ARTICLE X
MISCELLANEOUS PROVISIONS

Section 10.1 Notice. The parties contemplate that they will engage in informal communications with respect to the subject matter of this Agreement. However, any formal notices or other communications ("Notice") required to be given by this Agreement shall be given in writing addressed to the party to be notified at the address set forth below for such party, (a) by delivering the same in person, (b) by depositing the same in the United States Mail, certified or registered, return receipt requested, postage prepaid, addressed to the party to be notified, (c) by depositing the same with FedEx or another nationally recognized courier service guaranteeing "next day delivery," addressed to the party to be notified, or (d) by sending the same by electronic mail with confirming copy sent by mail. Notice deposited in the United States mail in the manner herein above described shall be deemed effective from and after three (3) days after the date of such deposit. Notice given in any other manner shall be effective only if and when received by the party to be notified. For the purposes of notice, the addresses of the parties, until changed as provided below, shall be as follows:

City:
City of Hackberry
119 Maxwell Road B-7
Hackberry, Texas 75034
Attn: Mayor
Phone: (972) 292-3223
Fax: (972) 292-2790
Email: city@cityofhackberry.net

With a copy to:
Rapier & Wilson, P.C.
1333 W. McDermott, Suite 100
Allen, Texas 75013
Attn: John Rapier
Phone: (972) 727-9904
Fax: (972) 727-4273
Email: rapier@rapierwilson.com

Owner:
Papagolos and Associates, Inc.
5225 Village Creek Drive, Suite 300
Plano, Texas 75093
Attn: Barry Milton
Phone: (972) 931-9537
Fax: (972) 931-2660
Email: bmilton@pd-company.com

With a copy to: Kelly Hart & Hallman LLP
201 Main Street, Suite 2500
Fort Worth, Texas 76102
Attn: Ross S. Martin
Phone: (817) 878-3517
Fax: (817) 878-9717
Email: ross.martin@kellyhart.com

The parties shall have the right from time to time to change their respective addresses, and each shall have the right to specify as its address any other address within the United States of America by giving at least ten (10) days written notice to the other parties. If any date or any period provided in this Agreement ends on a Saturday, Sunday, or legal holiday, the applicable period for calculating the notice shall be extended to the first business day following such Saturday, Sunday or legal holiday.

Section 10.2 Audit Rights. The City shall permit the Owner to make reasonable inspections, audits and copies of the books and records of the City relating to the amounts expended by or owed to Owner under the terms of this Agreement.

Section 10.3 Amendments. The Agreement may only be amended by resolution or ordinance of the City Council, together with written approval from all of the other Parties to this Agreement. No City official has the authority to waive or modify the terms of the Agreement.

Section 10.4 Time. Time is of the essence in all things pertaining to the performance of this Agreement.

Section 10.5 Entire Agreement; Severability. This Agreement constitutes the entire agreement between the Parties and supersedes all prior agreements, whether oral or written, covering the subject matter of this Agreement. This Agreement shall not be modified or amended except in writing signed by the Parties. If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable for any reason, such unenforceable provision shall be deleted from this Agreement, and the remainder of this Agreement shall remain in full force and effect and shall be interpreted to given effect to the intent of the Parties. Without limiting the generality of the foregoing, (a) if it is determined that, as of the Effective Date, Owner does not own any portion of the Property, this Agreement shall remain in full force and effect with respect to all of the Property that Owner does then own and (b) if it is determined, as of the Effective Date, that any portion of the Property is not within the City's ETJ, this Agreement shall remain in full force and effect with respect to all of the Property that is then within the City's ETJ. If at any time after the Effective Date it is determined that any portion of the Property is no longer within the City's ETJ, this Agreement shall remain in full force and effect with respect to all of the Property that remains within the City's ETJ.

Section 10.6 Waiver. Any failure by a Party hereto to insist upon strict performance by the other Party of any material provision of this Agreement shall not be deemed a waiver thereof or of any other provision hereof, and such Party shall have the right at any time thereafter to insist upon strict performance of any and all of the provisions of this Agreement.

Section 10.7 Applicable Law and Venue. The construction and validity of this Agreement shall be governed by the laws of the State of Texas without regard to conflicts of law principles. Venue shall be in Denton County, Texas.

Section 10.8 Reservation of Rights. To the extent not inconsistent with this Agreement, each Party reserves all rights, privileges, and immunities under applicable laws. This Agreement shall be enforceable under state and federal law.

Section 10.9 Further Documents. The Parties agree that at any time after execution of this Agreement, they will, upon request of another Party, execute and deliver such further documents and do such further acts and things as the other Party may reasonably request in order to effectuate the terms of this Agreement.

Section 10.10 Recitals. The recitals contained in this Agreement (a) are true and correct as of the Effective Date, (b) form the basis upon which the Parties negotiated and entered into this Agreement, and (c) reflect the final intent of the Parties with regard to the subject matter of this Agreement. In the event it becomes necessary to interpret any provision of this Agreement, the intent of the Parties, as evidenced by the recitals, shall be taken into consideration and, to the maximum extent possible, given full effect. The Parties have relied upon the recitals as part of the consideration for entering into this Agreement and, but for the recitals, would not have entered into this Agreement.

Section 10.11 Exhibits. The exhibits on the List of Exhibits are attached to this Agreement and are incorporated as part of this Agreement. Any proposed change to an exhibit shall be considered a proposed amendment to this Agreement.

Section 10.12 Effect of State and Federal Laws. Notwithstanding any other provision of this Agreement, the Parties and their successors or assigns shall comply with all applicable statutes or regulations of the United States and the State of Texas, and any rules implementing such statutes or regulations.

Section 10.13 Authority; Binding Obligation. (a) The City represents and warrants that this Agreement has been approved by ordinance duly adopted by the City Council of the City in accordance with all applicable public notice requirements (including, but not limited to, notices required by the Texas Open Meetings Act) and that the individual executing this Agreement on behalf of the City has been duly authorized to do so. The City acknowledges and agrees (i) that this Agreement shall be binding upon the City and enforceable against the City in accordance with its terms and conditions, and (ii) that the performance by the City under this Agreement is authorized by Section 212.171 of the Texas Local Government Code and by Chapter 791 of the Texas Government Code. The City waives any claim or defense that this Agreement is unenforceable on the grounds that any obligations of the City bind, impair, or otherwise adversely affect the exercise by the City of any governmental discretion, governmental authority, or governmental functions.

(b) Owner represents and warrants that this Agreement has been approved by appropriate action of Owner, that the individual executing this Agreement on behalf of Owner

has been duly authorized to do so, and that, when executed by such individual, this Agreement shall be binding upon and enforceable against Owner.

Section 10.14 Cooperate Fully. As used in this Agreement, the term "cooperate fully" means that the City will take, to the extent necessary, reasonable action(s) in a timely manner consistent with (a) all applicable rules and regulations to accomplish the objectives and intent of this Agreement, (b) accepted sound engineering practices in the area of public works, and (c) good government practices as demonstrated by responsible municipalities in north central Texas.

Section 10.15 Owner's Development Schedule. Prior to the approval of any final plat for any phase of the development of the Property, the Owner shall deliver to the City a copy of the Owner's Development Schedule for each phase of the Property including a copy of any amended or revised development schedules as such development schedules are amended or revised.

IN WITNESS WHEREOF, the undersigned parties have executed this Agreement to be effective as of the Effective Date set forth herein.

CITY OF HACKBERRY, TEXAS

By: _____
Ronald Austin, Mayor

Date: 1/24/2014

ATTEST:

By: _____
Brenda Lewallen, City Secretary

Date: 1-24-2014

OWNER:

PAPAGOLOS & ASSOCIATES, INC.,
a Texas corporation

By: _____
Barry T. Milton, Vice President

STATE OF TEXAS §
§
COUNTY OF Collin §

Before me on this day personally appeared Barry T. Milton, Vice President of PAPAGOLOS & ASSOCIATES, INC., a Texas corporation, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and in the capacity therein stated.

Given under my hand and seal of office this 24th day of January, 2014.

ROSS SHERWOOD MARTIN
Notary Public, State of Texas
My Commission Expires
March 15, 2015

_____
Notary Public In and for the State of Texas

My Commission Expires:

3/15/15

EXHIBIT LIST

Exhibit A	Property Description
Exhibit B	Subdivision Ordinance
Exhibit C	Special Conditions
Exhibit D	Plan Review Fee Schedule
Exhibit E	Capital Cost Estimate
Exhibit F	Resolution Consenting to the Creation of Hackberry Public Improvement District No. 3
Exhibit G	Dispute Resolution Procedure

AFTER RECORDING PLEASE RETURN TO:

City of Hackberry
119 Maxwell Road, B7
Frisco, Texas 75034

DEVELOPMENT AGREEMENT BY AND BETWEEN CITY OF HACKBERRY AND D.R. HORTON - TEXAS, LTD

THIS AGREEMENT, entered into on the 5th day of February, 2013 by and between the City of Hackberry, Texas, hereinafter known as the "City," and D.R. Horton - Texas, Ltd., a Texas limited partnership, located at 4306 Miller Road, Suite A, Rowlett, Texas 75088, hereinafter known as the "Developer".

WHEREAS, the Developer has requested the City to permit the platting and development of a 145.4 acre tract of land described in Exhibit "A" attached hereto, hereinafter known as the "Property;"

WHEREAS, a portion of the Property lies within the ETJ of the Town of Little Elm as shown on Exhibit A-1 attached hereto;

WHEREAS, the City holds a Water Certificate of Convenience and Necessity ("CCN") No. 12015 issued by Texas Water Commission (now the Texas Commission on Environmental Quality-TCEQ) that includes the Property.

WHEREAS, a portion of the Property lies within a sewer CCN No. 20931 assigned by the TCEQ to the Town of Little Elm;

WHEREAS, the Developer intends to construct within the Property a single family residential subdivision known as Lakeside Village (or such other name as may be determined by Developer) consisting of approximately 705 lots together with parks and associated facilities (the "Development");

WHEREAS, the City is authorized to make and enter into this Agreement with the Developer in accordance with Subchapters A and G, Chapter 212, Local Government Code as to the portion of the Property that lies within the corporate limits and ETJ of the City;

WHEREAS, the Developer and its grantees, assigns, successors, trustees and all others holding any interest in the Property, now or in the future, agree and enter into this Agreement which shall operate as a covenant running with the Property. No provision of this Agreement, however shall impose any liability or responsibility on owners of completed residences within the Development, it being the intent of the parties that this

Agreement shall be binding in accordance with its terms on the Developer and home builders which develop or improve lots in the Development for sale in the ordinary course of business and shall no longer run with the title to any lot within the Property improved with a completed residence for which the City shall have issued a certificate of occupancy.

NOW, THEREFORE, the City and the Developer, in consideration of the mutual covenants and agreements contained herein, do mutually agree as follows:

A. ETJ AND CCN AGREEMENTS WITH LITTLE ELM

The City and the Town of Little Elm may enter into an extraterritorial jurisdiction (ETJ) agreement which will cause the Property to be wholly within the ETJ or corporate limits of the City. In addition, the City and the Town of Little Elm may enter into a water and sewer Certificate of Convenience and Necessity ("CCN") transfer agreement. The Developer will use its best efforts to aid and assist the City in the negotiation and adoption of acceptable ETJ and CCN agreements with the Town of Little Elm, and the City shall undertake good faith efforts to negotiate and enter into such agreements. If the City and the Town of Little Elm enter into the contemplated ETJ and CCN agreements, then this Agreement will apply to all of the Property. The size and capacity of the Public Improvements required hereunder are premised upon the parties' assumption that the City will enter into the contemplated ETJ and CCN agreements with the Town of Little Elm. In the event that the ETJ and CCN agreements are not entered into as contemplated, the City and the Developer shall negotiate in good faith an amendment to this Development Agreement which takes account of such facts.

B. DISANNEXATION

In the event that the Developer requests the consent of the City to form a special district that includes the Property within the special district's political boundaries, then the City will give its consent to formation of the special district, upon the conditions set forth in Exhibit D and, thereafter, upon formation of the special district, the City shall disannex that portion of the Development that lies within the political boundaries of the special district. If requested, the City shall reasonably cooperate with the Developer in the creation of such a special district. The City, however, reserves the right to annex any portion of the disannexed Property and the Developer will not oppose any such annexation so long as the City assumes the obligation to pay the outstanding bonded indebtedness of the special district, if any. Provided, further, that if a special district is created and, in connection therewith, the City disannexes all, or any portion of, King Road, the Developer and/or the special district shall enter into an agreement, on commercially reasonable terms and in form and substance reasonably acceptable to the City Attorney, for maintenance of disannexed portions of King Road from and after disannexation and while such roadway remains disannexed. Notwithstanding the foregoing, it is not the intent or purpose of this paragraph or of this Agreement to waive

or transfer the City's existing right to provide water and wastewater service within the City's current corporate limits, its CCN and any modified CCN covering the Property.

