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LAW OFFICE OF STEPHEN C. DICKMAN

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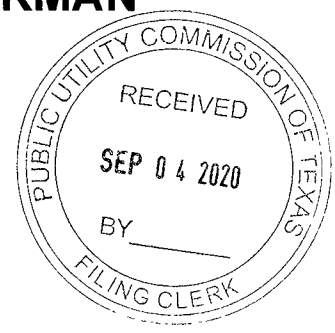


September 4, 2020

Via Email: kourtnee.jinks@puc.texas.gov
and via filing on PUC Interchange Filing System and via U.S. Postal Service

Ms. Kourtnee Jinks
Public Utility Commission of Texas
Legal Division
1701 N. Congress Ave.
P.O. Box 13326
Austin, Texas 78711-3326

re: **PUC Docket No. 50169**; Application of the City of Aubrey to Amend Its Water and Sewer Certificates of Convenience and Necessity and to Decertify Portions of Mustang Special Utility District's Water and Sewer Service Areas in Denton County

Dear Ms. Jinks:

Pursuant to Commission Staff's Fifth Supplemental Recommendation on Administrative Completeness filed on August 4, 2020 and Order No. 6 in this docket, attached are the following supplemental documents and information responding to items requested in the PUC staff memo of August 4:

Agreements for Decertification and Dual Certification.

1. *A decertification agreement with Mustang SUD specific to the acreage to be decertified in this docket.*

The Transfer and Service Agreement of April 5, 2017 between the City of Aubrey and Mustang SUD covers the entire area which is being sought for decertification from Mustang (and certified to Aubrey) in this docket, so there should be no need to execute a new separate agreement with Mustang SUD which is "specific to the acreage to be decertified in this docket". The Transfer and Service Agreement clearly states in Section 12 that *"Mustang agrees that the right to provide retail water and retail wastewater service to ... Venable Ranch shall be transferred or certified to Aubrey under CCNs pursuant to applicable PUC requirements. In addition, Mustang intends for Aubrey to be the sole retail water and wastewater provider in ... Venable Ranch and expressly acknowledges that all current or future water customers or properties located within ... Venable Ranch will be exclusively the retail water and retail wastewater customers of Aubrey."* In that same Section 12 of the Agreement, Mustang further agreed *"to not oppose or*

object to... any application or request for certification filed by Aubrey with the PUC to obtain exclusive retail water and retail wastewater certification or the issuance of CCNs for ... Venable Ranch." A copy of that agreement was provided with the original Application as a DropBox link in Attachment 4 and was re-submitted on a thumb drive as part of the Applicant's filing in this docket on March 3, 2020 (PUC Interchange filing Item No. 8). However, for ease of reference, a PDF copy of that agreement is being filed with this letter.

2. *If dual certification with Blackrock WSC's CCN No. 11712 is being requested, provide a dual certification agreement.*

As stated in the Application and in Aubrey's supplemental response on March 3, 2020, Aubrey is not seeking to decertify any portion of Blackrock WSC's water CCN area which is a facilities + 200 ft. CCN. As stated in Attachment 1 of the Application, Aubrey's request for single certification is "subject to Blackrock's right to continue to serve its existing water customers through its existing 'facilities + 200 ft.' water CCN". To clarify, Aubrey is not seeking to provide retail water service within Blackrock WSC's CCN. Therefore, Aubrey is not pursuing dual certification with Blackrock WSC's CCN, nor seeking to decertify a portion of Blackrock WSC's CCN and there is no need for a dual certification agreement with Blackrock WSC.

Technical Content.

1. *An additional map that shows the location within the requested service area of (a) existing facility lines; (b) current customers identified by parcels; and (c) requests for service identified by parcel in relation to verifiable landmarks and current city limits and ETJ boundaries .*

Please refer to the Parcel Map (Aubrey Map 1) being filed herewith which shows the existing Blackrock WSC facility lines. The City of Aubrey's existing and proposed facility lines are shown on the two 2014 Master Plan Maps previously submitted to the PUC. A copy of those two master plan maps were provided with the original Application as a DropBox link in Attachment 19 and were re-submitted on a thumb drive as part of Aubrey's filing in this docket on March 3, 2020 (PUC Interchange filing Item No. 8). However, for ease of reference, a PDF copy of the water and wastewater master plan maps are being filed with this letter. Also being provided is a diagram of Aubrey's existing water distribution system (as of 2016) and wastewater collection system (as of 2014). The water system map does not show the proposed well and proposed tank currently under construction.

The Parcel Map also shows the parcel numbers within the requested service area and the owners of the listed parcels are shown on the list of landowners provided herewith. The Parcel Map also shows man-made and natural landmarks such as roads, rivers and railroads, as well as current city limits and ETJ boundaries.

The Parcel Map and list of landowners shows the two Venable Ranch property owners. These two landowners have requested and agreed to water and sewer service being provided by the City of Aubrey in the May 2014 Venable Ranch Development Agreement. A copy of the

Venable Ranch Development Agreement was provided as DropBox link in Attachment 2 of the originally filed Application and was re-submitted on a thumb drive as part of Aubrey's filing in this docket on March 3, 2020 (PUC Interchange filing Item No. 8). However, for ease of reference, a PDF copy of the Venable Ranch Development Agreement is being filed with this letter.

2. *With respect to the requested service area, provide the acreage, current and future customer count for (a) the area within the Aubrey city limits; (b) the area within Aubrey's ETJ; and (c) the area outside the city limits and ETJ.*

Please refer to the Customer Area Map (Aubrey Map 2) being filed herewith which shows (a) the area within Aubrey's city limits (shown as red slanted lines on the east side of the requested Venable service area) consisting of 13 acres, with no current customers and an unknown future customer count; (b) the area within Aubrey's ETJ (shown as solid yellow) consisting of 2,005 acres, with no current customers and 8,500 projected future customer count; and (c) the area outside of Aubrey's current city limits and ETJ (shown as solid orange) consisting of 20 acres, with no current customers and a projected future customer count of 2.

Mapping Content.

Possible revisions to general location and detailed maps, including digital mapping data and acreage figures, for any area for which dual certification with Blackrock WSC is being requested.

The two general location maps and the two detailed maps previously submitted are not being revised to show additional dual-certification area with Blackrock WSC because no such dual certification is being sought. However, updated maps and digital mapping data are herewith being submitted to now exclude the parcels which are not owned by Venable, and therefore are not part of the Venable Transfer and Service Agreement, as well as to exclude the Wilson Cemetery.

Thank you for your consideration of the above supplemental information. If you need additional documents or information, please contact me at any time. Questions concerning the digital mapping data and acreage information may be directed to Mr. Andrew Mata, P.E., at his Email address: AMata@BHCLLP.COM.

Sincerely,

Stephen C. Dickman
Attorney for City of Aubrey

cc: Ms. Patricia Garcia, PUC Infrastructure Division (via Email: patricia.garcia@puc.texas.gov)
Mr. Kenny Faulkner, City of Aubrey Public Works Director
Mr. Andrew Mata, Jr., P.E., Birkhoff, Hendricks & Carter, L.L.P.

CERTIFICATION OF CITY SECRETARY

STATE OF TEXAS)

)

COUNTY OF DENTON)

THIS IS TO CERTIFY that I, Jenny Huckabee, am the City Secretary of the City of Aubrey, Texas, and am competent and capable of making this certification in that capacity.

Attached hereto are 29 pages, constituting a Transfer and Service Agreement ("Agreement") by and between the City of Aubrey, Texas, Mustang Special Utility District, CADG Comanche 248, LLC, and Pulte Homes of Texas, LP. The Agreement attached hereto is an original or a true and correct copy of the original, which is kept and maintained by me as an official document of the City in my capacity as the City Secretary for the City of Aubrey, Texas.

The Agreement was duly and lawfully approved by the City Council (the City's governing body) on March 21, 2017, at a formal meeting which was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout. The approval was conditioned on approval as to form by the City Attorney, who approved the form on March 29, 2017. The Agreement was placed in my office on March 29, 2017, and has not been returned to the governing body by the mayor with a statement of objections. The Agreement is in effect as an obligation of the City and all conditions precedent to its validity have been met and satisfied, notwithstanding the refusal of the Mayor to sign the agreement on the City's behalf pursuant to section 52.003(b) of the Texas Local Government Code.

ATTESTED AND EXECUTED by the City Secretary of the City of Aubrey, Texas, on this the 5th day of April, 2017.

[SEAL]

Jenny Huckabee, City Secretary
City of Aubrey, Texas

TRANSFER AND SERVICE AGREEMENT

This Transfer and Service Agreement (this "Agreement") is entered into by the **City of Aubrey**, a Type A General-Law municipality located in Denton County, Texas, acting by and through its duly authorized mayor ("Aubrey"); **Mustang Special Utility District**, a conservation and reclamation district created and operated as a special utility district pursuant to Article 16, Section 59 of the Texas Constitution and Chapters 49 and 65 of the Texas Water Code, acting by and through its duly authorized President ("Mustang"); **CADG Comanche 248 LLC**, a Texas limited liability company ("CADG"); and **Pulte Homes of Texas, L.P.**, a Texas limited partnership ("Pulte"). The mutual consideration for this Agreement is set forth below.

DEFINITIONS

All references to "**Aubrey**" shall mean and refer to the "City of Aubrey, Texas", a Texas general law municipality which is located in Denton County, Texas, and all of its officers, agents, representatives, elected officials, successors, and assignees, if any.

All references to "**Aubrey Creek Estates**" shall mean and refer to the area comprised of approximately 172 acres located within the City of Aubrey, Texas and being depicted in Exhibit "A", attached hereto and made a part hereof.

All references to "**CADG**" shall mean and refer to CADG Comanche 248, LLC.

All references to "**CCN**", "**CCNs**", or "**Certificate of Convenience and Necessity**" shall refer to and mean any Certificate of Convenience and Necessity issued by the Public Utility Commission of Texas ("PUC"), or its predecessor/successor agency as prescribed by the Texas Water Code, to any Party hereto, relating to Jackson Ridge.

All references to "**Decertification**" shall mean and refer to either a decertification permitted by either Section 13.254 and/or Section 13.255 of the Texas Water Code and/or any other means by which a CCN of a holder may be decertified.

All references to "**Jackson Ridge**" shall mean and refer to the subdivisions known as Jackson Ridge and Winn Ridge comprised of approximately 393.77 acres and 52.613 acres, respectively, more particularly described in Exhibit "B", attached hereto and made a part hereof, which were the subject of Cause No. D-1-GN-15-004299 and Cause No. D-1-GN-15-004311 formerly pending in the 98th Judicial District Court in Travis County identified below as a PUC Proceeding.

All references to "**Mustang**" shall mean and refer to "Mustang Special Utility District," which is located in Denton County, Texas, and all of its officers, directors, agents, representatives, elected officials, successors, and assignees if any.

All references to "**Party**" or "**Parties**" shall mean and refer collectively to Mustang, Aubrey, CADG, and Pulte.

All references to "**PUC Proceedings**" or "**PUC Action**" shall mean and collectively refer to any and all of the following:

1. Docket No. 44581 entitled "Petition of CADG Comanche 248, LLC, to Amend Mustang Special Utility District's Certificate of Convenience and Necessity in Denton County by Expedited Release" filed originally with the PUC and on appeal in Cause No. D-1-GN-15-004299 entitled "Mustang Special Utility District, Plaintiff, v. Public Utility Commission of Texas, Defendant", pending in the 98th Judicial District Court of Travis County, Texas;

2. Docket No. 44580 entitled "Petition of Comanche 52 Ridge Partners, Ltd., to Amend Mustang Special Utility District's Certificate of Convenience and Necessity in Denton County by Expedited Release" filed originally with the PUC and on appeal in Cause No. D-1-GN-15-004311 entitled "Mustang Special Utility District, Plaintiff, v. Public Utility Commission of Texas, Defendant", pending in the 98th Judicial District Court of Travis County, Texas;

3. Any "Notice of Intent to Serve" issued, filed or later withdrawn by Aubrey expressing an intent to serve or provide retail water or retail wastewater service in Jackson Ridge;

4. Any Application filed by Aubrey to acquire or secure a CCN or to provide retail water or retail wastewater service in Jackson Ridge;

5. Any and all boundary disputes regarding water and wastewater service areas that may exist between the Parties;

All references to "**Pulte**" shall mean and refer to Pulte Homes of Texas, L.P.

All references to "**Water and Wastewater Infrastructure**" shall mean and refer to all water and wastewater facilities constructed and/or financed by PID Bonds for the Jackson Ridge Public Improvement District.

All references to "**Venable Ranch**" shall mean and refer to the area comprised of approximately 1,551 acres, being a portion of the land commonly known as the Venable Ranch development and being depicted in Exhibit "C".

RECITALS

WHEREAS, in 2015, the CCNs to provide retail water and retail wastewater service to Jackson Ridge were decertified from Mustang in favor of Aubrey in PUC docket Nos. 44581 and 44580;

WHEREAS, the Parties desire, agree and intend that Mustang is to be the sole certified provider of retail water and retail wastewater service to Jackson Ridge provided the terms and conditions set out herein are satisfied in full by Mustang;

WHEREAS, the Parties desire to establish the ownership or transfer of certain water and wastewater utility and right of way facilities serving Jackson Ridge located both within Jackson Ridge and offsite for the benefit of Jackson Ridge; and

WHEREAS, the Parties desire, agree, and intend that any improvements constructed by the Jackson Ridge Public Improvement District and subsequently conveyed to Mustang should be conveyed to Aubrey in the event Mustang ceases providing service to Jackson Ridge; and

WHEREAS, the Parties desire, intend and agree that Aubrey is to eventually become the sole certified provider of retail water and retail wastewater service to the Venable Ranch and Aubrey Creek Estates providing the terms and conditions set out herein are satisfied in full by Aubrey;

WHEREAS, the Parties desire that to better provide for retail water and retail wastewater service to the areas affected herein, this Agreement shall be executed;

NOW, THEREFORE, FOR AND IN CONSIDERATION of the contractual terms and conditions, recitals, the warranties and representations, acknowledgements and agreements set out herein, and other good and valuable consideration the Parties agree as follows:

Consideration

1. Sufficiency of Consideration. The Parties expressly acknowledge and confess the adequacy and sufficiency of the consideration provided herein.

Jackson Ridge

2. Transfer or Certification of Jackson Ridge CCNs to Mustang. Aubrey agrees that the right to provide retail water and retail wastewater service Jackson Ridge shall be transferred or certified to Mustang under CCNs pursuant to applicable PUC requirements. In addition, Aubrey intends for Mustang to be the sole retail water and retail wastewater provider in Jackson Ridge and expressly acknowledges that all current or future water customers or properties located within Jackson Ridge will be exclusively the retail water and retail wastewater customers of Mustang. The Parties

agree that, to the extent allowed by PUC rules, Mustang may file a Notice of Intent to Serve Jackson Ridge, and may also, at its option, initiate retail water and retail wastewater services to Jackson Ridge prior to the filing for or receiving certification from the PUC. Subject to Mustang's compliance with the terms and conditions of this Agreement, Aubrey, CADG and Pulte agree to not oppose or object to: 1.) any Notice of Intent to Serve filed by Mustang; 2.) Mustang's initiation of any water service undertaken prior to any certification or issuance of a CCN for Jackson Ridge; or 3.) any application or request for Certification filed by Mustang with the PUC to obtain exclusive retail water and retail wastewater certification or the issuance of CCN's for Jackson Ridge.

3. Service Area Agreement and Decertification Prohibition. Upon execution of this Agreement, Aubrey intends and agrees that the area shown in Exhibit "B", attached hereto and made a part hereof, shall be serviced by Mustang under Mustang's CCN. Aubrey, CADG and Pulte agree, warrant and represent that Aubrey, CADG, and Pulte will not directly seek to decertify Mustang's CCNs for Jackson Ridge once certificated, nor indirectly encourage, cooperate with, require, sponsor or facilitate another in decertifying Mustang's CCNs for Jackson Ridge once certificated. In exchange for such transfer and the covenant not to seek decertification in the future, Mustang shall pay to Aubrey a total of Five Hundred Seventy-Nine Thousand Four Hundred And No/100 Dollars ($579,400.00) within thirty (30) days of the execution of this Agreement.

4. Cooperation in Transfer or Certifications of CCNs. The Parties agree to proceed with and cooperate in any PUC processes or proceedings necessary to effectuate the

issuance of the CCNs covering Jackson Ridge to Mustang. Aubrey, CADG, and Pulte agree to not object to any application or amendment filed by Mustang with the PUC to obtain exclusive water and sewer certification for Jackson Ridge. Aubrey, CADG, and Pulte will fully cooperate with Mustang and the PUC in taking whatever actions are required under PUC rules or the Travis County District Court to confirm Mustang's water and wastewater CCNs for Jackson Ridge.

5. Reimbursement of Monies to CADG and Pulte by Mustang for Jackson Ridge. Within thirty (30) days after the execution of this Agreement, Mustang shall pay to CADG a total of $322,780.95 and to Pulte a total of $219,708.05 for reimbursement of costs expended by CADG and Pulte in connection with the acquisition by Mustang of the CCNs covering Jackson Ridge.

6. Lot Fee for Jackson Ridge. Mustang shall pay to Aubrey a total of Five Hundred and No/100 Dollars ($500.00) per lot in Jackson Ridge for each lot which is now and which is later connected to the Water and Wastewater Infrastructure served by water and wastewater upon builder payment of connection fees to Mustang for each respective lot in Jackson Ridge.

7. Franchise Fee. Mustang agrees to charge Aubrey's franchise fee of eight percent (8%) on behalf of Aubrey for water and wastewater customers located in Jackson Ridge that are located within Aubrey's corporate limits and transfer the collected franchise fees to Aubrey on a quarterly basis.

8. Payment of Development Costs. Mustang agrees to pay Aubrey for specific costs related to the permanent improvements made for development of Jackson Ridge in an amount to be determined and agreed upon by the Parties. Specifically, but in no

way limiting the foregoing, Mustang agrees to reimburse Aubrey for (i) Aubrey's costs, including but not limited to engineering soft costs, relating to the offsite sewer line providing service to Jackson Ridge, currently estimated to be $2,794,820, according to the payment schedule attached hereto as "Exhibit D"; and (ii) all payments previously made by Aubrey to Upper Trinity Regional Water District ("Upper Trinity") to reserve capacity for service to Jackson Ridge, currently estimated to be $1,182,500, all of which shall be payable from Mustang to Aubrey within thirty (30) days of the execution of this Agreement.

9. Assignment of Upper Trinity Agreements. Upon the occurrence and as consideration for the payments in Section 8, Aubrey agrees to transfer and assign to Mustang all of its right, title, and interest to any and all agreements it has with Upper Trinity that pertain to the provision of wastewater treatment and water service to Jackson Ridge ("Upper Trinity Agreements"). Mustang agrees to assume all the rights and obligations of Aubrey in and to all such Upper Trinity Agreements as of the date of issuance of the Jackson Ridge CCNs to Mustang and to release Aubrey from any and all liability or payments arising from or related to the Upper Trinity Agreements after the date of transfer. Mustang agrees to indemnify Aubrey from and against any claims of losses or liability relating to the Upper Trinity Agreements arising after the date of issuance of the Jackson Ridge CCNs to Mustang. In all events, Mustang agrees that wastewater treatment and water service to Jackson Ridge will be served by Mustang through one or more separate agreements between Mustang and Upper Trinity.

10. Interim Pump and Haul Responsibilities. Mustang agrees to perform or pay to be

performed all necessary "pump and haul" services at Jackson Ridge for a period of four (4) months from June 8, 2017. At the termination of Mustang's pump and haul service period, CADG and/or Pulte shall be allowed to "pump and haul" until the off-site sewer is completed at CADG and/or Pulte's expense

11. Ownership of Facilities:

Road Rights of Way. Aubrey and Mustang agree that ownership of the public roadway and storm water improvements within Jackson Ridge is and will continue to be held by Aubrey.

Ownership of the Utility Rights of Way and Easements. Aubrey shall grant Mustang the easements and rights of way necessary for the operation and maintenance of the Water and Wastewater Infrastructure for Jackson Ridge and service to Jackson Ridge pursuant to this Agreement. Aubrey and Mustang agree to amend the development plats or provide other conveyance documentation evidencing the easements in favor of Mustang within thirty (30) days of the execution of this Agreement.

