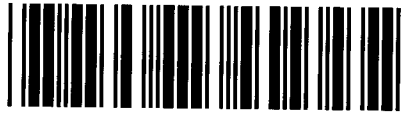


Control Number: 43976



Item Number: 1

Addendum StartPage: 0

House Bill (HB) 1600 and Senate Bill (SB) 567 83rd
Legislature, Regular Session, transferred the functions
relating to the economic regulation of water and sewer
utilities from the TCEQ to the PUC effective
September 1, 2014

JONES - HEROY & ASSOCIATES, INC.



43976

2015 JAN -6 PM 1:45

PUBLIC UTILITY COMMISSION
FILING CLERK

October 27, 2009

VIA HAND DELIVERY

Ms. Sarah Henderson
Texas Commission on Environmental Quality
Water Rights Permitting (MC 160)
Water Supply Division
12100 Park 35 Circle
Austin, TX 78753

RECEIVED
TCEQ
WATER SUPPLY DIV.
2009 OCT 28 PM 9 49


Re: Application to Obtain a Water /Sewer Certificate of Convenience and
Necessity (CCN) for Sonterra Municipal Utility District (District).
JHA#: 0061-003

Dear Ms. Henderson,

On behalf of Sonterra Municipal Utility District, we are submitting an application to obtain a water and sewer Certificate of Convenience and Necessity. Enclosed please find one original and three copies of the application and attachments. A check for the filing fee is also enclosed.

We trust that the information submitted fulfills the requirements of TCEQ. Please advise if you have any questions or need additional information.

Sincerely,
JONES - HEROY & ASSOCIATES, INC


Samuel W. Jones, P. E.
Engineer for the District

VIA USPS Regular Mail

cc: Mr. Ron Freeman, (w/ attachments)
Andy Bilger, (w/o attachments)

S:\SJC- Projects\0061 Sonterra MUD\003 CCN\Appl Cover Ltr Sonterra CCN.doc

Sonterra

Municipal Utility District

**Application to Obtain a Water/Sewer
Certificate of Convenience and Necessity**

Original

Prepared by:
Jones – Heroy & Associates, Inc.
1900 Gregg Lane
Building A, Suite 6
Pflugerville, TX 78660

October 2009



**APPLICATION TO OBTAIN
CERTIFICATE OF CONVE**



APPLICATION TO OBTAIN OR AMEND A WATER/SEWER
CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN)

*CN# 105160550 *RN# 603151614 *If known (See Instructions)

RECEIVED
TCEQ
WATER SUPPLY DIV.
2009 OCT 28 AM 10 14

PURPOSE OF THIS APPLICATION

OBTAIN ☒ New Water CCN ☒ New Sewer CCN

AMEND ☐ Water CCN # ☐ Sewer CCN #

1. APPLICANT INFORMATION

Utility Name: Sonterra Municipal Utility District

Utility Address (city/state/zip) c/o Mr. Ron J. Freeman, Attorney, Freeman & Corbett, L.L.P.
8500 Bluffstone Cove, Suite B-104, Austin, Texas 78759

Utility Phone Number () 512 451-6689 Fax () 512 453-0865

Contact Person: Please provide information about the person to be contacted regarding this application. Indicate if this person is the owner, operator, engineer, attorney, accountant manager, or other title related to the applicant.

Name: Samuel W. Jones, P.E.

Title: Engineer for the District

Address: 1900 Gregg lane, Bldg A, Ste 6

Telephone () 512 989-2200

City Pflugerville St TX Zip 78660

Fax () 512 989-2213

E-mail: samj@jones-heroy.com

County(ies) in which service is proposed Williamson

A. Check the appropriate box and provide information regarding the legal status of the applicant:

<input type="checkbox"/>	Investor owned utility
<input type="checkbox"/>	Individual
<input type="checkbox"/>	Home or Property Owners Association
<input type="checkbox"/>	Partnership
<input type="checkbox"/>	For-profit corporation
<input type="checkbox"/>	Non-profit, member-owned, member-controlled cooperative corporation (Water Code Chapter 67, Water Supply or Sewer Service Corporation)
<input type="checkbox"/>	Municipality
<input checked="" type="checkbox"/>	District
<input type="checkbox"/>	Other Please Explain:

- B. If the applicant is a For-Profit business or corporation, please include the following information: N/A
- Provide a copy of the corporation's A Certification of Account Status@ from the Texas State Comptroller of Public Accounts.
 - Provide the corporation's charter number as recorded with the Office of the Texas Secretary of State.
 - Provide a listing of all stockholders and their respective percentages of ownership.
 - Provide a copy of the company's organizational chart, if available.
 - Provide a list of all directors and disclose the tile of each individual.
 - Provide a list of all affiliated organizations (if any) and explain the relationship with the applicant.

- C. If the applicant is a Water Code Chapter 67 water supply or sewer service corporation: N/A

- i. Provide a copy of the Articles of Incorporation and By-Laws.
- ii. Provide the corporation's charter number as recorded with the Office of the Texas Secretary of State.
- iii. Identify all members including name, address, title, and telephone number.
- iv. Provide a copy of the corporation's Certificate of Account Status from the Texas Comptroller of Public Accounts.

2. LOCATION INFORMATION

A. Are there people already living in the proposed area?

YES ☒ NO ☐

If YES, are any currently receiving utility service?

YES ☒ NO ☐ if YES, from Whom? Sonterra Municipal Utility District

Demonstrate the Need for Service by providing the following:

B. Have you received any requests for service in the requested service area?

YES ☒ NO ☐ if YES, provide the following: **See Attachment 1**

- i. Describe the service area and circumstances driving the need for service in the requested area. Indicate the name(s) and address(es) of landowner(s), prospective landowner(s), tenant(s), or resident(s) that have requested service; and/or
- ii. Describe the economic need(s) for service in the requested area (i.e. plat approvals, recent annexation(s) or annexation request(s), building permits, septic tank permits, hospitals, etc.); and/or
- iii. Discuss in detail the environmental need(s) for service in the requested area (i.e. failing septic tanks in the requested area, fueling wells, etc.); and/or
- iv. Provide copies of any written applications or requests for service in the requested area; and/or
- v. Provide copies of any reports and/or market studies demonstrating existing or anticipated growth in the requested area. If no, please justify the need for service in the proposed area.
- vi. If none of these items exist or are available, please justify the need for service in the proposed area in writing.

Note: Failure to demonstrate a need for additional service in the proposed service area may result in the delay and /or possible denial of the application.

C. Is any portion of the proposed service area inside an incorporated city or district?

YES ☒ NO ☐

If YES, within the corporate limits of: City of Jarrell

Provide a copy of any franchise, permit, or consent granted by the city or district. If not available please explain: A copy of the City's consent to the creation of Sonterra MUD is included as Attachment 2

D. Is any portion of the proposed service area inside another utility's CCN area?

YES ☒ NO ☐

If YES, has the current CCN holder agreed to decertify the proposed area?

YES ☐ NO ☒

If NO, are you seeking dual or single certification of the area? Explain why decertification of the area is in the public interest.

See Attachment 3 for agreement with Jarrell - Schwertner WSC for dual certification of the area.

3. MAP REQUIREMENTS: See Attachment 4

Attach the following hard copy maps with each copy of the application:

A. A general location map delineating the proposed service area with enough detail to accurately locate the proposed area within the county.

B. A map showing only the proposed area by:

- i. metes and bounds survey certified by a licensed state or register professional land surveyor; or

- ii. projectable digital data with metadata (proposed areas should be in a single record and clearly labeled). Also, a data disk labeled with the applicant's name must be provided; or
- iii. following verifiable natural and man-made landmarks; or
- iv. a copy of recorded plat map with metes and bounds.

C. A written description of the proposed service area.

D. Provide separate and additional maps of the proposed area(s) to show the following:

- i. all facilities, illustrating separately facilities for production, transmission, and distribution of the applicant's service(s); and
- ii. any facilities, customers or area currently being served outside the applicant's certificated area(s).

See map of overlapping CCN of Jarrell-Schwertner WSC

Note: Failure to provide adequate mapping information may result in the delay or possible denial of your application. Digital data submitted in a format other than ESRI ArcGIS may result in the delay or inability to review applicant's mapping information.

4. NEW SYSTEM INFORMATION OR UTILITIES REQUESTING A CCN FOR THE FIRST TIME

A. Please provide the following information: **See Attachment 5**

- i. a list of public drinking water supply system(s) or sewer system(s) within a 2 mile radius of the proposed system;
- ii. copies of written requests seeking to obtain service from each of the public drinking water systems or sewer systems listed in #4.A.i above or documentation that it is not economically feasible to obtain service from each entity;

A request to the City of Jarrell was not made since they have given us consent to obtain a CCN. **See Attachment 2**

- iii. copies of written responses from each system or evidence that they did not reply; and
- iv. for sewer utilities, documentation showing that you have obtained or applied for a wastewater discharge permit.

A copy of the first two pages of the discharge permit is provided as **Attachment 6**.

B. Were your requests for service denied? **Yes. See Attachment 5**

- i. If yes, please provide documentation of the denial of service and go to 4.C.
- ii. If no, please provide a detailed analysis which justifies your reasons for not accepting service. A separate analysis must be prepared and submitted for each utility that granted your request for service.

C. Please summarize how the proposed utility system will be constructed and describe each projected construction phase, if any: **See Attachment 7**

D. Date of plat approval, if required: Area will be developed in phases
Approved by: _____

E. Date Plans & Specifications submitted for approval _____ Log No. _____
Attach copy of approval letter if available. **Multiple plan sets have been submitted.**

F. Date construction is scheduled to commence **Project is partially complete.**

G. Date service is scheduled to commence **Project started in 2007.**

5. EXISTING SYSTEM INFORMATION

A. Please provide the following information for **each** water and/or sewer system, attach additional sheets if necessary.

- i. Water system's TCEQ Public Water System identification number(s):

- iii. Date of last inspection Water: September 9, 2007 ; Wastewater: February 19, 2007.
- iv. Attach a copy of the most recent inspection report letter. **See Attachment 8**
- v. For each system deficiency listed in the inspection report letter, attach a brief explanation listing the actions taken or being taken by the utility to correct the listed deficiencies, including the proposed completion dates.

Name	Classes	License Number
Mr. Hal Lanham w/ AWR Services, Inc.	A	WO0026123
Mr. Hal Lanham w/ AWR Services, Inc.	C	WW0027540

Water System			Sewer System		
Connection	Existing	Proposed	Connection	Existing	Proposed
5/8" or 3/4" meter	556	2444	Residential	545	2455
1" meter or larger			Commercial		
Non-Metered			Industrial		
Other:			Other:		
Total Water			Total Sewer		

N/A

F. If this application is for a sewer CCN only, please explain how water service is or will be provided:

N/A

- G Effect of Granting a Certificate Amendment.
Explain in detail the effect of granting of a certificate or an amendment, including, but not limited to regionalization, compliance and economic effects on the following:
- i the applicant,
It will assure the district's ability to serve all customers within its taxing jurisdiction.
 - ii any retail public utility of the same kind already serving the proximate area; and
A portion of the requested area is located within the Jarrell-Schwertner WSC water CCN area; however, it is all within the Sonterra MUD and J-S WSC has agreed to dual certification. The number of existing customers of J-S WSC is small and it should not impact them financially.
 - iii any landowner(s) in the requested area.
It will allow continued development in the district.

