

SETTLEMENT AGREEMENT

The Parties to this Settlement Agreement are the Greater Edwards Aquifer Alliance (“GEAA”), Texas Rivers Protection Association (“TRPA”), and Gram Vikas Partners, Inc. (“Gram Vikas”) (collectively, the “Parties”).

RECITALS

1. On May 10, 2021, Gram Vikas filed an application with the Texas Commission on Environmental Quality (“TCEQ”) for Texas Pollutant Discharge Elimination System (“TPDES”) Permit No. WQ0015990001 (“Permit”), that would authorize the discharge of treated domestic effluent from a Wastewater Treatment Plant (“WWTP”) serving a new development in Comal County, Texas (the “site”).

2. GEAA and TRPA opposed Gram Vika’s application for the Permit and requested that the TCEQ grant a contested case hearing. The TCEQ granted GEAA’s and TRPA’s request and referred the case to the State Office of Administrative Hearings (“SOAH”), docketed as SOAH Docket No. 582-23-13639.

3. The Parties acknowledge that the SOAH proceeding reflects bona fide disputes and controversies between the Parties concerning the issues relating to Gram Vikas’ application for the Permit.

4. The Parties desire to avoid further annoyance, cost, delay, and uncertainty associated with the SOAH proceeding and have accordingly entered into this agreement to fully settle all issues concerning Gram Vikas’ application for the Permit. Therefore, in order to fully and finally compromise and settle all claims that have been or could have been asserted in the SOAH proceeding, the Parties hereby enter into this Settlement Agreement.

TERMS OF AGREEMENT

In consideration of the mutual promises and agreements contained in this Settlement Agreement, the Parties agree as follows:

1. Within three (3) days following the effective date of this Agreement, GEAA and TRPA will each file with SOAH and serve on all parties in SOAH Docket No. 582-23-13639 a request to withdraw from the contested case hearing in such docket with prejudice and each will withdraw its opposition to Gram Vikas’ Permit application. GEAA and TRPA agree to not pursue any additional legal action before SOAH, any state or federal agency, or any court regarding Gram Vikas’ Permit application. The intent of this provision is to allow Gram Vikas to obtain its permit without a contested case hearing at SOAH or any other formal legal proceeding.

2. Within three (3) business day of the filing of both GEAA’s and TRPA’s hearing request withdrawal pursuant to Paragraph 1 of the Terms of this Agreement, Gram Vikas shall file a

request with TCEQ seeking to revise the draft permit as follows, and the request that TCEQ revise the draft permit as follows:

- i. The Permit effluent limit for total phosphorous in all phases of the Permit shall be 0.25 mg/l
- ii. Gram Vikas will test the stream downstream of the discharge point (anywhere more than 100 yards from the discharge point) on a monthly basis beginning within 30 days of the first discharge made pursuant to the Permit. For clarity with respect to this requirement:

This monitoring requirement does not replace monitoring requirements that currently exist in the Draft Permit, but is in addition to the sampling that the Draft Permit required prior to the execution of this Agreement. This new testing requirement is monthly (based on a calendar month). The sampling point may occur anywhere downstream on the property that is being developed and served by the WWTP, but must be taken a minimum of 100 yards from the discharge point. The sample must be tested for BOD (grab), TSS (grab), Ammonia Nitrogen (grab), Total Phosphorus (grab), and E. coli, colony-forming units or most probable number per 100 ml (grab). The sample results will be maintained for four years by Gram Vikas and will be made available upon request by either GEAA or TRPA to the requester from either of those organizations. Because the receiving waters are intermittent, no sampling will be required when the receiving waters are dry (to the property line of the development) for more than 14 days in a calendar month.

Gram Vikas shall diligently pursue these modifications to the Permit. To the extent that the TCEQ and/or Executive Director will not include any of the above-listed provisions in the Permit, Gram Vikas agrees to be contractually bound by this Agreement to comply with any such provisions.

3. 210 Beneficial Reuse. Gram Vikas shall apply for a Chapter 210 Beneficial Reuse Authorization. Within five (5) business days of submitting this application to TCEQ, a copy of the 210 Beneficial Reuse application shall be provided to GEAA's and TRPA's Representatives. Gram Vikas will phase in the number of acres irrigated with treated wastewater and, prior to reaching capacity of the final phase, as described in the Permit, Gram Vikas shall irrigate at least 17 acres with treated wastewater. Throughout the phase-in of acres irrigated, Gram Vikas shall use sufficient irrigable land to apply effluent that is being generated at a rate no higher than the rate required for applying treated wastewater on the 17 acres without causing or resulting in runoff from the irrigation acreage. The initial 210 Beneficial Reuse application shall be filed within 90 days of Permit issuance.