C. PLATTING

The Developer agrees to plat the Property that lies within the City's corporate limits or ETJ in accordance with the development regulations of the City, the "Development Standards" (herein so called) attached hereto as Exhibit C, and the "Concept Plan" (herein so called) attached hereto as Exhibit "C-1." If any conflict exists between the regulations of the City and this Agreement, then the terms of this Agreement will control.

D. PUBLIC IMPROVEMENTS IN GENERAL

At no cost to the City and in accordance with the City's development regulations, the terms and conditions of this Agreement, and the plans and specifications as approved by the City, the Developer will construct and dedicate to the City all public improvements within the corporate limits or ETJ of the City, including not but limited to, the streets, water and wastewater utilities, drainage, street signage, and all other required improvements, including any off premises improvements (the "Public Improvements"). The plans and specifications for the Public Improvements and change orders, if any, shall be approved in writing by the City's engineer prior to the commencement of any construction of the Public Improvements. Upon the City engineer's recommendation and the City's approval of the plans and specifications for the construction of the Public Improvements, such plans and specifications will become a part of this Agreement. No residential construction will commence within a phase of the Development until the Public Improvements required for such phase have been constructed by the Developer and the City has inspected, approved and accepted such Public Improvements. The "Public Improvements" include those improvements within or benefiting the Property and covered by this Agreement other than the "City Improvements" described below.

E. CITY IMPROVEMENTS

The Development will require that following improvements be made to the City's water and sewer systems: an elevated tank, a ground storage tank, expansion of the wastewater treatment plant and improvements to the pump station (the "City Improvements"). Attached as Exhibit B is a preliminary budget for each of the City Improvements. The actual construction to construct the City Improvements may be more or less than the budgeted cost shown on Exhibit B.

F. ENGINEERING

The City's engineer will design the City Improvements. The Developer and its engineer shall have the right to review the design plans for each City Improvement prior to bidding, and consult in good faith with the City's engineer to ensure that such design is sufficient, applying generally accepted engineering standards and requirements, for the proper function and maintenance of such City Improvement and is consistent with this Agreement and with the City's development regulations for the Development. If the Developer believes in good faith that a basis exists to object to the design plans, it shall make such objection within ten (10) days after being provided with the design plans. If no objection is made to the design plans within ten (10) days of receipt thereof by the Developer, the design plans shall be deemed acceptable to Developer and the City may proceed to bid the project. Notwithstanding the foregoing, the Developer's right to review the design plans shall not relieve the Developer of its obligation to pay all costs associated with the design, construction and maintenance of the City Improvements, as required by this Agreement and the City's development regulations. Within thirty (30) days following the Effective Date of this Agreement, the Developer will deliver $426,400.00 to the City for engineering fees to design the City Improvements. The City will deposit the funds received from the Developer pursuant to this section in a separate account. The City will pay for the engineering services as invoiced by the engineer and approved by the City from the account. The Developer will have the right to audit the account during normal business hours of the City upon receipt of written notice at least 72 hours prior to the time of the audit. The final amount of engineering fees required for the City Improvements may be modified per the Professional Services Agreement between the City and the City's engineer. Engineering fees delivered but not utilized will be returned to the Developer.

G. ELEVATED WATER STORAGE TANK (EST)

i. The Developer will identify a tract of land located within the Property acceptable to the City in the City's sole reasonable discretion based upon engineering design and construction considerations (the "Site") on which the City will construct a 200,000 gallon EST. The Site will be more or less square and contain at least one acre and will be located generally on the north side of King Road near Rose Lane. Upon the City's awarding a contract for construction of the EST and its associated facilities, the Developer will transfer ownership of the Site to the City. The transfer of the Site will be by a Special Warranty Deed together with a Texas standard owner's title policy with a T-19.1 endorsement, survey deletion endorsement (T-3) and tax deletion endorsement (T-30) approved by the City's attorney. All of the expenses associated with the transfer of the Site, including the premium for the owner's title policy, will be paid by the Developer.

ii. The City's engineer will design the EST and the City will advertise for bids as required by state law. The City will select a qualified contractor based on the lowest responsible bid and notify the Developer of the construction cost of the EST. The

Developer will deliver to the City 100% of the construction cost of the EST within thirty (30) days following receipt of the City's notification. A notice to proceed will not be issued by the City to the contractor until the Developer has deposited with the City, funds equal to the construction cost of the EST. The City will deposit the construction funds for the EST into a separate construction account from which the City will pay the approved payment requests submitted by the contractor. The Developer will have the right to audit the account during normal business hours of the City upon the City's receipt of written notice at least 72 hours prior to the proposed time of the audit. Should any reasonably necessary change order be executed between the City and the Contractor that increases the cost of the EST, then the Developer will pay to the City the additional funds required to complete the construction of the EST within fifteen (15) days of written notice from the City to Developer of the change order; provided, however, that the City's engineer shall take reasonable steps to confer with the Developer's engineer regarding the reasonable necessity, applying generally accepted engineering principles in view of changed circumstance during the construction process, forsuch change order prior to the City's approval thereof.

iii. The City will construct the EST simultaneously with the development of the first phase of the Development.

iv. The City will permit the display of the Development's name and associated graphics on the EST so long as the Developer pays the costs associated with painting the graphics on the EST, the City has approved the graphics (approval not to be unreasonably withheld), and the name of the City is legibly displayed on the EST. The graphics may remain on the EST as long as they are maintained in good condition at the sole cost and expense of the Developer. Within one (1) year following sale of the final lot in the Development, the EST will be repainted with the City's name and logo at the Developer's sole cost and expense and the right of display of the Developer's name and associated graphicsshall terminate for all purposes.

H. GROUND STORAGE TANK (GST)

The City engineer will design a new one million two hundred thousand gallon (1.2 MG) GST. The City will select a qualified contractor based on the lowest responsible bid and notify the Developer of the construction cost of the GST. The Developer will deliver to the City 50% of the construction cost of the GST within thirty (30) days following receipt of the City's notification. A notice to proceed will not be issued by the City to the contractor until the Developer has deposited with the City, funds equal to 50% of the construction cost of the GST. The City shall pay, or cause to be paid, the remaining 50% of the construction cost of the GST. The City will deposit the construction funds for the GST into a separate construction account from which the City will pay the approved payment requests submitted by the contractor. The Developer will have the right to audit the account during normal business hours of the City upon the City's receipt of written notice at least 72 hours prior to the proposed time

of the audit. Should any reasonably necessary change order be executed between the City and the Contractor that increases the cost of the GST, then the Developer will pay to the City the additional funds required to complete the construction of the GST within fifteen (15) days of written notice from the City to Developer of the change order; provided, however, that the City's engineer shall take reasonable steps to confer with the Developer's engineer regarding the reasonable necessity, applying generally accepted engineering principles in view of changed circumstance during the construction process, for such change order prior to the City's approval thereof.

I. PUMP STATION EXPANSION.

The Development will require the City's existing high pump station be expanded by the installation of a second 1350 gallon-per-minute ("GPM") service pump, motor, piping and ancillary facilities (the "Pump Station Expansion"). The City will select a qualified contractor based on the lowest responsible bid and notify the Developer of the construction cost of the Pump Station Expansion. The Developer will deliver to the City 100% of the construction cost of the Pump Station Expansion within thirty (30) days following receipt of the City's notification. A notice to proceed will not be issued by the City to the contractor until the Developer has deposited with the City, funds equal to the construction cost of the Pump Station Expansion. The City will deposit the construction funds for the Tank into a separate construction account from which the City will pay the approved payment requests submitted by the contractor. The Developer will have the right to audit the account during normal business hours of the City upon the City's receipt of written notice at least 72 hours prior to the proposed time of the audit. Should any reasonably necessary change order be executed between the City and the Contractor that increases the cost of the Pump Station Expansion, then the Developer will pay to the City the additional funds required to complete the construction of the Pump Station Expansion within fifteen (15) days of written notice from the City to Developer of the change order; provided, however, that the City's engineer shall take reasonable steps to confer with the Developer's engineer regarding the reasonable necessity, applying generally accepted engineering principles in view of changed circumstance during the construction process, for such change order prior to the City's approval thereof.

J. FIRST PHASE OF THE DEVELOPMENT

Notwithstanding the requirement herein relating to the construction of the City Improvements, the Developer may, prior to the construction, inspection and acceptance of the City Improvements, file with the City an application for final plat approval for the first phase ("Phase 1") of the Development. Phase 1 will not contain more than one hundred twenty (120) residential lots. In addition, subject to Developer's obligation to construct the Public Improvements for water and wastewater service to Phase 1, the City agrees to provide water and wastewater service to not more than sixty (60) lots

within Phase 1 of the Development prior to the WWTP Expansion described in Paragraph L being placed in service, and to not more than one hundred twenty (120) lots within the Phase 1 (and to no lots in any additional phases) of the Development prior to the remaining City Improvements being placed in service.

K. WATER DISTRIBUTION.

As a portion of the Public Improvements, the Developer shall construct a series of water distribution lines and required associated facilities appropriately sized to serve the Property. Connection shall be made to the City's water distribution system at one or more points approved by City at the Developer's expense. Construction of water distribution lines will be phased with the completion of individual phases within the Development.

L. WASTEWATER COLLECTION AND TREATMENT.

i. Collection System. As a portion of the Public Improvements, the Developer shall construct a series of wastewater collection lines and required associated facilities appropriately sized to serve the Property. Connection shall be made with City's wastewater treatment plant at the Developer's expense. Construction of wastewater collection lines will be phased with the completion of individual phases within the Development.

ii. The Development will necessitate that the City's wastewater treatment plant be expanded to treat an additional two hundred ninety thousand gallons (0.29 MGD) of wastewater (the "WWTP Expansion"). The City will select a qualified contractor based on the lowest responsible bid and notify the Developer of the construction cost of the WWTP Expansion. The Developer will deliver to the City 100% of the construction cost of the WWTP Expansion within thirty (30) days following receipt of the City's notification. A notice to proceed will not be issued by the City to the contractor until the Developer has deposited with the City, funds equal to the construction cost of the WWTP Expansion. The City will deposit the construction funds for the WWTP Expansion into a separate construction account from which the City will pay the approved payment requests submitted by the contractor. The Developer will have the right to audit the account during normal business hours of the City upon the City's receipt of written notice at least 72 hours prior to the proposed time of the audit. Should any reasonably necessary change order be executed between the City and the Contractor that increases the cost of the WWTP Expansion, then the Developer will pay to the City the additional funds required to complete the construction of the WWTP Expansion within fifteen (15) days of written notice from the City to Developer of the change order; provided, however, that the City's engineer shall take reasonable steps to confer with the Developer's engineer regarding the reasonable necessity, applying generally accepted engineering principles in view of changed circumstance during the construction process, for f such change order prior to the City's approval thereof.

