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PETITION OF FORT BEND COUNTY	§	PUBLIC UTILITY COMMISSION
MUNICIPAL UTILITY DISTRICT NO.	§	
222 APPEALING THE WHOLESALE	§	OF TEXAS
WATER RATES ESTABLISHED BY	§	
THE CITY COUNCIL OF THE CITY	§	
OF FULSHEAR, TEXAS	§	

**CITY OF FULSHEAR’S RESPONSE TO PETITION OF
FORT BEND COUNTY MUNICIPALITY UTILITY DISTRICT NO. 222**

The City of Fulshear (“Fulshear”) files this response to the petition filed on July 24, 2023, by Fort Bend County Municipal Utility District No. 222 (“MUD 222”) appealing Fulshear’s wholesale rates. Pursuant to SOAH Order No. 1, this response is timely filed.

I. RESPONSE

Initially, Fulshear notes that the Petition does not comply with the Commission’s rules regarding such petitions¹ and should be rejected as administratively incomplete or the Commission should inform the Petitioner of the deficiencies and allow the petitioner the opportunity to correct the deficiencies.² Commission rules require that the petition clearly state (1) the statutory authority that the petitioner invokes, (2) specific factual allegations supporting the petition, (3) the relief that the petitioner seeks, and (4) attach any applicable contract to the petition.³ MUD 222’s Petition does not contain any of the required information. The Petition (1) contains no reference to any statutory authority, (2) fails to describe the terms of the agreement pursuant to which Fulshear agreed to provide MUD 222 with water⁴ and fails to allege any facts that would support a finding that the rates charged pursuant to that agreement adversely affect the public interest,⁵ (3) contains no statement of the relief requested by MUD 222, and, finally (4) did not attach the applicable contract obligating Fulshear to provide MUD 222 with water on a wholesale basis. Fulshear should not be required to substantively respond to such a wholly deficient petition.

¹ 16 TAC § 24.305.

² 16 TAC § 24.307(a).

³ 16 TAC § 24.305(b).

⁴ A copy of the 2020 Water and Wastewater Facilities Agreement between Fulshear and MUD 22 is attached as Exhibit A (“Agreement”).

⁵ Because this is an appeal of a rate charged pursuant to a written contract, the Commission must first determine whether the protested rate adversely affects the public interest, and the petition should at least allege the public interest criteria that the petitioner asserts have been violated.

Additionally, any supplemented petition needs to clearly allege when MUD 222 received notice of Fulshear's decision to charge it Fulshear's applicable retail water rate.⁶ Fulshear alleges that MUD 222 was informed that the wholesale rates would be based on Fulshear's retail rates, including the outside the city limits multiplier, when Fulshear agreed to provide water to MUD 222 on a wholesale basis pursuant to the Agreement, and that this fact was reiterated numerous times to MUD 222 before and after it connected to Fulshear's system. The last action taken by Fulshear's City Council regarding rates to be charged MD 222 occurred on September 20, 2022, when the Council adopted new retail rates to be effective on January 1, 2023, and January 1, 2024. These are rates referenced in MUD 222's Petition.

II. CONCLUSION/PRAYER

For the reasons set forth herein, the City of Fulshear respectfully requests that the Commission reject the Petition filed by MUD 222 for failing to comply with the Commission's rules. If the Commission decides to allow MUD 222 to correct the deficiencies in its Petition, Fulshear requests that it be allowed to respond to the corrected Petition.

Filed: August 23, 2023

Respectfully submitted,



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ATTORNEYS FOR CITY OF FULSHEAR

⁶ Tex. Water Code § 13.043(f) ("An appeal under this subsection must be initiated within 90 days after the date of notice of the decision is received from the provider . . .").

CERTIFICATE OF SERVICE

I certify that, unless otherwise ordered by the presiding officer, notice of the filing of this document was provided to all parties of record via electronic mail on August 23 2023, in accordance with the Orders Suspending Rules filed in Project No. 50664.



C. Joe Freeland

EXHIBIT A

WATER AND WASTEWATER FACILITIES AGREEMENT
BETWEEN AND AMONG THE CITY OF FULSHEAR, TEXAS; RAELYNN FRANZ,
Trustee of the F,H, & L 2012 Trust U/T/A dated December 21, 2012; RAYMOND DALE
FRANZ, Trustee of the RDF Trust U/T/A dated December 21, 2012; KEVIN SCOTT
FRANZ, Trustee of the BMM Trust U/T/A dated December 21, 2012; and KELLI
JEAN FRANZ SPILMAN, Trustee of the KJFS Trust U/T/A dated December 21, 2012;
AND D.R. HORTON-TEXAS, LTD., a Texas limited partnership, ON BEHALF OF
FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 222

This Water and Wastewater Facilities Agreement (the "Agreement") is made and entered into as of December 18, 2020, by THE CITY OF FULSHEAR, TEXAS (the "City"), a home rule municipality in Fort Bend County, Texas, acting by and through its governing body, the City Council of Fulshear, Texas; RAELYNN FRANZ, Trustee of the F,H, & L 2012 Trust U/T/A dated December 21, 2012, RAYMOND DALE FRANZ, Trustee of the RDF Trust U/T/A dated December 21, 2012, KEVIN SCOTT FRANZ, Trustee of the BMM Trust U/T/A dated December 21, 2012, and KELLI JEAN FRANZ SPILMAN, Trustee of the KJFS Trust U/T/A dated December 21, 2012, the current owners of the hereinafter defined Property (collectively, the "Owners"); and D.R. HORTON-TEXAS, LTD., a Texas limited partnership, ("Horton") on behalf of Fort Bend County Municipal Utility District No. 222 (the "District").

RECITALS

Owners own the approximately 1,293.22 acres described in the attached Exhibits "A-1" and "A-2" (collectively the "Property") which is located wholly within the extra-territorial jurisdiction of the City. Horton has contracted to purchase the approximately 1,185.76 acres described in the attached Exhibit "A-1" ("Horton Tract") and desires to develop a high quality single-family residential community within the portion of the Property it is purchasing.

Owners are retaining the approximately 107.46 acres described in Exhibit "A-2" for future development or sale ("Owners' Residual Tract").

Fort Bend County Municipal Utility District No. 222 (the "District") was created pursuant to House Bill 4675, 86th Texas Legislature, Regular Session, codified at Chapter 8076, Texas Special District Local Laws Code, effective June 1, 2019 for the purpose of furnishing water, sanitary sewer, drainage services, roads, and park and recreational facilities to the area within its boundaries. The District contains the Property. Directors have not yet been appointed to serve on the District's board, so the Owners and Horton are executing this Agreement on behalf of the District and assigning it to the District upon the board of directors of the District being appointed by the Texas Commission on Environmental Quality.

