

within the District are provided safe, sufficient and adequate water and wastewater service meeting all Regulatory Requirements.

- e. The Utility shall be responsible for the operations and maintenance of the Facilities in accordance with all Regulatory Requirements. The District shall reimburse the Utility for certain of the early stage development operations and maintenance expenses as provided herein.

## **ARTICLE II. SERVICE**

- 2.01 **Exclusive Service Rights.** The District hereby grants the Utility the exclusive right to serve all customers within the Property with the Facilities subject only to Article V of this Agreement. The Utility may serve areas outside the District with the Central Plants as provided in Article IV.
- 2.02 **Consent to CCN Service Area.** Within ten days of the execution of this Agreement, or within ten days of the date that all items required in the application process are received by Utility, Utility shall file an application with the PUC to add the Property to the Utility's CCN for water and for wastewater. The Developer and the District agree each hereby consent to such application and neither in any way objects to the application. The District is not required to obtain and does not have a CCN for the Property. The District and the Developer hereby consent to water and wastewater service by the Utility within the District and the inclusion of the portion of the District encompassing the Property in the CCN of the Utility. The District and Developer shall provide any reasonable and prompt assistance to Utility in adding the Property to the Utility's CCN and for obtaining, if necessary, any other permits, approvals, or consents required to deliver utility service to Customers in the District promptly upon request from Utility.
- 2.03 **Rate Tariff.** All connections to the Utility water and/or wastewater systems shall become permanent customers of Utility; and such customers shall be obligated to pay water and wastewater bills for use of such systems in accordance with the then current Rate Tariff approved by any Regulatory Authority.

**2.04 Construction.**

- a. The Utility shall be solely responsible for the design, engineering, installation, and construction of the Central Plants needed to serve the Property as Customers are added to the System. All construction shall be in accordance with all applicable rules of any Regulatory Authority. The timing of construction of the Central Plants shall be determined by the Utility.
- b. Developer shall be solely responsible for the design, engineering, installation, and construction of the Interior lines needed to serve the Property as Customers are added to the System. All construction shall be in accordance with all applicable rules of any Regulatory Authority.
- c. The Utility and Developer shall, at their respective sole cost and expense, design and construct the Central Plants and Interior Lines to serve the Property in accordance with the general layout attached hereto as Exhibit "B" and in accordance with the schedule attached hereto as Exhibit "C". Failure of Utility to have the Central Plants designed, constructed and on line on the later of the Delivery Date or one hundred eighty days after the CCN Application is approved shall be a Default. Developer's failure to have the Interior Lines designed, constructed and on line on the Delivery Date shall not be Default.
- d. The District and/or Developer shall inform the Utility of the progress of development on the Property, and the Utility shall inform the District and the Developer of the capacity of the System. All reports shall be in writing. The Developer and/or District shall specify the number of ESFC projected forward for up to two (2) years in advance. Upon agreement of the Parties that an expansion of the Facilities is required or when any Central Plant is at 75% of capacity, the Utility shall prepare a schedule for design and construction of the expansion which shall be attached hereto as an additional page to Exhibit "C" when agreed upon by the Utility, the Developer and the District. Failure to have the expansion of the Facilities designed, constructed and on line on or before the Delivery Date shall be a Default.

- 2.05 Reimbursement for Design Costs.** During the interim time period between the signing of the Agreement and the date the Property is added to the Utility CCN, the Utility agrees to pay and/or advance costs associated with the design and engineering of the Central Plants. If for any reason whatsoever, the Property is not added to the Utility CCN prior to December 31, 2016, then the District and/or the Developer, mutually and irrevocably agree to reimburse the Utility for all such design and engineering costs paid and/or advanced for design and engineering costs.

- 2.06 **Interim Service.** Pursuant to TCEQ and/or PUC rules, Utility may not provide water or wastewater service to areas which are not specifically included in its CCN, and none of the Parties desires to or intends to violate those rules. The District desires that the Utility provide water and wastewater service on its behalf during the temporary time period in which the Property is part of the District but prior to the Property being included in Utility's CCN. During such time, Utility shall provide water and wastewater service to the District and its customers as the District's utility provider on behalf of and at the request of the District. The District shall pay Utility the higher of Utility's then current rates as specified in Utility's general regional tariff for Southeast Texas or the actual cost of providing such interim service, if special or extra efforts are required to provide such temporary water and wastewater services, including but not limited to hold and haul sewer service, trucking in water, and installation of temporary facilities for water or wastewater. The District shall adopt a rate order consistent with the provisions of this contractual requirement.

### **ARTICLE III. REIMBURSEMENTS**

#### **3.01 Reimbursement to Utility for Interim Wastewater Costs.**

- a. During the preliminary stages of development of the Property the Parties acknowledge and agree that the most effective means of providing wastewater service is via Hold and Haul. The District shall reimburse Utility for all Hold and Haul Costs associated with providing sewer service to the Property less the actual minimum sewer payments income received from actual connections on the Property. The District shall reimburse Utility within forty-five (45) days of presentation of a bill for such costs, no more than two times per year.
- b. **Term of Wastewater Reimbursement.** The Districts' obligation to reimburse the Utility for Hold and Haul Costs shall commence on the date the Facilities have Customers connected which are receiving water utility service and shall terminate on the earlier of the Delivery Date or the Service Commencement Date for the Central Wastewater Plant serving the Property.

**3.02 Reimbursement for Interim Water Service.**

- a. **Minimum Water Connection Costs.** During the preliminary stages of development, the District and the Developer acknowledge that Utility must receive the funds equal to the revenue generated by at least seventy residential water connections from the Property in order to efficiently provide water service to the Property. Accordingly, the District shall reimburse Utility for Minimum Water Connection Costs. The District shall pay the Utility within forty-five (45) days of presentation of an invoice for such costs, no more than two times per year.
- b. **Term of Water Reimbursement.** The District's obligation to reimburse Utility for Minimum Water Connection Costs shall commence on the Water Central Plant Service Commencement Date and shall terminate when there are seventy (70) ESFCs Actual Connections to the Utility's Water System.

**ARTICLE IV.  
LIMITATIONS AND EXCLUSIONS**

- 4.01 Utility shall be free to provide water and/or wastewater service to other customers not on the Property or in the District using the Central Facilities, so long as Utility is not in Default as defined above and so long as rates to such other customers are not more favorable than rates available to Customers within the District, unless Utility is required to do so by a Rate Tariff approved by a Regulatory Authority.
- 4.02 The Utility shall not be obligated to provide water or service for fire protection unless and until (a) any Regulatory Authority specifically approves a Rate Tariff which includes the recovery of all fire protection costs (capital as well as operations) incurred by the Utility in such tariff; or (b) the District or the Developer pay to the Utility any incremental cost of upsizing the System to meet all existing fire protection requirements.
- 4.03 The District shall be free to provide water and wastewater services to other parties and tracts in the District which are not in the Property.

**ARTICLE V.  
DEFAULT AND REMEDIES**

- 5.01 **Notice of Default by Utility and Opportunity to Cure.** During the Term this Agreement, if the District determines that Utility has committed a substantial failure as contemplated by Section 1.01(e)(i) of this Agreement, the District shall provide written notice of said breach ("Notice of Breach") to Utility by certified or registered mail, return receipt requested, or by fax with proof of receipt, setting forth a reasonable description of the purported material breach. Utility shall commence curing such purported material breach within ten (10)

calendar days after receipt of such Notice of Breach and shall diligently pursue and complete such cure without unreasonable cessation of activities within sixty (60) days from the date of said Notice. In the event that Utility fails to cure the purported material breach within such sixty (60) day period, the District shall have the right to declare Utility in default of this Agreement and to proceed with the purchase of the System as provided in Section 5.04 of this Agreement, provided, however, if the breach is not reasonably susceptible to cure by Utility within such sixty (60) day period, the District agrees that it will not declare Utility in default of this Agreement so long as Utility has diligently pursued such cure within the foregoing sixty (60) days and diligently completes the work, without unreasonable cessation, within a reasonable time thereafter. The time authorized by this Agreement to cure the breach is the "Cure Period." The District shall provide written notice to Utility immediately upon acceptance of the cure of any such breach. Conversely, in the event that Utility fails to cure a material breach of this Agreement within the Cure Period provided for herein, the District shall have the right to declare Utility in default of this Agreement and to proceed with the purchase of the System as provided in Section 5.04 of this Agreement.

**5.02 Default.** The occurrence of Habitual Violations or other uncured Default shall trigger an Option by the District to purchase the System pursuant to this Article of this Agreement.

**5.03 Dispute Resolution.** Notwithstanding anything to the contrary set forth herein, in the event that the District declares Utility to be in default of this Agreement, and Utility contests said declaration in writing in accordance with the notice provisions of this Agreement, the District and Utility agree to meet, within ninety (90) days of receipt of each party's respective written notices, to negotiate in good faith and attempt to resolve any conflicts. In the event that the District and Utility are not able to resolve such conflict to their mutual satisfaction, the District and Utility agree to submit to mediation and shall participate in such mediation in good faith. Each party shall bear its own expenses in connection with any such mediation. Neither party is prohibited from initiating litigation to resolve any controversy between the parties; except that District and Utility agree that prior to any trial on the merits concerning a controversy, the parties shall submit to mediation and shall participate in such mediation in good faith.

**5.04 Option to Purchase.**

- a. **Grant of Option.** In consideration of Ten dollars (\$10.00) and other good and valuable consideration, including the covenants and agreements contained in this Agreement, in the event of a Default, the Utility grants to the District an exclusive option to purchase the Facilities (the "Option") at the Purchase Price.
- b. **Exercise of Option.** The District may, but is not obligated, to exercise the Option after a Default by the Utility. The Option may be exercised by delivery of a notice from the District to the Utility stating that a Default exists, and that the District has

elected to exercise its Option to purchase the Facilities and that the District has complied with any notice, cure, and dispute resolution provisions of this Agreement.

- c. **Determination of Purchase Price.** Upon delivery of the notice of exercise of the Option, each of the Utility and the District shall engage an appraiser within thirty (30) calendar days to appraise the Facilities subject to the Option. The appraisers shall be qualified to make real estate appraisals and business appraisals. Each appraisal shall take into consideration the age and condition of the System, the income generated from current Customers of the Facilities, income to be generated from future Customers of the Utility to be connected to the Facilities pursuant to verifiable contracts and commitments for additional development, and the requirements of any Regulatory Authority. The completed appraisals shall be delivered to the party requesting the appraisal within forty-five (45) days after engagement, and each party shall exchange its appraisal with the other no later than the fifth (5<sup>th</sup>) calendar day after the last of the appraisals is complete. In the event the two (2) appraisals are within ten (10%) of each other, the Purchase Price shall be an amount equal to the average of the two (2) appraisals. In the event the two (2) appraisals are not within ten (10%); within ten (10) calendar days of the exchange of the appraisals, the two (2) appraisers shall agree on and engage a third appraiser who shall appraise the Facilities in the manner described above. The third appraisal shall be delivered to the Parties within forty-five (45) days of engagement. The average of the three (3) appraisals shall be the Purchase Price. Each Party shall be responsible for the cost of its appraisal and the Parties shall each pay 50% of the cost of the third appraiser, if any. Failure of any Party to timely engage an appraiser or deliver, pay for or pursue any portion of the appraisal or closing process shall be a Default. The Purchase Price for the Facilities shall not be lower than the amount at which the Facilities are accounted for and reflected in the Utility's rate base, that amount being actual original cost less depreciation.

#### **5.05 Right of First Refusal.**

- a. **Limited to System.** The District shall have a right of first refusal to purchase the Facilities, if the Utility elects to sell the System which includes the Facilities to an unrelated third party. This right of first refusal shall not exist if Utility's sale of the System includes other assets or systems owned by the Utility, nor shall it apply if the Utility transfers ownership of the System or the Facilities to an affiliated entity.
- b. **Notice of Event.** Within ten (10) calendar days after receipt and acceptance by the Utility of a bona fide offer to sell the Facilities as described in section 5.04(a) above, the Utility shall notify the District of such offer.

- c. **Exercise of Right of First Refusal.** The District shall notify the Utility within forty-five (45) days of receipt of notice thereof from Utility whether District intends to exercise its right of first refusal to purchase the Facilities.
  - d. **Determination of Purchase Price.** The right of first refusal to purchase the Facilities from the Utility shall be at a purchase price equal to the amount of the bona fide offer. The existence of this right of first refusal shall be disclosed by Utility to any potential party of any of the transactions contemplated.
- 5.05 **Closing.** Upon determination of the Purchase Price the District shall submit to the TCEQ (a) a bond application to issue an amount of bonds sufficient to pay the Purchase Price plus any costs of the transaction and (b) an application for consent to purchase the Facilities or Systems covered by the bond application, together with such appraisals, engineering reports and other data in support of such applications as may be reasonably required to obtain approval. The District shall pursue each application and upon approval of both applications by the TCEQ, shall close and fund the purchase of the System and/or Facilities. If the sale of the bonds and the closing and funding of the Facilities at the Purchase Price does not occur within one hundred twenty (120) days after the determination of the Purchase Price, the District's ability to purchase the Facilities shall terminate. The Utility shall cooperate and shall execute any documents reasonable required by the District to consummate the transactions contemplated by this Agreement and take any action as may be required by 30 T.A.C. Section 293.69 or other Regulatory Requirement. After Closing and Funding, the Utility shall immediately file all documentation with each Regulatory Authority to terminate the CCN of the Utility over the Property and the District.

