYEES, REPRESENTATIVES, CONSULTANTS, OR CONTRACTORS.

Assignability. This Agreement may not be assigned or transferred by Company except to an affiliate without the prior written consent of the governing body of City.

Modifications. Any amendments, or alternative or supplementary agreements, to this Agreement must be made in writing and duly executed by an authorized representative or agent of each of the parties to this Agreement.

Parties at Interest. This Agreement is for the sole and exclusive benefit of the parties, and shall never be construed to confer any benefit on any third party. This Agreement will be binding upon and inure to the benefit of the parties and their respective successors and assigns where permitted by this Agreement.

Texas Law to Apply. This Agreement will be construed under and in accordance with the laws of the State of Texas.

Venue. Any action or proceedings relating to this Agreement must be taken in Nueces County, Texas. The parties agree that the courts in Nueces County, Texas, shall have exclusive jurisdiction over this Agreement.

Compliance with Rules of Texas regulatory agencies. This Agreement is dependent upon City and Company complying with the rules of the Texas regulatory agencies with jurisdiction.

Company's compliance with applicable regulations. Company receipt of Allison WWTP Reclaimed Water under this Agreement is conditioned upon Company's compliance with applicable laws and regulations regarding use and discharge of such water.

No rights or title acquired. Company agrees and acknowledges that Company acquires no rights nor title to the Allison WWTP Reclaimed Water that is subject to this Agreement other than those rights explicitly set forth herein.

Prior Agreements Superseded. This Agreement represents the entire agreement between Company and City and supersedes all prior negotiations, representations, or agreements either oral or written. Any amendments, or alternative or supplementary provisions to this Agreement must be made in writing and duly executed by an authorized representative or agent of each of the parties to this

Agreement.
CITY OF CORPUS CHRISTI

By: _____
Name:
Title:
Date:

APPROVED AS TO FORM:
Date: _____

Assistant City Attorney
For City Attorney

COMPANY

By: _____

Name:

Title:

Date:

ACKNOWLEDGMENT

THE STATE OF _____ §
COUNTY OF _____ §

This instrument was acknowledged before me on ____ day of _____, 2026,
by _____ as the _____ of
_____, a _____ limited liability company on behalf of said entity.

Given under my hand and seal of office this ____ day of _____, 2026

(seal)
Notary Public

Exhibit A

License for Use of Premises

STATE OF TEXAS §
 §
 COUNTY OF NUECES §

This premises license (“**License**”) is entered into by and between the City of Corpus Christi (“**City**”), a Texas home-rule municipal corporation, and Flint Hills Resources Corpus Christi, LLC, a Delaware limited liability company (“**Licensee**”).

The City by these presents does grant and convey to Licensee, for the term and upon the conditions stated in this License, a License for Use of Premises to allow the Licensee to construct, locate, maintain, repair, and operate wastewater effluent processing equipment (“**System Facilities**”) at the Allison Wastewater Treatment Plant (“**Site**”) in full compliance and at all times subject to the Licensee’s compliance with the conditions specified in this License.

The area in which the License is granted for the location of the System Facilities is depicted on **Exhibit “A1”** (Location Map) and referred to in this License as the “**License Area**.” The plans for the equipment including equipment dimensions are shown on **Exhibit “A2”** (Plan View).

The City and Licensee agree as follows:

- A. This License grants Licensee use of the **License Area** of _____ square feet tract of land at the Site located at _____, Corpus Christi, Texas_____.
- B. This License becomes effective upon the signature of the City Manager or designee (“**City Manager**”) and shall be for a term coinciding with the term of that *Reclaimed Water Supply Agreement between Flint Hills Resources Corpus Christi, LLC and the City of Corpus Christi, Texas from Allison Wastewater Treatment Plant* dated January XX, 2026.
- C. Upon termination or expiration of this License, the Licensee shall have sixty (60) days to remove all personal property from the License Area. If Licensee fails to remove its personal property by such time, property shall be forfeited and become the property of the City.
- E. Upon termination or expiration of this License, the Licensee shall have sixty (60) days to repair the License Area to its original condition. In the event Licensee fails to return the License Area to its original condition, Licensee agrees that City may perform the repairs and invoice Licensee for the cost. Licensee shall pay all invoices within 30 days of receipt.