Ownership of the Water and Wastewater Infrastructure. Ownership of the Water and Wastewater Infrastructure serving Jackson Ridge shall be transferred by Aubrey to Mustang upon payment under Section 8 of this Agreement or, if construction of such infrastructure is not completed by such time, upon completion of construction of such infrastructure by Aubrey, CADG, and/or Pulte. For Water and Wastewater Infrastructure which will be constructed after the execution of this Agreement and subsequently conveyed to Mustang, Mustang shall have the right to inspect all plans and facilities and both Mustang and Aubrey must approve all

contract awards and change orders for Water and Wastewater Infrastructure. The Parties agree that the Water and Wastewater Infrastructure will continue to benefit Jackson Ridge and will be utilized to provide water and wastewater service to Jackson Ridge. As consideration for the financing and transfer of the Water and Wastewater Infrastructure to serve Jackson Ridge, Mustang agrees not to charge a capital recovery fee (excluding other fees charged under Mustang's Rate Order including but not limited to connection fees, meter set fees, and tap fees) within Jackson Ridge and to charge water and wastewater service rates to Jackson Ridge that are the same as similarly situated developments in Mustang's other service areas. Upon inspection, approval and acceptance of the Water and Wastewater Infrastructure serving Jackson Ridge, Mustang shall maintain and operate such Water and Wastewater Infrastructure in good condition and working order in compliance with all applicable laws and ordinances and all applicable regulations, rules, policies, standards and orders of any governmental entity with jurisdiction over same. Should Mustang cease providing service to Jackson Ridge, any Water and Wastewater Infrastructure improvements constructed by the Jackson Ridge Public Improvement District and subsequently conveyed to Mustang shall immediately and automatically revert back to Aubrey.

Venable Ranch and Aubrey Creek Estates

12. Service Area Agreement and Decertification Prohibition. Mustang agrees that the right to provide retail water and retail wastewater service to Aubrey Creek Estates and Venable Ranch shall be transferred or certified to Aubrey under CCNs pursuant to applicable PUC requirements. In addition, Mustang intends for Aubrey to be the

sole retail water and retail wastewater provider in Aubrey Creek Estates and Venable Ranch and expressly acknowledges that all current or future water customers or properties located within Aubrey Creek Estates or Venable Ranch will be exclusively the retail water and retail wastewater customers of Aubrey. The Parties agree that, to the extent allowed by PUC rules, Aubrey may file a Notice of Intent to Serve Aubrey Creek Estates and Venable Ranch, and may also, at its option, initiate retail water and retail wastewater services to Aubrey Creek Estates and Venable Ranch prior to the filing for or receiving certification from the PUC. Subject to Aubrey's compliance with the terms and conditions of this Agreement, Mustang, CADG and Pulte agree to not oppose or object to: 1.) any Notice of Intent to Serve filed by Aubrey; 2.) Aubrey's initiation of any water service undertaken prior to any certification or issuance of CCNs for Aubrey Creek Estates and Venable Ranch; or 3.) any application or request for Certification filed by Aubrey with the PUC to obtain exclusive retail water and retail wastewater certification or the issuance of CCNs for Aubrey Creek Estates and Venable Ranch.

13. Cooperation in Transfer or Certifications of CCNs. The Parties agree to proceed with and cooperate in any PUC processes or proceedings necessary to effectuate the issuance of the CCNs covering Aubrey Creek Estates and Venable Ranch to Aubrey. Mustang, CADG, and Pulte agree to not object to any application or amendment filed by Mustang with the PUC to obtain exclusive water and sewer certification for Aubrey Creek Estates and Venable Ranch. Mustang, CADG, and Pulte will fully cooperate with Aubrey and the PUC in taking whatever actions are required under PUC rules to confirm Aubrey's water and wastewater CCNs for

Aubrey Creek Estates and Venable Ranch. The Parties acknowledge that Pulte does not own any portion of Aubrey Creek Estates or Venable Ranch and any cooperation required of Pulte under this Section 13 shall be at no cost to Pulte.

Miscellaneous

14. Non-Disparagement. The Parties agree that professional and personal reputations are important and should not be impaired or disparaged. Aubrey and Mustang acknowledge and confess the importance of each other's corporate reputations, and the reputations of their respective officers, directors, agents, employees, staff, administration, legal counsel, and/or elected officials. For purposes of this section "Disparagement" shall mean any negative or defamatory statement or comment, whether written or oral, private or public, about the other or the other's respective officers, directors, agents, employees, staff, administration, legal counsel, and/or elected officials in connection with the matters addressed in this Agreement. Therefore, after the date of execution of this Agreement, Aubrey and Mustang expressly agree to not disparage or defame the professional or personal reputation of one another or any of their respective officers, directors, agents, employees, staff, administration, legal counsel, and/or elected officials in connection with any matter addressed in this Agreement. Further, Aubrey and Mustang agree to take no action, or issue no statement or publication or other announcement, in any form of media, public or social, which would reasonably be expected to lead to unwanted or unfavorable or negative publicity to the other or cast the other in a negative light in connection with any matter addressed in this Agreement. The Parties agree that the following shall be an appropriate response and provided to any questions by a third

party about the Litigation or the settlement herein: *"The issues between Aubrey and Mustang have been amicably resolved to the mutual satisfaction of both parties."*

15. Other Documents. The Parties covenant and agree to execute and deliver such other and further instruments and documents as are, or may become, necessary or convenient to effectuate and carry out the intent of this Agreement.

16. Notices. Any notices or communications required to be given by one Party to another under this Agreement ("Notice") shall be given in writing addressed to the Party to be notified at the address set out below and shall be deemed given when: a.) personally delivered to the Party representative set out below; b.) when received if transmitted by facsimile or by certified mail return receipt requested, postage paid; or c.) delivered by FedEx, UPS or other nationally recognized delivery service. For purpose of giving Notice, the addresses of the Parties are set out below.

To the City of Aubrey:

City of Aubrey
Attn: Mayor
107 South Main Street
Aubrey, Texas 76227
Fax: _____

To Mustang Special Utility District:

Mustang Special Utility District
Attn: General Manager
Aubrey, Texas 76227
Fax: 940-440-9686

To CADG Comanche, 248 LLC:

Attn: Mehrdad Moayed
1800 Valley View Lane, Suite 360
Farmers Branch, Texas 75234

With a copy to: Miklos Law, PLLC

Attn: Prabha Cinclair
1800 Valley View Lane, Suite 360
Farmers Branch, Texas 75234

To Pulte Homes of Texas, L.P.:

Attn: Bryan Swindell
4800 Regent Blvd., Suite 100
Irving, Texas 75063

With a copy to: Pulte Homes of Texas, L.P.

Attn: Scott V. Williams, Area General Counsel
2727 N. Harwood St., 3rd Floor
Dallas, Texas 75201

And a copy to: Bellinger & Suberg, L.L.P.

Attn: Walter A. Suberg
10,000 North Central Expressway, Ste. 900
Dallas, Texas 75231

17. Warranties and Representations.

The Parties also understand, warrant and agree:

a. Nature of Terms. The terms hereof are contractual and not mere recitals.

b. Remedies. In the event of material default by any Party(ies) of any of its obligations enumerated in this Agreement, the other Party(ies) shall have the right to pursue all remedies available at law or equity, including, but not limited to, injunctive relief or specific performance or mandamus requiring performance of all obligations set forth herein. Notwithstanding anything contained in this Agreement to the contrary, any default by a Party under this Agreement with respect to any rights and obligations relating to Aubrey Creek Estates or Venable Ranch shall not

reduce or impair in any manner the rights and obligations of the Parties under this Agreement with respect to Jackson Ridge.

c. Integration. This Agreement contains the sole and entire agreement between the Parties and supersedes all prior agreements, arrangements, or understandings between the Parties. No oral understandings, statements, promises, or inducements contrary to the terms of this Agreement exist, and this Agreement cannot be changed or terminated orally.

d. Construction. Each Party acknowledges that each Party and its counsel have had the opportunity to independently review and revise this Agreement and that the normal rules of construction that any vagueness or ambiguity are to be resolved against the drafting party shall not be employed in any interpretation of this Agreement or the Exhibits hereto.

e. Governing Law. This Agreement shall be governed by, construed, and enforced in accordance with the laws of the State of Texas, as applied to contracts performable in the state of Texas irrespective or without regard to any choice of law or principles to the contrary. The Parties hereby submit to the jurisdiction of the State District Court located in Denton County, Texas and any action being necessary to enforce or construe any of the terms or provisions of this Agreement must be filed solely in the State District Court located in Denton, Denton County, Texas, and no other.

f. Severability. If any term, provision or condition of this Agreement is held by a court of competent jurisdiction to be unconstitutional, invalid, void or unenforceable, the remaining provisions shall not be impaired or invalidated, but

shall remain in full force and effect, and the Parties agree to negotiate in good faith to otherwise accomplish the intent of the invalid provisions.

g. No Waiver. Should one Party fail to insist upon strict or complete performance of a material term of this Agreement, such failure shall not be deemed to prevent the Party from subsequently demanding strict compliance of that term, or be deemed a waiver of any other term(s) contained in the Agreement. No provision herein may be waived except by a writing signed by the Party with the authority to waive such provision.

h. Reliance on Counsel. The Parties sign this Agreement after consultation with and upon advice of their own legal counsel, and no other.

i. No Assignments. The Parties expressly warrant that no claims, demands, controversies, actions, causes of action, contracts, liabilities, damages, injuries, losses, or other rights which are mentioned in or released by this Agreement have been assigned, conveyed, or in any manner whatsoever, transferred to any other person or entity. No Party may assign its obligations under this Agreement without prior written consent of the other Parties, which shall not be unreasonably withheld.

j. Authority. The Signatories below warrant and represent that each has the requisite authority, both individually and in all their representative capacities, to execute this Agreement for and on behalf of their respective entities in all respects. Further, each Signatory warrants and represents that the settlement herein has been approved by a duly constituted quorum of the requisite governing body of Aubrey or Mustang, at a meeting duly and properly noticed as required by law.

k. Successors and Assigns. This Agreement shall be binding on and shall inure to the benefit of the successors and assigns of the Parties.

l. Compliance with Laws. The Parties are of the understanding and agree that this Agreement complies with all federal and state statutes and constitutions, local law and common law which may govern the validity of this Agreement at the time of execution.

m. Revisions and Changes. This Agreement may not be changed, revised, or otherwise amended except by a writing signed by all the Parties hereto.

n. Evidentiary Value. It is the intent of the Parties that this Agreement have no precedential or evidentiary value in any administrative or judicial proceeding whatsoever, save and except (i) in a PUC proceeding to issue water or wastewater CCNs to Mustang as contemplated herein, and (ii) in an action to enforce the terms of this Agreement.

o. Admissions. Nothing in this Agreement shall be deemed to be an admission, concession, acknowledgment, interpretation or construction of alleged liability by any of the Parties to this Agreement.

p. Originals and Counterparts. This Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes.

q. Effective Date. The Effective Date of this Agreement is the latest of the dates of execution by the Signatories hereto.

17. Events of Default and Remedies.

The Parties also understand, warrant and agree:

a. No Party shall be in default under this Agreement until notice of the alleged

failure of such Party to perform has been given in writing (which notice shall set forth in reasonable detail the nature of the alleged failure) and until such Party has been given a reasonable time to cure the alleged failure (such reasonable time to be determined based on the nature of the alleged failure, but in no event more than thirty (30) days (or any longer time period to the extent expressly stated in this Agreement as relates to a specific failure to perform) after written notice of the alleged failure has been given except as relates to a type of default for which a different time period is expressly set forth in this Agreement). Notwithstanding the foregoing, no Party shall be in default under this Agreement if, within the applicable cure period, the Party to whom the notice was given begins performance and thereafter diligently and continuously pursues performance until the alleged failure has been cured. Notwithstanding the foregoing, however, a Party shall be in default of its obligation to make any payment required under this Agreement if such payment is not made within five (5) business days after it is due.

b. As compensation for the party's default, an aggrieved Party is limited to seeking specific performance of the other party's obligations under this Agreement. However, the Parties agree that the Developer will not be required to specifically perform under this Agreement in the event that the Developer satisfies all of its obligations under this Agreement and the City does not issue PID Bonds within one (1) year of the date of this Agreement.

WHEREFORE, the Parties hereto have executed this Agreement on the dates shown above the signature of the Party.

EXECUTED on this the 27 day of MAR, 2017.

MUSTANG SPECIAL UTILITY DISTRICT

MIKE FRAZIER, President

THE STATE OF TEXAS §

COUNTY OF DENTON §

BEFORE ME, the undersigned, a Notary Public in and for the State of Texas, on this day personally appeared Mike Frazier, President of Mustang Special Utility District, a political subdivision of the State of Texas, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same on behalf of such District.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 4 day of April, 2017.

PAMELA K. ROGERS
Notary Public, State of Texas
Comm. Expires 03-10-2021
Notary ID 7072785

Pamela K. Rogers

Notary Public in and for the State of Texas

(NOTARY SEAL)

CITY OF AUBREY

By: _____
Name: Janet Meyers
Title: Mayor

ATTEST:

By: _____
Jenny Huckabee, City Secretary

APPROVED AS TO FORM

_____
Name: David M. Berman
Title: Attorney for the City

STATE OF TEXAS §

COUNTY OF DENTON §

Before me the undersigned notary public appeared Janet Meyers, Mayor of the City of Aubrey, a political subdivision of the State of Texas, on behalf of the City of Aubrey for the consideration therein expressed.

_____
Notary Public-State of Texas

(SEAL)

_____
Notary Public for the State of Texas

COMANCHE 248, LLC

CADG Comanche 248, LLC,
a Texas limited liability company

By: CADG Holdings, LLC,
a Texas limited liability company,
Its Sole Member

By: MMM Ventures, LLC,
a Texas limited liability company,
Its Manager

By: 2M Ventures, LLC,
a Delaware limited liability company,
Its Manager

By: _____
Name: Mehrdad Moayedi
Its: Manager

STATE OF TEXAS §
§
COUNTY OF DALLAS §

This instrument was acknowledged before me on the 21st day of March, 2017, by Mehrdad Moayedi, Manager of 2M Ventures, LLC, as Manager of MMM Ventures, LLC, as Manager of CADG Holdings, LLC, as Sole Member of CADG Comanche 248, LLC, a Texas limited liability company on behalf of said company.

_____
Notary Public, State of Texas

KELLY BALCHUS
Notary Public, State of Texas
Comm. Expires 04-03-2018
Notary ID 129773985

PULTE HOMES OF TEXAS, L.P.

PULTE HOMES OF TEXAS, L.P.,
a Texas limited partnership

By: Pulte Nevada I LLC,
a Delaware limited liability company,
its General Partner

By: _____
Name: BRYAN SWINDELL
Title: DIVISION PRESIDENT

THE STATE OF Texas §

COUNTY OF Dallas §

The foregoing instrument was acknowledged before me this 31st day of March, 2017, by BRYAN SWINDELL, DIVISION PRESIDENT of Pulte Nevada I LLC, a Delaware limited liability company, the general partner of PULTE HOMES OF TEXAS, L.P., a Texas limited partnership, on behalf of said limited liability company and limited partnership.

JESSICA HERNANDEZ
Notary Public, State of Texas
My Commission Expires
April 18, 2018

_____
Notary Public of the State of Texas

(SEAL)

EXHIBIT "A"

DESCRIPTION OF AUBREY CREEK ESTATES

NORTH

1/4 0 1/8 1/4 1/2

1" = ¼ MILE

Aubrey Creek Estates

Aubrey, Texas

Mustang
SPECIAL UTILITY DISTRICT™

EXHIBIT "B"

DESCRIPTION OF JACKSON RIDGE

1/4 0 1/8 1/4 1/2

1" = ½ MILE

Jackson Winn Ridge

Aubrey, Texas

Mustang
SPECIAL UTILITY DISTRICT

EXHIBIT "C"

DESCRIPTION OF VENABLE RANCH

NORTH

1/4 0 1/8 1/4 1/2

1" = ½ MILE

Venable Ranch

Aubrey, Texas

Mustang
SPECIAL UTILITY DISTRICT

EXHIBIT "D"

PAYMENT SCHEDULE

Breakdown of Bond Debt Service Payments
City Major Improvements Portion

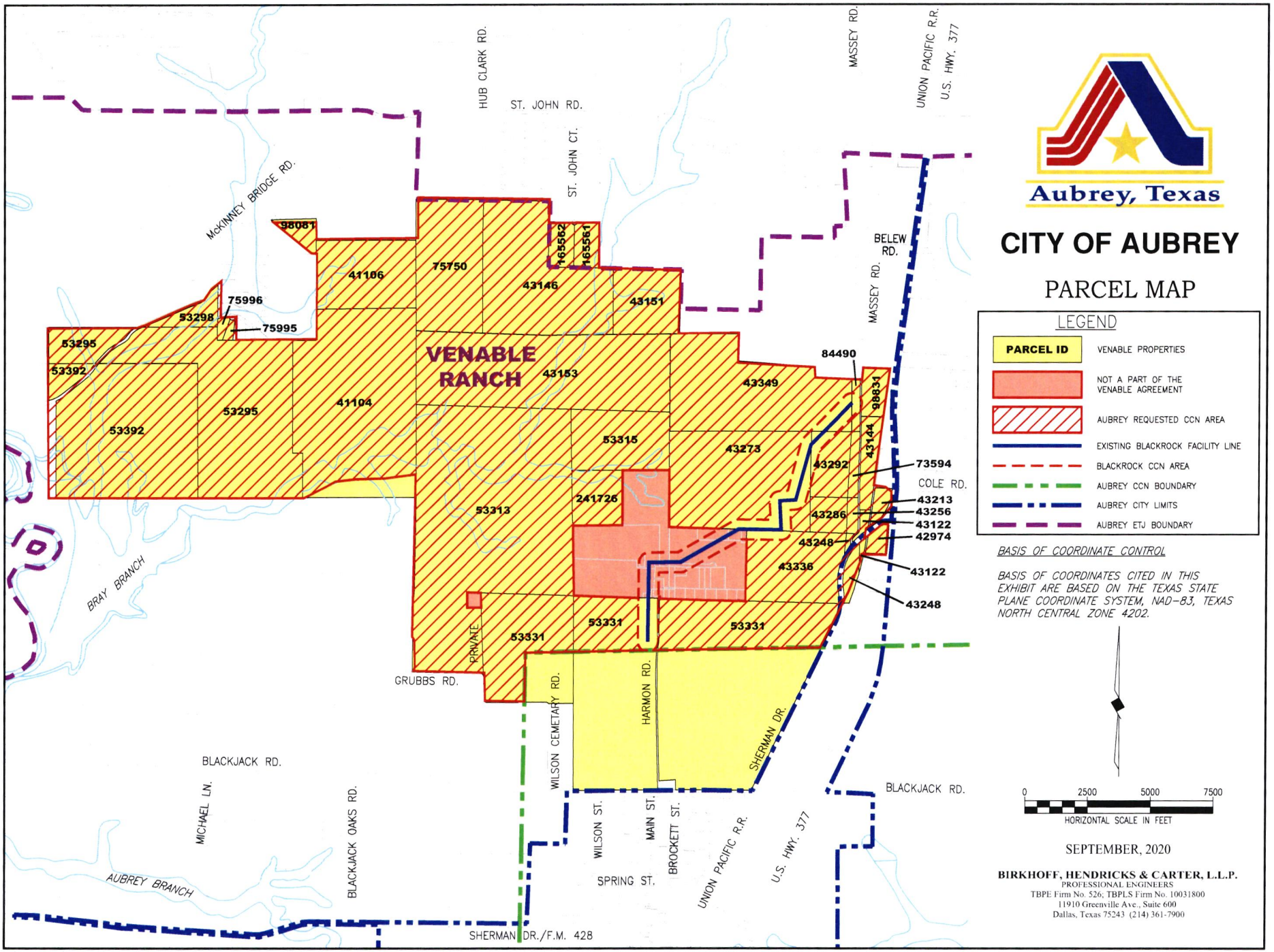
	Sereis 2015 MI Bonds		Sereis 2015 Phase 1 Bonds				Prorated Debt Service Amounts for $2,794,820		
	City Major Improvements				Estimated TIRZ Admin Expenses	Total Combined Obligations			
Year	Principal[1]	Interest[1]	Principal[2]	Interest[2]			Principal (1&2)	Interest (1&2)	Total
1	$0	$581,114	$0	$231,735	$0	$812,850	$0	$172,316	$172,316
2	$0	$795,442	$0	$317,204	$15,000	$1,127,646	$0	$235,870	$235,870
3	$0	$795,442	$48,653	$317,204	$15,000	$1,176,299	$10,314	$235,870	$246,184
4	$159,565	$795,442	$51,694	$313,434	$15,000	$1,335,134	$44,785	$235,071	$279,856
5	$172,862	$781,480	$56,255	$309,427	$15,000	$1,335,024	$48,571	$231,262	$279,832
6	$186,159	$766,354	$60,817	$305,068	$15,000	$1,333,398	$52,356	$227,131	$279,487
7	$203,888	$750,066	$63,857	$300,354	$15,000	$1,333,166	$56,760	$222,679	$279,438
8	$217,185	$732,225	$69,939	$295,405	$15,000	$1,329,755	$60,868	$217,848	$278,715
9	$234,915	$713,222	$74,500	$289,985	$15,000	$1,327,622	$65,593	$212,670	$278,263
10	$257,077	$692,666	$79,062	$284,211	$15,000	$1,328,016	$71,258	$207,089	$278,347
11	$274,806	$670,172	$85,143	$278,084	$15,000	$1,323,206	$76,306	$201,021	$277,327
12	$301,400	$646,127	$91,225	$271,485	$15,000	$1,325,237	$83,233	$194,525	$277,757
13	$323,562	$619,754	$98,827	$264,415	$15,000	$1,321,559	$89,542	$187,435	$276,978
14	$350,156	$591,443	$104,909	$256,756	$15,000	$1,318,264	$96,469	$179,810	$276,279
15	$381,183	$560,804	$112,511	$248,626	$15,000	$1,318,123	$104,658	$171,591	$276,249
16	$412,209	$527,450	$121,633	$239,906	$15,000	$1,316,199	$113,169	$162,672	$275,841
17	$443,236	$491,382	$129,235	$230,480	$15,000	$1,309,333	$121,358	$153,028	$274,386
18	$483,127	$452,599	$138,358	$220,464	$15,000	$1,309,548	$131,749	$142,683	$274,431
19	$523,018	$410,325	$149,001	$209,741	$15,000	$1,307,085	$142,461	$131,448	$273,909
20	$562,909	$364,561	$159,644	$198,194	$15,000	$1,300,308	$153,174	$119,299	$272,473
21	$611,665	$315,307	$171,807	$185,821	$15,000	$1,299,600	$166,088	$106,234	$272,323
22	$660,421	$261,786	$183,970	$172,506	$15,000	$1,293,684	$179,003	$92,066	$271,068
23	$718,042	$203,999	$197,654	$158,249	$15,000	$1,292,944	$194,119	$76,793	$270,912
24	$775,662	$141,171	$211,338	$142,930	$15,000	$1,286,101	$209,234	$60,227	$269,461
25	$837,715	$73,300	$226,542	$126,552	$15,000	$1,279,109	$225,612	$42,367	$267,979
26	$0	$0	$243,266	$108,995	$15,000	$367,261	$51,570	$23,106	$74,676
27	$0	$0	$261,511	$90,142	$15,000	$366,653	$55,438	$19,109	$74,547
28	$0	$0	$279,756	$69,874	$15,000	$364,631	$59,306	$14,813	$74,118
29	$0	$0	$299,522	$48,193	$15,000	$362,715	$63,496	$10,217	$73,712
30	$0	$0	$322,328	$24,980	$15,000	$362,308	$68,330	$5,296	$73,626
31	$0	$0	$0	$0	$0	$0	$0	$0	$0
Total	**$9,090,763**	**$13,733,633**	**$4,092,958**	**$6,510,424**	**$435,000**	**$33,862,778**	**$2,794,820**	**$4,291,542**	**$7,086,362**