The City is a municipal corporation and is operating under its home rule charter and the general laws of the State of Texas. The City has the power under the laws of the State of Texas to acquire, own, and operate a water and sanitary sewer system. The City also has the authority to contract with a district organized under the authority of Article XVI, Section 59, of the Constitution of Texas, whereby the District will acquire or construct for the City water supply or treatment systems, water distribution systems, sanitary sewer collection or treatment systems to serve lands in the City or the City's extraterritorial jurisdiction.

The City has a significant amount of water supply available in its facilities and desires to provide wholesale water service to the District. The District is agreeable to acquiring and constructing a water distribution system to connect to the City's water supply system so the District can purchase wholesale water from the City and provide retail water service to residents of the District.

The City does not have any available wastewater treatment capacity; however, the District is agreeable to acquiring and constructing the hereinafter defined Sanitary Sewer Treatment Plants to serve its needs, and, at such time as the City deems appropriate, the District is agreeable to conveying the Sanitary Sewer Treatment Plants to the City. Thereafter, the City shall operate and maintain the Sanitary Sewer Treatment Plants and provide wholesale sewer service to the District. In the meantime, the District will acquire and construct a wastewater collection system, so the District can provide retail wastewater service to residents of the District.

In order to assure the continuing and orderly development of the Property, Owners and Horton desire to enter into this Agreement on behalf of the District whereby the City will provide water supply and the District will acquire or construct improvements, facilities, equipment, and appliances necessary for a water distribution and sanitary sewer collection and treatment system, as provided in this Agreement, in order that all of the current and future land in the District will be placed in the position to receive adequate water and sanitary sewer services.

The City, Owners and Horton have determined that they are each, respectively, authorized to enter into this Agreement pursuant to the Constitution and laws of the State of Texas.

NOW, THEREFORE, for and in consideration of the mutual agreements, covenants, and conditions contained herein, and other good and valuable consideration, the City, Owners and Horton agree as follows:

ARTICLE I DEFINITIONS

Section 1.01 Terms. Unless the context requires otherwise, and in addition to the terms defined above, the following terms and phrases, if and when used in this Agreement, shall have the meanings set out below:

Agreement means this Water and Wastewater Facilities Agreement entered into between the City and Owners and Horton, on behalf of the District.

Approving Bodies means the City, the County, the TCEQ, the Texas Department of Health, and any other federal, state, county, or local agency having jurisdiction.

City means the City of Fulshear, Texas.

City Council means the City Council of the City or any successor governing body.

Construction Costs means all costs attributable to the acquisition (by purchase or lease) or construction of a facility, including, but not limited to, design costs, the costs of construction, acquisition, and installation; lease costs; lease buy-out costs; costs of acquiring necessary interests in real property or easements; costs of preparing plans and specifications and observing construction; costs of acquiring necessary licenses or permits; costs of engineering, legal, and advertising services; costs of material and soil testing; change orders; costs of legal proceeding or judgment; land and easement costs; and all other items and expenses of a similar or different nature reasonably required for the construction or acquisition of such facility, to the extent such costs may be funded or reimbursed by the District under Texas law.

County means Fort Bend County, Texas.

Developer means Owners or Horton individually. *Developers* means Owners and Horton collectively.

Development Agreement means the Development Agreement of even date herewith between the City and Developers.

District means Fort Bend County Municipal Utility District No. 222 or any municipal utility district created by the division thereof pursuant to its Enabling Legislation.

District Engineer means the consulting engineering firm retained, from time to time, by the District.

Enabling Legislation means Chapter 8076 Special District Local Laws Code.

ESFC means the daily measure of wastewater discharge attributed to one single-family residential home and the daily measure of water consumption that is attributed to one single-family residential home established by the TCEQ for purposes of determining the size of utility facilities to serve such customers within the District, as may be updated by the TCEQ from time to time.

ETJ means the extraterritorial jurisdiction of the City.

General Plan means the plan for development of the Property contained in the Development Agreement, as amended.

Horton means D.R. HORTON-TEXAS, LTD., a Texas limited partnership, or any affiliate thereof, specifically including D.R. Horton, Inc., a Delaware corporation, and Forestar Group, Inc.

Oversized Facilities means facilities sized to serve areas outside the District, as provided in Section 2.09.

Owners means, collectively, RAELYNN FRANZ, Trustee of the F,H, & L 2012 Trust U/T/A dated December 21, 2012, RAYMOND DALE FRANZ, Trustee of the RDF Trust U/T/A dated December 21, 2012, KEVIN SCOTT FRANZ, Trustee of the BMM Trust U/T/A dated December 21, 2012, and KELLI JEAN FRANZ SPILMAN, Trustee of the KJFS Trust U/T/A dated December 21, 2012.

Person means any individual, partnership, association, firm, trust, estate, public or private corporation, or any other legal entity whatsoever.

Phase means any part of the System to be acquired or constructed to serve an area within the District.

Plants means collectively the Sanitary Sewer Treatment Plant and Water Plant.

Point of Interconnection shall mean a point where the District's Water System connects to the City's water system and a point where the District's Wastewater System connects to the City's Wastewater System.

Project means the residential, commercial and multi-family project to be developed by Developers and thereafter constructed within the Property.

Sanitary Sewer System means the sanitary sewer collection and treatment system constructed to serve any land within the District, including necessary easements, rights-of-way and sites required for same.

Sanitary Sewer Treatment Plant means the sanitary sewer plant(s) either leased or owned and operated by the District, or by the City upon conveyance of such facilities from the District to the City pursuant to this Agreement.

Sanitary Sewer Treatment Plant Site means the site located within the District and shown on the General Plan as the location of Sanitary Sewer Treatment Plant to serve the Property.

Security Interest means the interests granted pursuant to Section 3.01 and Section 3.02 hereof in the System to serve property within the District.

System means the Water System, the Sanitary Sewer System, including, without limitation, the water distribution lines and the wastewater collection lines.

TCEQ means the Texas Commission on Environmental Quality and its successors.

Water means potable water meeting the minimum drinking water standards established by all regulatory agencies with jurisdiction.

Water Plant means the water plant(s) owned and operated by the City.

Water System means the potable water supply, storage and distribution system constructed to serve any land within the District, including necessary easements, rights-of-way and sites required for same.

ARTICLE II PROVISIONS RELATING TO THE SYSTEM

Section 2.01 Water/Sanitary Sewer Services

The plan for water distribution system; wastewater collection and treatment system to serve the Property has been developed in accordance with the General Plan through public utility facilities to be provided by the District. The City will provide wholesale water service to the District. All wastewater treatment services will be provided by the District, subject to the right of the City to exercise its options under Section 3.02 hereof to provide wholesale sewer service to the District and assume ownership and maintenance responsibility of the Sanitary Sewer Treatment Plants. Throughout the term of this Agreement, the District shall provide retail water and

sewer service in the District and own and operate and maintain the portions of the System not taken over by the City until full purpose annexation of the District by the City.