- F. This License may not be assigned by Licensee except to an affiliate without the City Manager's written consent.
- G. The Licensee shall acquire and maintain at all times for the term of this License insurance coverage as shown in **Exhibit A3** pertaining to the License Area granted under this License and the activities authorized by this License. The types of required insurance coverage must be in the minimum amounts set forth in the attached **Exhibit A3**, and the substantive content of **Exhibit A3** being incorporated by reference into this License as if fully set out here in its entirety. The insurance policies must include the City as an additional insured and may not be canceled, renewed or materially changed by Licensee unless at least ten (10) days advance written notice has been provided to the City. Licensee shall provide copies of all insurance policies to the City's City Attorney.
- H. Should construction, installation, repair or replacement of the System Facilities be deemed necessary by Licensee in the License Area, then schedules, plans and specifications for all proposed work shall be submitted in advance by the Licensee to Corpus Christi Water for approval prior to installing any equipment. The plans must show the type of equipment, installation schedule, the location of installation, and planned maintenance or adjustments. The Licensee shall also comply with any other laws, rules, regulations, and ordinances that may be applicable, including obtaining all required permits.
- I. Prior to the start of any approved installation, Licensee shall require every contractor and subcontractor to provide a Certificate of Insurance reflecting insurance in coverage amounts as set forth in **Exhibit A3**. Additionally, Licensee shall require their contractors and subcontractors to indemnify the City, its officers, officials, employees, representatives, agents, and invitees in the same manner that Licensee has provided indemnification to the City pursuant to this License.
- J. Licensee shall provide all necessary and proper safety devices to prevent injuries or accidents on the City's property.
- K. Any installation, operation and use of the License Area by Licensee shall not interfere with the operation of the City or any of its agents, contractors, or franchisees of any existing or future proposed uses at the Site.
- L. If, as determined by the City Manager, damage occurs to the Site or License Area or to the public infrastructure or services due to the Licensee or its contractor's or agent's use of the License Area, then Licensee shall allow the City immediate access to the Site or License Area to perform an assessment, make repairs or take any other action deemed necessary by the City. Determination of the extent of damage and repairs necessary to restore the premises or services shall be made by the City. All costs of the City associated

with said damage and repair, including labor and materials, shall be paid by Licensee within 30 days of the City's invoice.

- M. Use of the License Area authorized by this License is strictly limited to processing equipment for the Site. Licensee shall keep and maintain the System Facilities on the premises in commercially reasonable condition during the term of this License. Licensee shall have 24-hour access to the License Area at all times during the terms of this License.
- N. **INDEMNIFICATION.** *By its acceptance of this license, the Licensee covenants and agrees fully to indemnify and hold harmless the City and the elected officials and officers and employees of the City, individually or collectively, from and against any and all costs, claims, liens, damages, losses, expenses, fees, fines, penalties, proceedings, actions, demands, causes of action, liability, and suits of any kind and nature, including but not limited to, personal injury or death and property damage, made upon the City, directly or indirectly arising out of, resulting from or related to Licensee's activities under this license, including any acts or omissions of Licensee, and any respective agent, officer, director, representative, employee, consultant, or sub-licensee of Licensee, and their respective officers, agents, employees, directors and representatives while in the exercise or performance of the rights or duties under this license, all without, however, waiving any governmental immunity available to the City under Texas law and without waiving any defense of the parties under Texas law. The provisions of this indemnification are solely for the benefit of the parties to this license and are not intended to create or grant any rights, contractual or otherwise, to any other person or entity. Licensee shall promptly advise the City in writing of any claim or demand against the City or Licensee known to the Licensee related to or arising out of Licensee's activities under this license and shall see to the investigation and defense of the claim or demand at Licensee's cost. The City shall have the right, at its option and at its own expense, to participate in the defense without relieving Licensee of any of its obligations under this paragraph. The City shall cooperate with Licensee in the defense of all claims, proceedings, actions, and suits subject to this indemnification. This indemnification shall not extend to any costs, claims, liens, damages, losses, expenses, fees, fines, penalties, proceedings, actions, demands, causes of action, liability, or suit to the extent they directly or indirectly arise out of, result from or relate to the negligent or wrongful acts or omissions of City or its officers, agents, employees, representatives, consultants, or contractors. This indemnification survives the termination or expiration of this license.*
- N. All signatories signing this License warrant and guarantee that they have the authority to act on behalf of the entity represented and make this License binding and enforceable by their signatures.

- O. Unless otherwise stated in this License, any notice required or permitted to be given under this License must be in writing and sent by certified mail, return receipt requested to the following addresses:

If to Licensee: Flint Hills Resources Corpus Christi, LLC
Attn:

If to the City: City of Corpus Christi
Attn: Corpus Christi Water
P. O. Box 9277
Corpus Christi, TX 78469-9277

Any party shall, by notice to the others in accordance with the provisions of this paragraph, specify a different address or addressee for notice purposes within 10 days of any address change.

- P. This License shall be construed under and in accordance with the laws of the State of Texas, and all obligations of the parties created pursuant to this License are performable in Nueces County, Texas. Venue for all actions arising from, out of, or related to this License must be brought in Nueces County, Texas.
- Q. This License is subject to compliance with all terms and conditions of the Reclaimed Water Supply Agreement between the parties. No prior oral or contemporaneous promises, warranties, or representations shall be binding upon any parties. This License may only be amended by written instrument signed by authorized representatives of the City and Licensee.