1 - The principal and interest shares of the City Major Improvements are calculated as 88.59% based on the prorated estimated costs and Par amounts shown in Section IV, Table IV-A.

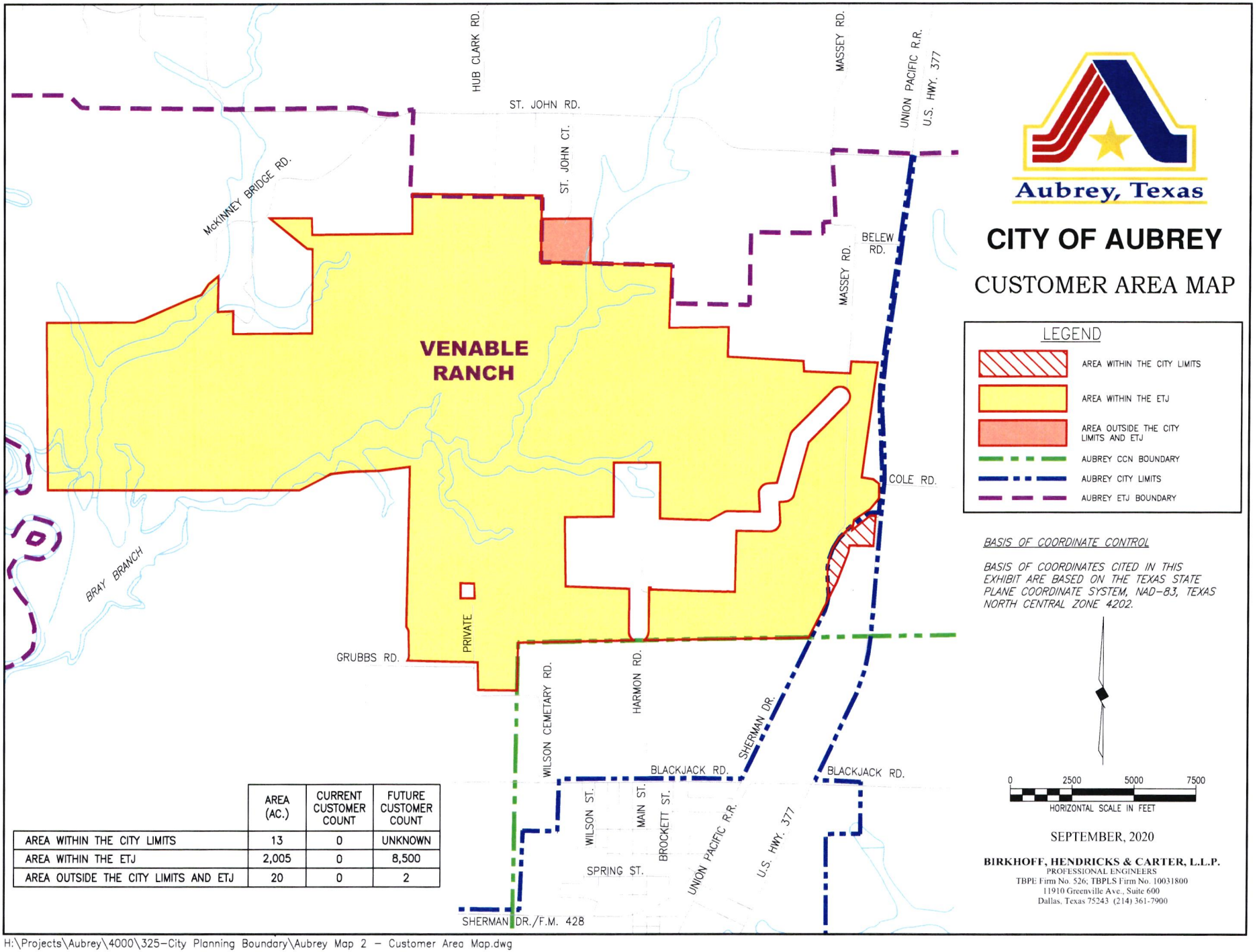
The principal and interest amounts are based on the underwriter's final cashflows dated as of 11-16-15. The interest amounts include the 0.5% additional interest amount for prepayment and delinquency reserves.

1 - The principal and interest shares of the City Major Improvements are calculated as 30.41% based on the prorated estimated costs and Par amounts shown in Section IV, Table IV-C.

The principal and interest amounts are based on the underwriter's final bond cashflows dated as of 11-16-15. The interest amounts include 0.5% for prepayment and delinquency reserves.



H:\Projects\Aubrey\4000\325-City Planning Boundary\Aubrey Map 1 - Parcel Map.dwg



Aubrey, Texas

CITY OF AUBREY

CUSTOMER AREA MAP

LEGEND

- AREA WITHIN THE CITY LIMITS
- AREA WITHIN THE ETJ
- AREA OUTSIDE THE CITY LIMITS AND ETJ
- AUBREY CCN BOUNDARY
- AUBREY CITY LIMITS
- AUBREY ETJ BOUNDARY

BASIS OF COORDINATE CONTROL

BASIS OF COORDINATES CITED IN THIS EXHIBIT ARE BASED ON THE TEXAS STATE PLANE COORDINATE SYSTEM, NAD-83, TEXAS NORTH CENTRAL ZONE 4202.

0 2500 5000 7500

HORIZONTAL SCALE IN FEET

	AREA (AC.)	CURRENT CUSTOMER COUNT	FUTURE CUSTOMER COUNT
AREA WITHIN THE CITY LIMITS	13	0	UNKNOWN
AREA WITHIN THE ETJ	2,005	0	8,500
AREA OUTSIDE THE CITY LIMITS AND ETJ	20	0	2

SEPTEMBER, 2020

BIRKHOFF, HENDRICKS & CARTER, L.L.P.
PROFESSIONAL ENGINEERS
TBPE Firm No. 526; TBPLS Firm No. 10031800
11910 Greenville Ave., Suite 600
Dallas, Texas 75243 (214) 361-7900

H:\Projects\Aubrey\4000\325-City Planning Boundary\Aubrey Map 2 - Customer Area Map.dwg

DEVELOPMENT AGREEMENT FOR VENABLE RANCH

This Development Agreement for Venable Ranch (this "Agreement") is executed between Venable Estate, Ltd., a Texas limited partnership ("Venable Estate"), and Venable Royalty, Ltd., a Texas limited partnership ("Venable Royalty"), such entities, together with all subsequent owners of all or any part of the Property, as hereafter defined, being referred to as "Owner," and the City of Aubrey, Texas, a general law city (the "City") (Owner and City, together with each District executing a Joinder Agreement pursuant to Section 12.16, being referred to, individually, as a "Party" and, collectively, as the "Parties") to be effective on the date specified in Section 12.13 below (the "Effective Date").

ARTICLE I
RECITALS

WHEREAS, Venable Estate and Venable Royalty are the owners of approximately 2,400 acres of real property located in Denton County, Texas (the "County") described by metes and bounds and depicted on **Exhibit A** (the "Property"); and

WHEREAS, Venable Estate and Venable Royalty submitted a petition to the City requesting that the City extend its extraterritorial jurisdiction ("ETJ") to include all of the Property that was not previously in the City's ETJ, which petition was approved by the City Council on May 9, 2014, by adoption of Ordinance No. 534-14 expanding the City's ETJ to include all of the Property; and

WHEREAS, the Property is located wholly within the ETJ of the City and not within the ETJ or corporate limits of any other town or city; and

WHEREAS, pursuant to that certain Interlocal Cooperation Agreement between the City and the County effective September 1, 2001 (the "Interlocal Agreement") and Section 242.001(a)(3) of the Texas Local Government Code, the City has exclusive jurisdiction over subdivision platting and all related permits for the Property; and

WHEREAS, Owner intends that the Property be developed as a high-quality, master-planned, mixed-use community including parkland, open space, and other public and private amenities that will benefit and serve the present and future citizens of the City pursuant to development regulations contained in this Agreement, which will be recorded in the deed records of the County (so as to bind Owner, including all future owners of the Property or any portion thereof), and will provide regulatory certainty during the term of this Agreement; and

WHEREAS, the 83rd Texas Legislature approved House Bill 3914 and Senate Bill 1877, codified as Chapter 8469, Special District Local Laws Code, effective September 1, 2013 (the "Legislation") creating Venable Ranch Municipal Utility District No. 1 of Denton County encompassing the Property (the district created by the Legislation and each district created by subdivision of such district pursuant to Section 8469.106 of the Legislation being hereafter referred to as the "District"); and

WHEREAS, the City Council adopted Ordinance No. 535-14 dated May 9, 2014, consenting to creation of the District and inclusion of the Property in the District in accordance

with Section 8469.004, Special District Local Laws Code (the "Consent Ordinance"), a copy of which Consent Ordinance is attached as **Exhibit C**; and

WHEREAS, the City has also consented to creation of the District as set forth in this Agreement; and

WHEREAS, it is the Parties' intention that the District will be subdivided into multiple Districts, each of which will contain at least 200 acres; and

WHEREAS, the Parties have agreed that the Property be developed within the City's corporate limits; and

WHEREAS, the City shall have the right to annex all property within each District (each District annexed by the City being referred to as an "In-City District") prior to development of such property, upon satisfaction of certain conditions precedent to annexation (the "Annexation Conditions"); and

WHEREAS, each District annexed by the City will be encompassed by a tax increment reinvestment zone that will continue in existence until owners and developers are reimbursed for all infrastructure costs authorized by Chapter 311 of the Texas Tax Code or forty-five (45) years after the establishment of the tax increment reinvestment zone, whichever occurs first; and

WHEREAS, if the Annexation Conditions for annexation of property encompassed by a District are not satisfied or the City elects not to annex the property encompassed by a District, such property may be developed within the District in the City's ETJ and will be immune from full-purpose annexation by the City for the period set forth in this Agreement (each District developed in the ETJ being referred to as an "ETJ District"); and

WHEREAS, it is anticipated that the proposed Outer Loop may be constructed across the Property at some future date, which construction will facilitate development of the Property; and

WHEREAS, the Texas Commission on Environmental Quality ("TCEQ") or its predecessor has issued certificates of convenience and necessity (each, a "CCN") for retail water service and retail sewer service to portions of the Property; and

WHEREAS, portions of the Property are located in Mustang Special Utility District ("Mustang SUD") CCN No. 11856, City of Aubrey CCN No. 11234, and Blackrock Water Supply Corporation ("Blackrock") facilities CCN No. 11712, and the remainder of the Property is not located in a CCN for retail water service, as shown on **Exhibit B**; and

WHEREAS, portions of the Property are located in Mustang SUD CCN No. 20930 and City of Aubrey CCN No. 20491, and the remainder of the Property is not located in a CCN for retail sewer service, as shown on **Exhibit B**; and

WHEREAS, the City has represented to Owner that the City has taken, or will take, all reasonable steps to obtain sufficient water supplies to serve the Property to allow Owner's intended development of such property; and

WHEREAS, in reliance on the City's representations, Owner has agreed to cooperate with the City to expand the City's water and sewer CCNs to encompass the portions of the Property not located in a water and/or sewer CCN, as the Property is annexed by the City; and

WHEREAS, at the City's request, Owner has agreed to cooperate with the City to seek to remove the Property from Mustang SUD's CCN service areas for retail water service and retail sewer service and to make the City the sole CCN holder of said service areas; and

WHEREAS, water, sewer and drainage facilities and roadways to serve Owner's intended development of the Property (collectively, "Public Infrastructure") are inadequate or not currently available; and

WHEREAS, due to the location and other natural features of the Property, Owner represents that the cost of the Public Infrastructure does not allow Owner's intended development of the Property in a cost-effective and market-competitive manner, unless the City consents to the proposed District; and

WHEREAS, the City will provide full municipal services to the portions of the Property annexed by the City at the same level of service provided to other areas of the City with similar characteristics of topography, land use, and population density; and

WHEREAS, under this Agreement, or otherwise, the City is not agreeing to: (i) directly fund the construction of, or participate in the cost of, the Public Infrastructure that will allow Owner's intended development of the Property; or (ii) provide full municipal services for Owner's intended development of portions of the Property developed in the City's ETJ until such property is annexed by the City for full purposes in accordance with this Agreement; and

WHEREAS, Owner intends that the District, or Owner as appropriate, will design, construct and install the Public Infrastructure, subject to inspections and approvals by the City, at no expense to the City using funds advanced to, or on behalf of, the District by Owner; and that the District will thereafter reimburse Owner for such advances using the proceeds of bonds issued by the District and secured by ad valorem taxes levied on property within the District, assessments, or other funds legally available to the District; and

WHEREAS, the Parties intend that this Agreement be a development agreement as provided for by Section 212.172 of the Texas Local Government Code; and

WHEREAS, the Parties intend that this Agreement satisfy the City's pre-annexation obligations under Section 43.035 of the Texas Local Government Code; and

WHEREAS, the Parties have the authority to enter into this Agreement pursuant to Section 212.171, et seq. of the Texas Local Government Code.

NOW THEREFORE, for and in consideration of the mutual covenants of the Parties set forth in this Agreement, and for other good and valuable consideration the receipt and adequacy of which are acknowledged and agreed by the Parties, the Parties agree as follows:

ARTICLE II
DEVELOPMENT REGULATIONS

2.1 Governing Regulations. Development of the Property shall be governed solely by this Agreement, the Consent Ordinance, and the following regulations (collectively, the "Governing Regulations"):

(a) the Concept Plan attached as **Exhibit D** as amended from time to time in accordance with this Agreement (the "Concept Plan"), which Concept Plan is considered to be a development plan as provided for in Section 212.172 of the Texas Local Government Code; and

(b) the subdivision regulations attached as **Exhibit E** (the "Subdivision Regulations"); and

(c) the building, plumbing, electrical, mechanical, and fire codes adopted by the City and uniformly enforced within the City's corporate boundaries, as may be amended from time to time, and any subsequently adopted local amendments to uniform building, fire, electrical, plumbing, or mechanical codes that are uniformly applicable to similarly situated development within the City's corporate boundaries (the "Building Codes"); and

(d) the development standards set forth on **Exhibit F** (the "Development Standards"); and

(e) final plats for portions of the Property that are approved, from time to time, by the City in accordance with this Agreement (each, an "Approved Plat"); and

(f) regulations, as may be amended from time to time, for sexually oriented businesses; and

(g) regulations related to minimum fire flow requirements, as amended as of the date each preliminary plat is submitted for any portion of the Property; and

(h) regulations, as may be amended from time to time, to prevent imminent destruction of property or injury to persons from flooding that are effective only within a flood plain established by a federal flood control program and enacted to prevent the flooding of buildings intended for public occupancy and that are uniformly applicable to similarly situated development within the City's corporate boundaries; and

(i) regulations, as may be amended from time to time, to prevent the imminent destruction of property or injury to persons that are uniformly enforced within the City's corporate boundaries if the regulations do not:

(A) affect landscaping or tree preservation, open space or park dedication, lot size, lot dimensions, lot coverage, building size, residential or commercial density, or the timing of a project; or

(B) change development permitted by a restrictive covenant required by a municipality; and

(j) construction standards, as may be amended from time to time, for public works located on public lands or easements.

2.2 Addition of Land to Agreement.

(a) From time to time, Venable Estate and/or Venable Royalty may elect to purchase up to an additional 950 acres of land located in the area bordered by Highway 377 on the east, FM 428 on the south, the Lake Lewisville-Lake Ray Roberts Greenbelt on the west and St. John's Road on the north, as described on **Exhibit G** and that is adjacent to the District (collectively, the "Additional Land") for inclusion in the District and development in conjunction with development of the Property. Venable Estate and Venable Royalty are authorized to record in the County real property records one or more amendments to **Exhibit A**, in the form attached hereto as **Exhibit H**, for the sole purpose of adding the Additional Land to the Agreement, up to a maximum of 950 acres adjacent to the District. Venable Estate and Venable Royalty shall provide a copy of any recorded amendment to this Agreement to the City. Upon recording each such amendment and delivery of a copy of the recorded amendment to the City, "Property", as defined herein, shall include the approximately 2,400 acres described on the original **Exhibit A** together with that portion of the Additional Land described in each amended **Exhibit A**, without further action by the City or Owner.

(b) From time to time, any owner of any portion of the Additional Land that is adjacent to the District may request annexation of such portion of land by the District and, subject to such owner agreeing to be bound by this Agreement and complying with the procedures and requirements of Texas Water Code, Section 49.301, as may be amended, the District shall support the request for addition of the portion of the Additional Land to the District and the District shall adopt an order adding the portion of the Additional Land to the District. The Owner of the portion of the Additional Land added to the Agreement shall be responsible for providing notice to the City and developing and delivering an amended Concept Plan including the Additional Land in accordance with Section 2.3(c).

2.3 Concept Plan Revisions.

(a) Owner may revise the Concept Plan attached hereto as **Exhibit D**, from time to time (which amended Concept Plan shall be subject to all provisions of this Agreement and the exhibits attached hereto), provided the following conditions are met (each such amendment being referred to as a "Minor Concept Plan Revision"):

(i) The proposed revision is approved, in writing, by the owners of all the property subject to the revision; and

(ii) Venable Estate and Venable Royalty approve the proposed revision in writing (provided the approval of each such entity shall be required only so long as such entity owns all or any portion of the Property); and

(iii) Residential density permitted by the revised Concept Plan does not exceed the maximum permitted densities described in the Development Standards; and

(iv) The revised Concept Plan includes at least 50 acres of commercial development; and

(v) The revised Concept Plan does not increase the amount, area or density of multifamily residential; and

(vi) Any proposed revision is prominently labeled "Minor Concept Plan Revision" and a full copy of same is submitted to the City at least sixty (60) days before it takes effect; and

(vii) The proposed revised Concept Plan does not substantially change the points of ingress and egress of the north/south connector roadways depicted in the Concept Plan attached hereto as **Exhibit D**.