H Do you currently purchase or plan to purchase water or sewer treatment capacity from another source?

- i No _____ (skip the rest of this question and go to #6)
- ii Water _____ Yes
 √ No

Purchased on a _____ regular _____ seasonal _____ Emergency basis?

Source	% of total treatment

- iii Sewer treatment capacity
- iv Yes √ _____

Purchased on a √ regular _____ seasonal _____ Emergency basis?

Source	% of total treatment
City of Jarrell	100%

- vi Provide a signed and dated copy of the most current water or sewer treatment capacity purchase agreement or contract. **See Attachment 9**

I. Ability to Provide Adequate Service.

Describe the ability of the applicant to provide adequate service, including meeting the standards of the commission, taking both of the following items into consideration:

- i. the current and projected density, and
- ii. the land use of the requested area.

See the description of the existing facilities described in **Attachment 7** and the current Land Use Plan under **Attachment 4**.

J Effect on the Land.

Explain the effect on the land to be included in the certificated area.

Providing water and wastewater services will allow this area to be developed as single family, commercial, and retail property which will be an economic benefit to the area.

6. FINANCIAL INFORMATION

A. For new systems and for applicants with existing CCNs who are constructing a new stand alone system:

- i. the applicant must provide an analysis of all necessary costs for constructing, operating, and maintaining the system, and the source of that capital (such as a financial statement for the developing entity) for which the CCN is requested for at least the first five years. In addition, if service has been offered by an existing water service provider as stated in #4.A., but the applicant has determined that the cost of service as finally offered renders the project not economically feasible, the applicant must provide a comparison analysis of all necessary costs for acquiring and continuing to receive service from the existing system for the same period.
- ii. Attach projected profit and loss statements, cash flow worksheets, and balance sheets (projected five year financial plan worksheet is attached) for each of the first five years of operation. Income from rates should correlate to the projected growth in connections, shown on the projected profit and loss statement.
- iii. Attach a proposed rate schedule or tariff. Describe the procedure for determining the rates and fees and indicate the date of last change, if applicable. Attach copies of any cost of service studies or rate analysis worksheets.

B. For existing systems:

- i. Attach a profit and loss statement and current balance sheet for existing businesses (end of last fiscal year is acceptable). Describe sources and terms for borrowed capital such as loans, bonds, or notes (profit and loss and balance sheet worksheets are attached, if needed).
- ii. Attach a proposed rate schedule or tariff.

★NOTE: An existing system may be required to provide the information in 6.A.i. above during the technical review phase if necessary for staff to completely evaluate the application.

C. Identify any funds you are required to accumulate and restrict by lenders or capital providers.

D. In lieu of the information in #6.A. thru #6.C., you may provide information concerning loan approvals within the last three (3) years from lending institutions or agencies including the most recent financial audit of the applicant.

The existing system is owned and operated by Sonterra Municipal Utility District which has the authorization to levy a maintenance tax and issue unlimited tax bonds for capital costs. The District has had two tax bond issues which have financed a portion of the water and wastewater system as it currently exists. **Attachment 10** is a copy of the District's operating budget approved for fiscal year 2010.

Note: Failure to provide adequate financial information may result in the delay or possible denial of your application.

7. NOTICE REQUIREMENTS

A. All proposed notice forms must be completed and submitted with the application. However, do not mail or

publish them until you receive written approval from the Commission to do so.

Proposed notice forms are included as **Attachment 11**. Also included is a copy of the Williamson County Appraisal District's Roll showing landowners with 25+ acres in the district's boundaries.

- B. The Commission cannot grant a CCN until proper notice of the application has been given. **Commission rules do not allow a waiver of these notice requirements for CCN applicants.**
- C. **It is the applicant's responsibility to ensure that proper notice is given to all entities that are required to receive notice.**
- D. Recommended notice forms for publication, neighboring cities and systems, landowners with 25 acres or more, and customers are included with this application to use in preparing your proposed notices. (These notice forms are also available in Spanish upon request.)
- E. After reviewing and, if necessary, modifying the proposed notice, the Commission will send the notice to the applicant after the application is accepted for filing along with instructions for publication and/or mailing. Please review the notice carefully and note any additional neighboring utilities which may be included in the acceptance letter.
- F. Notice For Publication:
The applicant shall publish the notice in a newspaper having general circulation in the county or counties where a CCN is being requested, once each week for two consecutive weeks beginning with the week after the notice is received from the Commission. Proof of publication in the form of a publisher's affidavit shall be submitted to the Commission within 30 days of the last publication date. The affidavit shall state with specificity each county in which the newspaper is of general circulation.
- G. Notice To Neighboring Utilities:
i. List all neighboring retail public utilities and cities providing the same utility service within the following vicinities of the applicant's proposed certificate area. **See Attachment 11.**
ii. For applications for the issuance of a **NEW** CCN, the applicant must mail the notice with a copy of the proposed CCN map to all cities and neighboring retail public utilities providing the same utility service within **five (5) miles** of the requested service area.
iii. For applications for the **AMENDMENT** of a CCN, the applicant must mail the notice with a copy of the proposed CCN map to all cities and neighboring retail public utilities providing the same utility service within **two (2) miles** of the requested service area.
- H. Notice to Customers
Investor Owned Utilities (IOUs) that are currently providing service without a CCN must provide individual mailed notice to all current customers. The notice must contain the current rates, the date those rates were instituted and any other information required in the application. The notice must also list all zip codes affected by the application.
- I. The Commission may require the applicant to deliver notice to other affected persons or agencies.

Do not publish or send copies of the proposed notices to anyone at the time you submit the application to the Commission. Wait until you receive written authorization to do so. This will occur after the Commission has reviewed the notices for completeness, and your application has been accepted for filing. Once the application is accepted for filing, you will receive written authorization to provide notice. Please check the notices for accuracy before providing them to the public. It is the applicant's burden to ensure that correct and accurate notice is provided.

OATH

STATE OF Texas
COUNTY OF Williamson

I, Samuel W. Jones, being duly sworn, file this application as Engineer (indicate relationship to Applicant, that is, owner, member of partnership, title as officer of corporation, or other authorized representative of Applicant); that, in such capacity, I am qualified and authorized to file and verify such application, am personally familiar with the maps and financial information filed with this application, and have complied with all the requirements contained in this application; and, that all such statements made and matters set forth therein are true and correct. I further state that the application is made in good faith and that this application does not duplicate any filing presently before the Texas Commission on Environmental Quality.

I further represent that the application form has not been changed, altered or amended from its original form available only from the Commission.

I further represent that the Applicant will provide continuous and adequate service to all customers and qualified applicants for service within its certificated service area.

Sam W Jones
AFFIANT
(Utility's Authorized Representative)

If the Affiant to this form is any person other than the sole owner, partner, officer of the Applicant, or its attorney, a properly verified Power of Attorney must be enclosed.

SUBSCRIBED AND SWORN TO BEFORE ME, a Notary Public in and for the State of Texas, this day 27 of Oct., 20 09.

SEAL

Paul M. Fenwick
NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS

Helen M. Fenwick
PRINT OR TYPE NAME OF NOTARY

MY COMMISSION EXPIRES 1-29-10

List of Attachments

- 1) Letter request for service to Sonterra MUD
- 2) City consent to creation of Sonterra MUD
- 3) Agreement with Jarrell-Schwertner WSC for dual certification
- 4) Maps:
 - a) Location map and description
 - b) Metes & Bounds
 - c) Sonterra DWG MUD Boundary/CCN Request
 - d) Land Use Plan
 - e) J-S WSC CCN overlaid district boundary
- 5) List of surrounding providers
Letter requests for service to surrounding providers with evidence of denial responses
- 6) Wastewater discharge permit
- 7) Projected utility construction summary
- 8) Recent inspection report letter & evidence of deficiencies resolved
- 9) Sewer treatment capacity contract with City of Jarrell
- 10) Sonterra MUD's operating budget for FY 2010
- 11) Proposed notice forms
List of landowners with 25+ acres of land within the district
List of neighboring utilities & cities providing same services

Sonterra Development LLC

P.O. Box 371

Georgetown, Texas 78627

September 22, 2009

Board of Directors
Sonterra Municipal Utility District
c/o Mr. Ronald J. Freeman
Freeman & Corbett, L.L.P.
8500 Bluffstone Cove, Suite B-104
Austin, Texas 78759

Re: Request for Service

Dear Board of Directors:

I represent Sonterra Development LLC of Jarrell, Texas, a Texas limited liability company (Sonterra Development) which has title to a majority of the property currently within the boundaries of Sonterra Municipal Utility District (District). Sonterra Development has developed approximately 410 acres of single family and commercial lots and plans to develop the additional property within the boundaries of the District. Under the current plan of development, there will be a need to serve approximately 3,000 equivalent single family connections with water and sewer service at ultimate build-out. Existing development is being provided water and wastewater service by the District and Sonterra Development requests that the District provide water and wastewater service to the proposed development as well.

Sincerely,

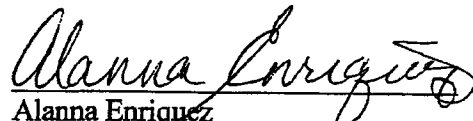


Theron Vaughan
President

In the State of Texas
County of Williamson

§
§
§

I, Alanna Enriquez, City Secretary for the City of Jarrell, Texas, hereby certify that the attached document is a true and correct copy of a Consent Agreement for the Creation of a Municipal Utility District approved by the City Council of the City of Jarrell, Texas, and is maintained in the regular course of business of the City of Jarrell, Texas. Given under my hand and the seal of office on December 13, 2004.


Alanna Enriquez
City Secretary
City of Jarrell, Texas

12/13/04 XV

City of Jarrell



P.O. Box 828

Jarrell, Texas 76537

512/746-4593

AGREEMENT CONCERNING CREATION AND OPERATION OF SONTERRA MUNICIPAL UTILITY DISTRICT AND LANDS WITHIN THE DISTRICT

THIS AGREEMENT (the "Agreement") made and entered into by and between the City of Jarrell, Texas (the "City"), a general law city situated in Williamson County, Texas, acting in this Agreement by and through its undersigned and duly authorized Mayor, as authorized by specific action of its City Council, and Sonterra Development LLC of Jarrell, Texas, a Texas limited liability company, its successors and assigns (the "Company"), with the consent and acknowledgment of Carroll Fuchs and Caroline Fuchs, Stephen Marturano and A. Carol Marturano, Brent W. Buck, Theron Vaughan and Ellie Vaughan, William Schwertner, W.H. Shepherd, Tyre Flynn, M. Howard Faske and Martha Faske, Odell Faske, Elmer Faske, and Dona Ann Vogt (collectively, the "Other Landowners").

