WASTEWATER FACILITIES FUNDING AND CONSTRUCTION AGREEMENT

STATE OF TEXAS §

COUNTY OF TRAVIS §

This Wastewater Facilities Funding and Construction Agreement (this "<u>Agreement</u>") by and between **Terrell Timmermann Farms LP**, a Texas limited partnership, a successor in interest to Terrell Timmermann, ("<u>Developer</u>"), **NEW SWEDEN MUNICIPAL UTILITY DISTRICT NO. 2**, a conservation and reclamation district of the State of Texas ("<u>District</u>"), and the **CITY OF PFLUGERVILLE**, a home-rule municipality located in Travis County, Texas ("<u>City</u>") is made and entered into effective as of the last date of execution below (the "<u>Effective Date</u>"). Developer, District and City are individually referred to herein as a "*Party*" and collectively as the "*Parties*".

RECITALS

WHEREAS, the City, Wilson Family Communities, Inc. ("<u>Wilson</u>"), RMD Holdings, L.P., and New Sweden MPC, L.P. entered into that certain "New Sweden Development Agreement" dated March 14, 2007 (the "<u>Prior Development Agreement</u>") setting forth terms and conditions for development of certain real property described therein;

WHEREAS, the real property more particularly described on **Exhibit "A"** attached hereto (the "<u>Property</u>") represents a portion of the property that was the subject of the Prior Development Agreement;

WHEREAS, the Developer desires to develop the Property as a master-planned single family residential community to be known as "*New Sweden MUD 2*" (the "*Project*");

WHEREAS, the City and the District are parties to that certain "Retail Service Agreement" executed by the District on January 31, 2008, relating to the provision of retail wastewater service by the City to customers within the District (the "*Prior Sewer Agreement*"): ;

WHEREAS, the Prior Sewer Agreement provided for the City to construct a wastewater treatment plant adjacent to the boundaries of New Sweden MUD No. 1 and for the provision of retail wastewater service by the City to future customers within the Property;

WHEREAS, the Parties no longer desire for the City to fund and construct a wastewater treatment plant adjacent to the boundaries of New Sweden MUD No. 1 for service to customers within the District and instead desire to provide for the City to construct regional wastewater lift station and force main improvements that will allow the City to provide wholesale wastewater service to the District (and to provide retail and/or wholesale service to other customers of the City);

WHEREAS, the Developer desires to release the City of its obligation to fund and construct a wastewater treatment plant under the Prior Sewer Agreement;

WHEREAS, the City and the District are entering into a separate wholesale wastewater service agreement simultaneously herewith setting forth the terms and conditions pursuant to which the City shall provide wholesale wastewater treatment and disposal services to the District for wastewater generated within the Property; and

WHEREAS, the Parties desire to enter into this Agreement in order to release the City of its obligation to fund and construct a wastewater treatment plant and to provide retail wastewater service to the Property; and to provide for the funding and construction of a regional lift station and force main improvements so that the City may provide wholesale wastewater services to the District for the Property.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants hereinafter set forth and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

ARTICLE I RECITALS AND DEFINITIONS

Section. 1.1. Recitals. The Parties agree that the recitals above, including defined terms, are incorporated herein by reference for all purposes as if copied verbatim.

Section. 1.2. Definitions.

- A. "Agreement" means this Wastewater Facilities Funding and Construction Agreement.
- B. "<u>Applicable Rules</u>" means the City's rules and regulations applicable to the construction of the Internal Facilities and payment of Wastewater Impact Fees.
- C. "<u>City System</u>" means the City's municipal wastewater system, as modified from time to time, including the City Wastewater Project upon completion thereof. The City System shall not include the Internal Facilities, which shall be owned and operated by the District.
- D. "<u>City Force Main Project</u>" means the wastewater force main improvements to be constructed by the City for transporting wastewater from the Wastewater Lift Station Project to the City System, as more particularly identified in **Exhibit "D"**.
- E. "<u>City Lift Station Project</u>" means the wastewater lift station and related appurtenances to be constructed by the City to collect wastewater from the Property for subsequent transmission through the Wastewater Force Main Project to the City System, as more particularly identified in <u>Exhibit "E"</u>.
- F. "<u>City Wastewater Project</u>" means the City Lift Station Project and the City Force Main Project, collectively.
- G. "<u>Effective Date</u>" means the last date of execution of this Agreement by the Parties; provided, this Agreement must be executed by all Parties to be effective.
- H. "<u>Interconnection Facilities</u>" means the wastewater facilities to be constructed by the Developer on behalf of the District to connect the Internal Facilities to the City System, as more particularly identified on <u>Exhibit "C."</u>

- I. "<u>Internal Facilities</u>" means the internal wastewater collection system infrastructure to be constructed by the Developer on behalf of the District and subsequently conveyed to the District for providing retail wastewater service to customers within each Phase of development of the Property, including all facilities required to connect such internal collection facilities to the City System.
- J. "<u>Living Unit Equivalent</u>" or "<u>LUE</u>" means the quantity of retail wastewater service associated with one single-family residential unit, as determined by City in accordance with Applicable Rules.
- K. "<u>Phase</u>" means the area containing one or more subdivisions within the Property for which the Internal Facilities are constructed by the Developer under a single construction contract for the Phase. A Phase need not be adjacent to each preceding phase or developed in any particular numeric order provided service is established from all phases to the Lift Station.
- L. "<u>Points of Connection</u>" means the point(s) of connection of the Internal Facilities and the Interconnection Facilities with the City System, as determined by plans approved by the City.
- M. "Property" means the real property described in **Exhibit "A"** attached hereto and any additional lands annexed into the District.
- N. "Service Availability Date" means two years after the last date of execution of this Agreement, which represents the date by which the wholesale wastewater service will be available by the City to the District for the Property. If the City Wastewater Project is not completed, accepted and in operation by the Service Availability Date, then the City will otherwise furnish wholesale wastewater service to the District in accordance with the Wholesale Wastewater Service Agreement (by pump and haul or otherwise).
- O. "<u>TCEQ</u>" or "<u>Commission</u>" means the Texas Commission on Environmental Quality.
- P. "<u>Wastewater Impact Fee</u>" means the wastewater impact fee to be charged by the City for each new wastewater service connection within the Property in accordance with Chapter 395 of the Local Government Code and the Applicable Rules.
- Q. "<u>Wholesale Wastewater Agreement</u>" means the Agreement Regarding Wholesale Wastewater Service to be executed by the City and District simultaneously herewith setting forth the terms and conditions pursuant to which the City shall provide wholesale wastewater services to the District for the Property.
- **Section. 1.3. Interpretations.** This Agreement and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein and to sustain the

validity of this Agreement. The Parties agree that this Agreement shall not be construed in favor of or against either Party on the basis that the Party did or did not author the Agreement.