#### **ARTICLE VI. MISCELLANEOUS**

- 6.01 **Governing Law.** This Agreement, all attachments hereto, and all documents and instruments to be furnished or delivered hereto, shall be governed by the laws of the State of Texas without giving effect to conflicts of laws principles.
- 6.02 **Assignment; Change in Ownership.** No Party shall assign its rights and obligations under this Agreement, directly or indirectly, voluntarily or involuntarily, without the prior written approval of all other Parties, which consent shall not be unreasonably withheld. It is expressly agreed that the Developer may assign all rights and obligations under this Agreement to any person which purchases a substantial amount of the land in the District. Any assignment by the Utility may be subject to the right of first refusal in favor of the District as provided in Section 5.04.
- 6.03 **Taxes.** All federal, state and local taxes, excise taxes, permit fees, and similar fees and taxes in connection with this Agreement, including without limitation, any sales or use taxes and

taxes on contributions in aid of construction, any and all income taxes imposed on any party, shall be paid by the party incurring said tax obligation.

- 6.04 **Survival of Provisions on Contribution or Termination.** All warranties, representations, Agreements and covenants made by any Party in this Agreement, or in any document or instrument referred to in, or to be delivered or furnished pursuant to, this Agreement, will survive any termination of this Agreement.
- 6.05 **Entire Agreement; Amendments.** This Agreement, together with all exhibits and attachments, and the final executed form of all documents for which the form is set forth in the attachments, constitute the entire agreement among the Parties with respect to the matters addressed herein. Prior or contemporaneous discussions or Agreements are not part of this Agreement, and are of no force or effect. This Agreement may be modified or amended only by a writing signed by all Parties.
- 6.06 **Severability.** The provisions of this Agreement and all other agreements and documents referred to herein are to be deemed severable, and the invalidity or unenforceability of any provision shall not affect or impair such provision to the extent it has been deemed valid and enforceable, nor the remaining provisions, which shall continue in full force and effect.
- 6.07 **Third Parties.** Nothing contained in this Agreement shall be deemed to confer upon any third party any right against any of the Parties hereto.
- 6.08 **Headings.** The headings of any section or subsection of this Agreement are for convenience only and shall not be used to interpret any provision of this Agreement.
- 6.09 **Binding Agreement; Successors and Assigns.** This Agreement is binding on and will inure to the benefit of the Parties and their successors and permitted assigns.
- 6.10 **Notices.** Notices, demands and requests required or permitted to be given under this Agreement (collectively Notices) must be in writing and must be delivered personally or by nationally-recognized courier or sent by United States certified mail, return receipt requested, postage prepaid. Notices must be addressed to the party at its address set forth below. A notice is effective when actually received or rejected. The initial addresses of the parties may be changed by appropriate notice:

**To the Developer:**  
Joe Fogarty, President  
Westchase Madison, Inc.  
340 N. Sam Houston Parkway E, Suite 140  
Houston, Texas 77060



**To the Utility:**  
Robert L. Laughman, President  
Aqua Texas, Inc.  
1106 Clayton Lane, Suite 400W  
Austin, Texas 78723

**To the District:**  
Harris County Improvement District No. 17

**[SIGNATURES FOLLOW ON FOLLOWING PAGE]**

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the day and year first above written above:

AQUA TEXAS, INC., as Utility

*[Handwritten initials]*  
*[Handwritten initials]*

By: *[Signature]*  
Robert L. Laughman, President

WESTCHASE MADISON, INC., as Developer

By: *[Signature]*  
Joe Fogarty, President

HARRIS COUNTY IMPROVEMENT DISTRICT NO. 17, as District

By: *[Signature]*  
Joe Bullard, President



Exhibit A

### BOUNDARY DESCRIPTION

Being a 66.595 acres comprised of the following tracts:

1. a called 22.5814 acre tract, County Clerk's File No. 9368043, of the Montgomery County Real Property Records (M.C.R.P.R.),
2. a called 13.113 acre tract, Vol. 610, Pg. 33, Montgomery County Deed Records (M.C.D.R.),
3. a called 2.5 acre tract, County Clerk's File No. 9676748, M.C.R.P.R.,
4. a called 8.337 acre tract, County Clerk's File No. 9777430, M.C.R.P.R.,
5. a called 5.0733 acres tract, County Clerk's File No. 9368043, M.C.R.P.R.,
6. a called 5.000 acre tract, County Clerk's File No. 9368043, M.C.R.P.R.,
7. a called 50733 acre tract, County Clerk's File No. 9368042, M.C.R.P.R.,
8. a called 2.459 acre tract, County Clerk's File No. 8861841, M.C.R.P.R.,
9. and a 2.459 acre tract, County Clerk's File No. 8861842, M.C.R.P.R.,

being out of the James Brown Survey, A-78, Montgomery County, Texas, and being more particularly described by metes and bounds as follows:

**COMMENCING** for reference at a found 1/2 inch Iron at the Intersection of the northerly line of Carraway Lane (a called  $\pm 50$  foot wide prescriptive right-of-way) with the southwesterly line of Dobbin Hufsmith Road (a called 60 foot wide prescriptive right-of-way), said point being the southeasterly corner of that 6.780 acre tract described in Volume 1146, Page 492, M.C.D.R., and said point having a State Plane Grid Coordinate (Central Zone): N=10,052,010.77, E=3,789,968.41;

- 1) THENCE, **NORTH 43°38'19" WEST**, 571.56 feet along the southwesterly line of Dobbin Hufsmith Road to the **POINT OF BEGINNING**, from which a found 5/8" Iron rod bears N 49°16'24" E, 1.23 feet;
- 2) THENCE, **SOUTH 86°40'08" WEST**, 479.63 feet to a point for corner from which a found 5/8" Iron rod bears N 67°24'20" E, 1.51 feet;
- 3) THENCE, **SOUTH 86°27'05" WEST**, 713.04 feet to a point for corner from which a found 1/2 inch Iron rod bears N 77°59'07" E, 1.14 feet;
- 4) THENCE, **SOUTH 03°21'08" EAST**, 465.60 feet to a point for corner from which a found 5/8" Iron rod bears N 89°46'18" E, 1.98 feet;
- 5) THENCE, **SOUTH 86°32'38" WEST**, 239.62 feet to a point for corner from which a found 3/4 inch Iron rod bears S 77°56'48" E, 1.99 feet;
- 6) THENCE, **SOUTH 87°28'05" WEST**, 556.87 feet along to a set 1/2 inch Iron rod being in the easterly line of North Creek Road (a called 60 foot wide prescriptive right-of-way);
- 7) THENCE, **NORTH 03°08'51" WEST**, 1231.37 feet along the easterly line of North Creek Road to a point for corner from which a found 5/8 inch Iron rod bears S 03°27'11" E, 0.03 feet;

Exhibit \_\_\_\_\_

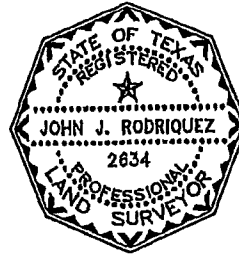
- 8) THENCE, NORTH 03°25'17" WEST, 337.01 feet along the easterly line of North Creek Road to a 1/2 Inch Iron rod set for corner;
- 9) THENCE, NORTH 86°24'26" EAST, 251.23 feet to a found 5/8" iron rod;
- 10) THENCE, NORTH 03°22'31" WEST, 381.04 feet a found 5/8" iron rod;
- 11) THENCE, NORTH 86°32'49" EAST, 1147.95 feet to a found 5/8" iron rod being in the southwesterly line of Dobbin Hufsmith Road (a called 60 foot wide prescriptive right-of-way), said point being the beginning of a non-tangent curve to the left;
- 12) THENCE, SOUTHEASTERLY, 163.18 feet along the southwesterly line of Dobbin Hufsmith Road, being along the arc of said curve to the left, having a radius of 805.75 feet, a central angle of 11°36'13", and a chord bearing S 27°18'56" E 162.90 feet, to a set 1/2 Inch iron rod at a point of tangency;
- 13) THENCE, SOUTH 33°07'03" EAST, 266.42 feet along the southwesterly line of Dobbin Hufsmith Road to a 1/2 inch iron rod set for corner;
- 14) THENCE, NORTH 85°32'28" EAST, 10.35 feet to a found 5/8" iron rod being in the southwesterly line of Dobbin Hufsmith Road (at this point narrowing to a ±50 foot wide prescriptive right-of-way);
- 15) THENCE, SOUTH 31°33'04" EAST, 382.75 feet along the along the southwesterly line of Dobbin Hufsmith Road to a point for corner from which a found 5/8" iron rod bears N 28°24'59" W, 1.91 feet;
- 16) THENCE, SOUTH 31°27'04" EAST, 210.95 feet along the along the southwesterly line of Dobbin Hufsmith Road to a point for corner from which a found 1/2" iron rod bears N 13°52'37" W, 1.87 feet;
- 17) THENCE, SOUTH 31°20'41" EAST, 60.93 feet along the along the southwesterly line of Dobbin Hufsmith Road to a point for corner from which a found 5/8" iron rod bears N 10°13'03" W, 1.91 feet; said point being the beginning of a non-tangent curve to the right;
- 18) THENCE, SOUTHEASTERLY, 134.13 feet along the southwesterly line of Dobbin Hufsmith Road, being along the arc of said curve to the right, having a radius of 264.75 feet, a central angle of 29°01'40", and a chord bearing S 16°50'29" E 132.70 feet, to a set 1/2 inch iron rod at the beginning of a non-tangent line, from which point a found 1/2" iron rod bears N 02°45'37" E, 2.00 feet;
- 19) THENCE, SOUTH 02°19'02" EAST, 246.76 feet along the southwesterly line of Dobbin Hufsmith Road to a set 1/2 inch iron rod at a point for corner from which a found 1/2" iron rod bears N 25°54'23" E, 2.20 feet;
- 20) THENCE, SOUTH 18°07'16" EAST, 164.71 feet along the southwesterly line of Dobbin Hufsmith Road to the POINT OF BEGINNING.

March 13, 2015  
Page 3 of 3

Exhibit \_\_\_\_\_

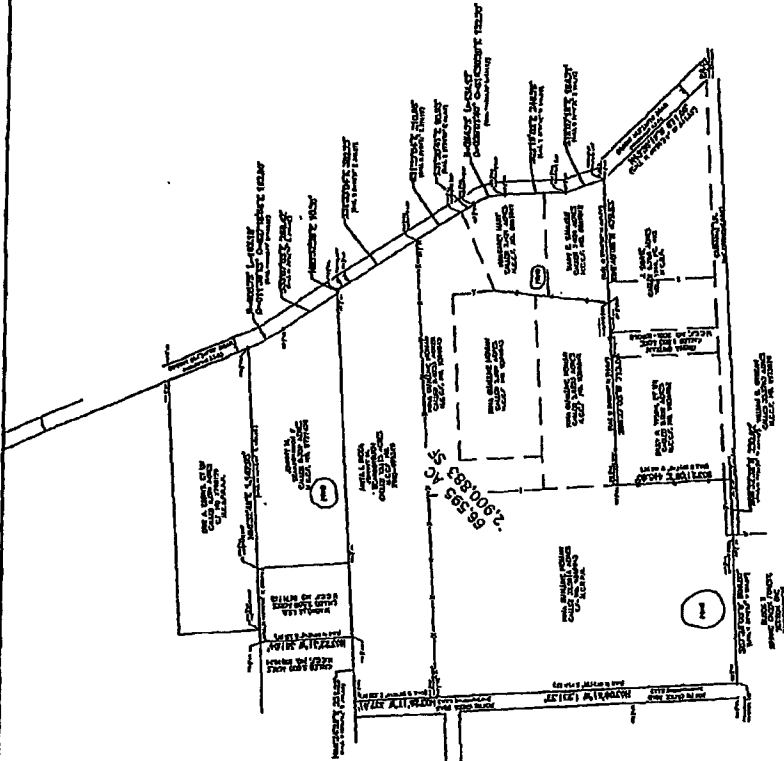
Note: All bearings are based on the Texas Coordinate System, Central Zone, North American 1983 Datum. All coordinates herein are grid. All distances are surface. Coordinates may be converted to "surface" by using a CSF= 0.99998559187. A boundary map of even date accompanies this document.

I, John J. Rodriguez, a Registered Professional Land Surveyor, hereby certify that the property description hereon and the accompanying Boundary Survey of even date were prepared under my supervision.



\_\_\_\_\_  
John J. Rodriguez, R.P.L.S.  
Texas Registration 2634

\_\_\_\_\_  
9/12/2014  
Date



**SEPTEMBER 2014**

L. JOHN J. ROBINOWSKI, HENRY CERTIFY THAT THIS PLAN IS THE RESULT OF AN ACTUAL SURVEY ON THE GROUND, AND THAT IT SUBSTANTIALLY COMPLIES WITH THE CURRENT TEXAS SOCIETY OF PROFESSIONAL SURVEYORS STANDARDS AND SPECIFICATIONS FOR CATEGORY 1.

JOHN J. RODRIGUEZ, R.F.L.S.,

REVISED 3/12/15- ADJUST NORTHERN BOUNDARY & SW COR OF SURVEY

**ORIGINAL SCALE IN INCHES**

# **Attachment**

# **5**

## **DOBBIN HCID 17 REIMBURSEMENT AGREEMENT**

THIS Dobbin Reimbursement Agreement ("DORA") is entered into on September 30, 2015 by and between Aqua Texas, Inc., a Texas corporation, whose corporate headquarters and principal place of business is at 1106 Clayton Lane, Suite 400W, Austin, Texas 78723 ("Aqua Texas"), and Westchase Madison, Inc., a Texas corporation whose office is located at 340 N. Sam Houston Parkway E, Suite 140, Houston, Texas 77060 ("Dobbin"). Aqua Texas and Dobbin are sometimes hereinafter referred to singularly as a "Party", and collectively as the "Parties".

### **BACKGROUND AND RECITALS**

Dobbin is the owner and developer of 66,595 acres of land located in Montgomery County, Texas, and more particularly described in Exhibit "A" attached hereto (the "Dobbin Property"). The Dobbin Property is located in or will be annexed into Harris County Improvement District No. 17 (the "District"). Aqua Texas is the owner and operator of private water and wastewater utilities throughout the state of Texas.

Dobbin wishes to utilize Aqua Texas as the sole and exclusive provider of water and wastewater for the real estate development projects and/or phases which are located in the District, and Aqua Texas is willing to be the water and wastewater service provider of all of Dobbin's real estate endeavors located in the District.

Aqua Texas represents that it has sufficient capacity or will build sufficient capacity in its regional wastewater and water systems to provide continuous and adequate retail utility services to Dobbin's endeavors in the District according to the statutes of the State of Texas and the rules of the Texas Commission on Environmental Quality (TCEQ).

Aqua Texas is willing to reimburse Dobbin for certain expenses incurred by Dobbin in installing water and wastewater lines in the District which become part of the Aqua Texas utility systems, pursuant to the terms and conditions described in this DORA.

In consideration of the mutual covenants contained in this DORA, and intending to be legally bound, Aqua Texas and Dobbin agree as follows:

- A. **GENERAL CONCEPTS.** The general concept of the DORA and the intent of the parties with respect to this DORA and all associated agreements executed in connection herewith is as follows:



1. Dobbin will cause all of the Dobbin Property to be covered by this DORA and to be included in the Aqua Texas CCN Service Area. The Dobbin Property will be developed in one or more phases or sections with each phase or section being a "Project" and collectively the "Projects".
2. All connections to the Aqua Texas water and/or wastewater systems in the Projects shall become permanent customers of Aqua Texas.
3. Aqua Texas shall be responsible for the design and construction of central water and wastewater plants which provide retail water and/or wastewater utility service to the Projects, being the Central Facilities as defined herein.
4. Dobbin shall design and construct the various water and wastewater service lines, trunk lines, and lines which serve the Projects and which extend service from the Projects to the Central Facilities (such lines collectively called "Interior Lines") for the Projects and shall contribute those Interior Lines to Aqua Texas.
5. Aqua Texas shall reimburse Dobbin for the design and construction of the Interior Lines with such reimbursement being specifically limited to the lesser of the total cost of such Interior Lines or \$5,000 per Living Unit Equivalent ("LUE") connection (\$2,500 for each water LUE and \$2,500 for each sewer LUE). LUE refers to a connection which by standard industry design criteria is anticipated to use 250 gallons per day of water capacity and 200 gallons per day of wastewater capacity.

**B. CCN SERVICE AREA, RATE TARIFF, CENTRAL FACILITIES.**

1. **CCN Service Area.** Dobbin agrees that all Projects generally covered by or anticipated to be covered by this DORA shall be added into and be a part of the service area designated within the Aqua Texas CCN (Certificate of Convenience and Necessity) issued by the Texas Public Utility Commission ("PUC") to Aqua Texas. Within ten days of the execution of this DORA, or after all required items are received by Aqua Texas, Aqua Texas shall, at its expense, apply for and obtain approval for the Projects to be included in the Aqua Texas' CCN, which inclusion designates Aqua Texas as the sole provider of water and/or wastewater utilities in the Projects. Dobbin shall provide any further reasonable and prompt assistance to Aqua Texas in adding the Project to Aqua's CCN, and for obtaining, if necessary, any other permits by providing relevant information to Aqua Texas promptly upon request.
2. **Rate Tariff.** All connections to the Aqua Texas water and/or wastewater systems shall become permanent customers of Aqua Texas; and such customers shall be obligated to pay water and wastewater bills for use of such systems, in accordance with the then current tariff approved by the Texas Commission on Environmental Quality ("TCEQ") or any

successor agency having jurisdiction over water and wastewater utility providers and the rates associated with services, as such tariff may change from time to time.

3. **Central Facilities.** Aqua Texas shall be solely responsible for the design, engineering, installation, and construction of central water and/or wastewater facilities needed to serve the various real estate projects, including plant expansions, if necessary. For purposes of this DORA, the "Central Facilities" are agreed to be as follows: Water service shall be provided to the Projects through a water well and plant to be constructed on a mutually agreeable site Aqua Texas acquires from Dobbin. Wastewater service shall be provided to the Projects through a lift station and force main designed and constructed by developer which connects into Aqua Texas' Boggs Road Wastewater Treatment Plant.
  4. **Water Plant Sites.** Dobbin shall have the option of contributing mutually agreeable plant sites to Aqua Texas or requiring Aqua Texas to purchase such mutually agreeable plant sites. If Dobbin provides or sells Aqua Texas with plant sites for the Central Facilities, they must be cleared and have power and associated utility service readily available at such sites without the need for additional utility construction by Aqua Texas, other than minimal connection costs and associated connection lines and equipment. If Aqua Texas is required to purchase such plant sites, the purchase price shall be the price paid by Dobbin for the site. Aqua Texas shall not be required to accept any conveyance close on any purchase of a site until there are roads and facilities under construction within the development in general and the Projects in particular.
  5. **Design and Permit Costs.** Aqua Texas shall advance the design and permitting costs for the Central Facilities. All amounts paid by Aqua Texas for such costs shall reduce the balance in the Reimbursement Pool.
  6. **Interior Lines.** Dobbin shall be responsible for the design, engineering, construction, and installation of the Interior Lines which serve the various real estate projects. "Interior Lines" are defined as: water and/or wastewater collection trunks, lines, laterals, mains, extensions and all related improvements, which transport water and/or wastewater to and/or from the Projects to the regional wastewater treatment and/or water production facilities designated by Aqua Texas including, but not limited to, trunk lines, mains, laterals, lines, extensions, piping, taps, stub outs, gate valves, valve boxes, manholes, lift stations and any restoration work associated with the construction and installation of such items.
- C. **INTERIOR LINES.** The following requirements apply to the design, engineering, construction and installation of all Interior Lines. Interior Lines may include trunk lines which are common to and may serve multiple developments, projects, sites, and/or subdivisions.

1. **Separate Developer Construction Agreements.** The respective obligations of Aqua Texas and Dobbin with respect to the actual construction of the Interior Lines shall be delineated in a separate agreement (known as a Developer Interior Line Agreement or "DILA") executed between the parties prior to design, engineering, construction, and installation of such Interior Lines. The terms and provisions of such separate agreements shall include substantially the same provisions described in this section C. In the case of conflict between the provisions of this section C and the separate agreement, the separate agreement shall control. Sample DILA contracts are attached hereto as Exhibit 1 and Exhibit 2.
2. **Design and Regulatory Requirements.** Dobbin shall engage a licensed Texas engineer to design the Interior Lines. The design must be consistent with general industry standards, all regulatory requirements, and local Aqua Texas specifications and must be approved by Aqua Texas' engineer prior to construction, which approval shall not be unreasonably withheld or delayed, except for matters relating to System design and specifications, in which case approval may be withheld in the Aqua Texas engineer's sole discretion. Following approval by the Aqua Texas engineer, Dobbin will make application and obtain from each applicable Regulatory Agency all necessary permits and approvals for the construction and installation of the Interior Lines and will take all necessary steps to assure compliance with Regulatory Requirements prior to initiating construction or installation of any part of the Interior Lines.
3. **Easements and Environmental Assessment.** Prior to beginning construction on the Interior Lines, Dobbin will obtain any required easements or right of way for the construction and installation of the Interior Lines. Except as otherwise specifically set forth herein, Dobbin shall bear all costs, if any, associated with procuring the required easements and/or right of way for the Interior Line. Prior to construction, Dobbin shall deliver to Aqua Texas a copy of a Phase I Environmental Site Assessment for the Project, which shall have been conducted by a reputable environmental engineering firm reasonably acceptable to Aqua Texas in accordance with American Society Testing Methods (ASTM) standards (the "Environmental Report").
4. **Construction.** Dobbin shall have the sole responsibility to design, furnish and install, at Dobbin's sole expense, all of the Interior Lines. Dobbin, is responsible for supplying all necessary materials and performing the construction and installation of the Interior Lines, which includes but is not limited to design, engineering, financing, construction, installation, and inspection of the Interior Lines. Dobbin agrees to proceed diligently to completion of construction of the Interior Lines. Following completion, Dobbin will provide accurate and complete as-built information; and concurrently with progress of construction, will make the As-Built Information available to a designated Aqua Texas representative.

5. **Worksite Responsibility.** Dobbin is responsible for the worksite, including the means and methods of construction, and safety precautions, procedures and programs so that work is conducted in a safe manner for the protection of anyone on or near the Interior Lines. Under no circumstances shall Aqua Texas be deemed to be responsible for the methods of construction or the safety precautions and procedures at the worksite. Dobbin will install and complete the Interior Lines in a workmanlike manner, in accordance with all applicable laws, regulations and ordinances, including without limitation environmental laws and regulations, and Aqua Texas specifications. Pursuant to applicable law, before starting work, Dobbin will independently investigate and verify in the field the existence and location of underground utilities, whether or not indicated on the plans.
6. **Connection into Aqua Texas Facility.** Except with the prior written authorization of Aqua Texas, Dobbin is prohibited from connecting the Interior Lines into any Aqua Texas facilities, which connection will be performed by Aqua Texas or under its direction. Dobbin is responsible for all maintenance and repair of the installed Interior Lines prior to Contribution, whether or not Aqua Texas has commenced wastewater service.
7. **Warranty by Dobbin.** Dobbin hereby warrants that the Interior Lines and all associated components of the Interior Lines, including without limitation integrity of trenches and integrity of paving and other restoration work, will not leak and will be free from defects in materials and workmanship for a period of one (1) year from the date of Contribution of the final portion of the Interior Lines, and that the final As-Built Information, when delivered to Aqua Texas, will be accurate and complete. Dobbin will promptly proceed at its own cost and expense to make good all portions of the work or materials determined by Aqua Texas which fail to conform with Aqua Texas specifications, which fail in whole or in part prior to the end of the one year warranty period, or which are damaged or destroyed by removal of the non-conforming work or materials; and Dobbin will replace or repair those portions to be in accordance with the requirements and specifications, and will revise the as-built Information to be accurate and complete. In connection with this warranty obligation, Dobbin agrees to provide a one year maintenance bond and/or one year letter of credit equivalent to the amount of the total cost certification of the Interior Lines. If Dobbin fails to remedy or correct non-conforming work or materials or to revise the As-Built Information to be accurate and complete, Aqua Texas may bring the work or materials or As-Built Information into conformation at the expense of Dobbin (for which Aqua Texas may draw down on the Performance Bond or Letter of Credit and/or pursue any other available remedy).
8. **Contractor.** Dobbin is free to engage a contractor or sub-contractor to construct the Interior Lines, provided that such contractor is approved in writing in advance by Aqua Texas, and that such contractor agrees to be bound by the various warranty, workmanship, safety, and other provisions in this DORA and or any DILA executed in association herewith. Because Aqua Texas will not be in privity with said contractor, Dobbin shall remain ultimately responsible for all obligations hereunder.

