

EXHIBIT J – STRATEGIC PARTNERSHIP AGREEMENT

STRATEGIC PARTNERSHIP AGREEMENT BETWEEN
THE CITY OF ANGLETON AND
BRAZORIA COUNTY MUNICIPAL UTILITY DISTRICT NO. 82

THE STATE OF TEXAS §
 § KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF BRAZORIA §

This Strategic Partnership Agreement (“Agreement”) is made and entered into by and between the City of Angleton, Texas, acting by and through its duly authorized City Council (“City”), and Brazoria County Municipal Utility District No. 82, acting by and through its duly authorized Board of Directors (“District”) under the authority of Section 43.0751 of the Texas Local Government Code (“Local Government Code”).

RECITALS

1. The District is a municipal utility district created by Article XVI, Section 59, Texas Constitution and generally operates under Chapters 49 and 54 of the Texas Water Code. A portion of the land to be included in the District is within the extra-territorial jurisdiction of the City, and a portion of the land to be included in the District is within the unincorporated area of Brazoria County, Texas.
2. The City is a home rule municipality organized and existing under the constitution and laws of the State of Texas.
3. The City and District are entering into this Strategic Partnership Agreement in accordance with Texas Local Government Code Section 43.0751 to plan for the future full – purpose annexation of the District by the City upon mutually acceptable terms.
4. The District conducted public hearings regarding this Agreement on _____, 2022, and on _____, 2022, and notice thereof having been given in accordance with the procedural requirements of Texas Local Government Code Section 43.0751.
5. The City conducted public hearings regarding this Agreement on _____, and on _____, in the City Council Chambers of the City Hall located at 121 S. Velasco Street in Angleton, Texas, notice thereof having been given in accordance with Texas Local Government Code Section 43.0751.
6. The District has, by formal action, after public hearings approved this Agreement on _____, in open session at a meeting held in accordance with the Open Meetings Act.
7. The City has, by formal action, after public hearings approved this Agreement on _____, in open session at a meeting held in accordance with the Open Meetings Act.
8. All procedural requirements imposed by state law for the adoption of this Agreement have been met.

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NOW, THEREFORE, for and in consideration of the mutual agreements, covenants, and conditions contained in this Agreement, and other good and valuable consideration, the City and the District agree as follows:

ARTICLE I **DEFINITIONS, PURPOSE, AND LEGAL AUTHORITY**

Section 1.01 Incorporation of Recitals.

The recitals to this Agreement are hereby agreed to and adopted by the Parties as findings of fact and are incorporated herein for all purposes.

Section 1.02 Terms Defined in this Agreement.

In this Agreement, each of the following terms shall have the meaning indicated:

- a. “Agreement” means this Strategic Partnership Agreement between the City of Angleton and Brazoria County Municipal Utility District No. 82.
- b. “City” means the City of Angleton, Texas.
- c. “Code” or “the Code” means the provisions of Chapter 43 of the Texas Local Government Code in effect on January 1, 2021.
- d. “Consent Conditions” means those conditions relative to the operation of the District contained in City Ordinance No. _____ dated _____, 2022.
- e. “District” means Brazoria County Municipal Utility District No. 82 in Brazoria County, Texas.
- f. “District Boundaries” means the boundaries of the District as they currently exist, including property heretofore annexed, as well as property that may hereafter be annexed by the District with the City's consent, such current boundaries being more particularly described in **Exhibit “A”** and depicted on **Exhibit “B”** attached to this Agreement.
- g. “District Facilities” means the water, wastewater, drainage, detention, recreational and road facilities, as well as such additional facilities which the District may now or in the future be authorized by law to construct, own, operate and maintain, which are necessary to serve development within the boundaries of the District, including those necessary facilities located outside the boundaries of the District.
- h. “Full Purpose Annexation Conversion Date” means the date on which the territory of the District becomes subject to the full jurisdiction of the City of Conroe.
- i. “Limited District” or “limited district” means the District after it is converted to a limited District pursuant to Section 3.02 below. For the avoidance of doubt, the conversion of the District into a Limited District as provided herein is a full purpose annexation.
- j. “Notice” means any formal notice or communication required or authorized to be given by one Party to another by this Agreement.

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- k. “Parties” means the City and the District.
- l. “Party” means the City, or the District, as the case may be.
- m. “Period of Limited Purpose Annexation” means that period commencing on the effective date of the limited purpose annexation of the District, and ending upon the Full Purpose Annexation Conversion Date.
- n. “Utility Facilities” means the water and wastewater facilities necessary to serve development within the District Boundaries.
- o. “75% Developed” means that (i) 75% of the total projected number of residential lots at full build out within the District have been developed and delivered to homebuilders for home construction, and (ii) 75% of the commercial tracts within the District have been developed and conveyed to their respective end users.
- p. “95% Build Out” means that the District Facilities necessary to serve 95% of the developable land in the District have been constructed and the District has fully reimbursed the Developer, whether one or more, for such infrastructure.
- q. “100% Build Out” means that the District Facilities necessary to serve 100% of the developable land in the District have been constructed and the District has fully reimbursed the Developer, whether one or more, for such infrastructure.

Section 1.03 Purpose of the Agreement.

The purpose of this Agreement is to define and clarify, through contractual agreement, the terms and conditions of the annexation of the District by the City and the relationship between the City and the District, including taxation and the provision of services by the City and matters related to the issuance of debt by the District.

Section 1.04 General Location and Description of the District.

The District is a municipal utility district created by Acts 2021, 87th Leg., R.S., Ch. 113 (S.B. 2147), Sec. 1, effective May 23, 2021 and generally operates under Chapters 49 and 54 of the Texas Water Code. A portion of the land to be included in the District is within the extra-territorial jurisdiction of the City, and a portion of the land to be included in the District is within the unincorporated area of Brazoria County, Texas. Its current boundaries are described by metes and bounds in **Exhibit “A”** and depicted in **Exhibit “B”** attached to this Agreement.

Section 1.05 Effective Date of Agreement.

Under the provisions of Section 43.0751(c) of the Local Government Code, this Agreement becomes effective on the date of adoption by the City. Upon adoption, the Agreement shall be filed by the City in the Real Property Records of Brazoria County, Texas.

ARTICLE II **ANNEXATION PROVISIONS**

Section 2.01 Annexation Procedure.

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- a. Pursuant to Section 43.0751(s) of the Code the City and the District have agreed that the annexation procedure established by this Agreement shall control over any other law and shall be the exclusive procedure applicable to the annexation of the District. The procedure established by this section shall apply to both limited purpose and full purpose annexation unless otherwise expressly provided.
- b. The City shall annex the District by ordinance. Notice of a proposed annexation shall be given by City to the governing body of the District in writing not less than 90 days prior to the effective date of a proposed limited purpose annexation and not later than June 30 of any year prior to the year in which the proposed full purpose annexation will become effective. In addition the City shall conduct two public hearings on the proposed annexation. The hearings must be conducted on or after the 40th day but before the 20th day before the adoption of the annexation ordinance. Notice of the public hearings shall be published in a newspaper of general circulation within the boundaries of the City and the District. Notice of the hearings must be published at least once on or after the 20th day but before the 10th day before the date of each public hearing. A single publication giving notice of both public hearings is sufficient provided that the date of publication falls within the notice period applicable to each hearing. Notice of the hearings must also be posted on the City's Internet website not later than the 10th day before the first public hearing and such notice must remain on the website through the completion of both public hearings. No additional notice of annexation shall be required. The notice and hearing requirements of this paragraph do not limit or qualify the District's consent to annexation as provided by this Agreement and the City shall not be required to obtain the additional consent of any other party.
- c. A limited purpose annexation ordinance may designate a date on which the status of the territory shall automatically be converted to full – purpose annexation, or the ordinance may provide for the continuation of the limited purpose annexation status for an indefinite period. A service plan is not required for a limited purpose annexation.
- d. If a limited purpose annexation ordinance provides for conversion to full – purpose annexation on a date certain, then at least ninety (90) days prior to the conversion date the City shall submit to the governing body of the District a proposed service plan for the delivery of full municipal services to the District following its conversion to full purpose annexation status. The service plan shall be adopted by ordinance prior to the conversion date. The notice and public hearing procedures applicable to the adoption of the annexation ordinance shall also be applicable to the adoption of the service plan ordinance. A copy of the proposed service plan shall be placed on the City's website at the same time that notice of the public hearing on the plan is posted on the website. Failure to timely adopt the service plan does not prevent conversion to full – purpose annexation but the date of conversion shall be automatically extended to the date that is thirty (30) days following the date of adoption of the service plan ordinance.
- e. If a limited purpose annexation ordinance does not specify a full – purpose annexation conversion date then prior to the adoption of a full purpose annexation ordinance the City shall comply with notice and hearing provisions of this section and shall include a proposed service plan with the written notice provided to the governing body of the District prior to publication of the public hearing notice or notices. A copy of the proposed service plan shall be posted on the City's website at the same time as the public hearing notice and the service plan will be presented at the public hearings.

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Section 2.02 Limited Purpose Annexation.

- a. The City may at any time annex the territory of the District for limited purposes as provided by Section 43.0751 of the Code and may by ordinance impose within the District any sales and use tax imposed by City within its full – purpose boundaries. The territory of the District shall not be subject to property taxation by the City prior to the date of full – purpose annexation and except as provided by the District Consent Conditions or otherwise provided herein, the territory of the District shall not be subject to ordinances, rules, or regulations of the City that are not ordinarily applied within the extraterritorial jurisdiction of the City, nor shall the City be required to provide any service within the District that is not ordinarily provided by City within the City’s extraterritorial jurisdiction.
- b. From and after the date of limited purpose annexation the residents of the District shall be entitled to vote in municipal elections as provided in Section 43.130 of the Code and such residents shall be entitled to use the park and recreational facilities of the City on the same basis as residents within the full purpose annexation limits of the City.
- c. District territory that is located within the extraterritorial jurisdiction of the City need not be contiguous to City in order to be annexed for limited purposes and the District expressly consents to such discontinuous limited purpose annexation as authorized by Section 43.0751(r) of the Code. To the extent not prohibited by law such consent also extends to the full purpose annexation of the discontinuous territory on a full – purpose annexation conversion date specified in the limited purpose annexation ordinance or by a separate full – purpose annexation ordinance if no automatic conversion date is established by the limited purpose annexation ordinance.
- d. The City shall pay to the District an amount equal to 50% of the Sales and Use Tax revenues that are reported on the monthly sales tax report provided by the Texas Comptroller and received by the City from the Comptroller after the date of the limited-purpose annexation. The City shall deliver the District’s portion of the Sales and Use Tax revenues to the District within 30 days of the City’s receipt of the sales report from the Comptroller. Government Code Chapter 2251 shall govern and provide the penalty if the City fails to deliver the District’s portion in a timely manner. For the purposes of determining the applicable overdue date under Chapter 2251, the City is deemed to have received an invoice from the District on the date the City receives the sales tax report from the Comptroller without further action from the District.

The City agrees to make reasonable efforts to obtain amended and supplemental reports from the Comptroller to reflect, to the greatest extent practicable, all Sales and Use Tax revenues generated within the boundaries of the District. Revenues resulting from such amended and supplemental reports will be divided and paid as provided above.

The City shall deliver to the District a condensed version of each monthly sales tax report provided by the Comptroller containing only the contents of the sales tax report relating to retail sales and retailers in the District within 30 days of the City’s receipt of the sales tax report.

Section 2.03 Full – Purpose Annexation.

- a. Except as provided by 2.03(b), the District consents to full purpose annexation of the District by the City at any time on or after (i) the time the District’s has achieved 95% Build Out, or (ii) _____, 20__, whichever occurs first, and City agrees not to annex the District for full

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municipal purposes prior to such date. A Full Purpose Annexation Conversion Date specified in an ordinance providing for limited purpose annexation may not specify a Full Purpose Annexation Conversion Date earlier than the date provided by this paragraph.

- b. If the District is not at least 75% Developed as of the later of (i) _____, 204__, or (ii) two-hundred ten (210) days prior to the Full Purpose Annexation Conversion Date, the District's Board of Directors may elect to exercise a one-time (5) year extension of the date determined for full purpose annexation under Section 2.03(a) or the Full Purpose Annexation Conversion Date, as applicable. Written notice of an election pursuant to this section 2.03(b) shall be delivered to the City at least one hundred eighty (180) days prior to the date proposed for full purpose annexation.

Section 2.04 Service Plan for the Provision of Full Municipal Services.

- a. Prior to full-purpose annexation, the City shall prepare a service plan that provides for the extension of full municipal services to the territory of the District upon full – purpose annexation. The annexation service plan may provide for the conversion of the District to a limited district as hereinafter authorized and may provide for the continued operation and maintenance of all or a portion of the Utility Facilities by the limited district for so long as the limited district continues to exist; provided, however, that the annexation service plan shall provide for the conversion of the District to a Limited District if the District has not or will not have achieved 100% Build Out as of the Full Purpose Annexation Conversion Date, unless the City assumes all obligations of the District to complete the build-out of the District and to reimburse the District's developer(s). The service plan may also provide for the City to assume the responsibility for operation and maintenance of Utility Facilities in which case the City shall provide such utility services upon the same basis as they are provided by the City elsewhere in the municipality, but without obligating the City to the limited district for payment of capacity charges, capital recovery fees or any other consideration for the use or possession of such Utility Facilities. As consideration for the operation and maintenance of such Utility Facilities the service plan may provide that the City shall have and may retain all revenues resulting from the provision of service to customers of the utility system.
- b. The service plan shall be attached to and adopted by the full – purpose annexation ordinance unless full – purpose annexation occurs automatically on a conversion date established by a limited purpose annexation ordinance. In such case the service plan shall be adopted by separate ordinance as provided in Section 2.01(d) of this Agreement.

Section 2.05 Notice to Landowners.

The following notice, with appropriate modifications, shall be included in the notice to purchasers of real property in the District Information Form required to be recorded in the Real Property Records of Brazoria County, Texas, pursuant to Section 49.455 of the Texas Water Code:

All of the property within the boundaries of Brazoria County Municipal Utility District No. 82 (the "District"), as described in Exhibit A attached hereto, is subject to the terms and conditions of a Strategic Partnership Agreement ("SPA Agreement") between the District and the City of Angleton ("City"), which was effective on _____, 20__.

The SPA Agreement allows full purpose municipal annexation of the District by the City at any time on or after the time after development in the District reaches 95% Build Out

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(as that term is defined in the SPA Agreement) or _____, 20__ whichever occurs first, and permits limited purpose annexation of the District at any time. A copy of the SPA Agreement may be obtained by contacting the offices of the District.

Any land subsequently annexed into the District shall be included within District's notice obligation as set forth above.

ARTICLE III **STATUS OF DISTRICT FOLLOWING FULL – PURPOSE ANNEXATION**

Section 3.01 Status of the District following full – purpose annexation.

Upon full-purpose annexation the City may, subject to the limitation hereafter provided, (1) abolish the District and assume its debts and obligations pursuant to Local Government Code Section 43.075, or (2) continue the District as a limited district upon the terms hereinafter provided. The District shall not be abolished but shall continue to exist as a limited district until 100% Build Out or as otherwise provided in Section 3.04 below.

Section 3.02 Limited district option.

The City's full – purpose annexation ordinance may require that the District retain all obligation for any indebtedness of the District and continue to exist as a limited district for so long as may be necessary for the limited district to fully discharge all such indebtedness, including any landowner or developer reimbursement payments that the City would otherwise be obligated to pay upon annexation or dissolution of the District. The limited district shall continue to be known as "Brazoria County Municipal Utility District No. 82." The limited district shall continue until the City dissolves the District pursuant to Section 3.04 hereof. The limited district may not be dissolved without the consent of the City.

Section 3.03 Powers of limited district.

Subject to the express terms of this Agreement and the Consent Conditions, the limited district shall have and may continue to exercise all powers of the District in the same manner as authorized prior to the conversion of the District to a limited district, except none of the District Facilities may be transferred to another party without the consent of the City. The limited district is expressly authorized and required to levy and collect taxes sufficient to meet the outstanding debt service requirements for debt previously issued by the District and to pay necessary operating expenses associated therewith.

Section 3.04 Dissolution of Limited District.

The City may dissolve the limited district by ordinance at any time after 95% Build Out. