

2-19-2653

THENCE with the north line of the said West Dessau Road,
N 60° 16' W for a distance of 49.61 feet to an iron stake
set at a fence corner being the southeast corner of Lot 1
of Cactus Hill, a subdivision in Travis County, Texas,
as recorded in Plat Book 28, page 15, of the Plat Records
of Travis County, Texas, for a corner hereof;

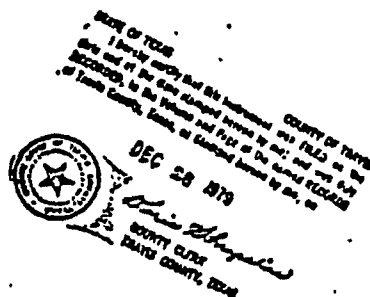
THENCE N 29° 59' E for a distance of 200.00 feet to an iron
stake found at the northeast corner of the said Cactus
Hill for an inside corner hereof;

THENCE N 59° 30' W for a distance of 217.67 feet to an
iron stake found at the northwest corner of the said
Cactus Hill for an inside corner hereof;

THENCE S 29° 59' W for a distance of 200.27 feet to an iron
stake found at the southwest corner of the said Cactus Hill,
being in the north r.o.w. line of West Dessau Road, for a
corner hereof;

THENCE with the north r.o.w. line of the said West Dessau
Road, N 59° 40' W for a distance of 1275.95 feet to the
PLACE OF BEGINNING and containing 355.19 acres of land,
more or less.

EXHIBIT 1
ALL OR PARTS OF THE TEXT ON THIS PAGE
WAS NOT CLEARLY LEGIBLE FOR REPRODUCTION



FILED

Dec 28 3 28 PM '79

David H. Hays

6822 429

Exh. b. 7 7661 420



REGISTERED PUBLIC SURVEYOR NO. 750
HARVEY SMITH
December 9, 1931

AS SURVEYED BY :

THENCE with the West R.O.W. line of the said Railroad, being the East line of the said 63.97 acre Smith Tract, S 20° 11' E for a distance of 1197.50 feet to the PLACE OF BEGINNING and containing 63.97 acres of land, more or less.

THENCE with the West R.O.W. line of the said Railroad, being the East line of the said 63.97 acre Smith Tract, S 20° 11' E for a distance of 1197.50 feet to the PLACE OF BEGINNING and containing 63.97 acres of land, more or less.

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THENCE with the West R.O.W. line of the said Railroad, being the East line of the said 63.97 acre Smith Tract, S 20° 11' E for a distance of 1197.50 feet to the PLACE OF BEGINNING and containing 63.97 acres of land, more or less.

ALL OF THAT CERTAIN TRACT OF LAND OUT OF THE ALABAMA RAILROADS SURVEY NO. 67 IN TRAVIS COUNTY, TEXAS, BEING THAT SAME 63.97 ACRE TRACT OF LAND AS CONVEYED TO J. BYRON SMITH, ET AL. BY DEED RECORDED IN VOLUME 5528, PAGE 329 OF THE DEED RECORDS OF TRAVIS COUNTY, TEXAS, SAID TRACT OF LAND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

TRACT 1 - 63.97 ACRES

FIELD NOTES
FOR
JOHN LOPEZ

1/16/1932

GLENN A. HIGGINSON, ET. UX. -- 63.97 ACRES

HARVEY H.M. SCHOEN -- 58.67 Acres

STATE OF TEXAS
COUNTY OF TRAVIS

EX-9-22-1891 • 230

63-2638
KNOW ALL MEN BY THESE PRESENTS:

This instrument of writing is made between BRUNO ERIC EUGENE SCHOEN of Travis County, Texas, and HARVEY HEROLD HENRY SCHOEN of Reeves County, Texas, who have and hold in common 117.12 acres of land situated upon the Alexander Walter Survey in Travis County, Texas, described in a deed from Caroline Wieland, Executrix to Bruno Harold and wife, Johanna Harold, dated April 20, 1912, and recorded in Vol. 251, Page 298, Deed Records of Travis County, Texas, and they are desirous of making a partition of the same, it is hereby COVENANTED, GRANTED, CONCLUDED AND AGREED by and between the two above parties, and each of them COVENANTS, GRANTS, CONCLUDES AND AGREES for himself, his heirs and assigns, that a partition of said land be made as follows:

FIRST. The said HARVEY HEROLD HENRY SCHOEN shall from henceforth have, hold, possess and enjoy, in severalty by himself and to him and his heirs and assigns for his part, share, interest and proportion of the said land and premises, the North one-half ($\frac{1}{2}$) of said tract of land described as follows, to-wit:

Beginning at a steel stake at the base of the N. W. fence corner post of said Harold tract; the N. W. corner hereof.

Thence along the north fence of said Harold tract, S. 59° 52' E. 2259.5 feet to a steel stake at the base of the N. E. corner fence post of same; the N. E. corner hereof.

Thence with the east fence of said Harold tract, S. 29° 08' W. 1119.5 feet to a steel stake for the S. E. corner hereof.

Thence N. 59° 52' W. 2285.7 feet to a steel stake in the west line of said Harold tract; the S. W. corner hereof.

Thence N. 30° 28' E. 1119.5 feet to the place of beginning and containing 58.67 acres of land.

BRUNO ERIC EUGENE SCHOEN does hereby GRANT, RELEASE AND CONFIRM unto the said HARVEY HEROLD HENRY SCHOEN the premises above described, to have and to hold the above described premises with all and singular the rights, hereditaments and appurtenances thereto in anywise belonging unto the said HARVEY HEROLD HENRY SCHOEN, his heirs and assigns forever.

DEED RECORDS
Travis County, Texas

1392 2324

LEON PFLUGER, ET. UX. -- 355.19 Acres

NOTICE

Prepared by the State Bar of Texas for use by Lawyers only. Reviewed 1-1-76.
To select the proper form, fill in blank spaces, make any form provisions or
insert several forms containing the provisions of law. No "standard form" can
meet all requirements.

WARRANTY DEED

EST 28-7582- 9522 • 13.00

2-19-2646

THE STATE OF TEXAS
COUNTY OF TRAVIS

KNOW ALL MEN BY THESE PRESENTS:

THAT WE, HERMAN F. WATERS, JR., Individually and as Trustee, SAM
WATSON, GARY R. JONES, S. GARY ROBERTS, ROBERT L. ROCK, J. FRED
WATSON AND A. TROY TAYLOR

of the County of Travis and State of Texas for and in
consideration of the sum of -----
TEN AND NO/100-----(\$10.00)----- DOLLARS
and other valuable consideration to the undersigned paid by the grantee s
herein named, the receipt of
which is hereby acknowledged,

have GRANTED, SOLD AND CONVEYED, and by these presents do GRANT, SELL AND CONVEY unto
LEON PFLUGER and wife, GLADYS L. PFLUGER

of the County of Travis and State of Texas, all of
the following described real property in Travis County, Texas, to-wit:

See attached Exhibit "A" attached hereto and made a part
hereof for all purposes as if set forth verbatim herein,

TO HAVE AND TO HOLD the above described premises, together with all and singular the rights and
appurtenances thereto in anywise belonging, unto the said grantee s, their heirs and assigns
forever; and we do hereby bind ourselves, our heirs, executors and administrators to
WARRANT AND FOREVER DEFEND all and singular the said premises unto the said grantee s, their
heirs and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof.

DEED RECORDS
Travis County, Texas.

EXECUTED this 21 day of December, A.D. 1977

Herman F. Waters, Jr.
Gary R. Jones
S. Gary Roberts
Robert L. Rock
J. Fred Watson
A. Troy Taylor
6822 422

THE STATE OF TEXAS
COUNTY OF TRAVIS }

(Acknowledgment)

2-19-2647

Before me, the undersigned authority, on this day personally appeared

HERMAN F. WATERS, JR.

Known to me to be the person whose name subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office on this the

17th day of December, A.D. 1979

Donald L. Wolf
Notary Public in and for Travis County, Texas.

My commission expires 19

DONALD L. WOLF
(Printed or stamped name of notary)

NOTARY SEAL

THE STATE OF TEXAS
COUNTY OF TRAVIS }

(Acknowledgment)

Before me, the undersigned authority, on this day personally appeared

GARY R. JONES, M.D.

Known to me to be the person whose name subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office on this the

21st day of December, A.D. 1979

Sally A. Cates
Notary Public in and for Travis County, Texas.

My commission expires 4-28-81

SALLY A. CATES
(Printed or stamped name of notary)

NOTARY SEAL

WARRANTY DEED

Herman F. Waters, Jr., Individually and
as Trustee, Sam Pason, Gary R. Jones,
S. Gary Roberts, Robert L. Rock, J. Fred Watson
and A. Troy Taylor

TO

Leon Pfluger, et ux Gladys L.

(Corporate Acknowledgment)

THE STATE OF TEXAS
COUNTY OF

Before me, the undersigned authority, on this day personally appeared

a 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, in the capacity therein stated and as the act and deed of said corporation.

Given under my hand and seal of office on this the

12th day of

AD. 19

Notary Public in and for County, Texas.

My commission expires 19

(Printed or stamped name of notary)

6822 423

(Acknowledgment)

THE STATE OF TEXAS
COUNTY OF

2-19-2648

Before me, the undersigned authority, on this day personally
appeared Sam B. [unclear]

known to me to be the person whose name is subscribed to the fore-
going instrument, and acknowledged to me that he executed the same
for the purposes and consideration therein expressed.

Given under my hand and seal of office on this the 31st day
of December, A.D. 19 79

Henry P. Bender
Notary Public in and for
County, Texas

My commission expires 1-12-1980

Henry P. Bender
(Printed or stamped name of notary)

NOTARY SEAL

(Acknowledgment)

THE STATE OF TEXAS
COUNTY OF

Before me, the undersigned authority, on this day personally
appeared A. T. Taylor

known to me to be the person whose name is subscribed to the fore-
going instrument, and acknowledged to me that he executed the same
for the purposes and consideration therein expressed.

Given under my hand and seal of office on this the 28th day
of December, A.D. 19 79

Louise Johnson
Notary Public in and for
County, Texas

My commission expires 11-30 1980
LOUISE JOHNSON

Louise Johnson
(Printed or stamped name of notary)

NOTARY SEAL

(Acknowledgment)

THE STATE OF TEXAS
COUNTY OF

Before me, the undersigned authority, on this day personally
appeared J. Fred Watson

known to me to be the person whose name is subscribed to the fore-
going instrument, and acknowledged to me that he executed the same
for the purposes and consideration therein expressed.

Given under my hand and seal of office on this the 28th day
of December, A.D. 19 79

Louise Johnson
Notary Public in and for
County, Texas LOUISE JOHNSON

My commission expires 11-30 1980

NOTARY SEAL

6822 424

(Acknowledgment)

THE STATE OF TEXAS
COUNTY OF

2-19-2649

Before me, the undersigned authority, on this day personally
appeared Robert L. Rock, M.D.

known to me to be the person whose name is subscribed to the fore-
going instrument, and acknowledged to me that he executed the same
for the purposes and consideration therein expressed.

Given under my hand and seal of office on this the 28th day
of December, A.D. 1979

Nancy Barry Bonner
Notary Public in and for Travis
County, Texas

My commission expires June 9 1981

NANCY BARRY BONNER
(Printed or stamped name of notary)

NOTARY SEAL

(Acknowledgment)

THE STATE OF TEXAS
COUNTY OF

Before me, the undersigned authority, on this day personally
appeared L. Gary Roberts

known to me to be the person whose name is subscribed to the fore-
going instrument, and acknowledged to me that he executed the same
for the purposes and consideration therein expressed.

Given under my hand and seal of office on this the 28 day
of December, A.D. 1979

Nancy Barry Bonner
Notary Public in and for
County, Texas

My commission expires June 9 1979

NANCY BARRY BONNER
(Printed or stamped name of notary)

NOTARY SEAL

6822 425

SECOND. The said BRUNO ERIC EUGENE SCHOEN shall from 63-8639
henceforth have, hold, possess and enjoy in severalty by himself
and to him and his heirs and assigns for his part, share, interest
and proportion of the said lands and premises all of the South one-
half (½) of said tract of land described as follows; to-wit:

Beginning at a steel stake at the S. E. corner of said
Harold tract; the S. E. corner hereof.

Thence along the south fence of said Harold tract, N. 59°
52' W. 2311.5 feet to a steel stake at the base of the
S. W. fence corner post same; the S. W. corner hereof.

Thence with the west fence of said Harold tract, N. 30°
28' E. 1117.5 feet to a steel stake for the N. W. corner
hereof.

Thence S. 59° 52' E. 2285.7 feet to a steel stake in the
east fence of said Harold tract.

Thence S. 29° 08' W. 1117.5 feet to the place of beginning
and containing 58.67 acres of land.

HARVEY HAROLD HENRY SCHOEN does hereby grant, release and
confirm unto the said BRUNO ERIC EUGENE SCHOEN the premises above
described, to have and to hold the above described premises with
all and singular the rights, hereditaments and appurtenances thereto
in anywise belonging unto the said BRUNO ERIC EUGENE SCHOEN, his
heirs and assigns, forever.

Each of the parties herein hereby conveys and grants to
the other party an easement of thirty (30) feet across his particular
tract of land described herein, for egress and ingress, so long as
his tract of land is owned by him or his heirs.

WITNESS our hands this 7th day of August, 1972.

Harvey Harold Henry Schoen
HARVEY HAROLD HENRY SCHOEN
Bruno Eric Eugene Schoen
BRUNO ERIC EUGENE SCHOEN

STATE OF TEXAS
COUNTY OF TRAVIS

BEFORE ME, the undersigned authority, on this day personally
appeared HARVEY HAROLD HENRY SCHOEN and BRUNO ERIC EUGENE SCHOEN, known
to me to be the persons whose names are subscribed to the foregoing
instrument, and acknowledged to me that they executed the same for the
purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 7th day of
August, 1972.

NOTARY SEAL

Frank D. Kerlin
Notary Public in and for
Travis County, Texas

1392 2325

63-8640

FILED

AUG 9 3 46 PM '72

John S. Chapman
COUNTY CLERK
TRAVIS COUNTY, TEXAS

STATE OF TEXAS

COUNTY OF TRAVIS

I hereby certify that the instrument was filed on the
date and at the time stamped herein by me, and was duly
recorded in the Volume and Page as the record reflects
of Travis County, Texas, as stamped herein by me, on

AUG 9 1972



John S. Chapman
COUNTY CLERK
TRAVIS COUNTY, TEXAS

4392 2326

C.A. RANNEY, TRS., ET. AL. 306.35 Acres

THE STATE OF TEXAS 12-23-70 4121 130

COUNTY OF TRAVIS I KNOW ALL MEN BY THESE PRESENTS:

THAT WE, JOE D. PEAK, J. SYRON SMITH, RICHARD H. CLOFATHER, ALBERT JOHNSON, THOMAS V. ROMAN, JAMES E. WINGO, and ROBERT O. SMITH, of Travis County, Texas, herein called "Grantors", for and in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration to us in hand paid by C. A. RANNEY, TRUSTEE, of Travis County, Texas, hereinafter called "Grantee", the receipt of which is hereby acknowledged and confessed; and for the further consideration of the execution and delivery to Grantors of one certain promissory note of even date herewith in the principal amount of ONE HUNDRED EIGHTY-FOUR THOUSAND SEVEN HUNDRED FIFTY AND NO/100THS DOLLARS (\$184,750.00) with interest thereon from date until paid at the rate of SEVEN AND ONE-HALF PERCENT (7 1/2%) per annum, said note being payable as follows: The principal of this note shall be due and payable in 10 annual installments of EIGHTEEN THOUSAND FOUR HUNDRED SEVENTY-FIVE & NO/100THS DOLLARS (\$18,475.00), or more, each plus interest, said installments being due on the 3rd day of April, of each calendar year, beginning April 3, 1971, and continuing regularly and annually thereafter until said principal sum has been duly paid, interest, computed on the unpaid principal balance hereof, shall be due and payable annually as it accrues, on the same dates as, but in addition to said installment of principal, and said note containing the usual ten percent (10%) attorney's fee clause if placed in the hands of an attorney for collection, or if collected through legal proceedings; and said note being executed by Grantee herein;

HAVE GRANTED, SOLD AND CONVEYED, and by these presents DO GRANT, SELL AND CONVEY unto the said Grantee the following described real property situated in Travis County, Texas, to-wit:

306.35 acres of land more or less out of the Alexander Walters Survey in Travis County, Texas, and being the same property described in a deed from A. G. Adams et al to Joe D. Peak, recorded in Vol. 2979, Page 1567 of the Deed Records of Travis County, Texas.

TO HAVE AND TO HOLD the above described premises, together with all and singular, the rights and appurtenances thereto in anywise belonging unto the said Grantee, his heirs and assigns, forever.

DEED RECORDS
Travis County, Texas

3836 201

W.H.O.L.E
A.C.B.

Said Grantors do hereby bind themselves, their heirs and assigns, to WARRANT AND FOREVER DEFEND, all and singular, the said premises unto the said Grantee, his heirs and assigns, against every person whomsoever lawfully claiming, or to claim the same, or any part thereof; except, however, this conveyance is made and received subject to all valid and properly recorded restrictions, covenants and easements affecting said property, and taxes for the current year.

BUT IT IS EXPRESSLY AGREED AND STIPULATED that the vendor's lien and superior title are reserved and retained against the above described property, together with the improvements thereon, until the above described note, and all interest thereon, is fully paid according to its face, tenor, effect and reading, when this deed is to become absolute.

EXECUTED this 6th day of APRIL, A. D., 1970.

Richard M. Oldfather
Richard M. Oldfather
Thomas W. Rowan
Thomas W. Rowan

Joe D. Peak
Joe D. Peak
Albert J. Jones
Albert J. Jones
James E. Huggins
James E. Huggins
Robert O. Smith
Robert O. Smith

THE STATE OF TEXAS I
COUNTY OF TRAVIS I

BEFORE ME, the undersigned authority on this day personally appeared Joe D. Peak, 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.

GIVEN under my hand and seal of office this the 10th day of APRIL, A. D., 1970.

NOTARY SEAL

Notary Public in and for Travis County, Texas

THE STATE OF TEXAS I
COUNTY OF TRAVIS I

BEFORE ME, the undersigned authority on this day personally appeared Robert O. Smith, 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.

GIVEN under my hand and seal of office this the 10th day of APRIL, A. D., 1970.

NOTARY SEAL

Notary Public in and for Travis County, Texas

THE STATE OF TEXAS I
COUNTY OF I

BEFORE ME, the undersigned authority on this day personally appeared Albert Johnson, 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.

GIVEN under my hand and seal of office this the 10th day of APRIL, A. D., 1970.

NOTARY SEAL

Hortense G. Hill
Notary Public in and for Travis County, Texas

THE STATE OF TEXAS I
COUNTY OF I

BEFORE ME, the undersigned authority on this day personally appeared James E. Wingo, 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.

GIVEN under my hand and seal of office this the 10th day of APRIL, A. D., 1970.

NOTARY SEAL

Hortense G. Hill
Notary Public in and for Travis County, Texas

THE STATE OF TEXAS I
COUNTY OF I

BEFORE ME, the undersigned authority on this day personally appeared J. Byron Smith, 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.

GIVEN under my hand and seal of office this the 6 day of APRIL, A. D., 1970.

NOTARY SEAL

Leola L. Caward
Notary Public in and for Bexar County, Texas

THE STATE OF TEXAS I
COUNTY OF I

BEFORE ME, the undersigned authority on this day personally appeared Richard M. Oldfather, 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.

GIVEN under my hand and seal of office this the 6 day of APRIL, A. D., 1970.

NOTARY SEAL

Leola L. Caward
Notary Public in and for Bexar County, Texas

THE STATE OF TEXAS I
COUNTY OF Ball I

BEFORE ME, the undersigned authority on this day personally appeared Thomas W. Rowen, 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.

GIVEN under my hand and seal of office this the 8 day of APRIL, A.D., 1970.

NOTARY SEAL

Rita L. Hessel
Notary Public in and for Ball County, Texas

27-7491

APR 23 4:14 PM '70
APR 23 4:14 PM '70

Emilia Limberg
COUNTY CLERK
TRAVIS COUNTY, TEXAS

STATE OF TEXAS COUNTY OF TRAVIS
I hereby certify that this instrument was FILED on the
day and at the time hereunto before by me; and was duly
RECORDED, in the Volume and Page of the record RECORDED
at Travis County, Texas, as Shown herein by me, as

APR 23 1970



Emilia Limberg
COUNTY CLERK
TRAVIS COUNTY, TEXAS

3836 204

791

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200007

[1]

OSCAR J. HUBBETTER
 MRS. JESSIE S. HUBBETTER

THE STATE OF TEXAS,
 COUNTY OF TRAVIS.

Before me, the undersigned authority, on this day personally appeared Oscar J. Hubbetter, 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 also on this day before me personally appeared Mrs. Jessie S. Hubbetter, wife of Oscar J. Hubbetter, known to me to be the person whose name is subscribed to the foregoing instrument, and having been examined by me privily and apart from her said husband, and having the same fully explained to her, she, the said Mrs. Jessie S. Hubbetter, acknowledged such instrument to be her act and deed, and she declared that she had willingly signed the same for the purposes and consideration therein expressed, and that she did not wish to retract it.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 19 day of April, A.D., 1946.