RECITALS

WHEREAS, the Company and the Other Landowners together are the holders of legal title to all of the land comprising the proposed Sonterra Municipal Utility District (the "District"), which consists of approximately 1,600 acres situated wholly in Williamson County, Texas, and partially located within the ETJ of the City, partially within the corporate limits of the City, and partially located within an area within neither the ETJ or the corporate limits of the City, which land is more particularly described in *Exhibit A* (the "Property"); and

WHEREAS, the Other Landowners consent to the creation of the District and the execution of this Agreement; and

WHEREAS, the Property is included within the boundaries of the proposed District; and

WHEREAS, pursuant to Section 42.042 of the Texas Local Government Code, as amended, and Section 54.016 of the Texas Water Code, as amended, the City has consented, subject to the terms and conditions of this Agreement, to the creation of the District by Resolution adopted on December 1, 2004, in an open and duly posted public meeting of the City (the "Resolution"); and

WHEREAS, the City and the Company (the "Parties") wish to enter into certain agreements regarding the proposed development within the District (the "Project"), to provide for orderly development of the Project, which is intended to be a comprehensive mixed use and master planned development with land uses including single-family residential, multi-family residential, commercial and retail development, churches, and schools;

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements set forth below, and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged by the Parties, the Parties contract, covenant, and agree to the following.

ARTICLE I
AGREEMENT REGARDING DISTRICT CREATION

Section 1. Consent.

(a) The City gives its consent to the creation of one master municipal utility district ("the Master District") and up to five other municipal utility districts ("Sub-Districts"), which may include all or part of the Property. The City acknowledges that the Company intends to create one master municipal utility district and up to five other municipal utility districts within the Property under the authority of Article XVI, Section 59 of the Texas Constitution and associated statutes and regulations. To the extent that the City's consent to the creation, division, or conversion is required by Section 42.042 of the Texas Local Government Code or other provisions of law, this Agreement shall serve as the City's consent to the creation, division, or conversion, and the City shall not require any additional consent, except as otherwise provided herein.

(b) The Company will provide the City with information showing the boundaries of the municipal utility district(s) included in all or part of the Property.

Section 2. Facilities and Improvements.

(a) The Company and the District will construct facilities and infrastructure to serve the land within the District in accordance with plans and specifications that the Texas Commission on Environmental Quality (the "TCEQ"), or its successors, has approved pursuant to the rules of the TCEQ, as amended from time to time, including those rules pertaining to utility design, construction, and installation requirements.

(b) The City shall have the right to observe, at reasonable times, the facilities under construction during construction by the Company or the District. The City shall have the right to review the plans and specifications to ensure compliance with the rules of the TCEQ. Unless the City provides substantive written comments within thirty (30) days of initial submittal of the plans and specifications to the City, the plans and specifications are automatically approved. The Company or the District will supply a copy of the plans and specifications to the City to assist the City in its observation of the construction. The City shall conduct its observations of ongoing construction in a manner that minimizes interference with construction. The City will coordinate its observations with the Company and the District.

Section 3. Purposes of Districts. Pursuant to Section 54.016 of the Texas Water Code, the Parties agree, except as otherwise provided herein, that the purposes for which the District's bonds, or other lawful obligations to be issued by the District, may be issued are limited to the purposes of purchase, construction, acquisition, repair, extension, and improvement of land, works, improvements, facilities, plants, equipment, and appliances, and associated professional and licensing or permitting fees necessary:

- (1) To provide a water supply for municipal, domestic, and commercial purposes;
- (2) To collect, transport, process, dispose, and control all domestic, commercial, industrial or communal wastes, whether fluid, solid, or in a composite state;
- (3) To gather, conduct, divert, and control local storm water or other local, harmful excess water in the District, related water quality facilities;

(4) To pay organization and operation expenses during construction and interest during construction;

(5) To provide parks and other recreational facilities as authorized pursuant to Chapters 49 and 54 of the Texas Water Code; and

(6) To provide any other facilities, amenities or other improvements that benefit the Property within the District and that qualify for developer reimbursement pursuant to rules of the TCEQ.

Section 4. City Review.

(a) The District shall, within thirty (30) days of submittal, provide any bond package that it submits to the TCEQ to the City for review, comments, and recommendations. The District further agrees to incorporate the City's recommendations into the District's final bond sales packages, so long as the City provides its recommendations to the District within thirty (30) days of the City's receipt of the bond sales packages and the recommendations provided that the City's recommendations (1) do not render the bonds and notes unmarketable and (2) are not materially detrimental to the District.

(b) Furthermore, to the extent the following conditions are in compliance with TCEQ rules for any individual bond issuance, the Parties agree that the District Bonds:

(1) Will have a maximum maturity of 25 years;

(2) Will not have interest rates that exceed 2% above the weekly tax exempt Bond Buyer Index for 25-year revenue bonds;

(3) Will not be issued if the District's debt to certified taxable assessed valuation as determined by the records of the Williamson County Appraisal District will exceed 25 percent upon issuance; and

(4) Will have amortization that results in level debt service payments over the life of the issue, except for an initial period, of up to 7 years.

Section 5. Certificates of Convenience and Necessity.

(a) The Parties acknowledge that the Company or the District may obtain Certificates of Convenience and Necessity ("CCN") from the TCEQ to provide water service, sewer service, or both throughout the boundaries of the District. Thereafter, if the Company or the District seeks to add areas to any such CCN outside the boundaries of the District and if those areas are within the City's Extra-Territorial Jurisdiction ("ETJ"), then the Company or the District shall request the City's approval of the addition of these areas before filing a CCN amendment application with the TCEQ. If the City fails to take action on the Company's or the District's request for addition of land within sixty (60) days of the date of submittal of the request, then the City is deemed to have approved the request for addition of land. Following its approval of the Company's or the District's request to add land to the CCN, the City agrees that it will not protest or in any way hinder or slow the Company's effort to obtain those CCN(s).

(b) The Parties agree and acknowledge that the Company may abandon or transfer those CCN(s) to the District upon the creation of the District and the TCEQ's subsequent approval of any transfer.

(c) Should persons or entities other than the Company, its assigns, or its successors or the District apply for a water or sewer CCN for areas within or immediately adjacent to the boundaries of the District, then the Company, the District, and the City will support each other in opposing those CCN applications, as each Party decides is appropriate.

Section 6. Extra-Territorial Jurisdiction. The Property is partially located within the ETJ of the City, partially within the corporate limits of the City, and partially located within an area within neither the ETJ nor the corporate limits of the City.

Section 7. Annexation. One of the purposes of this Agreement is to authorize the District and the City, pursuant to the provisions of Section 54.016 of the Texas Water Code that allow a district and a city to contract regarding annexation, to enter into a binding contract regarding the terms and conditions of the City's annexation of areas within the District into the City. The Parties acknowledge that the City may not annex into the City areas within the boundaries of the Master District or a Sub-District that are not within the corporate limits of the City on the effective date of this Agreement for a period of ten (10) calendar years after the creation of the District. Thereafter, the City shall not annex any portion of the Property that is within the City's ETJ unless prior to such annexation all "Eligible Improvements," defined below, planned for all phases of the development of the Property have been completed and either (1) all developers providing for the construction of Eligible Improvements within such areas have been fully reimbursed for all eligible expenditures for Eligible Improvements from bonds issued by the District or other governmental entity; or (2) the City has paid in cash to such developers a sum equal to eligible expenditures incurred by such developers for Eligible Improvements. "Eligible Improvements" means water, wastewater, drainage, road, and any other improvements eligible for reimbursement by the District from bond proceeds under the rules and requirements of the TCEQ as such rules and requirements exist on the Effective Date of this Agreement. Accordingly, the Parties agree as follows regarding annexation:

(1) If the City annexes any area within the boundaries of the Master District or a Sub-District that are not within the corporate limits of the City on the effective date of this Agreement, then the City must annex the entire area of the Master District or Sub-District not already within the corporate limits of the City. Upon annexation of the balance of the area within the Master District or a Sub-District into the City, the City will succeed to all the powers, duties, assets, and obligations of the Master District or a Sub-District, including any bond obligations and any rights and obligations under valid and duly-authorized contracts (e.g., developer reimbursement agreements) in which the Master District or a Sub-District has entered prior to the Master District's or a Sub-District's receipt of the City's the first notice of annexation.

(2) After receipt of the City's first notice of proposed annexation, the Master District or a Sub-District shall not enter into any developer reimbursement agreement or agreements for a new project or extraordinary expenses, except as necessary for continued operation and maintenance of existing Master District or Sub-District facilities. The District further agrees that any agreements with the District in violation of this requirement will not be binding on the City.

Section 8. Consent to City Annexation. The Company agrees to consent to the City's annexation of the area within the Master District or a Sub-District that are not within the corporate limits of the City on the effective date of this Agreement. However, that the City shall not annex or impose any ad valorem taxes, other taxes, or assessment upon the Property that is not within the corporate limits of the City on the effective date of this Agreement until (1) a period of ten (10) years has elapsed after creation of the District and (2) at least 90% of the Project Facilities in the Master District or a Sub-District have been installed for which District bonds are authorized pursuant to this Agreement.

Section 9. Out-of-District Service; District Annexations.

- (a) The City agrees that the District is not authorized, without further action of the City, to
- (1) construct or install water or wastewater lines or facilities to serve areas outside the District;
 - (2) sell or deliver water or wastewater service to areas outside the District.
- Prior to the District's annexation of any additional land that is within the City's ETJ into the District, the District shall obtain the City's approval of the District's annexation.
- (b) Any land that the District annexes or to which it agrees to provide out-of-district service shall be subject to the terms of this Agreement.
- (c) If the City fails to take action on the District's request for approval within sixty (60) days of the date of submittal of the request, then the District's annexation is deemed approved by the City.

Section 10. City CCN Limitation. The Parties agree that the City may not seek a CCN to become the retail water provider, wastewater provider, or both for the area that the District serves or encompasses without the written consent of the Company and the District.

Section 11. Applicability; No Third Party-Beneficiaries and Assignment.

- (a) The terms and conditions of this Agreement that are applicable to the Company shall apply to any municipal utility district created, divided, or converted under this Agreement.
- (b) This Agreement is for the benefit of the City, the Company, and the municipal utility district(s), its successors and assigns, and shall not be construed to confer any benefit on any other party except as expressly provided in this Agreement.

ARTICLE II
PROJECT LAND USE AND DEVELOPMENT

Section 1. No Development Moratoriums.

- (a) The City agrees that, during the term of this Agreement, it will not impose or attempt to impose any moratorium on building or development within the Project or any land use or development regulation that limits the rate or timing of land use approvals, whether affecting preliminary plans, final plats, site plans, building permits, certificates of occupancy, or other necessary approvals, within the Project, except as otherwise provided herein.
- (b) Except as otherwise provided herein, any City imposed moratorium, growth restriction, or other limitation affecting the rate, timing, or sequencing of development or construction of all or any part of the Project will not apply to the Project if such moratorium, restriction, or other limitation conflicts with this Agreement or would have the effect of increasing the Company's obligations or decreasing the Company's rights and benefits under this Agreement.
- (c) This Agreement on the part of the City applies to all moratoriums that the City imposes, except temporary moratoriums uniformly imposed throughout the City due to an emergency constituting an imminent threat to the public health or safety.

Section 2. Development Agreements.