ARTICLE II PRIOR AGREEMENTS

- **Section. 2.1. Effect on Prior Agreements**. The Parties agree that this Agreement shall replace and supersede all prior agreements between the Parties relating to the provision of wastewater service to the Property. The Parties agree that the Prior Agreements, and any and all other agreements that relate to the provision of wastewater service to the Property or the funding and construction of wastewater improvements for service to the Property, are hereby terminated for all purposes as they relate to the Property.
- Section. 2.2. Release of City's Obligation to Fund and Construct Wastewater Treatment Plant and Provide Retail Sewer Services. Subject to the City's compliance with its obligations under this Agreement and the Wholesale Wastewater Agreement, Developer and District hereby release the City of any obligation to fund and construct a wastewater treatment plant adjacent to New Sweden MUD No. 1 and to provide retail sewer services to the Property.

ARTICLE III DESIGN AND CONSTRUCTION OF INTERNAL FACILITIES AND INTERCONNECTION FACILITIES

- Section. 3.1. Internal Facilities. The Developer, on behalf of the District and at Developer's sole expense, shall construct all Internal Facilities that are necessary and required to serve the Property. The Internal Facilities will be designed and constructed in accordance with the Applicable Rules, ordinances, rules and regulations of the City in effect as of the Effective Date of this Agreement, and shall be constructed in accordance with plans and specifications approved by the City Engineer, which shall not be unreasonably withheld, delayed or conditioned. Neither Developer nor the District will be required to pay for or construct any improvements to the City's existing utility systems or other offsite improvements required to serve the Property, save and except the Interconnection Facilities, it being agreed that the City will construct all other improvements to the City System required to furnish wholesale wastewater services to the District. Further, except as provided herein, unless Developer's service requirements for the Property change or the Parties otherwise agree, the City will not require that the Developer or District oversize, finance, or construct any Internal Facilities to serve any lands other than the Property.
- **Section. 3.2. Ownership and Conveyance of Internal Facilities**. The District shall own and operate the Internal Facilities.
- **Section. 3.3. Points of Connection**. So that the City may provide wholesale wastewater service to the District in accordance with the Wholesale Wastewater Agreement, the Developer shall construct the Internal Facilities and Interconnection Facilities as necessary for connection to the City System at the Points of Connection approved by the Parties.
- **Section. 3.4. Manner of Connection.** The Developer will connect the Internal Facilities to the City System at the Points of Connection by the construction of the Interconnection Facilities. The District will ensure that the Interconnection Facilities and Internal Facilities are constructed by the Developer in compliance with the approved plans and specifications, with such

plans and specifications being designed in accordance with applicable regulations and construction standards of the City and the Texas Commission on Environmental Quality ("<u>TCEQ</u>"). In the event that there is any conflict between these regulations, standards and specifications, the more stringent regulations, standards and specifications will apply.

Section. 3.5. Approval of Plans.

- (a) All plans and specifications for Internal Facilities and Interconnection Facilities to be constructed by or on behalf of the District after the effective date of this Agreement shall be engineered and designed by a Texas Registered Professional Engineer ("<u>Project Engineer</u>") and subject to the review and approval by a Texas Registered Professional Engineer engaged or employed by the City ("<u>City Engineer</u>") prior to commencement of construction.
- City Engineer shall review and approve all plans and specifications of the Interconnection Facilities constructed after the effective date of this Agreement in accordance with this paragraph prior to the commencement of construction by Developer or District. The Developer or District shall not commence construction of the Interconnection Facilities unless and until City Engineer provides its approval of all plans and specifications for the Interconnection Facilities in accordance with this paragraph. Approval shall be deemed granted if it is issued by the City Engineer in writing either via electronic or postal mail, or otherwise deemed granted as set forth in this paragraph. City Engineer shall review and either (i) approve, or (ii) provide comments and/or request revisions with respect to, any plans or specifications submitted by District Engineer within twenty (20) business days after the Project Engineer's submission of the same. If City Engineer provides detailed comments or requested revisions to any plans, specifications, or both submitted by Project Engineer, Project Engineer shall resubmit any plans, specifications, or both addressing City Engineer's comments or requested revisions within ten (10) business days of District Engineer's receipt of such comments or requests, and City Engineer shall either (i) approve, or (ii) provide detailed comments and/or request revisions with respect to, any resubmissions within ten (10) business days of such resubmission. The City Engineer's comments or requested revisions relating to the resubmittal shall be limited to the subject matter raised in the engineer's original comments and requested revisions. Any extensions to the time periods set forth in this paragraph may be made so long as the Parties agree to the extension in writing before such time expires. Absent an agreed extension, plans and specifications shall be deemed to have been approved if the City Engineer does not provides comments or request changes within the time periods set forth above.
- (c) If, after approval of plans and specifications for the Internal Facilities and Interconnection Facilities, District or Developer fail to enter a construction contract for those facilities within one year of the date of approval of such plans, Project Engineer must resubmit the plans and specifications for review and approval by the City Engineer to assure their conformity with City's or TCEQ's then current specifications, laws, ordinances, and regulations. If such plans and specifications do not conform to those existing standards, then, District or Developer will revise the plans and specifications to meet the City's or TCEQ's standards before commencement of construction.
- **Section. 3.6. Notification of Commencement of Construction.** After all required approvals for construction of the Internal Facilities and the Interconnection Facilities are obtained, but prior to commencement of construction, District or Developer shall provide at least seven (7) days written notice to the City of the date on which construction of the same is scheduled to commence to allow the City to assign an inspector.

Section. 3.7. Inspection and Acceptance of Facilities.

- (a) Notwithstanding City's final inspection of the Interconnection Facilities, District and Developer agree that City has the right to make periodic inspections during the construction phase of the Internal Facilities and the Interconnection Facilities. Upon request, District or Developer shall arrange to provide lawful and reasonable access to the City for such purposes. Developer will pay all applicable fees for the inspection of Internal Facilities and the Interconnection Facilities by the City. Acceptance of the Interconnection Facilities is subject to final inspection and approval by the City.
- (b) The District will dedicate the Interconnection Facilities to the City by District for ownership, operation, and maintenance at such time that the Developer has been reimbursed for the costs of such facilities and the District has obtained ownership of such facilities, or at such earlier time as may be agreed upon by the Parties.
- **Section. 3.8. As-Built or Record Drawings Required.** Developer shall provide asbuilt or record drawings of all completed facilities comprising the Internal Facilities and the Interconnection Facilities to the City within 30 calendar days after final completion of construction and acceptance by the District.

