

CREDIT AGREEMENT FOR WATER IMPACT FEES

This CREDIT AGREEMENT FOR WATER IMPACT FEES (the “Agreement”) is made and entered into by and between the CITY OF PFLUGERVILLE, Texas (the “City”), a Texas municipal corporation, and H-E-B, LP, a Texas limited partnership (the “Developer”) on this the ____ day of July, 2024. The City and the Developer may be referred to individually as a “Party” or collectively as the “Parties” herein.

WHEREAS the Developer has a recorded final plat for the East Pflugerville Parkway Commercial Center Subdivision (the “Plat”) and (ii) plans for the construction of Public Infrastructure Construction Plans for East Pflugerville Parkway Commercial Center, (2022-20-CON (the “Development”); and

WHEREAS developer of the East Pflugerville Parkway Commercial Center Subdivision (the “Development”), being one or more subdivisions located within the City, and the Developer is the current owner of that certain real property described in Exhibit A platted as Lot 1, Block A of the East Pflugerville Parkway Commercial Center Subdivision; and

WHEREAS, the Developer is constructing a 12” waterline along Colorado Sand Drive, and an 8” was the maximum capacity needed to serve their development, over a portion of their development located within the East Pflugerville Parkway Commercial Center Subdivision development; and

WHEREAS, the City desires to oversize the overall scope of the Project and related infrastructure to include an increase in the size of the water line from an 8” to a 12”, as approved through their Public Infrastructure Construction Plans (2022-20-CON) and described and/or depicted in Exhibit B (the “City Improvements”) to increase capacity of the infrastructure for the benefit of other anticipated development in the area; and

WHEREAS, the City adopted a water impact fee via Ordinance 1577-23-01-10 (the “Ordinance”) on April 14, 2020, requirements for which are codified as Chapter 152 of the City Code of Ordinances, for which provisions, requirements, and procedures are established in Chapter 395, Texas Local Government Code; and

WHEREAS, the Ordinance requires, upon the issuance of a building permit, payment of water impact fees for the City of Pflugerville’s water service area for the Development constructed within the Plat; and

WHEREAS, the Ordinance authorizes the City to enter into a credit agreement with an owner/developer of a tract of land which memorializes the credits for the construction and/or financing of requested facility expansions in Section 152.22 (“Credits”); and

WHEREAS, the cost of constructing the waterline with additional capacity from an 8” to a 12” according to City specifications is \$53,855.82 (the “Construction Cost”) as, as more precisely set forth in Exhibit C attached hereto; and

WHEREAS the total amount of water impact fees due by the Developer associated with the Development is \$197,078.80 dollars based on water impact fees in effect at the time the building permit was requested ("Collectible Water Impact Fees"), as approved by the City Engineer and shown in the memorandum attached for water impact fees in Exhibit D; and

WHEREAS the City Engineer has reviewed and approved the Construction Cost amount. The Developer has petitioned the City for Credits against Collectible Water Impact Fees owed for the Construction Costs for the facility expansion; and

WHEREAS, the Developer has posted a performance bond requiring completion and acceptance by the City of all improvements associated with this agreement in an amount of 110-percent of the total cost, attached hereto as Exhibit E; and

WHEREAS the City desires to offset the Construction Cost as Credits against the Collectible Water Impact Fees due upon the construction and acceptance by the City of the waterline improvements.

NOW, THEREFORE, as of the Effective Date of this Agreement, the Parties agree as follows:

1. The recitals above are accurate and fully incorporated into this Agreement.
2. The Developer shall construct the water line improvements consistent with all applicable codes and agreements with the City and shall dedicate such improvements to the City.
3. Per the Agreement, the Developer is entitled to Credits totaling the Construction Costs to be applied against the Collectible Water Impact Fees. In no event will Credits be applied in excess of the amount approved through this agreement. The Credits shall be applied against the balance of the Collectible Water Impact Fees when due and payable, per the Ordinance, and Developer will only be responsible for paying the amount of the Collectible Water Impact Fees less the amount of the Credits.

[Signature Pages Follow]

EXECUTED to be effective the day and year first above written.

CITY:

City of Pflugerville,
a Texas municipal corporation

By: _____

Signature: _____

Name: Sereniah Breland, City Manager

Date: _____

APPROVED AS TO FORM:

Charles E. Zech

City Attorney

Denton Navarro Rodriguez Bernal Santee & Zech, P.C.