9. **Final Cost Certification.** Upon completion of the Interior Lines, Dobbin will certify to Aqua Texas the total cost of the construction, installation, engineering, and design. In addition, Dobbin will supply the actual invoices or copies thereof to support the cost certification. Dobbin will represent that the stated cost is complete and accurate and indemnify Aqua Texas against any claim that the cost is not complete and accurate. Aqua Texas reserves the right to review and audit all information provided and utilized in preparing the cost certification and to make the final determination of cost.
10. **Contribution.** Upon completion of the Interior Lines Dobbin will contribute the Interior Lines to Aqua Texas, such that the facilities become the property of Aqua Texas (from which Aqua Texas may serve customers). The contribution will occur upon the execution of a bill of sale and conveyance in the form attached hereto as Exhibit 3 by Dobbin and the receipt of such bill of sale and conveyance by Aqua Texas, said two acts together constituting the "Contribution." After Contribution, Aqua Texas will assume full responsibility for operating and maintaining the Interior Lines, subject to Dobbin's warranty obligations herein.
11. **Matters in Connection with Contribution.** The following must be completed prior to Contribution of the final portion of the Interior Lines, or, with the written permission of Aqua Texas, within one month after Contribution of the final portion of the Interior Lines:
- a) Completion of the Interior Lines in accordance with the DILA;
  - b) The Interior Lines passing all testing procedures performed by Aqua Texas in accordance with its regular pre-service procedures;
  - c) Provision of accurate As-Built Information to Aqua Texas;
  - d) Final cost certification;
  - e) Dobbin's certification, and provision of evidence satisfactory to Aqua Texas, that it has paid or discharged any mechanic's liens or other encumbrances which may have been filed against the Interior Lines;
  - f) Dobbin's certification, and provision of evidence satisfactory to Aqua Texas, that Dobbin has paid or discharged the Contractor;
  - g) Payment to Aqua Texas of any outstanding fees or other amounts owed by Dobbin to Aqua Texas; and
  - h) Receipt and/or transfer of any grant, revision, correction or confirmation of Easements, in addition to Easements granted prior to construction, which Aqua

Texas may require to convey all necessary and appropriate easements and rights-of-way.

**D. REIMBURSEMENT TO ARETE.** Following the Contribution of Interior Lines by Dobbin to Aqua Texas, Aqua Texas shall reimburse Dobbin for the costs associated with the design, engineering, construction and installation of such Interior Lines.

1. The total value of the Interior Water Lines contributed to Aqua Texas, as determined and evidenced by the amounts in a Final Cost Certification for a Project shall go into a Dobbin Water Reimbursement Pool which will be used to reimburse Dobbin pursuant to this DORA. The total value of the Interior Sewer Lines contributed to Aqua Texas, as determined and evidenced by the amounts in a Final Cost Certification for a Project shall go into a Boggs Road STP Reimbursement Pool which will be used to reimburse Dobbin pursuant to this DORA.
2. The value of water plant sites for Central Facilities which are contributed to Aqua Texas shall be added to the Dobbin Water Reimbursement Pool, thereby increasing the total value amount available for future reimbursement to Dobbin. Such additional value associated with plant site contributions is expressly limited to the actual cost paid by Dobbin to purchase the plant site plus the cost to provide utilities to the plant site plus out of pocket carrying costs actually paid to an unrelated third party in connection with the plant sites (carrying costs being expressly limited to property taxes and loan interest), provided that total carrying costs may not exceed twenty-five percent (25%) of the total contributed value of any plant site.
3. Any amounts which Aqua Texas pays to Dobbin, the District, or to any other party to acquire plant sites, easements, permits, and/or constructing-running utility lines and/or service to the plant site shall be deducted from the Reimbursement Pool, thereby reducing the total value amount available for future reimbursement to Dobbin. Aqua Texas has already purchased the Boggs Road STP site and has expended funds for the application, amendment, and transfer of the NPDES permit associated with the Boggs Road STP; and all such purchase and permit costs shall be deducted from the Boggs Road STP Reimbursement Pool.
4. Aqua Texas shall be obligated to reimburse Dobbin the sum of \$2,500.00 for each new water Living Unit Equivalent ("LUE") plus \$2,500.00 for each new wastewater LUE that actually, physically, and lawfully connects to Aqua Texas' regional system through the Interior Lines in the District (a "Qualifying Connection"). A reimbursement made for a Qualifying Connection shall be a Qualified Reimbursement.
5. Each Qualified Reimbursement shall be deducted from the Reimbursement Pool, such that the total value amount available for future reimbursement to Dobbin is reduced with each

Qualified Reimbursement. Water LUE reimbursements shall reduce the Dobbin Water Reimbursement Pool; sewer LUE reimbursements shall reduce the Boggs Road STP Reimbursement Pool.

6. The value amount available for future reimbursement at any time shall be determined by taking the total of all amounts contributed per the Final Cost Certifications and deducting the amounts paid for plant sites, line easements, and/or permits and also deducting the total of all Qualified Reimbursements to date, with the resulting figure being the value balance in the Dobbin Water Reimbursement Pool and/or the Boggs Road STP Reimbursement Pool, as the case may be.
7. As clarification to the definition of a Qualifying Connection, such connection must be located in the District and in Aqua Texas' CCN; must be part of a real estate development Project of Dobbin; must be lawfully connected and installed as part of Aqua Texas' regional system through the Interior Lines; and the tariffed or required tap fee from the builder, owner, or Dobbin must have been paid to and received by Aqua Texas.
8. Aqua Texas shall only make Qualified Reimbursements to Dobbin if there is available value in the Dobbin Water Reimbursement Pool and/or the Boggs Road STP Reimbursement Pool, as the case may be. Aqua Texas shall never make any Qualified Reimbursements if there is not sufficient value remaining in the Reimbursement Pool.
9. Dobbin's right to receive a Qualified Reimbursement and Aqua Texas' obligation to make a Qualified Reimbursement shall terminate on the sixth (6<sup>th</sup>) anniversary of the last Contribution, said date being exactly six (6) years after the date the last Contribution has been accepted for any phase of the Project. After the six (6) year period expires, Aqua Texas shall not be obligated to make any more Qualified Reimbursements or to pay Dobbin for any Qualifying Connections added. The latest possible date to request a Contribution shall be the tenth (10<sup>th</sup>) anniversary of the execution of this DORA.
10. It is expressly agreed that Aqua Texas has no obligation to make any Qualified Reimbursement payments from any reimbursement pool until there are at least two hundred (200) Qualifying Connections. Once there are two hundred (200) Qualifying Connections, Aqua Texas shall make a "catch up" reimbursement payment equal to the total amount of eligible Qualifying Reimbursements due to Dobbin. Thereafter, Qualified Reimbursements shall be paid by Aqua Texas to Dobbin no less often than quarterly, within thirty days after the end of each calendar quarter during which any customer or connection becomes a Qualifying Connection.
11. Aqua Texas expressly acknowledges that Dobbin may use the Qualified Reimbursement payments from Aqua Texas to Dobbin under this DORA as part of the collateral or security offered in connection with Dobbin's financing for a Project, provided that any assignment as collateral must be done in writing and with the consent of Aqua Texas, such consent not

being unreasonably withheld. Any lender which uses this DORA as collateral must acknowledge the existence of the terms and conditions herein, and must acknowledge and agree to all such terms and conditions.

**E. LIMITATIONS AND EXCLUSIONS**

1. Aqua Texas shall not be obligated to make any Qualified Reimbursements for any amounts which cannot, pursuant to then applicable law, rule, regulation, statute, or ruling, be included in the applicable Aqua Texas rate base for tariff purposes.
2. Amounts and costs incurred for fire protection shall not be included for reimbursement unless the PUC or other entity with jurisdiction over rates and tariffs specifically agrees to such inclusion in the Aqua Texas rate base.
3. The total maximum amount of reimbursement to Dobbin shall be the lessor of a) the total amount of the Cost Certifications for all Projects or b) \$5,000 per LUE in all Projects, such amount being the maximum amount permitted for inclusion in the Aqua Texas rate base at this time.
4. Aqua Texas shall not be obligated to make any Qualified Reimbursements if the District or Dobbin owes money to Aqua Texas for any obligation, including but not limited to amounts owed pursuant to warranty obligations, indemnity claims, and interim operating costs, whether such amounts are due pursuant to this DORA or any other contract, agreement, obligation, claim, or right, including but not limited to any agreement between Aqua Texas and the District.
5. Aqua Texas shall not be obligated to make any Qualified Reimbursements unless and until the execution of an agreement between Aqua Texas and the District which provides that the District will make regular payments to Aqua Texas for costs incurred by Aqua Texas before a Project has reached a predetermined level of build out, with the actual amount and timing of such payments as specified therein.
6. Future development in the District by Dobbin and/or the specifics of the Project require that an additional water plant will be required to serve such future Projects or development. Aqua Texas and Dobbin acknowledge and agree that this requirement arises as a result of federal, state, or local law, rule, statute or regulation and standard utility system design criteria. Accordingly, Aqua Texas will temporarily discontinue making Qualified Reimbursement payments until there are a total of least four hundred (400) Qualifying Connections. On the earlier of the date when Aqua Texas begins construction on the new plant site or the date that Aqua Texas purchases the new plant site, Aqua's obligation to make Qualifying Reimbursements shall temporarily cease. Once there are a total of four hundred (400) additional Qualifying Connections in the Projects, Aqua Texas shall make



a "catch up" reimbursement payment equal to the total amount of eligible Qualifying Reimbursements due to Dobbin. Thereafter, Qualified Reimbursements shall resume, with such payments being made by Aqua Texas to Dobbin no less often than quarterly, within thirty days after the end of each calendar quarter during which any customer or connection becomes a Qualifying Connection.

**F. TERM**

1. **Term and Termination.** This DORA shall be effective upon the full execution of this document and will continue in effect for a period commencing on the date hereof and continuing until the tenth (10<sup>th</sup>) anniversary hereunder or until terminated by mutual agreement of the parties. Dobbin acknowledges that all requests for Contributions and approval for Cost Certifications for Interior Lines and Line Extensions must be submitted by such tenth (10<sup>th</sup>) anniversary. Termination of this DORA shall not impact, affect, or impair the obligation of Aqua Texas to make Qualified Reimbursements to Dobbin pursuant to Final Cost Certifications which have been added to the Dobbin Water Reimbursement Pool and/or the Boggs Road STP Reimbursement Pool prior to the termination of this DORA and which have time left in the six year reimbursement period described herein

**G. GENERAL**

1. **Governing Law.** This DORA, all attachments hereto, and all documents and instruments to be furnished or delivered hereto, shall be governed by the laws of the State of Texas without giving effect to conflicts of laws principles.
2. **Assignment; Change in Ownership.** Dobbin shall not assign its rights and obligations under this DORA, or transfer control or ownership of the Interior Lines or any part thereof, directly or indirectly, voluntarily or involuntarily, without the prior written approval of Aqua Texas, which shall not be unreasonably withheld.
3. **Taxes.** All federal, state and local taxes, excise taxes, permit fees, and similar fees and taxes in connection with this DORA, including without limitation, any sales or use taxes and taxes on contributions in aid of construction, any and all income taxes imposed on Aqua Texas in connection with receiving the Interior Lines as a result of Contribution or otherwise, and any and all income or other taxes imposed on Aqua Texas as a result of Contribution whether in effect on the date of the execution of this DORA or subsequently imposed or assessed, are to be deducted from the Reimbursement Pool.
4. **Survival of Provisions on Contribution or Termination.** All warranties, representations, agreements and covenants made by Dobbin in this DORA, or in any

document or instrument referred to in, or to be delivered or furnished pursuant to, this DORA, will survive Contribution of the final portion of the Interior Lines and any termination of this DORA.