- (a) The Company further agrees to adopt, and cause to be recorded with the County Clerk of Williamson County, a set of covenants and restrictions for the Property, which provide for, *inter alia*, the establishment of a Homeowners' Association, to include an "Architectural Design Criteria and Control Committee" (the "HOA").
- (b) The Company agrees to develop the Property located within the City's incorporated boundaries or extraterritorial jurisdiction in accordance with the design standards as set out in *Exhibit*

"B," attached to this Agreement, to the extent such requirements are not in conflict with the requirements of Williamson County, Texas. To the extent that the standards for the City and the County are different, the more restrictive requirements shall control.

Section 3. Facilities Planning.

(a) Due to the size of the Property and the likely duration of its development being several years, the City and the Company mutually agree that it is necessary and beneficial to plan ahead for adequate public facilities including water and wastewater and other public utility facilities, water quality and storm water detention facilities, open space, and roadways (the "Project Facilities"). The City and the Company mutually agree that it is a benefit to the Parties for the Project Facilities to be properly and adequately planned and designed in a manner and capacity to serve the Project properly, effectively, and efficiently and to ensure the City that, if and when it may annex the Property, those facilities are adequate and an appropriate quality. It is also beneficial to the Parties that the Project be planned and developed in a manner that is sensitive to the environment, protects water quality, and successfully meets the needs and demands of the growing community.

(b) To accomplish the above, stable and predictable rules and regulations applicable to the Project are necessary. Except as otherwise provided in this Agreement (for example, Article I, Section 1 and Article II, Section 2 (b) and (c)), the City rules, regulations, and official policies applicable to the development of the Project during the term of this Agreement will be those City ordinances, regulations, and official policies (collectively, "Current Rules") in force by the City on December 1, 2004 (the "Vesting Date"). The Parties agree that Current Rules along with certain variances to the Current Rules, will help ensure the successful long-term planning and development of the Property. It is understood that the Current Rules along with the Variances (collectively, the "Applicable Rules") will apply to the Property until the earlier to occur of (i) the effective date of the City's annexation of the Property or (ii) the termination of this Agreement.

Section 4. Third Party Lawsuits. If any third party files a lawsuit or make any other claim relating to the validity of this Agreement or any actions of the City or the Company pursuant to this Agreement, the City and the Company agree that the filing of any third party lawsuit relating to this Agreement or the development of the Project will not delay, stop, or otherwise affect the development of either the Project or the Property, or the City's processing or issuance of any approvals for the Project and the Property, unless otherwise required by a lawful order of a court of competent jurisdiction.

Section 5. Transfers and Assignment.

(a) The Company, from time to time, may transfer, convey, or assign its interests in this Agreement in conjunction with the sale, conveyance, or transfer of all or any part of the Property. Such transfer, conveyance, or assignment shall bind the assignee to the terms and conditions of this Agreement.

(b) Upon an assignment, the Company shall be released from any and all liabilities, responsibilities, and obligations under this Agreement with respect to the land involved in the assignment or assignments.

(c) If the Company transfers, conveys, or assigns its interests in this Agreement, other than the Property, or if the Company transfers, conveys, or assigns the CCN to a party other than the District, then the City shall have the right to approve that transfer, conveyance, or assignment of the

Agreement. The City will not unreasonably withhold such approval. If the City fails to take action on the Company's request for transfer, conveyance, or assignment within sixty (60) days of the date of submittal of the request, then the City is deemed to have approved the transfer, conveyance, or assignment.

ARTICLE III OTHER PROVISIONS

Section 1. Binding Effect; Notice of Assignment.

(a) All of the terms of this Agreement shall be binding upon, shall inure to the benefit of, and shall be severally enforceable by and against each party to this Agreement, individually, and the party's respective personal representatives, successors, trustees, receivers, and assigns.

(b) Notice of assignment by a Party of any rights or obligations under this Agreement shall be furnished to the other Party no less than 20 business days prior to the Assignment.

Section 2. Opportunity to Cure. If either Party believes that the other Party has failed to comply with the requirements of this Agreement, the non-failing Party shall provide the other Party with written notice of the specific, alleged failure to comply and of the specific actions that the non-failing Party believes the failing Party needs to take to cure the non-compliance. Thereafter, the failing Party shall have sixty (60) days from receipt of this notice to correct such non-compliance. If the failing Party fails to correct the alleged non-compliance within the 60-day time period, then the non-failing Party shall have available all remedies allowed by law and/or this Agreement.

Section 3. Applicable Law; Venue; Interpretation; Severability.

(a) THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, AS IT APPLIES TO CONTRACTS PERFORMED WITHIN THE STATE OF TEXAS AND WITHOUT REGARD TO ANY CHOICE OF LAW RULES OR PRINCIPLES TO THE CONTRARY.

(b) THE PARTIES ACKNOWLEDGE THAT THIS AGREEMENT IS PERFORMABLE IN WILLIAMSON COUNTY, TEXAS, AND HEREBY SUBMIT TO THE JURISDICTION OF THE COURTS OF THAT COUNTY, AND HEREBY AGREE THAT A PROPER WILLIAMSON COUNTY COURT SHALL BE A PROPER FORUM FOR THE DETERMINATION OF ANY DISPUTE ARISING UNDER THIS AGREEMENT.

(c) Whenever possible, each provision of this Agreement shall be interpreted in a manner as to be effective and valid under applicable law. However, if any provision of this Agreement, or the application of this Agreement to any person or entity or under any circumstances, is invalid or unenforceable to any extent under applicable law, and the extent of that invalidity or unenforceability does not cause substantial deviation from the underlying intent of the parties as expressed in this Agreement, then that provision shall be deemed severed from this Agreement with respect to such person, entity, or circumstance, without invalidating the remainder of this Agreement or the application of such provision to other persons, entities, or circumstances. Further, a new provision shall be deemed substituted in lieu of the provision so severed which new provision shall, to the extent possible, accomplish the intent of the parties as evidenced by the provision so severed.

Section 4. Modification; Waiver.

(a) The Parties may not amend or modify this Agreement other than by a written agreement executed by the Parties.

(b) A Party may not waive any provision of this Agreement except by a writing signed by the party waiving the subject provision. Any waiver shall be limited to the specific purposes for which the Party gives the waiver.

Section 5. Authority. Each Party represents and warrants to the other that it has full authority to execute this Agreement and implement its terms and conditions.

Section 6. Injunctive Remedy of City. In addition to all the rights and remedies provided by the laws of the State of Texas, if the District violates the terms and provisions of this Agreement, then the City will be entitled to injunctive relief or a writ of mandamus issued by a court of competent jurisdiction restraining, compelling, or requiring the District and its officials to observe and comply with the terms and provisions prescribed in this Agreement.

Section 7. Review by Parties. The Parties acknowledge that each Party and, if it so chose, its counsel, have reviewed and revised this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any amendments or Exhibits to this Agreement.

Section 8. Effective Date and Term.

(a) This Agreement shall be effective from the date of execution by the City and the Company.

(b) This Agreement shall continue in effect for a period of 25 years from the date that the Company and the City execute it or until such time as all District Bonds shall have been repaid by the taxpayers of the District or by the City upon annexation of the District, whichever is later. However, if the creation of the District has not been confirmed at an election conducted on or before the uniform election day in May of the year 2011, then this Agreement may, at the option of the Company or the City, be terminated by written notice to the other Party.

Section 9. Notice. Any notice that a Party is to give to another Party under this Agreement shall be in writing and effected by certified mail, return receipt requested.

Notice to Company shall be addressed to the following:

Sonterra Development, LLC of Jarrell, Texas
P.O. Box 856
Jarrell, Texas 76537-0856

Notice to City shall be addressed to the following:

City of Jarrell
Attention: Mayor
P.O. Box 828
Jarrell, Texas 76537-0828

Each party may change the address for notice by giving notice of the change at the last address designated in accordance with this section.

Section 10. Wholesale Utility Service.

(a) In accordance with a mutually agreeable Wholesale Utility Service Agreement, the City shall provide the Company or the District with wastewater utility treatment service on a wholesale basis.

FINAL AGREEMENT CREATION AND OPERATION OF SONTERRA MUD

120104

(b) In accordance with a mutually agreeable Wholesale Utility Service Agreement, the District shall provide the City with wastewater treatment service on a wholesale basis if the District has adequate and available treatment facilities to provide the amount of wastewater service that the City requests.

(c) If the City has not fulfilled its obligation under Section 10(a) within one (1) year of this Agreement, the Company, the District, or both are authorized to construct a temporary wastewater treatment plant to provide wastewater treatment service to the Property until such time as the City has adequate and available treatment facilities to provide all wastewater treatment service needs of the Company and the District in accordance with Section 10 (a) above.

(d) If the City fails to meet its obligation under Sections 10(a) and the Company, the District, or both have constructed a temporary wastewater treatment plant to provide wastewater treatment service to the Property, the Company, the District, or both shall connect to a City owned wastewater treatment plant only upon the City having adequate and available treatment facilities to provide all wastewater treatment service needs of the Property. The City understands and agrees that if the City is unable to satisfy the conditions in this section, the Company or the District will continue to provide wastewater treatment service to any area that the temporary wastewater treatment plant serves and to any area that the District or the Company is obligated to serve.

IN WITNESS HEREOF, each of the parties has caused this Agreement to be executed by its undersigned duly authorized representative, in multiple counterparts, each of which shall be deemed an original, as of the date indicated below, it being understood that all parties need not sign the same counterparts and all of such counterparts shall together constitute one and the same instrument.

CITY OF JARRELL, TEXAS

By:

Wayne E Cavalier

Wayne Cavalier, Mayor
City of Jarrell, Texas

Executed on December 1, 2004

ATTEST:

Alanna Emig

City Secretary
City of Jarrell, Texas

STATE OF TEXAS §

COUNTY OF WILLIAMSON §

BEFORE ME, the undersigned authority, on this day personally appeared Wayne Cavalier, Mayor of the City of Jarrell, Texas, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledge to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated, and as the act and deed of said City of Jarrell, Texas.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 1st day of DECEMBER 2004.

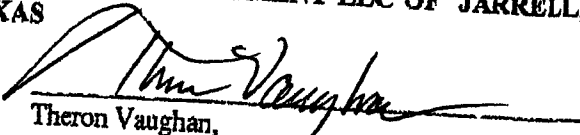
Gloria R Wenzel
Notary Public, State of Texas



PETITIONERS

SONTERRA DEVELOPMENT LLC OF JARRELL,
TEXAS

By:


Theron Vaughan,
Managing Member

Executed on 29th Sept, 2004

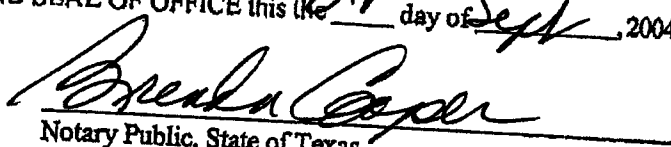
STATE OF TEXAS

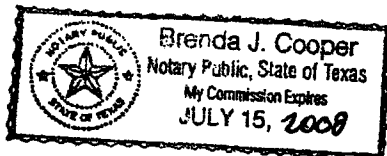
COUNTY OF WILLIAMSON

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BEFORE ME, the undersigned authority, on this day personally appeared Theron Vaughan, Managing Member of Sonterra Development LLC of Jarrell, Texas, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledge to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated, and as the act and deed of said Sonterra Development LLC of Jarrell, Texas.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 29th day of Sept, 2004.