DEVELOPER:

By:

H-E-B, LP

A Texas Limited Partnership

AG

By:

Name: Benjamin R. Scott

Title: Group Vice President of Real Estate
And Shopping Center Development

Date: July 23, 2024

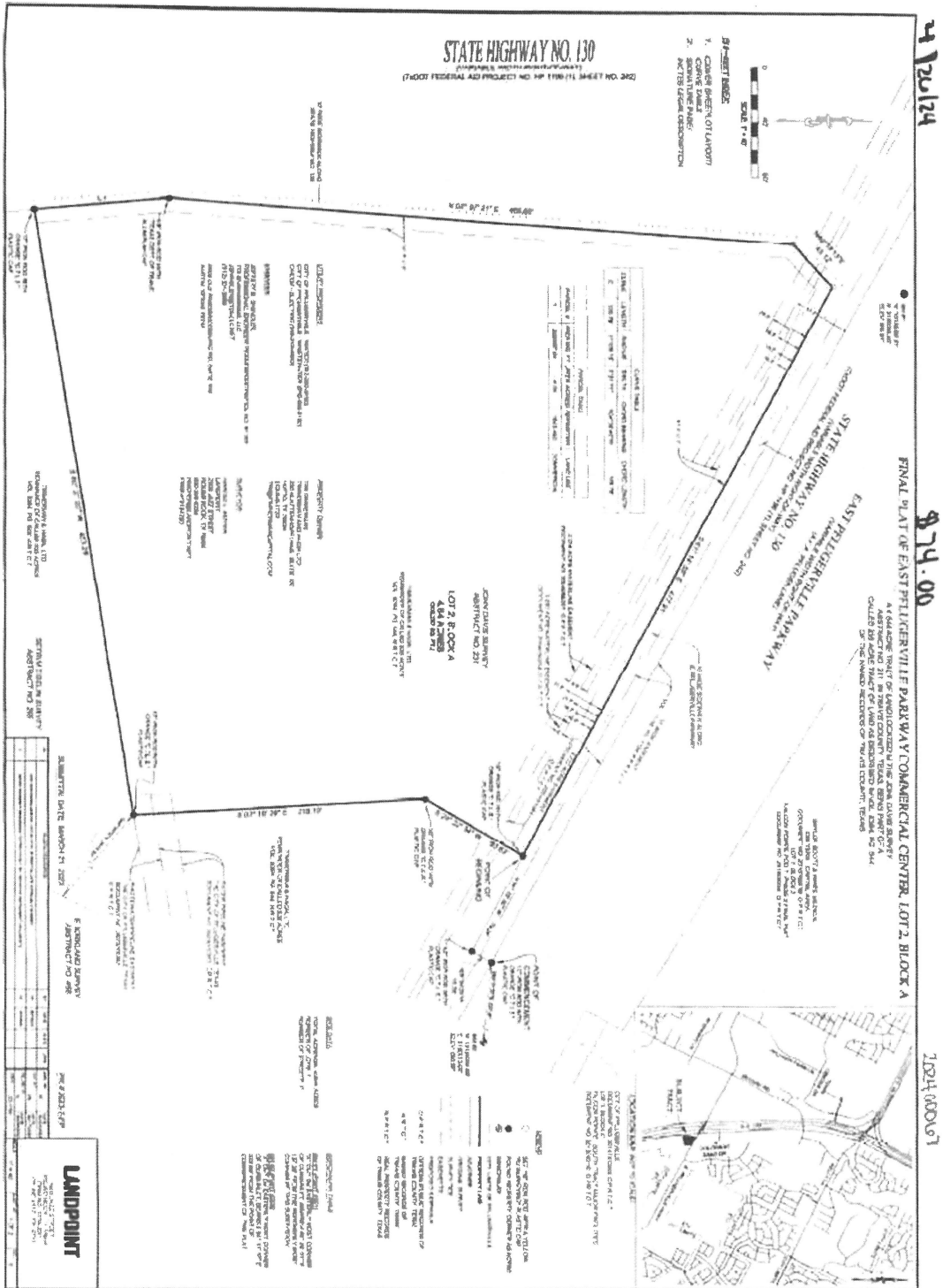
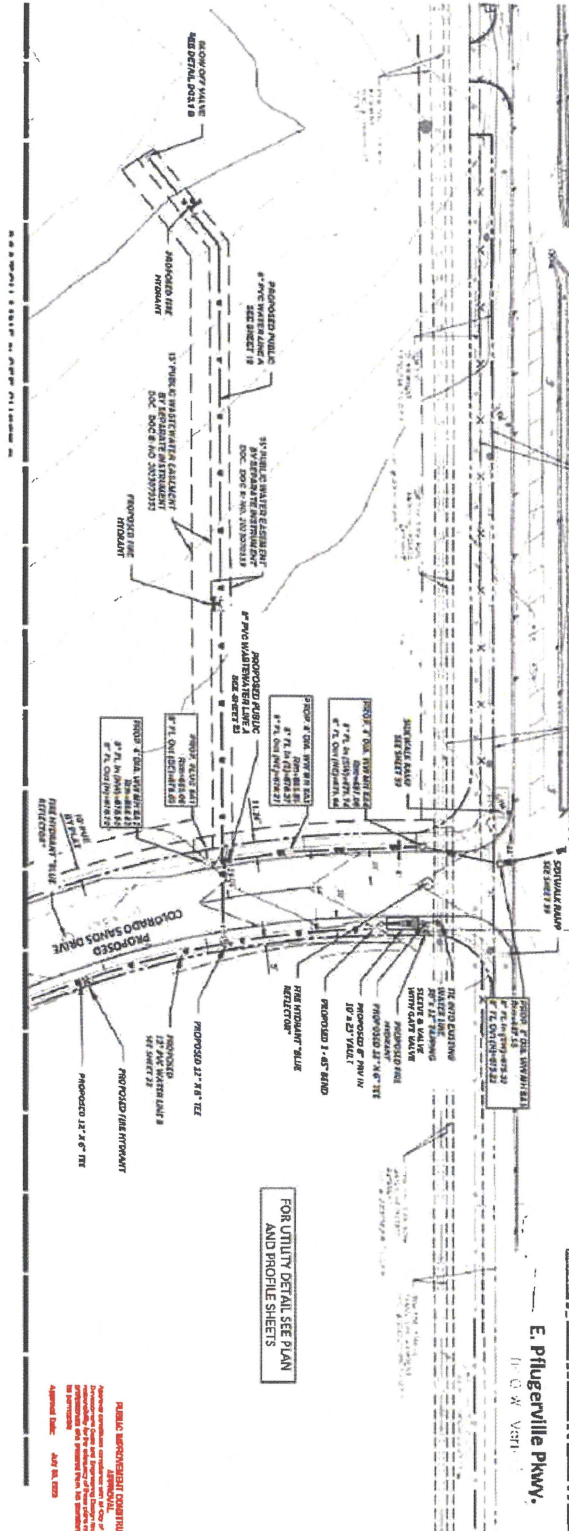
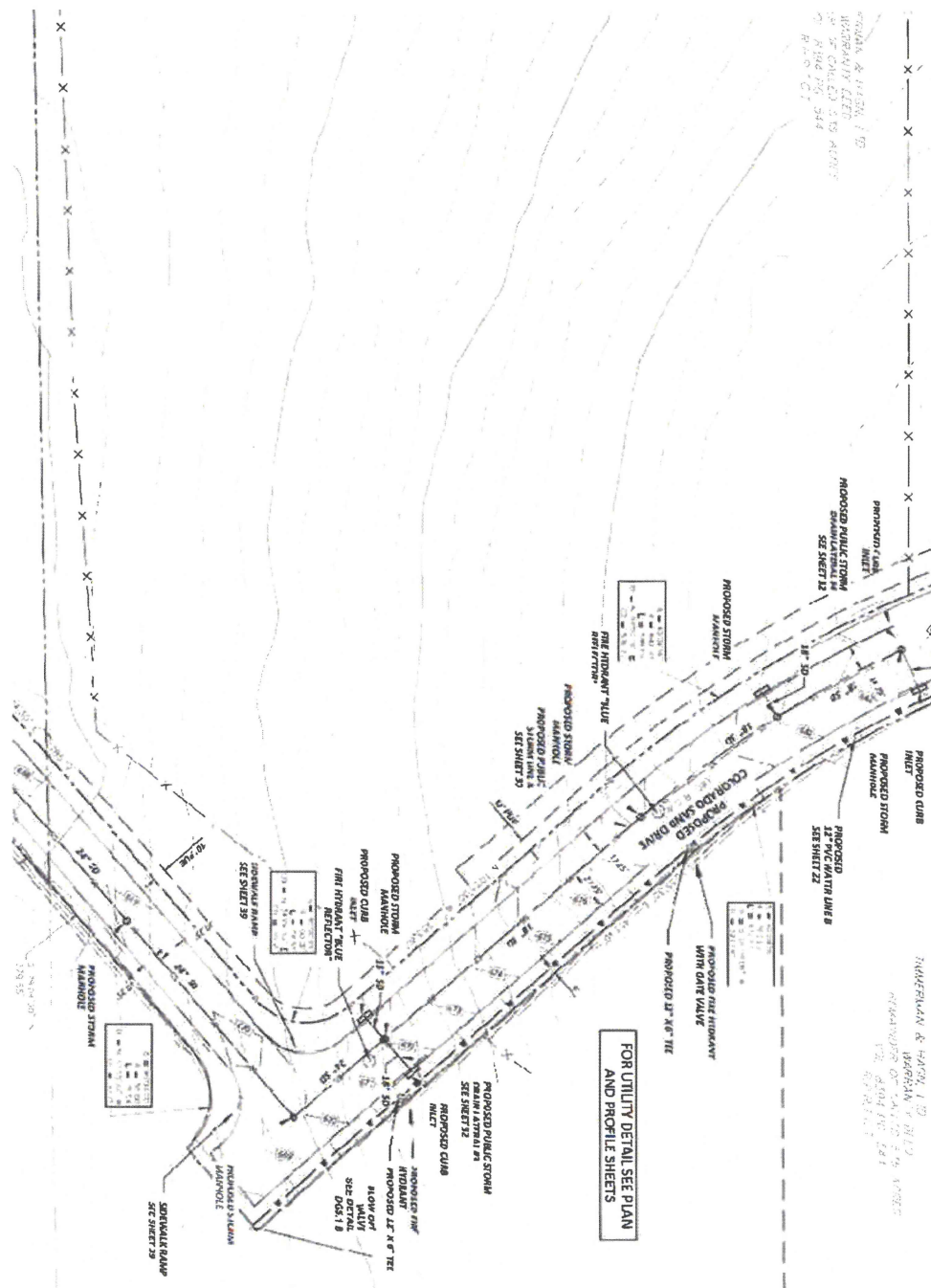
Exhibit A