5. **Entire Agreement; Amendments.** This DORA, together with all exhibits and attachments, and the final executed form of all documents for which the form is set forth in the attachments, constitute the entire agreement between Aqua Texas and Dobbin with respect to the Interior Lines. Prior or contemporaneous discussions or agreements are not part of this DORA, and are of no force or effect. This DORA may be modified or amended only by a writing signed by the party against whom enforcement is sought.
6. **Severability.** The provisions of this DORA and all other agreements and documents referred to herein are to be deemed severable, and the invalidity or unenforceability of any provision shall not affect or impair such provision to the extent it has been deemed valid and enforceable, nor the remaining provisions, which shall continue in full force and effect.
7. **Third Parties.** Nothing contained in this DORA shall be deemed to confer upon the any third party any right against Aqua Texas or Dobbin.
8. **Headings.** The headings of any section or subsection of this DORA are for convenience only and shall not be used to interpret any provision of this DORA.
9. **Binding Agreement; Successors and Assigns.** This DORA is binding on and will inure to the benefit of the parties and their successors and permitted assigns.
10. **Notices.** Notices, demands and requests required or permitted to be given under this DORA (collectively Notices) must be in writing and must be delivered personally or by nationally-recognized courier or sent by United States certified mail, return receipt requested, postage prepaid. Notices must be addressed to the party at its address set forth below. A notice is effective when actually received or rejected. The initial addresses of the parties may be changed by appropriate notice:

**To Dobbin:**

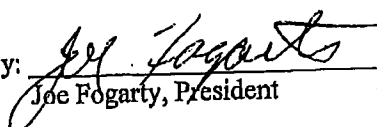
Joe Fogarty, President  
Westchase Madison, Inc.  
340 N Sam Houston Parkway E, Suite 140  
Houston, Texas 77060

**To Aqua Texas:**

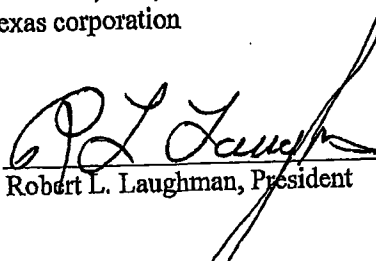
Robert L. Laughman, President  
Aqua Texas, Inc.  
1106 Clayton Lane, Suite 400W  
Austin, Texas 78723

IN WITNESS WHEREOF, the parties have duly executed this DORA as of the day and year first above written above:

**Westchase Madison, Inc.**  
A Texas corporation

By:   
Joe Fogarty, President

**Aqua Texas, Inc.,**  
A Texas corporation

By:   
Robert L. Laughman, President



March 13, 2015

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Exhibit A

BOUNDARY DESCRIPTION

Being a 66.595 acres comprised of the following tracts:

1. a called 22.5814 acre tract, County Clerk's File No. 9368043, of the Montgomery County Real Property Records (M.C.R.P.R.),
2. a called 13.113 acre tract, Vol. 610, Pg. 33, Montgomery County Deed Records (M.C.D.R.),
3. a called 2.5 acre tract, County Clerk's File No. 9676748, M.C.R.P.R.,
4. a called 8.337 acre tract, County Clerk's File No. 9777430, M.C.R.P.R.,
5. a called 5.0733 acres tract, County Clerk's File No. 9368043, M.C.R.P.R.,
6. a called 5.000 acre tract, County Clerk's File No. 9368043, M.C.R.P.R.,
7. a called 50733 acre tract, County Clerk's File No. 9368042, M.C.R.P.R.,
8. a called 2.459 acre tract, County Clerk's File No. 8861841, M.C.R.P.R.,
9. and a 2.459 acre tract, County Clerk's File No. 8861842, M.C.R.P.R.,

being out of the James Brown Survey, A-78, Montgomery County, Texas, and being more particularly described by metes and bounds as follows:

**COMMENCING** for reference at a found 1/2 inch iron at the intersection of the northerly line of Carraway Lane (a called  $\pm 50$  foot wide prescriptive right-of-way) with the southwesterly line of Dobbin Hufsmith Road (a called 60 foot wide prescriptive right-of-way), said point being the southeasterly corner of that 6.780 acre tract described in Volume 1146, Page 492, M.C.D.R., and said point having a State Plane Grid Coordinate (Central Zone): N=10,052,010.77, E=3,789,968.41;

- 1) THENCE, NORTH 43°38'19" WEST, 571.56 feet along the southwesterly line of Dobbin Hufsmith Road to the POINT OF BEGINNING, from which a found 5/8" iron rod bears N 49°16'24" E, 1.23 feet;
- 2) THENCE, SOUTH 86°40'08" WEST, 479.63 feet to a point for corner from which a found 5/8" iron rod bears N 67°24'20" E, 1.51 feet;
- 3) THENCE, SOUTH 86°27'05" WEST, 713.04 feet to a point for corner from which a found 1/2 inch iron rod bears N 77°59'07" E, 1.14 feet;
- 4) THENCE, SOUTH 03°21'08" EAST, 465.60 feet to a point for corner from which a found 5/8" iron rod bears N 89°46'18" E, 1.98 feet;
- 5) THENCE, SOUTH 86°32'38" WEST, 239.62 feet to a point for corner from which a found 3/4 inch iron rod bears S 77°56'48" E, 1.99 feet;
- 6) THENCE, SOUTH 87°28'05" WEST, 556.87 feet along to a set 1/2 inch iron rod being in the easterly line of North Creek Road (a called 60 foot wide prescriptive right-of-way);
- 7) THENCE, NORTH 03°08'51" WEST, 1231.37 feet along the easterly line of North Creek Road to a point for corner from which a found 5/8 inch iron rod bears S 03°27'11" E, 0.03 feet;

March 13, 2015

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Exhibit \_\_\_\_\_

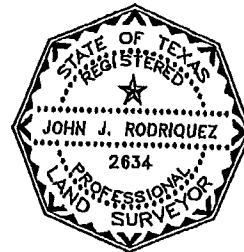
- 8) THENCE, NORTH 03°25'17" WEST, 337.01 feet along the easterly line of North Creek Road to a 1/2 inch Iron rod set for corner;
- 9) THENCE, NORTH 86°24'26" EAST, 251.23 feet to a found 5/8" iron rod;
- 10) THENCE, NORTH 03°22'31" WEST, 381.04 feet a found 5/8" iron rod;
- 11) THENCE, NORTH 86°32'49" EAST, 1147.95 feet to a found 5/8" iron rod being in the southwesterly line of Dobbin Hufsmith Road (a called 60 foot wide prescriptive right-of-way), said point being the beginning of a non-tangent curve to the left;
- 12) THENCE, SOUTHEASTERLY, 163.18 feet along the southwesterly line of Dobbin Hufsmith Road, being along the arc of said curve to the left, having a radius of 805.75 feet, a central angle of 11°36'13", and a chord bearing S 27°18'56" E 162.90 feet, to a set 1/2 inch iron rod at a point of tangency;
- 13) THENCE, SOUTH 33°07'03" EAST, 266.42 feet along the southwesterly line of Dobbin Hufsmith Road to a 1/2 inch iron rod set for corner;
- 14) THENCE, NORTH 85°32'28" EAST, 10.35 feet to a found 5/8" iron rod being in the southwesterly line of Dobbin Hufsmith Road (at this point narrowing to a ±50 foot wide prescriptive right-of-way);
- 15) THENCE, SOUTH 31°33'04" EAST, 382.75 feet along the along the southwesterly line of Dobbin Hufsmith Road to a point for corner from which a found 5/8" iron rod bears N 28°24'59" W, 1.91 feet;
- 16) THENCE, SOUTH 31°27'04" EAST, 210.95 feet along the along the southwesterly line of Dobbin Hufsmith Road to a point for corner from which a found 1/2" iron rod bears N 13°52'37" W, 1.87 feet;
- 17) THENCE, SOUTH 31°20'41" EAST, 60.93 feet along the along the southwesterly line of Dobbin Hufsmith Road to a point for corner from which a found 5/8" iron rod bears N 10°13'03" W, 1.91 feet; said point being the beginning of a non-tangent curve to the right;
- 18) THENCE, SOUTHEASTERLY, 134.13 feet along the southwesterly line of Dobbin Hufsmith Road, being along the arc of said curve to the right, having a radius of 264.75 feet, a central angle of 29°01'40", and a chord bearing S 16°50'29" E 132.70 feet, to a set 1/2 inch iron rod at the beginning of a non-tangent line, from which point a found 1/2" iron rod bears N 02°45'37" E, 2.00 feet;
- 19) THENCE, SOUTH 02°19'02" EAST, 246.76 feet along the southwesterly line of Dobbin Hufsmith Road to a set 1/2 inch iron rod at a point for corner from which a found 1/2" iron rod bears N 25°54'23" E, 2.20 feet;
- 20) THENCE, SOUTH 18°07'16" EAST, 164.71 feet along the southwesterly line of Dobbin Hufsmith Road to the POINT OF BEGINNING.

March 13, 2015  
Page 3 of 3

Exhibit \_\_\_\_\_

Note: All bearings are based on the Texas Coordinate System, Central Zone, North American 1983 Datum. All coordinates herein are grid. All distances are surface. Coordinates may be converted to "surface" by using a CSF= 0.99998559187. A boundary map of even date accompanies this document.

I, John J. Rodriguez, a Registered Professional Land Surveyor, hereby certify that the property description hereon and the accompanying Boundary Survey of even date were prepared under my supervision.

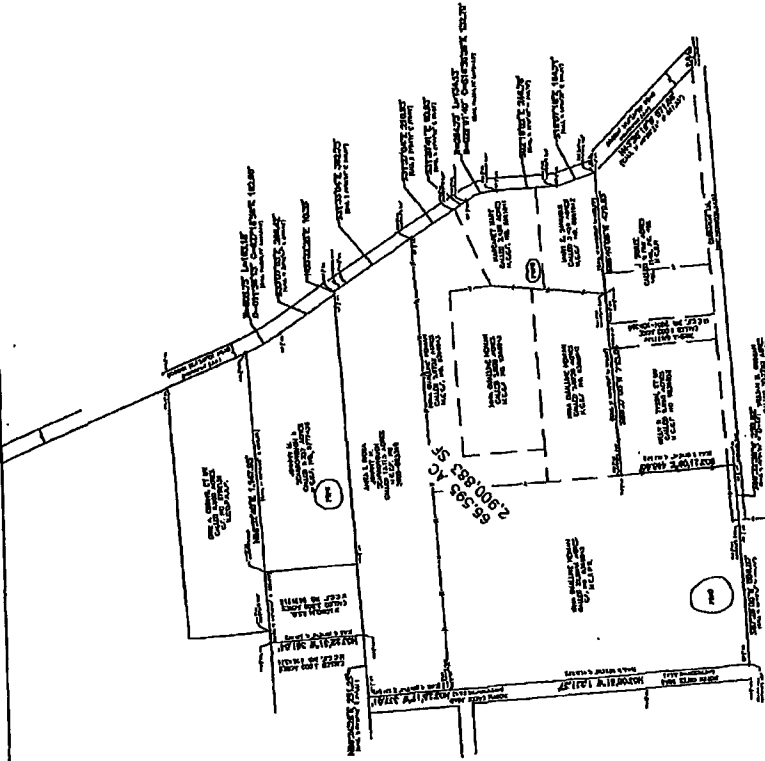


\_\_\_\_\_  
John J. Rodriguez, R.P.L.S.  
Texas Registration 2634

\_\_\_\_\_  
9/12/2014  
Date



BOUNDARY SURVEY OF  
66.595 ACRES OF LAND  
SITUATED IN THE  
JAMES BROWN SURVEY, A-120  
MONTGOMERY COUNTY, TEXAS  
SEPTEMBER 2014



JAMES BROWN SURVEY, A-76

I, JOHN A. RODRIGUEZ, HEREBY CERTIFY THAT THIS MAP IS THE  
RESULT OF A SURVEY MADE BY ME OR UNDER MY CLOSE PERSONAL  
SUPERVISION AND IN ACCORDANCE WITH THE CURRENT TEXAS SOCIETY OF  
PROFESSIONAL SURVEYORS STANDARDS AND SPECIFICATIONS FOR A  
CATEGORY 1A, CONDUIT 1 SURVEY.