Notary Public, State of Texas



William J. Schwertner
 William J. Schwertner POA Katherine Havelka

Excuted on 9/29/04, 2004

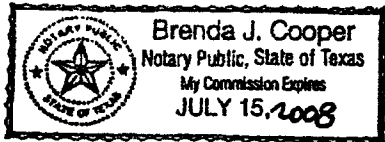
STATE OF TEXAS
 COUNTY OF WILLIAMSON

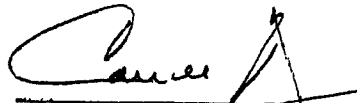
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BEFORE ME, the undersigned authority, on this day personally appeared William J. Schwertner, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledge to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated, and as the act and deed of said William J. Schwertner.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 29 day of Sept, 2004.

Brenda J. Cooper
 Notary Public, State of Texas



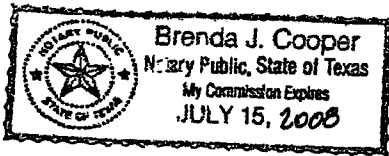

Carroll Fuchs
Executed on 9/29/04

STATE OF TEXAS
COUNTY OF WILLIAMSON

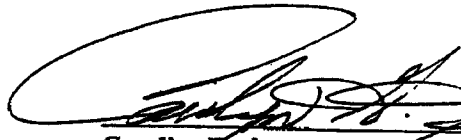
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BEFORE ME, the undersigned authority, on this day personally appeared Carroll Fuchs to be the person whose name is subscribed to the foregoing instrument and acknowledged the same for the purposes and consideration therein expressed, in the capacity as the act and deed of said Carroll Fuchs.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 29 day of September




Notary Public, State of Texas

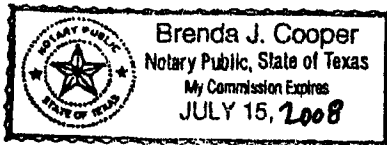

Caroline Fuchs
Executed on 9/29/04

STATE OF TEXAS
COUNTY OF WILLIAMSON

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BEFORE ME, the undersigned authority, on this day personally appeared Caroline Fuchs to be the person whose name is subscribed to the foregoing instrument and acknowledged the same for the purposes and consideration therein expressed, in the capacity as the act and deed of said Caroline Fuchs.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 29 day of September




Notary Public, State of Texas

W H Shepherd
W. H. Shepherd

Executed on Sept 28th, 2004

STATE OF TEXAS

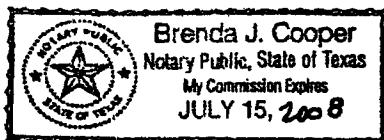
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COUNTY OF WILLIAMSON

BEFORE ME, the undersigned authority, on this day personally appeared W.H. Shepherd, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledge to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated, and as the act and deed of said W.H. Shepherd.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 28 day of Sept, 2004.

Brenda J. Cooper
Notary Public, State of Texas



Tyre L. Flynn
Tyre Flynn

Executed on 9/29/04, 2004

STATE OF TEXAS

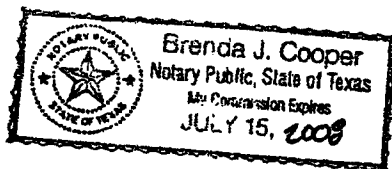
COUNTY OF WILLIAMSON

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BEFORE ME, the undersigned authority, on this day personally appeared Tyre Flynn, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledge to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated, and as the act and deed of said Tyre Flynn.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 29 day of Sept, 2004.

Brenda J. Cooper
Notary Public, State of Texas



Brent W. Buck

Brent W. Buck

Executed on 9-29-04, 2004

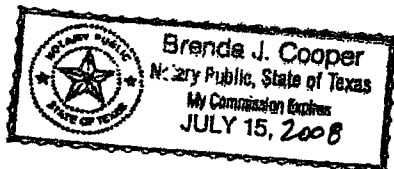
STATE OF TEXAS

COUNTY OF WILLIAMSON


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BEFORE ME, the undersigned authority, on this day personally appeared Brent W. Buck, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledge to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated, and as the act and deed of said Brent W. Buck.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 29 day of Sept, 2004.



Brenda J. Cooper
Notary Public, State of Texas



 Stephen Marturano

Executed on _____, 2004

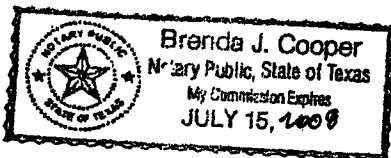
STATE OF TEXAS

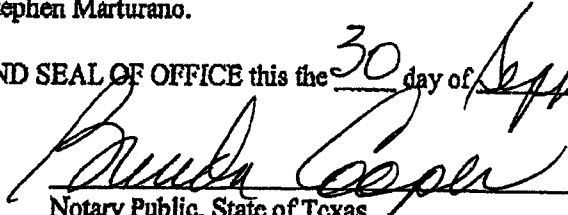
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COUNTY OF WILLIAMSON

BEFORE ME, the undersigned authority, on this day personally appeared Stephen Marturano, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledge to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated, and as the act and deed of said Stephen Marturano.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 30 day of Sept, 2004.





 Notary Public, State of Texas



 A. Carol Marturano

Executed on _____, 2004

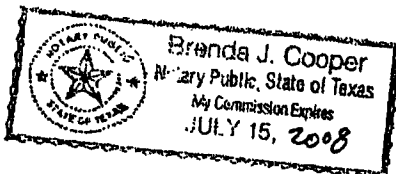
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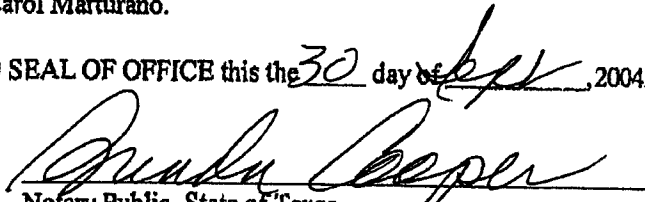
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COUNTY OF WILLIAMSON

BEFORE ME, the undersigned authority, on this day personally appeared A. Carol Marturano, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledge to me that she executed the same for the purposes and consideration therein expressed, in the capacity therein stated, and as the act and deed of said A. Carol Marturano.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 30 day of Sept, 2004.





 Notary Public, State of Texas

Dona Ann Vogt
Dona Ann Vogt

Executed on _____, 2004

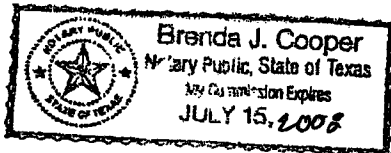
STATE OF TEXAS

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COUNTY OF WILLIAMSON

BEFORE ME, the undersigned authority, on this day personally appeared Dona Ann Vogt, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledge to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated, and as the act and deed of said Dona Ann Vogt.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 30 day of Sept, 2004.



Brenda J. Cooper
Notary Public, State of Texas

M. Howard Faske
M. Howard Faske

Executed on Sept 30, 2004

STATE OF TEXAS

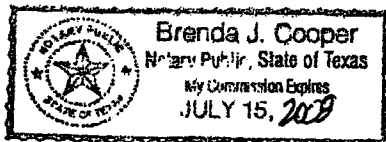
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COUNTY OF WILLIAMSON

BEFORE ME, the undersigned authority, on this day personally appeared M. Howard Faske, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledge to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated, and as the act and deed of said M. Howard Faske.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 30 day of Sept, 2004.

Brenda J. Cooper
Notary Public, State of Texas



Martha Faske
Martha Faske

Executed on Sept 30, 2004

STATE OF TEXAS

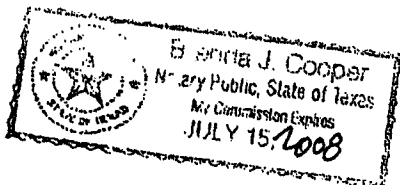
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COUNTY OF WILLIAMSON

BEFORE ME, the undersigned authority, on this day personally appeared Martha Faske, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledge to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated, and as the act and deed of said Martha Faske.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 30 day of Sept, 2004.

Brenda J. Cooper
Notary Public, State of Texas




Theron Vaughan

Executed on _____

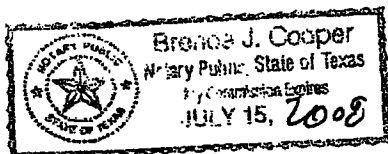
STATE OF TEXAS

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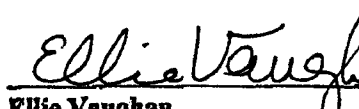
COUNTY OF TRAVIS

BEFORE ME, the undersigned authority, on this day personally appeared Theron to me to be the person whose name is subscribed to the foregoing instrument and acknowledge he executed the same for the purposes and consideration therein expressed, in the capacity and as the act and deed of said Theron Vaughan.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 30 day of 5




Notary Public, State of Texas


Ellie Vaughan

Executed on _____

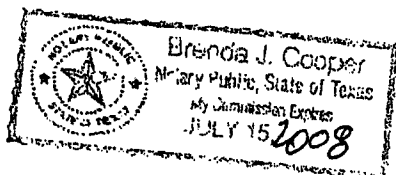
STATE OF TEXAS

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COUNTY OF WILLIAMSON

BEFORE ME, the undersigned authority, on this day personally appeared Ellie to me to be the person whose name is subscribed to the foregoing instrument and acknowledge she executed the same for the purposes and consideration therein expressed, in the capacity and as the act and deed of said Ellie Vaughan.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 30 day of 5





Notary Public, State of Texas

EXHIBIT 'A'
FIELD NOTE DESCRIPTION

SONTERRA MUNICIPAL UTILITY DISTRICT

WILLIAMSON COUNTY, TEXAS

The following is a metes and bounds description of the external boundary of the SONTERRA MUNICIPAL UTILITY DISTRICT (MUD) located in Williamson County, Texas including in whole or part the following individual tracts:

1. M. H. Faske 7.93 acre tract as described in Document No. 2002 092 386 of the Official Public Records of Williamson County, Texas.
2. Odell Faske 124.57 acre tract as described in Volume 2236 Page 837 of the Official Public Records of Williamson County, Texas.
3. William J. Schwerthner, et al 236.37 acre tract as described in Volume 1361 Page 528 of the Official Public Records of Williamson County, Texas.
4. Carrol Fuchs 96.0 acre tract as described in Volume 858, Page 868 of the Official Public Records of Williamson County, Texas.
5. Marturano Living Trust 56.07 acre tract as described in Document No. 2002087711 of the Official Public Records of Williamson County, Texas.
6. Marturano Living Trust 125.0 acre tract as described in Volume 2252, Page 092 of the Official Public Records of Williamson County, Texas.
7. Frank Vrazel 25.13 acre tract as described in Document No. 2002 103537 of the Official Public Records of Williamson County, Texas.
8. George P. Vrazel 25.67 acre tract as described in Document No. 2002 103536 of the Official Public Records of Williamson County, Texas.
9. Ann V. Taylor 25.65 acre tract as described in Document No. 2002 103535 of the Official Public Records of Williamson County, Texas.
10. Mary V. Lee 25.65 acre tract as described in Document No. 2002 103534 of the Official Public Records of Williamson County, Texas.
11. Dora Ann Vogt 10.57 acre tract as described in Document No. 9912877 of the Official Public Records of Williamson County, Texas.
12. Edward I. Vrazel 25.65 acre tract as described in Document No. 2002 103533 of the Official Public Records of Williamson County, Texas.
13. Tyre Flynn 28.02 acre tract as described in Volume 882, Page 774 of the Official Public Records of Williamson County, Texas.
14. Tyre Flynn 26 acre tract as described in Volume 662, Page 158 of the Official Public Records of Williamson County, Texas.
15. Gary Flynn 28.02 acre tract as described in Volume 680, Page 433 of the Official Public Records of Williamson County, Texas.