M. STREET AND ROAD IMPROVEMENTS

i. King Road. As a portion of the Public Improvements and coincident with development of the Property, at its sole cost, the Developer shall improve King Road within the right-of-way shown on Exhibit "E" from the east side of the intersection of King Road and Rose Lane to the west boundary line of the Property. King Road shall be improved to include paving of a four-lane divided roadway consisting of two (2) 12' wide lanes each direction and constructed and surfaced with concrete eight inches (8") in depth. Improvements shall consist of pavement, subgrade, turn lanes (as required below), storm sewer, signage, striping, provisions to maintain traffic during construction, landscaping, and sidewalk. The Developer will install stop signs for King Road traffic at the intersection of King Road and the Development's spine road on or before the completion of Phase I of the Development, permitting safe vehicular egress from the Development onto King Road. Landscaping shall be installed along the portion of King Road adjacent to the Development in accordance with the Development Standards. No screening walls shall be required by the City in the Development. Notwithstanding the foregoing, the Developer may, at its option, complete the improvements to King Road in two sections: The first section, from Rose Lane to the entry road into Phase 1, shall be developed coincident with the development of Phase 1; and the second section, from the entry road into Phase 1 to the western boundary line of the Property, shall be developed coincident with the development of additional phases west of Phase 1. So long as the City's engineer and the Developer's engineer agree in good faith that, at the time of the approval of the Concept Plan and through the completion of the Development, relevant traffic studies and engineering analyses support the determination that left and right turn lanes and deceleration lanes are not necessary along the King Road improvement, no such lanes shall be required. In the event that such analyses indicate that such lanes are necessary prior to the completion of the Development, they shall be constructed at the Developer's sole cost and expense.

ii. Interior Streets and Alleys. All interior streets will be improved with curbs (mountable or standard as reasonably determined by the Developer) and paved to a width of twenty-seven feet (27') (measured from back of curb to back of curb) within 50' rights-of-way. The entry boulevard will be divided with each side paved to a minimum width of 21' back to back on either side of a median, in an 80' right-of-way. Alleys shall be installed adjacent to 40' lots No other alleys shall be required. If installed, alleys shall be a minimum paved width of ten feet (10') within a right-of-way not less than fifteen feet (15') in width.

iii. Medians and Parks. Street medians, pocket parks, and any amenity center within the Development shall not be dedicated to the City and shall be maintained by appropriate homeowner association groups.

N. TAP FEE CREDITS

i. Water and Wastewater Tap Fee Credits. The City's ordinances provide for the assessment of a water tap fee of $2,000.00 per lot and a wastewater tap fee of $2,000 per lot for (plus labor time and materials charged by the City) (collectively, the "Tap Fee Costs"). In consideration of the Developer funding the design and construction of the City Improvements and Public Improvements, the City will apply the Tap Fee Costs as a credit against any water and wastewater tap fees that would otherwise be assessed against lots within the Development. The applicant for water service and wastewater service for any lot within the Development will pay the City a meter set fee of $300.00 per meter to cover the cost of labor to set the meter and for the cost of a standard ¾ x ½ inch meter.

ii. Other Utility Fees. Other utility fees charged by the City, including but not limited to security deposits and transfer fees, will be due and payable by the applicant for water and/or wastewater or solid waste service.

O. DEDICATION

Upon completion of the Development or any phase thereof, and the utility facilities, streets and drainage facilities necessary to serve such portion of the Development, all Public Improvements serving City facilities or operations shall be dedicated to the City and the City agrees to accept the same subject to the City's inspection and approval.

P. MAINTENANCE BOND

Prior to final acceptance of improvements, the Developer shall furnish to the City a good and sufficient maintenance bond in the amount of twenty percent (20%) of the contract price of Public Improvements, with a Texas attempted corporate surety with a AM Best rating of at least "A", in favor of the City, to indemnify the City against any repairs which may become necessary to any part of the Public Improvement construction work, arising from defective workmanship or materials used therein, for a period of two (2) years from the date of City's final acceptance of such improvements.

Q. TIME OF THE ESSENCE

Time is of the essence for all the Developer's monetary obligations to the City pursuant to the Agreement. The Developer acknowledges that the failure to timely deposit funds related to the City Improvements will cause these projects to be materially delayed or cancelled. The Developer further acknowledges that the City has no obligation to construct any of the City Improvements unless the Developer timely pays the amounts invoiced by the City to the Developer pursuant to the Agreement. Finally,

the Developer acknowledges that the City may indefinitely suspend the plat approval process and/or refuse to initiate water service to any structure on the Property in the event of the Developer's failure to timely make the required payments for construction of the City Improvements.

R. REVOCATION

In the event the Developer fails to comply with any of the provisions of this Agreement after written notice from the City and Developer's failure to come into compliance within the applicable grace period hereafter specified, the City shall be authorized to revoke any and all building permits for unfinished improvements that may have been previously issued in relation to the Development and/or development, and the City shall be further authorized to file this instrument in the Mechanic's Lien Records of Denton County as a Mechanic's Lien against the Property; and in the alternative, the City shall be authorized to levy an assessment against the Property for Public Improvements required to be constructed pursuant to this Agreement to be held as a tax lien against the Property by the City. Applicable grace periods shall be ten (10) days after the date of City's written notice for any monetary default and ninety (90) days, or such longer period not exceeding 180 days in the aggregate for any necessary action which cannot reasonably be completed within 90 days, so long as Developer commences such action promptly and pursues its completion with commercially reasonable diligence, for any nonmonetary default.

S. WAIVER

The Developer expressly acknowledge that by entering into this Agreement, the Developer and their successors, assigns, vendors, grantees, and/or trustee, shall never construe this Agreement as waiving any of the requirements of the zoning and development regulations in force by the City, except as herein agreed upon herein.

T. VARIANCES

It is expressly acknowledged that only those variances stipulated herein to the zoning and development regulations, if any, are granted by the City for the development of the Property.

U. INDEMNITY AND HOLD HARMLESS AGREEMENT

The Developer, their successors, assigns, vendors, grantees, and/or trustees do hereby agree to fully indemnify and hold harmless the City from all third-party claims, suits, judgments, and demands, including its reasonable attorney's fees, arising out of the sole or concurrent negligence of the Developer and only to the extent or percentage attributable to the Developer, in the subdividing or the development of the Property, or the construction of Public Improvements. The Developer shall not be responsible for or

be required to indemnify the City from its own negligence. The indemnity contained herein as to claims arising out of each phase of improvements on the Property shall expire three (3) years from the date of City's final acceptance of such improvements. The total of indemnity payments shall in no event exceed a maximum of Two Million and No/100 Dollars ($2,000,000).

V. LETTER OF CREDIT

Notwithstanding anything herein to the contrary, and subject to all applicable laws to which the City is subject, the Developer's payment obligations to the City relating to the City Improvements may be satisfied by the delivery of one or more letter(s) of credit, in form and substance reasonably acceptable to the City, in its sole discretion, in the amount of the Developer's obligation then required under this Agreement; provided however, that any such letter of credit shall meet the following requirements: (i) the letter of credit shall be issued by a bank (the "Issuer") acceptable to the City in its sole reasonable discretion and be in a form acceptable to the City in its sole reasonable discretion; (ii) The letter of credit shall be self-executing, irrevocable, direct pay, absolute and unconditional, under any and all circumstances and irrespective of any set-off, counterclaim or any other defense to payment whatsoever which the Developer or the Issuer may have, or may have had, against the City, any contractor of the City, or any other beneficiary of the letter of credit; (iii) the City shall not be required to incur any premium or third-party administrative costs charged by in connection with the issuance or presentment of the letter of credit; (iv) the letter of credit either shall not be subject to expiration or shall, by its express terms not be subject to expiration without written notice to the City given not less than ninety (90) days prior to the date of expiration. An expiring letter shall be replaced, not later than five (5) business days prior to the expiration of said ninety (90) day period; (v) the City shall have the right to draw the entire amount of the letter of credit and to deposit said amount into a City account; (vi) letters of credit shall not be released or reduced until the City Improvement, the Developer's payment obligation for which is secured by the letter of credit, has been formally accepted by the City; and (vii) the Developer, not less than ninety (90) days prior to the anniversary date of each such letter of credit for each and every year until the City Improvement secured by the letter of credit has been substantially completed, the cost thereof fully paid, and the City Improvement formally accepted by the City, shall deposit with the City a replacement letter of credit in an amount equal to the amount of the Developer's payment obligation to the City then remaining and related to the City Improvement for which the letter of credit has been delivered to secure the Developer's payment obligations

[This portion left intentionally blank]

W. EFFECTIVE DATE.

The Effective Date of this Agreement is the last date that it is signed by a party to this Agreement.

CITY OF HACKBERRY,

By: _____
Ronald Austin, Mayor
Date signed: 2/5/13

DEVELOPER:

D.R. Horton–Texas, Ltd.
a Texas limited partnership
by its general partner,
D.R. Horton, Inc., a Delaware
corporation

By: _____
Name: David L Booth
Title: Asst VP

Date signed: 2/1/13

APPROVED AS TO FORM:

_____
John Rapier, City Attorney

THE STATE OF TEXAS

COUNTY OF DENTON

BEFORE ME, the undersigned authority, on this day personally appeared the Honorable Ronald Austin, Mayor of the City of Hackberry, Texas, a Texas municipal corporation, on behalf of said City, and acknowledged to me that he has executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, THIS THE 5th DAY OF February, 2013.

ELIZABETH WRENN
NOTARY PUBLIC
STATE OF TEXAS
MY COMM. EXP. 11/16/2013

Notary Public, State of Texas

THE STATE OF TEXAS

COUNTY OF Dallas

BEFORE ME, the undersigned authority, on this day personally appeared David L. Booth, Asst VP of D.R. Horton, Inc., a Delaware corporation and the general partner of D.R. Horton - Texas, Ltd., a Texas limited partnership, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he has executed the same for the purposes and consideration therein expressed on behalf D.R. Horton, Inc.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, THIS THE 1 DAY OF February, 2013.

Notary Public, State of Texas

KAREN HEAD
MY COMMISSION EXPIRES
January 3, 2017

EXIHIBT "B'

PRELIMINARY BUDGET FOR THE CITY IMPROVEMENTS

Construction Cost Estimate

A. WWTP Expansion

Headworks	$160,000
Plant Lift Station	$30,000
Splitter Box	$14,000
Treatment Unit	$750,000
Blowers	$113,000
Sludge	$45,000
Disinfection	$42,000
Filter Screen	$10,000
Plant Water System	$32,000
Yard Piping	$35,000
Site Work	$25,000
Electrical	$145,000
Instrumentation	$40,000
Subtotal	$1,281,000
Contingency (15%)	$192,150
Total	$1,473,150

B. Elevated Water Storage Tank

Elevated Tank	$725,000
Yard Piping	$8,000
Paving	$5,000
Electrical	$30,000
Instrumentation	$12,500
Control Valve	$9,000
Subtotal	$789,500
Contingency (15%)	$118,425
Total	$907,925

C. Pump Station

Pump	$17,000
VFD	$25,000
Check Valve	$11,000

Yard Piping	$20,000
Electrical/Meter	$65,000
Disinfection	$7,000
Instrumentation	$15,000
Subtotal	$160,000
Contingency (15%)	$24,000
Total	$184,000

D. Ground Storage Tank

Ground Tank	$550,000
Yard Piping	$45,000
Control Valve	$15,000
Electrical	$10,500
Instrumentation	$3,500
Subtotal	$624,000
Contingency (15%)	$93,600
Total	$717,600

E. Overall (Development)

WWTP	$1,473,150
Elevated Storage	$907,925
Pump Station	$184,000
1/2 Ground Storage	$358,800
Total	$2,923,875

EXHIBIT "C"

DEVELOPMENT STANDARDS

1.0 Plan of Development - Residential

1.01 General Description:

The Development is intended for single family residential uses as permitted in a "R-2A-1250" district as stated in Hackberry Ordinance No. 207-11 as it exists as of the effective date of this Agreement. A concept plan for the Development, not intended to provide a binding land plan, lot or street layouts or phasing plan, but instead to be illustrative of a development plan permitted under this Agreement, is attached hereto as Exhibit C-1.

1.02 Permitted Uses: Land uses permitted within the Development are as follows:

a. Single-family dwelling units.

b. Public parks, playgrounds and recreation facilities.

c. Private clubhouse facilities and community buildings.

d. Fire stations and public safety facilities.

e. Real estate sales offices during the development and marketing of homes within the Development, provided that such facilities are used only for the marketing of homes within the Development, and that such facilities are removed when 100 percent of the homes within the Development are sold.

f. Public streets.

g. Accessory buildings and uses customarily incidental to the permitted use in accordance with the City of Hackberry ordinances.

h. Temporary buildings and uses incidental to construction work on the premises which shall be maintained in a safe and attractive condition and which shall be removed upon completion of construction work within the Development.

1.03 Density: The overall allowed density for the Development shall be a maximum of five (5) lots per gross acre within the portion of the Development that lies within the City of Hackberry.

1.04 Required Parking: Off-street parking spaces shall be provided for each residential unit in accordance with Article 3.3 of Ordinance No. 207.00.

1.05 Building Materials: In accordance with Ordinance No. 207-11, with allowance for utilization of cement-fiber products (example: Hardie plank) as standard masonry construction.