(b) The Concept Plan may be revised by the duly authorized, written approvals of Venable Estate, Venable Royalty, the City, and the owners of the portions of the Property subject to the revision (provided the approval of Venable Estate and Venable Royalty shall be required only so long as such entity owns all or any portion of the Property). Such revision is not subject to the requirements set out in Section 2.3(a).

(c) If Additional Land is added to this Agreement in accordance with Section 2.2, the owners of such land shall submit a revised Concept Plan including the Additional Land to the City. If the City and such owners are unable to agree on the revised Concept Plan including the Additional Land, such owners may develop the Additional Land as (i) Single-Family Residential with a maximum density of 3.5 units per acre; and/or (ii) Commercial, provided, however, commercial development shall be allowed only on the portion of the Additional Land located within 1,200 feet of the route of the Outer Loop, Black Jack Road, FM 428 or other road with right-of-way of at least eighty (80) feet.

(d) The City and Owner shall cooperate to cause any Concept Plan that has been revised in accordance with this Section 2.3 to be duly filed in the City Secretary's Office and County property records.

2.4 Zoning. In the event of any conflict between this Agreement and any zoning ordinance adopted by the City Council relating to the Property, this Agreement will prevail except as expressly agreed in writing by the Owner of such Property. Any established use of the Property or a portion thereof that may be in conflict with the City's zoning ordinances at the time of annexation shall be deemed a legal use and shall not be considered to be a nonconforming use provided such use is in compliance with this Agreement.

2.5 Development Standards Revisions and Waivers.

(a) The Mayor—and the City Manager, if the City has a City Manager—or a designee of their choice may administratively approve in writing minor revisions to the Development Standards, including without limitation the following: (i) an increase in the height of any structure by five percent (5%) or less; (ii) a setback reduction of ten percent (10%) or less; (iii) an increase in lot coverage of five percent (5%) or less; and (iv) a reduction in off-street parking spaces of five percent (5%) or less.

(b) The City Council may waive strict compliance with the Development Standards on a case-by-case basis when Owner demonstrates, to the reasonable satisfaction of the City Council, that the requested waiver: (i) is not contrary to the public interest; (ii) does not cause injury to adjacent property; and (iii) does not materially adversely affect the quality of development.

(c) This Agreement may be amended in writing in accordance with Section 12.7 to revise the Development Standards.

2.6 Subdivision Regulations Revisions and Waivers.

(a) The Mayor—and the City Manager, if the City has a City Manager—or a designee of their choice may administratively approve in writing minor revisions to the Subdivision Regulations, including without limitation the following: (i) administrative requirements such as number of copies required for submittals, sheet size requirements, or certification statements; and (ii) construction plan requirements and specifications, subject to review of the City's engineer.

(b) The City Council may waive strict compliance with the Subdivision Regulations on a case-by-case basis when Owner demonstrates, and the majority of the City Council agrees by record vote, that the requested waiver: (i) is not contrary to the public interest; (ii) does not cause injury to adjacent property; and (iii) does not materially adversely affect the quality of development.

(c) This Agreement may be amended in writing in accordance with Section 12.7 to revise the Subdivision Regulations.

2.7 Conflicts.

(a) In the event of any conflict between this Agreement and any other ordinance, rule, regulation, standard, policy, order, guideline or other City-adopted or City-enforced requirement, whether existing on the Effective Date or hereinafter adopted, this Agreement shall control, except as otherwise expressly provided in this Agreement.

(b) In the event of any conflict between any Approved Plat and any of the other Governing Regulations, the Approved Plat shall control.

ARTICLE III
DEVELOPMENT PROCESS

3.1 Jurisdiction. Pursuant to the Interlocal Agreement, which grants exclusive authority to the City pursuant to Section 242.001(d)(1) of the Texas Local Government Code, and Section 242.001(a)(3) of the Texas Local Government Code, the City shall have and exercise exclusive jurisdiction over the review and approval of preliminary and final plats, amending plats, replats and minor replats, and approval of plans for certain Public Infrastructure, for the Property in accordance with this Agreement, and the County shall have and exercise no jurisdiction over such matters during the term of this Agreement.

3.2 Plats Required.

(a) Except as provided in Section 3.2(c) and Section 12.4, subdivision of the Property shall require approval of preliminary and final plats by the City in accordance with the Governing Regulations and this Agreement. All preliminary plats submitted by Owner shall be in conformance with the Concept Plan. In the event of an inconsistency between a preliminary plat submitted by Owner and the Concept Plan, Owner shall amend the preliminary plat to conform to the Concept Plan.

(b) Owner shall not submit a preliminary or final plat to the City for any portion of the Property except in accordance with Section 7.1.

(c) Notwithstanding any contrary provision of this Agreement or the Governing Regulations, a maximum of ten (10) model homes or "spec" homes (or a combination thereof) may be constructed on the Property prior to approval by the City of a plat for such property. The City shall issue Building Permits, as defined in Section 3.5, for any such model homes or spec homes authorized by this section prior to approval by the City of a plat for the lot on which such structure is to be located, provided that all plans and specifications of the proposed structures are in compliance with all other aspects of the Building Codes. All fees associated with the issuance of Building Permits shall apply and be collected by the City. No Certificate of Occupancy (as described by Section 3.6 below) for residential occupancy of any such model homes or spec homes authorized by this section will be issued prior to: (i) approval of a final plat for the lot on which the structure is to be located; and (ii) recording of the final plat for that lot in the County plat records.

(d) For purposes of the preliminary plat review process, the Parties agree that the following will apply to expirations and extensions:

(i) Approval of a preliminary plat will expire at the end of two (2) years from the date of City Council approval unless a final plat of all, or a portion of, the land is filed prior to such expiration date, or an extension is granted by the City; and

(ii) A one hundred eighty (180) day extension may be granted administratively by the Mayor—and the City Manager, if the City has a City Manager—in writing prior to the initial expiration date of the preliminary plat; and

(iii) Additional extensions may be granted by the formal approval of the City Council.

3.3 Design and Construction of Public Infrastructure.

(a) To the fullest extent permitted under law, all Public Infrastructure constructed or caused to be constructed by Owner on behalf of the District shall be designed and constructed in compliance with the Governing Regulations. In the event of any conflict between the Governing Regulations and the rules and regulations of the CCN-holder, the stricter standard shall prevail.

(b) Owner shall submit to the City all appropriate plans and specifications for the following improvements on the Property prior to commencing any construction, advertising for

bids or requesting proposals: (i) public drainage facilities; (ii) public roads; (iii) public water facilities; and (iv) public wastewater facilities. Except for public water and wastewater facilities located within the boundaries of a CCN held by any entity other than the City, which are addressed in subsection (d), no advertising for bids or requests for proposal shall be delivered and no construction shall commence until the related plans and specifications have been approved in writing by the City provided, however, if the City fails to approve or disapprove the plans and specifications within forty-five (45) days after receipt, those plans and specifications shall be deemed to be approved.

(c) In the event the City disapproves of such plans and specifications, the disapproval notice shall contain a detailed explanation of the reason(s) for disapproval, which shall be limited to the failure of such plans and specifications to comply with one or more of the Governing Regulations. If the plans or specifications do not comply with the Governing Regulations, the Owner must revise the plans and specifications appropriately and resubmit to the City for review. The same review process shall apply to any resubmittal of plans and specifications; provided, however, that if the City fails to approve or disapprove the resubmitted plans and specifications within thirty (30) days after receipt, such plans and specifications shall be deemed to be approved.

(d) Prior to commencing construction of any public water or public wastewater infrastructure on any portion of the Property located within the boundaries of a CCN held by any entity other than the City, Owner must submit plans and specifications for such facilities to the applicable CCN-holder and provide copies of same to the City. The City's engineer may provide written comments to both Owner and the CCN-holder, limited to commentary as to any failure of said plans and specifications to comply with the Governing Regulations. Owner shall use its best efforts to address the City engineer's written comments, provided, however, the CCN-holder shall have final authority over approval of such plans and specifications.

3.4 Inspection of Public Infrastructure. A City employee or third party inspector retained by the City (both of which are subject to approval by the District) shall inspect and test the Public Infrastructure for compliance with the construction contract, the Governing Regulations and TCEQ rules and regulations. The City shall cooperate with the District to schedule such inspections and to provide full-time inspection services as requested by the District. When the work to construct specified Public Infrastructure is completed the City shall cooperate with the District's engineer to provide all reports required by the TCEQ, including as-built plans of the facilities showing whether or not the contractor has fully complied with such requirements. The District shall pay or cause to be paid to the City an inspection fee equal to the City's inspection fee that is generally applicable at the time of the inspection, not to exceed three percent (3%) of the construction cost of any major component of infrastructure inspected by the City. If the City's inspector does not satisfy the requirements under this Section 3.4, the District must provide written notice to the City referencing this Section 3.4 and specifying the nature of the deficiency. If the City does not satisfy the deficiency within ten (10) business days after receipt of notice, Owner or the District may take all actions necessary to correct the deficiency and deduct the costs of such actions from the inspection fee payable to the City.

3.5 Building Permits; Fees; Inspection of Structures.

(a) Except as provided in Section 12.4, no Owner shall construct, or allow to be constructed, on the portion of the Property owned by such Owner a permanent building designed or intended for human occupancy or use (each, a "Structure") until a permit is issued certifying that the plans and specifications for the Structure are in compliance with the Building Codes and Development Standards (a "Building Permit").

(b) At the City's option, Building Permits may be issued by: (i) a City employee; (ii) a third party contractor retained by the City; or (iii) an independent, certified and state licensed inspector retained by the District and approved by the City, who has agreed in writing to be bound by this Agreement (a "Certified Inspector").

(c) Each Structure shall be inspected for compliance with the Building Permit issued for the Structure. At the City's option, inspections may be performed by: (i) a City employee; (ii) a third party contractor retained by the City; or (iii) a Certified Inspector.

(d) All costs relating to issuance of Building Permits and inspection of Structures shall be paid by the builder constructing the Structure or by the owner of the property on which the Structure is constructed. If the City elects to have such services performed by a City employee or the City's third party contractor, the City shall charge the City's generally applicable fees in accordance with Section 4.3. If the City elects to have such services performed by a Certified Inspector, fees shall be charged in accordance with the agreement between the City, the District and the Certified Inspector.

3.6 Certificates of Occupancy.

(a) No Structure shall be occupied until a certificate has been issued certifying that the Structure has been constructed in compliance with the Building Codes and Development Regulations (a "Certificate of Occupancy"). At the City's option, Certificates of Occupancy may be issued by: (i) a City employee; (ii) a third party contractor retained by the City; or (iii) a Certified Inspector.

(b) All costs relating to Certificates of Occupancy shall be paid by the builder constructing the Structure or by the owner of the property on which the Structure is being constructed. If the City elects to have Certificates of Occupancy issued by a City employee or the City's third party contractor, the City shall charge the City's generally applicable fees in accordance with Section 4.3. If the City elects to have such inspections performed by a Certified Inspector, fees shall be charged in accordance with the agreement between the City, the District and the Certified Inspector.

3.7 Records and Reports.

(a) Each Certified Inspector shall maintain a permanent record of all Building Permits and Certificates of Occupancy issued and all inspections performed pursuant to Sections 3.5 and 3.6. All such records shall be kept in a form reasonably approved by the City and as required by Owner on behalf of the District, the TCEQ, and the Attorney General and shall be available for copying by Owner on behalf of the District or by the City.

(b) Each Certified Inspector shall provide a monthly report to the City and Owner by the 15th day of each month, or on other schedule approved by the City and Owner, identifying Building Permits and Certificates of Occupancy issued or denied by the inspector and all inspections performed during the previous calendar month, including, but not limited to, the street address of the Structure and the name and telephone number of the builder's contact person.

(c) Records of Building Permits and Certificates of Occupancy issued and inspections performed pursuant to Section 3.5 and Section 3.6 by a City employee shall be maintained by the City in the ordinary course of business and shall be available for copying by Owner on behalf of the District.

3.8 Scheduling of Inspections. Owner may terminate any Certified Inspector (with respect to performance of inspections of Structures on the portion of the Property owned by such Owner), after three (3) days written notice to the City and the District, if such Certified Inspector fails to inspect a Structure within four (4) business days after receipt of a request by or on behalf of Owner, and such failure occurs more than twice in any 30-day period. If the District and the City fail to approve a replacement Certified Inspector within five (5) business days after receipt of notice of such termination, Owner may retain a third party inspector to perform all subsequent inspections of Structures on the portion of the Property owed by such Owner. In the event that an Owner terminates any Certified Inspector, such Owner shall secure copies of all records and reports kept by the Certified Inspector in accordance with Section 3.7(a) and provide a copy of these records and reports to the City.

3.9 Dedication of Site for Fire Station. Owner shall dedicate to the City for a fire station or public safety facility (the "Fire Station Site") at least a two-acre site that is located north of the future alignment of the Outer Loop, as shown on **Exhibit D**, and within an In-City District. Owner shall convey the Fire Station Site to the City by special warranty deed within sixty (60) days after final plat(s) have been approved for 750 single-family residential lots north of the future alignment of the Outer Loop, as shown on **Exhibit D**, within an In-City District; and infrastructure to serve such lots has been constructed and accepted. The special warranty deed shall provide that title to the Fire Station Site reverts to Owner if a fire station or public safety facility has not been constructed on such property within ten (10) years after the site is conveyed to the City.

3.10 Open Space. Ten percent (10%) of areas designated on the Concept Plan for Single-Family Residential, Moderate Density Residential and Multi-Family Residential will be reserved for open space. Twenty-five percent (25%) of the required open space will be dedicated to public use for active and passive residential activities. A public trail system will connect public open spaces, commercial areas and schools.

3.11 Certificates of Convenience and Necessity.

(a) Mustang Special Utility District.

(i) Subject to Section 8.8, Owner will cooperate with the City to remove the portions of the Property located within Mustang SUD's water and sewer CCNs depicted

on **Exhibit B** (the "Mustang SUD Property") from such CCN service areas and to add the Mustang SUD Property to the City's water and sewer CCNs.

(ii) Owner and the City shall establish one or more segregated interest-bearing joint trust accounts at one or more federally insured banks selected by the City (the "Mustang SUD Fund") on or before January 1, 2016. The Mustang SUD Fund shall be used solely to pay costs related to the release of the Mustang SUD Property from Mustang SUD's water and sewer CCNs pursuant to Section 13.254(a-5) of the Texas Water Code, as amended, including, without limitation, administrative costs, filing fees, professional fees, litigation costs, and any compensation owed to Mustang SUD determined in accordance with Section 13.254, Texas Water Code. If the City fails to deposit $300,000 into the Mustang SUD Fund on or before January 1, 2016, Owner shall have no obligation to cooperate with the City to remove the Mustang SUD Property from Mustang SUD's water and sewer CCNs pursuant to this Section 3.11(a). Owner shall deposit $200,000 into the Mustang SUD Fund within 10 days after the bank(s) confirms that the City has made its $300,000 deposit. All withdrawals from the Mustang SUD Fund exceeding $500 shall require the signatures of City and Owner. Funds deposited in the Mustang SUD Fund by the City shall be expended first. Funds deposited in the Mustang SUD Fund by Owner shall be expended only after $300,000 plus accrued interest have been expended from such fund. On or before the earlier of sixty (60) days after completion of the decertification process (including the determination of the compensation owed to Mustang) or January 1, 2020, the balance remaining in the Mustang SUD Fund up to $200,000 shall be returned to Owner, and all remaining funds in the Mustang SUD Fund shall be returned to the City, subject to Section 3.11(c)(ii). If costs related to release of the Mustang SUD Property from Mustang SUD's CCNs exceed the funds available in the Mustang SUD Fund, the City shall use all reasonable efforts to pay any excess costs (the "Mustang SUD Shortfall"). Upon the City's written request, however, Owner, acting on behalf of the District, agrees to advance a maximum of $250,000 ($450,000 total potential contribution by Owner) to the City to pay the Mustang SUD Shortfall. The City will repay Owner all amounts advanced to the City to pay the Mustang SUD Shortfall, plus interest expressed as a percentage paid by the City on its most recent tax-backed bond issue plus two hundred (200) basis points, pursuant to the TIRZ Reimbursement Agreements in accordance with Section 7.1(b)(iii)(B).

(iii) Within 30 days after the Mustang SUD Fund is fully funded, Owner shall submit a petition to TCEQ pursuant to Section 13.254(a-5), Texas Water Code, requesting expedited release of the Mustang SUD Property from Mustang SUD's water and sewer CCN service areas, and shall provide a copy of such petition to the City. Owner shall be reimbursed for the costs of preparation of such petition from the Mustang SUD Fund. Owner and the City shall cooperate in connection with the process for expedited release of the Mustang SUD Property from Mustang SUD's CCNs.

(iv) After the TCEQ issues its decertification order with respect to the Mustang SUD Property, the City shall have the right to provide written notice to the TCEQ of the City's intent to serve the Mustang SUD Property; whereupon, the 90-day period to determine what, if any, compensation is owed to Mustang shall begin to run.

(b) Water and Sewer CCNs for Uncertificated Areas. Upon annexation pursuant to Section 7.1 of any portion of the Property, the City shall be authorized to submit a request to the TCEQ to expand the City's water and sewer CCNs to include such property. Upon submittal of each such application to the TCEQ, Owner and the City shall take any actions reasonably necessary to include such property in the City's water and sewer CCNs.

(c) Blackrock Water Facilities CCN

(i) Owner will allow the City to provide retail water service to all areas within the Property for which dual CCNs are held by the City and Blackrock, as shown on **Exhibit B**.

(ii) Owner will use its best efforts to cause Blackrock to relinquish its water facilities CCN within the Property to the City, including utilizing amounts not expended under Section 3.11(a)(ii) to compensate Blackrock for such relinquishing its water facilities CCN. In the event that, despite said best efforts of Owner, Blackrock refuses to relinquish its CCN within the Property, Owner may continue to receive water service from Blackrock for the properties being served by Blackrock as of the Effective Date. Owner will not seek service from Blackrock for any portion of the Property that is not receiving service from Blackrock on the Effective Date, except for the HUD-code manufactured homes permitted as temporary housing pursuant to **Exhibit F.**

ARTICLE IV
DEVELOPMENT FEES

4.1 Plat Review Fees. Development of the Property shall be subject to payment to the City of the reasonable fees and charges applicable to the City's preliminary and final plat review and approval process (the "Plat Review Fees") according to the fee schedule adopted by the City Council and in effect on the date of submittal of each plat application. The fee schedule uniformly applicable to development within the corporate limits of the City shall be applicable to the Property.

4.2 Plan Review Fees. Development of the Property shall be subject to payment to the City of the reasonable fees and charges applicable to the City's review of plans and specifications for Public Infrastructure (the "Plan Review Fees") according to the fee schedule adopted by the City Council and in effect on the date of submittal of each set of plans and specifications. The fee schedule uniformly applicable to development within the corporate limits of the City shall be applicable to the Property.

4.3 Building Permit Fees. The City may charge reasonable fees for issuance of Building Permits, inspection of Structures, and issuance of Certificates of Occupancy performed by City employees or third-party contractors pursuant to Sections 3.5 and 3.6, according to the fee schedule uniformly applicable to development within the corporate limits of the City in effect on the date of submittal of the application for a Building Permit or Certificate of Occupancy, as applicable (collectively, the "Building Permit Fees"). If the City uses a Certified Inspector to perform the inspection services, the fees payable to the City shall be the cost agreed to between the City, the District and such Certified Inspectors.

4.4 Tap Fees. Tap or service connection fees for water or wastewater service provided within the Property by the City ("Tap Fees"), shall be the same as if the services are provided within the City's corporate limits. No Building Permit may be issued for a Structure within the Property where the City is the CCN-holder unless and until the Tap Fee is paid.

4.5 Water Impact Fees. As of the Effective Date, the City has not adopted an ordinance assessing water impact fees pursuant to Chapter 395 of the Texas Local Government Code ("Chapter 395"). Areas within the Property where the City is the CCN-holder for provision of retail water services shall be subject to collection by the City of water impact fees in accordance with an impact fee ordinance adopted by the City after the Effective Date in accordance with Chapter 395. No Building Permit may be issued for a Structure within the Property where the City is the CCN-holder unless and until the water impact fee for such structure is paid.

4.6 Wastewater Impact Fees. As of the Effective Date, the City has not adopted an ordinance assessing wastewater impact fees pursuant to Chapter 395. Areas within the Property where the City is the CCN-holder for provision of wastewater services shall be subject to collection by the City of wastewater impact fees in accordance with an impact fee ordinance adopted by the City after the Effective Date in accordance with Chapter 395. No Building Permit may be issued for a Structure within the Property where the City is the CCN-holder unless and until the wastewater impact fee for such structure is paid.