16. Walter Sheppherd 23.04 acre tract as described in Volume 66 Official Public Records of Williamson County, Texas.
17. Wilson Raven 159.65 acre tract as described in Volume 66 Public Records of Williamson County, Texas.
18. M. Howard Faske 129.75 acre tract as described in Document 189 the Official Public Records of Williamson County, Texas.

To wit:

PERIMETER FIELD NOTES

BEING 1,135.71 acres of land situated in the Isaac Bunker Sullivan Survey, the A.A. Lewis Survey, Abstract No. 384 and including the aforesaid tracts; these Perimeter Field Notes being prepared from records having been surveyed on the ground and being more particularly

BEGINNING at an iron pin set on the East line of Interstate Highway No. 35 being the most westerly corner of the 236.37 acre Schewe tract, the most westerly corner hereof:

THENCE, along Interstate Highway No. 35 and the west line of the 236.37 acre tract N 22° 57' 34" E for a distance of 1,140.30 feet to a point;

THENCE, N 22° 56' 46" E for a distance of 1,313.33 feet to a point;

THENCE, N 25° 14' 15" E for a distance of 920.51 feet to a point;

THENCE, S 18° 46' 42" E for a distance of 1,662.48 feet to a point;

THENCE, N 71° 08' 28" E for a distance of 613.52 feet to a point;

THENCE, N 71° 00' 00" E for a distance of 250.22 feet to a point;

THENCE along the west line of the Odell Faske 112.45 acre tract for a distance of 2,407.45 feet to a point;

THENCE, continuing along the north line of the Odell Faske 112.45 acre tract N 12° 12" E for a distance of 687.00 feet to a point for the most northerly corner herein;

THENCE, continuing along the north line of the Odell Faske 112.45 acre tract N 58° 58" E for a distance of 1,507.28 feet to a point for the most northerly corner herein;

THENCE, along the east line of the Odell Faske 112.45 acre tract for a distance of 3,116.65 feet to a point;

THENCE, along the north line of the M. Howard Faske 129.75 acre tract for a distance of 2,918.84 feet to a point in the west ROW line of Road No. 332;

THENCE, continuing along the West ROW line of CR 332, and bearing the M. Howard Faske tract and the Wilson Raven 159.65 acre tract for a distance of 2,164.71 feet to a point;

THENCE, along the south line of the Wilson Raven tract, S 71° 43' 55" W for a distance of 2,611.40 feet to a point;

THENCE, along the most westerly east line of the Wilson Raven tract, S 18° 16' 05" E for a distance of 615.37 feet to a point;

THENCE, along the north line of the Tyre Flynn 26.0 acre tract, N 85° 45' 21" E for a distance of 1,367.46 feet to a point;

THENCE, along the north line of the Tyre Flynn 27.02 acre tract N 57° 19' 36" E for a distance 1,330.67 feet to a point in the west ROW line of CR 332;

THENCE, along the west ROW line of CR 332, same being the east line of the Tyre Flynn 27.02 acre tract, S 18° 39' 11" E for a distance of 939.88 feet to a point;

THENCE, crossing CR 332 and continuing along the north ROW line of CR 332 where it turns easterly, N 71° 20' 49" E for a distance of 442.41 feet to a point, said point being the southwest corner of the Dora Ann Vogt 10.57 acre tract;

THENCE, along the west line of the Vogt tract, N 19° 52' 30" W for a distance of 433.27 feet to a point, said point being the northwest corner of the Vogt tract;

THENCE, along the north line of the Vogt tract, N 70° 56' 10" E for a distance of 1,038.24 feet to a point, said point being the northeast corner of the Vogt tract;

THENCE, along the east line of the Vogt tract, S 18° 46' 01" E for a distance of 421.09 feet to a point in the north ROW line of CR 332 said point being the southeast corner of the Vogt tract;

THENCE, along the south line of the Vogt tract, same being the north ROW line of CR 332, S 70° 15' 40" W for a distance of 659.37 feet to a point;

THENCE, crossing CR 332 in a southerly direction and continuing along the east lines of the Mary V. Lee 21.09 acre tract and the Ann V. Taylor 25.65 acre tracts, S 17° 57' 07" E for a distance of 2,771.54 feet to a point, said point being the southeast corner of the Ann V. Taylor tract, same being in the north ROW line of CR 314;

THENCE, along the north ROW line of CR 314 same being the south line of the Ann V. Taylor, George P. Vrazel and Frank Vrazel tracts, S 71° 19' 57" W for a distance of 2,091.86 feet to a point, said point being the southwest corner of the Frank Vrazel tract;

THENCE, along the west line of the Frank Vrazel tract and the Edward I. Vrazel 13.33 acre tract N 17° 48' 03" W for a distance of 2,307.44 feet to a point;

THENCE, continuing along the west line of the Edward I. Vrazel tract and crossing CR 313, N 01° 17' 24" W for a distance of 326.26 feet to a point in the north ROW line of CR 313, same being the south line of the Tyre Flynn 27.02 acre tract;

THENCE, S 71° 24' 53" W for a distance of 337.61 feet to a point,

THENCE N 22° 26' 34" W for a distance of 310.34 feet to a point;

THENCE, S 70° 36' 51" W for a distance of 302.14 feet to a point;

THENCE, S 18° 35' 07" E for a distance of 305.42 feet to a point in the north ROW line of CR 313;

THENCE, continuing along the north ROW line of CR 313, S 71° 24' 53" W for a distance of 1,798.96 feet to a point;

THENCE, N 22° 36' 44" W for a distance of 297.30 feet to a point;

THENCE S 67° 39' 50" W for a distance of 238.81 feet to a point;

THENCE, S 18° 35' 07" E for a distance of 280.94 feet to a point in the north ROW line of CR 313;

THENCE, continuing along the north ROW line of CR 313, S 71° 24' 53" W for a distance of 509.48 feet to a point;

THENCE, continuing along the north ROW line of CR 313, N 82° 10' 01" W for a distance of 24.21 feet to a point;

THENCE, continuing along the north ROW line of CR 313, N 27° 00' 23" W for a distance of 100.85 feet;

THENCE, continuing along the north ROW line of CR 313, N 55° 48' 28" W for a distance of 32.42 feet to a point;

THENCE, continuing along the north ROW line of CR 313, S 78° 30' 07" W for a distance of 19.20 feet to a point;

THENCE, continuing along the north ROW line of CR 313, S 70° 34' 28" W for a distance of 223.36 feet to a point;

THENCE, crossing CR 313 in a southerly direction and continuing along the east line of the Carroll Fuchs 92.5 acre tract, S 19° 08' 38" E for a distance of 1,478.56 feet to a point;

THENCE, S 12° 12' 34" E for a distance of 70.62 feet to a point;

THENCE, S 80° 07' 04" E for a distance of 1,269.10 feet to a point;

THENCE, S 19° 12' 42" E for a distance of 660.04 feet; crossing CR 314 to a point in the south ROW line of CR 314, same being the north line of the Marturano Living Trust 50.0 acre tract;

THENCE, along the north line of the Marturano tract, same being the south ROW line of CR 314, N 71° 28' 05" E for a distance of 1,649.87 feet to a point, same being the northeast corner of the Marturano tract;

THENCE, along the east line of the Marturano 50.0 acre tract and the Marturano Living Trust 125.0 acre tract, S 18° 22' 52" E for a distance of 3,746.44 feet to a point, in the north ROW line of CR 315, said point being the southeast corner of the Marturano 125.0 acre tract;

THENCE, along the south line of the Marturano 125.0 acre tract same being the north ROW line of CR 315, S 71° 44' 03" W for a distance of 2,154.74 feet to a point, said point being the southwest corner of the Marturano 125.0 acre tract;

THENCE, northerly along the west line of the Marturano Living Trust 125.0 acre; 6.07 acre and 35.0 acre tracts and crossing CR 314, N 18° 52' 21" W for a distance of 3,785.93 feet to a point in the north ROW line of CR 314;

THENCE, along the north ROW line of CR 314, same being the south line of the Carroll Fuchs 92.5 acre tract, S 71° 06' 10" W for a distance of 1,728.64 feet to a point, said point being the southwest corner of the Fuchs tract;

THENCE, Northerly along the west line of the Fuchs tract 42' 19" W for a distance of 2,767.85 feet to a point in the same being the south line of the Schwertner 236.37 acre tract;

THENCE, continuing along the south line of the Schwertner 236.37 acre tract S 36° 00' 00" W for a distance of 310.97 feet to a point;

THENCE, S 70° 48' 51" W for a distance of 1,049.83 feet to a point;

THENCE, N 83° 35' 36" W for a distance of 66.77 feet to a point;

THENCE, N 31° 20' 00" W for a distance of 68.85 feet to a point on the Schwertner 236.37 acre tract;

THENCE, along the west line of the Schwertner 236.37 acre tract S 75° 00' 00" W for a distance of 975.24 feet to a point;

THENCE, N 39° 01' 57" W for a distance of 46.05 feet to a point;

THENCE, N 50° 03' 01" W for a distance of 43.17 feet to a point;

THENCE, N 18° 23' 53" W for a distance of 1,353.19 feet to a point;

THENCE, S 86° 25' 58" W for a distance of 447.22 feet to a point;

THENCE, N 13° 24' 55" E for a distance of 467.70 feet to a point;

THENCE, S 86° 38' 42" W for a distance of 97.28 feet to a point;

THENCE, N 05° 08' 31" E for a distance of 226.78 feet to a point;

THENCE, S 86° 37' 46" W for a distance of 350.02 feet to a point;