Exhibit B



FOR UTILITY DETAIL SEE PLAN
AND PROFILE SHEETS



EXISTING LEGEND

- FIRE HYDRANT W/ GATE VALVE
- WATERLINE W/ GATE VALVE
- WATERLINE W/ HYDRANT
- WASTEWATER W/ MANHOLE
- WASTEWATER W/ CLEANOUT
- STORM SEWER W/ MANHOLE
- STORM SEWER W/ CLEANOUT
- OVERHEAD ELEC W/ POWER POLE
- GAS LINE
- GROUND CONTOUR
- TIE TO DEAN
- TIE TO DEAN
- TIE TO DEAN

PROPOSED LEGEND

- FIRE HYDRANT W/ GATE VALVE
- WATERLINE W/ GATE VALVE
- WATERLINE W/ HYDRANT
- WASTEWATER W/ MANHOLE
- WASTEWATER W/ CLEANOUT
- STORM SEWER W/ MANHOLE
- STORM SEWER W/ CLEANOUT
- OVERHEAD ELEC W/ POWER POLE
- GAS LINE
- 4\"/>

Exhibit C



HEB Pflugerville 03 - 12" Waterline				
Public Water	Qty	Unit	Unit Cost	Amount
12" Pipe	980	LF	\$101.95	\$ 99,909.15
12" Misc Bends, Tees, Restraints	74	EA	\$328.76	\$ 24,328.53
12" Valves	7	EA	\$5,097.41	\$ 35,681.84
30x12" TS&V	1	EA	\$13,091.06	\$ 13,091.06
Spoils Hauling	2500	CY	\$21.72	\$ 54,304.75
Public Water Subtotal:				\$ 227,315.32

HEB Pflugerville 03 - 8" ILO 12" Waterline				
Public Water	Qty	Unit	Unit Cost	Amount
8" Pipe ILO 12"	980	LF	\$69.51	\$ 68,119.87
8" ILO 12" Misc Bends, Tees, Restraints	74	EA	\$291.43	\$ 21,565.50
8" ILO 12" Valves	7	EA	\$3,330.69	\$ 23,314.84
30x8" ILO 30x12" TS&V	1	EA	\$11,585.01	\$ 11,585.01
Spoils Hauling	2500	CY	\$19.55	\$ 48,874.27
Public Water Subtotal:				\$ 173,459.50



Exhibit D

MEMORANDUM

Date: July 28, 2023

To: Building Department
Development Services Center

From: Gordon Haws, P.E., P&DS

RE: Project

HEB at SWC of Colorado Sand and Pflugerville Parkway with
associated fueling station

Permit Number:

2022-67-SP

Number and Size of Water Meters:

One 3" domestic WM, one 1-1/2" domestic WM, and one 2"
irrigation WM

Water Service Provider:

City of Pflugerville

Wastewater Service Provider:

City of Pflugerville

Date Platted:

Approved by P&D on 2/6/2023

Applicable Impact Fee Ordinance:

1577-23-01-10

The applicant must pay the community impact fees and water meter deposit fees prior to issuance of building permit. The following fees are per the impact fee Ordinance No. 1577-23-01-10.

Proposed Meter Sizes Per Approved Site Plan:

3" domestic compound water meter:	21.3 SU(s)
1-1/2" domestic water meter:	3.3 SU(s)
2" irrigation water meter:	6.7 SU(s)

Community Impact Fee:

3" domestic compound water meter:	\$29,849 x	21.3 SU(s)	=	\$635,783.70 (See Note 1)
1-1/2" domestic water meter:	\$29,849 x	3.3 SU(s)	=	\$98,501.70 (See Note 1)
2" irrigation water meter:	\$14,713 x	6.7 SU(s)	=	\$98,577.10 (See Note 2)

Tap Fees:

2 Domestic Water Meter Taps	2 x \$250.00	=	\$500.00
2 Wastewater Taps	2 x \$250.00	=	\$500.00
1 Irrigation Meter Taps	1 x \$250.00	=	\$250.00

Deposits:

2 Domestic Water Meter	2 x \$125.00	=	\$250.00
1 Irrigation Meter	1 x \$125.00	=	\$125.00
Total Fee Due =			\$834,457.50

Notes:

- Both water and wastewater impact fees are due for domestic water meters. The water impact fee is \$14,713. The wastewater impact fee is \$15,136 for this area, for a total of \$29,849.
- Only the water impact fee is due for irrigation water meters. The water impact fee is \$14,713 for this area.

CC:

Emily Barron, ACP, Asst City Manager	Thomas Hunter, Asst City Manager
Jeremy Frazzell, P&DS Director	Jeff Dunsworth, City Engineer
Robyn Miga, P&DS Asst Director	Brandon Prichett, Utility Director
Nathan Jones, P&DS Planning Manager	Shelby Granger, Utility Superintendent
Deedee Martinez, P&DS Coordinator	Matt Johns, Utility Superintendent
Kimberly Brown, P&DS Permit Tech	Max Walther, Utility Superintendent
Katie Parsons, P&DS Permit Tech	Andrea Brakley, CIP Director
Martie Simpson, Interim Finance Director	Julie Fuller, Utility Business Ops Manager
Shelby Granger, Utility Superintendent	

Exhibit E

AmegyBank.

ZIONS BANCORPORATION, N.A.
DBA AMEGY BANK
INTERNATIONAL BANKING
1717 WEST LOOP SOUTH, 10TH FL
HOUSTON, TX 77027
SWIFT: ZFNB US 55 HOU

OCTOBER 26, 2023

IRREVOCABLE STANDBY LETTER OF CREDIT NO. SUPTX300469

APPLICANT:

H-E-B, L.P.
646 SOUTH FLORES ST
TREASURY-CYPRESS 5
SAN ANTONIO, TEXAS 78204

BENEFICIARY:

CITY OF PFLUGERVILLE
100 W. MAIN ST
PFLUGERVILLE, TX 78691

AMOUNT: USD 834,487.50 (EIGHT HUNDRED AND THIRTY FOUR THOUSAND FOUR HUNDRED AND EIGHTY SEVEN US DOLLARS AND FIFTY)

EXPIRY DATE: OCTOBER 16, 2024

ATTENTION: JEREMY FRAZZELL

AT THE REQUEST OF THE APPLICANT, WE HEREBY ESTABLISH OUR IRREVOCABLE STANDBY LETTER OF CREDIT IN YOUR FAVOR AS BENEFICIARY UP TO AN AGGREGATE AMOUNT OF USD 834,487.50 (EIGHT HUNDRED THIRTY FOUR THOUSAND FOUR HUNDRED EIGHTY SEVEN AND FIFTY CENTS US DOLLARS).