JOHN A. RODRIGUEZ, P.S., S.  
TEXAS REG. NO. 3104

REVISED 3/12/15 - ADJUST HORIZONTAL BOUNDARY & SW COR. OF SURVEY

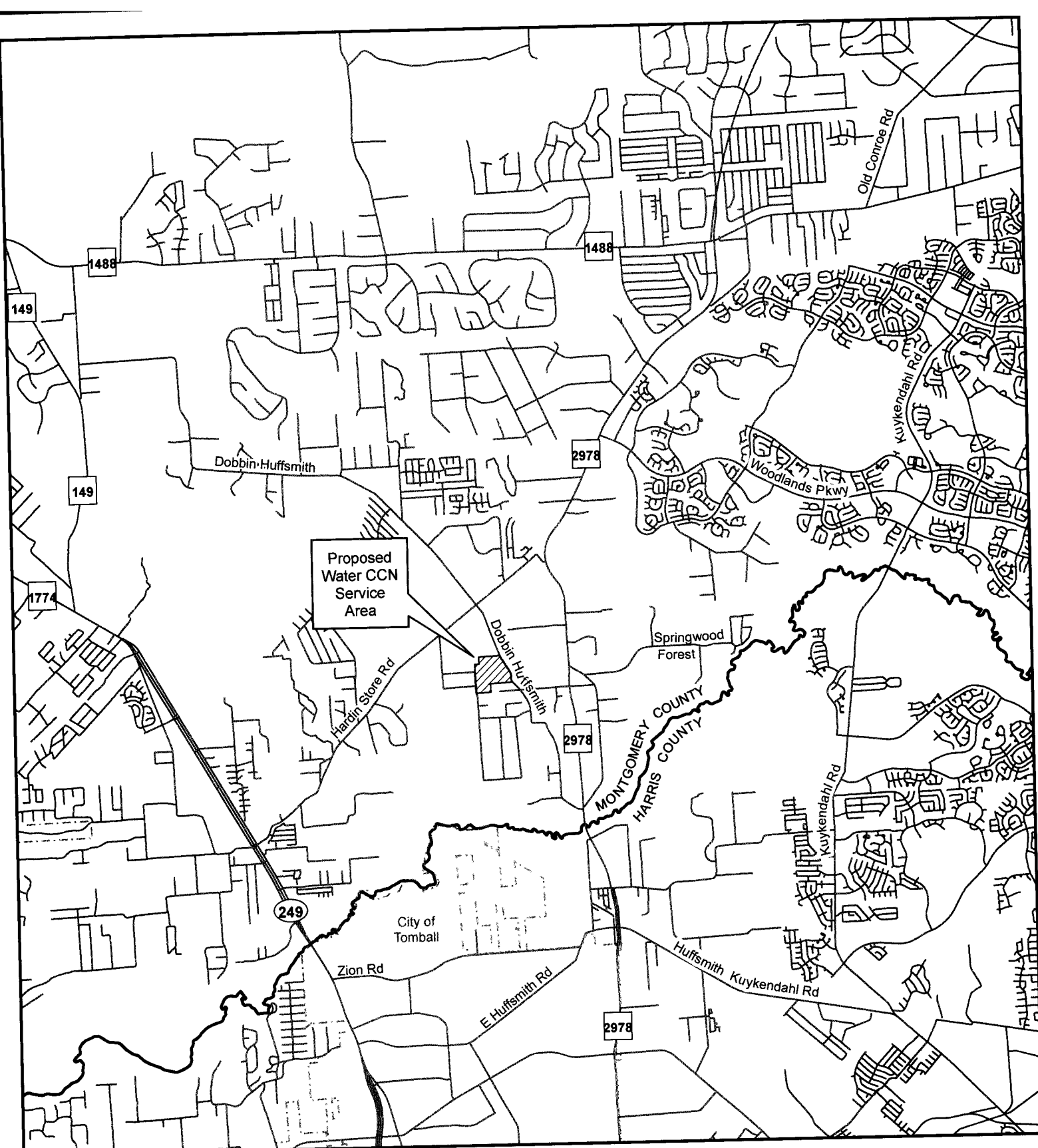
- NOTES:
- 1) THIS SURVEY PERFORMED WITHOUT THE BENEFIT OF A TITLE COMMITMENT.
  - 2) ALL BEARINGS AND DISTANCES ARE BASED ON THE AMERICAN DATUM (1983).
  - 3) BEARINGS AND DISTANCES MAY BE CONVERTED TO SURFACE AREA BY THE FOLLOWING FORMULA:
  - 4) ALL DISTANCES ARE SURFACE.
  - 5) A NOTES AND BOUNDS ARE CONSIDERED A PART OF THIS DOCUMENT.
  - 6) THIS TRACT LIES WITHIN ZONE 14N (UNCLASSED) ACCORDING TO FEMA FIRM NO. 400404115 C (6/14/2014).

GRAPHIC SCALE & NOTES  
FOR THESE PLANS

# **Attachment**

# **6**





### General Location Map

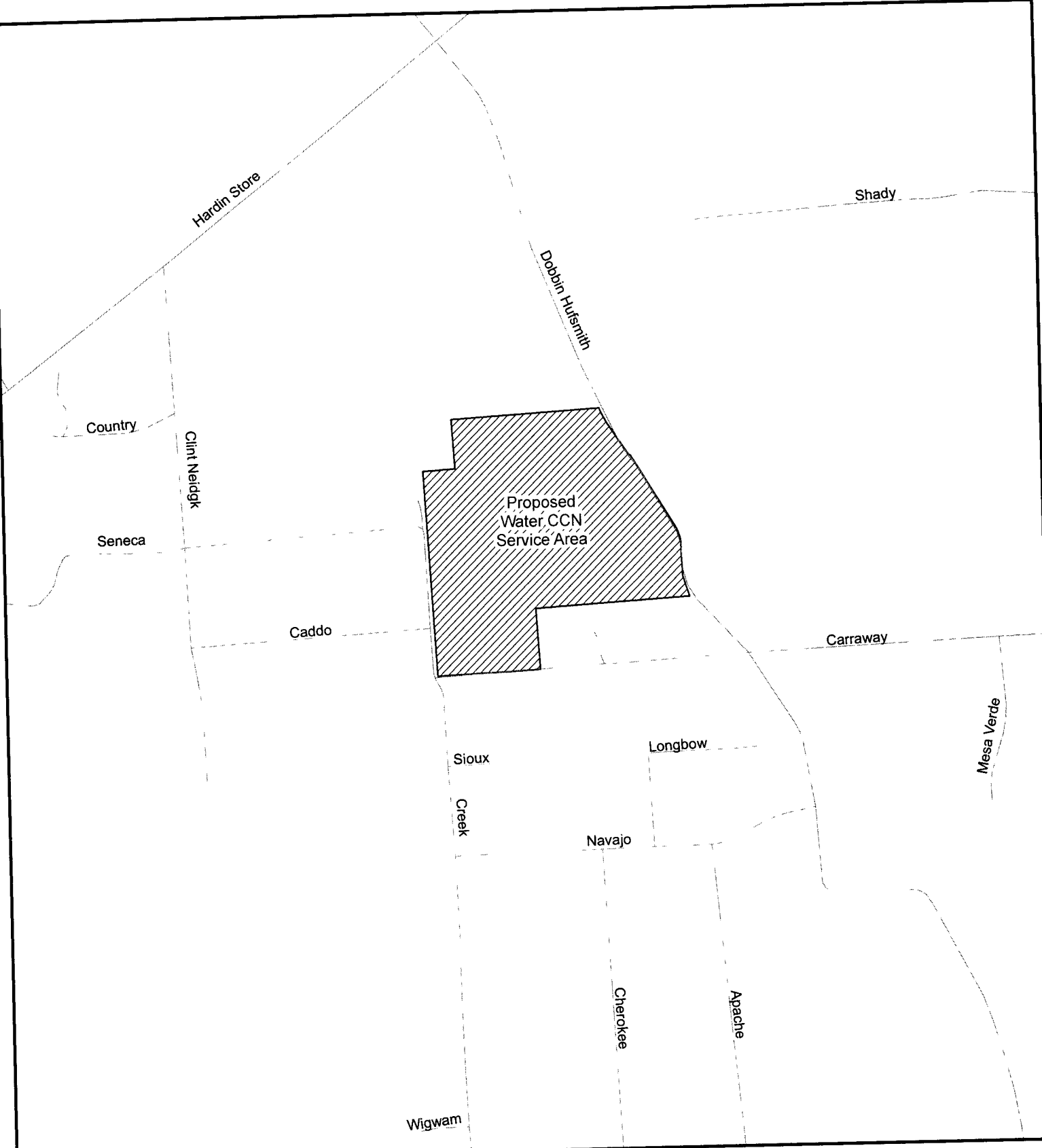
Aqua Texas Inc.  
 Proposed Amendment to Water CCN No. 13203  
 66.595 Acres of Land in Montgomery County



Proposed Water CCN Service Area

0 3,500 7,000  
 Feet





Aqua Texas Inc.  
Proposed Amendment to Water CCN No. 13203  
66.595 Acres of Land in Montgomery County

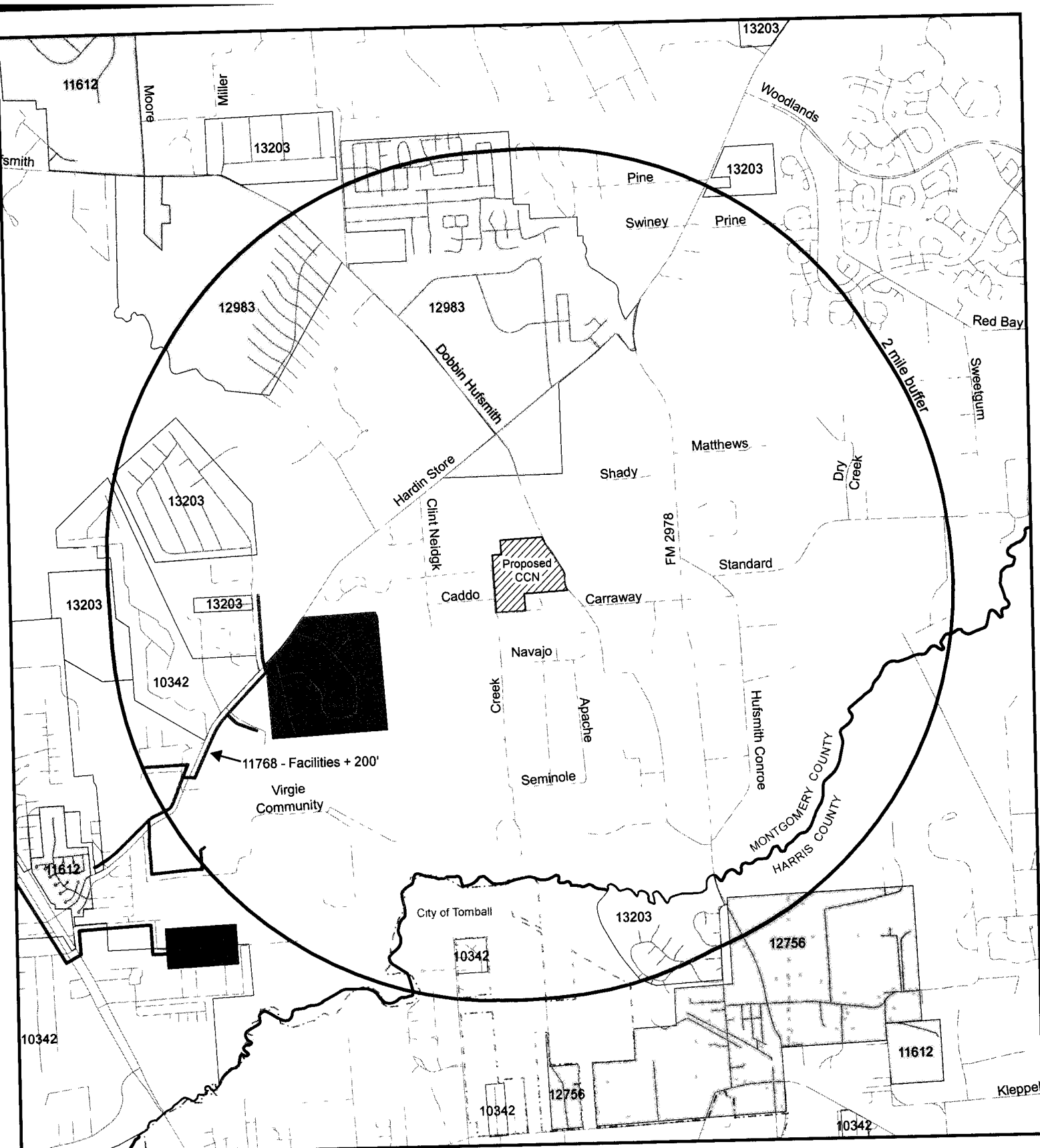


Proposed Water CCN Service Area



0 500 1,000  
Feet





Aqua Texas Inc.  
CCN No. 13203

Proposed Amendment to Water CCN No. 13203  
66.595 Acres of Land in Montgomery County