ALMA I. LUNDGREN

Notary Public in and for Travis County,
 Texas.

(Notary Seal)

Filed for record May 24, 1946, 9:30 A.M. ——— Recorded May 24, 1946, 10:15 A.M.

THE STATE OF TEXAS,
 COUNTY OF TRAVIS. KNOW ALL MEN BY THESE PRESENTS:

That we, Andrew W. Patterson, individually and as independent executor of the Estate of Mya Patterson, Deceased, J. H. Patterson, Jr., of Travis County, Texas, Irene Patterson Blamper, a widow, of Tarrant County, Texas, Myrtle Nicholas Patterson and Miriam F. Patterson, of Davis County, Texas, whose names and addresses are located on property other than that herein being conveyed and which said names and addresses do not consist of any part of any of the property herein described and conveyed. In consideration of \$10.00 cash and other good and valuable considerations to us in hand paid by A. B. Wusterhausen and wife, Gertrude Wusterhausen, of Travis County, Texas, receipt of which is hereby acknowledged, and for which no lien, expressed or implied, is retained or shall exist, and the further consideration of one vendor's lien promissory note in the principal sum of \$15,000.00 of even date herewith executed by A. B. Wusterhausen and wife, Gertrude Wusterhausen, of Travis County, Texas, and payable to Andrew W. Patterson, of Austin, Texas, or order, bearing interest from date until paid at the rate of five (5%) per annum, payable in annual installments of \$1,000.00 or more on principal plus interest, the first of said installments to be due on May 22, 1947, and a like installment each year thereafter until paid in full; to secure the full payment of said note, principal, interest, and attorney's fees, a vendor's lien is hereby reserved and retained on the hereinafter described property, have SOLD, GRANTED, and CONVEYED, and by these presents do SELL, GRANT, AND CONVEY unto A. B. Wusterhausen and wife, Gertrude Wusterhausen, all those certain lots, tracts or parcels of land out of the Alexander Walters Survey in Travis County, Texas, and more particularly described as follows:

First Tract: 112.8 acres of land described by notes and bounds as follows:

Beginning at the southwest corner of a 32 acre tract sold by Trust, A. B. Wusterhausen to Martin Blamper by deed dated July 19, 1939, recorded in the land records of Travis County,

Texas, Book 70, page 48; Thence North 30° East with the west line of said 30 acre tract 1230 yards to corner; Thence North 40° West 400.33 yards to C. Mohring's corner;

Thence South 30° West 1230 yards to corner on Smith's North line; Thence South 60° East 600.33 yards to the place of beginning, containing 130.8 acres of land, and being the same tract of land described in deed from Thos. L. Howe to Albert Wieland, dated July 19, 1886, recorded in the Deed Records of Travis County, Texas, Book 70, Page 19, to which reference is hereby made for further description.

Second Tract: 79.43 acres described by notes and bounds as follows:

Beginning at a cedar post for the southwest corner of the tract of land conveyed by Thos. L. Howe to Albert Wieland by the above mentioned deed of July 19, 1886, recorded in the Deed Records of Travis County, Texas, Book 70, Page 19; Thence North 20° 30' East along fence 369 yards to a cedar post for corner of this tract; Thence North 30° West 267.45 yards to cedar post for corner; Thence North 15° East 78 yards to cedar post for corner; Thence North 40° West 285 yards to a cedar post for corner; the same being the northwest corner of this tract; Thence South 30° West along fence on the West line of the original tract 1635.4 yards to stake for the southeast corner of this tract; Thence South 61° 30' East 247 yards to cedar post for the most Southern Southeast corner of this tract; Thence North 25° 45' East along fence 1048.6 yards to a cedar post for the Northwest corner of the A. L. Smith tract; Thence South 61° 30' East 128 yards to the place of beginning, containing 79.43 acres of land, and being the same tract of land described in deed from Christian Mohring and wife, Emma Mohring to August Wieland, dated December 29, 1920, recorded in the Deed Records of Travis County, Texas, Book 325, Page 637, to which reference is hereby made for further description.

Third Tract: 94.62 acres of land described by notes and bounds as follows:

Beginning at the Northwest corner of a tract of land conveyed by Thos. L. Howe to Albert Wieland by deed dated July 19, 1886, recorded in the Deed Records of Travis County, Texas, Book 70, page 19; Thence South 30° West with the West line of said Albert Wieland tract 830.2 yards to a stake for corner; Thence North 20° West with fence 118 yards to stake for corner; Thence North 17 1/2° East with fence 70 yards to corner; Thence North 12 1/2° West with fence 257.2 yards to stake for corner; Thence North 30° East with fence at 648.3 yards pass old rock mound, the Northwest corner of a 49.23 acre tract at 912.8 yards to an iron stake and rock mound under fence for the Northwest corner of this tract; Thence South 60° East at 484.5 yards pass an iron stake in rock mound under fence, the Northwest corner of a 21.44 acre tract at 971.7 yards to an iron stake under fence for the Southeast corner of this tract from which corner of fence bears North 39 1/4° East 8.3 yards; Thence South 30 1/4° West with West line of the Fritz Mohring tract and fence 238 1/4 yards to corner of fence on North line of said Albert Wieland tract; Thence North 40° 40' West with the North line of same at 809.6 yards pass corner of fence, the Southwest corner of a 21.44 acre tract and Southeast corner of the above mentioned 21.44 acre tract, 394.8 yards to the place of beginning, and being the same tract of land described in deed from Farmers State Bank of Pringleville, Texas, to August Wieland dated December 1, 1925, recorded in the Deed Records of Travis County, Texas, Book 479, Page 141, to which reference is hereby made for further description.

Fourth Tract: 1-1/2 acres described by notes and bounds as follows: Beginning at the Southeast corner of the 132.8 acre tract set apart to Christian Mohring in

And we, J. N. Patterson, Jr., Irene Patterson Steiger, and Minnie Mae Patterson and Elmer F. Patterson, for value received from Wendree Z. Patterson, of Austin, Texas, this day assigned to us the full value of the above note, hereby assign and transfer unto Wendree Z. Patterson the vendor's lien reserves above to secure the payment of the above mentioned note, and all other rights, titles, liens, and equities, including the payment of said vendor's lien note; and we hereby grant and convey unto Wendree Z. Patterson, the legal and superior title herein in us as vendors.

DOM-ONE, LTD. 127.563 Acres

THE STATE OF TEXAS, 52-5079
COUNTY OF TRAVIS: KNOWN ALL MEN BY THESE PRESENTS:

That we, Clarence A. Wieland, Individually and as Independent Executor of the Estate of Emma Wieland, Deceased, Alma W. Taylor, Mats W. Oertli Priem and Olga W. Smith, all of Travis County, Texas, and Clara W. Cobb of Live Oak County, Texas, for and in consideration of the sum of Ten and no/100 (\$10.00) Dollars and other good and valuable consideration to us cash in hand paid by the Grantees hereinafter named, the receipt of which is hereby acknowledged, and the further consideration of the sum of \$205,000.00, secured to be paid and evidenced by one promissory vendor's lien note, of even date herewith executed by the Grantees herein, payable to the order of grantors herein, in annual installments of \$20,000.00 or more, plus prepaid interest added at the rate of six per cent (6%) on the balance then remaining for a period of one year from date of said payment. The first said annual payment being due and payable one year from date, or on December 23, 1972, and a like installment on the 23rd day of December of each succeeding year thereafter until said note, both principal and interest, shall have been fully paid off and satisfied. No prepayment of principal shall be made on said note during the first year.

Have granted, sold and conveyed and by these presents do grant, sell and convey unto Dome - One, Ltd., Partnership, of Travis County, Texas, Carl A. Ranney and/or William A. Pittenger, General Partners, the following described real property, together with all improvements thereon, situated in Travis County, Texas, and being more particularly described as follows, to-wit:

ALL OF THAT CERTAIN TRACT OR PARCEL OF LAND OUT OF THE L. C. CUNNINGHAM SURVEY #63, IN TRAVIS COUNTY, TEXAS, AND BEING A PORTION OF THAT CERTAIN 129.50 ACRE TRACT OF LAND AS CONVEYED TO A. WIELAND, BY DEED RECORDED IN VOLUME 366, PAGE 163, OF THE DEED RECORDS OF TRAVIS COUNTY, TEXAS, SAID TRACT OF LAND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING at an iron stake found in the East line of the said Wieland tract, being in the North line of Dessau Road for the Southeast corner hereof,

52-5080
THENCE with the North line of Passau Road, N 60° 02' W for a distance of 1336.51 feet to an iron stake set in the West line of the said Wieland tract for the Southwest corner hereof:

THENCE with the West line of the said Wieland tract, the following courses:

N 30° 07' E for a distance of 168.48 feet to an iron stake

N 29° 32' E for a distance of 853.10 feet to an iron stake

N 29° 34' E for a distance of 221.20 feet to an iron stake

N 29° 33' E for a distance of 694.42 feet to an iron stake

N 29° 26' E for a distance of 515.57 feet to an iron stake

N 29° 28' E for a distance of 429.14 feet to an iron stake

N 29° 37' E for a distance of 418.90 feet to an iron stake

N 29° 35' E for a distance of 339.13 feet to an iron stake

N 29° 09' E for a distance of 517.81 feet to an iron stake found at the Northwest corner of the said Wieland tract for the Northwest corner hereof:

THENCE with the North line of the said Wieland tract, the following courses:

S 60° 11' E for a distance of 473.08 feet to an iron stake

S 60° 27' E for a distance of 318.72 feet to an iron stake

S 60° 10' E for a distance of 146.85 feet to an iron stake

S 60° 18' E for a distance of 396.18 feet to an iron stake found at the Northeast corner of the said Wieland tract for the Northeast corner hereof:

THENCE with the East line of the said Wieland tract, the following courses:

S 29° 25' W for a distance of 828.64 feet to an iron stake

S 29° 10' W for a distance of 1086.11 feet to an iron stake

S 30° 02' W for a distance of 169.60 feet to an iron stake

S 29° 33' W for a distance of 1436.19 feet to an iron stake

S 29° 32' W for a distance of 647.10 feet to an iron stake and Place of Beginning and containing 127.563 acres of land, more or less.

52-5081

To have and to hold the above described premises, together with all and singular the rights and appurtenances thereunto in anywise belonging unto the said grantees, their heirs or assigns forever. And we do hereby bind ourselves, our heirs, executors, administrators and assigns, to warrant and forever defend all and singular the said premises unto the said grantees herein, their heirs and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof.

But it is expressly agreed and stipulated that the vendor's lien, as well as the superior title in and to the above described premises, is retained against the above described property, premises and improvements, until the above described note and all interest thereon are fully paid according to the face and tenor, effect and reading thereof when this deed shall become absolute. And said note acknowledging the vendor's lien herein retained to secure the payment thereof, and being additionally secured by deed of trust of even date herewith executed by grantees herein conveying the hereinbefore described property to C. Leroy Shubert, trustee, the giving of said deed of trust being a part of the consideration for this conveyance.

This conveyance is made, however, subject to the right of way easement for electrical lines, telephone lines and telegraph lines, held by city of Austin, by instrument dated July 3, 1940, of record in Vol. 653, Page 357 of the Deed Records of Travis County, Texas.

Dated this 23rd day of December, A. D. 1971

Alma W. Taylor
Alma W. Taylor

Olga W. Smith
Olga W. Smith

Marta W. Orth Priem
Marta W. Orth Priem

Clara W. Cobb
Clara W. Cobb

Clarence A. Wieland
Clarence A. Wieland, individually and as Independent Executor of the Estate of Emma Wieland, deceased.

THE STATE OF TEXAS:
COUNTY OF TRAVIS:

52-5082

BEFORE ME, the undersigned authority, a Notary Public in and for Travis County, Texas, on this day personally appeared Alma W. Taylor, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office, this 23 day of December, A. D. 1971.

NOTARY SEAL

Donna Taylor O'Brien
Notary Public in and for Travis County, T e x a s

THE STATE OF TEXAS:
COUNTY OF TRAVIS:

BEFORE ME, the undersigned authority, a Notary Public in and for Travis County, Texas, on this day personally appeared Meta W. Gerli Friess, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office, this 23 day of December, A. D. 1971.

NOTARY SEAL

Donna Taylor O'Brien
Notary Public in and for Travis County, T e x a s

THE STATE OF TEXAS:
COUNTY OF TRAVIS:

BEFORE ME, the undersigned authority, a Notary Public in and for Travis County, Texas, on this day personally appeared Olga W. Smith, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same for the purposes and consideration therein expressed.

52-5033

NOTARY SEAL

Forrest O'Brien
Notary Public in and for Travis County, Texas.

THE STATE OF TEXAS:
COUNTY OF TRAVIS:

EXPOSE ME, the undersigned authority, a Notary Public in and for Travis County, Texas, on this day personally appeared Clara W. Cobb, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office, this 23
day of December, A. D. 1971.

NOTARY SEAL

Terrell O. Evans
Notary Public in and for Travis County, T e x a s

THE STATE OF TEXAS,
COUNTY OF TRAVIS:

BEFORE ME, the undersigned authority, a Notary Public in and for Travis County, Texas, on this day personally appeared Clarence A. Wisland, 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 capacities therein stated.

Given under my hand and seal of office, this 27
day of December, A. D. 1971.

NOTARY SEAL

Hertha O'Brien
Notary Public in and for Travis County, Texas

STATE OF TEXAS COUNTY OF TRAVIS

I, County Clerk, do hereby certify that the instrument was FILED on the 11th day of the 1st month of 1900 at the City and County of Travis, Texas, and is a true and correct copy of the original as the same appears on the records of the County Clerk of Travis County, Texas, at this date and is true and correct.

DEC 27 1971

FILED

DEC 27 4 41 PM '71

1923



John D. Kennedy
 JOHN D. KENNEDY
 JOHN D. KENNEDY

1229 119

78.856 Acres

CARLSON, DIPPEL & MARX

SURVEYING COMPANY

Exhibit "B"

FIELD NOTES

BEING ALL THAT CERTAIN TRACT OR PARCEL OF LAND OUT OF AND A PART OF THE L.C. CUNNINGHAM SURVEY NO. 88, SITUATED IN TRAVIS COUNTY, TEXAS, MORE PARTICULARLY DESCRIBED AS BEING OUT OF AND A PART OF THAT CERTAIN TRACT CONVEYED TO DOME-ONE, LTD. IN VOLUME 4229, PAGE 445 AND THAT CERTAIN TRACT CONVEYED TO FINLEY CO. IN VOLUME 3822, PAGE 1418 OF THE TRAVIS COUNTY, TEXAS DEED RECORDS, SAID TRACT BEING 78.856 ACRES OF LAND MORE FULLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING at a point in the southerly line of said Finley Co. tract, same being in the northerly line of Dessau Road, from which the southwest corner of said Finley Co. tract, same being the southeast corner of said Dome-One tract bears N 58°26'W, 34.42 feet for the southwest corner of the herein described tract,

THENCE, N 02°41'E, 2479.10 feet to a point for the northwest corner of the herein described tract,

THENCE, S 78°47'E, 1750.00 feet to a point for the northeast corner of the herein described tract,

THENCE, S 19°44'W, 2527.94 feet to a point for the southeast corner of the herein described tract,

THENCE, N 78°47'W, 869.62 feet to a point in the southerly line of said Finley Co. tract, for an angle point,

THENCE, N 58°26'W, 145.87 feet to the PLACE OF BEGINNING, containing 78.856 Acres of Land.

Prepared By: Carlson, Dippel & Marx Surveying Company
2488 Capital of Texas Highway, Suite 103
Austin, Texas 78746

/js
Job No. 775
October 3, 1983

2488 CAPITAL OF TEXAS HWY., SUITE 204 • AUSTIN, TEXAS 78746 • (512) 327-8290

2.084 Acres

WARRANTY DEED

2-52-4513

THE STATE OF TEXAS
COUNTY OF TRAVIS

NO. 10-0123-0001 7.07
KNOW ALL MEN BY THESE PRESENTS:

That I, Ruben Greinert, not joined by my wife herein as the property below described is my separate property and estate and is no part of my homestead, of the County of Travis and State of Texas for and in consideration of the sum of Ten and no/100s-----DOLLARS and other valuable consideration to the undersigned paid by the grantee herein named, the receipt of which is hereby acknowledged, and in further consideration of the exchange of a similar, nearby tract of land with GRANTEE,

have GRANTED, SOLD AND CONVEYED, and by these presents do GRANT, SELL AND CONVEY unto ARNO GREINERT, a single man, of the County of Travis and State of Texas, all of the following described real property in Travis County, Texas, to-wit:

30.72 acres out of the Alexander Walters Survey, Travis County, Texas, more particularly described on EXHIBIT "A" attached hereto and made a part hereof.

TO HAVE AND TO HOLD the above described premises, together with all and singular the rights and appurtenances thereto in anywise belonging, unto the said grantee, his heirs and assigns forever; and I do hereby bind myself, my heirs, executors and administrators to WARRANT AND FOREVER DEFEND all and singular the said premises unto the said grantee, his heirs and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof, subject to easements of record affecting the same.

EXECUTED this 9 day of March, A.D. 1981.

Ruben Greinert
Ruben Greinert

DEED RECORDS
Travis County, Texas

5-25-4214

7339

454

COUNTY

Before me, the undersigned authority, on this day personally appeared **Robert Greinert**

-4514

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.

Given under my hand and seal of office on this the

9 day of March, A.D. 1981.

Notary Public in and for

DAVIS

County, Texas

My commission expires

6-30-82

1984

RUTH BARR
(Printed or stamped name of notary)

NOTARY SEAL

(Acknowledgment)

THE STATE OF TEXAS
COUNTY OF

Before me, the undersigned authority, on this day personally appeared

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.

Given under my hand and seal of office on this the

day of

A.D. 19

Notary Public in and for

County, Texas

My commission expires

19

(Printed or stamped name of notary)

WARRANTY DEED

TO

PREPARED IN THE LAW OFFICE OF:
ROGIAN E. GILES
ATTORNEY AT LAW
SUITE 2000
112 EAST DEWITT
AUSTIN, TEXAS 78702

PLEASE RETURN TO:

Alonso Gairn
112 East Dewitt Rd
Austin, TX 78753

(Corporate Acknowledgment)

THE STATE OF TEXAS
COUNTY OF

Before me, the undersigned authority, on this day personally appeared

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, in the capacity therein stated and as the act and deed of said corporation.

Given under my hand and seal of office on this the

day of

5-25-82

Notary Public in and for

County, Texas

My commission expires

19

(Printed or stamped name of notary)

733 485

EXHIBIT "A"

2-52-4515

90.72 acres, Alexander Walters Survey, Travis County, Texas, being a part of and out of the 181.29 acres of land conveyed by deed to R. J. Greinert, et ux, recorded in Book 838, Pages 117-119, Deed Records, Travis County, Texas, said 90.72 acre tract being generally the western portion of said 181.29 acre tract and being the same property described in a deed of record from Fredericks Meissner, et al, to August Meissner, Jr. recorded in Book 137, Page 390, Deed Records, Travis County, Texas, to which reference is here made for all purposes, LESS HOWEVER, the following described 2.084 acre tract which is out of and part of the above mentioned 181.29 acre tract, said 2.084 acre tract being no part of this conveyance, and which 2.084 acre tract is described as follows, to-wit:

2.084 acres of land, being a portion of that certain 181.29 acre tract out of the Alexander Walters Survey in Travis County, Texas, which was conveyed to R. J. Greinert by deed of record in Volume 838 at Page 117, Deed Records, Travis County, Texas, which 2.084 acre tract is more particularly described by meter and bounds as follows:

BEGINNING at an iron pipe set by a corner fence post at the southwest corner of said 181.29 acre tract of land, in the north line of a county road;

THENCE with the fence along the west line of the said 181.29 acre tract, N. 29 deg. 45' E. 202.70 feet to an iron pipe set;

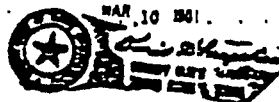
THENCE S. 60 deg. 13' E. 417.4 feet to an iron pipe set;

THENCE S. 29 deg. 45' W. 260.73 feet to an iron pipe set in the north fence line of said county road;

THENCE following the north fence line of the county road with the following four (4) courses:

- (1) N 16 deg. 58' W 110.34 feet to a cedar post;
- (2) N 16 deg. 14' W 80.48 feet to a cedar post;
- (3) N 37 deg. 05' W 40.13 feet to an iron pipe set at a fence post; and
- (4) N 60 deg. 00' W 193.60 feet to the POINT OF BEGINNING.