[SIGNATURE EXECUTION PAGES TO FOLLOW]

Exhibit A1 – Location Map [to be inserted]

Exhibit A2 – Plan View [to be inserted]

Exhibit A3- Insurance

**EXHIBIT A3
INSURANCE REQUIREMENTS**

For purposes of this Exhibit A3, “Contractor” refers to Licensee and its contractors

I. CONTRACTOR’S LIABILITY INSURANCE

- A. Contractor must not commence work under this agreement until all insurance required has been obtained and such insurance has been approved by the City. Contractor must not allow any subcontractor Agency to commence work until all similar insurance required of any subcontractor Agency has been obtained.
- B. Contractor must furnish to the City’s Risk Manager and Contract Administer one (1) copy of Certificates of Insurance (COI) with applicable policy endorsements showing the following minimum coverage by an insurance company(s) acceptable to the City’s Risk Manager. The City must be listed as an additional insured on the General liability and Auto Liability policies **by endorsement**, and a waiver of subrogation is required on all applicable policies. **Endorsements** must be provided with COI. Project name and or number must be listed in Description Box of COI.

TYPE OF INSURANCE	MINIMUM INSURANCE COVERAGE
Commercial General Liability Including: 1. Commercial Broad Form 2. Premises – Operations 3. Products/ Completed Operations 4. Contractual Liability 5. Independent Contractors 6. Personal Injury- Advertising Injury	\$1,000,000 Per Occurrence
AUTO LIABILITY (including) 1. Owned 2. Hired and Non-Owned 3. Rented/Leased	\$500,000 Combined Single Limit
WORKERS’ COMPENSATION	Statutory
EMPLOYER’S LIABILITY	\$500,000 /\$500,000 /\$500,000
POLLUTION LIABILITY Including: 1. Sudden and Accidental 2. Cleanup and Remediation	\$1,000,000 Per Occurrence

- C. In the event of accidents of any kind related to this agreement, Contractor must furnish the Risk Manager with copies of all reports of any accidents within 10 days of the accident.

II. ADDITIONAL REQUIREMENTS

- A. Applicable for paid employees, Contractor must obtain workers' compensation coverage through a licensed insurance company. The coverage must be written on a policy and endorsements approved by the Texas Department of Insurance. The workers' compensation coverage provided must be in an amount sufficient to assure that all workers' compensation obligations incurred by the Contractor will be promptly met.
- B. Contractor shall obtain and maintain in full force and effect for the duration of this Contract, and any extension hereof, at Contractor's sole expense, insurance coverage written on an occurrence basis, by companies authorized and admitted to do business in the State of Texas and with an A.M. Best's rating of no less than A- VII.
- C. Contractor shall be required to submit a copy of the replacement certificate of insurance to City at the address provided below within 10 days of the requested change. Contractor shall pay any costs incurred resulting from said changes. All notices under this Article shall be given to City at the following address:

City of Corpus Christi
Attn: Risk Manager
P.O. Box 9277
Corpus Christi, TX 78469-9277

- D. Contractor agrees that with respect to the above required insurance, all insurance policies are to contain or be endorsed to contain the following required provisions:**
- List the City and its officers, officials, employees, volunteers, and elected representatives as additional insured by endorsement, as respects operations, completed operation and activities of, or on behalf of, the named insured performed under contract with the City, with the exception of the workers' compensation policy;
 - Provide for an endorsement that the "other insurance" clause shall not apply to the City of Corpus Christi where the City is an additional insured shown on the policy;
 - Workers' compensation and employers' liability policies will provide a waiver of subrogation in favor of the City; and
 - Provide 30 calendar days advance written notice directly to City of any, cancellation, non-renewal, material change or termination in coverage and not less than 10 calendar days advance written notice for nonpayment of premium.

- E. Within 5 calendar days of a cancellation, non-renewal, material change or termination of coverage, Contractor shall provide a replacement Certificate of Insurance and applicable endorsements to City. City shall have the option to suspend Contractor's performance should there be a lapse in coverage at any time during this contract. Failure to provide and to maintain the required insurance shall constitute a material breach of this contract.
- F. In addition to any other remedies the City may have upon Contractor's failure to provide and maintain any insurance or policy endorsements to the extent and within the time herein required, the City shall have the right to order Contractor to remove the exhibit hereunder, and/or withhold any payment(s) if any, which become due to Contractor hereunder until Contractor demonstrates compliance with the requirements hereof.
- G. Nothing herein contained shall be construed as limiting in any way the extent to which Contractor may be held responsible for payments of damages to persons or property resulting from Contractor's or its subcontractor's performance of the work covered under this agreement.
- H. It is agreed that Contractor's insurance shall be deemed primary and non-contributory with respect to any insurance or self insurance carried by the City of Corpus Christi for liability arising out of operations under this agreement.
- I. It is understood and agreed that the insurance required is in addition to and separate from any other obligation contained in this agreement.