4.7 Roadway Impact Fees. As of the Effective Date, the City has not adopted an ordinance assessing roadway impact fees pursuant to Chapter 395. Areas within the Property within the City's corporate limits shall be subject to collection by the City of roadway impact fees in accordance with an impact fee ordinance adopted by the City after the Effective Date in accordance with Chapter 395. No Building Permit may be issued for a Structure located within the City's corporate limits unless and until the roadway impact fee for such structure is paid.

4.8 Landscape Fees. This section applies only to portions of the Property within the City's corporate limits. All lots in such areas of the Property shall be subject to collection by the City of the City's generally applicable fee for landscaping medians (the "Landscape Fees"), unless Owner or developer installs landscaping within the medians that meets or exceeds City standards.

4.9 Exclusive Fees. Except for Plat Review Fees, Plan Review Fees, Building Permit Fees and Tap Fees, Impact Fees, Landscape Fees, and other fees expressly set forth in this Agreement, no other fees or charges of any kind are due and payable to the City in connection with the development of the Property, unless Owner and the City identify additional fees in writing.

ARTICLE V
PUBLIC INFRASTRUCTURE; RETAIL UTILITY SERVICE

5.1 Retail Water Service; Construction of Infrastructure.

(a) Retail water service to the Property, as developed in accordance with this Agreement, will be provided by the applicable CCN-holder or the District.

(b) Water service to portions of the Property located within the City's water CCN service area shall be provided in accordance with this Section 5.1(b).

(i) Owner and the City shall meet annually (or on another schedule approved by Owner and the City) concerning Owner's development schedule for the Property and the status of that certain Upper Trinity Regional Water District Regional Treated Water Supply Service Contract for Additional Participating Member with City of Aubrey between Upper Trinity Regional Water District ("Upper Trinity") and the City dated March 18, 1999, as amended or extended (the "Upper Trinity Agreement").

(ii) Within two years after Owner makes a written request to the City to serve any portion of the Property located within the City's water CCN, the City shall, after consultation with Owner and on terms acceptable to Owner, acceptance not to be unreasonably withheld, (A) obtain sufficient water supplies and system capacity from Upper Trinity or other provider mutually agreeable to the City and Owner to serve such property in accordance with the Concept Plan attached to this Agreement, as amended in accordance with Section 2.3, and corresponding Development Standards; and (B) use reasonable efforts to cause Upper Trinity or another agreeable provider to construct infrastructure to deliver such water to the Property.

(iii) Owner may drill well(s) on the Property within the City's water CCN service area (A) to serve the first 400 single-family residences or equivalent connections constructed on the Property within the City's CCN; or (B) by mutual written agreement of the City and Owner. Ownership of all such wells shall be conveyed to the City (subject to the City's obligation to use the wells(s) to serve customers within the Property) with all necessary easements for such wells and water lines extending from such wells on the Property. Owner will be reimbursed for the cost to design and construct such well(s) and associated facilities through a TIRZ in accordance with Section 7.1. The City will operate such well(s). If other water sources become available to the City to serve the Property such that the City ceases to use the well(s) to serve the Property, the City shall allow Owner and/or the District to operate such well(s) solely for irrigation purposes (whether within or outside the City's CCN service area).

(c) Subject to the City's obligations set out in Section 5.1(b), Owner, on behalf of the District, shall design and construct or cause to be designed and constructed Public Infrastructure as needed to provide retail water service for the proposed development of the Property in a cost-effective manner.

(d) Retail water service within the In-City Districts shall be at the City's generally applicable in-city rates.

(e) To the extent permitted by law, the City may charge retail water customers in the City's CCN within the ETJ Districts the City's generally applicable in-city rates, plus any required premium that allows the City to recover its full cost of service based on recorded levels of consumption and capacity utilization, provided such rates are supported by a cost of service rate study performed by a third party consultant mutually agreed upon by the City and the ETJ Districts and provided further that the City's rates do not exceed 150% of the City's applicable

in-city rates. The City's water rates in the ETJ Districts may be reviewed from time to time by performing a rate study in accordance with this section at the request of the City or the ETJ Districts, but not more often than once every three years.

5.2 Retail Wastewater Service.

(a) Retail wastewater service to the Property will be provided by the applicable CCN-holder or the District.

(b) Owner, on behalf of the District, shall design and construct or cause to be designed and constructed Public Infrastructure as needed to provide retail wastewater service for the proposed development of the Property in a cost-effective manner.

(c) Retail wastewater service within the In-City Districts shall be at the City's generally applicable in-city rates. To the extent permitted by law, the City may charge retail wastewater customers in the City's CCN within the ETJ Districts the City's generally applicable in-city rates, plus any required premium that allows the City to recover its full cost of service based on the three months average water consumption during the months of December, January, and February and treatment capacity utilization, provided such rate is supported by a cost of service rate study performed by a third party consultant mutually agreed upon by the City and the ETJ Districts and provided further that the City's rates do not exceed 150% of the City's applicable in-city rates. The City's wastewater rates in the ETJ Districts may be reviewed from time to time by performing a rate study in accordance with this section at the request of the City or the ETJ Districts, but not more often than once every three years.

5.3 Dedication, Ownership and Maintenance of Public Infrastructure; Capacity.

(a) Owner shall cause the District to convey to the City legal title to water and/or wastewater infrastructure constructed by or on behalf of the District which lies within the boundaries of a CCN held by the City and is necessary to serve customers located within the City's CCN, upon inspection, approval, and acceptance of such Public Infrastructure by the City, except water wells(s) drilled by Owner pursuant to Section 5.5; provided, however, the District shall have a continuing right to require the City to utilize a portion of the capacity in such Public Infrastructure equal to the capacity funded by or on behalf of such District, up to the capacity necessary to serve the Property, which capacity shall be made available by the City at all times as necessary to provide water and/or wastewater service to customers within such District.

(b) For those portions of the Property not located within the City's water and/or sewer CCN, public water and sewer improvements shall be dedicated to and maintained by the CCN-holder or the District, as applicable.

(c) Drainage improvements shall be dedicated to and maintained by the District.

(d) Road improvements shall be dedicated to and maintained by: (i) the City (with respect to roads located within the In-City Districts); (ii) the District, to the extent allowed by law; or (iii) the County, upon terms and conditions approved by Owner and the County. If not maintained by the City, the District or the County, road improvements may be maintained by one

or more public improvement districts created by the City or County or private property owners associations.

(e) Owner shall cause the District to operate and maintain the Public Infrastructure constructed on the Property, except for Public Infrastructure conveyed to the City pursuant to Section 5.3(a) or to another entity pursuant to Section 5.3(b) or Section 5.3(d), in accordance with industry standards and in compliance with applicable federal, State and local standards.

(f) The City shall operate and maintain all Public Infrastructure conveyed to and accepted by the City pursuant to this section, at the City's expense, but without in any way limiting the rights of the City to charge for retail water and wastewater services except as set forth in this Agreement.

(g) All Public Infrastructure shall be installed within public utility rights of way or easements granted to the CCN-holder, or the District, as applicable, but if dedicated to the District, the City shall not be obligated to pay any compensation for the right to use the rights of way or easements. Public Infrastructure for water storage tanks within the City's water CCN shall be located on land conveyed in fee simple to the City.

5.4 Construction of Oversized Infrastructure. At the City's request, Owner shall cooperate with the City to design and construct water, sewer or other Public Infrastructure that exceeds the capacity needed to serve the Property to serve future development outside the boundaries of the Property ("Oversized Infrastructure"). If the City requires Owner to design and construct Oversized Infrastructure, the Parties shall share the design and construction costs for the Oversized Infrastructure in proportion to the capacity allocated to each Party. Nothing herein shall require the City to request Owner to design and construct Oversized Infrastructure, or require Owner to fund the design or construction of Oversized Infrastructure in excess of Owner's proportionate share based on the capacity allocated to Owner.

5.5 Water Wells.

(a) Water wells may be drilled within the City's CCN service area after the Effective Date (i) by the District, Owner or any property owners association for livestock, agricultural, and irrigation purposes, including maintaining the water level of ponds; and (ii) by owners of lots or tracts with an area of 2.5 acres or more for livestock, agricultural and irrigation purposes, including maintaining the water level of ponds. The City may grant exceptions to the foregoing restrictions.

(b) Nothing herein shall prohibit or restrict the use of wells in existence within the City's CCN service area as of the Effective Date, provided, however, water produced from such wells may not be used to provide retail water services to residential or commercial customers within the City's CCN service area.

(c) Nothing herein shall prohibit or restrict (i) the use of wells in existence on the Effective Date outside of the City's CCN service area or (ii) the drilling of new water wells outside the City's CCN service area. Water produced from such wells may not be transported into or used within the City's CCN service area without the City's approval, except for livestock,

agricultural, and irrigation purposes, including maintaining the water level of ponds which shall be permitted.

(d) Notwithstanding anything in this Section 5.5 to the contrary, water wells may be drilled within the portions of the Property included within the City's water CCN pursuant to Section 5.1.

ARTICLE VI
TERM OF AGREEMENT

6.1 Term The initial term of the Agreement will be thirty (30) years after the Effective Date (the "Initial Term"). The Agreement may be extended with respect to all or any part of the Property by mutual agreement of the Owner of the affected Property and the City, up to a total term of forty-five (45) years commencing on the Effective Date (the Initial Term, as may be extended, being referred to as the "Term"). Notwithstanding this section, the City may annex some or all of the Property in accordance with Article VII.

6.2 Termination of Agreement.

(a) This Agreement may be terminated as to all of the Property at any time by mutual written consent of the City, Owner, and all then-existing Districts.

(b) Venable Estate, Venable Royalty, or the City may terminate this Agreement upon annexation by the City of all of the Property.

(c) This Agreement may be terminated as to a portion of the Property by the mutual written consent of the City, the owners of the portion of the Property affected by the termination, Venable Royalty, Venable Estate (provided the approval of Venable Royalty and Venable Estate shall be required only so long as such entity owns all or any portion of the Property), and any then-existing District which contains such portion of the Property.

ARTICLE VII
JURISDICTIONAL STATUS

7.1 Annexation of the Property

(a) The Property shall be immune from annexation for the period specified in Section 7.2 unless annexed in phases in accordance with this Section 7.1.

(b) Prior to submitting a preliminary or final plat or any other development plat for any property within a phase of development of the Property, Owner shall subdivide the District to create a new District encompassing all property within the phase (including the property being platted) and shall submit a petition to the City requesting annexation of all the property within the new District (each, an "Annexation Petition"). Each Annexation Petition shall be subject to the following conditions (the "Annexation Conditions"):

(i) The City creates a tax increment reinvestment zone (a "TIRZ") in accordance with Chapter 311 of the Texas Tax Code, as amended ("Chapter 311"), the boundaries of which TIRZ are coterminous with the boundaries of the new District,

which TIRZ may be terminated by the City upon the earlier to occur of: (A) when owners and developers are reimbursed for all infrastructure costs authorized by Chapter 311 that have been expended by the Owner to fund the construction of infrastructure necessary to serve the property within the new District, plus interest expressed as a percentage paid by the City on its most recent tax-backed bond issue plus two hundred (200) basis points, adjusted annually; or (B) forty-five (45) years after the establishment of the TIRZ; and

(ii) The Board of Directors of the TIRZ recommends, and the City Council of the City approves, a project plan and a reinvestment zone finance plan under Chapter 311 that incorporates and is consistent with this Agreement (including, but not limited to, the percentages of sales and ad-valorem taxes that the City is required to deposit into the tax increment fund for each TIRZ as forth in subsection (iii)(A) below); and

(iii) The City and Owner enter into an agreement recommended by the Board of Directors of the TIRZ and approved by the Parties (which approvals shall not be unreasonably withheld or delayed) that includes the following provisions (each, a "TIRZ Reimbursement Agreement"):

(A) During the term of each TIRZ, the City shall deposit each year in the tax increment fund created pursuant to Chapter 311 for the benefit of the District: (a) fifty percent (50%) of the City Sales Tax Increment, and (b) the City Ad Valorem Tax Increment.

By way of example:

If the City's ad valorem tax rate for a given year levied against taxable real property in the TIRZ is 62 cents, the City Base TIRZ Ad Valorem Tax Rate (30 cents) is subtracted therefrom and the difference (32 cents) is applied to the Captured Appraised Value to determine the City Ad Valorem Tax Increment for the year that would be deposited in the tax increment fund.

(B) Subject to subsection (C) below, all funds deposited in the tax increment fund shall be used to pay for Public Infrastructure or to pay debt service for bonds issued by the District until the earlier of forty-five (45) years after the establishment of each TIRZ or until owners and developers are reimbursed for all infrastructure costs authorized by Chapter 311 to serve the property within such District, plus interest expressed as a percentage paid by the City on its most recent tax-backed bond issue plus two hundred (200) basis points, adjusted annually; and

(C) If Owner advances funds to the City to pay the Mustang SUD Shortfall, the City shall deposit in the tax increment fund 100% of the City Sales Tax Increment and 100% of the ad valorem tax revenues levied by the City by applying to the Captured Appraised Value for a given year the City's ad valorem tax rate levied against the taxable real property in each TIRZ until Owner is reimbursed for all funds advanced to the City to pay

the Mustang SUD Shortfall, plus interest, pursuant to Section 3.11(a)(ii); and

(D) Such agreement shall be assignable by Owner to the District with notice to, but without the consent of, the City; and

(E) The City's determination of the amount of Sales and Use Tax for any given TIRZ shall be based on information lawfully available to the City from the State Comptroller and the City shall use its best efforts to request and obtain such information.

(F) Other terms approved by the Parties.

(c) The City may not annex property described in an Annexation Petition until all of the Annexation Conditions are satisfied with respect to the property described in the Annexation Petition; provided, however, if the City has satisfied the Annexation Conditions in subsections (b)(i) and (b)(ii) above and has approved a TIRZ Reimbursement Agreement that complies with subsection (b)(iii) above, the City shall be deemed to have satisfied the Annexation Conditions despite Owner's failure to sign the TIRZ Reimbursement Agreement.

(d) Subject to the required Notice and the cure period set forth in the last sentence of this subsection (d), an Annexation Petition shall be deemed to be automatically withdrawn by Owner and otherwise void without further action by Owner if (i) the Annexation Conditions are not satisfied with respect to the property described in the Annexation Petition (or are not deemed to be satisfied) within ninety (90) days after Owner submits the Annexation Petition to the City; or (ii) the City fails to annex all of the property described in the Annexation Petition and zone such property consistent with the Concept Plan, as amended, within one hundred twenty (120) days after all Annexation Conditions are satisfied (or are deemed to be satisfied). Thereafter, in either case, the property described in the Annexation Petition may be developed in the new District and in the City's ETJ and shall be immune from annexation for the period of time set forth in Section 7.2 (each, an "ETJ District"). Notwithstanding the foregoing or any other provision in this Agreement, an Annexation Petition shall remain in all respects valid and pending unless and until: (1) the Owner has provided Notice to the City referencing this Section 7.1 and specifying the nature of any and all Annexation Conditions that remain unsatisfied and/or specifying that the City did not timely annex all of the property described in the Annexation Petition and zone such property consistent with the Concept Plan; and (2) the City—within 60 days after the City's receipt of said Notice—fails to cure any such failure(s) to satisfy the Annexation Conditions and/or fails to annex all of the property described in the Annexation Petition and zone such property consistent with the Concept Plan.

(e) An election shall be held to confirm each new District after all property in the new District is annexed by the City (each, an "In-City District"). As provided in the Legislation, each In-City District may not be dissolved and shall continue in existence until (i) water, sanitary sewer, and drainage improvements and roads have been constructed to serve at least ninety percent (90%) of the territory in the In-City District capable of development; or (ii) the board of directors of the In-City District adopts a resolution consenting to the dissolution of the district.

(f) Owner shall reimburse the City for professional fees incurred by the City in connection with satisfying the Annexation Conditions for each Annexation Petition up to a maximum of $25,000 each. Owner and the City shall negotiate in good faith to increase the reimbursement amount applicable to satisfying the Annexation Conditions for the first Annexation Petition.

(g) To the extent permitted by law, the Parties may adjust the boundaries of an In-City District and the TIRZ encompassing such district by mutual agreement, from time to time, provided the boundaries of a TIRZ shall always be coterminous with the boundaries of the corresponding In-City District.

(h) No funds deposited into the tax increment fund for the benefit of any In-City District pursuant to this Section 7.1 shall be used to fund the design or construction of the Outer Loop or any portion thereof.

(i) The City is not required to perform any functions of an In-City District or to pay a landowner or developer for expenses incurred in connection with the In-City District except as expressly provided in this Agreement.

(j) With respect to every Retailer located within a TIRZ in the District, the City and the District shall use their best efforts to cause such Retailer to enter into a Reporting Contract with the District. Each Reporting Contract shall include a provision that terminates the Reporting Contract upon termination of the TIRZ. Within 10 business days of entering into a Reporting Contract, the District shall provide the City with a fully-executed, true and correct copy of same. Upon written request of the City, the District shall provide a written assignment of the Reporting Contract to the City, assigning all of District's rights and benefits under the Reporting Contract to the City. Each Reporting Contract shall require each Retailer to:

(i) Within 30 days of the end of each calendar year during which any Sales Tax Increment is deposited into a tax increment fund under a TIRZ Reimbursement Agreement (such year being referenced in this Section 7.1 as the ("Applicable Year"), provide to the City a written schedule (the "Schedule") detailing for the Applicable Year the Retailer's revenue that was subject to sales tax, certifying that the Schedule and the additional documents described in subsection 7.1(j)(ii) below are based on actual taxable sales and not estimates; and

(ii) In addition to and accompanying the Schedule, submit to the City true and correct copies of the following additional documents for each Applicable Year: a copy of the Retailer's Texas sales and use tax return(s), including self-assessed use tax amounts, as well as any amended sales and use tax return(s) and any other documents showing adjustments to the sales and use tax return(s); and

(iii) Within 30 days of a Retailer's receipt of any refund of any sales and/or use tax, notify the City of such refund and submit to the City written documentation of such refund including the amount and the date it was refunded; and

(iv) Within 30 days of the close of any audit of the Retailer's Texas sales and use tax return(s) conducted by the State Comptroller if such audit alters the amounts set

forth on any Schedule submitted to the City, submit to the City written documentation of such audit, including all written materials provided by the State Comptroller that relate to such audit; and

(v) Within 30 days of obtaining a Certificate of Occupancy, execute and deliver to the City a fully completed Waiver of Sales Tax Confidentiality, the form of which is shown in **Exhibit K**, attached to this Agreement; and

(vi) Allow the rights and benefits of the District under the Reporting Contract to be assigned to the City upon the City providing the District with a written request for assignment.

(k) With respect to each TIRZ created in the District, if at any time the State Comptroller takes any action that results in a Reallocation or Refund, the Parties agree to reconcile any corresponding previous deposits into a tax increment fund in the following manner:

(i) If the result is an increase of the City's Sales Tax Increment, then 50% of the amount of the increase shall be deposited into the tax increment fund.

(ii) If the result is a decrease of the City's Sales Tax Increment or if the City must refund any sales tax, then 50% of such decrease or refund will be deemed to be an amount owed to the City by the District and such amount is due and payable within 30 days after the City has provided written notice to the District that the City has incurred the decrease or made the refund; provided, however, the City, at its sole option, may—instead of requesting payment from the District—subtract the amount of the decrease or refund from one or more future deposits of sales tax into the tax increment fund that would otherwise be due to be deposited therein, and if so opting the City will provide written notice to the District of its intent to do so.

7.2 Full Purpose Annexation of ETJ Districts and Unplatted Property.

(a) This subsection (a) applies solely to ETJ Districts that have immunity from annexation under Section 7.1 because the City did not fulfill the Annexation Conditions or timely annex the property within such District after satisfaction of the Annexation Conditions. The City shall not annex land within an ETJ District for full purposes any earlier than the first to occur of: (a) the date that construction of water, sanitary sewer, drainage and road facilities to serve ninety percent (90%) of such District is complete and such District has issued bonds to reimburse the cost of the Public Infrastructure; or (b) thirty (30) days after the 20th anniversary of the first bond issuance by the District.

(b) For all portions of the Property not included in an ETJ District, any such portion shall be immune from annexation during the Term of this Agreement until an Annexation Petition for development is submitted to the City as required under Section 7.1.