4. In addition, Gram Vikas agrees to be contractually bound to GEAA and TRPA as follows:

- i. Gram Vikas will construct 600,000 gallons of storage for beneficial reuse purposes. For clarity with respect to this requirement:

The storage required by this provision would correspond with the phases of the permit. In other words, prior to operating under Interim Phase I (which allows a discharge of 150,000 gpd), at least 450,000 gallons is required to be constructed for beneficial reuse purposes. Prior to operating under Interim Phase II (which allows a total discharge of 200,000 gpd), the total storage required to be constructed for beneficial reuse purposes is 600,000 gallons.

- ii. Applicant will utilize 17 acres in the development that will be spray irrigated with beneficial reuse. Applicant will agree to use good faith efforts to prioritize beneficial reuse on these 17 acres over discharge. These 17 acres must continue to be used for beneficial reuse so long as the Permit is in effect.

5. This Agreement is solely for the benefit of the Parties hereto. There are no third-party beneficiaries of this Agreement. This Settlement Agreement is a compromise of disputed claims. Nothing in this Settlement Agreement constitutes an admission on any issue by any party.

6. The Parties agree to cooperate fully and execute any and all supplementary documents and to take all additional actions that may be necessary or appropriate to give full force and effect to the terms and intent of this Settlement Agreement.

7. Any breach of the provisions of paragraph 2 or 3 of the Terms of the Agreement shall constitute a material breach of this Settlement Agreement for which the Parties may seek appropriate injunctive relief in a court of competent jurisdiction, including, but not limited to, repayment of the reasonable attorneys' fees necessary for enforcement of this Settlement Agreement.

8. The Parties recognize that this Settlement Agreement is made solely to avoid the burdens and expense of additional and protracted litigation.

9. The Parties acknowledge that they have been advised to consult with an attorney before signing this Settlement Agreement and that they have consulted with and been represented by their attorneys. The Parties further acknowledge that they: (i) have carefully read this Settlement Agreement in its entirety and have had an opportunity to consider fully the terms of this Settlement Agreement for a reasonable amount of time; (ii) fully understand the significance of all the terms and conditions of this Settlement Agreement; (iii) are signing it voluntarily and of their own free will; (iv) assent to all of the terms and conditions contained herein; and (v) are not relying on any representations or promises not set forth herein in signing this Settlement Agreement, but solely upon their own investigations.

10. The Parties represent and warrant that they are authorized and entitled to sign this Settlement Agreement, that no other person or entity has any interest in the matters released in this Settlement Agreement, and that the Parties own and have not sold, pledged or hypothecated, assigned or transferred or purported to sell, pledge, hypothecate, assign or transfer to any person or entity all or any portion of the matters or claims released in this Settlement Agreement.

11. This Settlement Agreement represents the only agreement between the Parties concerning the Gram Vikas TPDES Permit pending in SOAH Docket No. 582-23-13639 and supersedes all prior agreements, whether written or oral, relating thereto. This Settlement Agreement is a complete and fully integrated agreement and may not be modified except by a subsequently executed document signed by all the Parties.

12. Any waiver of any term or condition of this Settlement Agreement shall not operate as a waiver of any other term or condition, nor shall any failure to enforce a provision of this Settlement Agreement operate as a waiver of such provision or of any other provision of this Settlement Agreement.

13. Should any provision of this Settlement Agreement, or its application, to any extent be held invalid or unenforceable, the remainder of this Settlement Agreement, and its application, excluding such invalid or unenforceable provisions, shall not be affected by such exclusion and shall continue to be valid and enforceable to the fullest extent permitted by law or equity.

14. No amendment of this Agreement shall be effective unless and until it is duly approved by each party and reduced to a writing signed by the Parties, which amendment shall incorporate this Agreement in every particular not otherwise changed by the amendment.

15. This Agreement shall be construed under and in accordance with the laws of the State of Texas and all obligations of the parties are expressly deemed performable in Comal County, Texas.

16. Venue for any suit arising hereunder shall be in Comal County, Texas.

17. This Agreement shall be binding on and shall inure to the benefit of the heirs, successors, and assigns of the Parties.

18. This Settlement Agreement is effective upon signature by all Parties.

19. This agreement may be executed in counterparts and may be executed and delivered electronically.

[REMAINDER OF PAGE BLANK – SIGNATURE PAGE FOLLOWS]

AGREED:

Gram Vikas, Inc.

By: Kelly Leach
Kelly Leach
Its President

Date: July 21 2023

Greater Edwards Aquifer Alliance

By: _____
Annalisa Peace
Executive Director

Date: _____

Texas Rivers Protection Association

By: _____
David Price
President

Date: _____

AGREED:

Gram Vikas, Inc.

By: _____
Kelly Leach
Its President

Date: _____

Greater Edwards Aquifer Alliance

By: _____
Annalisa Peace
Executive Director

Date: July 24, 2023

Texas Rivers Protection Association

By: _____
David Price
President

Date: 7/24/23