1.06 Single Family Building and Area Requirements: The following requirements shall apply notwithstanding the provisions of Ordinance No. 207-11:

a. Minimum Dwelling Size: The minimum floor area of the main dwelling shall be:

Single family, 40' lots	1200 square feet
Single family, 50' lots	1400 square feet

b. Lot Width: The minimum width of any lot (measured on the arc at the front building line) shall be:

Single family detached, 40' lots	40 feet
Single family detached, 50' lots	50 feet

c. Lot Depth: The minimum depth of any lot shall be 100', except that a lot at the terminus of a cul-de-sac or along street elbows/eyebrows may have a lesser depth as permitted by available land and shown on a site plan or plat approved by the City in the City's reasonable discretion.

d. Front and Rear Yards: The minimum depth of the front yard shall be twenty feet (20') and the minimum depth of the rear yard shall be twenty feet (20').

e. Side Yard: The minimum interior side yard on each side of a lot shall be five feet (5'). A side yard adjacent to a side street shall not be less than ten feet (10').

f. Buildings on Corner Lots: Garage entrances are permitted to face the side street and shall be set back at least twenty five (25') feet.

2.0 Plan of Development - General Conditions

2.01 Conformance to Ordinances: Except as provided in this Agreement, the Development shall conform to all applicable sections of Hackberry Ordinances No. 207-11 and 126-04

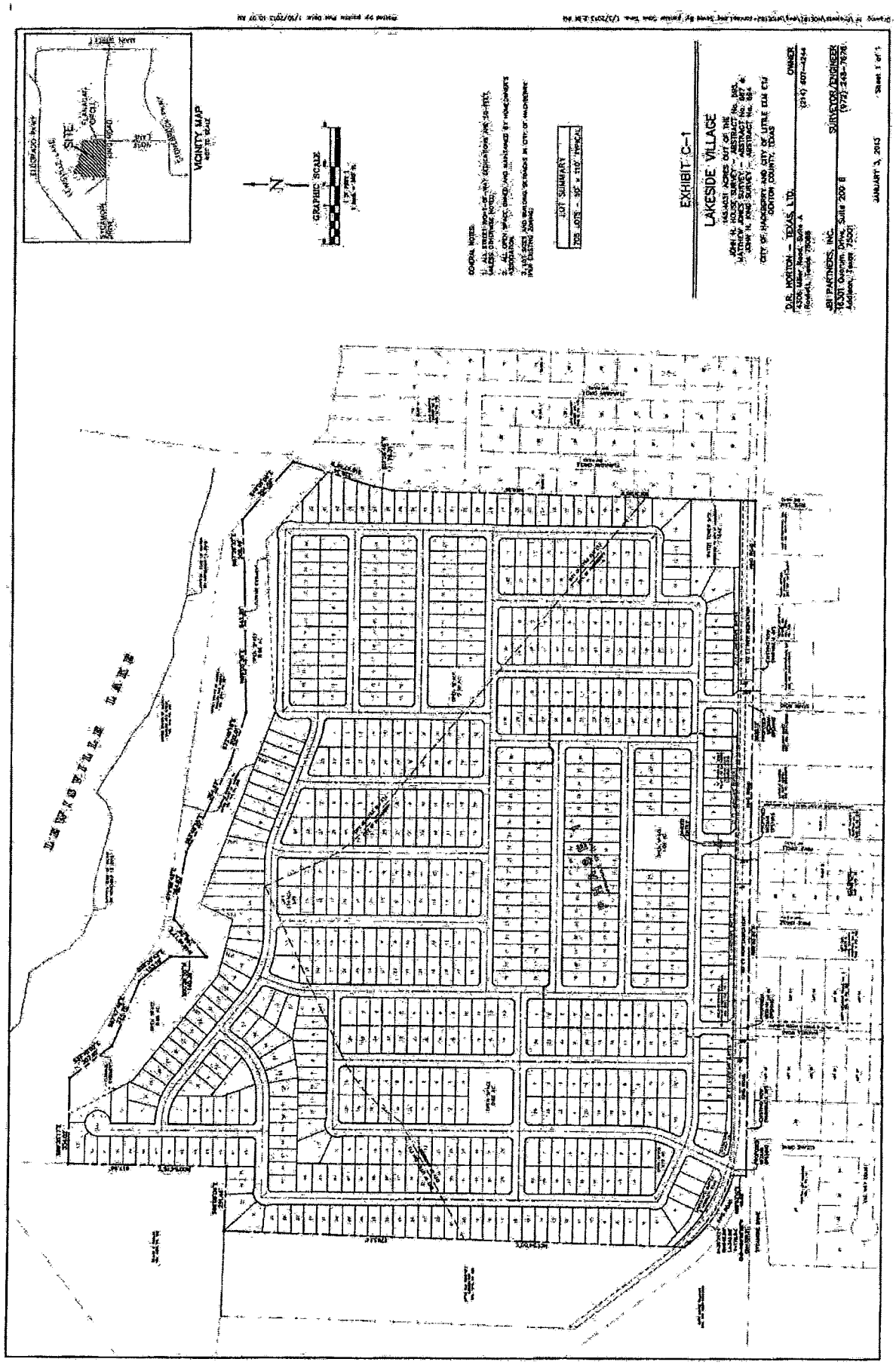
2.02 Homeowner's Association (HOA): One or more HOA's will be organized for maintaining common areas of the Development for which the City will not assume maintenance, such as landscaped buffer areas, amenity center, or parks. Common area maintenance shall not be the responsibility of the City.

2.03 Concept Plan/Street Lot Layout: The concept plan for the Development shows one potential layout of streets and lots and phasing within the Subdivision, but is not binding in any respect, however, the concept of an amenity center, landscaping and open space will be a part of the Development. Modifications to the street/lot layout may occur prior to approval of a final plat in order to comply with Ordinance No. 207-11 and/or for public health, safety and/or welfare reasons. The Concept Plan attached as Exhibit C-1 to this Agreement shall be considered and have the same effect as a preliminary plat under the City's development ordinances and regulations. Phase 1 of the Development, and each subsequent phase, shall proceed with the final platting process.

2.04 Planning and Zoning Ordinance. Each reference to "Ordinance No. 207-11" herein refers to such ordinance as it exists on the effective date of this ordinance.

EXHIBIT C-1

CONCEPT PLAN
[attached hereto]



Attachment No. 1 - Question 2, B
City of Hackberry, Texas

EXHIBIT D

CONDITIONS TO CONSENT TO CREATION OF SPECIAL DISTRICT

1. The District shall comply with all applicable terms of the Development Agreement, dated January __, 2013, between the City and D.R. Horton – Texas, Ltd. (the "Development Agreement"), as said Development Agreement may have been, or may hereafter be, amended, modified or extended.

2. Bonds, including refunding bonds issued by the District, shall, unless otherwise agreed to by the City, comply with the following requirements, provided such requirements do not generally render the bonds unmarketable:

a. Maximum maturity of 25 years for any one series of bonds;

b. Interest rate that does not exceed 2% above the highest average interest rate reported by the Daily Bond Buyer in its weekly "20 Bond Index" during the one month period next preceding the date notice of the sale of such bonds is given; and

c. The bonds shall expressly provide that the District shall reserve the right to redeem bonds at any time subsequent to the tenth (10^{th}) anniversary of the date of issuance, without premium. No variable rate bonds shall be issued by the District without City Council approval.

3. The City shall require the following information with respect to bond issuance:

a. At least 30 days before issuance of bonds, except refunding bonds, the District's financial advisor shall certify in writing that the bonds are being issued within the existing economic feasibility guidelines established by the TCEQ for districts issuing bonds for water, sewer or drainage facilities in the county in which the District is located and shall deliver the certification to the City Administrator.

b. At least 30 days before the issuance of bonds, the District shall deliver to the City:

i. The amount of bonds being proposed for issuance;
ii. The projects to be funded by such bonds; and
iii. The proposed debt service tax rate after issuance of the bonds.

If the District is not required to obtain TCEQ approval of the issuance of the bonds (other than refunding bonds), the District shall deliver such notice to the City Administrator at least 60 days prior to issuing such bonds. Within 30 days after the District closes the sale of a series of bonds, the District shall deliver to the City Administrator a copy of the final

official statement for such series of bonds. If the City requests additional information regarding such issuance of bonds, the District shall promptly provide such information at no cost to City.

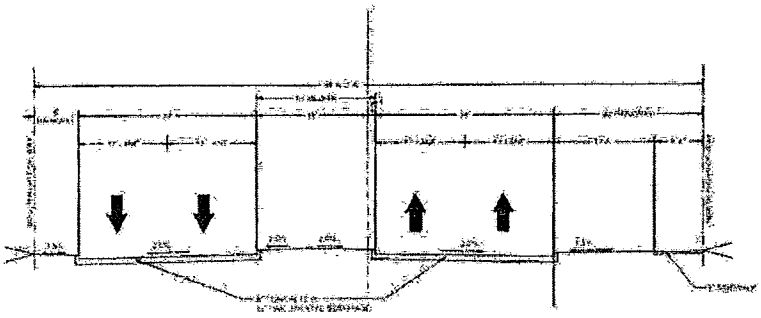
4. The District shall send a copy of the order or other action setting its annual ad valorem tax rate to the City Administrator within 30 days after District adoption of the rate.