Section 2.02 Design of the System.

(a) The District Engineer shall prepare preliminary plans and specifications of the System. The System may include structures or improvements outside the boundaries of the District if reasonably necessary to serve the area within the District. All final plans and specifications for each Phase of the System shall be submitted to the City for approval. The System shall be constructed or installed within easements dedicated to the installation of such type of facility, fee parcels owned by the District, or road rights-of-way.

(b) The District shall design the System in accordance with sound engineering principles and in compliance with requirements of the Approving Bodies. If necessary, the City shall join or cooperate in obtaining necessary permits and easements provided that the District pays all costs of obtaining such permits and easements.

Section 2.03 Extension of the System in Phases.

The District shall proceed with the construction or extension of the System in such Phases as are requested by the Developers in order that all of the areas within the District will eventually receive the benefits of water and sanitary sewer services. Such extensions shall be accomplished by the District in accordance with prudent and sound management principles. Accordingly, the District's duty to proceed with the construction or extension of the System shall be subject to and consistent with existing development trends within the District and surrounding areas, the marketability of developed lots and acreage within the District, the need for expansions to the System to serve areas within the District, existing economic conditions and existing conditions in the municipal bond market. When the District determines that it is economically feasible to extend the System, or any part thereof, to a particular area, it shall so notify the City in writing or by the submission of new plats and construction plans.

Section 2.04 Preparation of Final Plans and Specifications.

When the determination is made that it is economically feasible to construct or extend the System, the District shall direct the District Engineer to prepare plans and specifications of such Phase.

Section 2.05 Approval of Final Plans and Specifications.

(a) Before the commencement of construction within the District, the District shall submit to the City all final plans and specifications of each Phase and secure the City's approval thereof. Whenever feasible, plans for interrelated or dependent systems should be submitted at the same time. Without limiting the generality of the foregoing, all water wells, water meters, flushing valves, valves, pipes, water service lines, sewer service lines, lift stations, and appurtenances thereto installed or used within the District shall conform to the specifications of the City. The final plans and specifications of the Phase shall be submitted to such Approving Bodies that may require such submission. After all Approving Bodies approve the final plans and specifications, the District shall be authorized to proceed with construction as provided herein.

(b) The City will have fifteen (15) business days to review and approve the plans and specifications. If the City does not approve the plans or disapprove of the plans and provide written comments within the fifteen (15) business day period, the plans are deemed approved. If the City provides written comments within the initial fifteen (15) business day period, or within seven (7) calendar days after receiving a response to previous comments, the City agrees to issue its approval or provide additional comments within seven (7) calendar days after receiving a response to its comments; and, if the City does not issue its approval or provide additional comments within seven (7) calendar days, plans and specifications will be deemed approved as long as the District complies with the comments. Upon request, the District shall furnish proof of compliance with such comments to the City.

(c) During the term of this Agreement, the City may only modify, supplement or amend its construction standards for public improvements (including water and sanitary sewer facilities) to make them consistent with generally accepted standards imposed by governmental entities on the design and construction of public improvements within the Houston metropolitan area. The City may make only such modifications, supplements, and amendments to such standards as are necessary to ensure that such standards are consistent with modern technology, engineering practices, and construction techniques. All such modifications, supplements, and amendments to such standards shall be uniformly applied to all development in the ETJ. Modifications, supplements and amendments to such standards that do not conform to these criteria will not be applicable to the Property.

Section 2.06 Advertisement for Bids.

Construction contracts shall be let on a competitive bidding basis in accordance with the applicable requirements of Chapter 49 and 54, Texas Water Code, as amended, or any successor provisions. After preparation of final plans and specifications, the

District shall advertise for or solicit bids (as required) for the construction of the Phase described in the final plans and specifications.

Section 2.07 Award of Construction Contract; Certain Contract Provisions.

(a) If the District has on deposit funds in a sum sufficient to pay the construction costs of the proposed work or has reasonable assurance that such funds will be forthcoming, then the District shall enter into a contract or contracts with the contractor or contractors whose bids have been accepted by the District. The District shall award all construction contracts in accordance with Chapters 49 and 54 of the Texas Water Code, as amended, and the rules of the TCEQ. Each contract with the District shall comply with Chapters 49 and 54, Texas Water Code, as amended, provide for retainage in accordance with Section 49.273, Texas Water Code, as amended, or any successor provision, require a performance bond and a payment bond in accordance with applicable requirements of Texas Government Code, Ch. 2253, as amended, or Texas Property Code, as applicable, or both, require workers' compensation insurance, builders' risk insurance, and public liability insurance in such sums as the District shall determine, and require a covenant and warranty to diligently prosecute the work in a good and workmanlike manner and in accordance with the final plans and specifications.

(b) In addition to any other construction contract provisions, any construction contract for District's facilities shall include the construction contractor's one-year warranty of work performed under the contract.

Section 2.08 Project Representation During Construction.

(a) The District Engineer shall make reports to the City's representative relative to the progress of construction and shall recommend final acceptance of the facilities to the District's Board of Directors when appropriate. The District's Engineer shall file all required documents with the TCEQ. The City's representative and the District's Engineer shall meet as often as the City reasonably requests, and the District's Engineer shall provide observation reports on a monthly basis when requested by the City's representative. If the City's representative discovers that the construction is not in substantial conformance with the approved plans and specifications, the City's representative shall notify and consult with the District's Engineer regarding the problem. The District's Engineer shall have a reasonable period of time in which to cure the problem or cause the problem to be cured. District shall ensure that a level of construction inspection occurs to enable the engineer of record to certify the work has been completed in accordance with approved construction plans and specifications.

(b) The District shall not be obligated to apply for, pay for or obtain from the City any permit for construction of any portion of the System. The District shall only be

obligated to pay the City an inspection fee for such portion of the System in an amount established by the City from time to time not to exceed three-fourths of one percent (0.75%) of the cost of the construction contract for the construction of such Phase of the System.

Section 2.09 Oversized Facilities.

(a) In conjunction with the District's design and construction of the System, the City may determine, from time to time, that certain facilities should be sized to serve areas outside the District, as well as areas within the District or the City may determine that the District should construct certain water and sewer facilities outside the District (facilities sized to serve areas outside the District shall be called "Oversized Facilities"). The District hereby agrees that, in conjunction with the District's design and construction of the System as set out in this Agreement, the District shall cooperate with the City to include the Oversized Facilities, as required by the City, provided that, the City shall pay its share of the cost of oversizing the Oversized Facilities, determined in accordance with the Joint Construction Agreement (defined below), as follows: (i) the City will deposit its estimated share of the cost for the design of the Oversized Facilities within 45 days of receiving such estimate, (ii) the City will deposit its share of the contract amount plus a 10% contingency with the District within 45 days after award and execution of the contract, (iii) in the event additional funds are needed for design or construction of the Oversized Facilities, the City will deposit its share of the additional funds with the District within 45 days of request for the same, and (iv) upon completion of the Oversized Facilities, the District will provide a full accounting of the costs incurred to the City and the District will refund any remaining funds attributable to the City within 45 days of the completion of the Oversized Facilities.

