

**Second Amendment and Extension to the Agreement for Exclusive Reservation of Recycled Water  
Between  
Valero Refining-Texas, L.P. and City of Corpus Christi**

Whereas, on December 17, 2013, the City of Corpus Christi and Valero Refining-Texas, L.P. entered into an Agreement for Exclusive Reservation of Recycled Water ("the Reservation Agreement") with a term of nine months, with an option to extend the Reservation Agreement for an additional three-month period;

Whereas, the Reservation Agreement provided for the City to reserve for the exclusive benefit of Valero the capacity for delivery of up to 4 million gallons per day ("mgd") of recycled water/treated wastewater effluent from the new Broadway Wastewater Treatment Plant ("BWWTTP") or from any other wastewater treatment plants in the event that the City will no longer be operating the BWWTTP;

Whereas, the Parties later determined that recycled water from the Greenwood Wastewater Treatment Plant ("GWWTP") would be preferable;

Whereas, the Parties entered into an Amendment and Extension to the Agreement for Exclusive Reservation of Recycled Water Between Valero Refining-Texas, L.P. and City of Corpus Christi on December 16, 2014 which reserved 4 mgd from the GWWTP for Valero, provided a term of nine months, and provided for one three-month extension after the nine-month term (the "Amendment");

Whereas, the Amendment will expire on December 16, 2015 and the Parties desire to further extend the Reservation Agreement;

Now, therefore, the Parties agree to amend the Reservation Agreement and extend the term as follows (the "Second Amendment");

1. The Reservation Agreement is amended so that the City agrees to reserve for the exclusive benefit of Valero up to 4 mgd of recycled water/treated wastewater effluent from the GWWTP. This amended Section I.A. replaces Section I.A. of the Reservation Agreement:

**"I. Reservation.**

*A. Term.* For and in consideration of payment of a reservation fee in the amount of Seventy-Five Thousand Dollars (\$75,000.00) to be paid within thirty days of the date the City Manager or the City Manager's designee signs this Second Amendment, the City will reserve for the exclusive benefit of Valero up to 4 million gallons per day ("mgd") of recycled water/treated wastewater effluent from the Greenwood Wastewater Treatment Plant ("GWWTP"). During the term of the amended Reservation Agreement, the City shall not enter into any other agreement or reservation for treated wastewater effluent from the GWWTP. The Reservation Agreement as amended herein shall expire twelve months from the Effective Date of this Second Amendment. The twelve-month extended reservation period is to allow Valero and the City time for, including but not limited to evaluation, equipment pilot testing, pipeline right of way development, project design, and project financing. Should the Parties need additional time to negotiate an agreement for the delivery of recycled wastewater, Valero may extend this Second Amendment

by an additional six months at no additional cost by providing written notice to the City thirty days prior to the expiration of this Second Amendment.

Section I.D. of the Reservation Agreement is amended as follows:

D. Extension. The Parties may extend the Reservation Agreement by mutual agreement.

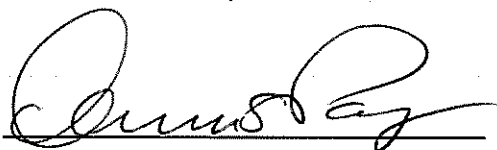
2. This Amendment to the Reservation Agreement takes effect on December 16, 2015 (the "Effective Date").

3. Any provision of the Reservation Agreement that is not expressly amended by this Amendment remains unchanged and in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Second Amendment as of the day and year written below.

VALERO:

VALERO REFINING – TEXAS, L.P.

By: 

Name: Dennis Payne

Title: Senior Vice President & General Manager

Date: 12/14/15

CITY:

CITY OF CORPUS CHRISTI

By: 

Name: M.E. Van Vleet

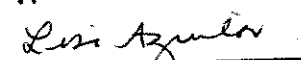
Title: Executive Director

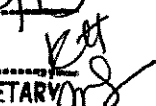
Date: 12/16/15

ATTEST: 

REBECCA HUERTA  
CITY SECRETARY

Approved as to form: 12/14/15

  
Lisa Aguilar  
Assistant City Attorney  
For City Attorney

M2015-142 AUTHORIZED  
CITY COUNCIL 12/15/15  
  
SECRETARY