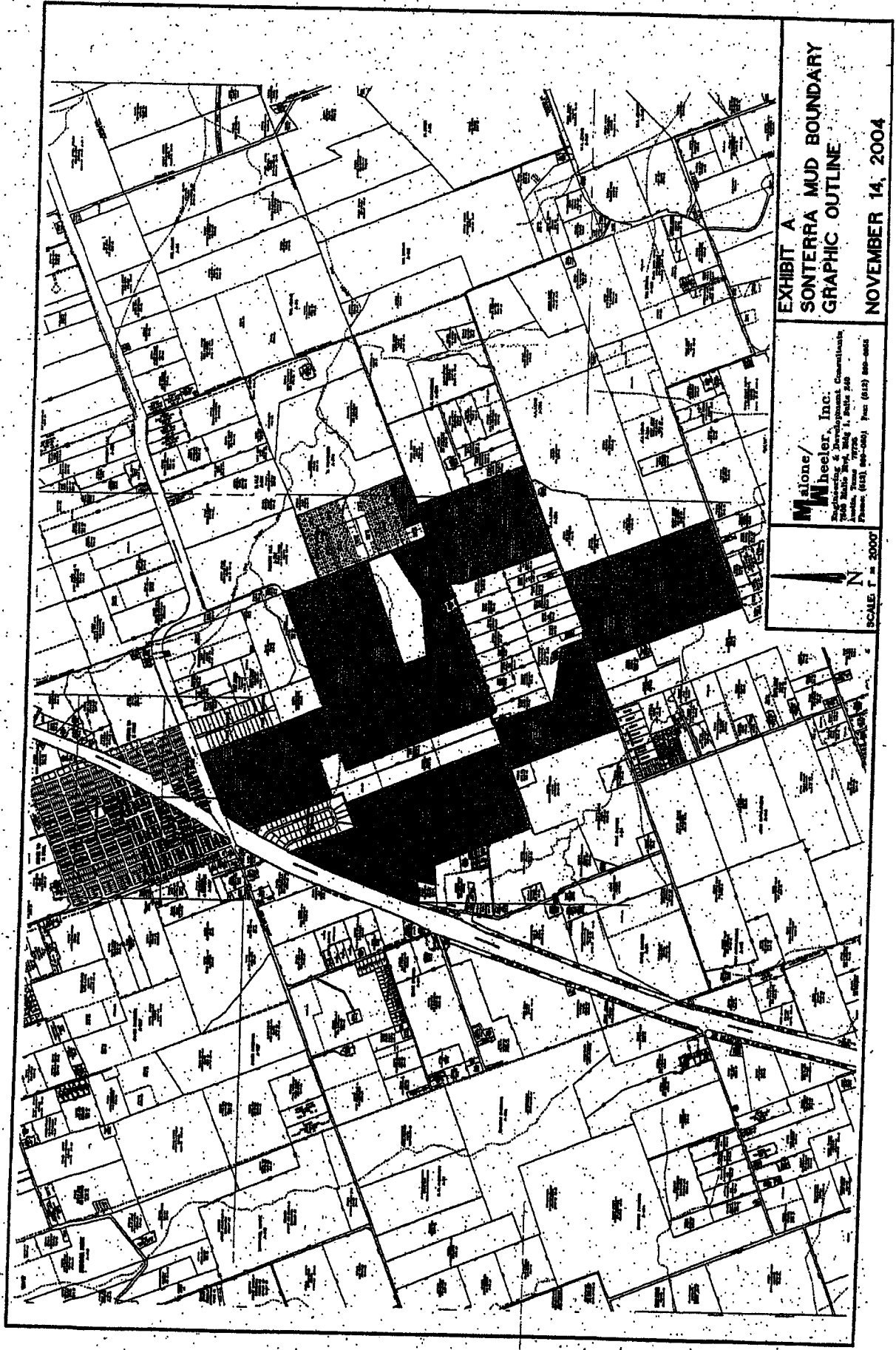
THENCE, S 22° 58' 49" W for a distance of 249.95 feet to a point;

THENCE, S 84° 37' 40" W for a distance of 119.72 feet to a point on the boundary of the Sonterra Municipal Utility District of 1,135.72 acres, more or less;

SAVE and EXCEPT the Luis Danek 39.38 acre tract as described in Volume 528 of the Official Public Records of Williamson County, Texas and the 35.99 acre tract as described in Volume 1361, Page 528 of the Official Public Records of Williamson County, Texas for a total acreage contained within the Sonterra Municipal Utility District of 1,135.72 acres, more or less.

This Perimeter Field Note description of the Sonterra Municipal Utility District boundary is based on compiled record information and adjusted for monumentation descriptions and distance adjustments from volume 1361, Page 528 of the Official Public Records of Williamson County, Texas on an on-the-ground survey and no field verification of any points was conducted. The boundary description may be adjusted as field verification becomes available.

Field Notes Prepared by:
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Engineering and Development Consultants
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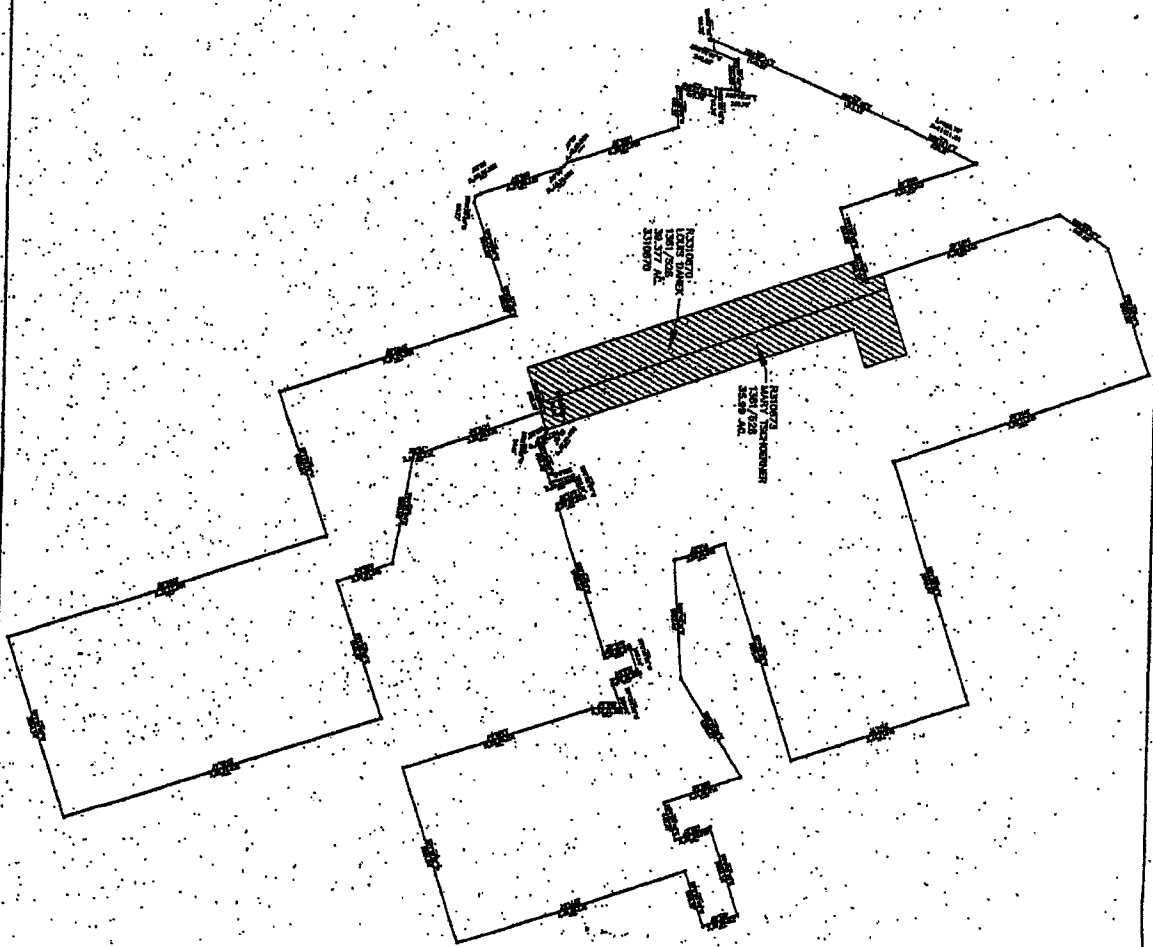


EXHIBIT A
SONTERRA MUD
WILLIAMSON COUNTY
PERIMETER BOUNDARY LAYOUT

SCALE: N/A



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EXHIBIT B
To
Agreement to Creation of Municipal Utility District

DESIGN STANDARDS FOR IMPROVEMENTS.

Section 1. Generally.

(a) **Additional Regulations.** In addition to the requirements established by this Document, all development within the City limits shall be designed so as to comply with the intent and provisions of the Zoning Document, building and housing codes, Master Plan, regulations of the Texas Department of Transportation and the Texas Department of Health, and any other applicable law or regulation adopted by a unit of federal, state or local government; and all development within the extraterritorial jurisdiction of the City shall comply with this Document and all other applicable laws and regulations adopted by a unit of federal, state or local government.

(b) **Standards In General.** The minimum design standards as contained herein shall provide the basic criteria for evaluating proposed development. The City may, however, establish reasonable design requirements in excess of these established minimum standards, or grant variances from those established minimum standards, where by reason of exceptional topographic, cultural, historic, archaeological, hydrologic, or other physical conditions of the property to be developed or of an adjacent tract, the strict adherence to these standards will result in an inappropriate subdivision design or cause unnecessary hardship.

(c) **Coordinated Design.** The quality of life and the community in the Jarrell urban area is dependent on the quality of design of the individual developments in which people live and work. Good community design requires the coordination of the efforts of each developer of land within the urban area. The City of Jarrell intends that the developers shall design urban areas as a group of integrated residential neighborhoods and appropriate commercial, industrial, and public facilities. Therefore, the design of each development shall be prepared in accordance with the applicable principles established by the Master Plan for land use, circulation, community facilities, and public utility services and in accordance with the following general principles:

- (1) The neighborhood, as a planning unit, is intended as an area principally for residential use, and of a size that can be served by one (1) elementary school. Space for recreational, educational, and shopping facilities to serve the residents of the neighborhood should be provided and designed as an integral part of each neighborhood. The location of nearby facilities may be considered in this requirement. The size of lots and blocks should be designed to provide for adequate water and wastewater service, traffic circulation, light, air, open space, landscaping, and off-street parking. The arrangement of lots and blocks and the street system should be designed to make the most advantageous use of topography and natural physical features. Tree masses and large individual trees should be preserved to the greatest extent possible. The system of sidewalks and roadways and the lot layout should be designed to take advantage of the visual qualities of the area.
- (2) The components of the street system should in different degrees serve the separate purposes of access to property and safe, efficient movement of traffic. Land use types should be served by roadways whose capacity increases in proportion to the traffic generation of the land use. Design and location of points of access to property should be appropriate to the volume and speed

characteristics of traffic utilizing the intersection.

- (3) An open space system throughout the urban area should provide a range of active and passive recreation opportunities. Park, open space, and recreation facilities should be located with sensitivity to user population, natural features, traffic generation, and nearby land use.
- (4) Land use arrangement and design should minimize the difference in intensity between adjacent uses in order to provide for the provision of water, wastewater, and roadways sufficient to serve the proposed densities and provide for compatible neighboring developments. Step-down patterns of use surrounding major activity centers, combined with buffering techniques, should ensure that residential densities are compatible with each other, and that higher intensity uses do not impact residential development adversely.
- (5) Public utilities and infrastructure should be provided within all subdivisions in order to ensure the health, safety, and well-being of the public. Utility capacity should be sufficient to meet accepted standards of service to reasonably anticipated development. Where excess capacity in utility lines or facilities within a subdivision will further the efficient and desirable extension of utilities to adjacent property, equitable provision of such capacity is essential to the orderly growth of the urban area.
- (6) Construction of water, wastewater, drainage, gas, electric, telephone, and cable television utilities that require utility cuts of a public street shall be repaired pursuant to applicable City documents.