(b) In order to carry out the design and construction of the Oversized Facilities, the City and the District agree to enter a joint construction agreement providing for the allocation of the construction costs of the Oversized Facilities (the "Joint Construction Agreement"). Any Joint Construction Agreement shall require that the City's share of the costs of the Oversized Facilities be advanced to the District as provided in the paragraph above. The construction costs of the Oversized Facilities shall be determined in accordance with TCEQ rules and regulations so the construction costs will be shared by the City and the District on the basis of benefits received which are generally the design capacities in the System reserved for the City and the District, respectively. Upon completion of any Oversized Facilities, the City and the District will own the capacity in the Oversized Facilities as set forth in the Joint Construction Agreement.

Section 2.10 Service Beyond the Boundaries of the District.

The District shall not allow the Water System or the Sanitary Sewer System to be extended to serve, on a permanent basis, any real property located outside the District without the prior written consent of the City except for the purposes of providing for an emergency interconnection.

Section 2.11 Other Service Providers.

The District shall not undertake to enter into a contract with any party other than the City to provide wholesale potable water or wastewater treatment services for any portion of the District without the prior written approval of the City. This prohibition does not apply to the District leasing its Plants from a third-party vendor or obtaining interim service until its Plants are constructed.

Section 2.12 Records and Reports.

The District shall promptly provide to the City upon request, and without charge, copies of any records or documents on file with the District relating to the construction, operation, maintenance, or repair of the System. The City shall promptly provide to the District upon request, and without charge, copies of any records or documents on file with the City relating to the construction, operation, maintenance, or repair of the System.

ARTICLE III

CITY'S PROVISION OF REGIONAL WATER AND SANITARY SEWER SERVICES

Section 3.01 Provision of Regional Water Supply Capacity and Service by City.

(a) Upon approval of this Agreement by the City, the City agrees to reserve 1,000 ESFCs of capacity for the District in existing City water plant facilities to serve the Property for a period of two (2) years and continuing thereafter as long as there is an active building program underway on the Project. The District is responsible for paying the Construction Costs of a trunk water line extending from the City's water system to the District's Water System and the necessary booster pump and ground storage tank facilities to deliver water service from the Water Plant to the District ("Water System Extension"). The District shall receive a credit against water impact fees discussed in Section 3.03 equal to the Construction Costs of the Water System Extension.

(b) The City shall (i) timely provide wholesale water services to the Property as needed by Developers, and (ii) expand the Water Plants from time to time so that it may timely provide water service to the Property. The City shall from time to time and upon request from the District, with forty-five (45) days' written notice, provide the

District a utility commitment letter evidencing the City's commitment to provide water service to the District in an amount of ESFCs sufficient to serve the area within the District for which the utility commitment letter is requested. The District shall provide to the City annual buildout schedules for the ensuing three (3) years and associated capacity requirements for the City's planning purposes. If the City is unable or unwilling to timely provide the Water Plant capacity needs of the District, the City shall provide the District with written notice no less than eighteen (18) months in advance of the District's anticipated need for such capacity and the District shall have the right to construct the Water Plant facilities necessary to serve its projected needs by either expanding the City's existing facilities or constructing new facilities within the District, and the District shall receive a credit towards the payment of water impact fees discussed in Section 3.03 for the Construction Costs of such facilities. The City may not require the District to size the Water Plant facilities constructed by the District under this paragraph to serve anything more than the District's actual needs, except as provided in Section 2.09 hereof.

(c) In the event the District constructs a Water Plant pursuant to the provisions of the above paragraph, immediately upon completion, the District shall convey the Water Plant to the City. In conjunction with such conveyance, the District shall disclose in writing any deficiency or problem and representatives of the City shall inspect the same, and, if the City finds that the same has been completed in accordance with the final plans and specifications approved by the City, or any modifications thereof approved by the City, and in accordance with all applicable laws, rules, and regulations, the City will accept the same whereupon ownership of such Water Plant shall be transferred to the City and be operated and maintained by the City, at its sole expense, as provided herein. Such acceptance shall be subject to (i) the District providing the City with the District Engineer's Certificate of Substantial Completion and the Affidavit of Bills Paid; (ii) the District providing the City with any manuals or other material relating to the proper operation of the Water Plants; and (iii) the District providing or assigning to the City easement for such facilities, to the extent required. The City shall not be responsible for the cost of any repair of such Water Plant identified by the City as in need of repair prior to the City's acceptance, including any deficiency or problem disclosed in writing by the District as provided herein; provided, however, the cost of such repair shall be considered a Construction Cost credited towards the payment of any water impact fees owed by the District to the City. Thereafter, the City shall accept the Water Plant and such acceptance shall operate to transfer to the City all bond and warranties of the contractor and subcontractor.

(d) Upon the District's conveyance of the Water Plant to the City, the District shall reserve a Security Interest therein for the purpose of securing the hereinafter defined Performance of the City under this Agreement. "Performance" shall include, but not be limited to, (i) providing, at City's sole cost, the adequate maintenance and operation of the Water Plant; (ii) timely providing the water capacity necessary to meet

the demands of the District; and (iii) providing reasonable and timely review and approval of the District's plans for a Phase of the System, as required herein.

Section 3.02 Future Provision of Regional Sanitary Sewer Capacity and Service by City.

(a) Initially, the District shall acquire its own Sanitary Sewer Treatment Plants in phases, which may be leased with option to purchase by the District from third-party vendors. The District acknowledges that a regionalized wastewater collection and wastewater treatment system will benefit all users within the District and other users located in the ETJ of the City. Accordingly, the City may elect to provide wholesale sewer service to the District and take ownership and maintenance responsibility of the District's Sanitary Sewer Treatment Plants, but only at such time as it deems itself financially capable of (i) operating and maintaining the Sanitary Sewer Treatment Plants without any financial assistance from the District other than the District's payment of wholesale sanitary sewer fees in accordance with Section 3.05 hereof, and (ii) providing the necessary sanitary sewer plant and lift station capacity to serve the District's future growth. The City shall give the District eighteen (18) months advance notice as to the City's intent to exercise the right to take over the District's Sanitary Sewer Treatment Plants and provide wholesale sanitary sewer service to the District. Upon the City taking over the Sanitary Sewer Treatment Plants, the City shall reserve sanitary sewer capacity for the District equal to the capacity of the Sanitary Sewer Treatment Plants leased or constructed by the District (including all of the capacity of the component parts constructed by the District). Thereafter, the City shall from time to time and upon request from the District, with forty-five (45) days' written notice, provide the District a utility commitment letter evidencing the City's commitment to provide sewer service to the District in an amount of ESFCs sufficient to serve the area within the District for which the utility commitment letter is requested. The District is responsible for extending its sanitary sewer system to the Sanitary Sewer Treatment Plants at its sole cost and expense, including but not limited to sewer lines and lift station facilities.