STATE OF TEXAS
I hereby certify that the instrument was filed on the
date and at the place mentioned herein by me and was duly
recorded in the Public and State of the County of Travis
of Texas County, Texas, as shown by the following:



FILED
MAR 10 AM 11:17
Doris S. Thompson
County Clerk, Travis
County, Texas

CITY OF AUSTIN, TEXAS

ORDINANCE NO. 81 0619-E

AN ORDINANCE REPEALING ORDINANCE NO. 800320-E; ESTABLISHING A POLICY RELATING TO POLITICAL SUBDIVISIONS CREATED PURSUANT TO ARTICLE III, SECTION 32 OF THE TEXAS CONSTITUTION OR ARTICLE XVI, SECTION 39 OF THE TEXAS CONSTITUTION FOR THE CITY OF AUSTIN; ESTABLISHING THEREIN BASIC QUALIFICATIONS FOR CONSENT TO THE CREATION OF A WATER DISTRICT; PROVIDING PERCENTAGES ALLOWED FOR BOND FINANCING; ESTABLISHING THE PROVISIONS OF THE BONDING PACKAGE; PROVIDING FOR THE PROVISION OF SPECIAL WATER AND SEWER RATES WITHIN THE CONSENT AGREEMENT AS AUTHORIZED BY SECTION 34.016(h) OF THE TEXAS WATER CODE; ESTABLISHING VARIOUS REQUIREMENTS; DECLARING A POLICY STATEMENT; SUSPENDING THE RULE REQUIRING THE READING OF ORDINANCES ON THREE SEPARATE DAYS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, The City Council, of the City of Austin, Texas, wishes to allow the prudent utilization of Water Districts to encourage development in accordance with its Growth Management Plan, and

WHEREAS, The City Council wishes to develop policies to curtail the rising costs of housing and the size of purchase-money mortgages, and

WHEREAS, The City Council wishes to develop a policy for creation of Water Districts in a manner that will not burden the citizens of Austin with future debt, and

WHEREAS, The City Council wishes to develop a policy for the creation of Water Districts in a manner that will discourage urban sprawl; Now, Therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

PART 1. That Ordinance No. 800320-E, as amended, be and it is hereby repealed.

PART 2. That this policy relating to the political subdivisions created pursuant to Article III, Section 32 of the Texas Constitution or Article XVI, Section 39 of the Texas Constitution, be adopted pursuant to the applicable provisions of the Texas Water Code and the Texas Municipal Annexation Act of the State of Texas, to be equitably applied to all petitioners for new Water Districts within the City's Extra-Territorial Jurisdiction.

I. BASIC QUALIFICATIONS FOR CONSENT TO THE CREATION OF A WATER DISTRICT INCLUDING BUT NOT LIMITED TO MUNICIPAL UTILITY DISTRICTS (MUD), WATER CONTROL AND IMPROVEMENT DISTRICTS (WCID), AND FRESH WATER SUPPLY DISTRICTS (FWSID).

EXHIBIT "B"
TO CREATION AND OPERATION AGREEMENT
PAGE 1 OF 12

- A. The Water District shall contain acreage necessary to assure the economic viability of the District, but in no event shall a Water District contain less than 100 acres.
- B. The land to be included within the Water District must lie entirely outside the City limits; provided however, that land within the City by virtue of strip-examination along major thoroughfares may be included with the Water District if such land within the City, constitutes no more than 5% of the total acreage of the Water District.
- C. The economic viability of the district must be shown in the same manner as required by the State.
- D. The consent resolution and agreement must reflect, and conform to, all the applicable stipulations of this policy.
- E. The City Council must determine that the district is not likely to be annexed by the City within three (3) years. Such determination shall not be binding on the City, however.
- F. When the City Council receives a petition for creation of a Water District within the City's Extra-Territorial Jurisdiction, it shall be evaluated in accordance with the policy set forth herein.

II. PERCENTAGES ALLOWED FOR BOND FINANCING.

- A. A Municipal Utility District will be allowed to issue bonds equal in amount to the bonding package outlined in Section III. hereof, times the appropriate percentage determined in Exhibit "A", attached hereto. All other forms of Water Districts including Water Control and Improvement Districts and Fresh Water Supply Districts in Growth Management Areas III and IV will be allowed bonding authority equal to one half the percentages for the following items only listed in Exhibit "A" Municipal Utility Districts: 1) internal water lines, 2) regional drainage, 3) water approach mains, and 4) water facilities. All such other forms of Water Districts located in Growth Management Area V will be allowed bonding authority equal to three quarters of the percentages for the items listed. Exceptions to the percentage limitations in Exhibit "A" may be granted by the City Council only where a proposed Water District will serve established residential areas and is not being created primarily to serve undeveloped land. Further, when a petition is received for creation of a Municipal Utility

EXHIBIT "B"
TO CREATION AND OPERATION AGREEMENT

District in Area V which in the estimation of the City Council will not have a deleterious effect on the urban planning decisions including annexation, extension of utility service, protection of the environment, the fiscal integrity of the City of Austin and other goals delineated in the Austin Tomorrow Comprehensive Plan, it shall be evaluated on a case by case basis and considered individually on its merits and not necessarily subject to the provisions of this policy.

- B. Where a Water District overlaps any of the boundary lines in Exhibit "A", the percentage shall be apportioned according to the number of living unit equivalents in each area. The percentage shall be determined with respect to area designation and City limits at the date the consent agreement is approved by the City Council.
- C. The following definitions shall apply when used in Exhibit "A":
 1. "Growth management area" refers to an area as described within the Master Plan of the City of Austin.
 2. "Extra-territorial jurisdiction area" refers to that area between the City limits and 5 miles beyond that as defined in appropriate state enabling legislation.
 3. "Internal water lines" or "Internal wastewater lines" means those lines, constructed within the Water District, including any oversize required which will not be recovered under the City's oversize policy since that policy shall be applicable to the developer.
 4. "Storm sewer/drainage" is limited to the cost of storm sewer pipe and open channels and their installation where impervious channel surfaces are required.
 5. "Regional drainage" means regional type storm water retention/detention features designed and constructed to control and/or manage storm water, a substantial portion of which issues from one or more watersheds outside the Water District, and provided such construction is approved by the Engineering Department of the City of Austin.

EXHIBIT "E"
TO CREATION AND OPERATION AGREEMENT

PAGE 3 OF 12

6. "Wastewater facilities" means treatment plants, storage facilities and other items not included in 3 or 9 of this section.
7. "Water facilities" means treatment plants, storage facilities, wells and other items not included in 3 or 10 of this section.
8. "Water Facilities Using Ground Water from Edward's Aquifer" means all such facilities listed in definition 7 above which, in this case, derive their raw water source from the Edward's Aquifer.
9. "Irrigation land" means land irrigated in connection with a sewage treatment plant. The bonds allowed for this land are to be determined by the raw land cost. When land or irrigation is no longer used for that purpose, and it is sold, the proceeds from the sale shall be placed in the Debt Retirement Fund of the district. If annexation has occurred, such proceeds shall be placed in the Utility Enterprise Debt Retirement Fund of the City of Austin.
10. Approach mains are defined as those water and/or wastewater lines which lead up to but not within the property to be served and as further defined, by the Cost Participation Ordinance of the City of Austin.

III. BONDING PACKAGE.

A. WATER, WASTEWATER AND DRAINAGE

A Water District shall be permitted the bonding permitted under the State law and the rules of the Texas Water Development Board for 1) construction, and for 2) land and easement costs for water, sewer, and drainage improvements (in accordance with Exhibit "A"). Further, the "301 rule" instituted by the Texas Water Commission shall apply in determining the bonding allowed for Water, Wastewater and Drainage. The percentages in Exhibit "A" shall apply after limits imposed by that rule and the delineation between types of districts and allowable bonding percentages established in Section II.A. of this Ordinance. The developer must pay 30% of the cost of internal lines and drains. Additionally, that oversize portion of a water or wastewater approach main which the City of Austin has required to be constructed to serve areas outside of the

EXHIBIT "B"
TO CREATION AND OPERATION AGREEMENT

boundaries of the Water District may be financed with bonds. In such cases, the City shall repay the Water District annually for the City's pro rata share of the debt retirement cost of such facility. The City shall retain the right to allocate its pro rata share of the facility and collect subsequent users fees as defined in the Cost Participation Ordinance of the City of Austin. Provided, however, that the following items shall not be allowed to be financed by the issuance of bonds, and therefore, shall not be included in the bonding package:

1. Land or easements within the Water District, or any property owned by the developers of the Water District, dedicated for any water or wastewater line or facility, including treatment plants for any function related to drainage. Provided, however, that bonds may be authorized for the purchase of land for irrigation purposes connected with a package treatment plant (in accordance with the chart in Exhibit "A"). Provided further that irrigation land purchased from the developers of the Water District must be purchased at book value.
2. Curbs, gutters, inlets, culverts, and bridges.
3. Drainage improvement, except storm sewers and regional facilities, in accordance with Exhibit "A".

B. INTANGIBLES

1. A contingency factor of 10% shall be allowed on all water, wastewater and drainage costs.
2. Construction costs shall include 10% for engineering, and shall include all fees.
3. Interest during construction and capitalized interest shall be allowed to the full extent of the State law for all costs that qualify for bond financing.
4. Other non-construction costs allowed for bond financing are: fiscal agent fees, legal fees and administration organizational expense and printing the bonds, as allowed by State law.

C. BONDED AMENITIES

Additional bonding authority may be used as the City Council specifies for any of the following items. The City Council must approve the need for each item, the

EXHIBIT "B" TO CREATION AND OPERATION AGREEMENT

site location and design. The aggregate of the City requirements shall be limited by the economic viability of the District. Bonded authority for any land under this section shall be based on raw land cost and carrying expenses.

1. Solid waste disposal sites.
2. Fire station sites.
3. Park lands, nature preserves, creek preservation easements, hike and bike trails, lakes and greenbelts in addition to those required by City ordinance.
4. Water quality monitoring stations, holding ponds and storm water treatment facilities.
5. Other items which might be mutually agreed upon by the City Council and the petitioners, and are permitted by the State.

D. NON-BONDED AMENITIES

The following amenities are required and shall not be financed by the issuance of bonds or by the incurrence of debt by the district.

1. Traffic control signs and devices constructed within the Water District.
2. Street signs.
3. Street lights.
4. Sidewalks, installed in accordance with Chapter 41 of the Austin City Code (Subdivision Ordinance), when developing by urban standards.
5. Recreational facilities on park land equal to 10% of the value assigned to the park land.

IV. Consent agreements for Municipal Utility Districts shall provide, in adequate detail as required by Section 34.016(h) of the Texas Water Code that the water and sewer rates for properties within the MUD be specifically set so as to compensate the City of Austin for assuming the district's indebtedness after annexation. These special rates shall be in effect until the bonded indebtedness of the MUD is fully retired. If the bonds are called, these special rates shall nevertheless be in effect for the full projected life of the original bonds. These special rates shall consist of a component calculated to retire all or part of the bonded indebtedness incurred by the MUD as set out in "A" below. The component shall be determined by calculating the monthly debt retirement

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payment for the appropriate bonded indebtedness and dividing the monthly payment by the number of planned living unit equivalents within the district. After annexation, this special rate shall be charged in addition to the water and sewer rates paid by other city consumers of similar customer classification.

If the Municipal Utility District requests City Council approval of subsequent, additional bonding authority beyond that agreed to in the original consent agreement, the special rates agreed to in this section will be recalculated as determined above to reflect the additional bonded indebtedness.

In addition, if it becomes evident via the subdivision approval process or otherwise, that the number of planned living unit equivalents within the district will exceed or be less than the figure originally used as the basis for computing the surcharge then the district and the City agree to adjust the special charges accordingly.

A. The bonded indebtedness used to calculate the special rate shall be:

- 1) Area III: the total amount of bonded indebtedness for construction, land and easement costs for water and wastewater internal lines, and all drainage as set out in Exhibit "A";
- 2) Area IV: the total amount of bonded indebtedness for construction, land and easement costs for water and wastewater internal lines, all drainage as set out in Exhibit "A"; and fifty percent of the total bonded indebtedness for construction, land and easement costs for water and wastewater approach mains and facilities and irrigation land as set out in Exhibit "A".
- 3) Area V: the total amount of bonded indebtedness for construction, land and easement costs for regional drainage, water and wastewater approach mains, water and wastewater facilities and irrigation land.

B. Since Section 54.016(h) of the Texas Water Code which permits the special rates used in this policy contains a provision which says that the City of Austin cannot annex the district prior to the installation of 90% of the facilities for which district bonds were authorized, the consent agreement must also contain a provision containing

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a date for 90% installation beyond which authorization for all unissued bonds may be terminated at the option of the City Council. If the City Council elects to so terminate, it must concurrently annex the district. To facilitate this requirement the consent agreement must require that bonds be issued to finance only completed and approved facilities and existing items.

- C. Any water and sewer customer within the boundaries of the City may enforce the special rates required to be included in a contract authorized by this policy.
- D. Prior to annexation, the special rate calculated in Section IV shall be charged in addition to the regular rate which shall not be less than that charged by the City within the City limits for consumers of similar customer classification. The revenue from the special rate shall be deposited in the debt retirement fund of the district.
- V. The revenue and ad valorem taxing authority of the district shall be pledged on all bonds as the City's ad valorem taxing authority shall be after annexation has occurred.

VI. ADDITIONAL REQUIREMENTS AND POLICY STATEMENT.

The City shall require the following of all Water Districts, and these requirements shall be stipulated by the appropriate set of consent resolutions and agreements.

- A. All development activities within the district shall conform to all existing City of Austin ordinance requirements.
- B. Underground utilities may be required by the City Council.
- C. All development construction by the district or the developers must be done in accordance with the City of Austin standards for similar facilities and copies of plans and specifications must be approved by the City before construction begins.
- D. All planning, designs, and construction of drainage facilities and other facilities and/or features pertinent to drainage shall be done in accordance with the "Drainage

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Criteria Manual" of the City of Austin. Drainage plans must be approved by the Director of Public Works prior to land development.

- E. The City shall have the right to inspect all facilities of the district at any time during construction, and final approval is required. In addition, the City shall have the right to charge inspection fees for review of facilities the cost of which is not covered by other appropriate charges.
- F. Bonds shall be issued only for those purposes specifically authorized by the consent agreement, and bonds authorized for one purpose shall not be used for another.
- G. Before the Water District issues bid invitations for its bonds, the City Council shall have the right of approval of all bond issues and sales, including bond prices, interest rates, and redemption premiums, and copies of all documents submitted to State agencies shall be concurrently submitted to the City.
- H. All records, files, books, information, etc., of the district shall be a matter of public record, and available for City inspection at all times.
- I. The district shall prepare annual reports for the City on the status of construction and bond sales.
- J. All bonds issued by the district shall have a call provision which allows the option to redeem the bonds at par.
- K. The district shall not furnish water or wastewater service to any tract of land unless the Planning Commission of the City of Austin has approved a subdivision plat covering such tract of land and such plat has been recorded in the deed records. The Planning Commission of the City of Austin will not be required to approve any subdivision within a Water District which does not conform to the provisions of the consent agreement.
- L. The district shall not provide service outside its boundaries unless approval is obtained from the City Council. If such permission is granted, no bond funds shall be expended or indebtedness incurred to provide such service without approval of the City Council.

EXHIBIT "B"
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- M. The City shall review and approve the adequacy, type and construction of all roadways in the Water District.
- N. The City may require the construction of facilities or improvements for the purpose of mitigating the impacts of storm water runoff.
- O. No land within the Water District shall be allowed, at any time in the future, to incorporate, join in an incorporation, or be annexed into any incorporated city other than the City of Austin.
- P. No land may be annexed to a district without the approval of the City Council.
- Q. Right-of-way, public park land, utility and drainage easements and all other appropriate lands and easements shall be properly dedicated to the public, the district and its ultimate successor.
- R. The net effective interest rate will 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 preceding the date notice of sale is given.
- S. Any wastewater treatment plant constructed in whole or in part with bond proceeds under this policy, shall not discharge over the Edwards's Aquifer recharge zone or in the Barton Creek Watershed but must instead irrigate. Any wastewater treatment plant constructed in whole or in part with bond proceeds under this policy must be reviewed and approved by the City Council prior to the issuance of the State permit or any amendment thereto if it is to discharge instead of irrigate.
- T. Water Districts that are not charging a special rate as described in this Ordinance Part I, IV, shall charge a regular rate for service not less than that charged by the City for service to customers outside of the City as shall be established by the City Council from time to time.
- U. Water service in a WCID, YWSD or any other type of Water District with the exception of a Municipal Utility District will only be provided to lots one (1) acre minimum in size to insure the capability to install and operate an on-site wastewater disposal system over the life of the property.

PART 3. That all ordinances, resolutions and orders heretofore passed, adopted and made, or any part of the same, affecting approach mains, which

EXHIBIT "B"
TO CREATION AND OPERATION AGREEMENT

PART 4. Whereas, an emergency is apparent for the immediate preservation of order, health, safety and general welfare of the public, which emergency requires the suspension of the rule providing for the reading of an ordinance on three separate days, and requires that this ordinance become effective immediately upon its passage; therefore, the rule requiring the reading on three separate days is hereby suspended and this ordinance shall become effective immediately upon its passage as provided by the Charter of the City of Austin.

PASSED AND APPROVED

PASSED AND APPROVED

August 19, 1981

圖書在版編目(CIP)數據

Casli Keeton McCallister
BYOR

May 01

APPROVED: Albert L. J. Jones
Acting City Attorney

Acting City Attorney

ATTEST: Paul Monroe
City Clerk

City Clerk

EXHIBIT "2"
TO CREATION AND OPERATION AGREEMENT

1	2	3	4	5	6	7	8	9	10	11	12
<u>Growth Management Area</u>	<u>Extra Territorial Jurisdiction</u>	<u>Internal Water Lines</u>	<u>Internal Wastewater Lines</u>	<u>Storm Sewer Drainage</u>	<u>Regional Drainage</u>	<u>Water Approach Mains</u>	<u>Wastewater Approach Mains</u>	<u>Water Facilities</u>	<u>Water Facilities Utilizing Ground Water From Edward's Aquifer</u>	<u>Wastewater Facilities</u>	<u>Irrigation Land</u>
III	0-2 mi.	100%	100%	75%	100%	100%	100%	100%	0%	100%	100%
III	2-5 mi.	75%	75%	65%	100%	90%	90%	90%	0%	90%	100%
IV	0-2 mi.	40%	40%	0%	100%	60%	60%	60%	0%	60%	100%
IV	2-5 mi.	30%	30%	0%	100%	40%	40%	40%	0%	40%	100%
V	0-5 mi.	0%	0%	0%	100%	60%	20%	100%	0%	20%	100%

EXHIBIT "A"
(70 SHEETS)

EXHIBIT "B"
TO CREATION AND OPERATION AGREEMENT
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MCINTOSH MUNICIPAL UTILITY
DISTRICT NO. 1

Consultant Fees

CONTRACT BONDS

<u>BOND ISSUE SIZE</u>	<u>District's Financial Advisor</u>	<u>District's Bond Counsel</u>	<u>TOTAL</u>
5,000,000	50,000	135,000	185,000
10,000,000	75,000	160,000	235,000
15,000,000	80,000	185,000	265,000
20,000,000	85,000	190,000	275,000
30,000,000	90,000	200,000	290,000
50,000,000	100,000	220,000	320,000
70,000,000	110,000	240,000	350,000

DISTRICT BONDS WITHOUT CITY PARTICIPATION

Bond counsel fees shall be three percent (3%) of the principal amount of each issue of bonds

UTILITY CONSTRUCTION CONTRACT BETWEEN
THE CITY OF AUSTIN, TEXAS AND
NORTHTOWN MUNICIPAL UTILITY DISTRICT NO. 1

This Utility Construction Contract (this "Contract") is made and entered into as of the _____ day of _____, 198____, by and between the CITY OF AUSTIN, TEXAS (the "City"), a Home Rule City located in Travis County, Texas, and NORTHTOWN MUNICIPAL UTILITY DISTRICT NO. 1 (the "District"), a conservation and reclamation district created pursuant to Article XVI, Section 59, of the Texas Constitution and operating under the provisions of Chapter 54 of the Texas Water Code.

RECITALS

The City owns and operates a water supply system and a sanitary sewer collection and treatment system serving areas within and adjacent to its city limits and has determined to extend its water supply and sanitary sewer facilities into the service area east of its present city limits in order to provide water and sanitary sewer service within said area for the purpose of protecting the health and welfare of present and future residents of the area and of portions of the City in proximity thereto.

The District desires to obtain access to the City's water supply system in order to enable it to provide a dependable supply of potable water to the inhabitants of the District and to obtain access to the City's sanitary sewer system in order to provide for the transportation, treatment, and disposal of sewage from within the District. Pursuant to Chapter 54 of the Texas Water Code, the District is authorized to purchase, construct and acquire, inside or outside its boundaries, works, improvements, and facilities helpful or necessary to supply water for municipal uses, domestic uses, and commercial purposes and to collect, transport, and dispose of waste. The Board of Directors of the District has determined that it is in the best interests of the District and its inhabitants to cooperate with the City in the acquisition and construction of certain extensions and improvements to the City's water supply and wastewater facilities as set forth below.

The City and the District are authorized to make and enter into this Contract in accordance with the laws of the State of Texas, including Article 1109j, Texas Revised Civil Statutes, and Chapter 54, Texas Water Code.

NOW THEREFORE, KNOW ALL MEN BY THESE PRESENTS, that for and in consideration of the premises and the mutual obligations and benefits contained herein, the City and the District contract and agree as follows:

AGREEMENT

I. DEFINITIONS

The terms and expressions used in this Contract, unless the context clearly shows otherwise, shall have the following meanings:

1.01 "Project" shall mean and refer to those water and wastewater facility extensions and improvements described in Exhibit "A", attached hereto and incorporated herein by reference, said Exhibit "A" consisting of both a list of such extensions and improvements and an accompanying map illustrating

*EXHIBIT D
to Creation & Operation*

the general locations and service area of the same. It is acknowledged and agreed that the exact alignment, location and configuration of such extensions and improvements may vary depending upon the final engineering design approved by the consulting engineers for the District and the Directors or acting Directors of the City's Water and Wastewater and Public Works Departments in accordance with the City specifications and criteria for the design and sizing of the facilities in existence at the time of City review and approval of the construction plans.

1.02 "Board" or "Board of Directors" shall mean and refer to the Board of Directors of the District.

1.03 "Bonds" shall mean and refer to the bonds to be issued by the District, in one or more series or issues, for the purpose of acquiring, by purchase and/or construction, the Project and negotiable bond anticipation notes issued by the District for such purposes pursuant to Section 54.304 of the Texas Water Code to be refunded out of the proceeds of the Bonds.

1.04 "Bond Resolution" shall mean and refer to any resolution or trust indenture of the Board of Directors authorizing the issuance of the Bonds and providing for their security and payment, as amended from time to time as therein permitted.

II. OBLIGATIONS OF DISTRICT WITH RESPECT TO THE PROJECT.

2.01 Subject to the limitations hereinafter set forth, the District agrees that it will proceed, as promptly as possible and to the best of its abilities, with the financing and acquisition of the Project, all in the manner hereinafter described. The District agrees to promptly pursue the approvals necessary for the District to issue the Bonds and acquire the Project. Provided, however, wastewater pumpover facilities included in the Project shall be constructed according to a schedule to accommodate projected build-out of the development as agreed to by the City and the District. Upon obtaining said approvals, the District agrees to proceed promptly to issue and sell the Bonds and, thereafter, to purchase and/or construct the Project. The District hereby covenants that it will make a diligent effort to design and to complete the Project as soon as practicable; provided, however, that the District shall not be liable for any damages which may be occasioned by delays not caused by negligence of the District. The District and the City shall agree on the "Consulting Engineers" for the Project, which shall be constructed in accordance with plans and specifications prepared by the Consulting Engineers and approved by the Directors or acting Directors of the City's Water and Wastewater and Public Works Departments. It is further agreed that the Consulting Engineers may be changed, but only with the consent of both the District and the City.

2.02 The District may enter into such contracts as may be necessary to provide for the acquisition, by purchase and/or construction, of the Project. Said contracts shall be approved and executed as required by the laws and regulations applicable to municipal utility districts and shall be awarded by competitive bidding in accordance with applicable City policies and procedures. The City shall be given notice of and invited to attend all bid lettings. The award of all contracts and all change orders to such contracts shall be approved by the City Manager of the City or his designee, which approval shall not be unreasonably withheld or delayed.

2.03 It is further agreed that, in the event the City obtains voter approval of the issuance of its bonds to finance

the construction of any of the extensions and improvements set forth on Exhibit "A" prior to January 1, 1985, the City may elect to delete any of such extensions and improvements from the Project, as defined herein, excluding the 48-inch water main from the North Lamar Transmission Main east to the first reservoir and the Upper Harris Branch Wastewater Interceptor, which shall be financed by the issuance of bonds by the District in any case, by giving thirty (30) days written notice, by registered or certified mail, return receipt requested to the address of the District specified in the registration statement on file with the Texas Department of Water Resources, with a copy to the District's attorney of record, and the extensions and improvements specified in such notice shall then be financed and constructed by the City. It is expressly agreed that, in the event the City elects to delete all or any portions of such extensions and improvements from the Project, the City shall reimburse the District and the Joint Venture for all reasonable costs and expenses incurred by the District and the Joint Venture in connection therewith prior to the date such notice is received by the District, including, but not limited to costs incurred in connection with preliminary and final engineering design, construction costs and legal and other consultants' fees incurred in connection with the District's application to the Texas Department of Water Resources for approval of bonds to finance such construction. In such event the District agrees, upon request, to furnish the City with copies of all reports, studies and related materials concerning the Project obtained by the District.

2.04 Either the City or the District shall serve as the Project Manager and shall supervise the letting and administration of the contract for the various extensions and improvements to be constructed as a part of the Project as designated on Exhibit "B" attached hereto and incorporated herein.

2.05 It is further agreed that, at the election of the City, the District may be required to finance through the issuance of Bonds and construct improvements to the City's water and wastewater treatment systems to accommodate the water and wastewater needs of the District. Such improvements may include, but are not limited to, new wastewater treatment facilities, including a regional treatment facility, or improvements to the Davis Water Treatment Plant and/or the Walnut Creek Wastewater Treatment Plant. It is also agreed by the District and the City that, at the election of the City, the District may be required to finance through the issuance of Bonds and construct all necessary interceptors and/or treatment facilities to provide wastewater collection and treatment to all of Harris and Gilleland basins. The City shall be, and is hereby designated Project Manager for the District in relation to improvements set forth in this section and, in such capacity, agrees to let, supervise and administer the contracts relating to the design and construction of such improvements. Upon such election by the City, improvements financed by the issuance of Bonds shall be included within the definition of "Project" and all references to "Project" shall include these projects.

III. DISTRICT'S OBLIGATION TO PROVIDE FINANCING FOR PROJECT

3.01 In order to finance the costs of the Project, the District agrees to issue and sell the Bonds, in one or more series or installments, in such amounts as may be necessary to pay the costs and expenses of acquiring and/or constructing the Project and the costs and expenses of issuing the Bonds including, without limitation, the cost of acquiring all rights-of-way, easements, and land therefor; the funding of all special funds created for the payment and security of the Bonds;

reasonable financial advisors and bond counsel fees as approved by the City Council of the City, including financial advisors and bond counsel fees incurred by the City, subject, however, to the approval of the Texas Water Commission; printing and other expenses incurred in connection of the issuance, sale and delivery of the Bonds; and an amount sufficient to provide for the payment of interest on the Bonds for a period not to exceed two (2) years. The parties agree that all of the Bonds issued by the District pursuant to the provisions of this Contract shall be payable solely from the contractual payments identified and described in Article V of this Contract.

3.02 Prior to the passage by the Board of Directors of the District of any resolution authorizing the issuance of the Bonds, a substantial draft of such resolution including any trust indenture authorized therein shall be delivered to the City Attorney for approval by the City Council. Such draft shall set forth the principal amount and the maturities of the Bonds to be issued, the special funds created for the payment and security of the Bonds, including provisions relating to the creation and establishment of a special escrow fund for the deposit of the proceeds of the sale of the Bonds; and the procedures to be followed for the disbursement or withdrawal of funds deposited in such accounts. The necessity for and the amount of capitalized interest and the cost of issuance of the Bonds shall be subject to approval by the City Council. The provisions of the Bond Resolution and any trust indenture shall not be effective or binding upon the City unless and until such approval is given. Such approval, if and when given, shall constitute the acknowledgement and agreement of the City that such Bonds are to be issued in accordance with and in compliance with this Contract and any such trust indenture, notwithstanding any other provisions of this Contract or any other agreement to the contrary and the obligations of the City set forth in such Bond Resolution, shall become absolute and unconditional binding obligations of the City in accordance with their terms. Any holder of the Bonds is entitled to rely fully and unconditionally on any such approval. In connection with such approval, it is recognized and agreed that the District's rights under Article V and the right to enforce the same, may be assigned by the District to a trustee under any trust indenture for the benefit of the owners of the Bonds.

IV. OWNERSHIP AND OPERATION OF PROJECT

In consideration of the payments to be made by the City as specified in Article V hereof, the District hereby agrees that the several facilities comprising Project, upon final completion of the purchase and/or construction thereof by the District, and acceptance thereof by the City as evidenced by written confirmation of such acceptance from the Directors or acting Directors of the City's Water and Wastewater and Public Works Departments, shall automatically be dedicated and thereby conveyed by the District to the City and all rights, title and interest of the District in and to the Project shall vest in the City and the City shall thereafter have the sole responsibility for the maintenance and operation of the Projects at its sole expense. This Article IV shall be deemed and construed as the expression of the District's intention to so dedicate the Project upon the occurrence of the events described in this Article.

V. PAYMENTS BY THE CITY

5.01 For and in consideration of the District's acquiring the Project and conveying the same to the City, the City agrees to pay to the District, in the manner hereinafter set forth, a sum equal to the total of the principal, interest, trustee,

registrar, and paying agents' fees, and other reasonable charges and expenses which may accrue in connection with the payment and discharge of the Bonds. It is further agreed that the City's obligation to make the payments herein specified shall terminate at such time as: (a) all of the Bonds have been paid in full and are no longer outstanding or (b) the City has irrevocably deposited with the paying agent or trustee, as the case may be, in trust: (1) monies sufficient to fully pay the principal of, redemption premium, if any, and interest on the Bonds to the respective due date or dates by reason of maturity, redemption or otherwise, and all other amounts owing with respect to the Bonds; and/or (2) government obligations, certified by an independent public accounting firm of national reputation, which shall mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient funds to pay the principal of, redemption premium, if any, on and interest on all outstanding Bonds to their respective due date or dates by reason of maturity, redemption or otherwise. "Government obligations" as used herein shall mean direct obligations of the United States of America, including obligations the principal of and interest on which are unconditionally guaranteed by the United States of America, and United States Treasury obligations such as its State and Local Government Series, which may be in book-entry form. It is further understood and agreed that the District's only source of funds to pay the principal of and interest on the Bonds, and to pay expenses relating to the Bonds, shall be from the payments to be made by the City to the paying agent or trustee for the District pursuant to this Contract. It is therefore agreed that once the Bonds are issued and regardless of whether or not the Project is constructed or accepted by the City, the City's obligation to make the payments set forth in 5.02 below shall become the absolute and unconditional binding obligation of the City, free of any deductions, and without abatement or set-off until the entire principal of, premium, if any, and interest on the Bonds have been paid or provided for as set forth above.

5.02 The City agrees to make the following payments to or on behalf of the District for so long as any of the Bonds issued in connection with the Project are outstanding:

(a) Such amounts, payable semi-annually on or before the last business day prior to the due date of each interest payment on the District's Bonds, as may be necessary to pay the principal and/or interest coming due on the District's Bonds on the next succeeding interest payment date;

(b) Such amounts, payable upon receipt of a statement therefor, as may be necessary to pay, or to reimburse the District for, the fees and charges of the registrar and paying agent or trustee for paying or redeeming the Bonds coming due on such date;

(c) Such amounts, payable upon receipt of a statement therefor, as may be necessary to pay, or to reimburse the District for: (1) the actual cost of any special accounting audits required by the City; (2) any extraordinary or unexpected expenses or costs reasonably and necessarily incurred by the District in connection with the Bonds and the Project, such as expenses of litigation, if any; and (3) costs of special studies and special professional services, if and when required by any governmental directive or regulation, or as may be agreed to by the City and the District; provided, however, that the City shall not be obligated to pay District expenses of litigation if the City is an opposing party in such litigation;

(d) Such amounts as may be necessary to make all payments into any special fund or reserve fund required to be established and/or maintained by the provisions of any Bond Resolution; and

(e) Such amounts as may be necessary to pay any deficiency in any fund or account required to be accumulated and/or maintained by the provisions of any Bond Resolution.

5.03 This Contract, and all payments required to be made by the City hereunder, shall constitute a Separate Lien Obligation within the meaning of and as such term is defined in Ordinance Number 820303-A. The capitalized terms set forth in this Section 5.03 and in Section 5.04 of this Article shall have the same meanings assigned to such terms by said Ordinance. The City hereby covenants and agrees that, subject only to the prior lien on and pledge of the Net Revenues of the City's Waterworks and Sewer System to the payment and security of the Priority Bonds (now outstanding or hereafter issued), and which Priority Bonds the City hereby expressly reserves the right to issue, including the establishment and maintenance of the special funds created for the payment and security of the Priority Bonds, the Net Revenues of the Waterworks and Sewer System, with the exception of those in excess of the amounts required for the payments to be made hereunder and required for the payment and security of the Bonds, are hereby irrevocably pledged, equally and ratably, to the payment and security of the Bonds and to the payments required to be made by the City hereunder pursuant to Section 5.02 of this Article V. It is further acknowledged and agreed that the lien on and pledge of the Net Revenues of the Waterworks and Sewer System securing the payments required to be made by the City under and pursuant to Section 5.02 of this Article V shall be in all respects on a parity and of equal dignity with the lien and pledge of the Net Revenues of the Waterworks and Sewer System securing the payment of the "City of Austin, Texas, Water, Sewer and Electric Refunding Revenue Bonds, Series 1982" and additional obligations issued on a parity therewith (which obligations the City expressly reserves the right to issue, in accordance with the terms and conditions prescribed therefor in said Ordinance Number 820303-A), as well as other Separate Lien Obligations which the City expressly reserves the right to issue and to be payable from and equally secured by a lien on and pledge of such Net Revenues. It is expressly agreed by the parties hereto that the lien and pledge securing the payments to be made hereunder shall be applicable only to the Net Revenues of the Waterworks and Sewer System, and that the Net Revenues of the Electric Light and Power System shall not be deemed to have been pledged or encumbered by any lien to secure the payment of any City obligations under this Contract in any manner. The City agrees to make provision, in each annual City Budget, for the payment of all amounts required to be paid by the City under and pursuant to this Contract.

5.04 The City hereby covenants and agrees to establish and maintain rates and charges for water and wastewater services adequate to annually produce Net Revenues of the Waterworks and Sewer System equal at least to: (a) the sum of all amounts deposited from the Water and Sewer System Fund (1) in any special funds or accounts created for the payment and security of the Priority Bonds and (2) in the Interest and Redemption Fund and the Reserve Fund (created and established by Ordinance Number 820303-A) for the payment of principal of and interest on the Series 1982 and Additional Parity Bonds, and to establish and maintain the Required Reserve as provided in said Ordinance or any other ordinance relating to obligations for which the Reserve Fund was created and established to pay, plus (b) an amount equal to 1.25 times the combined annual payments to be made during a Fiscal Year on all Separate Lien Obligations of

the Waterworks and Sewer System for purposes of paying or representing the payment of, principal of and interest on all indebtedness incurred by reason of, resulting from or issued pursuant to such Separate Lien Obligations. For purposes of computing the anticipated Net Revenues of the Waterworks and Sewer System, the Gross Revenues of the Waterworks and Sewer System shall be increased by the anticipated amount of the District Available Revenues, as such term is hereinafter defined. In addition, the City hereby covenants and agrees to establish and maintain rates and charges for facilities and services afforded by the Electric Light and Power System and the Waterworks and Sewer System adequate to provide gross revenues in each fiscal year from each System sufficient:

(a) To pay the respective Maintenance and Operating Expenses thereof;

(b) To provide such amounts as may be required to establish, maintain or restore, as the case may be, a required balance in any reserve or contingency fund created for the payment and security of Separate Lien Obligations;

(c) To produce combined Net Revenues of the System sufficient to pay the amounts required to be deposited in any reserve or contingency fund created for the payment and security of the Priority Bonds, the Series 1982 and Additional Parity Bonds, and any other obligations or evidences of indebtedness issued or incurred that are payable only from and secured solely by a lien on and pledge of the combined Net Revenues of the Systems; and

(d) To produce combined Net Revenues of the Systems (after payment of the amounts required to be paid by paragraphs (b) and (c), above) equal to at least the sum of (1) 1.25 times the annual principal and interest requirements (or other similar payments) for the then-outstanding Priority Bonds and the Separate Lien Obligations and (2) 1.10 times the total annual principal and interest requirements (or other similar payments) for the then-outstanding Bonds and all other indebtedness (except Priority Bonds and Separate Lien Obligations) payable only from and secured solely by lien on and pledge of the Net Revenues of either or both of the Systems.

5.05 The terms and specifications of the Bonds to be issued by the District pursuant to this Contract shall be set forth in a Bond Resolution or Resolutions adopted by the Board of Directors. Approval and execution of this Contract by the City Manager of the City, as authorized by ordinance of the City Council of the City, shall signify not only the acceptance and final approval of this Contract, but also an acknowledgment that the covenants of such Bond Resolution constitute contractual arrangements between District and the purchasers of the Bonds. The City agrees faithfully to perform all of its obligations under this Contract in such a manner as will permit the District to fully perform all of its obligations under the Bond Resolution. The City further agrees that the District, the purchasers of the Bonds and all others concerned in any manner with the issuance of the Bonds and the security of this Contract in support thereof may rely upon a certified copy of the ordinance of the City Council approving and authorizing the execution of this Contract as conclusive evidence of the City's approval and acceptance hereof and of its responsibilities and obligations hereunder.

5.06 All payments made by the City pursuant to Section 5.02(a) of this Contract shall be deposited with the trustee under any trust indenture securing the bonds, or if there is no

trustee, with the depository institution designated as the paying agent for the Bonds, which paying agent shall be approved by the City; provided, however, that such approval shall not be unreasonably withheld. The funds so deposited shall be held and disbursed by the trustee or paying agent for the benefit of the holders of the Bonds from time to time in accordance with the terms and provisions of such Bonds.

VI. DISTRICT'S PRO RATA COSTS OF PROJECT.

6.01 The City agrees that, upon completion of the Project, adequate water distribution, wastewater collection and treatment capacity shall be reserved to serve all land within the District as originally created and to meet the City's other agreed obligations to supply treated water to the District and to collect wastewater therefrom. For and in consideration of the City reserving adequate distribution, collection and treatment capacity on behalf of the District, the District hereby agrees to pay to the City its pro rata share of the principal and/or interest requirements and trustee, registrar and paying agent fees due on the Bonds issued to finance the Project, as indicated on Exhibit "C", attached hereto and incorporated herein by reference for all purposes.

6.02 The District and the City agree that the pro rata share of the costs of the Project to be borne by the District shall be payable in semi-annual installments on or before five (5) business days prior to the due date of each principal and/or interest payment on the Bonds. The District's obligation to make principal payments on the Bonds shall not commence until the fifth anniversary date of the issuance of such Bonds. Each such semi-annual installment shall be in an amount equal to the percentage hereinabove stipulated as applied to the total principal and/or interest requirements and trustee, registrar and paying agent fees due on the Bonds on the principal and/or interest date next following the date a semi-annual installment payment is to be made by the District to the City. An example of the manner in which the semi-annual installments to be made by the District to the City are to be calculated is attached hereto as Exhibit "D" and made a part hereof for all purposes.

6.03 The District hereby covenants and agrees that, after payment of all maintenance and operating expenses of the District's water distribution and sewer collection works, plants and facilities (hereinafter called the "System Facilities"), and subject only to any prior lien on and pledge of the income and revenues derived from the operation and ownership of the System Facilities to the payment and security of bonds (other than the Bonds) issued by the District, the revenues and income derived from the operation and ownership of the System Facilities shall be and are hereby irrevocably pledged to the payments to be made to the City by the District under and pursuant to Section 6.02 above. In this connection and so long as such semi-annual installment payments remain due and owing to the City, the District covenants and agrees to fix and maintain such rates and charges for water and sewer services afforded by the System Facilities as shall be fully sufficient to provide income and revenues at all times adequate to make the contract payments representing the District's pro rata share of the costs of the Project to the City; plus, commencing the fifth (5th) year after the issuance of the Bonds, an amount which, together with any lawfully available funds of the District, including any sums collected from the ad valorem tax described below, shall equal twenty-five percent (25%) of the District's pro rata share of the costs of the Project due in the next succeeding fiscal year (the "District Available Revenues"). Provided, however, the District shall provide such coverage commencing the beginning of the third year after the issuance of the Bonds rather than the

beginning of the fifth year, if such action is determined to be financially sound for the District by an independent certified public accountant auditing the financial position of the District at that time. The payments to the City under and pursuant to Section 6.02 hereof shall additionally be payable from and secured by an ad valorem tax, imposed by the District, unlimited as to rate or amount, which the District agrees to levy, assess and collect, upon all taxable property within the District at the same time as other District taxes are levied, assessed and collected. All of the foregoing provisions for the payments required under and pursuant to the foregoing Section 6.02 by the District to the City are made pursuant to the authority conferred by Sections 54.218 and 54.219 of the Texas Water Code, and pursuant to the approval of the provisions of this Contract, including specifically the levy of taxes by the District to satisfy its obligation herewith, by a majority of the District's electors voting at an election duly held within in the District for that purpose on the _____ day of _____, 198____. The District hereby pledges the employment of these provisions for taxation as the means of making all payments to the City required under this Contract in each and every year when, for any reason, it shall appear that other available sources will not produce funds entirely adequate for such purpose in the succeeding fiscal year.

6.04 It is understood and agreed that, in order to provide for amortization requirements of the City during the period of time the Bonds are outstanding, the City shall have the right to establish and charge a subsequent user fee to all City water or sewer customers connecting to the facilities comprising the Project. In consideration of the District paying a share of the costs of the Project, neither the District nor any customers of the District shall be obligated to pay such subsequent user fee so long as the District is not annexed to the City, it being understood that the District's share of the costs of the Project is to be in lieu of any such subsequent user fees assessed and collected by the City from other customers of the City's Waterworks and Sewer System for connection to the Project.

VII. CONSTRUCTION AND INSURANCE

7.01 The Environmental Board of the City shall have the right to review the initial plans for the alignment and construction of the Project, and shall be invited to make on-site inspections of the Project upon advance notice to the Project manager and accompanied by City personnel during the alignment and construction phases.