THIS LETTER OF CREDIT IS AVAILABLE FOR PAYMENT AGAINST PRESENTATION OF YOUR DRAFT(S) AT SIGHT DRAWN ON ZIONS BANCORPORATION, N.A. DBA AMEGY BANK, BEARING THE CLAUSE: "DRAWN UNDER LETTER OF CREDIT NO. SUPTX300469 OF ZIONS BANCORPORATION, N.A. DBA AMEGY BANK, HOUSTON, TEXAS" TO BE ACCOMPANIED BY ORIGINAL LETTER OF CREDIT AND ALL AMENDMENTS THERETO (IF ANY) AND THE FOLLOWING DOCUMENTS REQUIRED AS NOTED BELOW.

THE ORIGINAL LETTER OF CREDIT WILL BE RETURNED TO YOU FOLLOWING OUR NOTATION THEREON OF THE AMOUNT OF SUCH DRAFT(S) DRAWN HEREUNDER. IF THE AMOUNT OF THE DRAFT IS FOR THE FULL AMOUNT OF THIS LETTER OF CREDIT, THE ORIGINAL LETTER OF CREDIT WILL BE RETAINED BY US.

1. BENEFICIARY'S WRITTEN STATEMENT PURPORTEDLY SIGNED BY JEREMY FRAZZELL READING AS FOLLOWS:

"THE UNDERSIGNED IS AN AUTHORIZED REPRESENTATIVE OF THE CITY OF PFLUGERVILLE (HEREINAFTER "BENEFICIARY") AND HAS THE AUTHORITY TO MAKE THE FOLLOWING STATEMENT:
BENEFICIARY HEREBY CERTIFIES THAT THE FUNDS DRAWN UNDER THIS LETTER OF CREDIT ARE DRAWN IN ACCORDANCE WITH CITY OF PFLUGERVILLE UNIFIED DEVELOPMENT CODE AND ASSOCIATED PROVISIONS REGARDING WATER AND WASTEWATER IMPACTS FEES ASSOCIATED WITH 2641 E. PFLUGERVILLE PKWY, PFLUGERVILLE, TX 78660.

ADDITIONAL CONDITIONS:



PARTIAL DRAWINGS ARE PERMITTED HOWEVER THE AGGREGATE AMOUNT OF ALL DRAWINGS MAY NOT EXCEED THE STATED AMOUNT.

WE HEREBY AGREE WITH YOU THAT ALL DRAFT(S) AND DOCUMENT(S) DRAWN UNDER AND IN COMPLIANCE WITH THE TERMS AND CONDITIONS OF THIS LETTER OF CREDIT WILL BE HONORED UPON PRESENTATION TO US AS SPECIFIED HEREIN ON OR BEFORE THE EXPIRATION DATE OF THIS STANDBY LETTER OF CREDIT. IN THE EVENT OF A DRAWING, ALL ORIGINAL DOCUMENTS INCLUDING THIS ORIGINAL STANDBY LETTER OF CREDIT AND SIGHT DRAFT MUST BE DISPATCHED IN ONE LOT BY OVERNIGHT COURIER DIRECTLY TO OUR INTERNATIONAL DEPARTMENT AT 1717 WEST LOOP SOUTH, 10TH FLOOR, HOUSTON, TEXAS 77027.

THIS LETTER OF CREDIT IS SUBJECT TO THE INTERNATIONAL STANDBY PRACTICES 1998 (ISP98), INTERNATIONAL CHAMBER OF COMMERCE PUBLICATION NO. 590 ("ISP98"), AND AS TO MATTERS NOT ADDRESSED BY THE ISP98 IS SUBJECT TO AND GOVERNED BY TEXAS STATE LAW AND APPLICABLE U.S. FEDERAL LAW.

IN ALL CORRESPONDENCE, PLEASE QUOTE OUR REFERENCE: SUPTX300469

SHOULD YOU HAVE ANY QUESTIONS REGARDING THIS LETTER OF CREDIT, PLEASE CONTACT OUR INTERNATIONAL DEPARTMENT AT TEL. 713 232-2160 OR 713-232-2083, OR BY EMAIL TO INTERNATIONAL@AMEGYBANK.COM.

ZIONS BANCORPORATION N.A. DBA AMEGY BANK



AUTHORIZED SIGNATURE

Blanca Pineda, VP

LETTER OF CREDIT NO.: SUPTX300469