(b) Upon the City's acceptance of the Sanitary Sewer Treatment Plants, in accordance with this Section 3.02, the City shall (i) reserve sanitary sewer treatment capacity for the District in an amount equal to the capacity of the Sanitary Sewer Treatment Plants (including differing constructed capacity in each component part), (ii) timely provide wastewater treatment services to the Property as needed by Developers, and (iii) expand the Sanitary Sewer Treatment Plants from time to time so that it may timely provide wastewater service to the land in the District. The District shall provide to the City annual buildout schedules for the ensuing three (3) years and associated capacity requirements for the City's planning purposes. If the City is unable or unwilling to timely provide the sanitary sewer capacity needs of the District, the City shall provide the District with written notice twenty-four (24) months in advance of the

District's anticipated need for such capacity and the District shall have the option to construct or install, on the site of the City's Sanitary Sewer Treatment Plants or elsewhere, the sanitary sewer facilities necessary to serve its projected needs (but no others), including either leased or permanent Sanitary Sewer Treatment Plant(s), and the City shall provide a credit to the District towards sewer impact fees for the Construction Costs of such facilities upon conveyance of such facilities to the City.

(c) Prior to conveyance of the Sanitary Sewer Treatment Plants, the District shall disclose in writing any deficiency or problem and representatives of the City shall inspect the same, and, if the City finds that the same has been completed in accordance with the final plans and specifications approved by the City, or any modifications thereof approved by the City, and in accordance with all applicable laws, rules, and regulations, the City will accept the same whereupon ownership of such portion of the Plants shall be transferred to the City and be operated and maintained by the City, at its sole expense, as provided herein. Such acceptance shall be subject to (i) the District providing the City with the District Engineer's Certificate of Substantial Completion and the Affidavit of Bills Paid; (ii) the District providing the City with any manuals or other material relating to the proper operation of the System; and (iii) the District providing or assigning to the City easement for such facilities, to the extent required. The City shall not be responsible for the cost of any repair of such Sanitary Sewer Treatment Plants identified by the City as in need of repair prior to the City's acceptance, including any deficiency or problem disclosed in writing by the District as provided herein. Thereafter, the City shall accept the Sanitary Sewer Treatment Plants and such acceptance shall operate to transfer to the City all bond and warranties of the contractor and subcontractor.

(d) Upon the District's conveyance of the Sanitary Sewer Treatment Plants to the City, the District shall reserve a Security Interest therein for the purpose of securing the hereinafter defined Performance of the City under this Agreement. "Performance" shall include, but not be limited to, (i) providing, at City's sole cost, the adequate maintenance and operation of the Sanitary Sewer Treatment Plants; (ii) timely providing the wastewater treatment capacity necessary to meet the demands of the District; and (iii) providing reasonable and timely review and approval of the District's plans for a Phase of the System, as required herein.

Section 3.03 Impact Fees.

(a) Generally. Impact fees shall be payable by the District (or a Developer on behalf of the District) (i) for water service, from the outset of the Project; and (ii) for sanitary sewer service, only upon the City's acceptance of the conveyance of the Sanitary Sewer Treatment Plants and assumption of the responsibility to provide wholesale sanitary sewer service under Section 3.02 hereof. Impact fees shall be \$3,250 per ESFC for sanitary sewer service and \$2,250 per ESFC for water service for the

Project. The impact fees will not be modified for purposes of this Agreement until the Project is complete.

(b) Impact Fee Credit for Sanitary Sewer Treatment Plants Constructed by District. Within one hundred twenty (120) days after acceptance of the Sanitary Sewer Treatment Plants by the City under Section 3.02 hereof, the District, or each Developer on behalf of the District, shall pay the City the sanitary sewer impact fees for plats approved by the City to date relative to its portion of the Property, in the amount such impact fees are in excess of the Construction Costs of the Sanitary Sewer Treatment Plants (including leased Sanitary Sewer Treatment Plants with the option to purchase provided that the term of the lease has not expired or the District exercised its option to purchase) funded by such Developer (the "Plant True-up Payment"). Should the Construction Costs of the Sanitary Sewer Treatment Plants exceed the amount of impact fees owed, District shall receive a credit in such amount towards the payment of future impact fees. The District shall provide to the City a ledger of the Sanitary Sewer Treatment Plants' Construction Costs to determine the Plant True-up Payment owed or impact fee credit due to the District, whichever is applicable. Such credit shall be allocated to the Developer who has paid more in Construction Costs than the impact fees allocable to the portion of the Property it has platted. Except with respect to the Plant True-up Payment, the impact fees for each stage of development will be due from the District (or applicable Developer on behalf of the District) at the time a plat for the applicable stage of development is submitted to the City for final approval and recording.

Section 3.04 District Reimbursement to City for Lease Plant Costs.

Under Section 3.02(a) hereof the District may acquire leased Sanitary Sewer Treatment Plants with option to purchase by the District from third-party vendors ("Leased Plants") for ultimate conveyance to the City; however, the City prefers not to accept Leased Plants for operation and maintenance. Accordingly, the City agrees to accept conveyance of Leased Plants under Section 3.02 provided that the District agrees to pay back the City impact fees credited under Section 3.03(b) in an amount equal to the Construction Costs allocable to Leased Plants (including, but not limited to, engineering fees, lease payments and purchase option payments) the "Lease Plant Costs". Such Leased Plant Costs shall be payable upon the City proceeding to construct additional Sanitary Sewer Treatment Plant capacity to serve the Property (but no earlier than fifteen years after the date the first Leased Plant is leased by the District) which money shall be used by the City solely to fund additional wastewater treatment capacity to serve the Property. The City shall provide the District at least thirty (30) months' prior written notice to the expansion and impact fee payment being due in order to allow the District to finance such money.

Section 3.05 Charges for City Services.

