

COURT OF APPEALS FOR THE THIRTEENTH DISTRICT OF TEXAS,
CORPUS CHRISTI–EDINBURG

South Texas Wastewater, LLC v. Valley Dewatering Services, Inc.

South Texas Wastewater · No. 13-24-00269-CV · Decided December 18, 2025

SUMMARY

The Thirteenth Court of Appeals of Texas affirmed summary judgment in favor of Valley Dewatering Services, Inc. on South Texas Wastewater, LLC’s negligent misrepresentation and breach-of-contract claims and on Valley’s suit-on-sworn-account claim. The court held that South Texas Wastewater failed to raise genuine issues of material fact regarding false information, reasonable care, justifiable reliance, contractual breach, and consequential damages. The court also rejected South Texas Wastewater’s offset defense because its underlying claims lacked evidentiary support.

CASE DETAILS

COURT	Court of Appeals for the Thirteenth District of Texas, Corpus Christi–Edinburg
WRITING FOR THE COURT	Jon West; Chief Justice Tijerina; Justice Peña; Justice West
JURISDICTION	Texas Court of Appeals, Thirteenth District, Corpus Christi–Edinburg
DECIDED	December 18, 2025
DOCKET	13-24-00269-CV
DISPOSITION	affirmed
PROCEDURAL POSTURE	Appeal from summary judgment orders in favor of Valley Dewatering Services, Inc. on its suit-on-sworn-account claim and against South Texas Wastewater, LLC on its negligent-misrepresentation and breach-of-contract claims.
STANDARD OF REVIEW	Summary judgment is reviewed de novo. For no-evidence summary judgment, the movant must identify an essential element for which there is no evidence, shifting the burden to the nonmovant to produce evidence raising a genuine issue of material fact. For traditional summary judgment on a claim subject to an affirmative defense, the claimant must conclusively establish each element of the claim unless the nonmovant raises a genuine issue of material fact on each element of the defense. The court takes as true evidence favorable to the nonmovant, indulges reasonable inferences in the nonmovant's favor, and resolves doubts in the nonmovant's favor.

PRECEDENTIAL VALUE	Published memorandum opinion; the source identifies the opinion as published.
PARTIES	South Texas Wastewater, LLC v. Valley Dewatering Services, Inc.

TOPICS

summary judgment negligent misrepresentation breach of contract consequential damages civil procedure

PRACTICE AREAS

civil procedure appellate procedure contracts torts remedies commercial litigation

QUESTIONS PRESENTED

1. Whether South Texas Wastewater produced evidence raising a genuine issue of material fact on the false-information, reasonable-care-or-competence, and justifiable-reliance elements of negligent misrepresentation.
2. Whether South Texas produced evidence raising a genuine issue of material fact that Valley breached an implied contract by stopping its wastewater services.
3. Whether South Texas produced evidence of foreseeable and reasonably certain consequential damages from the alleged breach.
4. Whether South Texas established a genuine issue of material fact supporting its affirmative defense of offset to Valley's suit-on-sworn-account claim.

HOLDINGS

1. South Texas failed to raise a genuine issue of material fact on the false-information, reasonable-care-or-competence, and justifiable-reliance elements of negligent misrepresentation; no-evidence summary judgment was therefore proper.
2. South Texas failed to raise a genuine issue of material fact that Valley breached the parties' implied contract because the evidence did not establish a contractual promise that Valley would keep its facility open indefinitely and without interruption.
3. South Texas failed to raise a genuine issue of material fact on damages because its claimed lost profits were not shown to be foreseeable or reasonably certain.
4. South Texas failed to raise a genuine issue of material fact supporting its offset defense because that defense was based solely on its negligent-misrepresentation and breach-of-contract claims, both of which failed as a matter of summary judgment evidence.

KEY QUOTATIONS

"We review an order granting a motion for summary judgment de novo." (4)

"To determine if a genuine issue of material fact exists, "we take as true all evidence favorable to the non-movant, indulge every reasonable inference in favor of the non-movant, and resolve any doubts in the non-

movant's favor.”” (5)

“A promise of future performance is insufficient.” (6)

“Courts determine mutual assent under an objective standard and do not analyze the parties’ subjective states of mind.” (10)

“To recover consequential damages, a claimant must prove the damages (1) are foreseeable and (2) to a degree of reasonable certainty.” (12)

“Proof need not be exact, but neither can it be speculative.” (13)

FACTUAL BACKGROUND

Valley Dewatering operated a wastewater-processing facility that accepted South Texas Wastewater's grease-trap and septic waste for a fee. The parties did not have a written contract, although both treated their relationship as an implied, terminable-at-will agreement under which South Texas paid an agreed per-gallon fee. After the City of Mercedes blocked Valley's discharge line in January 2023, Valley stopped accepting South Texas's waste. South Texas claimed that statements made by Valley in December 2022 constituted negligent misrepresentations and that Valley's closure breached an implied contract, seeking damages based primarily on losses from its own long-term customer contracts.

PROCEDURAL HISTORY

South Texas Wastewater sued Valley Dewatering Services for negligent misrepresentation and breach of contract after Valley stopped accepting wastewater. Valley countersued on a sworn account and moved for traditional summary judgment on its claim and no-evidence summary judgment on South Texas's claims. The 476th District Court of Hidalgo County granted both motions, and South Texas appealed. The court of appeals affirmed.