7.3 Consent to Full Purpose Annexation. SUBJECT TO THE CONDITIONS FOR ANNEXATION OF PROPERTY SET OUT IN SECTIONS 7.1 AND 7.2, OWNER ON BEHALF OF OWNER AND ALL FUTURE OWNERS OF THE PROPERTY,

IRREVOCABLY AND UNCONDITIONALLY CONSENTS TO THE FULL PURPOSE ANNEXATION OF THE PROPERTY INTO THE CORPORATE LIMITS OF THE CITY OF AUBREY, TEXAS, IN ACCORDANCE WITH THIS AGREEMENT AND IRREVOCABLY WAIVES ALL OBJECTIONS AND PROTESTS TO SUCH ANNEXATION. THIS AGREEMENT SHALL SERVE AS THE PETITION OF OWNER AND ALL FUTURE OWNERS TO ANNEXATION OF THE PROPERTY FOR FULL PURPOSES IN ACCORDANCE WITH THIS AGREEMENT WITHOUT THE NECESSITY OF ANY FURTHER SUBMISSION OR OTHER ACTION. THIS COVENANT SHALL RUN WITH THE LAND AND SHALL BE BINDING ON ALL CURRENT AND FUTURE OWNERS OF ALL OR ANY PART OF THE PROPERTY.

7.4 Annexations of Portions of Property. Notwithstanding any other provision of this Agreement, including but not limited to Section 7.2, Owner and the District agree to cooperate with and assist the City to annex one or more portions of the Property that does not exceed 525 feet in width at its widest point, in accordance with Section 43.071 of the Texas Local Government Code, as reasonably necessary for the City to annex portions of the Property pursuant to Section 7.1. The general purpose of this Section 7.4 is to allow the City to annex areas of the Property necessary to meet the adjacency requirement for annexation of phases of development that are eligible for annexation under this Agreement, but which would not be adjacent to the City's boundaries but for the Owner and District allowing for an annexation under this Section 7.4.

ARTICLE VIII
CONSENT TO DISTRICT; DISTRICT OBLIGATIONS

8.1 City Consents. This Agreement constitutes the irrevocable and unconditional consent of the City to the creation of Venable Ranch Municipal Utility District No. 1 of Denton County by the Texas Legislature by approval of the Legislation. The City further consents to (i) divisions of the District from time to time into a maximum of eight districts; (ii) annexation, from time to time, of the Additional Land by the District and division of the District into up to two additional districts, for a total of not more than (10) Districts; and (iii) boundary adjustments among the Districts in the form of exclusions and additions of land within the Property. No District may for any reason encompass less than 200 acres.

8.2 Other Documents. The City agrees to execute such further documents as may reasonably be requested by Owner, TCEQ, the Attorney General, or the District to evidence the City's consent as set forth in this Agreement and in the Consent Ordinance.

8.3 No Limitation of Powers. Other than Section 8.5 below, no provision of this Article VIII is intended to limit, impair, or conflict with the authority of or powers granted to a municipality or municipal utility district by the Texas Constitution, Texas Water Code, Texas Local Government Code, or any other current or future statute applicable to such entities.

8.4 Full Satisfaction. The consents contained in this Article VIII and in the Consent Ordinance (the "District Consents") are given by the City: (a) in full satisfaction of any requirements for consent to the District contained in the Legislation or otherwise required by law, rule, regulation or policy including, but not limited to, consents required by the Texas Water

Code, as amended, the Texas Local Government Code, as amended, any rules, regulations, or policies of TCEQ, or any rules, regulations, or policies of the Texas Attorney General; and (b) with the understanding that Owner has relied on the District Consents to Owner's material detriment and but for the District Consents Owner would not have entered into this Agreement. Owner understands that the City has relied on the Owner's representations, obligations and promises embodied by this Agreement to the City's material detriment and but for those obligations and promises, the City would not have entered into this Agreement or provided the District Consents.

8.5 Restrictions on Issuance of Bonds. No District may issue bonds with a maturity date of more than 25 years from the date of issuance. The last bond issue for each ETJ District may not occur after the 20th anniversary of the first bond issuance for such District, without City Council approval. The last bond issuance for each In-City District may not occur after the 15th anniversary of the first bond issuance for such District, without City Council approval.

8.6 Filing of District Documents with the City.

(a) Each District will file (i) a copy of its annual audit, and (ii) a copy of its approved budget for the following fiscal year showing projected expenses and revenues with the City Secretary and Mayor/City Manager of the City within thirty (30) days after approval by that District's Board of Directors.

(b) The District shall file each order dividing the District with the City within 30 days after adoption of the order.

(c) If the creation of a new District created by division of the District is confirmed, the new District shall provide the election date and results to the City within thirty (30) days after confirmation.

8.7 Appointment of Temporary Directors and Confirmation of District.

(a) Within thirty (30) days after the effective date of this Agreement, Owner shall submit an application to TCEQ to appoint temporary directors.

(b) An election to confirm creation of the District shall be held on or before January 1, 2016.

8.8 City Support for Amendment to Legislation. The City Council shall adopt a resolution supporting legislation amending the Legislation during the 2015 session of the Texas Legislature and, if requested by Owner, each session thereafter until passed, with the effect of authorizing the In-City Districts to impose an ad valorem tax, as well as to impose a special assessment in the manner provided by Subchapter F, Chapter 375, Texas Local Government Code. The form of said amendment to be submitted to the legislators within whose districts the Property is located shall be substantially similar to the document attached to this Agreement as **Exhibit L**. If the City does not comply with this section, Owner shall have no obligation to cooperate with the City to remove the portions of the Property located within Mustang SUD's water and sewer CCNs pursuant to Section 3.11(a).

ARTICLE IX
EVENTS OF DEFAULT; REMEDIES

9.1 Events of Default. No Party shall be in default under this Agreement until notice of the alleged failure of such Party to perform has been given (which notice shall set forth in reasonable detail the nature of the alleged failure) and until such Party has been given a reasonable time to cure the alleged failure (such reasonable time determined based on the nature of the alleged failure, but in no event less than thirty (30) days after written notice of the alleged failure has been given). In addition, no Party shall be in default under this Agreement if, within the applicable cure period, the Party to whom the notice was given begins performance and thereafter diligently and continuously pursues performance until the alleged failure has been cured.

9.2 Remedies. IF A PARTY IS IN DEFAULT, THE AGGRIEVED PARTY MAY, AT ITS OPTION AND WITHOUT PREJUDICE TO ANY OTHER RIGHT OR REMEDY UNDER THIS AGREEMENT, SEEK ANY RELIEF AVAILABLE AT LAW OR IN EQUITY, INCLUDING, BUT NOT LIMITED TO, AN ACTION UNDER THE UNIFORM DECLARATORY JUDGMENT ACT, SPECIFIC PERFORMANCE, MANDAMUS, AND INJUNCTIVE RELIEF. NOTWITHSTANDING THE FOREGOING, HOWEVER, NO DEFAULT UNDER THIS AGREEMENT SHALL:

(a) entitle the aggrieved Party to terminate this Agreement; or

(b) entitle the aggrieved Party to suspend performance under this Agreement unless the portion of the Property for which performance is suspended is the subject of the default (for example, the City shall not be entitled to suspend its performance with regard to the development of "Tract X" by "Developer A" based on the grounds that Developer A is in default with respect to any other tract or based on the grounds that any other developer is in default with respect to any other tract) unless the default is in the nature of the failure to undertake a shared obligation as between such tracts or developers; or

(c) adversely affect or impair the current or future obligations of the City to provide water or sewer service (whether wholesale or retail) or any other service to any developed portion of the Property within its CCN, or to any undeveloped portion of the Property within its CCN; or

(d) entitle the aggrieved Party to seek or recover monetary damages of any kind; or

(e) adversely affect or impair the effectiveness or validity of any consents to creation of the District given by the City in this Agreement or in the Consent Ordinance; or

(f) adversely affect or impair the statutory rights, powers or authority of the District (including, but not limited to, the issuance of bonds) or the day-to-day administration of the District; or

(g) adversely affect or impair the continuation of the ETJ status of the Property and its immunity from annexation as provided by this Agreement and the Consent Ordinance; or

(h) limit the Term.

ARTICLE X
ASSIGNMENT AND ENCUMBRANCE

10.1 Release of Owner by Execution of Joinder Agreement. Upon execution of the Joinder Agreement by the District and each District resulting from subdivision of the District in accordance with Section 12.16, Owner shall be released from all obligations assumed by such District. Execution of a Joinder Agreement shall not release Owner from any liability resulting from an act or omission by Owner that occurred prior to the effective date of the Joinder Agreement.

10.2 Assignment by Owner to Successor Owners. Owner has the right (from time to time without the consent of the City, but upon written notice to the City) to assign this Agreement, in whole or in part, and including any obligation, right, title, or interest of Owner under this Agreement, to any person or entity (an "Assignee") that is or will become an owner of any portion of the Property or that is an entity that is controlled by or under common control with Owner. Each assignment shall be in writing executed by Owner and the Assignee and shall obligate the Assignee to be bound by this Agreement to the extent this Agreement applies or relates to the obligations, rights, title, or interests being assigned. A copy of each assignment shall be provided to all Parties within fifteen (15) days after execution. Provided that the successor owner assumes the liabilities, responsibilities, and obligations of the assignor under this Agreement as to the Property or portion of the Property in question, the assigning party will be released from any rights and obligations under this Agreement as to the Property involved in such assignment, effective upon receipt of the assignment by the City. It is specifically intended that this Agreement and all terms, conditions, and covenants herein shall survive a transfer, conveyance or assignment occasioned by the exercise of foreclosure of lien rights to a creditor or a party hereto, whether judicial or nonjudicial, as evidenced by execution of this Agreement by all lienholders against the Property as of the Effective Date subordinating such liens to this Agreement. No assignment by Owner shall release Owner from any liability that resulted from an act or omission by Owner that occurred prior to the effective date of the assignment. Owner shall maintain true and correct copies of all assignments made by Owner to Assignees, including a copy of each executed assignment and the Assignee's Notice information as required by this Agreement. Owner hereby represents and warrants that there are no liens against the Property to secure loans, as of the Effective Date.

10.3 Assignment by the City. The City shall not assign this Agreement, in whole or in part, and including any obligation, right, title, or interest of the City under this Agreement, without the prior written approval of Owner, the District, and the appropriate Assignee.

10.4 Encumbrance by Owner and Assignees. Owner has the right, from time to time, to collaterally assign, pledge, grant a lien or security interest in, or otherwise encumber any of their respective rights, title, or interest under this Agreement for the benefit of their respective lenders without the consent of, but with prompt written notice to, the City, and in no event provided later than ten (10) days after any such encumbrance takes effect. The collateral assignment, pledge, grant of lien or security interest, or other encumbrance shall not, however, obligate any lender to perform any obligations or incur any liability under this Agreement unless the lender agrees in writing to perform such obligations or incur such liability. Provided the City has been given a copy of the documents creating the lender's interest, including Notice (hereinafter defined)

information for the lender, then that lender shall have the right, but not the obligation, to cure any default under this Agreement and shall be given a reasonable time to do so in addition to the cure periods otherwise provided to the defaulting Party by this Agreement; and the City agrees to accept a cure offered by the lender as if offered by the defaulting Party. A lender is not a Party to this Agreement unless this Agreement is amended, with the consent of the lender, to add the lender as a Party. Notwithstanding the foregoing, however, this Agreement shall continue to bind the Property and shall survive any transfer, conveyance, or assignment occasioned by the exercise of foreclosure or other rights by a lender, whether judicial or non-judicial. Any purchaser from or successor owner through a lender of any portion of the Property shall be bound by this Agreement and shall not be entitled to the rights and benefits of this Agreement with respect to the acquired portion of the Property until all defaults under this Agreement with respect to the acquired portion of the Property have been cured.

10.5 Encumbrance by City or District. The City or the District shall not collaterally assign, pledge, grant a lien or security interest in, or otherwise encumber any of its rights, title, or interest under this Agreement without Owner's prior written consent.

ARTICLE XI
RECORDATION, RELEASES, AND ESTOPPEL CERTIFICATES

11.1 Binding Obligations. Pursuant to the requirements of Section 212.172(c) of the Texas Local Government Code, this Agreement and all amendments hereto (including amendments to the Concept Plan) shall be recorded in the deed records of the County. In addition, all assignments of this Agreement shall be recorded in the deed records of the County and a copy of the recorded assignment shall be delivered to the City as a condition to the City having notice of the assignment or having the assignment binding upon the City. This Agreement, when recorded, shall be binding upon the Property, the Parties, and all successor Owners of all or any part of the Property, provided, however, this Agreement shall not be binding upon, and shall not constitute any encumbrance to title as to, any End-Buyer except for the land use and development regulations that apply to specific lots. An End-Buyer shall not be considered an Owner. For purposes of this Agreement, the Parties agree: (a) the term "End-Buyer" means any tenant, user, occupant, or owner that is intended to be a final user, of a fully developed and improved lot and does not include a builder; (b) the term "fully developed and improved lot" means any lot, regardless of proposed use, for which a final plat has been approved by the City and recorded in the County's real property records; and (c) the term "land use and development regulations that apply to specific lots" means all of the Governing Regulations except the Public Infrastructure and Retail Utility Service provisions of Article V.

11.2 Releases. From time to time upon written request of Owner or the District, the Mayor—and the City Manager, if the City has a City Manager—or designee of their choice shall execute, in recordable form, subject to approval as to form by the City Attorney, a partial release of this Agreement if the requirements of this Agreement have been met, subject to the continued application of the Building Codes and the Development Regulations.

11.3 Estoppel Certificates. From time to time upon written request of Owner or the District, the Mayor—and the City Manager, if the City has a City Manager—or a designee of their choice will execute a written estoppel certificate, subject to approval as to form by the City Attorney,

identifying any obligations of Owner under this Agreement that are in default or, with the giving of notice or passage of time, would be in default; and stating, to the extent true, that to the best knowledge and belief of the City, Owner is in compliance with its duties and obligations under this Agreement, except as expressly identified. The City is entitled to recover all of the City's out-of-pocket expense for gathering the information required to sign the estoppel certificate, including professional and consulting fees and related expenses, and such expense shall be paid prior to the City releasing the estoppel certificate.

ARTICLE XII
ADDITIONAL PROVISIONS

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

12.2 Notices. All notices required or contemplated by this Agreement (or otherwise given in connection with this Agreement) (a "Notice") shall be in writing, shall be signed by or on behalf of the Party giving the Notice, and shall be effective as follows: (a) on or after the 5th business day after being deposited with the United States mail service, Certified Mail, Return Receipt Requested, with a confirming copy sent by FAX; (b) on the day delivered by a private delivery or private messenger service (such as FedEx or UPS) as evidenced by a receipt signed by any person at the delivery address (whether or not such person is the person to whom the Notice is addressed); or (c) otherwise on the day actually received by the person to whom the Notice is addressed by delivery in person or by regular mail. Notices given pursuant to this section shall be addressed as follows:

To the City:
City of Aubrey
Attn. Mayor
107 S. Main Street
Aubrey, Texas 76227

With a copy to:
Wolfe, Tidwell & McCoy, LLP
2591 Dallas Pkwy, Suite 205
Frisco, Texas 75034
Attn: Clark McCoy

To the Owner:
Venable Estate, Ltd.
3102 Oak Lawn
Suite 540, LB 123
Dallas, Texas 75219-4260
Attn: Joe Tydlaska

Venable Royalty, Ltd.
5910 North Central Expressway, Suite 1470

Dallas, Texas 75206
Attn: Richard A. Rogers

With a copy to: Shupe Ventura Lindelow & Olson, PLLC
500 Main Street, Suite 800
Fort Worth, Texas 76102
Attn: Marcella Olson

12.3 Reservation of Rights. UPON THE EFFECTIVE DATE, THIS AGREEMENT SHALL CONSTITUTE A "PERMIT" WITHIN THE MEANING OF CHAPTER 245, TEXAS LOCAL GOVERNMENT CODE. OWNER WAIVES ALL CLAIMS THAT ANY OBLIGATION INCURRED BY OWNER SET OUT IN THIS AGREEMENT CONSTITUTES A "TAKING", AN ILLEGAL EXACTION, OR INVERSE CONDEMNATION OF ALL OR ANY PORTION OF THE PROPERTY. EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, OWNER DOES NOT, BY ENTERING INTO THIS AGREEMENT, WAIVE (AND OWNER EXPRESSLY RESERVES) ANY RIGHTS AND CLAIMS THAT OWNER MAY HAVE ARISING FROM ANY ACTION BY THE CITY AFTER THE EFFECTIVE DATE. THE CITY SHALL NOT BE REQUIRED TO DETERMINE ROUGH PROPORTIONALITY OR NECESSITY AS PROVIDED FOR IN SECTION 212.904 OF THE TEXAS LOCAL GOVERNMENT CODE FOR ANY DEDICATIONS OR IMPROVEMENTS REQUIRED UNDER THIS AGREEMENT OR SHOWN ON THE CONCEPT PLAN, AS SUBMITTED OR AS SUBSEQUENTLY AMENDED BY OWNER, OR OTHERWISE PROPOSED BY OWNER. THIS AGREEMENT SATISFIES THE CITY'S OBLIGATION UNDER SECTION 43.035 OF THE TEXAS LOCAL GOVERNMENT CODE AS RELATES TO ALL OR ANY PORTION OF THE PROPERTY AND THE ADDITIONAL LAND.

12.4 Manufactured Housing. Notwithstanding any other provision of this Agreement to the contrary, from time to time, a maximum of five (5) HUD-code manufactured homes may be located within the Property at any one time for any purpose necessary for the creation of the District (including, but not limited to, providing qualified voters within the District or qualifying persons to serve on the board of directors of the District). Owner will notify the City of the location of, make and model of, HUD number for, and 911 address of each home within five (5) days after the home is occupied. Manufactured homes permitted by this Agreement (a) are not required to be located on a platted lot; (b) do not require a Building Permit or Certificate of Occupancy; (c) are not subject to the Governing Regulations; (d) do not require any permit or other approval by the City; and (e) will be removed within sixty (60) days when no longer needed for the creation of the District.

12.5 Intentionally Deleted.

12.6 Authority and Enforceability. The City represents and warrants that this Agreement has been approved by the City Council in accordance with all applicable public notice requirements (including, but not limited to, notices required by the Texas Open Meetings Act) and that the individual executing this Agreement on behalf of the City has been duly authorized to do so. Owner represents and warrants that this Agreement has been approved by appropriate action of Owner, and that the individuals executing this Agreement on behalf of Owner have been duly authorized to do so. Each Party acknowledges and agrees that this Agreement is binding upon such Party and enforceable against such Party in accordance with its terms and conditions and

that the performance by the Parties under this Agreement is authorized by Section 212.171, et. seq, of the Texas Local Government Code.

12.7 Entire Agreement; Severability; Amendment.. This Agreement constitutes the entire agreement between the Parties and supersedes all prior agreements, whether oral or written, covering the subject matter of this Agreement. Except as provided in Section 2.2 and Section 2.3, this Agreement shall not be modified or amended except in writing signed by the City, Venable Royalty, Venable Estate, and the owner of the portion of the Property affected by the amendment. If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable for any reason, then: (a) such unenforceable provision shall be deleted from this Agreement; (b) the unenforceable provision shall, to the extent possible, be rewritten to be enforceable and to give effect to the intent of the Parties; and (c) the remainder of this Agreement shall remain in full force and effect and shall be interpreted to give effect to the intent of the Parties.

12.8 Director Qualifying Lots. Notwithstanding any other provision of this Agreement to the contrary, the conveyance, from time to time, by metes and bounds or otherwise of any portion of the Property to any person for the purpose of qualifying such person to be a member of the board of directors of the District shall not be considered a subdivision of land requiring a plat or otherwise requiring the approval of the City; provided, however, no Structure, other than manufactured housing authorized by Section 12.4, shall be constructed on any property conveyed for such purpose unless and until a plat of such property has been approved by the City in accordance with this Agreement.

12.9 Applicable Law; Venue. This Agreement is entered into under and pursuant to, and is to be construed and enforceable in accordance with, the laws of the State of Texas, and all obligations of the Parties are performable in the County. Venue and exclusive jurisdiction for any action to enforce or construe this Agreement shall be the County.

12.10 No Waiver. Any failure by a Party to insist upon strict performance by another Party of any material provision of this Agreement shall not be deemed a waiver thereof, and the Party shall have the right at any time thereafter to insist upon strict performance of any and all provisions of this Agreement. No provision of this Agreement may be waived except by writing signed by the Party waiving such provision. Any waiver shall be limited to the specific purposes for which it is given. No waiver by any Party of any term or condition of this Agreement shall be deemed or construed to be a waiver of any other term or condition or subsequent waiver of the same term or condition.