(a) If any portion of the water facilities, wastewater facilities, or both, of the District are connected to the water facilities, wastewater facilities, or both, of the City, then prior to the initiation of such service(s) the District and the City shall agree upon the rates to be charged the District for such service, which rates shall be equal to the rates for wholesale service being provided to other similarly situated wholesale customers of the City plus any applicable groundwater reduction plan fees, other regulatory assessments, any fee imposed by the Authority or other governmental entity or contractual arrangement. The fees to be charged by the City shall be calculated per increments of 1,000 gallons of water delivered by the City to the District and per increments of 1,000 gallons of wastewater discharged from the District's wastewater collection system into the Sanitary Sewer Treatment Plant. In order to allow an accurate calculation of such fee, all connections of the District's water and wastewater lines to the City's Plants shall include meters to be constructed, installed and maintained by the District at the Point of Interconnection at its sole cost. The City acknowledges that such wholesale fees shall be subject to review by the Public Utility Commission.

(b) The District shall adjust the rates billed to its customers from time to time as required to provide for the payments set forth herein. In order to facilitate adjustment, the City shall provide the District with written notice of any applicable changes to City rates and such changes shall not apply to the District for a period of sixty (60) days following the District's receipt of such notice.

Section 3.06 Water and Sewer Rates and Other Charges.

The District shall bill and collect from the customers within the District and shall be entitled to retain all revenues in excess of those to be paid to the City. Nothing in this Agreement shall be construed to limit the rights of the District to charge its customers in such additional amounts or at such different rates as the District deems appropriate; however, the District's water and sanitary sewer rates shall not be less than the City's in-city retail rate for such services unless prohibited by law.

Section 3.07 Maintenance of the System.

The City shall be responsible for maintaining, at its sole cost, (i) the Water Plants and (ii) the Sanitary Sewer Treatment Plants upon conveyance under Section 3.02 hereof. The District shall be responsible for maintaining, at its sole cost, the remainder of the System until, subject to the limitations, if any, which may be provided by law, (1) annexation by the City; (2) dissolution of the District; and (3) transfer of title to the System to the City, after which the City shall at all times maintain the System, or cause the same to be maintained, in good condition and working order and will operate the same, or cause the same to be operated, in an efficient and economical manner at a

reasonable cost and in accordance with sound business principles. Each party hereto will comply with all contractual provisions and agreements entered into by it and with all the valid rules, regulations, directions, or orders by any governmental, administrative, or judicial body promulgating same. If either party violates any such rule, regulation, direction or order, it shall be solely responsible for any fine, penalty, or sanction imposed on it.

Section 3.08 Site Conveyances. In order to assist the City in its efforts to provide wholesale water to the District and other customers located in the ETJ, the District agrees to convey to the City a water plant site and an elevated storage tank site within the Horton Tract in locations and sizes to be mutually agreed upon by the District and the City. The value of such sites will be based upon the price the District is authorized to pay Horton under TCEQ rules. The purchase price may be paid by the City in the form of water impact fee credits issued to Horton.

ARTICLE IV PROVISIONS RELATING TO ADMINISTRATION OF THE DISTRICT

Section 4.01 District Meetings. The District shall allow the City to designate one (1) representative of the City, who shall be provided with all notices, agendas, and related items for each meeting of the District's Board of Directors at the same time and in the same manner as such notices, agendas, and related items are provided to the District's Board of Directors.

Section 4.02 Police Protection Services. In the event the District desires to contract with law enforcement to provide supplemental police protection services to the Property, the District will give the City a right of first refusal under the terms being offered for such supplemental services.

ARTICLE V MATERIAL BREACH, NOTICE AND REMEDIES

Section 5.01 Material Breach of Agreement.

(a) The parties acknowledge and agree that any substantial deviation by the District from the material terms of this Agreement would frustrate the intent of this Agreement and, therefore, would be a material breach of this Agreement. By way of example, a substantial deviation from the material terms of this Agreement by the District would be the failure to pay any amounts due to the City as provided for herein.

(b) The parties acknowledge and agree that any substantial deviation by the City from the material terms of this Agreement would frustrate the intent of this

Agreement and, therefore, would be a material breach of this Agreement. By way of example, a substantial deviation from the material terms of this Agreement would be (i) an attempt by the City to dissolve the District other than as provided in the Development Agreement, (ii) failure by the City to timely expand the Plants in order to timely serve development within the District (and not allowing the District to expand the Plants as allowed in Section 3.01 and Section 3.03), or (iii) charging rates for wholesale water and sewer service in conflict with Section 3.06.

(c) In the event that a party to this Agreement believes that another party has, by act or omission, committed a material breach of this Agreement, the provisions of this Article V shall provide the sole remedies for such default, unless otherwise specifically provided herein.

Section 5.02 Notice of District's Default.

(a) The City shall notify the District in writing of an alleged failure by the District to comply with a provision of this Agreement, which notice shall specify the alleged failure with reasonable particularity. The District shall, within thirty (30) days after receipt of such notice or such longer period of time as the City may specify in such notice, either cure such alleged failure or, in a written response to the City, either present facts and arguments in refutation or excuse of such alleged failure or state that such alleged failure will be cured and set forth the method and time schedule for accomplishing such cure.

(b) The City shall determine (i) whether a failure to comply with a provision has occurred; (ii) whether such failure is excusable; and (iii) whether such failure has been cured or will be cured by the District. The District shall make available and deliver to the City, if requested, any records, documents or other information necessary to make the determination without charge.

(c) In the event that the City determines that such failure has not occurred, or that such failure either has been or will be cured in a manner and in accordance with a schedule reasonably satisfactory to the City, or that such failure is excusable, such determination shall conclude the investigation.

(d) If the City determines that a failure to comply with a provision has occurred and that such failure is not excusable and has not been or will not be cured by the District in a manner and in accordance with a schedule reasonably satisfactory to the City, then the City may pursue the remedies provided in Section 5.04.

Section 5.03 Notice of City's Default.

(a) The District shall notify the City in writing of an alleged failure by the City to comply with a provision of this Agreement, which notice shall specify the alleged failure with reasonable particularity. The City shall, within thirty (30) days after receipt of such notice or such longer period of time as the District may specify in such notice, either cure such alleged failure or, in a written response to the District, either present facts and arguments in refutation or excuse of such alleged failure or state that such alleged failure will be cured and set forth the method and time schedule for accomplishing such cure.

(b) The District shall determine (i) whether a failure to comply with a provision has occurred; (ii) whether such failure is excusable; and (iii) whether such failure has been cured or will be cured by the City. The City shall make available and deliver to the District, if requested, any records, documents or other information necessary to make the determination without charge.

(c) In the event that the District determines that such failure has not occurred, or that such failure either has been or will be cured in a manner and in accordance with a schedule reasonably satisfactory to the District, or that such failure is excusable, such determination shall conclude the investigation.

(d) If the District determines that a failure to comply with a provision has occurred and that such failure is not excusable and has not been or will not be cured by the City in a manner and in accordance with a schedule reasonably satisfactory to the District, then the District may pursue the remedies provided in Section 5.04.

Section 5.04 Remedies.