ARTICLE IV FUNDING, DESIGN AND CONSTRUCTION OF CITY WASTEWATER PROJECT

Section. 4.1. Funding of City Wastewater Project. The City shall be responsible for payment of all costs and expenses of the City Wastewater Project including without limitation the following: (i) all costs of engineering, materials, labor, construction and inspection arising in connection with the City Wastewater Project; (ii) all payments arising under any contracts entered into by the City for the construction of the City Wastewater Project; (iii) all costs incurred by the City in connection with obtaining governmental approvals, certificates, permits, easements, rights-of-way, or sites required as a part of the construction of the City Wastewater Project; (iv) all legal fees and expenses incurred by the City relating to the City Wastewater Project, including the negotiation and preparation of this Agreement, preparation and recordation of any easements, and (v) all other costs and expenses otherwise incurred by the City with respect to the City Wastewater Project.

Section. 4.2. Design of City Wastewater Project.

The City shall design the City Wastewater Project to include sufficient capacity to serve to furnish wholesale wastewater service to the District for the Property.

- **Section. 4.3.** Construction of City Wastewater Project. The City will fund, design, permit and construct the City Wastewater Project and all other improvements to the City System required to furnish wholesale wastewater service to the District for the Property excluding only the Internal Facilities and the Interconnection Facilities to be constructed by the Developer.
- **Section. 4.4.** Capacity of City Wastewater Project. The City hereby dedicates and conveys to Developer _516_____ LUEs of wastewater service capacity in the City Wastewater Project and City System for use to lands within the Property only. Under no circumstances shall the City redirect or allow others to utilize such capacity whether on a permanent or temporary basis.

The City specifically agrees that the Developer shall acquire an interest in the capacity, and contract rights for service to the Property, for _1,165_____ LUEs; that Developer may convey such capacity and service rights to the District; and that the Developer shall have the right to be reimbursed by the District for said capacity and contract rights.

Section. 4.5. Wholesale Service. On and after the Service Availability Date, the City shall make wholesale wastewater service available to the District for the Property in a quantity necessary to serve development within the Property as it progresses in a quantity not to exceed _516_____ LUEs in accordance with the terms and conditions of the Wholesale Wastewater Agreement.

ARTICLE V IMPACT FEES

Section. 5.1. Impact Fees.

(a) A Wastewater Impact Fee shall be paid for each new service connection within the Property in accordance with the terms and conditions of the Wholesale Wastewater Agreement.

ARTICLE VI REAL PROPERTY MATTERS

- **Section. 6.1.** City Wastewater Project. The City shall be solely responsible for securing all real property rights necessary for the City Wastewater Project at the City's sole cost and expense.
- **Section. 6.2. Interconnection Facilities**. To the extent that any portion of the Interconnection Facilities are located on lands owned by the City, the City shall grant to the District and Developer temporary construction and access easements, and such other rights as may be necessary for construction and operation of such facilities, which easement and access rights shall terminate upon conveyance of the facilities by the City.

ARTICLE VII TERM

Section. 7.1. Term. This Agreement shall become effective as of the Effective Date and shall remain in effect for a period of fifty (50) years.

ARTICLE VIII REMEDIES

Section. 8.1. City Remedies. If Developer or District fails or refuses to timely comply with any of its obligations hereunder, or if, Developer's or District's representations, warranties or covenants contained herein are not true or have been breached, City will have the right to enforce

this Agreement, after providing notice and opportunity to cure in accordance with <u>Section 8.4</u> below, by any remedy at law or in equity or under this Agreement to which it may be entitled.

Section. 8.2. Developer Remedies. If City or District fails or refuses to timely comply with any of its obligations hereunder, or if, City's or District's representations, warranties or covenants contained herein are not true or have been breached, Developer will have the right, after providing notice and opportunity to cure in accordance with <u>Section 8.4</u> below, to enforce this Agreement by any remedy at law or in equity.

Section. 8.3. District Remedies. If Developer or City fails or refuses to timely comply with any of its obligations hereunder, or if, Developer's or City's representations, warranties or covenants contained herein are not true or have been breached, District will have the right to enforce this Agreement, after providing notice and opportunity to cure in accordance with <u>Section 8.4</u> below, by any remedy at law or in equity or under this Agreement to which it may be entitled.

Section. 8.4. Notice and Opportunity to Cure. If any Party (referred to herein as the "Defaulting Party") fails to comply with its obligations under this Agreement or is otherwise in breach or default under this Agreement (collectively, a "Default") then any of the other Parties (referred to herein as the "Non-Defaulting Party") may not invoke any rights or remedies with respect to the Default until and unless: (i) the Non-Defaulting Party delivers to the Defaulting Party a written notice (the "Default Notice") which specifies all of the particulars of the Default and specifies the actions necessary to cure the Default; and (ii) the Defaulting Party fails to cure, within ten (10) days after the Defaulting Party's receipt of the Default Notice, any matters specified in the Default Notice which may be cured solely by the payment of money or the Defaulting Party fails to commence the cure of any matters specified in the Default Notice which cannot be cured solely by the payment of money within a reasonable period of time after the Defaulting Party's receipt of the Default Notice or fails to thereafter pursue curative action with reasonable diligence to completion.

ARTICLE IX NOTICES

Section. 9.1. Notices. Any notice given under this Agreement must be in writing and may be given: (i) by depositing it with Federal Express or another delivery service guaranteeing "next day delivery", addressed to the Party to be notified and with all charges prepaid; or (ii) by personally delivering it to the Party, or any agent of the Party listed in this Agreement. Notice given in any manner will be effective when received. For purposes of notice, the addresses of the Parties will, until changed as provided below, be as follows:

CITY: Pflugerville City Manager

Attn. Planning & Development

Services PO Box 589

Pflugerville, Texas 78691-0589

Main

St.

Pflugerville, TX 78660

100

DEVELOPER:

W.

Terrell Timmermann Farms LP 501 Vale Street Austin, TX 78746 With a copy to:

David Armbrust Armbrust & Brown 100 Congress Ave. STE 1300 Austin, TX 78746

MUD2:

New Sweden Municipal Utility District No. 2 c/o Montoya and Monzingo P.O. Box 2029 Pflugerville, TX 78691 203 N. Railroad Ave. Pflugerville, TX 78660 Email: jeff@jeffmcpa.com

The Parties may change their respective addresses to any other address within the United States of America by giving at least five (5) days' written notice to the other Parties. Any Party may, by giving at least five (5) days' written notice, designate additional parties to receive copies of notices under this Agreement.

ARTICLE X MISCELLANEOUS

- **Section. 10.1. District Reimbursements**. The Developer will have the right to be reimbursed by the District for all sums advanced and paid on behalf of the District, including for Wastewater Impact Fees and facilities funded or constructed to provide wastewater service to the Property, from the proceeds of bonds issued by the District.
- **Section. 10.2. Execution.** This Agreement may be simultaneously executed in any number of counterparts, each of which will serve as an original and will constitute one and the same instrument.
- **Section. 10.3.** Costs and Expenses. Except as otherwise expressly provided herein, each Party will be responsible for all costs and expenses incurred by such Party in connection with the transaction contemplated by this Agreement.
- **Section. 10.4. Governing Law.** This Agreement will be governed by the Constitution and laws of the State of Texas, except as to matters exclusively controlled by the Constitution and Statutes of the United States of America.
- **Section. 10.5.** Successors and Assigns. The assignment of this Agreement by any Party is prohibited without the prior written consent of the other Parties. By execution below, the City consents to the assignment of this Agreement in whole or in part by Developer to a "land bank" that will own the Property on an interim basis by Developer. Developer shall provide notice of any

- such assignment to the City, which may require the assignee to execute an instrument evidencing its assumption of the assigned obligations. All of the respective covenants, undertakings, and obligations of each of the Parties will bind that Party and will apply to and bind any successors or permitted assigns of that Party.
- **Section. 10.6. Headings.** The captions and headings appearing in this Agreement are inserted merely to facilitate reference and will have no bearing upon its interpretation.
- **Section. 10.7. Partial Invalidity.** If any of the terms, covenants or conditions of this Agreement, or the application of any term, covenant, or condition, is held invalid as to any person or circumstance by any court with jurisdiction, the remainder of this Agreement, and the application of its terms, covenants, or conditions to other persons or circumstances, will not be affected.
- **Section. 10.8.** Waiver. Any waiver by any Party of its rights with respect to a default or requirement under this Agreement will not be deemed a waiver of any subsequent default or other matter.
- **Section. 10.9. Amendments.** This Agreement may be amended or modified only by written agreement duly authorized by all of the Parties, and executed by the duly authorized representatives of all of the Parties.
- **Section. 10.10. Cooperation.** The Parties agree to cooperate at all times in good faith to effectuate the purposes and intent of this Agreement. Without limitation, each Party agrees to execute and deliver all such other and further instruments and undertake such actions as are or may become necessary or convenient to effectuate the purposes and intent of this Agreement.
- **Section. 10.11. Venue.** All obligations of the Parties are performable in Travis County, Texas and venue for any action arising hereunder will be in Travis County.
- **Section. 10.12. Third Party Beneficiaries.** Except as otherwise expressly provided herein, nothing in this Agreement, express or implied, is intended to confer upon any person, other than the Parties, any rights, benefits, or remedies under or by reason of this Agreement.
- **Section. 10.13. Exhibits.** All exhibits attached to this Agreement are hereby incorporated in this Agreement as if the same were set forth in full in the body of this Agreement.
- **Section. 10.14. Entire Agreement.** This Agreement, including the attached exhibits, contains the entire agreement between the Parties with respect to the subject matter hereof and supersedes all previous communications, representations, or agreements, either verbal or written, between the Parties with respect to such matters.
- **Section. 10.15. Counterpart Execution**. This Agreement may be executed in three (3) or more counterparts, each of which shall be deemed an original, but all of which shall constitute but one agreement. Delivery of a signature to this Agreement by facsimile transmission or electronic mail in "portable document format" shall have the same effect as physical delivery of the paper document bearing the original signature.
- **Section. 10.16. Authority for Execution**. The City certifies, represents and warrants that the execution of this Agreement is duly authorized and adopted in conformity with its City ordinances. Developer hereby certifies, represents and warrants that the execution of this

Agreement is duly authorized and adopted in conformity with the company agreement of Developer.

Section 10.17. Interested Parties. Developer acknowledges that Texas Government Code Section 2252.908 (as amended, "Section 2252.908") requires disclosure of certain matters by contractors entering into a contract with a local government entity such as the City. Developer confirms that it has reviewed Section 2252.908 and, if required to do so, will (1) complete a Form 1295, using the unique identification number specified on page 1 of the Agreement, and electronically file it with the Texas Ethics Commission ("TEC"); and (2) submit the signed Form 1295, including the certification of filing number of the Form 1295 with the TEC, to the City at the same time the Developer executes and submits this Agreement to the City. Form 1295s are available on the TEC's website at https://www.Endethics.state.tx.us/filinginfo/1295/. The Agreement is not effective until the requirements listed above are satisfied and any approval or award of the Agreement by the City is expressly made contingent upon Developer's compliance with these requirements. The signed Form 1295 may be submitted to the City in an electronic format.

Section. 10.18. Conflicts of Interest. Developer acknowledges that Texas Local Government Code Chapter 176 (as amended, "*Chapter 176*") requires the disclosure of certain matters by contractors doing business with or proposing to do business with local government entities such as the City. Developer confirms that it has reviewed Chapter 176 and, if required to do so, will complete and return Form CIQ promulgated by the TEC, which is available on the TEC's website at https://www.ethics.state.tx.us/forms/conflict/, within seven days of the date of submitting the Agreement to the City or within seven days of becoming aware of a matter that requires disclosure under Chapter 176, whichever is applicable.

Section. 10.19. Verification Under Chapter 2271, Texas Government Code. If required under Chapter 2271 of the Texas Government Code (as amended, "<u>Chapter 2271</u>"), Developer represents and warrants that, at the time of execution and delivery of this Agreement, neither Developer, nor any wholly or majority-owned subsidiary, parent company, or affiliate of Developer that exist to make a profit, boycott Israel or will boycott Israel during the term of this Agreement. The foregoing verification is made solely to comply with Chapter 2271, to the extent such Chapter does not contravene applicable Federal law. As used in the foregoing verification, "boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. Developer understands "affiliate" to mean an entity that controls, is controlled by, or is under common control with Developer.

