

**TEMPORARY AMENDMENT TO SYSTEM WATER
AVAILABILITY AGREEMENT BETWEEN BRAZOS RIVER AUTHORITY AND CITY OF
GEORGETOWN**

This Temporary Amendment ("Amendment") is entered into to be effective as of the ____ day of _____, 2019, by and between the Brazos River Authority ("BRA"), the City of Georgetown ("City"), Blanchard Refining Company LLC ("Blanchard"), and Gulf Coast Water Authority ("GCWA") (collectively, the "Parties").

RECITALS

WHEREAS, BRA and City entered into a System Water Availability Agreement ("Agreement") with an effective date of August 1, 2006, whereby BRA agreed to make available 10,000 acre-feet of raw water per fiscal year to City for municipal purposes; and

WHEREAS, City and Blanchard have negotiated and entered into a agreement for transfer of BRA water for a term ("Third-Party Sale"), whereby Blanchard, subject to approval by BRA, would be entitled to certain benefits and responsible for certain obligations under the Agreement, namely industrial usage of up to 10,000 acre-feet of raw water at Blanchard's Galveston Bay Refinery ; and

WHEREAS, in accordance with Sections 18 and 30 of the Agreement, City has requested BRA's written consent to the Third-Party Sale of its 10,000 acre-feet of raw water available under the Agreement to Blanchard for a period of ten years; and

WHEREAS, to facilitate the use of water by Blanchard, BRA, City and Blanchard have agreed to add temporary diversion points to the Agreement, to change the type of use, to establish the criteria by which Blanchard will receive the water, and to allow GCWA to act as Blanchard's proxy in regard to diverting water and reporting requirements.

NOW, THEREFORE, in consideration of the mutual promises contained herein, the Parties agree to amend the Agreement as follows:

AMENDMENTS

1. BRA hereby consents to the City's resale of up to ten thousand (10,000) acre-feet of raw water per year to Blanchard as required under Sections 18 and 30 of the Agreement effective as of September 1, 2019 ("Effective Date"). Unless terminated earlier consistent with the terms of this Amendment, this consent shall be effective until August 31, 2029 ("Termination Date").
2. Blanchard agrees that GCWA will be its proxy in regard to the diversion of water from the Brazos River and compliance with BRA water delivery, reporting, and metering requirements under the Agreement. Blanchard shall accept full responsibility for any and all actions taken by GCWA in furtherance of this Amendment. GCWA agrees to comply with terms and conditions of this Amendment and the Agreement applicable in its role as proxy to Blanchard.
3. Until the Termination Date, on behalf of Blanchard, GCWA may divert raw water made available under the Agreement and the Third Party Sale at the locations shown on Exhibit "A-2", attached hereto and incorporated by reference herein. Blanchard shall not take

delivery of the water authorized by this Amendment from GCWA's canal system unless authorized in advance to do so by GCWA.

4. Blanchard may utilize the water for industrial purposes.
5. Until the Termination Date, any reference to Exhibit "A" in the Agreement shall also be deemed a reference to Exhibit "A-2".
6. Until the Termination Date, delete Section 11 of the Agreement and replace with the following:
 - a) Prior to diverting water agreed to be made available pursuant to this Amendment, GCWA shall provide notice to BRA of the beginning and end date and time of anticipated pumping, the specific diversion point(s) it will be pumping water from, and the desired daily pumpage rate and volume. BRA will determine whether GCWA is authorized to pump run-of-river water under BRA water rights, or if a release of stored water from the System is necessary. If BRA determines that run-of-river water is available to be pumped at the diversion point(s), upon TCEQ Brazos Watermaster approval, GCWA may pump run-of-river water at the diversion point(s) at the rate thus specified from the river. Otherwise, BRA shall make releases of water from the System at such times and in such amounts as will make water available for GCWA to pump water at the diversion point(s) at the rate thus specified without violation of the water rights of others; however, nothing in this Section shall be construed as requiring BRA to make releases of water if Blanchard's use has been discontinued pursuant to the terms of the Amendment or the Agreement. GCWA and Blanchard acknowledge that, depending upon factors including river flow and reservoir conditions, it may take up to 13 days' time for the water released from an upstream reservoir to reach its diversion location prior to GCWA diverting water from the river. During times when GCWA is pumping run-of-river water under this Amendment, and BRA determines flows are not adequate for GCWA to continue pumping run-of-river water, disruptions in pumping may occur to allow time for BRA to deliver stored water from the System to GCWA's diversion point(s).
 - b) When GCWA desires to discontinue pumping or to change the rates at which it shall be able to pump water at the diversion point(s), it shall provide notice to BRA in advance of the date on which pumping is to be discontinued or the rate it desires to be able to pump thereafter. GCWA shall take into consideration the amount of time it takes water being released from an upstream reservoir to reach its diversion location, which can vary from approximately 5 to 13 days depending on the reservoir that is providing stored water releases. At the time of said notice, if releases of stored water are being made to deliver water to GCWA's diversion point(s), BRA shall discontinue releases or appropriately modify the releases made by it so as to make water available for GCWA to pump at the new rate, beginning on the date specified in said notice.
 - c) Notices under this provision may be given by telephone but must be confirmed in writing within two (2) days by email, fax or mail. When the quantity of run-of-river water pumped by GCWA combined with the amount of stored water released from System for pumping by GCWA equals the Annual Contracted Amount, GCWA shall have no further right hereunder to call on BRA to make water available, and BRA shall have no further obligation hereunder to make water available to Blanchard or GCWA.

7. Blanchard hereby agrees to abide by all of the terms and conditions contained in the Agreement, to ensure GCWA's compliance with all terms and conditions applicable to its role as proxy, and accepts any and all liability for any failure to do so. In the event of a name change, restructuring, merger, acquisition, assignment, or other transfer of the Galveston Bay Refinery, or Blanchard Refining Company LLC., Blanchard may assign all of its rights and obligations under this Amendment to a third party if the diversion location and use remain consistent with the spirit and intent of the Agreement but only after 25 days written notice to the other Parties. Assignment for any other reasons requires written notice and approval from the other Parties.
8. On behalf of Blanchard, GCWA shall be responsible for all coordination with BRA and the Brazos Watermaster related to ordering and stopping releases, coordinating run-of-river diversions if applicable, as well as reporting, metering, and notification requirements under the Agreement, and notwithstanding the foregoing, Blanchard agrees to comply with all BRA water reporting requirements, water conservation plans, drought contingency plans and TCEQ Brazos Watermaster requirements.
9. This Amendment shall in no way relieve City from any of its obligations, including payment, under the Agreement, and City shall be responsible for ensuring that Blanchard complies with all the terms and conditions contained therein and accepts any and all liability for any failure to do so.
10. Following written notice from BRA and opportunity to cure as set forth in sections 9 and 10 of the Agreement, if any identified default by Blanchard or GCWA, as the case may be, is not timely cured, BRA reserves the right to withdraw its consent of the resale at any time and for any cause without penalty or liability. If the default triggering notice and opportunity to cure is related to the nonpayment to BRA, Blanchard shall have the right to cure by making payment to BRA within 25 days of the date of BRA's written notice. Following written notice from BRA and opportunity to cure, withdrawal of consent by BRA shall be made in writing to the City, Blanchard, and GCWA. Upon receipt of such written notice from BRA, GCWA and Blanchard shall immediately cease diverting BRA water made available under this Amendment. In the event BRA withdraws its consent, the obligations of Blanchard and GCWA under this Amendment shall cease, and City shall be entitled to resume full utilization of its rights under the Agreement.
11. In the event the amount of water made available to City under the Agreement is reduced for any reason, Blanchard agrees that such reduction shall also result in a reduced amount available under this Amendment.
12. The address for Blanchard, for the purposes of Section 24 of the Agreement, shall be as follows:

Blanchard Refining Company LLC
ATTN: Refining General Manager
2401 5th Avenue South
Texas City, Texas 77590

With copies to:

Blanchard Refining Company LLC

Attention: Division Controller
2401 5th Avenue South
Texas City, Texas 77590

Blanchard Refining Company LLC
Attention: Technical Service Manager
2401 5th Avenue South
Texas City, Texas 77590

13. Capitalized terms used but not defined herein shall have the respective meanings given to them in the Agreement.

14. This Amendment shall commence on the Effective Date and shall continue until the Termination Date. This Amendment shall no longer be of any force or effect after the Termination Date, and the terms and conditions of the Agreement shall be as they were prior to the execution of this Amendment, and Exhibit "A-2" shall be deleted in its entirety. Following the Termination Date, BRA and City shall be the only parties to the Agreement.

This Amendment shall be deemed a part of the Agreement and shall be binding on the Parties. Except as amended herein, the terms and conditions of the Agreement remain in full force and effect.