(a) In the event of a determination by the City that the District has committed a material breach of this Agreement the City may, subject to the provisions of Section 5.02, file suit in a competent jurisdiction in Fort Bend County, Texas, and seek either (i) specific performance, (ii) injunctive relief, (iii) an action under the Uniform Declaratory Judgment Act, or (iv) termination of this Agreement, to the extent allowed by law, and reconveyance of the Plants, including all sites, easements and permits, to the District.

(b) In the event of a determination by the District that the City has committed a material breach of this Agreement, the District may, subject to the provisions of Section 5.03, file suit in a court of competent jurisdiction in Fort Bend County, Texas, and seek (i) specific performance, (ii) injunctive relief, (iii) an action under the Uniform Declaratory Judgment Act, or (iv) termination of this Agreement, to the extent allowed by law, and reconveyance of the Plants, including all sites, easements and permits, to the District.

(c) Neither party shall be liable for any monetary damages of the other party for any reason whatsoever, including punitive damages, exemplary damages, consequential damages or attorneys' fees.

ARTICLE VI BENEFICIARIES, TERM, AND AMENDMENT

Section 6.01 Beneficiaries. This Agreement shall bind and inure to the benefit of the City and the District, their respective successors and assigns, including any additional districts created by division of the District.

Section 6.02 Term. This Agreement shall be effective upon the last execution of this Agreement by the City and Developers on behalf of the District (the "Effective Date") and shall terminate upon the earlier of forty-five (45) years after the Effective Date or annexation of the District into the corporate limits of the City. Notwithstanding anything contained in this Agreement, in the event all or a portion of the Horton Tract is not purchased by Horton on or before March 31, 2021, or the District has not accepted assignment of this Agreement by December 31, 2021, then this Agreement, ipso facto, shall be deemed null and void for all purposes and fully and forever without any force or effect.

Section 6.03 Amendment. This Agreement may be amended only upon written amendment executed by the parties hereto.

ARTICLE VII MISCELLANEOUS PROVISIONS

Section 7.01 Notice. The parties contemplate that they will engage in informal communications with respect to the subject matter of this Agreement. However, any formal notices or other communications ("Notice") required to be given by one party to another by this Agreement shall be given in writing addressed to the party to be notified at the address set forth below for such party, (a) by delivering the same in person, (b) by depositing the same in the United States Mail, certified or registered, return receipt requested, postage prepaid, addressed to the Party to be notified; (c) by depositing the same with FedEx or another nationally recognized courier service guaranteeing "next day delivery," addressed to the party to be notified, or (d) by sending the same by telefax with confirming copy sent by mail. Notice deposited in the United States mail in the manner herein above described shall be deemed effective from and after three (3) days after the date of such deposit. Notice given in any other manner shall be effective only if and when received by the party to be notified. For the purposes of notice, the addresses of the parties, until changed as provided below, shall be as follows:

City: City of Fulshear
P.O. Box 279
Fulshear, Texas 77441
Attn: City Secretary
Facsimile: (281) 346-2556

With copy to: Grady Randle
Randle Law Office LTD, LLP
820 Gessner, Suite 1570
Houston, Texas 77024
Facsimile: (832) 476-9554

Developer: D.R. Horton-Texas, Ltd.
Attn: Chris Lindhorst
6744 Horton Vista Drive, Suite 100
Richmond, TX 77407

With copy to: Coats Rose, P.C.
Attn: Timothy G. Green
9 Greenway Plaza, Suite 1000
Houston, Texas 77046
Facsimile: (713) 651-0220

Owners: c/o Kevin Franz
P. O. Box 85
Fulshear, Texas 77492

District: Fort Bend County Municipal Utility District No. 222
c/o Coats Rose, P.C.
Attn: Timothy G. Green
9 Greenway Plaza, Suite 1000
Houston, Texas 77046
Facsimile: (713) 651-0220

The parties shall have the right from time to time to change their respective addresses, and each shall have the right to specify as its address any other address within the United States of America by giving at least five (5) days written notice to the other parties. If any date or any period provided in this Agreement ends on a Saturday, Sunday, or legal holiday, the applicable period for calculating the notice shall be extended to the first business day following such Saturday, Sunday or legal holiday.

Section 7.02 Time. Time is of the essence in all things pertaining to this Agreement.

Section 7.03 Severability by Court Action. Unless the court applies Section 7.04, if any provision of this Agreement or the application thereof to any person or circumstance is ever judicially declared invalid, such provision shall be deemed severed from this Agreement, and the remaining portions of this Agreement shall remain in effect.

Section 7.04 Invalid Provisions. If any provision of this Agreement or the application thereof to any person or circumstance is prohibited by or invalid under applicable law, it shall be deemed modified to conform with the minimum requirements of such law, or, if for any reason it is not deemed so modified, it shall be prohibited or invalid only to the extent of such prohibition or invalidity without the remainder thereof or any such other provision being prohibited or invalid.

Section 7.05 Waiver. Any failure by a party hereto to insist upon strict performance by the other party of any provision of this Agreement shall not be deemed a waiver thereof or of any other provision hereof, and such party shall have the right at any time thereafter to insist upon strict performance of any and all of the provisions of this Agreement.

Section 7.06 Applicable Law and Venue. The construction and validity of this Agreement shall be governed by the laws of the State of Texas without regard to conflicts of law principles. Venue shall be in Fort Bend County, Texas.

Section 7.07 Reservation of Rights. To the extent not inconsistent with this Agreement, each party reserves all rights, privileges, and immunities under applicable laws, including sovereign immunity, except to enforce any rights and remedies under this Agreement.

Section 7.08 Further Documents. The parties agree that at any time after execution of this Agreement, they will, upon request of another party, execute and deliver such further documents and do such further acts and things as the other party may reasonably request in order to effectuate the terms of this Agreement.

Section 7.09 Incorporation of Exhibits and Other Documents by Reference. All Exhibits and other documents attached to or referred to in this Agreement are incorporated herein by reference for the purposes set forth in this Agreement.

Section 7.10 Effect of State, Federal and Local Laws. Notwithstanding any other provision of this Agreement, the District shall comply with all applicable statutes or regulations of the United States and the State of Texas, as well as any City ordinances to

the extent not in conflict with this Agreement, and any rules implementing such statutes or regulations.

Section 7.11 Authority for Execution. The City hereby certifies, represents, and warrants that the execution of this Agreement is duly authorized and adopted in conformity with City ordinances. Owners and Horton, respectively, certify, represent, and warrant that the execution of this Agreement is duly authorized by it,

Section 7.12 Reimbursement of City Expenses. Developers shall reimburse the City for its expenses incurred in the development of this Agreement, including but not limited to legal fees, within ninety (90) days of receipt of an invoice of such expenses from the City, provided that Developers shall not be required to reimburse the City in an amount in excess of five thousand dollars (\$5,000).