Proposed Water CCN Service Area

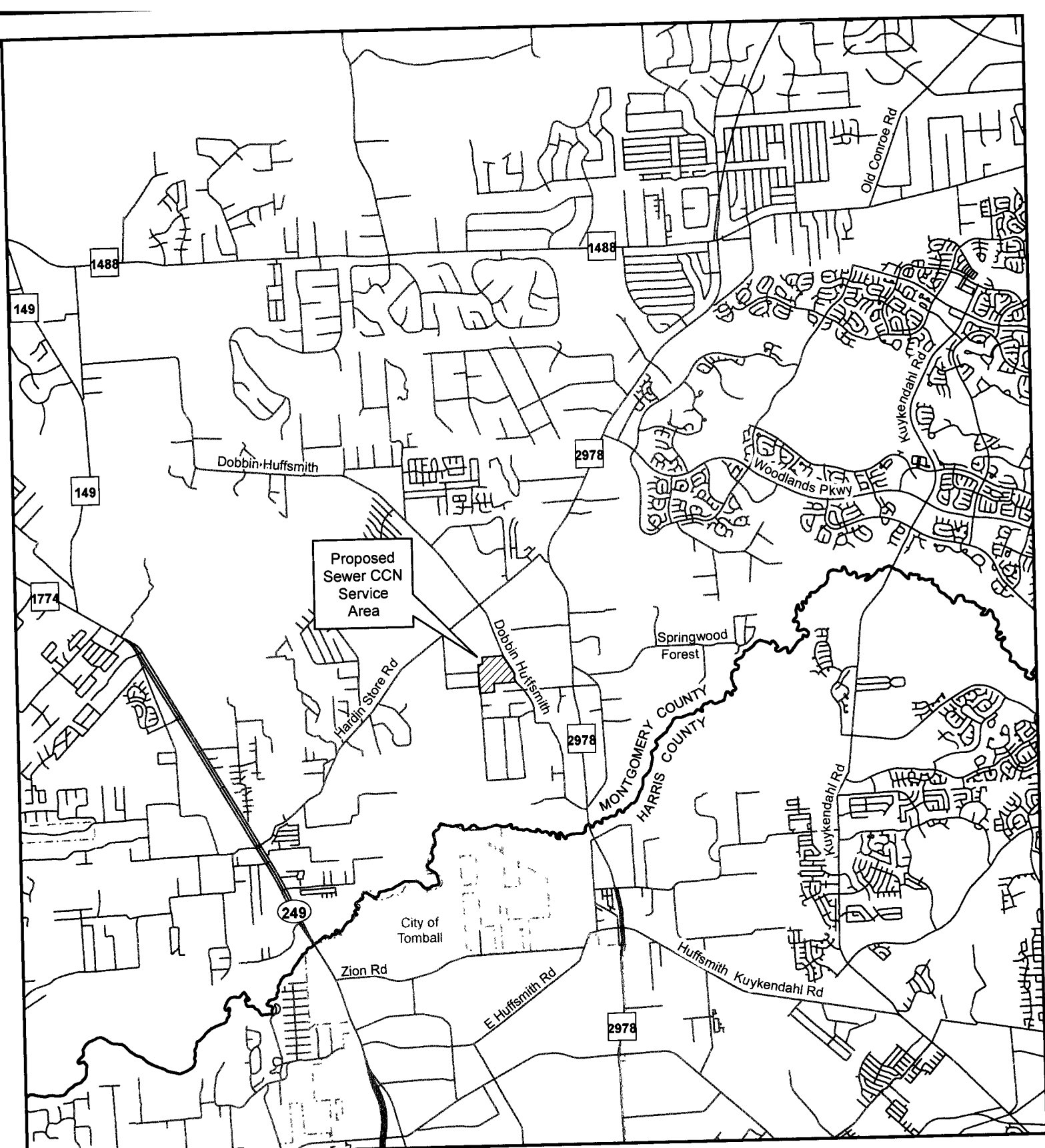


0 1,750 3,500  
Feet

### Water CCNs within 2 Mile Buffer

-  10342 - H-M-W SUD
-  11768 - Pinehurst Decker Prairie WSC
-  12756 - Hoe WSC
-  12983 - Monarch Utilities I LP
-  13203 - Aqua Texas Inc.
-  11768 - Pinehurst Decker Prairie WSC





### General Location Map

Aqua Texas Inc.  
 Proposed Amendment to Sewer CCN No. 21065  
 66.595 Acres of Land in Montgomery County

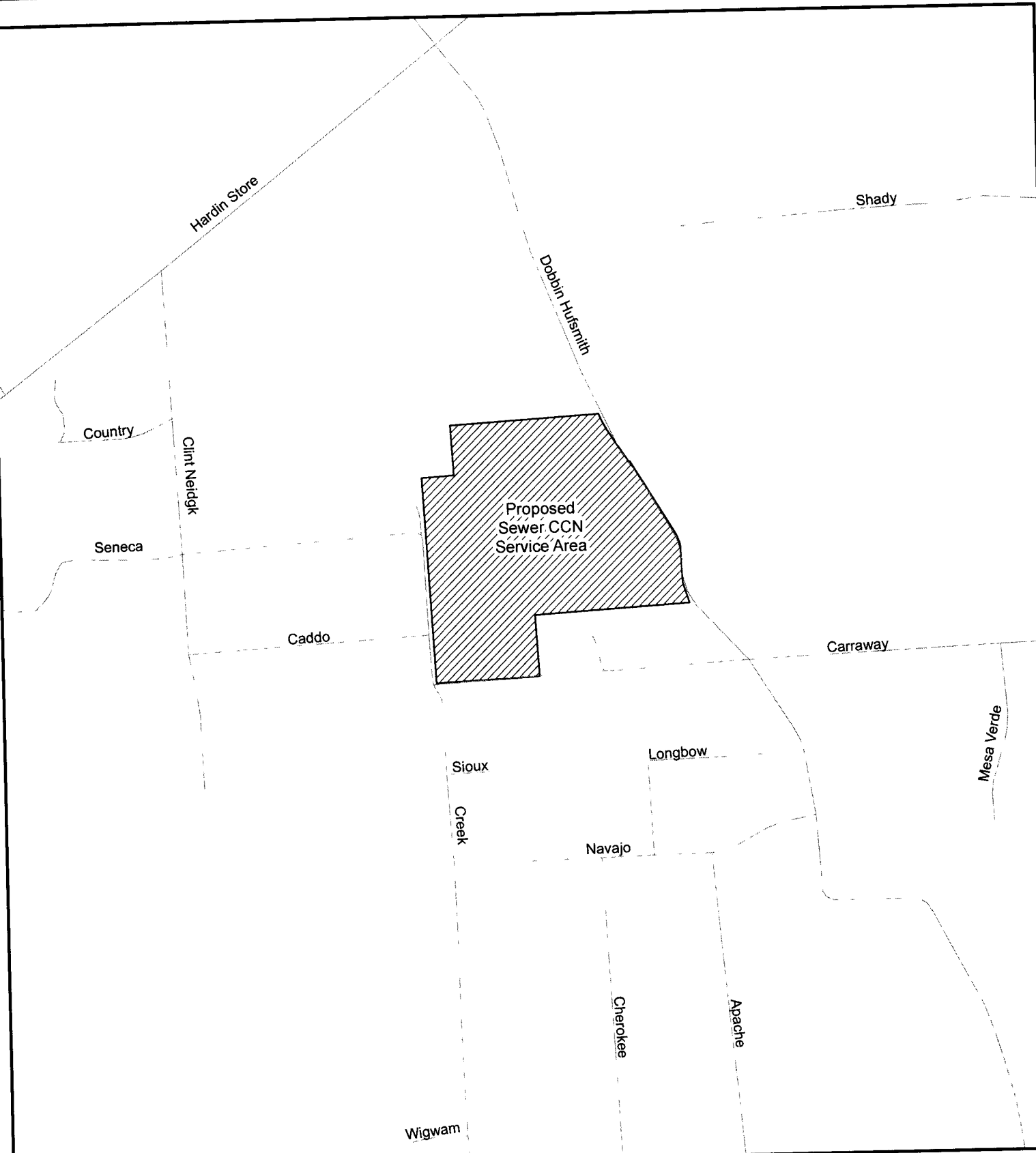


Proposed Sewer CCN Service Area

0 3,500 7,000  
 Feet



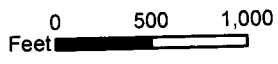




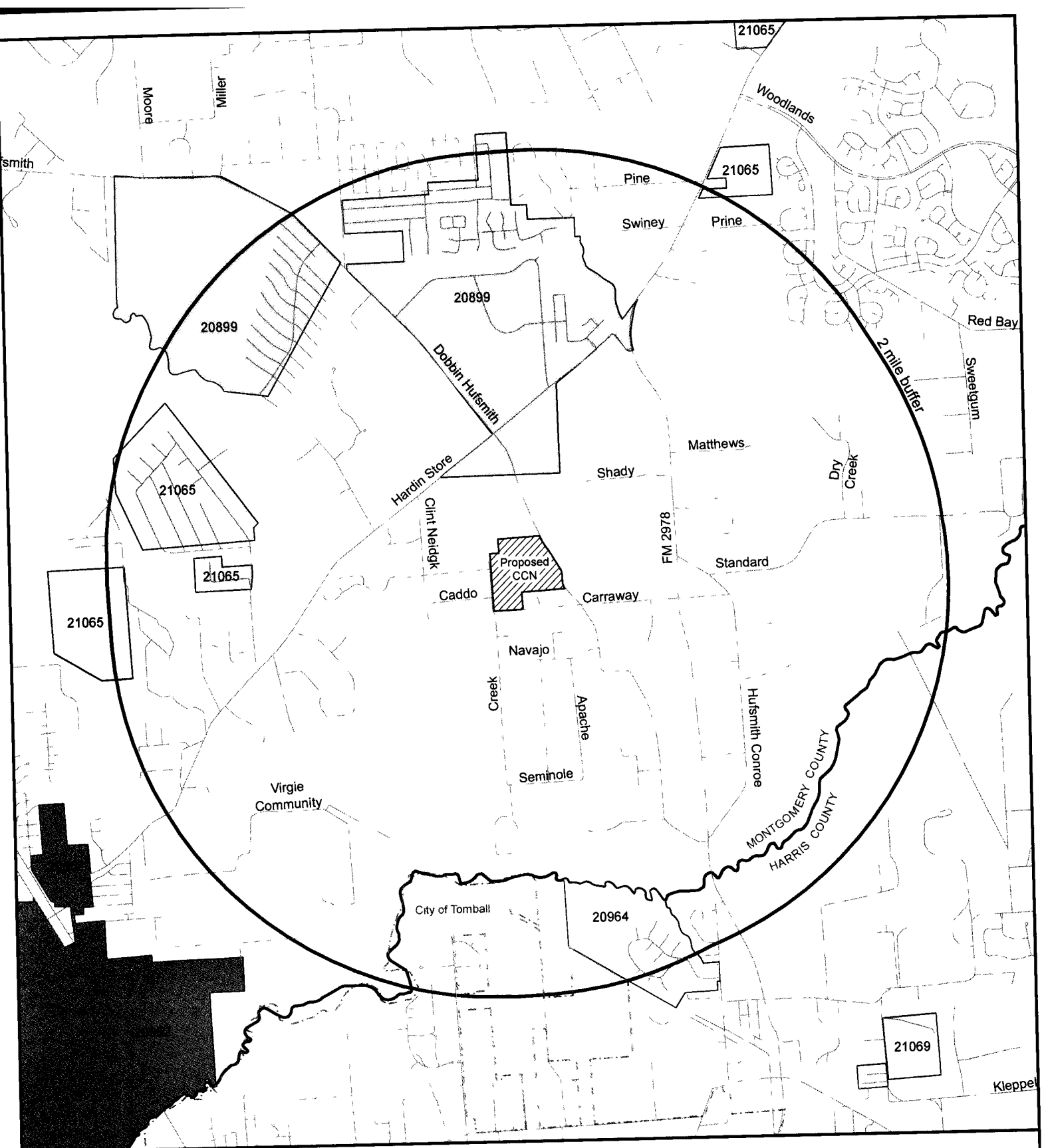
Aqua Texas Inc.  
Proposed Amendment to Sewer CCN No. 21065  
66.595 Acres of Land in Montgomery County



Proposed Sewer CCN Service Area










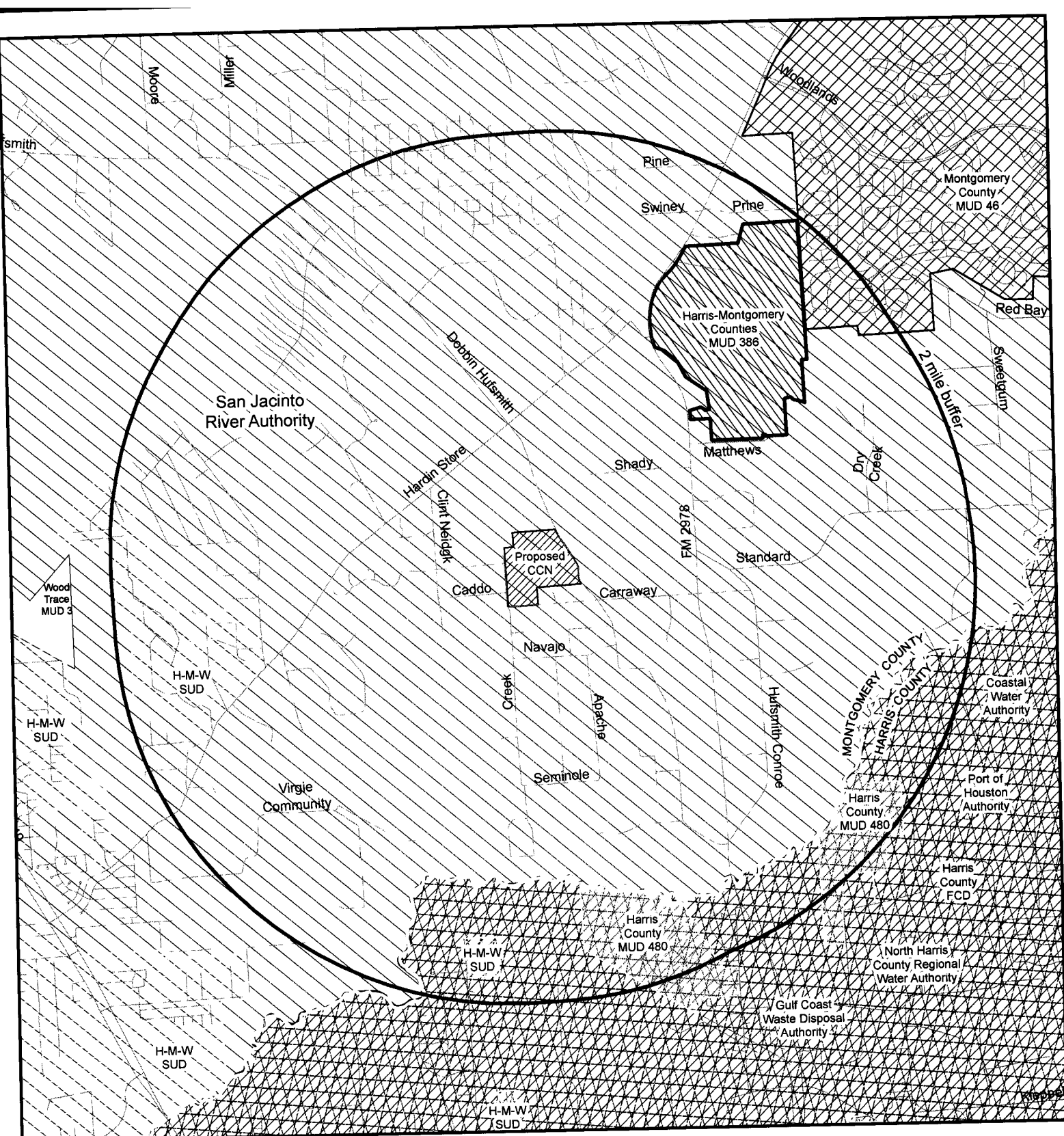
Aqua Texas Inc.  
 Proposed Amendment to Sewer CCN No. 21065  
 66.595 Acres of Land in Montgomery County

 Proposed Sewer CCN Service Area

### Sewer CCNs within 2 Mile Buffer

-  20899 - Monarch Utilities I LP
-  20964 - South Central Water Co
-  21065 - Aqua Texas Inc
















**Aqua Texas Inc.**  
**Proposed Amendment to CCN Nos. 13203 & 21065**  
**66.595 Acres of Land in Montgomery County**

 **Proposed CCN Service Area**

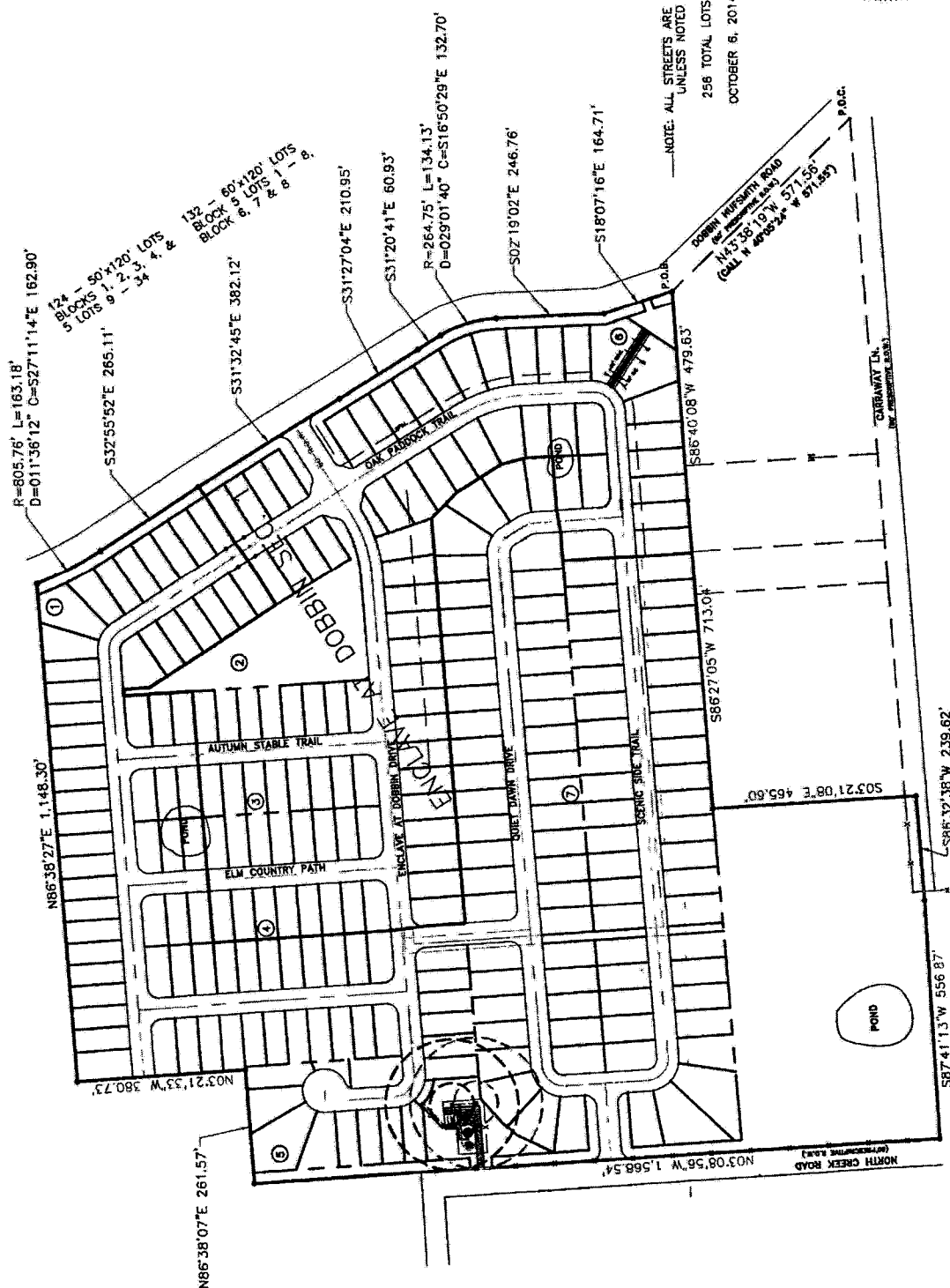


0 1,750 3,500  
 Feet 

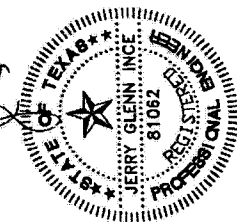
**Districts within 2 Mile Buffer**

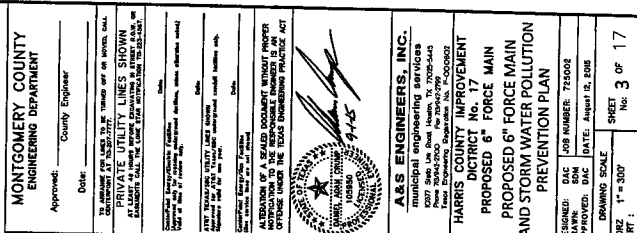
-  Coastal Water Authority
-  Gulf Coast Waste Disposal Authority
-  H-M-W SUD
-  Harris County FCD
-  Harris County MUD 480
-  Harris-Montgomery Counties MUD 386
-  Montgomery County MUD 46
-  North Harris County Regional Water Authority
-  Port of Houston Authority
-  San Jacinto River Authority





ALL STREETS ARE 50' WIDE  
UNLESS NOTED  
256 TOTAL LOTS  
OCTOBER 5, 2014

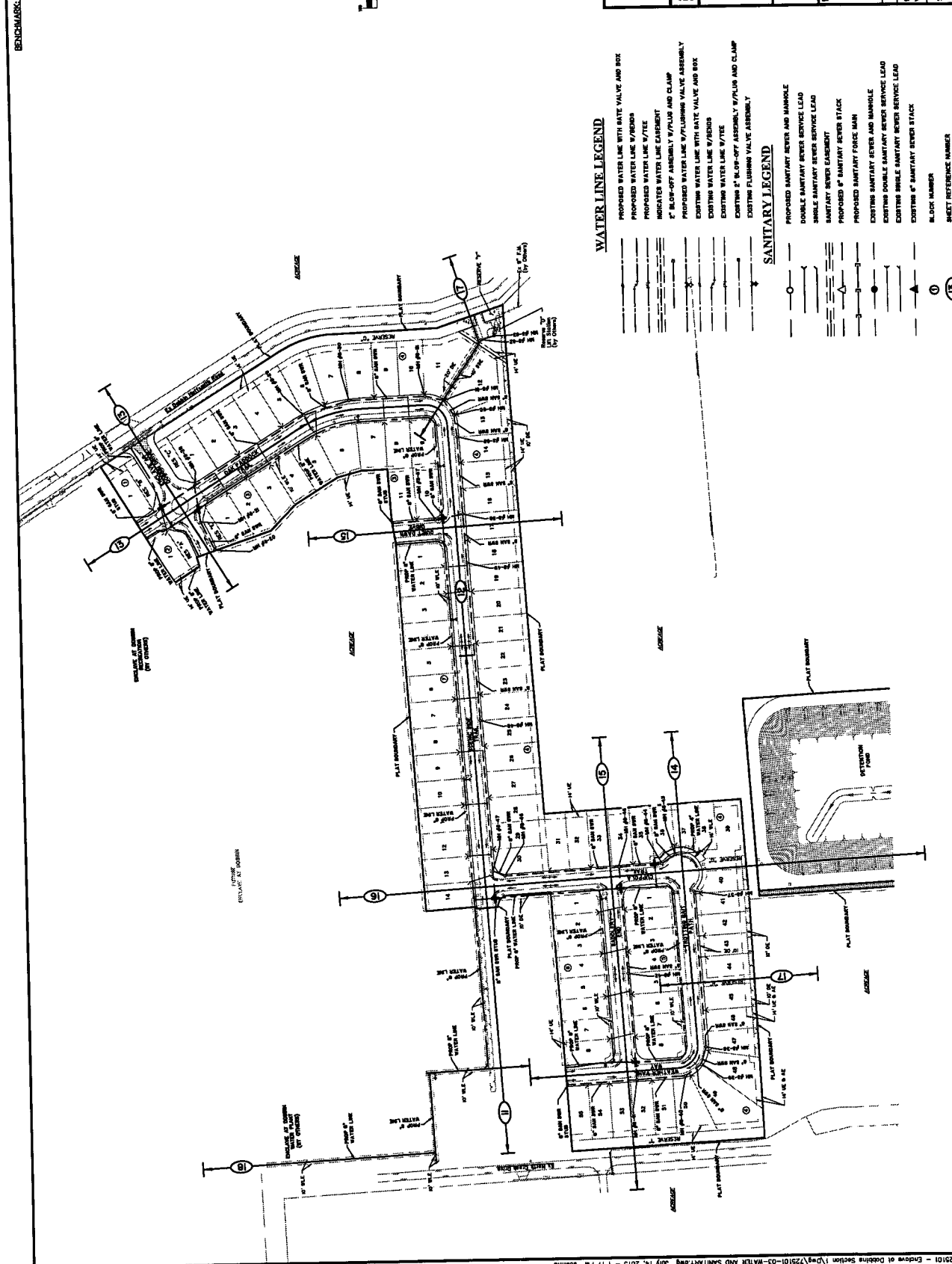






DATE	REVISION	BY	CHK	APP

BENCHMARK



### WATER LINE LEGEND

- PROPOSED WATER LINE WITH RATE VALVE AND BOX
- PROPOSED WATER LINE 8\"/>

### SANITARY LEGEND

- PROPOSED SANITARY SEWER AND MANHOLE
- DOUBLE SANITARY SEWER SERVICE LEAD
- SINGLE SANITARY SEWER SERVICE LEAD
- SANITARY SEWER EASEMENT
- PROPOSED 8\"/>

BLK. NO. 13  
SHEET REFERENCE NUMBER

**MONTGOMERY COUNTY  
ENGINEERING DEPARTMENT**

Approved: \_\_\_\_\_ Date: \_\_\_\_\_

County Engineer

ATTENTION: IF A SEWER ASSEMBLY WITHOUT PROPER PROVISIONS TO THE SEWER SYSTEM IS INSTALLED, IT IS THE RESPONSIBILITY OF THE INSTALLER TO OBTAIN THE NECESSARY PERMITS FROM THE MONTGOMERY COUNTY ENGINEERING DEPARTMENT.

**A.B.S. ENGINEERS, INC.**

Professional Engineer License No. 1700000000  
Professional Engineer License No. 1700000000  
Professional Engineer License No. 1700000000  
Professional Engineer License No. 1700000000

**MONTGOMERY COUNTY ENGINEERING DEPARTMENT**

**SECTION 1**

**WATER AND SANITARY  
SEWER LAYOUT**

DRAWING SCALE: 1"=40'

VP: 1

SHEET NO. 3 OF 25

# **Attachment**

# **7**