5. The District shall send a copy of its annual audit to the City Administrator within 30 days after approval.

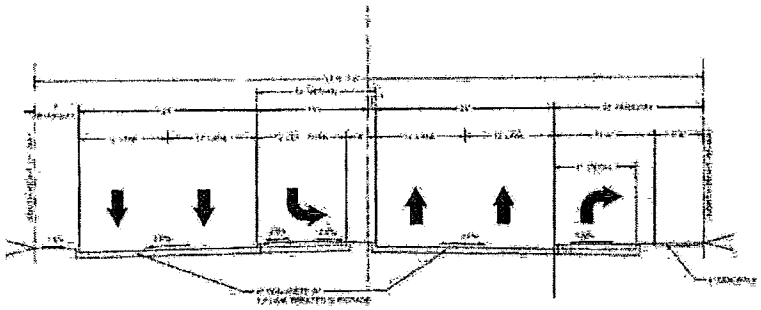
EXHIBIT

E

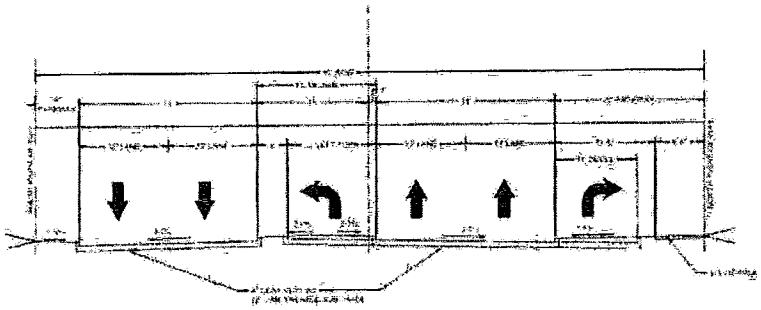
Blumberg No. 5119

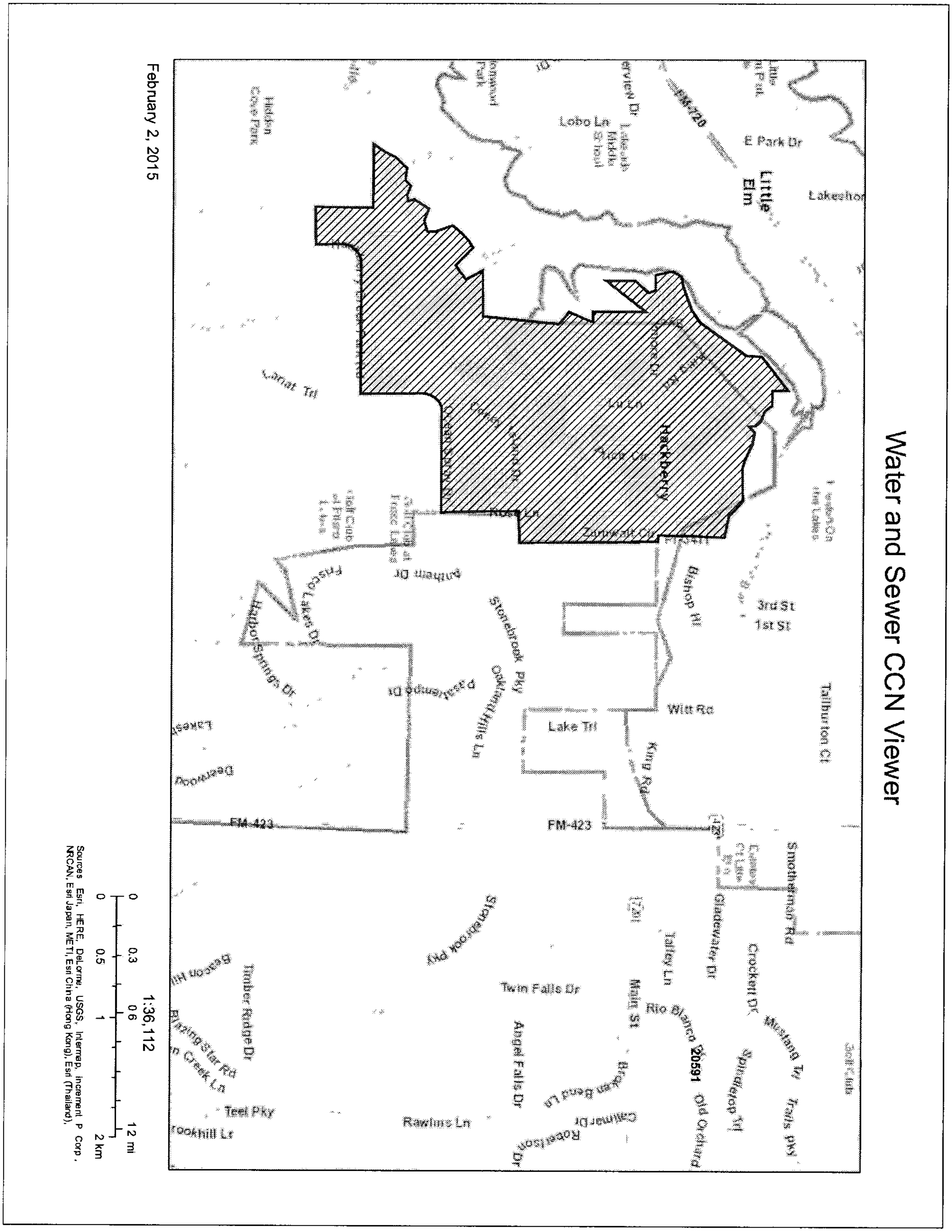


TYPICAL SECTION (NO TURN LANES)

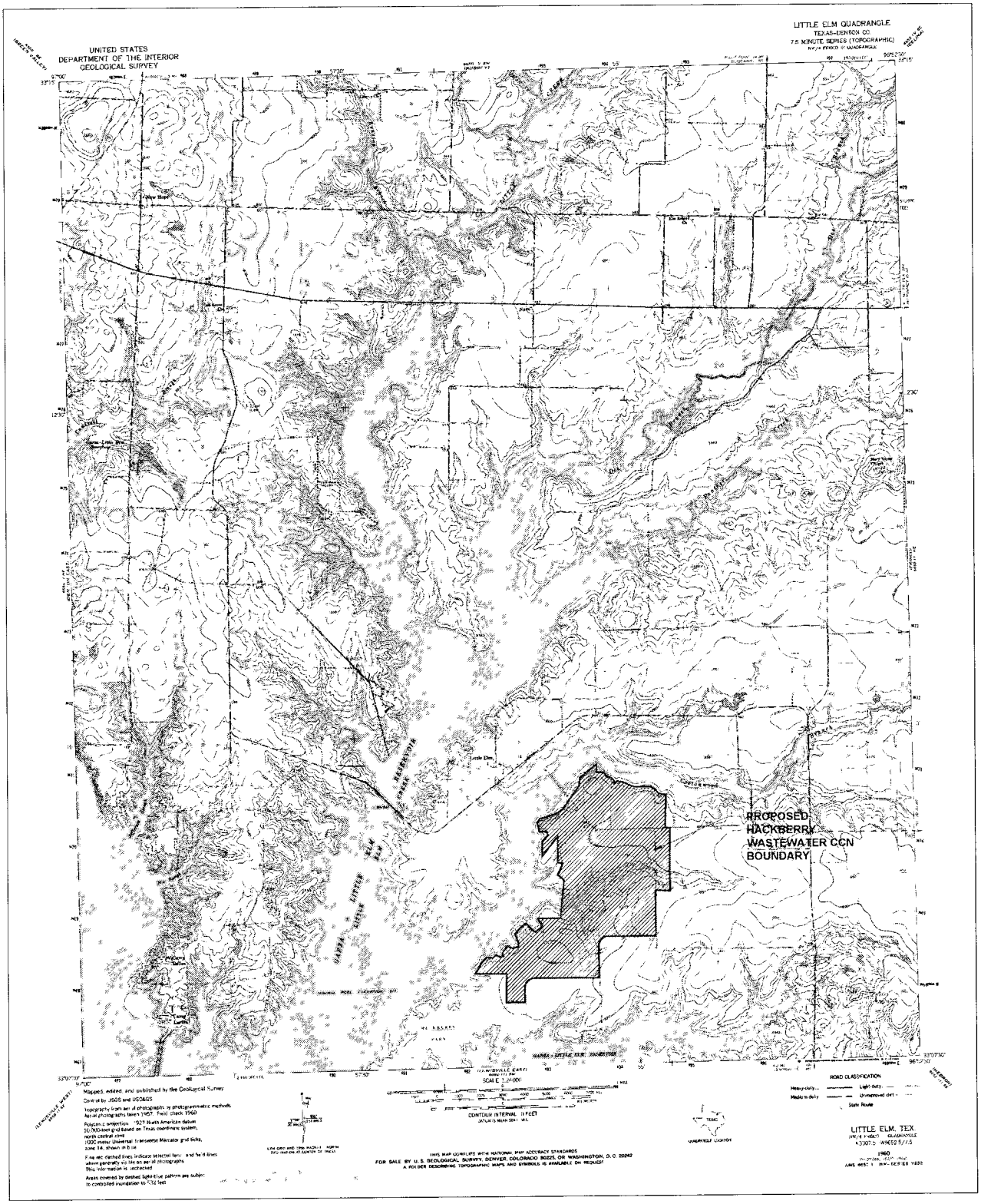


TYPICAL SECTION WITH EASTBOUND TURN LANE AND WESTBOUND DECELERATION LANE

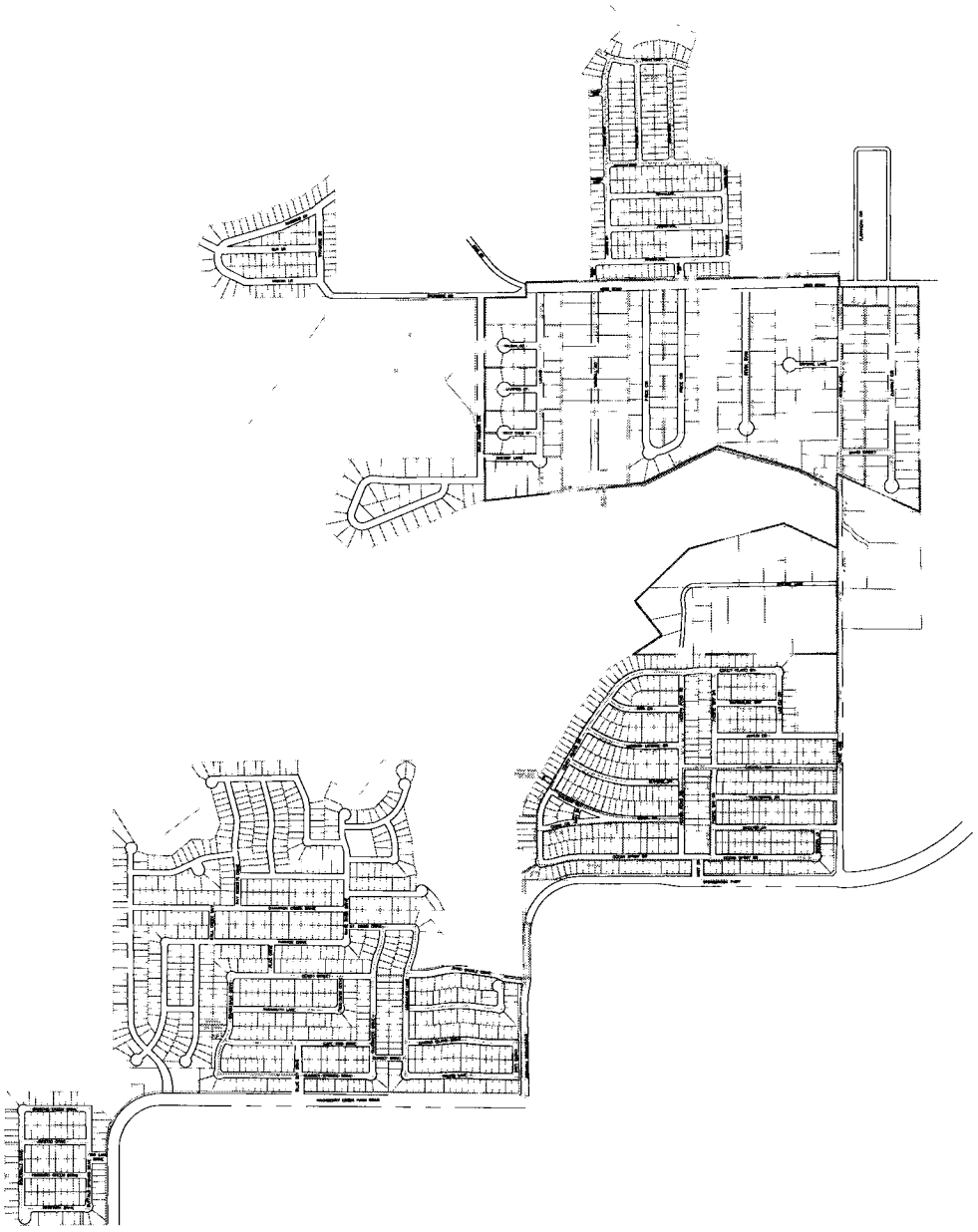



Water and Sewer CCN Viewer
February 2, 2015
Hackberry
Little Elm
FM-720
FM-423
Lobo Ln
E Park Dr
Bishop Hl
3rd St
1st St
Witt Rd
Lake Trl
King Rd
Stonebrook Pky
Frisco Lakes Dr
Harbor Springs Dr
Smotherman Rd
Gladewater Dr
Crockett Dr
Talley Ln
Main St
Twin Falls Dr
Angel Falls Dr
Timber Ridge Dr
Teel Pky
Rawlins Ln
Old Orchard
Mustang Trl
Travis Pky
20591
1:36,112
0 0.3 0.6 1.2 mi
0 0.5 1 2 km
Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri Japan, METI, Esri China (Hong Kong), Esri (Thailand),

CITY OF HACKBERRY SEWER CCN MAP



PATH: C:\EJES\WFX\13800 – Hackberry General\700CADD\Maps



0
1000'
2000'

N

PLAN

INDEX GRID MAP

WASTEWATER SYSTEM MAP

CITY OF HACKBERRY, TEXAS

EJES

HACKBERRY SEWER CCN
BOUNDARY DESCRIPTION

BEGINNING AT THE NORTHEAST CORNER OF **LAKE COUNTRY ADDITION**, SAID POINT LYING WITHIN THE **CENTERLINE OF KING ROAD**;

THENCE N89º03'00"W WITH THE **CENTERLINE OF KING ROAD** AND THE NORTH BOUNDARY LINE OF SAID **LAKE COUNTRY ADDITION**, A DISTANCE OF 95.50 FT TO THE SOUTHEAST CORNER OF **LAKE COUNTRY MANOR NO. 1**;

THENCE N01º41'36"E, 782.76 FT, ALONG THE EAST LINE OF SAID **LAKE COUNTRY MANOR NO. 1** TO A POINT;

THENCE N01º38'11'E, 855.32 FT TO THE NORTHEAST CORNER OF SAID **LAKE COUNTRY MANOR NO.1**, TO A POINT, SAID POINT LYING ALONG THE **PROPERTY LINE FOR LEWISVILLE LAKE**;

THENCE ALONG THE SAID **LEWISVILLE LAKE PROPERTY LINE** THE FOLLOWING:

S83º11'17"W, 42.24 FT TO A CONCRETE MONUMENT STAMPED H-714-12;
N78º14'22"W, 289.14 FT TO A CONCRETE MONUMENT STAMPED H-714-13;
N42º48'00"W, 175.84 FT TO A CONCRETE MONUMENT STAMPED H-714-14;
N49º01'08"W, 294.86 FT TO A POINT LYING ON THE LEWISVILLE LAKE BOUNDARY;
S87º29'32"W, 208.49 FT TO A CONCRETE MONUMENT STAMPED H-715-4I;
S89º05'35"W, 543.35 FT TO A CONCRETE MONUMENT STAMPED H-715-4H;
N72º48'16"W, 202.01 FT TO A CONCRETE MONUMENT STAMPED H-715-4G;
N63º48'55"W, 384.97 FT TO A CONCRETE MONUMENT STAMPED H-715-4F;
N79º56'42"W, 264.63 FT TO A CONCRETE MONUMENT STAMPED H-715-4E;
S48º46'17"W, 195.29 FT TO A CONCRETE MONUMENT STAMPED H-715-4D;
N00º38'55"W, 140.38 FT TO A CONCRETE MONUMENT STAMPED H-715-4C;
N38º30'42"W, 153.18 FT TO A CONCRETE MONUMENT STAMPED H-715-4B;
N67º47'49"W, 274.76 FT TO A CONCRETE MONUMENT STAMPED H-715-4A;
N37º10'02"W, 207.62 FT TO A CONCRETE MONUMENT STAMPED H-715-4/H-716-5;
N89º35'17"W, 334.02 FT TO A CONCRETE MONUMENT STAMPED 716-1-6;
N00º54'19"W, 365.46 FT TO A CONCRETE MONUMENT STAMPED 745-1-1/716-1-7;
S51º38'56"W, 985.16 FT TO A CONCRETE MONUMENT STAMPED 745-1-2;
S02º52'11"W, 356.22 FT TO A CONCRETE MONUMENT STAMPED 702-1;
S02º52'11"W, 356.22 FT TO A CONCRETE MONUMENT FOR TRACT H-746;
N81º41'W, 547.7 FT TO A CONCRETE MONUMENT FOR TRACT H-746;
S83º17'W, 125.8 FT TO A CONCRETE MONUMENT FOR TRACT H-746;
S54º15'W, 127.1 FT TO A CONCRETE MONUMENT FOR TRACT H-746;
NORTH, 188 FT TO A CONCRETE MONUMENT FOR STAMPED E436-1E-6;
S54º29'00"W, 329.50 FT TO A CONCRETE MONUMENT STAMPED E436-1E-5;
S70º12'00"W, 588.70 FT TO A CONCRETE MONUMENT STAMPED E436-1E-4;
S80º27'00"W, 223.20 FT TO A CONCRETE MONUMENT STAMPED E436-1E-3;
S29º58'00"W, 239.20 FT TO A CONCRETE MONUMENT STAMPED E436-1E-2;
S12º24'00"E, 398.30 FT TO A CONCRETE MONUMENT STAMPED E436-1E-1;
S89º59'10"E, 347.35 FT TO A CONCRETE MONUMENT STAMPED E431-1-1;
S19º40'00"E, 170 FT TO A CONCRETE MONUMENT STAMPED E431-1-2;
S41º29'00"W, 411.70 FT TO A CONCRETE MONUMENT STAMPED E431-1-3;

S00º03'00"E, 665 FT TO A CONCRETE MONUMENT STAMPED E431-1-4;
N37º47'00"E, 1,147.75 FT TO A CONCRETE MONUMENT STAMPED E431-1-5;
S00º00'00"E, 1,203.84 FT TO A CONCRETE MONUMENT STAMPED 614-1;
N89º30'00"E, 225 FT TO A CONCRETE MONUMENT STAMPED 614-2;
S03º48'00"E, 27 FT TO A CONCRETE MONUMENT STAMPED 614-3;
S22º27'00"W, 567 FT TO A CONCRETE MONUMENT STAMPED 614-4;
S48º20'00"E, 361 FT TO A CONCRETE MONUMENT STAMPED 614-5;

THENCE DEPARTING SAID LEWISVILLE LAKE PROPERTY LINE S11º19'36"W, 1,782.9 TO A CONCRETE MONUMENT STAMPED E450-1(a)-#4;

THENCE S89º51'00"W, 1166.2 FT, ALONG SAID LEWISVILLE LAKE PROPERTY LINE, TO A CONCRETE MONUMENT STAMPED E-450-2#4;

THENCE ALONG SAID **LEWISVILLE LAKE PROPERTY** THE FOLLOWING;
S28º38'00"E, 438.5 FT TO A CONCRETE MONUMENT STAMPED E-450-2#3;
S54º00'00"W, 400.8 FT TO A CONCRETE MONUMENT STAMPED E-450-2#2;
N45º45'00"W, 562.4 FT TO A CONCRETE MONUMENT STAMPED E-450-2#1;
S59º38'00"W, 173.50 FT TO A CONCRETE MONUMENT STAMPED R-33;
S47º40'00"W, 222.50 FT TO A CONCRETE MONUMENT STAMPED R-32;
S40º45'00"W, 307.20 FT TO A CONCRETE MONUMENT STAMPED R-31;
S20º20'00"E, 422.00 FT TO A CONCRETE MONUMENT STAMPED R-30;
S00º03'00"W, 186.10 FT TO A CONCRETE MONUMENT STAMPED R-29;
S73º44'00"W, 259.70 FT TO A CONCRETE MONUMENT STAMPED R-28;
N68º47'00"W, 294.30 FT TO A CONCRETE MONUMENT STAMPED R-27;
S32º13'00"W, 397.10 FT TO A CONCRETE MONUMENT STAMPED R-26;
S17º56'00"E, 141.30 FT TO A CONCRETE MONUMENT STAMPED R-25;
S77º54'00"W, 143.30 FT TO A CONCRETE MONUMENT STAMPED R-24;
N67º30'00"W, 233.70 FT TO A CONCRETE MONUMENT STAMPED R-23;
S45º48'00"W, 180.62 FT TO A CONCRETE MONUMENT STAMPED R-22;
N82º12'00"W, 276.30 FT TO A CONCRETE MONUMENT STAMPED R-21;
S43º31'10"W, 354.50 FT TO A CONCRETE MONUMENT STAMPED R-20;
S25º42'00"W, 271.00 FT TO A CONCRETE MONUMENT STAMPED R-19;
S34º33'00"W, 318.60 FT TO A CONCRETE MONUMENT STAMPED R-18, SAID POINT LYING IN THE NORTH BOUNDARY LINE OF **HIDDEN COVE PARK**;

THENCE ALONG SAID **HIDDEN COVE PARK** THE FOLLOWING:
S89º42'00"E, 1,449.70 FT TO A CONCRETE MONUMENT STAMPED R-1;
S00º53'00"W, 1320.60 FT TO A CONCRETE MONUMENT STAMPED R-16, SAID POINT BEING THE SOUTHWEST CORNER OF **THE ENCLAVE AT HIDDEN COVE PHASE 12**;

THENCE ALONG THE NORTH BOUNDARY LINE OF **HIDDEN COVE PARK**, SAME BEING THE SOUTH BOUNDARY LINE OF **THE ENCLAVE AT HIDDEN COVE PHASE 12**, S89º07'51"W, 854.62 FT TO A POINT IN THE WESTERN RIGHT-OF-WAY LINE OF **HIDDEN COVE PARK ROAD**;

THENCE ALONG THE WESTERN AND NORTHERN RIGHT-OF-WAY LINE OF **HIDDEN COVE PARK ROAD** THE FOLLOWING:

N00º26'21"W, 653.08 FT TO THE BEGINNING OF A CURVE TO THE RIGHT HAVING A RADIUS OF 450.00 FEET, A CHORD BEARING N45º10'34"E, 635.06 FT;
ALONG SAID CURVE A DISTANCE OF 704.97 FT TO A POINT;
N89º52'26"W, 2,832.04 FT TO A POINT IN **STONEBROOK PARKWAY;**

THENCE ALONG **STONEBROOK PARKWAY** THE FOLLOWING:

N01º07'15"W, 1,427.15 FT TO THE BEGINNING OF A CURVE TO THE RIGHT HAVING A RADIUS OF 480.00 FEET, A CHORD BEARING N34º06'34"E, 553.79 FT;
ALONG SAID CURVE A DISTANCE OF 590.33 FT TO A POINT;
N89º42'33"E, 2.326.78 FT TO A POINT IN ROSE LANE;

THENCE ALONG **ROSE LANE** N00º27'30"W, 1,877.55 FT TO A POINT;

THENCE ALONG **ROSE LANE** N00º01'13"W, 180.66 FT TO A POINT;

THENCE S89º54'18"E, ALONG THE SOUTHERN LINE OF **FRISCO BOAT STORAGE ADDITION**, 669.94 FT TO THE SOUTHEAST CORNER OF SAID **FRISCO BOAT STORAGE ADDITION**;

THENCE N01º03'44"E, ALONG THE EAST LINE OF SAID **FRISCO BOAT STORAGE ADDITION**, 980.88 FT TO THE NORTHEAST CORNER OF SAID **FRISCO BOAT STORAGE ADDITION**, SAME BEING THE SOUTHEAST CORNER OF **LAKE COUNTRY ADDITION**;

THENCE ALONG THE EAST LINE OF SAID **LAKE COUNTRY ADDITION**, N00º19'00"E, 1,896.03 FT TO THE NORTHEAST CORNER OF **LAKE COUNTRY ADDITION**, SAID POINT LYING IN THE **CENTERLINE OF KING ROAD**, TO THE PLACE OF BEGINNING.

Town of Little Elm
100 W. Eldorado Pkwy
Little Elm, Texas 75068

City of Frisco
6101 Frisco Square Blvd
Frisco, Texas 75034

City of The Colony
6800 Main Street
The Colony, Texas 75056

City of Denton
215 E. McKinney Street
Denton, Texas 76201

Providence Village WCID
Law Offices of Clay E. Crawford, PC
19 Briar Hollow Lane, Suite 245
Houston, Texas 77027

Mustang SUD
7985 FM 2931
Aubrey, TX 76227

Denton County MUD 4
1980 Post Oak Blvd., Ste 1380
Houston, Texas 77056-3970

Denton County MUD 5
1980 Post Oak Blvd., Ste. 1380
Sanford Kuhl Hagan Kugle Parker Kahn, LLP
Houston , Texas 77056-3970

Town of Lincoln Park
110 Parker Parkway
Aubrey, Texas 76227

Denton County
Fresh Water Supply District 8A
Law Offices of Clay E. Crawford, PC
19 Briar Hollow Lane, Suite 245
Houston, Texas 77027

Denton County
Fresh Water Supply District 8B
Law Offices of Clay E. Crawford, PC
19 Briar Hollow Lane, Suite 245
Houston, Texas 77027

Denton County
Fresh Water Supply District 10
Law Offices of Clay E. Crawford, PC
19 Briar Hollow Lane, Ste. 245
Houston, Texas 77027

Denton County
Fresh Water Supply District 11A
Law Offices of Clay E. Crawford, PC
19 Briar Hollow Lane, Ste. 245
Houston, Texas 77027

Denton County
Fresh Water Supply District 11B
Law Offices of Clay E. Crawford, PC
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Houston, Texas 77027

Denton County
Fresh Water Supply District 11C
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19 Briar Hollow Lane, Ste. 245
Houston, Texas 77027

TPDES PERMIT NO. WQ0013434001
[For TCEQ office use only - EPA I.D. No. TX0103276]

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY
P.O. Box 13087
Austin, Texas 78711-3087

This is a renewal that replaces TPDES Permit No. WQ0013434001 issued January 26, 2011.

PERMIT TO DISCHARGE WASTES
under provisions of
Section 402 of the Clean Water Act
and Chapter 26 of the Texas Water Code

City of Hackberry

whose mailing address is

119 Maxwell Road
Frisco, Texas 75034

is authorized to treat and discharge wastes from the Hackberry Wastewater Treatment Facility, SIC Code 4952

located at 119 Maxwell Road, at the southern end of Maxwell Road in Frisco, Denton County, Texas 75034

to an unnamed ditch; thence to Lewisville Lake in Segment No. 0823 of the Trinity River Basin

only according with effluent limitations, monitoring requirements and other conditions set forth in this permit, as well as the rules of the Texas Commission on Environmental Quality (TCEQ), the laws of the State of Texas, and other orders of the TCEQ. The issuance of this permit does not grant to the permittee the right to use private or public property for conveyance of wastewater along the discharge route described in this permit. This includes, but is not limited to, property belonging to any individual, partnership, corporation, or other entity. Neither does this permit authorize any invasion of personal rights nor any violation of federal, state, or local laws or regulations. It is the responsibility of the permittee to acquire property rights as may be necessary to use the discharge route.