12.11 No Third Party Beneficiaries. Except as otherwise provided in this Section 12.11, this Agreement only inures to the benefit of, and may only be enforced by, the Parties. An End-Buyer shall be considered a third-party beneficiary of this Agreement, but only for the limited purposes for which an End-Buyer is bound by this Agreement. No other person or entity shall have any right, title, or interest under this Agreement or otherwise be deemed to be a third-party beneficiary of this Agreement.

12.12. Force Majeure. Each Party shall use good faith, due diligence and reasonable care in the performance of its respective obligations under this Agreement, and time shall be of the essence

in such performance; however, in the event a Party is unable, due to force majeure, to perform its obligations under this Agreement, then the obligations affected by the force majeure shall be temporarily suspended. Within three business days after the occurrence of a force majeure, the Party claiming the right to temporarily suspend its performance shall give Notice to all the Parties, including a detailed explanation of the force majeure and a description of the action that will be taken to remedy the force majeure and resume full performance at the earliest possible time. The term "force majeure" shall include events or circumstances that are not within the reasonable control of the Party whose performance is suspended and that could not have been avoided by such Party with the exercise of good faith, due diligence and reasonable care. Any suspension of obligation(s) because of any force majeure shall terminate automatically sixty (60) days following the provision of the Notice described by this section, unless otherwise separately agreed by the affected Party(ies).

12.13 Effective Date. This Agreement will become effective on the later to occur of: (a) execution by Owner or Owner's duly authorized representative; and (b) approval and authorization of this Agreement by majority vote of a quorum of the Aubrey City Council following the fulfillment of all notice and public meeting requirements of Texas law.

12.14 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and constitute one and the same instrument.

12.15 Further Documents. Each Party shall, upon request of the other Party, execute and deliver such further documents and perform such further acts as may reasonably be requested to effectuate the terms of this Agreement and achieve the intent of the Parties.

12.16 Joinder Agreement. Within ninety (90) days after the organizational meeting of the board of directors of the District, Owner will cause the board of directors of the District to approve, execute, and deliver to the City a joinder instrument by which such District shall confirm and adopt the applicable terms and provisions of this Agreement, in substantially the form attached hereto as **Exhibit I** (the "Joinder Agreement"). Each District resulting from subdivision of the District will sign a Joinder Agreement in substantially the form attached as **Exhibit I** within ninety (90) days after the organizational meeting of such District. No District may conduct an election until the Joinder Agreement for such District is delivered to the City. Upon execution of the Joinder Agreement, each District shall be a "Party" to this Agreement.

12.17 Exhibits. The following Exhibits are attached to this Agreement and are incorporated herein for all purposes:

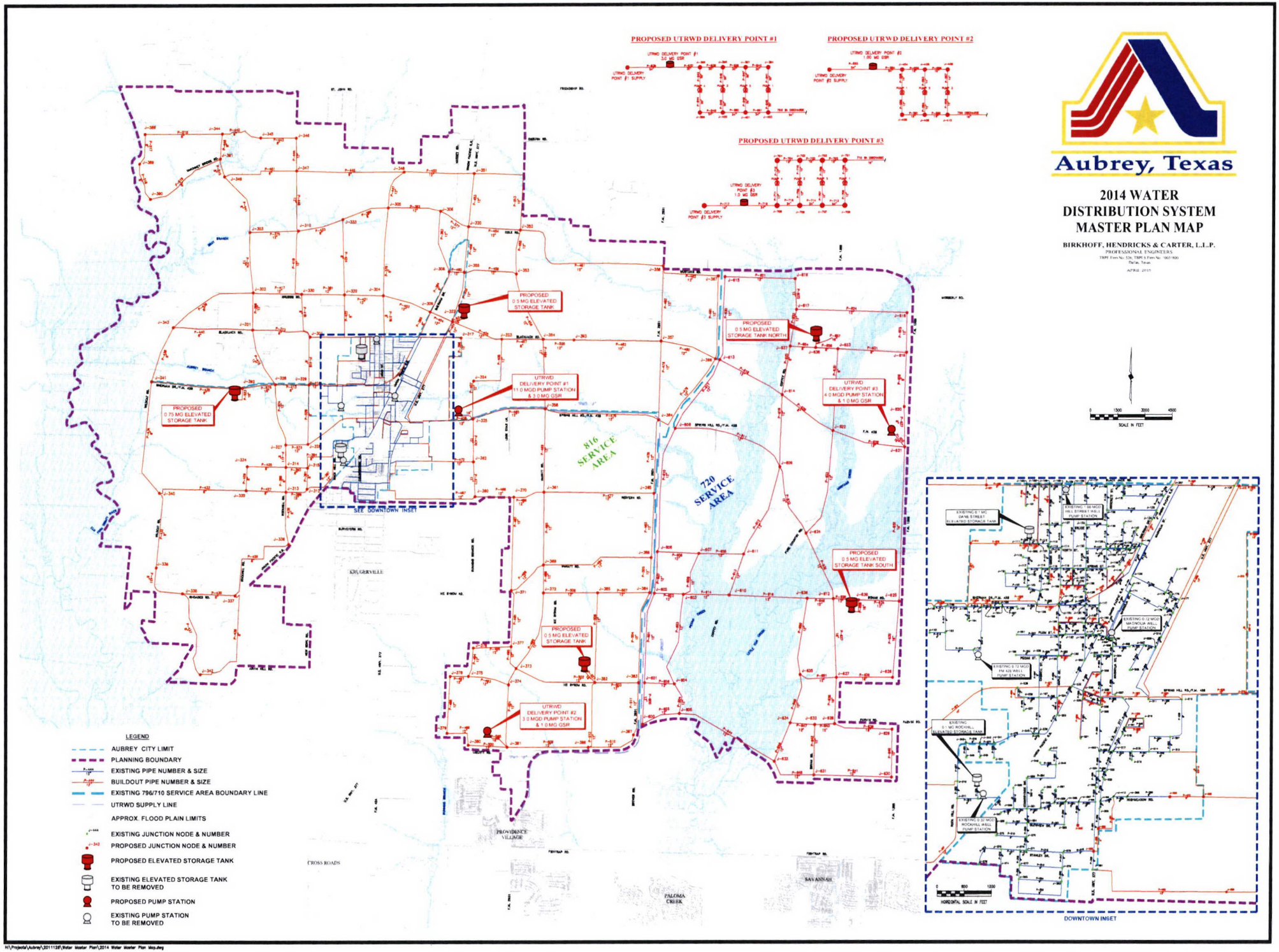
Exhibit A	Metes and Bounds Description and Map of Property
Exhibit B	Water and Sewer CCN Maps
Exhibit C	Consent Ordinance
Exhibit D	Concept Plan
Exhibit E	Subdivision Regulations
Exhibit F	Development Standards
Exhibit G	Legal Description of Additional Land
Exhibit H	Form for Amendment of Agreement
Exhibit I	Joinder Agreement

Exhibit J	Index of Definitions
Exhibit K	Waiver of Sales Tax Confidentiality
Exhibit L	Bill Amending Legislation

Executed by the City and Owner to be effective on the Effective Date.

SIGNATURE PAGES FOLLOW

PARCEL ID	OWNER NAME
41104	VENABLE ROYALTY, LTD & VENABLE ESTATE, LTD
41106	VENABLE ROYALTY, LTD & VENABLE ESTATE, LTD
42974	VENABLE ESTATES LTD
43122	VENABLE ESTATES LTD
43144	VENABLE ESTATES LTD
43146	VENABLE ROYALTY, LTD & VENABLE ESTATE, LTD
43151	VENABLE ROYALTY, LTD & VENABLE ESTATE, LTD
43153	VENABLE ROYALTY, LTD & VENABLE ESTATE, LTD
43213	VENABLE ESTATES LTD
43248	VENABLE ROYALTY, LTD & VENABLE ESTATE, LTD
43256	VENABLE ROYALTY, LTD & VENABLE ESTATE, LTD
43273	VENABLE ROYALTY, LTD & VENABLE ESTATE, LTD
43286	VENABLE ROYALTY, LTD & VENABLE ESTATE, LTD
43292	VENABLE ESTATES LTD
43336	VENABLE ROYALTY, LTD & VENABLE ESTATE, LTD
43349	VENABLE ROYALTY, LTD & VENABLE ESTATE, LTD
53295	VENABLE ROYALTY, LTD & VENABLE ESTATE, LTD
53298	VENABLE ROYALTY LTD
53313	VENABLE ROYALTY, LTD & VENABLE ESTATE, LTD
53315	VENABLE ROYALTY, LTD & VENABLE ESTATE, LTD
53331	VENABLE ROYALTY, LTD & VENABLE ESTATE, LTD
53392	VENABLE ROYALTY, LTD & VENABLE ESTATE, LTD
73594	VENABLE ESTATES LTD
75750	VENABLE ROYALTY, LTD & VENABLE ESTATE, LTD
75995	VENABLE ESTATES LTD
75996	VENABLE ESTATES LTD
84490	VENABLE ROYALTY, LTD & VENABLE ESTATE, LTD
98081	VENABLE ROYALTY LTD
98831	VENABLE ESTATES LTD
165561	VENABLE ROYALTY LTD
165562	VENABLE ROYALTY LTD
241726	VENABLE ROYALTY, LTD & VENABLE ESTATE, LTD



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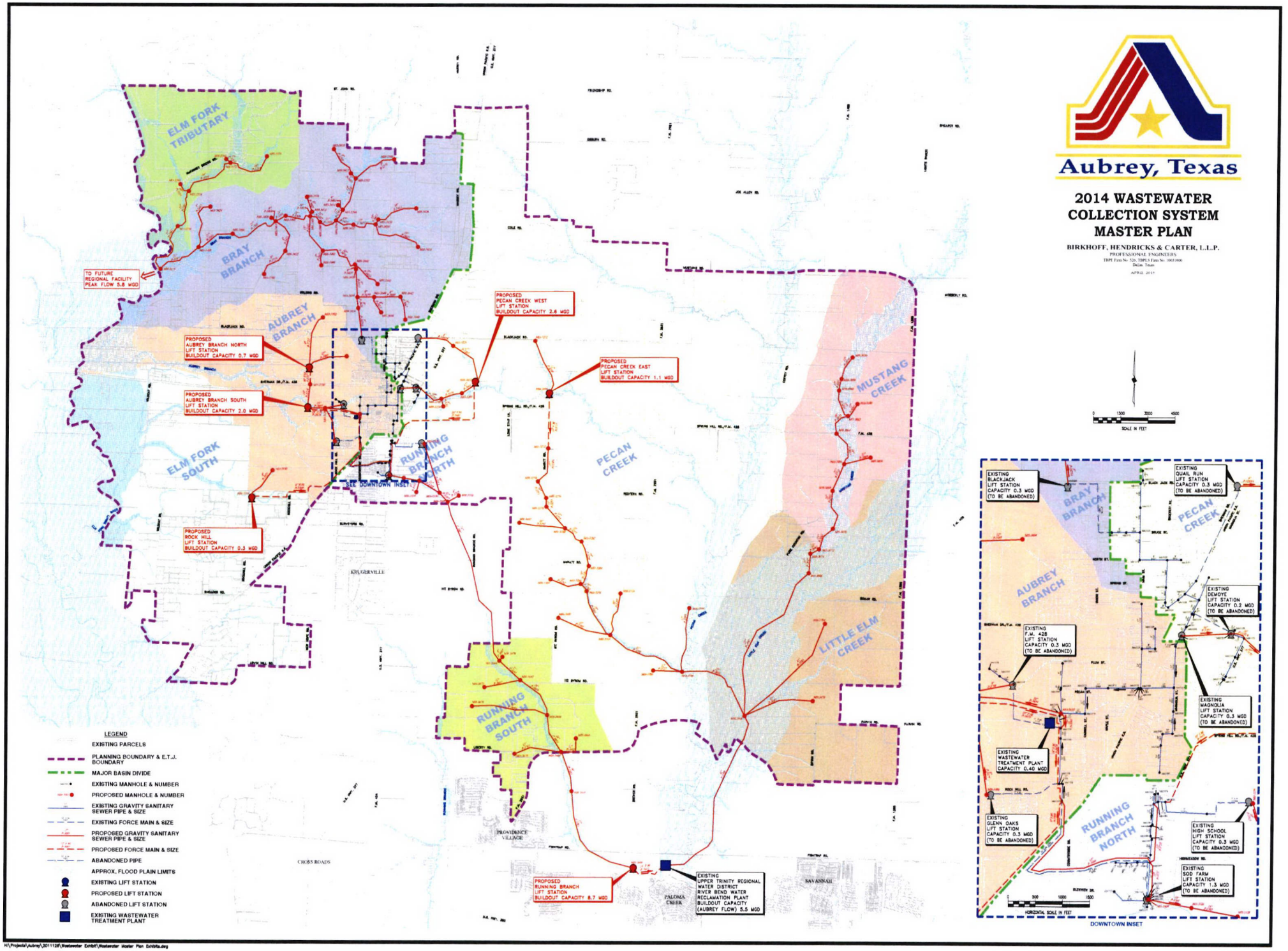
Aubrey, Texas
2014 WASTEWATER COLLECTION SYSTEM MASTER PLAN
BIRKHOFF, HENDRICKS & CARTER, L.L.P.
PROFESSIONAL ENGINEERS
TBPE Firm No. 526; TBPLS Firm No. 10031800
Dallas, Texas
APRIL 2015
ELM FORK TRIBUTARY
BRAY BRANCH
AUBREY BRANCH
ELM FORK SOUTH
RUNNING BRANCH NORTH
RUNNING BRANCH SOUTH
PECAN CREEK
MUSTANG CREEK
LITTLE ELM CREEK
TO FUTURE REGIONAL FACILITY PEAK FLOW 5.8 MGD
PROPOSED AUBREY BRANCH NORTH LIFT STATION BUILDOUT CAPACITY 0.7 MGD
PROPOSED AUBREY BRANCH SOUTH LIFT STATION BUILDOUT CAPACITY 2.0 MGD
PROPOSED ROCK HILL LIFT STATION BUILDOUT CAPACITY 0.3 MGD
PROPOSED PECAN CREEK WEST LIFT STATION BUILDOUT CAPACITY 2.6 MGD
PROPOSED PECAN CREEK EAST LIFT STATION BUILDOUT CAPACITY 1.1 MGD
SEE DOWNTOWN INSET
PROPOSED RUNNING BRANCH LIFT STATION BUILDOUT CAPACITY 8.7 MGD
EXISTING UPPER TRINITY REGIONAL WATER DISTRICT RIVER BEND WATER RECLAMATION PLANT BUILDOUT CAPACITY (AUBREY FLOW) 5.5 MGD
KRUGERVILLE
PROVIDENCE VILLAGE
CROSS ROADS
PALOMA CREEK
SAVANNAH
0 1500 3000 4500
SCALE IN FEET
LEGEND
EXISTING PARCELS
PLANNING BOUNDARY & E.T.J. BOUNDARY
MAJOR BASIN DIVIDE
EXISTING MANHOLE & NUMBER
PROPOSED MANHOLE & NUMBER
EXISTING GRAVITY SANITARY SEWER PIPE & SIZE
EXISTING FORCE MAIN & SIZE
PROPOSED GRAVITY SANITARY SEWER PIPE & SIZE
PROPOSED FORCE MAIN & SIZE
ABANDONED PIPE
APPROX. FLOOD PLAIN LIMITS
EXISTING LIFT STATION
PROPOSED LIFT STATION
ABANDONED LIFT STATION
EXISTING WASTEWATER TREATMENT PLANT
EXISTING BLACKJACK LIFT STATION CAPACITY 0.3 MGD (TO BE ABANDONED)
EXISTING QUAIL RUN LIFT STATION CAPACITY 0.3 MGD (TO BE ABANDONED)
EXISTING DEMOYE LIFT STATION CAPACITY 0.2 MGD (TO BE ABANDONED)
EXISTING F.M. 428 LIFT STATION CAPACITY 0.3 MGD (TO BE ABANDONED)
EXISTING MAGNOLIA LIFT STATION CAPACITY 0.3 MGD (TO BE ABANDONED)
EXISTING WASTEWATER TREATMENT PLANT CAPACITY 0.40 MGD
EXISTING GLENN OAKS LIFT STATION CAPACITY 0.3 MGD (TO BE ABANDONED)
EXISTING HIGH SCHOOL LIFT STATION CAPACITY 0.3 MGD (TO BE ABANDONED)
EXISTING SOD FARM LIFT STATION CAPACITY 1.3 MGD (TO BE ABANDONED)
0 500 1000 1500
HORIZONTAL SCALE IN FEET
DOWNTOWN INSET
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CITY OF AUBREY
EXISTING WATER DISTRIBUTION SYSTEM
HWL - 796 FT.

BIRKHOFF, HENDRICKS & CARTER, L.L.P.
PROFESSIONAL ENGINEERS
TBPE Firm No. 526
Dallas, Texas

December, 2014

Aubrey, Texas

MAP LEGEND

- 2 INCH OR SMALLER WATER LINE
- 4 INCH WATER LINE
- 6 INCH WATER LINE
- 8 INCH WATER LINE
- EXIST. PUMP STATION
- EXIST. ELEVATED STORAGE TANK
- EXIST. FIRE HYDRANT
- AUBREY CITY LIMITS
- AUBREY PLANNING BOUNDARY

HILL STREET WELL
PUMP CAPACITY: 750 GPM
1 EA. - 500 GPM PUMP
1 EA. - 250 GPM PUMP
GROUND STORAGE : 100,000 GAL.

DANE STREET ELEVATED TANK
EXIST. CAPACITY - 100,000 GAL.

MAGNOLIA WELL
PUMP CAPACITY: 500 GPM
2 EA. - 250 GPM PUMPS
GROUND STORAGE : 35,000 GAL.

428 WELL
PUMP CAPACITY: 500 GPM
2 EA. - 250 GPM PUMPS
GROUND STORAGE : 125,000 GAL.

ROCKHILL ELEVATED TANK
100,000 GAL.