IN WITNESS WHEREOF, the Parties have caused this Amendment to be duly executed, intending to be bound thereby.

BRAZOS RIVER AUTHORITY

By: _____
DAVID COLLINSWORTH

Title: GENERAL MANAGER/CEO

Date: _____

Attest: _____

CITY OF GEORGETOWN

Final Execution Version

By: _____
Dale Ross, Mayor

Date: _____

ATTEST:

By: _____
Robyn Densmore, City Secretary

APPROVED AS TO FORM:

By: _____
Charlie McNabb, City Attorney

GULF COAST WATER AUTHORITY

By: _____
President, Board of Directors

ATTEST:

By: _____
Secretary, Board of Directors

BLANCHARD REFINING COMPANY LLC

By: _____

Title: _____

Date: _____

EXHIBIT A-2

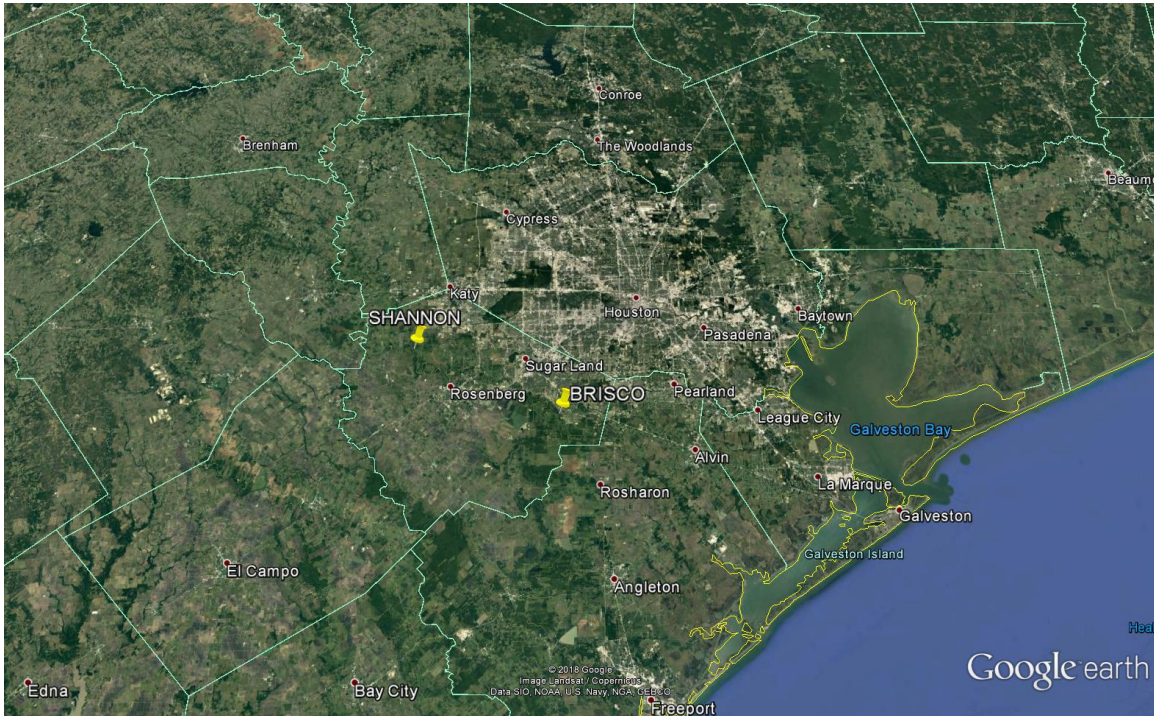


EXHIBIT A-2: AGREEMENT with CITY OF GEORGETOWN and BLANCHARD REFINING COMPANY 10,000-ACFT (IN)

Contract ID: GEORGETOWN-BLANCHARD 19

Diversion 1:

GEORGETOWN-BLANCHARD - BRISCO, N29.50361 W95.55361, RMOT2 ROST2 (1202),
Downstream Main Stem, Lower Basin, Fort Bend County
WAP Reach: Richmond Gage to Gulf – GCWA1

Diversion 2:

GEORGETOWN-BLANCHARD - SHANNON, N29.64528 W95.90139, HPDT2 RMOT2
(1202), Downstream Main Stem, Lower Basin, Fort Bend County
WAP Reach: Hempstead Gage – Canal A

GULF COAST WATER AUTHORITY DIVERSION POINTS WILL BE USED

Prepared by: Julie Andress, Water Accounting Specialist, 8/6/2019