This permit shall expire at midnight, **October 1, 2016.**

ISSUED DATE: February 28, 2014

For the Commission

City of Hackberry TPDES Permit No. WQ0013434001

INTERIM EFFLUENT LIMITATIONS AND MONITORING REQUIREMENTS Outfall Number 001

1. During the period beginning upon the date of issuance and lasting through the completion of expansion to the 0.58 million gallons per day (MGD) facilities the permittee is authorized to discharge subject to the following effluent limitations:

The daily average flow of effluent shall not exceed 0.42 MGD; nor shall the average discharge during any two-hour period (2-hour peak) exceed 1,167 gallons per minute (gpm).

Effluent Characteristic	Discharge Limitations				Min. Self-Monitoring Requirements	
	Daily Avg mg/l (lbs/day)	7-day Avg mg/l	Daily Max mg/l	Single Grab mg/l	Report Daily Avg. & Max. Single Grab Measurement Frequency	Sample Type
Flow, MGD	Report	N/A	Report	N/A	Five/week	Instantaneous
Carbonaceous Biochemical Oxygen Demand (5-day)	10 (35)	15	25	35	One/week	Grab
Total Suspended Solids	15 (53)	25	40	60	One/week	Grab
Ammonia Nitrogen	3 (11)	6	10	15	One/week	Grab
Total Phosphorus	1 (3.5)	2	4	6	One/week	Grab
E. coli, CFU or MPN/100 ml	126	N/A	N/A	399	One/month	Grab

2. The effluent shall contain a chlorine residual of at least 1.0 mg/l and shall not exceed a chlorine residual of 4.0 mg/l after a detention time of at least 20 minutes (based on peak flow), and shall be monitored five times per week by grab sample. An equivalent method of disinfection may be substituted only with prior approval of the Executive Director.

3. The pH shall not be less than 6.0 standard units nor greater than 9.0 standard units and shall be monitored once per month by grab sample.

4. There shall be no discharge of floating solids or visible foam in other than trace amounts and no discharge of visible oil.

5. Effluent monitoring samples shall be taken at the following location(s): Following the final treatment unit.

6. The effluent shall contain a minimum dissolved oxygen of 4.0 mg/l and shall be monitored once per week by grab sample.

City of Hackberry TPDES Permit No. WQ0013434001

FINAL EFFLUENT LIMITATIONS AND MONITORING REQUIREMENTS Outfall Number 001

1. During the period beginning upon the completion of expansion to the 0.58 million gallons per day (MGD) facilities and lasting through the date of expiration, the permittee is authorized to discharge subject to the following effluent limitations:

The daily average flow of effluent shall not exceed 0.58 MGD; nor shall the average discharge during any two-hour period (2-hour peak) exceed 1,611 gallons per minute (gpm).

Effluent Characteristic	Discharge Limitations				Min. Self-Monitoring Requirements	
	Daily Avg mg/l (lbs/day)	7-day Avg mg/l	Daily Max mg/l	Single Grab mg/l	Report Daily Avg. & Daily Max. Measurement Frequency	Sample Type
Flow, MGD	Report	N/A	Report	N/A	Continuous	Totalizing Meter
Carbonaceous Biochemical Oxygen Demand (5-day)	10 (48)	15	25	35	One/week	Composite
Total Suspended Solids	15 (73)	25	40	60	One/week	Composite
Ammonia Nitrogen	2 (9.7)	5	10	15	One/week	Composite
Total Phosphorus	1 (4.8)	2	4	6	One/week	Composite
E. coli, CFU or MPN/100 ml	126	N/A	399	N/A	Two/month	Grab

2. The effluent shall contain a chlorine residual of at least 1.0 mg/l and shall not exceed a chlorine residual of 4.0 mg/l after a detention time of at least 20 minutes (based on peak flow), and shall be monitored daily by grab sample. An equivalent method of disinfection may be substituted only with prior approval of the Executive Director.

3. The pH shall not be less than 6.0 standard units nor greater than 9.0 standard units and shall be monitored twice per month by grab sample.

4. There shall be no discharge of floating solids or visible foam in other than trace amounts and no discharge of visible oil.

5. Effluent monitoring samples shall be taken at the following location(s): Following the final treatment unit.

6. The effluent shall contain a minimum dissolved oxygen of 5.0 mg/l and shall be monitored once per week by grab sample.

DEFINITIONS AND STANDARD PERMIT CONDITIONS

As required by Title 30 Texas Administrative Code (TAC) Chapter 305, certain regulations appear as standard conditions in waste discharge permits. 30 TAC § 305.121 - 305.129 (relating to Permit Characteristics and Conditions) as promulgated under the Texas Water Code (TWC) §§ 5.103 and 5.105, and the Texas Health and Safety Code (THSC) §§ 361.017 and 361.024(a), establish the characteristics and standards for waste discharge permits, including sewage sludge, and those sections of 40 Code of Federal Regulations (CFR) Part 122 adopted by reference by the Commission. The following text includes these conditions and incorporates them into this permit. All definitions in TWC § 26.001 and 30 TAC Chapter 305 shall apply to this permit and are incorporated by reference. Some specific definitions of words or phrases used in this permit are as follows:

1. Flow Measurements

   a. Annual average flow - the arithmetic average of all daily flow determinations taken within the preceding 12 consecutive calendar months. The annual average flow determination shall consist of daily flow volume determinations made by a totalizing meter, charted on a chart recorder and limited to major domestic wastewater discharge facilities with one million gallons per day or greater permitted flow.

   b. Daily average flow - the arithmetic average of all determinations of the daily flow within a period of one calendar month. The daily average flow determination shall consist of determinations made on at least four separate days. If instantaneous measurements are used to determine the daily flow, the determination shall be the arithmetic average of all instantaneous measurements taken during that month. Daily average flow determination for intermittent discharges shall consist of a minimum of three flow determinations on days of discharge.

   c. Daily maximum flow - the highest total flow for any 24-hour period in a calendar month.

   d. Instantaneous flow - the measured flow during the minimum time required to interpret the flow measuring device.

   e. 2-hour peak flow (domestic wastewater treatment plants) - the maximum flow sustained for a two-hour period during the period of daily discharge. The average of multiple measurements of instantaneous maximum flow within a two-hour period may be used to calculate the 2-hour peak flow.

   f. Maximum 2-hour peak flow (domestic wastewater treatment plants) - the highest 2-hour peak flow for any 24-hour period in a calendar month.

2. Concentration Measurements

   a. Daily average concentration - the arithmetic average of all effluent samples, composite or grab as required by this permit, within a period of one calendar month, consisting of at least four separate representative measurements.

      i. For domestic wastewater treatment plants - When four samples are not available in a calendar month, the arithmetic average (weighted by flow) of all values in the previous four consecutive month period consisting of at least four measurements shall be utilized as the daily average concentration.

ii. For all other wastewater treatment plants - When four samples are not available in a calendar month, the arithmetic average (weighted by flow) of all values taken during the month shall be utilized as the daily average concentration.

b. 7-day average concentration - the arithmetic average of all effluent samples, composite or grab as required by this permit, within a period of one calendar week, Sunday through Saturday.

c. Daily maximum concentration - the maximum concentration measured on a single day, by the sample type specified in the permit, within a period of one calendar month.

d. Daily discharge - the discharge of a pollutant measured during a calendar day or any 24-hour period that reasonably represents the calendar day for purposes of sampling. For pollutants with limitations expressed in terms of mass, the daily discharge is calculated as the total mass of the pollutant discharged over the sampling day. For pollutants with limitations expressed in other units of measurement, the daily discharge is calculated as the average measurement of the pollutant over the sampling day.

The daily discharge determination of concentration made using a composite sample shall be the concentration of the composite sample. When grab samples are used, the daily discharge determination of concentration shall be the arithmetic average (weighted by flow value) of all samples collected during that day.

e. Bacteria concentration (*E. coli* or Enterococci) - Colony Forming Units (CFU) or Most Probable Number (MPN) of bacteria per 100 milliliters effluent. The daily average bacteria concentration is a geometric mean of the values for the effluent samples collected in a calendar month. The geometric mean shall be determined by calculating the nth root of the product of all measurements made in a calendar month, where n equals the number of measurements made; or, computed as the antilogarithm of the arithmetic mean of the logarithms of all measurements made in a calendar month. For any measurement of bacteria equaling zero, a substituted value of one shall be made for input into either computation method. If specified, the 7-day average for bacteria is the geometric mean of the values for all effluent samples collected during a calendar week.

f. Daily average loading (lbs/day) - the arithmetic average of all daily discharge loading calculations during a period of one calendar month. These calculations must be made for each day of the month that a parameter is analyzed. The daily discharge, in terms of mass (lbs/day), is calculated as (Flow, MGD x Concentration, mg/l x 8.34).

g. Daily maximum loading (lbs/day) - the highest daily discharge, in terms of mass (lbs/day), within a period of one calendar month.

3. Sample Type

a. Composite sample - For domestic wastewater, a composite sample is a sample made up of a minimum of three effluent portions collected in a continuous 24-hour period or during the period of daily discharge if less than 24 hours, and combined in volumes proportional to flow, and collected at the intervals required by 30 TAC § 319.9 (a). For industrial wastewater, a composite sample is a sample made up of a minimum of three effluent portions collected in a continuous 24-hour period or during the period of daily discharge if less than 24 hours, and combined in volumes proportional to flow, and collected at the intervals required by 30 TAC § 319.9 (b).

b. Grab sample - an individual sample collected in less than 15 minutes.

4. Treatment Facility (facility) - wastewater facilities used in the conveyance, storage, treatment, recycling, reclamation and/or disposal of domestic sewage, industrial wastes, agricultural wastes, recreational wastes, or other wastes including sludge handling or disposal facilities under the jurisdiction of the Commission.

5. The term "sewage sludge" is defined as solid, semi-solid, or liquid residue generated during the treatment of domestic sewage in 30 TAC Chapter 312. This includes the solids that have not been classified as hazardous waste separated from wastewater by unit processes.

6. Bypass - the intentional diversion of a waste stream from any portion of a treatment facility.

MONITORING AND REPORTING REQUIREMENTS

1. Self-Reporting

Monitoring results shall be provided at the intervals specified in the permit. Unless otherwise specified in this permit or otherwise ordered by the Commission, the permittee shall conduct effluent sampling and reporting in accordance with 30 TAC §§ 319.4 - 319.12. Unless otherwise specified, a monthly effluent report shall be submitted each month, to the Enforcement Division (MC 224), by the 20th day of the following month for each discharge which is described by this permit whether or not a discharge is made for that month. Monitoring results must be reported on an approved self-report form that is signed and certified as required by Monitoring and Reporting Requirements No. 10.

As provided by state law, the permittee is subject to administrative, civil and criminal penalties, as applicable, for negligently or knowingly violating the Clean Water Act (CWA); TWC §§ 26, 27, and 28; and THSC § 361, including but not limited to knowingly making any false statement, representation, or certification on any report, record, or other document submitted or required to be maintained under this permit, including monitoring reports or reports of compliance or noncompliance, or falsifying, tampering with or knowingly rendering inaccurate any monitoring device or method required by this permit or violating any other requirement imposed by state or federal regulations.

2. Test Procedures

a. Unless otherwise specified in this permit, test procedures for the analysis of pollutants shall comply with procedures specified in 30 TAC §§ 319.11 - 319.12. Measurements, tests, and calculations shall be accurately accomplished in a representative manner.

b. All laboratory tests submitted to demonstrate compliance with this permit must meet the requirements of 30 TAC § 25, Environmental Testing Laboratory Accreditation and Certification.

3. Records of Results

a. Monitoring samples and measurements shall be taken at times and in a manner so as to be representative of the monitored activity.

b. Except for records of monitoring information required by this permit related to the permittee's sewage sludge use and disposal activities, which shall be retained for a period of at least five years (or longer as required by 40 CFR Part 503), monitoring and reporting records, including strip charts and records of calibration and maintenance, copies of all records required by this permit, records of all data used to complete the application for this permit, and the certification required by 40 CFR § 264.73(b)(9) shall be retained at the facility site, or shall be readily available for review by a TCEQ representative for a period of three years from the date of the record or sample, measurement, report, application or certification. This period shall be extended at the request of the Executive Director.

c. Records of monitoring activities shall include the following:

i. date, time and place of sample or measurement;

ii. identity of individual who collected the sample or made the measurement.

iii. date and time of analysis;

iv. identity of the individual and laboratory who performed the analysis;

v. the technique or method of analysis; and

vi. the results of the analysis or measurement and quality assurance/quality control records.