7.02 During such time as the District or its contractors engage in construction work in relation to the Project, the District agrees to require all contractors performing such work to provide adequate insurance in relation to the Project and the work being performed as is usually carried by contractors constructing like properties and also to require all contractors to carry worker's compensation insurance. Upon completion of construction of the Project and the dedication thereto to the City under the terms hereof, the City agrees to carry insurance on the Project of a kind and in an amount which is customarily carried by municipal corporations in relation to the ownership and operations of utility properties.

VIII. CONDITIONS PRECEDENT

The obligation of the District to acquire and/or construct the Project shall be conditioned upon the following.

(a) Approval of the Project by the Texas Department of Water Resources, the Texas Department of Health, and any and

all other local, state, or federal agencies having jurisdiction;

(b) Sale of the Bonds in an amount sufficient to pay the costs of the acquisition of the Project and the expenses of issuing the Bonds; and

(c) The District's ability, or the ability of its contractors, using all reasonable diligence, to obtain material, labor, and equipment necessary for the Project.

IX. USE OF CITY'S PROPERTY

By these presents, the City authorizes the District's use of any and all real property, streets, alleys, public ways and places, and general utility or water or sewer easements of the City for the acquisition and/or construction of the Project, so long as such use by the District does not interfere with any lawful use by the City. The City further agrees to provide right-of-way for the Project and to proceed immediately to acquire any necessary right-of-way by purchase, contract, or condemnation. The City's costs of acquiring such right-of-way shall be considered costs of the Project which shall be reimbursed by the District out of the proceeds of the Bonds. Nothing herein shall be construed as limiting the powers of the District to acquire land, easements or right-of-way for any purpose allowed by law. Upon completion of the Project, all easements acquired by the District for the Project shall be dedicated to the City.

X. FORCE MAJEURE

10.01 The term "Force Majeure", as employed herein, shall mean and refer to acts of God; strikes, lockouts, or other industrial disturbances; acts of public enemies; orders of any kind of the Government of the United States, the State of Texas or any civil or military authority; insurrections; riots; epidemics; landslides; lightning; earthquakes; fires; hurricanes; storms; floods; washouts; droughts; arrests; restraint of government and people; civil disturbances; explosions; breakage or accidents to machinery, pipelines, or canals; or other causes not reasonably within the control of the party claiming such inability.

10.02 If, by reason of Force Majeure, any party hereto shall be rendered wholly or partially unable to carry out its obligations under this Contract, then such party shall give written notice and the full particulars of such Force Majeure to the other party within a reasonable time after the occurrence thereof. The obligations of the party giving such notice, to the extent affected by such Force Majeure, shall be suspended during the continuance of the inability claimed, except as hereinafter provided, but for no longer period, and any such party shall endeavor to remove or overcome such inability with all reasonable dispatch.

10.03 It is understood and agreed that the settlement of strikes and lockouts shall be entirely within the discretion of the party having the difficulty, and that the above requirement that any Force Majeure shall be remedied with all reasonable dispatch shall not require the settlement of strikes and lockouts by acceding to the demands of the opposing party or parties when such settlement is unfavorable in the judgment of the party having the difficulty. It is specifically excepted and provided, however, that in no event shall any Force Majeure relieve the City of its obligation to make the contract payments to the District as required by Article V of this Contract or relieve the District of its obligations to make the payments of

its pro-rata share of costs as required by Article VI of this Contract.

XI. REGULATORY BODIES

This Contract, and the acquisition of the Project, shall be subject to all valid rules, regulations, and laws applicable thereto passed or promulgated by the United States of America, the State of Texas, or any governmental body or agency having lawful jurisdiction thereof.

XII. PARTIES IN INTEREST

This Contract shall be for the sole and exclusive benefit of the City, the District and the owners or holders of the Bonds from time to time, and shall not be construed to confer any benefit or right upon any other parties.

XIII. SEVERABILITY

The provisions of this Contract are severable, and if any word, phrase, clause, sentence, paragraph, section or other part of this Contract, or the application thereof to any person or circumstance, shall ever be held by any court of competent jurisdiction to be invalid or unconstitutional for any reason, the remainder of this Contract and the application of such word, phrase, clause, sentence, paragraph, section or other part of this Contract to other persons or circumstances shall not be affected thereby.

XIV. TERM OF CONTRACT

This Contract shall be in force and effect for so long as the Bonds, or any of them, remain outstanding and unpaid; provided, however, that in no event shall the term of this Contract exceed forty (40) years from the date of execution hereof by the District.

XV. EXECUTION OF CONTRACT

This Contract may be executed by the City prior to the creation of the District and such execution shall be effective for a period of one (1) year pending creation of and confirmation of the creation of the District, and the approval and execution of this Contract by the Board of Directors of the District, and shall thereafter be binding upon the City and District in accordance with its terms.

XVI. REMEDIES UPON DEFAULT

It is not intended hereby to specify (and this Contract shall not be considered as specifying) an exclusive remedy for any default, but all such other remedies (other than termination) existing at law or in equity may be availed of by either party hereto and shall be cumulative. Recognizing however, that the City's undertaking to supply treated water to the District and to collect wastewater therefrom hereunder is an obligation, failure in the performance of which cannot be adequately compensated in money damages alone, the City agrees, in the event of any default on its part, that the District shall have available to it the equitable remedy of mandamus and specific performance in addition to any other legal or equitable remedies (other than termination) which may also be available. Recognizing that failure in the performance of the District's obligation hereunder could not be adequately compensated in money damages alone, the District agrees in the event of any default on its part that the City shall have available to it the equitable remedy of mandamus and specific performance in

addition to any other legal or equitable remedies (other than termination) which may also be available to the City.

XVII. CONFLICTS

To the extent that any provision of any contract or agreement to which both the City and the District are parties conflicts with the provisions of this Contract, the terms and provisions of this Contract shall prevail.

IN WITNESS WHEREOF, the District and the City, each acting under authority of their respective governing bodies, have caused multiple originals of this Contract to be duly executed, each of such to be of equal dignity, as of the date hereinabove first mentioned.

APPROVED AS TO FORM:

CITY OF AUSTIN, TEXAS

City Attorney

By: _____
City Manager

Date: _____

NORTHTOWN MUNICIPAL UTILITY
DISTRICT NO. 1

By: _____
President, Board of Directors

Date: _____

5136R

EXHIBIT "A"

Project Facilities

WATER

1. 48-inch main from the North Lamar Transmission Main east to the first 10 million gallon reservoir constructed by the District.
2. 48-inch main from the first 10 million gallon reservoir to the M.K.T. Railroad right-of-way.
3. 36-inch main from the M.K.T. Railroad right-of-way where the 48-inch main ceases to the 24-inch main in the Copperfield Subdivision to complete the loop.
4. 36-inch main from the 48-inch main termination at the M.K.T. Railroad right-of-way north to present F.M. 1825.
5. Two ten (10) million gallon reservoirs of which the first reservoir shall be completed by December 31, 1987.
6. Land acquisition for location of an additional twenty (20) million gallon reservoir at the election of the City.

WASTEWATER

1. An interceptor in Harris Creek sized to accommodate the Upper Gilleland and Harris Creek basins.
2. The Upper Gilleland Interceptor and pumpover facilities to the Harris Branch Interceptor.
3. An extension of the Harris Branch Interceptor to the confluence of Gilleland and Harris Creeks.
4. Pumpover facilities at the confluence point of Harris Creek and Gilleland to the Walnut Creek Interceptor.

5136R

EXHIBIT "B"

PROJECT MANAGER

Project managers for Project improvements shall be as follows:

A. District:

1. 48" water line
2. 10 M.G.D. Reservoir
3. 36" water line North to F.M. 1825
4. Upper Harris Branch wastewater interceptor
5. Uper Gilleland Branch wastewater interceptor and pumpover

B. City:

1. 36" water line to Copperfield
2. Second 10 M.G.D. water reservoir
3. Acquisition of land for third and fourth reservoir phases
4. Lower Harris Branch wastewater interceptor
5. Pumpover facilities from Lower Harris Branch to Walaut interceptor

5136R

**CONTRACT BOND ISSUE SUMMARY
(Construction Costs)**

FACILITY	TOTAL COSTS	DISTRICT SHARE
<u>Water</u> (24.27% District Share)		
48" water line along Dessau Lane which extends from North Lamar to M.K.T. right of way	\$ 4,100,000	\$ 733,975
36" water line which extends to Pflugerville	1,080,000	-0-
36" water line which ties into 24" at Yaeger Lane	2,280,000	522,125
20 mg Reservoir	<u>8,240,000</u>	<u>2,554,000</u>
Subtotal Water	\$15,700,000	\$ 3,810,100
<u>Wastewater</u> (9.66% District Share)		
18" line to serve Upper Gilliland Basin	\$ 400,000	-0-
30" line to serve Upper Gilliland Basin	1,000,000	-0-
36" line to serve Upper Gilliland Basin	450,000	-0-
15,000 GPM Lift Station (Pumps Upper Gilliland to Harris)	1,125,000	-0-
30,000 GPM Lift Station (Pumps Upper Harris and Gilliland to Walnut)	3,000,000	332,700
30" force main which serves Upper Gilliland to Harris	1,800,000	-0-
18" line which serves Upper Harris	1,650,000	348,950
24" line which serves Upper Harris	1,125,000	206,100
36" line which serves Lower Harris and Upper Gilliland	1,350,000	149,700
42" line which serves Lower Harris and Upper Gilliland	2,975,000	329,900
48" line which serves Lower Harris and Upper Gilliland	2,100,000	232,900

36" force main which serves 30,000 GPM Lift Station	750,000	83,200
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10,400 foot 48" Gravity Line which also serves 30,000 GPM lift station	<u>2,080,000</u>	<u>230,700</u>
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Subtotal Wastewater	\$19,805,000	\$ 1,914,150
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Subtotal Water & Wastewater	\$35,505,000	\$ 5,724,250
Engineering	3,550,500	572,425
Contingencies	<u>3,905,550</u>	<u>629,662</u>

Subtotal	\$42,961,050	\$ 6,926,337
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Non-Construction Costs

<u>Facility</u>	<u>Total Cost</u>	<u>District Share 16.12%</u>
Legal	\$ 407,250	\$ 65,649
Fiscal Agent	183,250	29,540
Bond Discount	1,345,000	216,814
Capitalized Interest	14,122,500	2,276,547
Reserve Fund	8,200,000	1,321,840
Cost of Issuance	<u>30,950</u>	<u>4,989</u>
Subtotal Non-Const. Costs	\$24,288,950	\$ 3,915,379
Total Contract Bonding	\$67,250,000	\$10,841,716

EXHIBIT "C"
TO UTILITY CONTRACT

FORMULA FOR
NORTHTOWN MD #1

DISTRICT'S PRO RATA SHARE

The calculation of the District's pro rata share of the Debt Service Payment is based on the following formula:

Pro rata share X CR X DSP

Debt Service Payment (DSP)

Semi-annual Debt Service Payment (DSP) to be made by the City to the paying agent shall equal the total semi-annual principal, interest, and paying agent fees. For its participation, the District will pay to the City the pro rata share as calculated by the formula.

Construction Ratio (CR) for Each Project

Proceeds Applied to Construction of Each Project
Total Proceeds Applied to Construction of All Projects

Total Construction of all Projects - \$42,961,050

External Water Improvements CR = $\frac{18,997,000}{42,961,050} = .4422$

External Wastewater Improvements CR = $\frac{23,964,050}{42,961,050} = .5578$

District Share of Debt Service Payment calculated as follows for each project:

	<u>Pro rata share</u>	<u>X</u>	<u>CR</u>	<u>X</u>	<u>DSP</u>
External Water Improvements	24.27%	X	.4422	X	DSP
External Wastewater Improvements	9.66%	X	.5578	X	DSP

EXHIBIT D
To Utility Contract

EXD to CFO

FEEs FROM SALE OF WATER AND/OR SEWER TAPS
("Capital Recovery" Fee)

A base fee of \$2,000 per living unit equivalent for each combined water and wastewater tap sold by the Northtown Municipal Utility District No. 1 and purchased by any person shall be charged and collected by the District for all taps on any residential, office, retail, commercial or industrial property. The number of living unit equivalents shall be determined by the meter size of the tap requested as shown in Table 1. The method of calculating LUE's shown in Table 1 shall be applicable only to the fees defined in this Exhibit. The base fee shall be increased or decreased for single-family detached residences as indicated in Table 2 below.

An offset to the fee, as calculated in Table 3, shall be allowed in the amount of \$1,275.30 per LUE to purchasers of combined taps which will be installed within the territorial boundaries of the District. Such offset takes into consideration the purchaser's share of the District's pro-rata share of the Contract Bonds plus soft costs per LUE associated with the District's pro-rata share of the Contract Bonds. The offset to the fee shall be recalculated if the total number of LUE's, the dollar amount of Contract Bonds, or the District's pro-rata share of the Contract Bonds changes.

The offset shall be calculated as follows:

$$A = \frac{d}{I}$$

Where:

- A - Offset to fee from sale of water and/or sewer taps.
- d - The ten year sum of the District's Pro Rata share of the Contract Bond Debt Service Requirement, including both Principal and Interest, after adjusting for the District's Pro Rata share of interest earnings from the Reserve Fund.
- I - The total number of LUE's projected to be in use within the District at full buildout.

EXHIBIT E
to Creation and Operation Agreement

TABLE 1

Meter Size	Living Unit Equivalent
5/8"	1
3/4"	1.5
1"	2.5
1 1/4"	5
2"	8
3"	15
4"	25
6"	80
8"	140
10"	220
12"	270

EXHIBIT "E"
to Creation and Operation Agreement

TABLE 2

Square Feet of Floor Area	Fee
2401 or more	\$2,500 per LUE
2301 - 2400	2,400
2201 - 2300	2,300
2101 - 2200	2,200
2001 - 2100	2,100
1901 - 2000	2,000
1801 - 1900	1,900
1701 - 1800	1,800
1601 - 1700	1,700
1501 - 1600	1,600
1401 - 1500	1,500
1301 - 1400	1,400
1201 - 1300	1,300
1101 - 1200	1,200
1001 - 1100	1,100
901 - 1000	1,000
801 - 900	900
701 - 800	800
601 - 700	700
501 - 600	600
500 or less	500

Square footage excludes garages and carports.

ROCHSTER HED #1

CAPITAL RECOVERY FEE OFFSET CALCULATION

Table 3

	<u>Annual Contract Bond Debt Service</u>	<u>Net Debt Service</u>	<u>Districts Share (16.12%)</u>
1987	5,040,000	-0-	-0-
1988	7,061,250	-0-	-0-
1989	7,061,250	6,200,250	999,481
1990	7,061,250	6,200,250	999,481
1991	7,861,250	7,000,250	1,128,440
1992	8,177,250	7,316,250	1,179,380
1993	8,151,250	7,290,250	1,175,188
1994	8,189,750	7,328,750	1,181,395
1995	8,159,875	7,298,875	1,176,579
1996	8,167,000	7,306,000	1,177,727
			<u>\$9,017,671</u>

Total District Contribution \$9,017,671

Total LUE's (at buildout) 7,071

Debt Service

Offset per LUE \$1,275.30

EXHIBIT "E"
TO CREATION AND OPERATION AGREEMENT

SURCHARGE CALCULATIONS

Surcharge calculations based on $A = P \frac{i(1+i)^n}{(1+i)^n - 1}$

Monthly Surcharge
Per DUE = $\frac{A}{12 \times \text{No. of Equivalent Residential Units}}$

A = Total yearly debt service assuming full buildout.
i = Average annual effective bond interest rate.
n = Number of years in debt retirement period, exclusive of two years of capitalized interest.
P = Total projected bond amount including all construction, engineering and contingencies.

DUE's = "Dwelling Unit Equivalents" which shall be calculated in the following manner:

<u>Land Use</u>	<u>DUE</u>
Single Family Detached	1.0 x each house
Duplex, Townhouse, FUD	1.0 x each unit
Apartment/Condominium	1.0 x each unit
Office, Retail, Commercial, Industrial	10.9 x each acre

Calculation:

Water	\$2,230,305
Wastewater	3,224,458
Int./Drainage	1,898,921
Contingency	735,368
Engineering	811,914
	<u>\$8,900,966</u>

10,460 DUE's

Total Hard Costs = \$ 9,773,618 (1)
Total Bonds = \$17,750,000

= .55

(1) Includes both internal District items (\$8,900,966) and external facilities which will be financed by District Bonds (\$872,652).

Surcharge Calculation

\$8,900,966 ÷ .55
16,183,574.54 x .13224
2,140,115.897 ÷ 12
178,342.99 ÷ 10460 = \$17.05

Therefore, the surcharge shall be \$17.05 per DUE unless a recalculation of the surcharge is required as provided in this agreement.

EXHIBIT "F"
TO CREATION AND OPERATION AGREEMENT

PARKLAND FACILITIES

Olympic Pool & Bathhouse (50 Meters)	1,200,000
Multi-purpose fields (softball, soccer, football)	25,000
Basketball courts incl. lighting & fencing (4 units)	200,000
Roads/walks/parking	200,000
Picnic area with shelter, tables, BBQ units	65,000
Restrooms (2)	40,000
Water and sewer line extensions/hose bibs	25,000
Landscaping including plant materials, top soil, etc.	<u>15,000</u>
TOTAL	1,770,000

E. L. H.

AGREEMENTS BETWEEN CITY OF AUSTIN AND NORTHTOWN MUNICIPAL UTILITY DISTRICT NO. 1

Item No.	Date of Full Execution	Name of Agreement
1.	1/6/1986	Agreement Concerning the Creation and Operation of Northtown Municipal Utility District No. 1
2.	1/6/1986	Utility Construction Contract Between The City of Austin, Texas and Northtown Municipal Utility District No. 1
3.	4/16/1990	First Amendment to the Utility Construction Contract Between The City of Austin, Texas and Northtown Municipal Utility District No. 1
4.	4/16/1990	First Amendment to the Agreement Concerning the Creation and Operation of Northtown Municipal Utility District No. 1
5.	11/30/1994	Second Amendment to the Agreement Concerning the Creation and Operation of Northtown Municipal Utility District No. 1
6.	11/30/1994	Third Amendment to the Agreement Concerning the Creation and Operation of Northtown Municipal Utility District No. 1
7.	7/24/1995	Interlocal Agreement for the Provision of Temporary Pass-Through Service and for the Construction of Wastewater Facilities to Serve Northtown Municipal Utility District No. 1 and the Surrounding Region
8.	8/30/1995	Agreement for Purchase of Wastewater Line
9.	8/25/1997	Fourth Amendment to the Agreement Concerning the Creation and Operation of Northtown Municipal Utility District No. 1
10.	4/3/1998	Interlocal Agreement Regarding the Temporary Wholesale Service Between Pflugerville, Northtown Municipal Utility District No. 1 and Austin
11.	2/23/2000	Fifth Amendment to the Agreement Concerning the Creation and Operation of Northtown Municipal Utility District No. 1
12.	5/9/2002	Agreement Terminating July 24, 1995 Interlocal Agreement for the Provision of Temporary Pass-Through Service and for the Construction of Wastewater Facilities to Serve Northtown Municipal Utility District No. 1 and the Surrounding Region
13.	5/13/2003	Sixth Amendment to the Agreement Concerning the Creation and Operation of Northtown Municipal Utility District No. 1
14.	9/26/2003	Agreement Regarding Escrow of Bond Proceeds
15.	10/20/2004	First Amendment to Interlocal Agreement Regarding the Temporary Wholesale Service Between Pflugerville, Northtown Municipal Utility District No. 1 and Austin
16.	2/13/2006	Interlocal Agreement Regarding Retail Water and Wastewater to Lake at Tech Ridge Development
17.	4/27/2006	Amendment No. 1 to Agreement Regarding Escrow of Bond Proceeds
18.	6/28/2006	Seventh Amendment to the Agreement Concerning the Creation and Operation of Northtown Municipal Utility District No. 1
19.	8/29/2006	Tri Party Agreement between Austin, Aus-Cal, L.L.C., Tex Aust L.L.P., Dessau Fountains Estates, L.L.C., and Northtown Municipal Utility District No. 1

AGREEMENTS BETWEEN CITY OF AUSTIN AND NORTHTOWN MUNICIPAL UTILITY DISTRICT NO. 1

20.	8/28/2008	Letter of Agreement regarding Tri Party Agreement between Austin, Aus-Cal, L.L.C., Tex Aust L.L.P., Dessau Fountains Estates, L.L.C., and Northtown Municipal Utility District No. 1
21.	11/21/2008	Eighth Amendment to the Agreement Concerning the Creation and Operation of Northtown Municipal Utility District No. 1
22.	10/28/2008	Assignment of Easements
23.	4/20/2009	Amendment No. 1 to Interlocal Agreement Regarding Retail Water and Wastewater to Lake at Tech Ridge Development
24.	8/9/2010	Ninth Amendment to the Agreement Concerning the Creation and Operation of Northtown Municipal Utility District No. 1
25.	9/20/2010	Tenth Amendment to the Agreement Concerning the Creation and Operation of Northtown Municipal Utility District No. 1
26.	5/13/2013	Eleventh Amendment to the Agreement Concerning the Creation and Operation of Northtown Municipal Utility District No. 1
27.	10/17/2016	Twelfth Amendment to the Agreement Concerning the Creation and Operation of Northtown Municipal Utility District No. 1

THE STATE OF TEXAS |
COUNTY OF TRAVIS |

KNOW ALL MEN BY THESE PRESENTS:

THAT FOR and in consideration of the mutual agreements, conditions, covenants and terms hereinafter contained, the City of Austin and Travis County Water Control and Improvement District No. 10 mutually covenant and agree as follows:

ARTICLE I - Delivery of Water

(a). During the term of this contract City agrees to sell to District, subject to the limitations hereinafter expressed, and District agrees to purchase from City all water required for the operation of District's system within the limits of District for domestic and industrial uses, such water to be supplied from City's water distribution system and delivered at a point in the right-of-way of Red Bud Trail at its intersection with Rocky River Road, in a sixteen inch (16") water main to be constructed under the terms of this agreement.