Section 7.13 Assignment to the District. Upon the TCEQ appointing the board of directors of the District, Developers shall (i) assign this Agreement to the District, (ii) cause the board of directors of the District to assume such rights and obligations, and (iii) cause the District to notify the City that it has assumed all of the rights and obligations of the Developers hereunder. Thereafter, the Developers shall be released of all rights and obligations hereunder and the City shall look solely to the District to perform all obligations of the Developers or District hereunder.

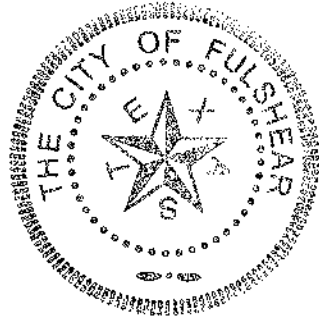
Section 7.14 Force Majeure. In the event any party is rendered unable, wholly or in part, by force majeure to carry out any of its obligations under this Agreement, except the obligation to pay amounts owed or required to be paid pursuant to the terms of this Agreement, then the obligations of such party, to the extent affected by such force majeure and to the extent that due diligence is being used to resume performance at the earliest practicable time, shall be suspended during the continuance of any inability so caused to the extent provided but for no longer period. As soon as reasonably possible after the occurrence of the force majeure relied upon, the party whose contractual obligations are affected thereby shall give notice and full particulars of such force majeure to the other party. Such cause, as far as possible, shall be remedied with all reasonable diligence. The term "force majeure," as used herein, shall include without limitation of the generality thereof, acts of God, strikes, lockouts, or other industrial disturbances, acts of the public enemy, orders of any kind of the government of the United States or the State of Texas or any civil or military authority, insurrections, riots, epidemics and pandemics, including, without limitation, COVID-19, landslides, lightning, earthquakes, fires, hurricanes, storms, floods, washouts, drought, arrests, restraint of government, civil disturbances, explosions, breakage or accidents to machinery, pipelines or canals, partial or entire failure of water supply resulting in an inability to provide water necessary for operation of the water and wastewater systems hereunder, and any other incapacities of any party, whether similar to those enumerated or otherwise, which are not within the control of the party

claiming such inability, which such party could not have avoided by the exercise of due diligence and care. The COVID-19 virus is specifically acknowledged as a pandemic and a force majeure and the parties agree that any deadlines related to this Agreement shall be extended or tolled for a period of time equal to the lesser of (a) time the Property is subject to any national, state, county, or city disaster declaration, and (b) sixty (60) days; provided, however, this provision shall not be applicable to any deadline stated in Section 6.02 of the Agreement.

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

"CITY":



ATTEST

CITY OF FULSHEAR, TEXAS

By:

Aaron Groff
Aaron Groff, Mayor

Date:

12-15-2020

By:

Kimberly Kopecky
Kimberly Kopecky, City Secretary

THE STATE OF TEXAS

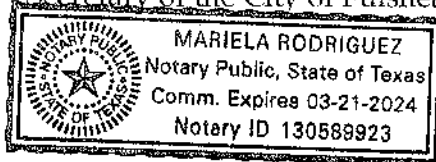
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COUNTY OF FORT BEND

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This instrument was acknowledged before me on the 15th day of December 2020, by Aaron Groff, Mayor of the City Fulshear, Texas, and Kimberly Kopecky, City Secretary of the City of Fulshear, Texas.



[Official Notary Stamp]

Mariela Rodriguez
Notary Public, State of Texas

"HORTON":

D.R. HORTON-TEXAS, LTD.,
a Texas limited partnership

By: D.R. Horton, Inc., a Delaware
corporation, Its authorized agent

By: 

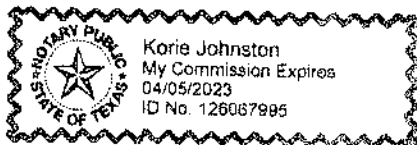
Name: Mark Helms

Title: Vice President

THE STATE OF TEXAS §

COUNTY OF FORT BEND §

This instrument was acknowledged before me on DECEMBER 17 2020, by MARK HELMS VICE PRESIDENT of D.R. Horton, Inc., a Delaware corporation, which is the authorized agent of D. R. HORTON - TEXAS, LTD., a Texas limited partnership, on behalf of said corporation and said limited partnership.




Notary Public, State of Texas

(NOTARY SEAL)

"OWNERS":

Raelynn Franz
RAELYNN FRANZ, Trustee of the F,H, & L
2012 Trust

Raymond Dale Franz
RAYMOND DALE FRANZ, Trustee of the
RDF Trust

Kevin Scott Franz
KEVIN SCOTT FRANZ, Trustee of the BAMM
Trust

Kelli Jean Franz Spilman
KELLI JEAN FRANZ SPILMAN, Trustee of the
KJFS Trust

THE STATE OF TEXAS §
 §
COUNTY OF FORT BEND §

This instrument was acknowledged before me on DECEMBER 10 2020, by
RAELYNN FRANZ, as Trustee of the F,H, & L 2012 Trust.

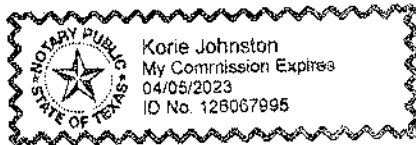


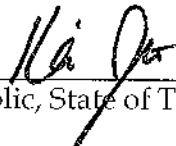
Korie Johnston
Notary Public, State of Texas

(NOTARY SEAL)

THE STATE OF TEXAS §
 §
COUNTY OF FORT BEND §

This instrument was acknowledged before me on DECEMBER 18 2020, by
RAYMOND DALE FRANZ, as Trustee of the RDF Trust.



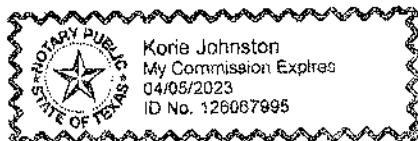



Notary Public, State of Texas

(NOTARY SEAL)

THE STATE OF TEXAS §
 §
COUNTY OF FORT BEND §

This instrument was acknowledged before me on DECEMBER 18 2020, by KEVIN
SCOTT FRANZ, as Trustee of the BAMM Trust.



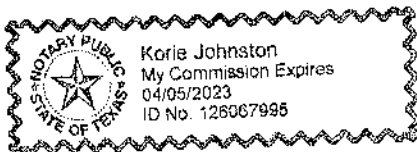



Notary Public, State of Texas

(NOTARY SEAL)

THE STATE OF TEXAS §
 §
COUNTY OF FORT BEND §

This instrument was acknowledged before me on DECEMBER 18 2020, by KELLI
JEAN FRANZ SPILMAN, as Trustee of the KJFS Trust.





Notary Public, State of Texas

(NOTARY SEAL)