Section 2. Drainage Improvements.

(a) **Purpose.** The drainage improvement provisions contained herein are deemed necessary for the following reasons:

- (1) Waterways and their associated watersheds within the City's territorial jurisdiction represent significant and irreplaceable recreational and aesthetic resources and contribute directly to the City's public health.
- (2) The continued economic growth of the City is dependent on an adequate quality and quantity of stormwater runoff, a pleasing natural environment, and recreational opportunities in close proximity to the City as well as the protection of people and property from the hazards of flooding.
- (3) All watersheds within the City's jurisdiction, and especially those with abrupt topography, sparse vegetation, and thin and easily disturbed soil, are vulnerable to flooding due to unregulated development activities.
- (4) All watersheds within the City's jurisdiction are undergoing development or are facing development pressure.
- (5) If watersheds within the City's jurisdiction are not developed in a sensitive and innovative manner, their water resources, natural environment, and recreational characteristics may be irreparably

damaged.

- (6) The City should regulate all drainage within the City's jurisdiction for the public benefit and safety, including both the existing and future generations of citizens of the City, as well as for downstream users of the each waterway within the City's territorial jurisdiction.

(b) Policy.

- (1) All drainage improvements within the City's jurisdiction shall be designed in accordance with the City Drainage Criteria Manual, as currently amended, save and except the following:
 - (i) Preface,
 - (ii) Paragraph 1.2.2.E
 - (iii) Paragraph 1.2.4.E.2, and 1.2.4.E.11;
 - (iv) Paragraph 1.2.7;
 - (v) Paragraph 1.4.0;
 - (vi) Paragraph 8.2;
 - (vii) Appendix D.; and
 - (viii) all references to the departments, boards, or divisions shall be the same departments, boards, or divisions within the City of Jarrell. Where such departments, boards, or divisions do not exist within the City of Jarrell, such references shall be construed to mean the Planning and Zoning Commission, the City Engineer, or other representative authorized by the City Council to perform such functions on the City's behalf.
- (2) The Commission shall not recommend approval or approve any plat or plan that does not meet the minimum requirements of this Document in making adequate provisions for control of the quantity of stormwater runoff to protect the public health, safety, and property and benefit the present and future owners of property within the development, other lands within the City, and neighboring areas.
- (3) It shall be the responsibility of the developer to design and construct a system for the collection and transport of all stormwater runoff flowing into and generated within the development, in accordance with:
 - (i) The requirements of this Document.
 - (ii) The City of Jarrell Drainage Criteria Manual, as currently amended, save and except as noted in this Document.
 - (iii) Good engineering practices.

- (iv) Approved engineering plans for construction.
- (v) The regulations and principles of law established pursuant to the Texas Water Code.
- (4) In general, drainage improvements shall be designed and constructed in a manner that promotes the development of a network of both natural and built drainageways throughout the community and so as to:
 - (i) Retain natural flood plains in a condition that minimizes interference with flood water conveyance, flood water storage, aquatic and terrestrial ecosystems, and ground and surface water.
 - (ii) Reduce exposure of people and property to the flood hazards and the nuisances associated with inadequate control of stormwater runoff.
 - (iii) Systematically reduce the existing level of flood damages.
 - (iv) Ensure that corrective works are consistent with the overall goals of the City.
 - (v) Minimize erosion and sedimentation problems and enhance water quality.
 - (vi) Protect environmental quality, social well-being, and economic stability.
 - (vii) Plan for both the large flooding events and the smaller, more frequent flooding events by providing both major and minor drainage systems.
 - (viii) Minimize future operational and maintenance expenses.
 - (ix) Reduce exposure of public investment in utilities, streets, and other public facilities (infrastructure).
 - (x) Minimize the need for rescue and relief efforts associated with flooding and generally undertaken at the expense of the public.
 - (xi) Acquire and maintain a combination of recreational and open space systems utilizing flood plain lands.

Section 3. Transportation Improvements.

(a) **Purpose.** The planning for a thoroughfare system is essential for the continued efficient movement of people and goods, and the Master Plan shall serve as a guide for the location and scale of future collector and arterial streets. The precise alignment of thoroughfares included in the Plan may be varied to allow adjustments that increase the compatibility of the right-of-way with natural or man made features such as steep slopes, waterways, wildlife habitats, neighborhoods, historic structures, or existing roadways.

(b) Policy.

- (1) All transportation improvements including streets, driveways, sidewalks, bikeways, traffic control, and parking areas within the City's jurisdiction shall be designed in accordance with the City of Jarrell's Transportation Criteria Manual, as currently amended, save and except the following:
 - (i) all references to the Jarrell Metropolitan Area Transportation Plan shall be construed to mean the City of Jarrell's Master Plan;
 - (ii) Paragraph 1.3.1.G;
 - (iii) Compact parking spaces will not be allowed;
 - (iv) all references to Jarrell zoning districts as they pertain to street classifications, trip generation, and recommended pavement design, off-street parking requirements;
 - (v) Appendix F; and all references to the City of Jarrell, including its departments, boards or divisions shall be the same departments, boards, or divisions within the City of Jarrell. Where such departments, boards, or divisions do not exist within the City, such references shall be construed to mean the Planning and Zoning Commission, the City Engineer, or other representative authorized by the City Council to perform such functions on the City's behalf.
- (2) Street layout. Adequate streets shall be provided by the subdivider and the arrangement, character, extent, width, grade, and location of each shall conform to the comprehensive plan of the City and professional urban planning and shall be considered in their relation to existing and planned streets, to topographical conditions, to public safety and convenience, and in their appropriate relationship to the proposed uses of land to be served by such streets. The street layout shall be devised for the most advantageous development of the entire neighborhood.
- (3) Relation to adjoining street system. Where necessary to the neighborhood pattern, existing streets in adjoining areas shall be continued and shall be at least as wide as such existing streets and in alignment therewith.
- (4) Projection of streets. Where adjoining areas are not subdivided the arrangements of streets in the subdivision shall make provision for the proper projection of streets into such unsubdivided areas.
- (5) Street jogs. Whenever possible, street jogs with center line offsets of less than 125 feet shall be avoided.
- (6) Street intersection. Street intersections shall be as nearly at right angles as practicable, giving due regard to terrain and topography.
- (7) Dead-end Streets. Dead end streets shall be prohibited except as short stubs to permit future expansion.
- (8) Cul-de-sacs. In general, cul-de-sacs shall not exceed 600 feet in length, and shall have a turnaround

of not less than 100 feet in diameter in residential areas, and not less than 100 feet in commercial and industrial areas.

- (9) Marginal access streets. Where a subdivision has frontage on an arterial street, the subdivision shall provide a marginal access street on both sides or on the subdivision side of the arterial street if the arterial street borders the subdivision, unless the adjacent lots back up to the arterial street. The Commission determines that such marginal access streets are not desirable under a particular case for adequate protection of the lots and separation of through and local traffic.
- (10) Streets on comprehensive plan. Where a subdivision embraces a street shown on the comprehensive plan of the City, such street shall be platted in the location and alignment indicated by the comprehensive plan.
- (11) Minor Street. Minor streets shall be laid out so as to discourage their use by through traffic.
- (12) Pavement widths and rights-of-way. Pavement widths, which shall be curb back to curb, and rights-of-way shall be as follows:
 - (i) Arterial streets shall have a right-of-way width of at least 90 feet, with a pavement width of at least 60 feet or two 24 foot paved sections.
 - (ii) Collector streets shall have a right-of-way of at least 70 feet and a pavement width of at least 44 feet.
 - (iii) Intermediate streets shall have a right-of-way of at least 60 feet and a pavement width of at least 36 feet.
 - (iv) Minor streets shall have a right-of-way of at least 50 feet with a pavement width of at least 31 feet.
 - (v) Nonresidential marginal access streets shall have a right-of-way width of at least 60 feet and a pavement width of at least 36 feet.
 - (vi) Residential marginal access streets shall have a right-of-way width of at least 50 feet and a pavement width of at least 31 feet.
- (13) Pavement and rights-of-way width for adjacent streets:
 - (i) The subdivider shall dedicate a right-of-way of 90 feet in width for new arterial streets, and 36 feet of such right-of-way shall be paved.
 - (ii) New adjacent collector, minor or marginal access streets shall conform to the requirements of this Section.
 - (iii) Where the proposed subdivision abuts upon an existing street or half-street, the subdivision shall conform to Paragraph b (12) of this section, the subdivider shall dedicate sufficient to make the full right-of-way width conform to paragraph b (12),

be paved so much of such right-of-way as to make the full pavement width comply with Paragraph b (12). Before any pavement is laid to widen existing pavement, the existing pavement shall be cut back 2 feet to assure an adequate sub-base and pavement joint.

- (14) **Curbs.** Curbs shall be installed by the subdivider on both sides of all interior streets, and on the subdivision side of all streets forming part of the boundary of the subdivision.

(c) **Street Lighting.** Street lighting shall be installed by the developer for all new streets within the jurisdiction of the City, and shall be designed and constructed in accordance with City Standard Details and Specifications.

(d) **Street Signage.** Street signs shall be installed by the developer at all intersections within and immediately adjacent to a proposed development, and shall be designed and constructed in accordance with City Standard Details and Specifications.

(e) **Sidewalks.** Sidewalks shall be installed by the developer on both sides of all streets within and immediately adjacent to a proposed development, and shall be designed and constructed in accordance with City Standard Details and Specifications.

(f) **Streets and Roads.** In addition to designing, installing, and constructing all reasonably necessary and useful streets, roads and alleys within the boundaries of the Subdivision, the developer shall be responsible for the dedication of additional right-of-way required for the streets and roads adjacent to and abutting the boundaries of the Subdivision and the cost and expense of widening and improving any such street or road to the centerline thereof.

Section 4. Water Utility Improvements.

(a) **Policy.** Developers shall be responsible for providing an approved public water supply system consistent with the Master Plan, this Document, and the rules and regulations of the entity providing or to provide water to the development.

- (1) Where an approved public water supply or distribution main owned by the City is within reasonable distance of the subdivision as determined by the Commission, but in no case more than one-half (1/2) mile away and connection to the system is both possible and permissible, the developer shall be required to bear the cost of connecting the development to such existing City water supply. In some instances, the City may request that the main water connection be oversized or rerouted to suit future water system improvements in that area. In such cases, the City will reimburse the developer the costs of oversized or rerouting such connections.
- (2) The developer shall, consistent with all existing documents, make a pro-rata contribution to funding of needed storage facilities, treatment facilities, and specific distribution lines as determined necessary by the City. Under extraordinary circumstances, these provisions may be varied with the approval of the Council and Commission.