DISPOSITION

affirmed

CASES CITED

- JLB Builders, L.L.C. v. Hernandez, 622 S.W.3d 860, 864 (Tex. 2021)
- Vaughn v. Vaughan, 710 S.W.3d 412, 418 (Tex. App.—Eastland 2025, pet. denied)
- Quick v. City of Austin, 7 S.W.3d 109, 116 (Tex. 1998)
- Fortitude Energy, LLC v. Sooner Pipe LLC, 564 S.W.3d 167, 180 (Tex. App.—Houston [1st Dist.] 2018, no pet.)
- Barrand, Inc. v. Whataburger, Inc., 214 S.W.3d 122, 143 (Tex. App.—Corpus Christi–Edinburg 2006, pet. denied)
- First United Pentecostal Church of Beaumont v. Parker, 514 S.W.3d 214, 219 (Tex. 2017)
- City of Stephenville v. Belew, 692 S.W.3d 347, 361 (Tex. App.—Eastland 2024, pet. denied)
- Goodyear Tire & Rubber Co. v. Mayes, 236 S.W.3d 754, 755 (Tex. 2007)

- Long v. Riedel, 710 S.W.3d 381, 388 (Tex. App.—Fort Worth 2025, no pet.)
- In re Cobb, 714 S.W.3d 656, 666 (Tex. App.—Corpus Christi–Edinburg 2024, no pet.)
- JPMorgan Chase Bank, N.A. v. Orca Assets G.P., L.L.C., 546 S.W.3d 648, 653–54 (Tex. 2018)
- Rhey v. Redic, 408 S.W.3d 440, 452 (Tex. App.—El Paso 2013, no pet.)
- AKB Hendrick, LP v. Musgrave Enters., Inc., 380 S.W.3d 221, 238 (Tex. App.—Dallas 2012, no pet.)
- Manon v. Solis, 142 S.W.3d 380, 389 (Tex. App.—Houston [14th Dist.] 2004, pet. denied)
- Airborne Freight Corp., Inc. v. C.R. Lee Enters., Inc., 847 S.W.2d 289, 292 (Tex. App.—El Paso 1992, writ denied)
- Crane v. Hanna, No. 13-18-00534-CV, 2020 WL 3478673, at *3 (Tex. App.—Corpus Christi–Edinburg June 25, 2020, no pet.) (mem. op.)
- Clayton v. Wisener, 169 S.W.3d 682, 684 (Tex. App.—Tyler 2005, no pet.)
- Raoger Corp. v. Myers, 711 S.W.3d 206, 213 (Tex. 2025)
- Van Marcontell v. Jacoby, 260 S.W.3d 686, 692 (Tex. App.—Dallas 2008, no pet.)
- Pathfinder Oil & Gas, Inc. v. Great W. Drilling, Ltd., 574 S.W.3d 882, 890 (Tex. 2019)
- Tabe v. Tex. Inpatient Consultants, LLLP, 555 S.W.3d 382, 385 (Tex. App.—Houston [1st Dist.] 2018, pet. denied)
- Enron Oil & Gas Co. v. Joffrion, 116 S.W.3d 215, 221 (Tex. App.—Tyler 2003, no pet.)
- Beaty v. Homeowners of Am. Ins. Co., No. 01-23-00844-CV, 2025 WL 2446008, at *6 (Tex. App.—Houston [1st Dist.] Aug. 26, 2025, no pet.) (mem. op.)
- McAllen Hosps., L.P. v. Lopez, 576 S.W.3d 389, 392 (Tex. 2019)
- Lindsey Constr., Inc. v. AutoNation Fin. Servs., LLC, 541 S.W.3d 355, 362–63 (Tex. App.—Houston [14th Dist.] 2017, no pet.)
- Angeles v. Brownsville Valley Reg'l Med. Ctr., Inc., 960 S.W.2d 854, 859 (Tex. App.—Corpus Christi–Edinburg 1997, pet. denied)
- Superior Phones, Ltd. v. Cherokee Commc'ns, Inc., 964 S.W.2d 325, 331 (Tex. App.—Corpus Christi–Edinburg 1998, pet. denied)
- Molina Healthcare of Tex., Inc. v. ACS Primary Care Physicians Sw., PA, No. 01-21-00727-CV, 2024 WL 3608192, at *10 (Tex. App.—Houston [1st Dist.] Aug. 1, 2024, no pet.) (mem. op.)
- G & H Towing Co. v. Magee, 347 S.W.3d 293, 297 (Tex. 2011)
- Cherokee Cnty. Cogeneration Partners, L.P. v. Dynege Mktg. & Trade, 305 S.W.3d 309, 314 (Tex. App.—Houston [14th Dist.] 2010, no pet.)
- Cont'l Holdings, Ltd. v. Leahy, 132 S.W.3d 471, 475 (Tex. App.—Eastland 2003, no pet.)
- Harris Cnty. v. Pulice Constr., Inc., No. 14-23-00818-CV, 2024 WL 4052762, at *6 (Tex. App.—Houston [14th Dist.] Sept. 5, 2024, no pet.) (mem. op.)
- DaimlerChrysler Motors Co., LLC v. Manuel, 362 S.W.3d 160, 181 (Tex. App.—Fort Worth 2012, no pet.)
- Signature Indus. Servs., LLC v. Int'l Paper Co., 638 S.W.3d 179, 186–87 (Tex. 2022)
- Parkway Dental Assocs., P.A. v. Ho & Huang Props., L.P., 391 S.W.3d 596, 609 (Tex. App.—Houston [14th Dist.] 2012, no pet.)

- El Dorado Motors, Inc. v. Koch, 168 S.W.3d 360, 367 (Tex. App.—Dallas 2005, no pet.)
- W. Mktg., Inc. v. AEG Petroleum, LLC, 616 S.W.3d 903, 922 (Tex. App.—Amarillo 2021), opinion modified on reh'g, 621 S.W.3d 88 (Tex. App.—Amarillo 2021, pet. denied)

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