The period during which records are required to be kept shall be automatically extended to the date of the final disposition of any administrative or judicial enforcement action that may be instituted against the permittee.

4. Additional Monitoring by Permittee

If the permittee monitors any pollutant at the location(s) designated herein more frequently than required by this permit using approved analytical methods as specified above, all results of such monitoring shall be included in the calculation and reporting of the values submitted on the approved self-report form. Increased frequency of sampling shall be indicated on the self-report form.

5. Calibration of Instruments

All automatic flow measuring or recording devices and all totalizing meters for measuring flows shall be accurately calibrated by a trained person at plant start-up and as often thereafter as necessary to ensure accuracy, but not less often than annually unless authorized by the Executive Director for a longer period. Such person shall verify in writing that the device is operating properly and giving accurate results. Copies of the verification shall be retained at the facility site and/or shall be readily available for review by a TCEQ representative for a period of three years.

6. Compliance Schedule Reports

Reports of compliance or noncompliance with, or any progress reports on, interim and final requirements contained in any compliance schedule of the permit shall be submitted no later

than 14 days following each schedule date to the Regional Office and the Enforcement Division (MC 224).

7. Noncompliance Notification

   a. In accordance with 30 TAC § 305.125(9) any noncompliance which may endanger human health or safety, or the environment shall be reported by the permittee to the TCEQ. Report of such information shall be provided orally or by facsimile transmission (FAX) to the Regional Office within 24 hours of becoming aware of the noncompliance. A written submission of such information shall also be provided by the permittee to the Regional Office and the Enforcement Division (MC 224) within five working days of becoming aware of the noncompliance. The written submission shall contain a description of the noncompliance and its cause; the potential danger to human health or safety, or the environment; the period of noncompliance, including exact dates and times; if the noncompliance has not been corrected, the time it is expected to continue; and steps taken or planned to reduce, eliminate, and prevent recurrence of the noncompliance, and to mitigate its adverse effects.

   b. The following violations shall be reported under Monitoring and Reporting Requirement 7.a.:

      i. Unauthorized discharges as defined in Permit Condition 2(g).

      ii. Any unanticipated bypass that exceeds any effluent limitation in the permit.

      iii. Violation of a permitted maximum daily discharge limitation for pollutants listed specifically in the Other Requirements section of an Industrial TPDES permit.

   c. In addition to the above, any effluent violation which deviates from the permitted effluent limitation by more than 40% shall be reported by the permittee in writing to the Regional Office and the Enforcement Division (MC 224) within 5 working days of becoming aware of the noncompliance.

   d. Any noncompliance other than that specified in this section, or any required information not submitted or submitted incorrectly, shall be reported to the Enforcement Division (MC 224) as promptly as possible. For effluent limitation violations, noncompliances shall be reported on the approved self-report form.

8. In accordance with the procedures described in 30 TAC §§ 35.301 - 35.303 (relating to Water Quality Emergency and Temporary Orders) if the permittee knows in advance of the need for a bypass, it shall submit prior notice by applying for such authorization.

9. Changes in Discharges of Toxic Substances

   All existing manufacturing, commercial, mining, and silvicultural permittees shall notify the Regional Office, orally or by facsimile transmission within 24 hours, and both the Regional Office and the Enforcement Division (MC 224) in writing within five (5) working days, after becoming aware of or having reason to believe:

   a. That any activity has occurred or will occur which would result in the discharge, on a routine or frequent basis, of any toxic pollutant listed at 40 CFR Part 122, Appendix D,

Tables II and III (excluding Total Phenols) which is not limited in the permit, if that discharge will exceed the highest of the following "notification levels":

i. One hundred micrograms per liter (100 µg/L);

ii. Two hundred micrograms per liter (200 µg/L) for acrolein and acrylonitrile; five hundred micrograms per liter (500 µg/L) for 2,4-dinitrophenol and for 2-methyl-4,6-dinitrophenol; and one milligram per liter (1 mg/L) for antimony;

iii. Five (5) times the maximum concentration value reported for that pollutant in the permit application; or

iv. The level established by the TCEQ.

b. That any activity has occurred or will occur which would result in any discharge, on a nonroutine or infrequent basis, of a toxic pollutant which is not limited in the permit, if that discharge will exceed the highest of the following "notification levels":

i. Five hundred micrograms per liter (500 µg/L);

ii. One milligram per liter (1 mg/L) for antimony;

iii. Ten (10) times the maximum concentration value reported for that pollutant in the permit application; or

iv. The level established by the TCEQ.

10. Signatories to Reports

All reports and other information requested by the Executive Director shall be signed by the person and in the manner required by 30 TAC § 305.128 (relating to Signatories to Reports).

11. All Publicly Owned Treatment Works (POTWs) must provide adequate notice to the Executive Director of the following:

a. Any new introduction of pollutants into the POTW from an indirect discharger which would be subject to CWA § 301 or § 306 if it were directly discharging those pollutants;

b. Any substantial change in the volume or character of pollutants being introduced into that POTW by a source introducing pollutants into the POTW at the time of issuance of the permit; and

c. For the purpose of this paragraph, adequate notice shall include information on:

i. The quality and quantity of effluent introduced into the POTW; and

ii. Any anticipated impact of the change on the quantity or quality of effluent to be discharged from the POTW.

PERMIT CONDITIONS

1. General

   a. When the permittee becomes aware that it failed to submit any relevant facts in a permit application, or submitted incorrect information in an application or in any report to the Executive Director, it shall promptly submit such facts or information.

   b. This permit is granted on the basis of the information supplied and representations made by the permittee during action on an application, and relying upon the accuracy and completeness of that information and those representations. After notice and opportunity for a hearing, this permit may be modified, suspended, or revoked, in whole or in part, in accordance with 30 TAC Chapter 305, Subchapter D, during its term for good cause including, but not limited to, the following:

      i. Violation of any terms or conditions of this permit;

      ii. Obtaining this permit by misrepresentation or failure to disclose fully all relevant facts; or

      iii. A change in any condition that requires either a temporary or permanent reduction or elimination of the authorized discharge.

   c. The permittee shall furnish to the Executive Director, upon request and within a reasonable time, any information to determine whether cause exists for amending, revoking, suspending or terminating the permit. The permittee shall also furnish to the Executive Director, upon request, copies of records required to be kept by the permit.

2. Compliance

   a. Acceptance of the permit by the person to whom it is issued constitutes acknowledgment and agreement that such person will comply with all the terms and conditions embodied in the permit, and the rules and other orders of the Commission.

   b. The permittee has a duty to comply with all conditions of the permit. Failure to comply with any permit condition constitutes a violation of the permit and the Texas Water Code or the Texas Health and Safety Code, and is grounds for enforcement action, for permit amendment, revocation, or suspension, or for denial of a permit renewal application or an application for a permit for another facility.

   c. It shall not be a defense for a permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of the permit.

   d. The permittee shall take all reasonable steps to minimize or prevent any discharge or sludge use or disposal or other permit violation that has a reasonable likelihood of adversely affecting human health or the environment.

   e. Authorization from the Commission is required before beginning any change in the permitted facility or activity that may result in noncompliance with any permit requirements.

f. A permit may be amended, suspended and reissued, or revoked for cause in accordance with 30 TAC §§ 305.62 and 305.66 and TWC§ 7.302. The filing of a request by the permittee for a permit amendment, suspension and reissuance, or termination, or a notification of planned changes or anticipated noncompliance, does not stay any permit condition.

g. There shall be no unauthorized discharge of wastewater or any other waste. For the purpose of this permit, an unauthorized discharge is considered to be any discharge of wastewater into or adjacent to water in the state at any location not permitted as an outfall or otherwise defined in the Other Requirements section of this permit.

h. In accordance with 30 TAC § 305.535(a), the permittee may allow any bypass to occur from a TPDES permitted facility which does not cause permitted effluent limitations to be exceeded or an unauthorized discharge to occur, but only if the bypass is also for essential maintenance to assure efficient operation.

i. The permittee is subject to administrative, civil, and criminal penalties, as applicable, under TWC §§ 7.051 - 7.075 (relating to Administrative Penalties), 7.101 - 7.111 (relating to Civil Penalties), and 7.141 - 7.202 (relating to Criminal Offenses and Penalties) for violations including, but not limited to, negligently or knowingly violating the federal CWA §§ 301, 302, 306, 307, 308, 318, or 405, or any condition or limitation implementing any sections in a permit issued under the CWA § 402, or any requirement imposed in a pretreatment program approved under the CWA §§ 402 (a)(3) or 402 (b)(8).

3. Inspections and Entry

a. Inspection and entry shall be allowed as prescribed in the TWC Chapters 26, 27, and 28, and THSC § 361.

b. The members of the Commission and employees and agents of the Commission are entitled to enter any public or private property at any reasonable time for the purpose of inspecting and investigating conditions relating to the quality of water in the state or the compliance with any rule, regulation, permit or other order of the Commission. Members, employees, or agents of the Commission and Commission contractors are entitled to enter public or private property at any reasonable time to investigate or monitor or, if the responsible party is not responsive or there is an immediate danger to public health or the environment, to remove or remediate a condition related to the quality of water in the state. Members, employees, Commission contractors, or agents acting under this authority who enter private property shall observe the establishment's rules and regulations concerning safety, internal security, and fire protection, and if the property has management in residence, shall notify management or the person then in charge of his presence and shall exhibit proper credentials. If any member, employee, Commission contractor, or agent is refused the right to enter in or on public or private property under this authority, the Executive Director may invoke the remedies authorized in TWC § 7.002. The statement above, that Commission entry shall occur in accordance with an establishment's rules and regulations concerning safety, internal security, and fire protection, is not grounds for denial or restriction of entry to any part of the facility, but merely describes the Commission's duty to observe appropriate rules and regulations during an inspection.

4. Permit Amendment and/or Renewal

   a. The permittee shall give notice to the Executive Director as soon as possible of any planned physical alterations or additions to the permitted facility if such alterations or additions would require a permit amendment or result in a violation of permit requirements. Notice shall also be required under this paragraph when:

      i. The alteration or addition to a permitted facility may meet one of the criteria for determining whether a facility is a new source in accordance with 30 TAC § 305.534 (relating to New Sources and New Dischargers); or

      ii. The alteration or addition could significantly change the nature or increase the quantity of pollutants discharged. This notification applies to pollutants that are subject neither to effluent limitations in the permit, nor to notification requirements in Monitoring and Reporting Requirements No. 9;

      iii. The alteration or addition results in a significant change in the permittee's sludge use or disposal practices, and such alteration, addition, or change may justify the application of permit conditions that are different from or absent in the existing permit, including notification of additional use or disposal sites not reported during the permit application process or not reported pursuant to an approved land application plan.

   b. Prior to any facility modifications, additions, or expansions that will increase the plant capacity beyond the permitted flow, the permittee must apply for and obtain proper authorization from the Commission before commencing construction.

   c. The permittee must apply for an amendment or renewal at least 180 days prior to expiration of the existing permit in order to continue a permitted activity after the expiration date of the permit. If an application is submitted prior to the expiration date of the permit, the existing permit shall remain in effect until the application is approved, denied, or returned. If the application is returned or denied, authorization to continue such activity shall terminate upon the effective date of the action. If an application is not submitted prior to the expiration date of the permit, the permit shall expire and authorization to continue such activity shall terminate.

   d. Prior to accepting or generating wastes which are not described in the permit application or which would result in a significant change in the quantity or quality of the existing discharge, the permittee must report the proposed changes to the Commission. The permittee must apply for a permit amendment reflecting any necessary changes in permit conditions, including effluent limitations for pollutants not identified and limited by this permit.

   e. In accordance with the TWC § 26.029(b), after a public hearing, notice of which shall be given to the permittee, the Commission may require the permittee, from time to time, for good cause, in accordance with applicable laws, to conform to new or additional conditions.

   f. If any toxic effluent standard or prohibition (including any schedule of compliance specified in such effluent standard or prohibition) is promulgated under CWA § 307(a) for a toxic pollutant which is present in the discharge and that standard or prohibition is more stringent than any limitation on the pollutant in this permit, this permit shall be