(b). City shall deliver water to District at a minimum pressure of twenty-five (25) pounds at the master meter or at the point of delivery.

(c). City shall furnish such supply of water as will be adequate to care for the needs of District for domestic and industrial uses, subject at all times to the capacity of its facilities to furnish water to the District after supplying water for all municipal, domestic and industrial uses within the City limits, and after meeting all obligations of the City to supply water, resulting from contracts heretofore executed between the City and other water control and improvement Districts.

(d). No such water delivered to the District by the City under the terms of this contract, shall be sold, or delivered to consumers outside the limits of the District without the written consent of the City; nor shall the District sell or deliver any of such water to any customer who shall offer such water for resale. No such water delivered to the District shall be sold or delivered to customers in any subdivision within the District and within five (5) miles of the corporate boundaries of the City of Austin until such subdivision has been approved by the Planning Commission of the City of Austin, if said subdivision lies outside the Village of West Lake Hills, or approved by the governing body or planning commission of the Village of West Lake Hills if said subdivision lies within said Village. No such water shall be sold or delivered to any customer at any point outside of the present outer perimeter of the limits of the Village of West Lake Hills at any location which is within the limits of any city, town, or village other than the City of Austin.

(e). City shall not be liable to the District or any of its customers, or others for its failure to deliver water to the District where such failure results from the impairment of its facilities, strikes, or conditions beyond its control.

(f). In every instance where the City of Austin is given a right by this contract to furnish any material or do or perform any act in the District, City may furnish any such material or do or perform any such act, but in no event shall it ever be required to do so.

ARTICLE II - Rates

(a) District agrees to pay City for all water delivered to District one and one-half (1-1/2) times the rate fixed by the City for retail consumers within the City Limits for like quantities.

(b) City shall render a bill to District for water consumed once each month.

(c) Payments shall be made by District within fifteen (15) days from the billing date for the water delivered to District during the period covered by such bill. Failure to make such payment when and as specified will terminate all obligations of City under this contract, at the option of the City.

(d) The service deposits made by individual customers of District shall be held by the City for the benefit of the District.

(e) Water consumed by the District shall be measured by a compound master water meter of suitable size which shall be installed at the point of delivery of water.

(f) District shall charge its individual customers within District such uniform rate or rates as District shall determine.

ARTICLE III - Construction

District shall construct its own mains and service lines for the transmission and delivery of water within District and shall use City Standard Specifications, and there shall be no privately owned mains or service lines within such District.

ARTICLE IV - Present Customers in District

All customers who are now served by lines within the District connected with water lines of the City of Austin shall become customers of the District.

ARTICLE V - Bonds and Duration of Contract

(a) Inasmuch as any water Improvement Bonds sold by the District may later be assumed by the City, no bonds shall be sold by the District except

for prices, interest rates, and redemption premiums approved by the City. The Water Improvement Bonds of District shall be callable fifteen (15) years from their date or on any interest paying date thereafter (by giving due notice as provided for in the bonds) and City shall have the option two (2) years after the date of this contract, and on any interest paying date thereafter, to buy the system from District for a price represented by the outstanding bond debt and interest thereon, less funds on hand in the Bond Fund and all other net cash assets of District, upon ninety (90) days' notice prior to any interest paying date thereafter. Any such sale shall be conducted and concluded according to the laws of the State of Texas.

(b). Whenever during the life of this contract the City extends its limits to include any part of the water system of the District, the City shall have the option at any time within one year thereafter to purchase the part of the system so included in the City for the proportionate part of the outstanding indebtedness of the District which the cost of the part so included bears to the total cost of the system, or which the net revenue produced during the year preceding the exercise of such option from the part so included bears to the total net revenue of the District during such year, whichever amount is the greater. Any amounts so paid by the City shall be applied to payment of the outstanding indebtedness of the District.

(c). This contract shall be effective from this date and shall continue in effect for a period of thirty (30) years, but may be terminated at the option of either party hereto by giving twelve (12) months written notice to the other party; upon the expiration of twelve (12) months from the delivery of such notice this contract shall come to an end.

ARTICLE VI - Operation and Management

(a). The City agrees to operate and manage the District's water system for District and further agrees that such operation and management shall be in accordance with the current system and practices followed by said City in the operation of its own water system.

(b). City shall assume operation and management of such water system from the date upon which such system is put into operation. And in this connection it is agreed and stipulated that from and after such date the City shall have complete control and management of such system, including reading of the meters of District's customers and any and every other thing necessary or incident to the operation and management of an efficient water system, including the servicing of District's outstanding bonds. The City shall disconnect and discontinue service of any customers who may be connected to the District's water system in violation of this contract.

(c). In order to encourage the extension and development of District's Water system, the District may enter into refund contracts with subdividers within the District; such contracts shall provide for the extension of the water mains to serve such subdivided territory the cost of such extension or extensions to be financed by subdivider and such contracts to provide for refund of such cost to the subdivider as follows:

At the end of the fourth year after the completion of such extension or extensions the District shall refund to such subdivider an amount not to exceed one-half of the total amount of water bills of customers served by and directly connected to such extension or extensions for the preceding year, based upon whatever rates may be charged by the District or any successor of District serving such customers during such year; and at the end of each year thereafter District shall refund to such subdivider an amount not to exceed one-half (1/2) of the total amount of the water bills of customers served by and directly connected to such extension or extensions, based upon whatever rates may be charged by the District or any such successor during such years, such payments to continue for a period of ten (10) years or until the total amount of the cost of such improvements has been refunded, whichever occurs first. Such contracts shall also provide that title to such extension or extensions shall be in the District and that no part of title to such extension or extensions shall remain in the subdivider.

If and when the City exercises its option to purchase such water system or any part thereof from District, City agrees to assume all outstanding obligations of District under all refund contracts involving extensions in approved subdivisions directly connected to the part of the system purchased.

(d). In consideration of its services in this regard the City shall receive the following fees:

(1). For reading meters, billing and collecting from District's customers, the sum of sixty cents (60¢) per bill; provided, however, that such sixty cents (60¢) charge is based on the salary scale existing for city employees as of July 3, 1953, and that for any change in such salary scale, whether an increase or decrease, there shall be a corresponding proportionate change in the charge made under this subsection.

(2). Service charge for maintenance of such water system the sum of forty cents (40¢) per customer per bill. Provided, however, that at the end of each calendar year there shall be an accounting and an adjustment of the fund so accumulated. If the actual cost of maintenance exceeds the total amount of such fees collected then the District shall pay to the City an amount equal to such excess, but if the actual cost of maintenance is less than such accumulated fund, then the excess of such fund over and above the actual cost of such maintenance shall be paid by the City over to the District.

(3). Connection charge for new customers connected to such system from and after the date upon which the City assumes control and management of such system shall be according to the schedule shown upon the attached rate schedule.

Wherever in this Section (Article VI-d) the term "actual cost" is used, such term means the actual cost of labor and materials plus ten (10%) per cent of such amount for administrative overhead; and for any other service rendered by the City for the District in pursuance of this contract it shall receive as a fee therefor the actual cost, as above defined, to it of such service.

(e). The City shall receive from each individual customer within the District a service deposit as shown upon the attached rate schedule; and neither the City nor the District shall furnish water to any customer until such contract sum has been deposited.

(f). City agrees, in the event it exercises its option to purchase the water system from the District to honor all valid obligations of the District to make refunds to customers of the District who have extended the water system under the terms of a refund contract with the District.

(g). Wherever under the terms of this contract the City is entitled to receive any amount of money, such amount shall be deducted by the City from the fund in its possession derived from collections made for the benefit of the District.

(h). The District shall not furnish water to any customer in a subdivision unless such subdivision complies with the provisions of Article 974a, Vernon's Annotated Civil Statutes of Texas, and with the regulations of the City of Austin concerning subdivisions, if said subdivision lies outside the Village of West Lake Hills and with the regulations of the Village of West Lake Hills if said subdivision lies within the Village of West Lake Hills.

ARTICLE VII - Ratification and Execution

(a). All the stipulations, promises, undertakings and agreements herein contained by or on behalf of either City or District shall bind the successors and assigns of either party whether so expressed or not; but neither City nor District shall have the right to assign this contract or any part thereof without the consent of the other party.

(b). Either party may waive any default on the part of the opposite party in respect to any provision of this contract without affecting any other provision of the contract; and a waiver of any one default shall not be deemed a waiver of any other or subsequent default or defaults. No delay by either party in enforcing any of its rights under this contract shall be deemed a waiver of such rights.

(c). In the event either party fails to diligently and punctually perform and comply with any of its obligations under this contract, within the time and in the manner herein provided, such failure shall, at the option of the other party, terminate this contract.

(d). This contract shall be automatically terminated in the event District sells or delivers water to any customer at any point outside of the present outer perimeter of the limits of the Village of West Lake Hills at any location which is within any city, town, or village other than the City of Austin.

ARTICLE VIII - Approach Main Construction and Reimbursement

(a). Under the supervision of City, and at unit and total prices approved by City, District agrees to cause the following described extension to be made to City's water system, and to furnish all labor, tools, equipment, implements, appliances, materials and funds necessary to construct the same, to wit:

A sixteen inch steel cylinder water pipe line in Red Bud Trail from the east line of Districts booster pumping station site described in Article IX below, and City's water distribution main at the intersection of Red Bud Trail and Lake Austin Blvd.

(b). District agrees that title to said improvement shall pass to City upon acceptance and approval thereof by City after payment by District of all contractors, materialmen, and laborers. District agrees to cause said improvement to be commenced by reliable independent contractors selected upon the basis of being the lowest and best bidders for said work under sealed bids made upon the work to be done and materials to be furnished according to plans and specifications approved in advance of bid opening by City.

(c). Immediately upon completion of the improvements described in Paragraph I, District will furnish City a statement of the actual cost of such work. City will reimburse to District the total cost of such work, in five equal installments, without interest, to become due and payable on or before the first day of July in each of the years 1958, 1959, 1960, 1961 and 1962.

10,161.15 annually

ARTICLE IX- Site for Booster Pump Station Granted

50,805.75

City hereby grants District the right to construct a booster pumping station and to maintain the same upon the land more particularly described below so long as this contract shall remain in full force and effect, to wit:

Being part of a 43.596 acre tract conveyed to the City of Austin, Travis County, Texas, and more particularly described by metes and bounds as follows to wit:

Beginning at a point in the north right of way line of Red Bud Trail a street in the City of Austin, said point of beginning being N 68° 25' W. 695.56 feet from the point of intersection between the North right of way line of Red Bud Trail and the

common boundary line between the City of Austin 43.596 acre tract and a 97.15 acre tract owned by the University of Texas;

Thence leaving said point of beginning N. 21° 35' E. 67.33 feet to a point;

Thence N. 68° 25' W. 58.67 feet to an iron pin;

Thence S. 21° 35' W. 67.33 feet to an iron pin in the North right of way line of Red Bud Trail and the most Western corner hereof;

Thence with the north right of way line of Red Bud Trail S. 68° 25' E. 58.67 feet to the Point of Beginning and containing 0.092 acres.

ARTICLE X.- Special Provisions in Event Contract is Terminated

(a) In the event that City should terminate this contract City hereby agrees to grant to District for the consideration hereinafter provided, easements for the following purposes upon the premises described as follows, to wit:

(1) To be used as a site for a water treatment plant:

Being part of a 43.596 acre tract conveyed to the City of Austin, Travis County, Texas, and more particularly described by metes and bounds as follows to wit:

Beginning at an iron pin in the North right of way line of Red Bud Trail, a street in the City of Austin, Travis County, Texas, said point being N. 68° 25' W. 18.13 feet from a point where the North right of way line of Red Bud Trail intersects the common boundary line between the City of Austin 43.596 acre tract and a 97.15 acre tract owned by the University of Texas;

Thence leaving said Point of Beginning N. 30° 15' E. 350 feet along the West right of way line of a 10 foot egress and ingress easement to an iron pin;

Thence N. 68° 25' W 207.73 feet to an iron pin being the most Northern corner hereof;

Thence S. 30° 15' W. 350 feet to an iron pin in the North Right of Way line of Red Bud Trail and being the most Western corner hereof;

Thence S. 68° 25' E. 207.73 feet along the North right of way line of said Red Bud Trail to the Point of Beginning and containing 1.65 acres more or less.

(2) To be used as a site for a booster pumping station:

That certain tract particularly described by metes and bounds in Article IX of this contract.

(3) To be used for a water intake line:

Being part of a 43.596 acre tract conveyed to the City of Austin, Travis County, Texas, and more particularly described by metes and bounds as follows to wit:

Beginning at a point in the North right of way line of Red Bud Trail, said point being N. 68° 25' W. 13.07 feet from the point of intersection between the North right of way line of Red Bud Trail and a common boundary line between a 43.596 acre tract owned by the City of Austin and a 97.15 acre tract owned by the University of Texas;

Thence leaving said point of beginning N. 30° 15' E. 405.06 feet along the center line of a 10 foot proposed egress and ingress easement, said centerline being parallel and 5 feet from the East boundary line of a 1.65 acre filter plant site tract;

Thence continuing along the centerline of proposed 10 foot easement N. 29° 07' W. 115.85 feet to a point;

Thence N. 21° 24' W. 146.76 feet to a point;

Thence N. 10° 39' W. 108.28 feet to a point;

Thence N. 31° 47' E. 264.40 feet to a point;

Thence N. 53° 57' E. 387.15 feet to a point;

Thence N. 41° 36' E. 180.92 feet to a point;

Thence N. 84° 48' E. 54.50 feet to a point in the centerline of a proposed 15 foot easement;

Thence along the centerline of said proposed 15 foot easement N. 14° 29' E. 162.42 feet to a point;

Thence N. 20° 52' E. 205.07 feet to a point;

Thence N. 45° 56' E. 173.23 feet to a point;

Thence S. 65° 46' E. 80.72 feet to a point at the approximate edge of Lake Austin;

(b). In the event that City should terminate this contract within five years from its date, the consideration for all said easements to be granted to District shall be Ten Thousand Dollars (\$10,000.00), but if said contract be terminated by City after five years from its date the consideration therefor shall be Ten Thousand Dollars (\$10,000.00) plus Five Hundred Dollars (\$500.00) for each year or fraction of a year in excess of ten years that said contract shall have been in force at the time of such termination.

(c). In the event this contract is terminated, title to that portion of the 16" steel cylinder pipe line which lies in Red Bud Trail between the "beginning" point described in Article IX hereof, and the "beginning" point described in (a) (1) of this Article X shall revert to District and District shall refund to City the cost paid by City for said portion of said line.

ARTICLE XI - Costs of Expansions to Distribution System to Serve District.

It is understood and agreed that City's existing distribution system for the delivery of water to District will be enlarged and expanded between West 35th Street and Enfield Road and between Enfield Road and Red Bud Trail in order to serve District's needs, and for that purpose District agrees:

(a) Either to furnish in aid of such construction the sum of Forty Thousand Dollars (\$40,000.00) in cash upon demand by City to aid in such construction, to be reimbursed to District by City in five equal annual installments, without interest, to become due and payable on or before the first day of July in each of the years 1959, 1960, 1961, 1962 and 1963;

(b) Or, in the alternative, and at the option of City, District agrees to pay to City as a fixed connection charge the sum of Six Thousand Dollars (\$6,000.00), no part of which said sum is to be refunded to District.

IN TESTIMONY WHEREOF, the City of Austin, Texas, has executed these presents by its City Manager, hereunto authorized by the City Council, attested with the City's seal by the City Clerk, and the Travis County Water Control and Improvement District No. 10 has executed the same by the President of the Board of Directors, and has caused its seal to be affixed and attested by its Secretary all as of the 12 day of June, 1957.

CITY OF AUSTIN

By Ed Carson
City Manager

ATTEST:

Edna Mosley
City Clerk

TRAVIS COUNTY WATER
CONTROL AND IMPROVEMENT
DISTRICT NO. 10

By Ben F. Cook
President

ATTEST:

W. H. [Signature]
Secretary

THE STATE OF TEXAS |
COUNTY OF TRAVIS |

BEFORE ME, the undersigned authority, on this day personally appeared W.T. Williams, Jr., City Manager of the City of Austin, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same as the act and deed of the City of Austin for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL of office, on this the 13th day of JUNE, 1957.

Blanche T. Taylor
Notary Public in and for Travis
County, Texas

THE STATE OF TEXAS |
COUNTY OF TRAVIS |

BEFORE ME, the undersigned authority, on this day personally appeared R. J. P. P., known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same as the act and deed of Travis County Water Control and Improvement District No. 10, and as the President of the Board of Directors thereof, and for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 17 day of July, 1957.

Chas. H. P. P.
Notary Public in and for Travis
County, Texas

THE STATE OF TEXAS :
COUNTY OF TRAVIS :

On this the 20th day of May, 1957, the Board of Directors of Travis County Water Control and Improvement District No. 10 convened in special session at the regular meeting place thereof, with the following members present, to-wit:

BEN G. RISKE, President
L. M. WAITE, Director
F. C. McCONNELL, Director
HARRY K. HAUGE, Director
P. S. MARGUM, Secretary,

and, among other proceedings had, the following RESOLUTION was adopted:

RESOLUTION

AUTHORIZING THE PRESIDENT AND SECRETARY OF THE BOARD OF DIRECTORS TO EXECUTE A CONTRACT WITH THE CITY OF AUSTIN TO SUPPLY WATER TO TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 10 AND TO PERFORM NECESSARY SERVICES IN CONNECTION THEREWITH.

WHEREAS, Travis County Water Control and Improvement District No. 10 has been heretofore legally organized; and,

WHEREAS, at an election held on April 27, 1957, bonds of said District in the amount of \$850,000.00 were duly and legally authorized for the purpose of financing the purchase, improvement, construction and installation of a waterworks system for said District, including acquisition of necessary lands and equipment therefor and all other things necessary or incidental thereto; and,

WHEREAS, it is contemplated that the District will purchase from the City of Austin all water required for the operation of the District's system;

WHEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF TRAVIS
COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 10:

That the President and Secretary of the Board of Directors
be, and they are hereby authorized, instructed and directed to
execute a contract with the City of Austin, Texas, in which con-
tract the City agrees to sell to the District, and the District
agrees to purchase from the City, all water required for the
operation of the District's system within the limits of the
District, such water to be supplied from the City's water distri-
bution system.

That the President and Secretary of the said Board of
Directors are authorized, instructed and directed to perform
all necessary services in connection with the execution of said
contract.

The above resolution being read, it was moved and seconded
that same do pass. Thereupon, the question being called for,
the following members of the Board voted AYE: Directors Waite,
McConnell, Hauge and Mangum; and the following voted NO: NONE.

ADOPTED AND APPROVED this the 20th day of May, 1957.