Section. 10.20. Verification Under Subchapter F, Chapter 2252, Texas Government Code. For purposes of Subchapter F of Chapter 2252 of the Texas Government Code (as amended, "*Subchapter F*"), Developer represents and warrants that, neither Developer, nor any wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of Developer that exist to make a profit, are companies identified on a list prepared and maintained by the Texas Comptroller of Public Accounts (the "*Comptroller*") described within Subchapter F and posted on the Comptroller's internet website at:

https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf, https://comptroller.texas.gov/purchasing/docs/iran-list.pdf, and https://comptroller.texas.gov/purchasing/docs/fto-list.pdf. The foregoing representation is made solely to comply with Subchapter F, to the extent such subchapter does not contravene applicable Federal law, and excludes companies that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan, Iran, or a foreign terrorist organization. Developer understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with Developer.

Section. 10.21. Exhibits. The following exhibits are attached to this Agreement and incorporated herein by reference:

Exhibit A - Description of Property
Exhibit BExhibit CExhibit DExhibit DDescription of Property
Interconnection Facilities Description
City Force Main Project Description
City Lift Station Project Description

[The remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, each Party hereto has signed this Agreement or caused this Agreement to be signed in its corporate name by its officer thereunto duly authorized, to be effective as of the last date of execution below.

CITY OF PFLUGERVILLE:

	By:
	Printed Name:
	Title: <u>City Manager</u>
ATTEST:	Date:
City Secretary	
STATE OF TEXAS	§
COUNTY OF TRAVIS	§ § §
, of the City of Pf	acknowledged before me on the day of, by, as lugerville, a Texas home rule municipality, on behalf of said
municipality.	
[seal]	Notary Public, State of Texas Print Name:

DEVELOPER:

Terrell Timmermann Farms, LP, a Texas limited partnership

				By: Timmermann GP LLC , a Texas corporation, its General Partner							
				Ву	:						
				Na	me:						
				Title:							
				Da	te:						
STATE OF			& & &								
COUNTY OF _			\$ §								
This i	nstrument	was	acknowledg	ged	before by	me	on	the		day	of as
Timmermann Fa											rrell
				— No	tom, Dubl	io Sto	to of	Toyog			
				Notary Public, State of Texas Print Name:							
[seal]											

NEW SWEDEN MUNICIPAL UTILITY DISTRICT NO. 2:

		By:				
		Name:				
		Title:				
		Date:				
Secretary		-				
STATE OF TEXAS	§ § §					
COUNTY OF TRAVIS	§					
This instrument was	acknowledge	ed before , by	me on	the _	day	of as
of New Sweden reclamation district, on behalf of s		tility Distric	et No. 2, a	a Texas c	onservation	and
		Notary Publ Print Name:				
[seal]						

EXHIBIT "A"

DESCRIPTION OF PROPERTY

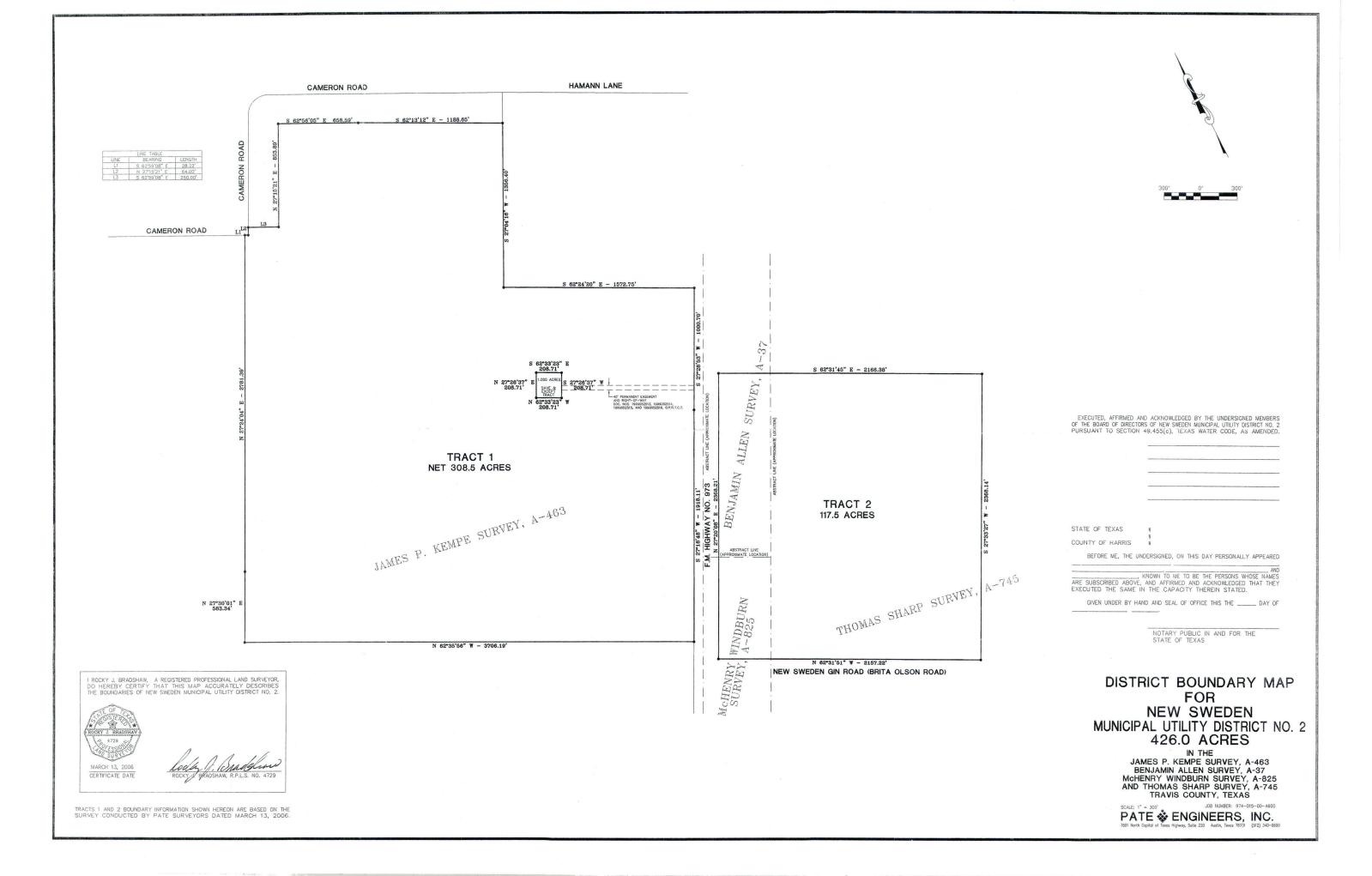


EXHIBIT A

TRACT 1

All that certain 309.5 acres of land, out of the 200 acres of land listed in the deeds from Alvin H. Bohls, et ux to the Bohls children recorded under Volume 5332, Pages 1966, 1968, 1970, 5676, Volume 5362, Pages 177, 179, 181, and 183, and also listed in the deeds from Fred O. Bohls, et ux to the Bohls children recorded under Volume 5676, Pages 1563 and 1566, out of the 49.62 acre tract described in the deed from Paul A. Moebus to Laura Moebus recorded under Document No. 2002105845, in the Official Public Records of Travis County, Texas, out of the 78.112 acre tract described in the deed from Estelle Henze, et al to KB3, LC recorded under Document No. 2005123655, in the Official Public Records of Travis County, Texas, and out of Lots 3, 4, 5, and 6 of the Subdivision of the Jas P. Kemp 1280 Acre Survey according to the plat thereof recorded under Volume 1, Page 16, in the Plat Records of Travis County, Texas, in the James P. Kempe Survey, A-463, Travis County, Texas, and more particularly described by metes and bounds as follows: (All bearings are based on the Texas State Plane Coordinate System, Central Zone)

COMMENCING at a ½" iron rod found for the northwest corner of the 58.825 acre tract described in the deed from Thomas Gola, et ux to David L. Everetts and Giao Ly recorded under Document No. 2006001403, in the Official Public Records of Travis County, Texas, in the south right-of-way line of Hamann Lane (40' R.O.W.), from which a ½" iron rod found for the most northerly northeast corner of said 58.825 acre tract bears South 62°19'12" East - 1527.23'; THENCE South 27°04'16" West - 252.44' along the west line of said 58.825 acre tract, common to the east line of aforesaid 78.112 acre tract to a3/4" iron rod set for the most northerly northeast corner and POINT OF BEGINNING of the herein described tract;

THENCE South 27°04'16" West - 1356.40', continuing along said common line, to a 34" iron rod set for an angle corner of the herein described tract, common to the southwest corner of said 58.825 acre tract and the southeast corner of said 78.112 acre tract, in the north line of aforesaid Lot 5;

THENCE South 62°24'20" East - 1572.75', along said north line, common to the south line of said 58.825 acre tract, to the most easterly northeast corner of the herein described tract, common to the southeast corner of said 58.825 acre tract, in the west right-of-way line of F.M. Highway No. 973 (R.O.W. Varies);

THENCE South 27°28'53" West - 1000.70', along said west right-of-way line, to a Texas Department of Transportation Type II concrete monument found for an angle corner;

THENCE South 27°18'48" West - 1918.11', continuing along said west right-of-way line, to a ¾" iron rod set for the southeast corner of the herein described tract, common to the southeast corner of aforesaid 49.62 acre tract, common to the northeast corner of the 49.723 acre tract described in the deed from Barry G. Wanslow and Kimberly S. Wanslow to Susan M. King and Richard L. King recorded under Volume 12568, Page 602, in the Real Property Records of Travis County, Texas, from which a Texas Department of Transportation Type II concrete monument bears South 27°18'48" West – 544.78';

EXHIBIT A

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THENCE North 62°35'56" West - 3706.19', along the south line of said 49.62 acre tract, common to the north line of said 49.723 acre tract, to a 2" iron rod found for the southwest corner of said 49.62 acre tract, common to the northwest corner of said 49.723 acre tract and the southwest corner of the herein described tract, in the west line of aforesaid Lot 3;

THENCE North 27°30'01" East - 583.34', along said west line, common to the west line of said 49.62 acre tract, to a metal t-post found for the northwest corner of said 49.62 acre tract, common to the northwest corner of said Lot 3 and the southwest corner of aforesaid Lot 4

THENCE North 27°24'04" East - 2781.39', along the west line of said Lot 4, the west line of aforesaid Lot 5, and the west line of aforesaid Lot 6, common to the west line of aforesaid 200 acre tract and the west line of aforesaid 78.112 acre tract, to a ¾" iron rod set for the most westerly northwest corner of the herein described tract, in the south right-of-way line of Cameron Road (60' R.O.W.);

THENCE South 62°59'08" East - 28.22', along said south right-of-way line, to a ¾" iron rod set for an angle corner of the herein described tract, at the intersection of said south right-of-way line and the east right-of-way line of said Cameron Road (60' R.O.W.);

THENCE North 27°15'21" East - 64.00', along said east right-of-way line, to a 34" iron rod set for an angle corner of the herein described tract;

THENCE South 62°59'08" East - 250.00' to a 34" iron rod set for an angle corner of the herein described tract;

THENCE North 27°15'21" East - 853.89' to a 4" iron rod set for the northwest corner of the herein described tract;

THENCE South 62°56'05" East - 658.59' to a 34" iron rod set for an angle corner of the herein described tract;

THENCE South 62°13'12" East - 1188.65' to the POINT OF BEGINNING of the herein described tract and containing 309.5 acres of land; SAVE AND EXCEPT all that certain 1.000 acre of land, which is the 0.083 acre tract described in the deed from Stephen Frederick Bohls, et al to Aqua Water Supply Corporation recorded under Volume 6038, Page 876, in the Deed Records of Travis County, Texas, and the 0.917 acre tract described in the deed from Stephen Frederick Bohls, et al to Aqua Water Supply Corporation recorded under Document Nos. 1999052513, 1999052514, 1999052515, and 1999052516, in the Official Public Records of Travis County, Texas, in the James P. Kempe Survey, A-463, Travis County, Texas, and more particularly described by metes and bounds as follows: (All bearings are based on the Texas State Plane Coordinate System, Central Zone)

COMMENCING at a ¾" iron rod found at the northeast corner of the 1.006 acre tract (40' permanent easement and right-of-way) from Stephen Frederick Bohls, et al to Aqua Water Supply Corporation recorded under Document Nos. 1999052513, 1999052514, 1999052515, and 1999052516, in the Official Public Records of Travis County, Texas, in the west right-of-way line of F.M. Highway No. 973 (R.O.W. Varies), from which a Texas Department of Transportation Type II concrete monument bears North 27°28'53" East—286.08'; THENCE North 62°33'23" West—1095.33', along the north line of said 1.006 acre tract, to a ¾" iron rod found for the northwest corner of said 1.006 acre tract, in the east line of aforesaid 0.917 acre tract; THENCE North 27°26'37" East—104.30', along said east line to a ¾" iron rod found for the northeast corner of said 0.917 acre tract, common to the the northeast corner and POINT OF BEGINNING herein described tract;

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THENCE South 27°26'37" West - 208.71' to a ¾" iron rod found for the southeast corner of said 0.917 acre tract, common to the southeast corner of the herein described tract;

THENCE North 62°33'23" West - 208.71' to a %" iron rod found for the southwest corner of said 0.917 acre tract, common to the southwest corner of the herein described tract;

THENCE North 27°26'37" East - 208.71' to a ¾" iron rod found for the northwest corner of said 0.917 acre tract, common to the northwest corner of the herein described tract;

THENCE South 62°33'23" East - 208.71' to the POINT OF BEGINNING of the herein described tract and containing 1.000 acres of land.