ROCKHILL WELL
PUMP CAPACITY: 220 GPM
1 EA. - 220 GPM PUMP

0 400 800 1200
HORIZONTAL SCALE IN FEET

REVISED: 2/22/16 AMATA H:\Projects\Aubrey\Water Map\Existing water map.dwg PLOT SCALE: 1:1 PLOT STYLE: PLOTTED BY: AMATA ON 2/22/2016

CITY OF AUBREY
EXISTING WASTEWATER COLLECTION SYSTEM

Aubrey, Texas

BIRKHOFF, HENDRICKS & CARTER, L.L.P.
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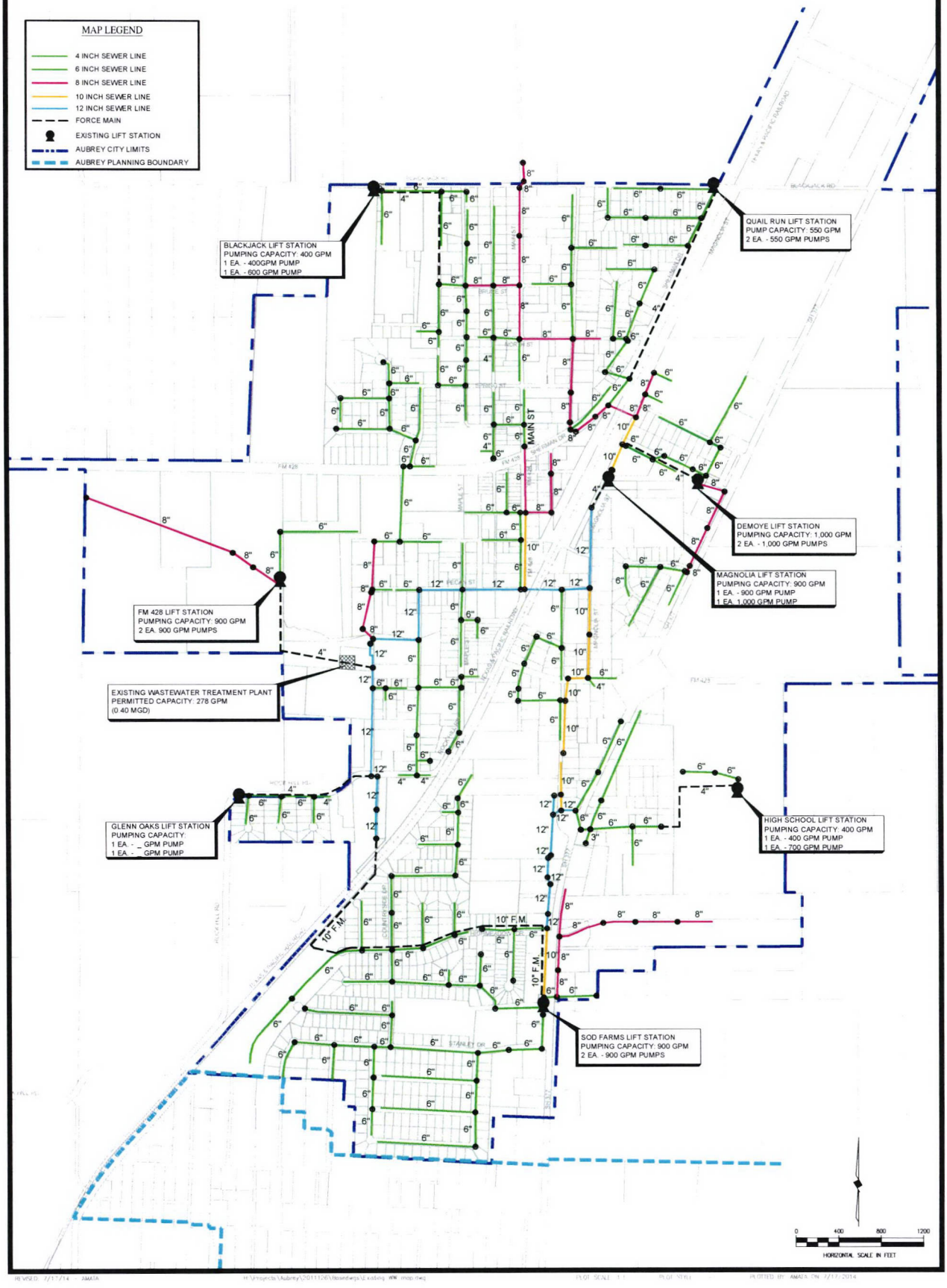
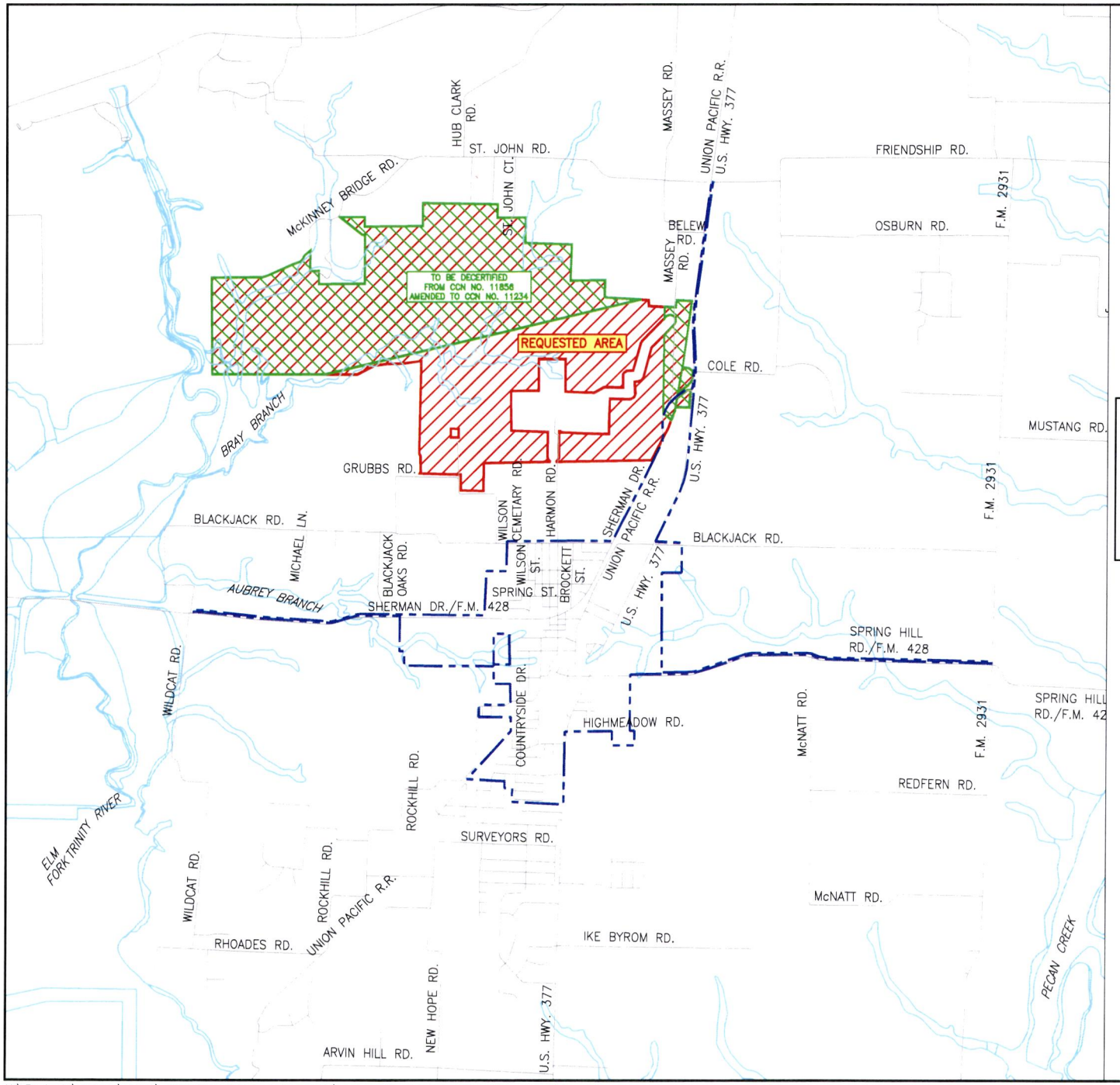
TBPE Firm No. 526; TBPLS Firm No. 10031800
11910 Greenville Ave., Suite 600
Dallas, Texas 75243 (214) 361-7900

July, 2014





Aubrey, Texas

CITY OF AUBREY
GENERAL LOCATION MAP FOR WATER

LEGEND

- REQUESTED WATER AREA TO BE DECERTIFIED FROM MUSTANG CCN NO. 11856 AND AMENDED TO AUBREY CCN NO. 11234
- REQUESTED WATER AREA TO BE AMENDED TO AUBREY CCN NO. 11234
- AUBREY CITY LIMITS (WITHIN DENTON COUNTY)

BASIS OF COORDINATE CONTROL

BASIS OF COORDINATES CITED IN THIS EXHIBIT ARE BASED ON THE TEXAS STATE PLANE COORDINATE SYSTEM, NAD-83, TEXAS NORTH CENTRAL ZONE 4202.

0 5,000 10,000 15,000

HORIZONTAL SCALE IN FEET

SEPTEMBER, 2020

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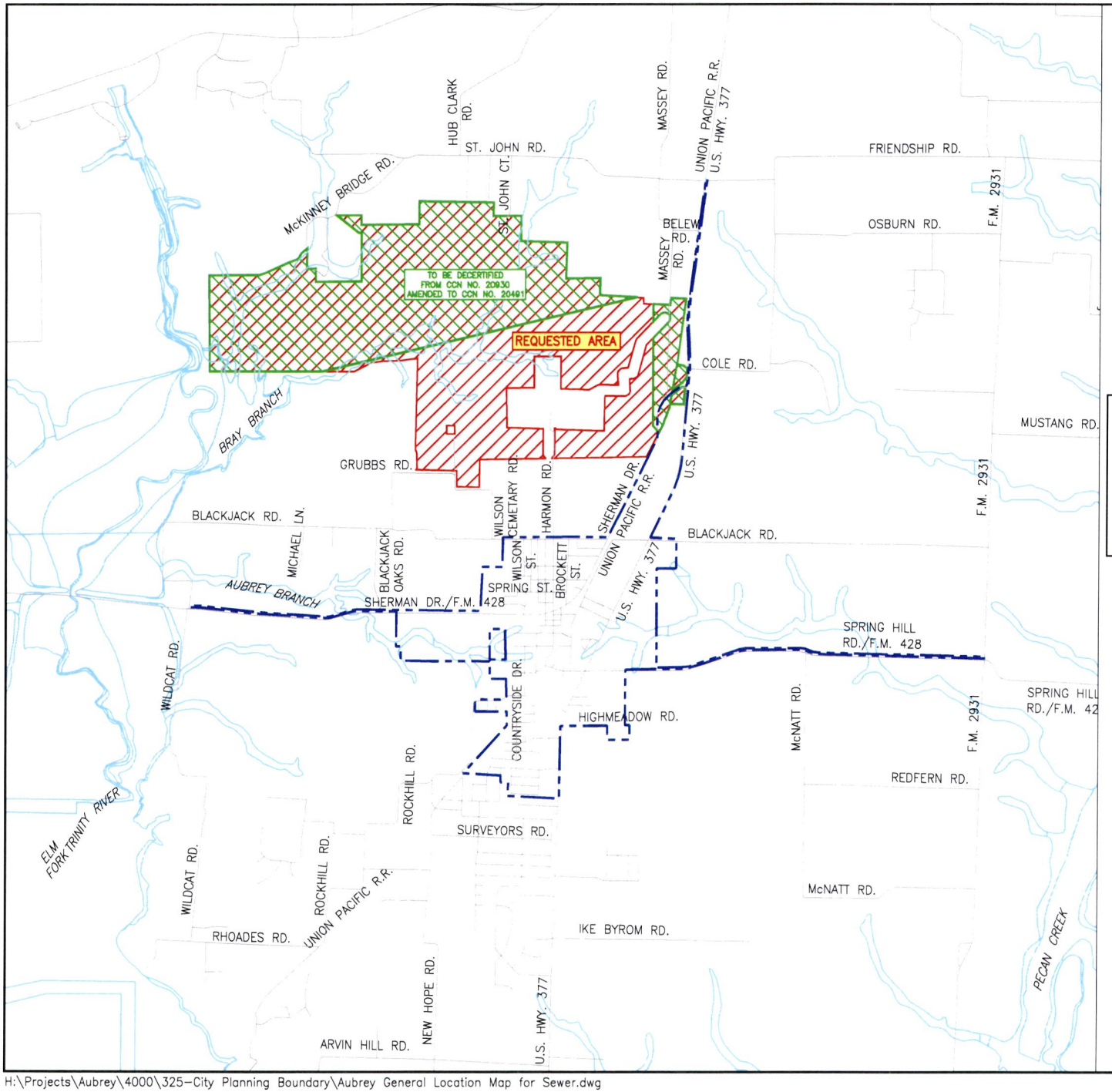

Aubrey, Texas

CITY OF AUBREY
GENERAL LOCATION MAP FOR SEWER

LEGEND

- REQUESTED SEWER AREA TO BE DECERTIFIED FROM MUSTANG CCN NO. 20930 AND AMENDED TO AUBREY CCN NO. 20491
- REQUESTED SEWER AREA TO BE AMENDED TO AUBREY CCN NO. 20491
- AUBREY CITY LIMITS (WITHIN DENTON COUNTY)

BASIS OF COORDINATE CONTROL

BASIS OF COORDINATES CITED IN THIS EXHIBIT ARE BASED ON THE TEXAS STATE PLANE COORDINATE SYSTEM, NAD-83, TEXAS NORTH CENTRAL ZONE 4202.

0 5,000 10,000 15,000

HORIZONTAL SCALE IN FEET

SEPTEMBER, 2020

BIRKHOFF, HENDRICKS & CARTER, L.L.P.
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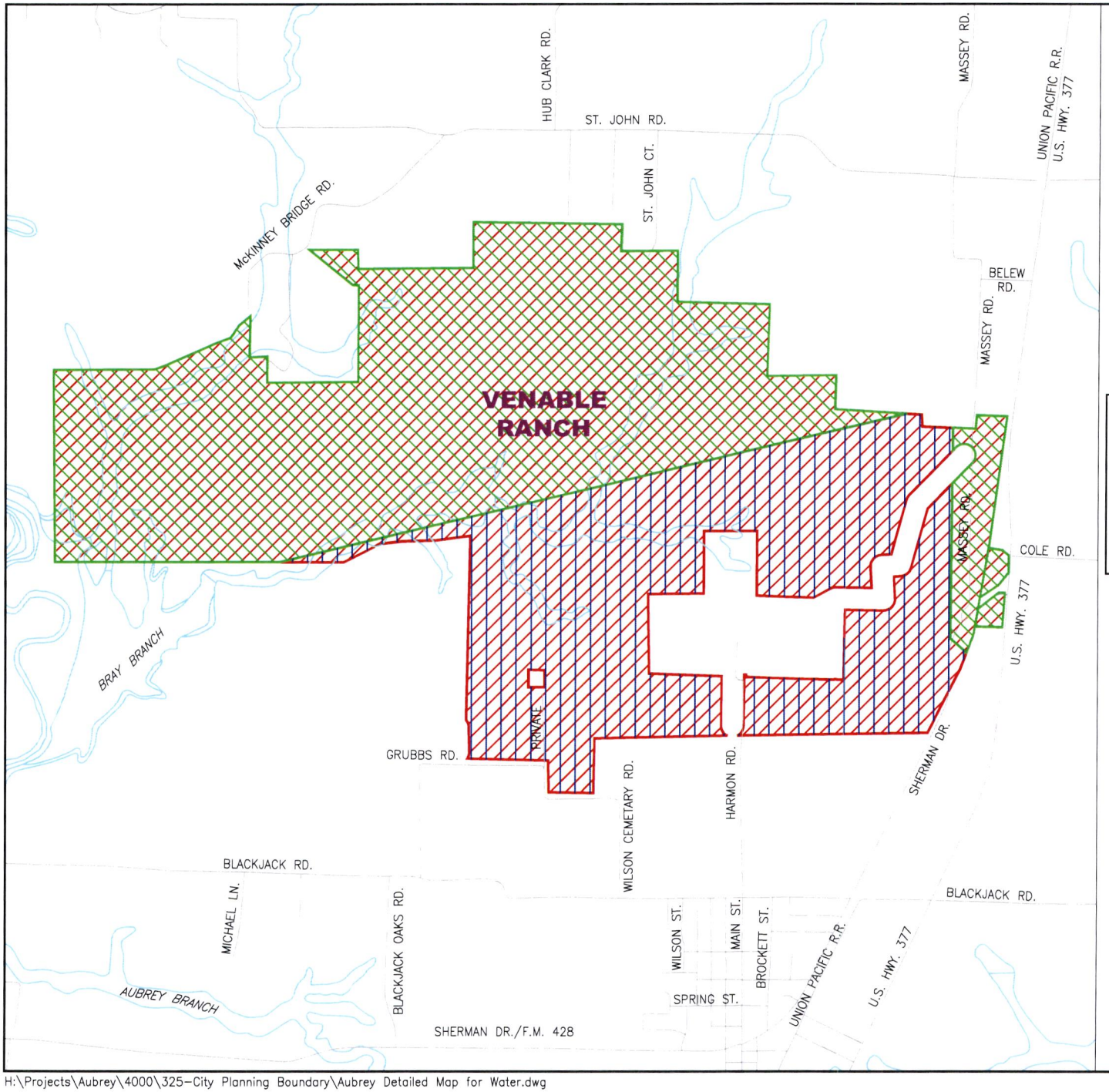

Aubrey, Texas

CITY OF AUBREY

DETAILED WATER MAP

LEGEND

- REQUESTED WATER AREA TO BE DECERTIFIED FROM MUSTANG CCN NO. 11856 AND AMENDED TO AUBREY CCN NO. 11234 (1,230 AC.)
- REQUESTED WATER AREA (NOT CURRENTLY IN MUSTANG WATER CCN) TO BE AMENDED TO AUBREY CCN NO. 11234 (808 AC.)
- REQUESTED WATER AREA TO BE AMENDED TO AUBREY CCN NO. 11234 (2,038 AC.)

BASIS OF COORDINATE CONTROL

BASIS OF COORDINATES CITED IN THIS EXHIBIT ARE BASED ON THE TEXAS STATE PLANE COORDINATE SYSTEM, NAD-83, TEXAS NORTH CENTRAL ZONE 4202.

0 2500 5000 7500

HORIZONTAL SCALE IN FEET

SEPTEMBER, 2020

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11910 Greenville Ave., Suite 600
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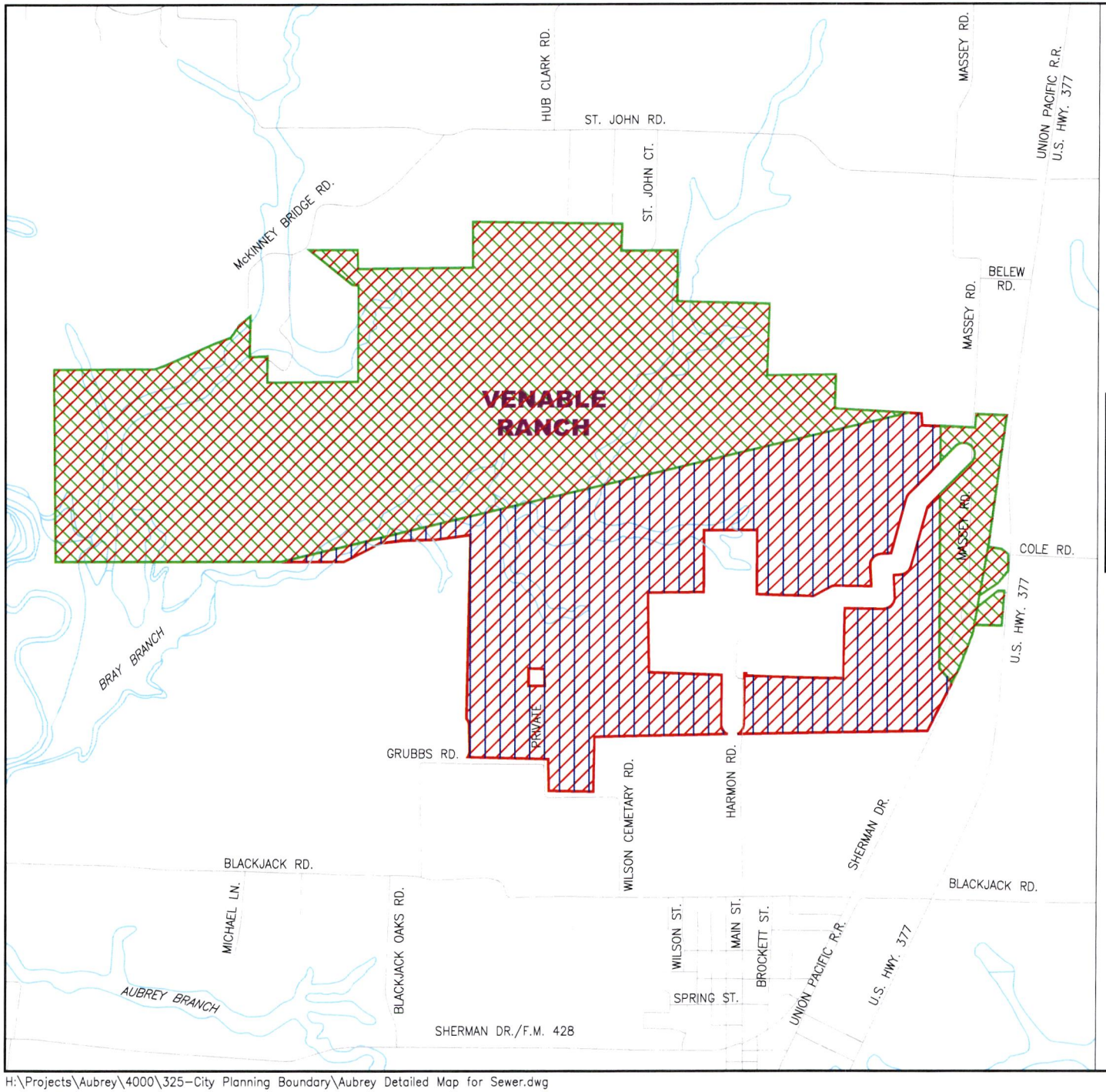

Aubrey, Texas

CITY OF AUBREY

DETAILED SEWER MAP

LEGEND

- REQUESTED SEWER AREA TO BE DECERTIFIED FROM MUSTANG CCN NO. 20930 AND AMENDED TO AUBREY CCN NO. 20491 (1,252 AC.)
- REQUESTED SEWER AREA (NOT CURRENTLY IN MUSTANG WATER CCN) TO BE AMENDED TO AUBREY CCN NO. 20491 (786 AC.)
- REQUESTED SEWER AREA TO BE AMENDED TO AUBREY CCN NO. 20491 (2,038 AC.)

BASIS OF COORDINATE CONTROL

BASIS OF COORDINATES CITED IN THIS EXHIBIT ARE BASED ON THE TEXAS STATE PLANE COORDINATE SYSTEM, NAD-83, TEXAS NORTH CENTRAL ZONE 4202.

0 2500 5000 7500

HORIZONTAL SCALE IN FEET

SEPTEMBER, 2020

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