/s/ BEN G. RISKE
PRESIDENT, BOARD OF DIRECTORS

ATTEST:

/s/ P. S. MANGUM
SECRETARY

AGREEMENTS BETWEEN CITY OF AUSTIN AND WATER CONTROL AND IMPROVEMENT DISTRICT NO. 10

Item No.	Date of Full Execution	Name of Agreement
1.	6/13/1957	Water Service Agreement
2.	2/7/1979	Amendment to Water Service Agreement
3.	8/24/1990	Water Rate Settlement Agreement
4.	8/30/1990	Water Service Contract Between the City of Austin and Water Control and Improvement District No. 10
5.	10/01/1992	Ordinance No. 921001-D Approving Annexation of 113.5 Acres into Water Control and Improvement District No. 10
6.	2/3/1994	Ordinance No. 940203-E Approving Annexation of 41 tracts into Water Control and Improvement District No. 10
7.	6/22/1995	Ordinance No. 950622-C Approving Annexation of 12.14 Acres into Water Control and Improvement District No. 10
8.	8/17/1995	Ordinance No. 950817-F Authorizing Terms, Conditions, and Covenants of the Bond Order of Water Control and Improvement District No. 10
9.	7/1/1996	Interlocal Agreement Regarding Use of Water Control and Improvement District No. 10 Water Main to Transport Water to Brady Lane Area
10.	4/24/1997	Ordinance No. 970424-A Approving Annexation of 17.6 Acres into Water Control and Improvement District No. 10
11.	2/4/1998	Ordinance No. 980204-A Approving Annexation of 18.84 Acres into Water Control and Improvement District No. 10
12.	4/13/2000	Council Resolution No. 000413-20 Consenting to the Annexation of Approximately 1 Acre into Water Control and Improvement District No. 10
13.	7/18/2002	Water Facilities Easement
14.	10/24/2002	Council Resolution No. 0210024-41 Consenting to the Annexation of 2.19 Acres into Water Control and Improvement District No. 10
15.	1/7/2003	Interlocal Agreement Regarding Use of Water Control and Improvement District No. 10 Water Main to Transport Water to Davenport Ranch Area
16.	4/30/2003	Letter of Agreement for Temporary Construction of Water for 3400 Toro Canyon Road
17.	9/29/2005	Council Resolution No. 20050929-016 Consenting to the Annexation of 1.63 Acres into Water Control and Improvement District No. 10
18.	9/29/2005	Council Resolution No. 20070726-008 Consenting to the Annexation of 1 Acre at 1617 West Lake Drive into Water Control and Improvement District No. 10
19.	6/18/2009	Council Resolution No. 20090618-003 Consenting to the Annexation of 6.68 Acres at 3101 Stratford Lane into Water Control and Improvement District No. 10
20.	9/26/2013	Council Resolution No. 20130926-050 Consenting to the Annexation of 3.75 Acres at 5210 Fossil Rim Road into Water Control and Improvement District No. 10

AGREEMENTS BETWEEN CITY OF AUSTIN AND WATER CONTROL AND IMPROVEMENT DISTRICT NO. 10

21.	4/23/2015	Council Resolution No. 20150423-003 Consenting to the Annexation of 17.89 Acres at 4300 Westbank Drive into Water Control and Improvement District No. 10
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AGREEMENT CONCERNING CREATION AND OPERATION
OF
NORTH AUSTIN MUNICIPAL
UTILITY DISTRICT NO. 1

THE STATE OF TEXAS §

COUNTIES OF TRAVIS §
AND WILLIAMSON §

KNOW ALL MEN BY THESE PRESENTS:

THIS AGREEMENT is made and entered into by and between the City of Austin, Texas (hereinafter referred to as the "City"), a municipal corporation situated in Travis County, Texas, acting herein by and through its undersigned duly authorized City Manager, as authorized by specific action of its City Council; North Austin Municipal Utility District No. 1 (hereinafter referred to as the "District"), a municipal utility district created on the 15th day of November, 1983, by order of the Texas Water Commission and operating pursuant to Chapter 54 of the Texas Water Code; and Milwood Joint Venture, Robinson Ranch, and Austin White Lime Company (hereinafter collectively referred to as "Milwood"), the holders of legal title to all of the land comprising the District, which consists of approximately 997 acres situated partially within Williamson County, Texas, and partially within Travis County, Texas, a portion of which lies within the City and a portion of which lies within the extraterritorial jurisdiction of the City.

For and in consideration of the premises and the mutual agreements, covenants, and conditions hereinafter set forth, the parties hereto hereby contract and agree as follows, to wit:

ARTICLE I

ISSUANCE OF BONDS BY THE DISTRICT

A. Bonds For District Facilities

1. The City has granted its unconditional consent to the creation of the District in accordance with the Water District Ordinance adopted by the City Council of the City on August 19, 1981, by Ordinance Number 810819-E, a true and correct copy of which is attached hereto as Exhibit "A" and incorporated herein by reference (the "Water District Ordinance"); subject, however, to a variance granting the District the bonding authority provided in the Water District Ordinance for Growth Area III. The terms and conditions of the Water District Ordinance are made a part of this Agreement for all purposes to the extent allowed by law. The District agrees that it shall only issue bonds and notes, including bond anticipation notes, in the manner provided by the Water District Ordinance and the rules and requirements of the Texas Water Commission. All bonds and notes of the District shall be approved by the City Council of the City prior to the

issuance thereof; provided, however, that the authorization granted herein by the City of a principal amount (plus interest) of bonds proposed to be issued by the District shall be deemed to include the approval of bond anticipation notes not to exceed the amount of principal and interest of the bonds so authorized. It is specifically agreed that the District's bonds, when issued, shall be secured by a pledge of the District's taxes and revenues.

2. The parties hereto acknowledge and agree that this Agreement and the Water District Ordinance, as now in effect and hereafter amended, have the effect of restricting the general statutory purposes for which the District may issue bonds and notes. The parties further recognize and agree that neither this Agreement nor the Water District Ordinance otherwise restrict or limit the powers and authority of the District to acquire, own, operate and maintain water or wastewater systems, drainage facilities, recreational facilities, or any other systems, facilities, assets or properties of or serving the District. The District may use funds and assets from any other available, lawful source to provide for such acquisition, ownership, maintenance and operation, as well as to accomplish any purpose or to exercise any function, act, power or right authorized by law. Such funds and assets shall include, without limiting the generality of the foregoing, revenues from any of the systems, facilities, properties and assets of the District not otherwise committed for the payment of indebtedness of the District; maintenance taxes; loans, gifts, grants and donations from public or private sources; and revenues from any other source lawfully available to the District. Bonds and notes of the District may be issued for any purpose not specifically prohibited by this Agreement or the Water District Ordinance, subject to the provisions of the Texas Water Code and the rules and requirements of the Texas Water Commission.

B. Bonds for Special Facilities

1. To enable the City to supply water to the District and to receive and treat wastewater from the District in accordance with the provisions of Articles II and III hereof, the parties hereby acknowledge that major extensions and improvements to the City's existing water and sewer facilities shall be necessary. The parties agree that, subject to the approval of the Texas Water Commission, the necessary improvements and extensions shall be accomplished as more fully described and identified in the Utility Construction Contract (the "Preferred Contract") by and between the District and the City, a copy of which is attached hereto as Exhibit "B" and incorporated herein by reference. The parties further agree that, in the event the

approval of the Texas Water Commission to the oversizing of the facilities described in the Preferred Contract is not obtained, the District shall construct improvements and extensions to the City's system sized only as necessary to provide service to the District, and the District shall purchase capacity from the City's water and wastewater utility system for a purchase price equivalent to the difference between the cost of construction of the oversized facilities, as described in the Preferred Contract, and the cost of facilities sized only to serve the District. The parties hereto acknowledge and agree that the value to the City of the District's oversizing certain utility facilities as provided in the Preferred Contract, is equivalent to the value to the District of the capacity to be allocated to the District by the City from the City's water and sewer utility systems. The Preferred Contract shall be deemed approved by the City Council of the City simultaneously with the City's approval of this Agreement.

2. It is expressly acknowledged and agreed that the approval of the Texas Water Commission of facilities described in the Preferred Contract will be requested at the time a petition for creation of the District is presented to the Texas Department of Water Resources. The parties mutually covenant and agree to cooperate in making such modifications to the Preferred Contract as may be reasonably necessary in order to obtain the approval of the Texas Water Commission thereof. In the event that the Texas Water Commission does not approve the construction of the facilities described in the Preferred Contract, the parties covenant and agree to cooperate with each other in order to develop a utility construction proposal which will satisfy the requirements of the District and the City in order to provide service to the land within the District and which will be acceptable to the Texas Water Commission.

3. The term "Construction Contract", as hereinafter utilized in this Agreement, shall mean and refer to the Preferred Contract or any subsequent utility construction agreement between the City and the District which provides for the construction of the utility facilities and improvements necessary to serve the District, and which is approved by the Texas Water Commission.

4. It is expressly acknowledged that the "Project", as such is defined in the Construction Contract, shall include approach mains necessary to serve the District and that no additional City approval of such approach mains shall be required upon completion of the Project.

5. To finance the cost of acquiring and constructing the Project, the District is hereby authorized to issue bonds and bond anticipation notes, subject to the terms, conditions and

procedures set forth in the Construction Contract. The Project shall be constructed by the District in accordance with the provisions of the Construction Contract and, upon completion thereof, shall be dedicated to the City. Upon such dedication, all right, title and interest of the District in and to the Project shall vest in the City. The City agrees that, upon completion of the Project, adequate distribution capacity shall be reserved by the City to serve all land within the District.

ARTICLE II

WATER SUPPLY

A. At the times and in the manner requested by the District, the City agrees to sell and deliver to the District all water which may be reasonably required by inhabitants of the District for domestic and commercial purposes. The City agrees that water service to the District shall immediately, upon execution of this Agreement by the City, be made available to the District from the City's Jollyville Reservoir. All such water shall be supplied from the City's water distribution system, as extended by the District, to a point or points of delivery adjacent to the boundaries of the District, as designated by the District's engineer and approved by the City. The sale and furnishing of water to the District shall be nondiscriminatory and uniform with the policy or policies of the City relating to utilities inside the City's utility service area as established by Ordinance Number 810820-B, as now in effect or hereafter amended. Water supplied to the District pursuant to this Agreement shall be at the rate or rates established by the City for water supplied to water districts generally. The District specifically agrees that the supply of water to the District may be reasonably limited by the City on the same basis and to the same extent as the supply of water to any other customer within the City's service area. "Water", as used in this Article II, shall mean potable water meeting the requirements of the Texas Department of Health for human consumption and other domestic uses. The City agrees to use reasonable efforts to acquire and maintain a supply of water adequate to provide service to the District. This Agreement shall serve in lieu of an approved approach main request for water service under the City's approach main policy.

B. Metering equipment and related facilities, including a meter loop, a meter house or pit, and standard-type devices required for properly measuring the quantity of water delivered to the District, shall be installed at each point of delivery of water to the District. The District, at its expense, shall install and provide the meter loop and the meter house or pit. The City, at the District's expense, shall provide and install

the meter. The City, at its expense, shall operate and maintain the metering equipment and related facilities and shall calibrate the metering equipment upon request by the District; provided, however, that the cost of calibrating the metering equipment shall be borne by the District if requested more frequently than once every twelve (12) months. Any meter registering not more than two percent (2%) above or below the test result shall be deemed to be accurate. If any meter fails to register for any period, the amount of water furnished during such period shall be deemed to be the amount of water delivered during the corresponding period immediately preceding such failure, subject to reasonable adjustments for seasonal and climatic considerations, unless the City and the District otherwise agree. The metering equipment shall be read once each calendar month.

C. 1. Rates charged to customers of the District for water delivered pursuant to this Article II shall be set by the District and shall not be less than those normally charged by the City for comparable customers within the City, as established from time to time by the City Council of the City. It is agreed and understood that the District shall charge the surcharge provided in Article VII hereof in addition to such water service rates.

2. The City and the District agree that the District shall comply with the City's Capital Recovery Fee Ordinance, Ordinance Number 821216-H, as hereafter amended from time to time, and shall be entitled to any credits and offsets for construction of offsite facilities set forth therein.

D. The District's billing and payment procedures shall substantially conform with the procedures established by the City as set forth in the City of Austin Utility Service Regulations, as now in effect or hereafter amended; provided, however, that the District may vary such procedures if required by law and that the District and the City may enter into a contract providing that the City may handle billings for the District in such a manner and for such compensation as may be mutually agreeable.

ARTICLE III

SEWAGE TREATMENT

A. The City agrees to receive, treat, and dispose of all sewage which is collected by the District and delivered to a point or points of delivery into the City's sanitary sewer trunk line, as extended by the District. Said point or points of delivery shall be designated by the District's engineer and approved by the City. Sewage treatment and disposal services provided to the District shall be nondiscriminatory and uniform with the policy or policies established by the City Council of the City relating to utilities in the City's utility service

area, as established by Ordinance Number 810820-B, as now in effect or hereafter amended. Sewage received from the District and treated by the City pursuant to the terms of this Agreement shall be at the rate or rates established by the City for sewage received from water districts generally. The District specifically agrees that the treatment of sewage received from the District may be reasonably limited by the City on the same basis and to the same extent as the treatment of sewage received any other customer within the City's service area. The City agrees to use reasonable efforts to acquire and maintain sewage treatment capacity adequate to provide service to the District. This Agreement shall serve in lieu of an approved approach main request for sewer service under the City's approach main policy.

B. The District is authorized to contract with any firm, corporation, person or governmental entity for the temporary disposal of sewage until such time as the facilities contemplated hereunder have been constructed by the District. The reasonable cost and expense of such temporary sewage disposal shall be a bondable expense of the District to the extent permissible under the rules and regulations of the Texas Water Commission. No package treatment plant shall be used within the District on either a temporary or permanent basis.

C. 1. Rates charged to customers of the District for sanitary sewer service shall be set by the District and shall not be less than those normally charged by the City for comparable customers within the City, as established from time to time by the City Council of the City. It is agreed and understood that the District shall charge the surcharge provided in Article VII hereof in addition to such sanitary sewer service rates.

2. The City and the District agree that the District shall comply with the City's Capital Recovery Fee Ordinance, Ordinance Number 821216-H, as hereafter amended from time to time, and shall be entitled to any credits and offsets for construction of offsite facilities set forth therein.

D. The District's billing and payment procedures shall substantially conform with the procedures established by the City as set forth in the City of Austin Utility Service Regulations, as now in effect or hereafter amended; provided, however, that the District may vary such procedures if required by law and that the District and the City may enter into a contract providing that the City may handle the billings for the District in such a manner and for such compensation as may be mutually agreeable.

E. Industrial waste, if any, received by the District shall be processed in a manner consistent with the provisions of the City's Industrial Waste Ordinance, Ordinance Number 821209-F.

ARTICLE IV

OPERATION AND MAINTENANCE

A. The District shall operate and maintain the water and wastewater system located within the District, unless the City and the District enter into a contract for the City to operate the system in such manner and for such compensation as may be mutually agreeable. All water and wastewater connections within the District shall be inspected by the District for compliance with the requirements of the City and the requirements of the Texas Department of Water Resources. Water meters shall be purchased by the District from the City's Water and Wastewater Department at cost.

B. The District shall operate and maintain the park and recreational facilities located within the District to the extent permitted by applicable law; provided, however, that in the event it is ever determined by the Texas Water Commission or any court of competent jurisdiction that the District is incapable of legally operating and maintaining such facilities, the City may accept the parks and recreational facilities located within the District for operation and maintenance under a time schedule mutually acceptable to the District and the City, or, if an agreement is not reached between the City and the District, the District may convey such facilities to Milwood, its successors or assigns, pursuant to the terms and conditions of restrictive covenants which are to be imposed against the property situated within the District. In either event, the District shall thereafter have no further obligation with respect to the operation and maintenance of such facilities.

ARTICLE V

AREA OF AND LIMITATIONS ON SERVICE

Unless the prior approval of the City Council of the City is obtained, the District shall not: (1) construct or install water or wastewater lines or facilities to serve areas outside the District; (2) sell or deliver City water or wastewater service to areas outside the District; or (3) annex any additional lands to the District.

ARTICLE VI

LIMITATION ON LIABILITY

The City shall not be liable to Milwood, the District, or any customer of the District for any failure of the City to provide water or sewer service: (1) where such failure results from impairment of facilities, strikes or other conditions beyond the City's control, so long as the City uses reasonable efforts to promptly correct such condition or conditions, or (2) as otherwise provided in Articles II and III hereof.

ARTICLE VII
ANNEXATION

A. The parties hereto acknowledge and agree that the land comprising the District lies partially within the extraterritorial jurisdiction of the City and partially within the City; is not bordered by another city, town, or village; and that the portion which is not currently within the City is scheduled for annexation by the City in accordance with the Annexation Plan of the City. The parties further acknowledge that the creation of the District, and the City's consent thereto, are for the purpose of promoting the orderly development of and extension of municipal services to the land comprising the District.

B. In furtherance of the purposes of this Agreement, the District and Milwood, and their respective successors and assigns, covenant and agree to the extent allowed by law that, except upon written consent of the City Council of the City they will not: (1) seek or support any effort to incorporate any land within the District, or any part thereof; or (2) sign, join in, associate with, or direct to be signed any petition seeking to incorporate any land in the District or to include any of such land within the boundaries of the City or any other incorporated entity.

C. All parties to this Agreement respectively agree that one of the purposes of this Agreement is to effectuate the provisions of Section 54.016(f) of the Texas Water Code regarding annexation pursuant to the terms and conditions of a contract between a district and a city. It is further understood that, by enacting the ordinance granting consent to the creation of the District and by executing this Agreement, the City has begun the legal process of annexation of the District, and it is mutually agreed that all parties hereto shall use their best efforts to bring about the conclusion of that process in accordance with the terms hereof.

D. It is expressly understood and agreed that the City may complete the annexation process and annex the District upon the following terms and conditions:

1. At any time following the installation of the "requisite percentage of District facilities", as hereinafter defined, the annexation process may be completed and the District included within the corporate boundaries of the City. For purposes of this Subsection D, the term "requisite percentage of District facilities" shall mean ninety percent (90%) by dollar amount of the total facilities for which District bonds have been approved by the voters within the District. The District shall be dissolved on the date and in the manner specified in the ordinance

completing such annexation, but in no event more than ninety (90) days after the effective date of such annexation. Upon the dissolution of the District, the City shall immediately succeed to all properties, powers, duties, assets, debts, liabilities, and obligations of the District.

2. Notwithstanding the provisions of the preceding Subparagraph D-1, if, prior to the installation of the requisite percentage of District facilities, the City is presented with a valid petition for annexation in aid of incorporation which complies with the provisions of the Municipal Annexation Act (Article 970a, V.T.C.S.) and all other statutes, ordinances, and charter provisions relating to incorporation, the City shall be authorized to complete the annexation process and include the District within the corporate boundaries of the City. In such event, the District shall continue to exist following the effective date of such annexation; provided, however, that:

(a) The provisions of this Agreement shall remain in full force and effect until the District is dissolved in accordance with the provisions of this subsection;

(b) The total ad valorem taxes collected by the City and the District from taxable property within the District during any year between annexation of the District and dissolution of the District shall not exceed an amount greater than the City's ad valorem tax on property within the City limits. As between the City and the District, the District shall be entitled to levy and collect an ad valorem tax which, when added to the projected revenues of the District for the next year, will yield an amount sufficient to meet all financial obligations of the District and provide a ten percent (10%) contingency fund. The City shall be entitled to levy and collect an ad valorem tax which, when added to that which the District is entitled to levy and collect, shall not cause the total ad valorem taxes on taxable property within the District to exceed the limitation set forth above. It is provided, however, that if the foregoing limitation upon the total amount of ad valorem taxes shall be declared invalid by a court of competent jurisdiction and no appeal is or can be taken from that decision, then such limitation shall not apply and the City and District may each levy such ad valorem taxes as may be authorized by law.

(c) During the period following annexation but preceding dissolution of the District, the District shall, to the extent permitted by law, be responsible for providing water and wastewater service to residents of the District. The City shall be responsible for the provision of all other governmental services, including the operation and maintenance of parks and recreational areas, to residents of the District until dissolution of the District, at which time the City shall become responsible for the provision of all governmental services to residents of the District.

(d) The District shall be dissolved and the City shall succeed to all the remaining properties, powers, duties, assets, debts, liabilities, and obligations to the District upon: (i) the retirement of the District's bonded indebtedness or (ii) the expiration of forty (40) years from the date this Agreement is executed by the District, whichever occurs first. In accordance with the procedures established by applicable law, the City may elect to forfeit the collection of the surcharge described in Article VII, Section E of this Agreement and dissolve the District prior to the installation of the requisite percentage of District facilities. In such event, the City shall give notice to the District in the same manner as provided in Subparagraph 3, of this Article VII, Section D, below, of its election to dissolve the District, and such dissolution shall take effect six (6) months after such notice; provided, however, that if the installation of any items of authorized facilities financed with the proceeds from the sale of bonds has been commenced in good faith, in compliance with and in reliance on the provisions of this Agreement, and is in progress upon the date the City notifies the District of its election, dissolution of the District shall be postponed until: (i) installation of such items has been completed, or (ii) the expiration of one (1) year, whichever occurs first.

3. The City may annex the District at such time as the City finds such annexation to be feasible; provided, however, that if the installation of any items of authorized facilities financed with the proceeds of bonds has commenced in good faith in compliance with and in reliance upon the provisions of this Agreement and is in progress at the time the City finds annexation of the District to be feasible, the City shall give written notice of its intent to proceed

to annex the District, by registered or certified mail, return receipt requested, to the address of the District designated in the registration statement on file with the Texas Department of Water Resources, with a copy to the District's attorney of record, and annexation of the District to the City shall be postponed until: (i) the installation of the items has been completed; or (ii) the expiration of one (1) year, whichever occurs first.

4. Milwood shall notify each person or entity purchasing property within the District from Milwood of the annexation provisions of this Agreement and shall obtain from each such purchaser a written acknowledgement that any attempt to incorporate all or any part of the District would be contrary to the intent and purpose of this Agreement.

E. Unless otherwise prohibited by applicable law, the District shall charge and collect a special water and sewer rate in the amount of \$18.20 per month from each single family dwelling unit or its equivalent to which water and sewer services are provided. Such special rate shall be assessed and collected from each customer in the manner specified above. The special rate may continue to be charged by the City after annexation and dissolution of the District, in addition to the City's normal water and sewer rates, as authorized by Section 54.016(h) of the Texas Water Code, until the bonded indebtedness of the District has been retired. If the total principal amount of bonds for District facilities is greater or less than the total estimated amount of bonds which was used to calculate the special rate, or if it becomes evident as a result of the subdivision process that the total number of single family dwelling units or their equivalents within the District will be greater or less than the total number used to calculate the special rate, then the District and the City agree to recalculate the special rate accordingly, and such recalculated special rate shall be charged and collected as provided herein. It is specifically acknowledged and agreed that the special rate described above has been calculated and that any recalculation thereof shall be calculated as provided in the Water District Ordinance for Growth Area III, in accordance with the terms and conditions of the ordinance of the City granting consent to the creation of the District.