FOR A NET AREA OF 308.5 ACRES OF LAND

EXHIBIT "B"

COTTONWOOD INTERCEPTOR LOCATION

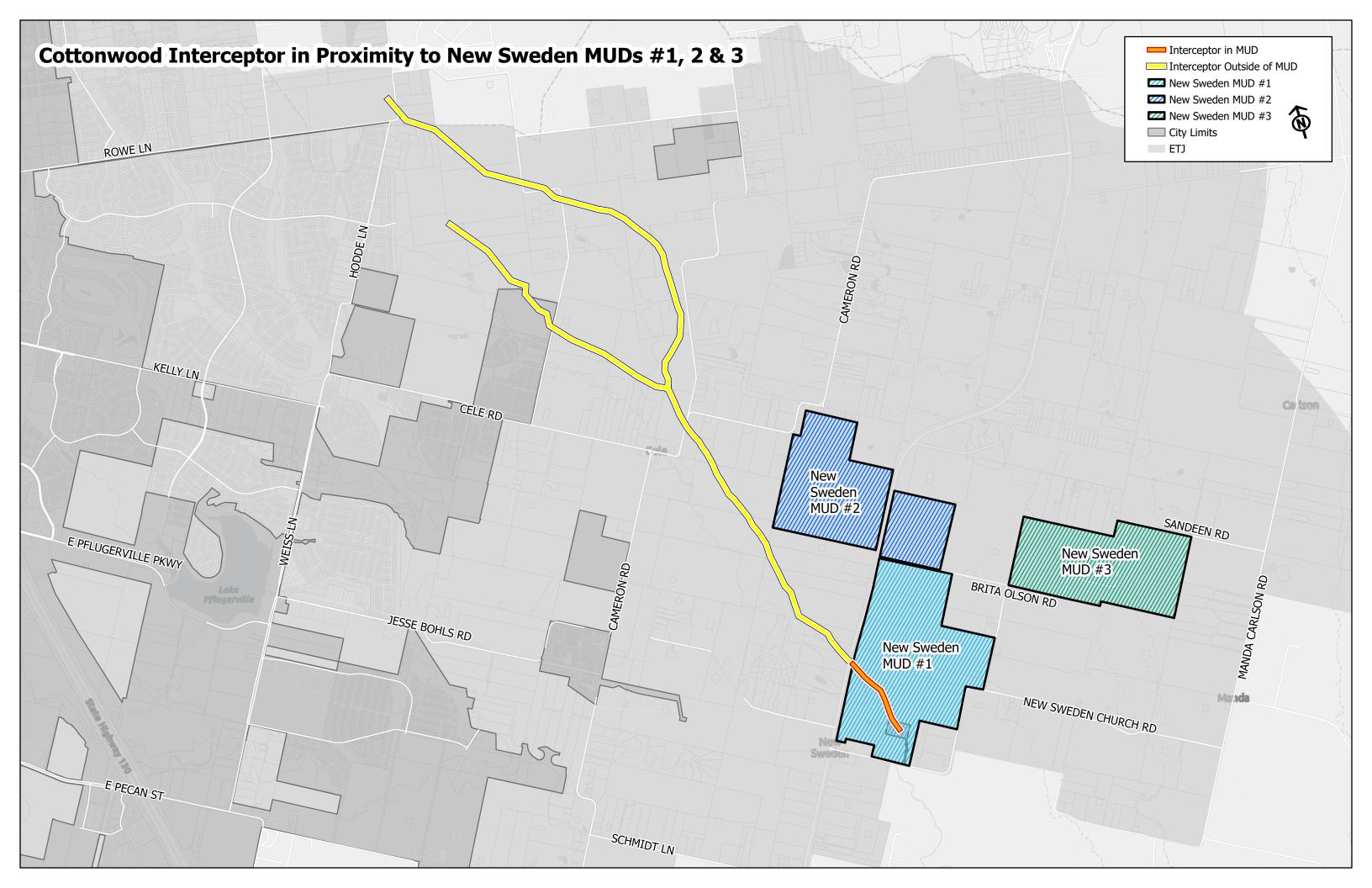


EXHIBIT "C"

INTERCONNECTION FACILITIES DESCRIPTION

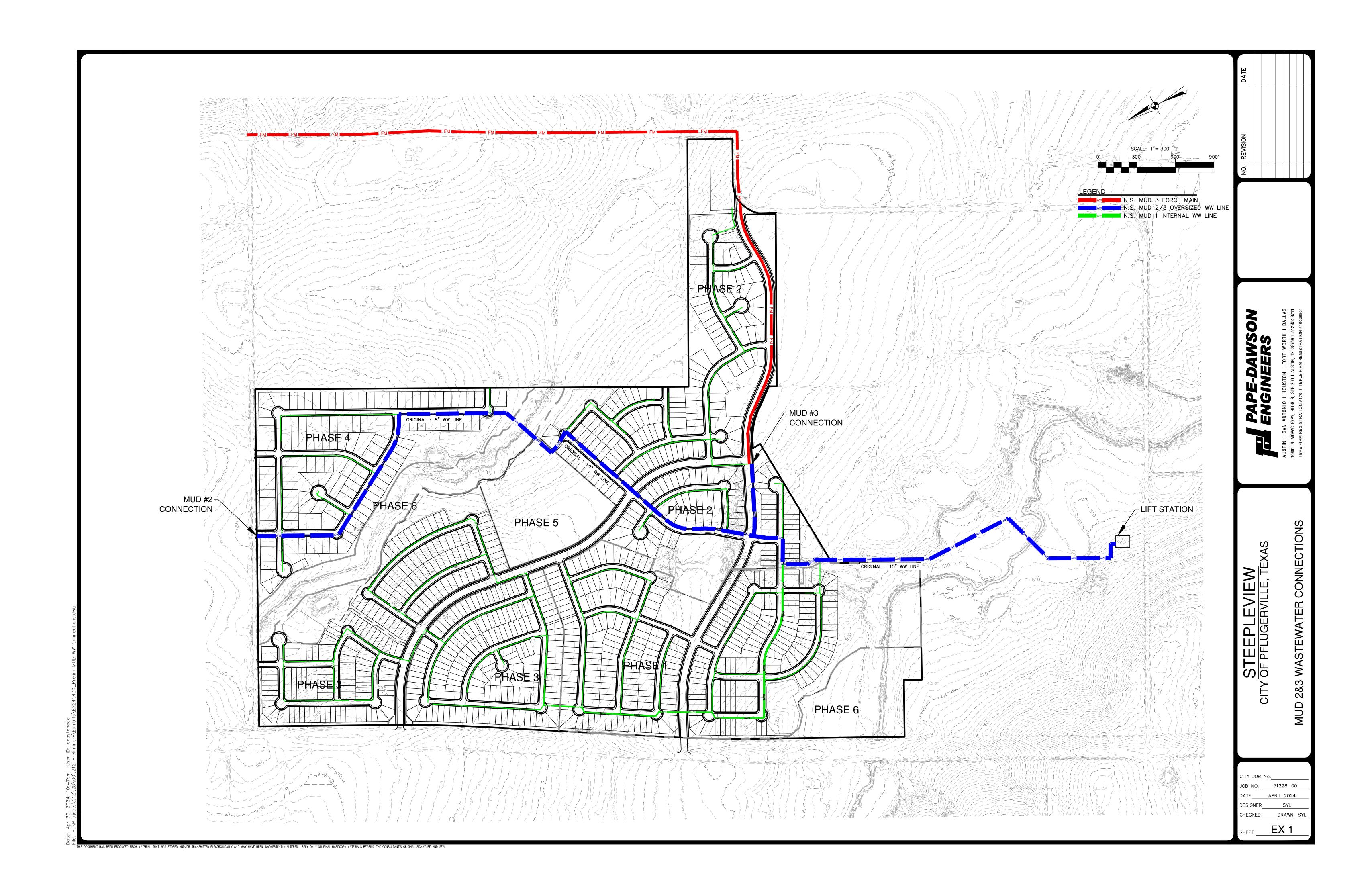


EXHIBIT "D"

CITY FORCE MAIN PROJECT DESCRIPTION

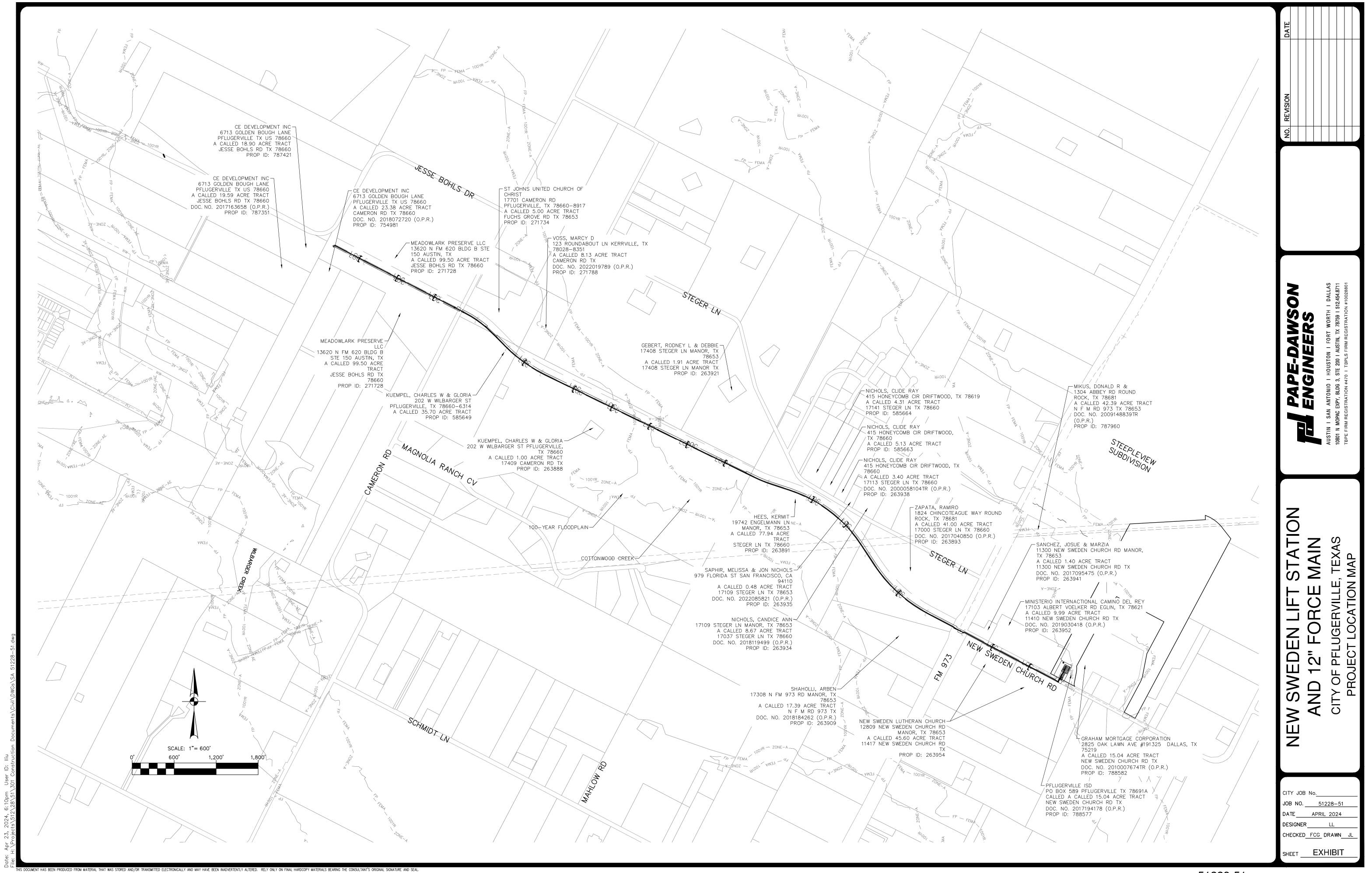


EXHIBIT "E"

CITY LIFT STATION PROJECT DESCRIPTION