G. Except as otherwise provided herein, all contract obligations and responsibilities of Milwood and the District pursuant to this Agreement shall terminate when the land within the District is annexed to the City; provided, however, that any obligations which have accrued prior to annexation shall not be affected by such termination.

ARTICLE VIII

ADDITIONAL REQUIREMENTS

Milwood and the District hereby respectively agree to comply with all applicable requirements contained in the Water District Ordinance; provided, however, that where the requirements of this Agreement are more specific than, but not inconsistent with, the provisions of the Water District Ordinance, the provisions of this Agreement shall control.

ARTICLE IX

CONSTRUCTION OF DISTRICT FACILITIES

With the consent of the District and the City, Milwood, or Milwood's successors or assigns, may serve as the project manager for the construction of all water, wastewater and drainage facilities to be constructed or acquired by the District. It is provided, however, that no construction of any facility shall commence unless the plans and specifications therefor have been approved by the City and all other governmental entities having jurisdiction. Upon the issuance and sale of its bond anticipation notes or bonds for such purposes, the District shall pay Milwood the cost of construction of any facilities constructed by Milwood to the extent authorized by the Texas Department of Water Resources and permitted by the Water District Ordinance. To the extent the District is not permitted to pay Milwood for any facilities, Milwood shall dedicate such facilities to the District without compensation.

ARTICLE X

LAND AND EASEMENT COSTS

Land, easements, and rights-of-way needed for District purposes within the District, which purposes are to be financed by issuance of bonds and notes, shall be dedicated to the District by Milwood, its successors or assigns. The District may acquire land from Milwood in accordance with the rules of the Texas Department of Water Resources and the provisions of the Water District Ordinance. Land, easements, and rights-of-way outside the District needed by the District shall be acquired by the District in accordance with the usual and customary public purchasing standards and procedures applicable to the District.

ARTICLE XI

LAND USE AND DEVELOPMENT

A. Milwood covenants and agrees to dedicate the following amenities to the District: (1) approximately sixty-four (64) acres of park and greenbelt areas; (2) a two (2) acre fire station site; and (3) a five (5) acre solid waste transfer site which shall be adjacent to the District's frontage along Highway 620, in either the area designated for industrial use or the area designated for retail use on the Conceptual Plan, as defined

below. Prior to development of the solid waste transfer site, the City shall submit a site plan showing all proposed structures, buffering, setbacks and uses on the site and the District shall have the right to approve, modify or disapprove such site plan as necessary, in the opinion of the Board of Directors of the District, to maintain compatibility with adjoining land and uses; provided, however, that such site plan approval shall not be unreasonably withheld. Milwood further agrees to provide park and recreational facilities for the residents within the District having a value of at least \$750,000.00, and to construct, at its sole cost, a bridge across Lake Creek at the location to be selected by Milwood and approved by the Director of Public Works.

B. All land within the District shall be developed in accordance with the conceptual plan attached hereto as Exhibit "C" and incorporated herein by reference, as the same may be amended from time to time with the concurrence of a majority of the members of the Planning Commission of the City and Milwood, its successors and assigns (the "Conceptual Plan"), except as otherwise hereinafter provided. Milwood, its successors and assigns shall comply with all requirements set forth in such Conceptual Plan. The Conceptual Plan shall be updated as each section of land within the District is platted, and all land located within the District shall be platted in accordance with the requirements of Article 970a, Texas Revised Civil Statutes, prior to development of such land. The City's Director of Planning shall determine whether a plat is in substantial compliance with the Conceptual Plan. Any person aggrieved by the decision of the Director of Planning may appeal such determination by filing a written appeal with the City Clerk of the City within ten (10) days from the date of such decision. The City Council of the City shall then hold a public hearing and render a decision either affirming or reversing such determination within fifteen (15) days from the date of such appeal.

C. Any increases in the overall gross density of development or any changes increasing the intensity of the land uses shown on the Conceptual Plan may only be made with the concurrence of a majority of the members of the City Council of the City and Milwood, its successors and assigns. Any decreases in land use intensity to a residential land use designation of "AA", "A", or "A-2" under the current zoning ordinance of the City, or the equivalent zoning classifications under any future zoning ordinance enacted by the City, shall not require approval by the City Council or Planning Commission of the City except as to plat approval by the Planning Commission as hereinabove provided.

D. Milwood shall have the right to designate additional school sites without prior approval of either the City Council or Planning Commission.

E. All land within the District shall be developed in accordance with the Landscape Ordinance of the City, Ordinance Number 820408-E, as hereafter amended from time to time. In addition, the land within the District fronting onto Ranch Road 620 and Farmer Lane shall be developed in accordance with the requirements of the Austin City Code, Chapter 13-2, Article VI, as hereafter amended from time to time. Each site within the District developed for use for industrial purposes shall be developed as a Planned Development Area pursuant to Article 970a, Section 5, Texas Revised Civil Statutes. All buildings constructed within the District shall be constructed in accordance with City standards.

All land within the District which is located within the fully developed one hundred (100) year flood plain of the main stem of either Rattan Creek or Lake Creek shall contain no development other than development associated with District park and recreational facilities, roads, and utilities. No parking, other than parking provided in association with park and recreational facilities, shall be included within the one hundred (100) year flood plain. Land located within the one hundred (100) year flood plain shall not be included within lots or considered in making calculations of density.

F. Milwood agrees to construct the roadway designated as Anderson Mill Road to City standards, to the extent that such roadway is situated within the boundaries of the District.

G. The terms and provisions of this Article XI shall continue in effect after annexation of the District by the City.

ARTICLE XII

ASSIGNMENT OF AGREEMENT

Milwood, or any party to this Agreement, or the successors or assigns of any such party, may from time to time, transfer, convey or assign all or any part of its rights and obligations under this Agreement with respect to all or any part of the land within the District owned by such party. Upon approval by the City of the assignee or assignees, which approval shall not be unreasonably withheld, and provided that the assignee or assignees assume the liabilities, responsibilities and obligations of the assignor under this Agreement, the party assigning its rights and obligations under this Agreement shall be released from the liabilities, responsibilities and obligations hereof to the extent of the land involved in such assignment or assignments, or to the extent otherwise approved by the City. Neither the District nor the City shall assign this Agreement without written

consent of each of the other parties hereto. Milwood is specifically authorized to assign this Agreement to the District upon its creation; provided, however, that such assignment shall not relieve Milwood or its successors or assigns from the obligation to comply with the land use requirements and the other provisions contained herein affecting the use and conditions of sale of property within the District.

ARTICLE XIII

TERM OF AGREEMENT

This Agreement shall be effective from the date of execution hereof by the City and Milwood, and shall continue in effect for a period of forty (40) years from the date of the execution hereof by the District; provided, however, that if the District is not created within one (1) year after execution of this Agreement by the City, this Agreement shall terminate and be of no effect.

ARTICLE XIV

JOINT CONTRACTING

The District is authorized to contract with any firm, corporation, person, governmental entity or political subdivision for the construction, operation and maintenance of any water or wastewater facilities or any other facilities which are within the powers of the District to construct, operate or maintain.

ARTICLE XV

SEVERABILITY AND ENFORCEABILITY

In the event that any provision hereof is subsequently determined to be invalid, illegal or unenforceable such provision shall be severed from the remaining portions of this Agreement and the remainder of the Agreement shall remain in full force and effect.

If the Texas Water Commission or any court of competent jurisdiction determines that any portion of this Agreement is beyond the scope or authority of the Texas Water Code or other applicable Texas law, the City, Milwood and the District agree to immediately amend this Agreement so as to conform to such ruling or decision in such a manner as is most consistent with the original intent hereof as may be legally possible.

ARTICLE XVI

BENEFITS OF AGREEMENT

This Agreement is for the benefit of the City; the District; and Milwood, its successors and assigns, and shall not be construed to confer any benefit on any other party except as expressly provided herein. This Agreement may be executed by the City and Milwood prior to creation of the District and shall be binding upon the City and Milwood for a period of one (1) year following such execution by the City, pending creation and

confirmation of the creation of the District and approval and execution of this Agreement by the Board of Directors of the District.

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be executed by its undersigned duly authorized representative, in multiple copies, each of equal dignity, on the date or dates indicated below.

APPROVED AS TO FORM:

By *Albert DeLaRosa*
Albert DeLaRosa
City Attorney

CITY OF AUSTIN, TEXAS

By *Richard McLeigh*
City Manager

Executed on MAY 20 1983, 1983

NORTH AUSTIN MUNICIPAL
UTILITY DISTRICT NO. 1

By *Donald A. Pena*
President,
Board of Directors

Executed on May 8, 1984

AUSTIN WHITE LIME COMPANY

BY: *A.H. Robinson Jr.*
A.H. ROBINSON, JR., Partner

BY: *George E. Robinson*
GEORGE E. ROBINSON, Partner

Executed on Jan. 30, 1984

ROBINSON RANCH

BY: *A.H. Robinson Jr.*
A.H. ROBINSON, JR., Partner

BY: *George E. Robinson*
GEORGE E. ROBINSON, Partner

Executed on January 30, 1984

MILMOOD JOINT VENTURE

By *Bill Milburn*
BILL MILBURN, Venturer

BY: PALMAR ASSOCIATES, Venturer

BY: *A.H. Robinson Jr.*

Executed on January 30, 1984

ORDINANCE NO. 81 0819-E

AN ORDINANCE REPEALING ORDINANCE NO. 800320-E; ESTABLISHING A POLICY RELATING TO POLITICAL SUBDIVISIONS CREATED PURSUANT TO ARTICLE III, SECTION 52 OF THE TEXAS CONSTITUTION OR ARTICLE XVI, SECTION 59 OF THE TEXAS CONSTITUTION FOR THE CITY OF AUSTIN; ESTABLISHING THEREIN BASIC QUALIFICATIONS FOR CONSENT TO THE CREATION OF A WATER DISTRICT; PROVIDING PERCENTAGES ALLOWED FOR BOND FINANCING; ESTABLISHING THE PROVISIONS OF THE BONDING PACKAGE; PROVIDING FOR THE PROVISION OF SPECIAL WATER AND SEWER RATES WITHIN THE CONSENT AGREEMENT AS AUTHORIZED BY SECTION 54.016(h) OF THE TEXAS WATER CODE; ESTABLISHING VARIOUS REQUIREMENTS; DECLARING A POLICY STATEMENT; SUSPENDING THE RULE REQUIRING THE READING OF ORDINANCES ON THREE SEPARATE DAYS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, The City Council, of the City of Austin, Texas, wishes to allow the prudent utilization of Water Districts to encourage development in accordance with its Growth Management Plan, and

WHEREAS, The City Council wishes to develop policies to curtail the rising costs of housing and the size of purchase-money mortgages, and

WHEREAS, The City Council wishes to develop a policy for creation of Water Districts in a manner that will not burden the citizens of Austin with future debt, and

WHEREAS, The City Council wishes to develop a policy for the creation of Water Districts in a manner that will discourage urban sprawl; Now, Therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

PART 1. That Ordinance No. 800320-E, as amended, be and it is hereby repealed.

PART 2. That this policy relating to the political subdivisions created pursuant to Article III, Section 52 of the Texas Constitution or Article XVI, Section 59 of the Texas Constitution, be adopted pursuant to the applicable provisions of the Texas Water Code and the Texas Municipal Annexation Act of the State of Texas, to be equitably applied to all petitioners for new Water Districts within the City's Extra-Territorial Jurisdiction.

- I. BASIC QUALIFICATIONS FOR CONSENT TO THE CREATION OF A WATER DISTRICT INCLUDING BUT NOT LIMITED TO MUNICIPAL UTILITY DISTRICTS (MUD), WATER CONTROL AND IMPROVEMENT DISTRICTS (WCID), AND FRESH WATER SUPPLY DISTRICTS (FWSD).

- A. The Water District shall contain acreage necessary to assure the economic viability of the District, but in no event shall a Water District contain less than 100 acres.
- B. The land to be included within the Water District must lie entirely outside the City limits; provided however, that land within the City by virtue of strip-annexation along major thoroughfares may be included with the Water District if such land within the City, constitutes no more than 5% of the total acreage of the Water District.
- C. The economic viability of the district must be shown in the same manner as required by the State.
- D. The consent resolution and agreement must reflect, and conform to, all the applicable stipulations of this policy.
- E. The City Council must determine that the district is not likely to be annexed by the City within three (3) years. Such determination shall not be binding on the City, however.
- F. When the City Council receives a petition for creation of a Water District within the City's Extra-Territorial Jurisdiction, it shall be evaluated in accordance with the policy set forth herein.

II. PERCENTAGES ALLOWED FOR BOND FINANCING.

- A. A Municipal Utility District will be allowed to issue bonds equal in amount to the bonding package outlined in Section III. hereof, times the appropriate percentage determined in Exhibit "A", attached hereto. All other forms of Water Districts including Water Control and Improvement Districts and Fresh Water Supply Districts in Growth Management Areas III and IV will be allowed bonding authority equal to one half the percentages for the following items only listed in Exhibit "A" Municipal Utility Districts: 1) internal water lines, 2) regional drainage, 3) water approach mains, and 4) water facilities. All such other forms of Water Districts located in Growth Management Area V will be allowed bonding authority equal to three quarters of the percentages for the items listed. Exceptions to the percentage limitations in Exhibit "A" may be granted by the City Council only where a proposed Water District will serve established residential areas and is not being created primarily to serve undeveloped land. Further, when a petition is received for creation of a Municipal Utility

District in Area V which in the estimation of the City Council will not have a deleterious effect on the urban planning decisions including annexation, extension of utility service, protection of the environment, the fiscal integrity of the City of Austin and other goals delineated in the Austin Tomorrow Comprehensive Plan, it shall be evaluated on a case by case basis and considered individually on its merits and not necessarily subject to the provisions of this policy.

- B. Where a Water District overlaps any of the boundary lines in Exhibit "A", the percentage shall be apportioned according to the number of living unit equivalents in each area. The percentage shall be determined with respect to area designation and City limits at the date the consent agreement is approved by the City Council.
- C. The following definitions shall apply when used in Exhibit "A":
 - 1. "Growth management area" refers to an area as described within the Master Plan of the City of Austin.
 - 2. "Extra-territorial jurisdiction area" refers to that area between the City limits and 5 miles beyond that as defined in appropriate state enabling legislation.
 - 3. "Internal water lines" or "Internal wastewater lines" means those lines, constructed within the Water District, including any oversize required which will not be recovered under the City's oversize policy since that policy shall be applicable to the developer.
 - 4. "Storm sewer/drainage" is limited to the cost of storm sewer pipe and open channels and their installation where impervious channel surfaces are required.
 - 5. "Regional drainage" means regional type storm water retention/detention features designed and constructed to control and/or manage storm water, a substantial portion of which issues from one or more watersheds outside the Water District, and provided such construction is approved by the Engineering Department of the City of Austin.

6. "Wastewater facilities" means treatment plants, storage facilities and other items not included in 3 or 9 of this section.
7. "Water facilities" means treatment plants, storage facilities, wells and other items not included in 3 or 10 of this section.
8. "Water Facilities Using Ground Water from Edward's Aquifer" means all such facilities listed in definition 7 above which, in this case, derive their raw water source from the Edward's Aquifer.
9. "Irrigation land" means land irrigated in connection with a sewage treatment plant. The bonds allowed for this land are to be determined by the raw land cost. When land or irrigation is no longer used for that purpose, and it is sold, the proceeds from the sale shall be placed in the Debt Retirement Fund of the district. If annexation has occurred, such proceeds shall be placed in the Utility Enterprise Debt Retirement Fund of the City of Austin.
10. Approach mains are defined as those water and/or wastewater lines which lead up to but not within the property to be served and as further defined, by the Cost Participation Ordinance of the City of Austin.

III. BONDING PACKAGE.

A. WATER, WASTEWATER AND DRAINAGE

A Water District shall be permitted the bonding permitted under the State law and the rules of the Texas Water Development Board for 1) construction, and for 2) land and easement costs for water, sewer, and drainage improvements (in accordance with Exhibit "A"). Further, the "30% rule" instituted by the Texas Water Commission shall apply in determining the bonding allowed for Water, Wastewater and Drainage. The percentages in Exhibit "A" shall apply after limits imposed by that rule and the delineation between types of districts and allowable bonding percentages established in Section II.A. of this Ordinance. The developer must pay 30% of the cost of internal lines and drainage. Additionally, that oversize portion of a water or wastewater approach main which the City of Austin has required to be constructed to serve areas outside of the

boundaries of the Water District may be financed with bonds. In such cases, the City shall repay the Water District annually for the City's pro rata share of the debt retirement cost of such facility. The City shall retain the right to allocate its pro rata share of the facility and collect subsequent users fees as defined in the Cost Participation Ordinance of the City of Austin. Provided, however, that the following items shall not be allowed to be financed by the issuance of bonds, and therefore, shall not be included in the bonding package:

1. Land or easements within the Water District, or any property owned by the developers of the Water District, dedicated for any water or wastewater line or facility, including treatment plants for any function related to drainage. Provided, however, that bonds may be authorized for the purchase of land for irrigation purposes connected with a package treatment plant (in accordance with the chart in Exhibit "A"). Provided further that irrigation land purchased from the developers of the Water District must be purchased at book value.
2. Curbs, gutters, inlets, culverts, and bridges.
3. Drainage improvement, except storm sewers and regional facilities, in accordance with Exhibit "A".

B. INTANGIBLES

1. A contingency factor of 10% shall be allowed on all water, wastewater and drainage costs.
2. Construction costs shall include 10% for engineering, and shall include all fees.
3. Interest during construction and capitalized interest shall be allowed to the full extent of the State law for all costs that qualify for bond financing.
4. Other non-construction costs allowed for bond financing are: fiscal agent fees, legal fees and administration organizational expense and printing the bonds, as allowed by State law.

C. BONDED AMENITIES

Additional bonding authority may be used as the City Council specifies for any of the following items. The City Council must approve the need for each item, the

site location and design. The aggregate of the City requirements shall be limited by the economic viability of the District. Bonded authority for any land under this section shall be based on raw land cost and carrying expenses.

1. Solid waste disposal sites.
2. Fire station sites.
3. Park lands, nature preserves, creek preservation easements, hike and bike trails, lakes and green-belts in addition to those required by City ordinance.
4. Water quality monitoring stations, holding ponds and storm water treatment facilities.
5. Other items which might be mutually agreed upon by the City Council and the petitioners, and are permitted by the State.

D. NON-BONDED AMENITIES

The following amenities are required and shall not be financed by the issuance of bonds or by the incurrence of debt by the district.

1. Traffic control signs and devices constructed within the Water District.
2. Street signs.
3. Street lights.
4. Sidewalks, installed in accordance with Chapter 41 of the Austin City Code (Subdivision Ordinance), when developing by urban standards.
5. Recreational facilities on park land equal to 10% of the value assigned to the park land.

- IV. Consent agreements for Municipal Utility Districts shall provide, in adequate detail as required by Section 54.016(h) of the Texas Water Code that the water and sewer rates for properties within the MUD be specifically set so as to compensate the City of Austin for assuming the district's indebtedness after annexation. These special rates shall be in effect until the bonded indebtedness of the MUD is fully retired. If the bonds are called, these special rates shall nevertheless be in effect for the full projected life of the original bonds. These special rates shall consist of a component calculated to retire all or part of the bonded indebtedness incurred by the MUD as set out in "A" below. The component shall be determined by calculating the monthly debt retirement

payment for the appropriate bonded indebtedness and dividing the monthly payment by the number of planned living unit equivalents within the district. After annexation, this special rate shall be charged in addition to the water and sewer rates paid by other city consumers of similar customer classification.

If the Municipal Utility District requests City Council approval of subsequent, additional bonding authority beyond that agreed to in the original consent agreement, the special rates agreed to in this section will be recalculated as determined above to reflect the additional bonded indebtedness.

In addition, if it becomes evident via the subdivision approval process or otherwise, that the number of planned living unit equivalents within the district will exceed or be less than the figure originally used as the basis for computing the surcharge then the district and the City agree to adjust the special charges accordingly.

- A. The bonded indebtedness used to calculate the special rate shall be:
 - 1) Area III: the total amount of bonded indebtedness for construction, land and easement costs for water and wastewater internal lines, and all drainage as set out in Exhibit "A";
 - 2) Area IV: the total amount of bonded indebtedness for construction, land and easement costs for water and wastewater internal lines, all drainage as set out in Exhibit "A"; and fifty percent of the total bonded indebtedness for construction, land and easement costs for water and wastewater approach mains and facilities and irrigation land as set out in Exhibit "A".
 - 3) Area V: the total amount of bonded indebtedness for construction, land and easement costs for regional drainage, water and wastewater approach mains, water and wastewater facilities and irrigation land.
- B. Since Section 54.016(h) of the Texas Water Code which permits the special rates used in this policy contains a provision which says that the City of Austin cannot annex the district prior to the installation of 90% of the facilities for which district bonds were authorized, the consent agreement must also contain a provision containing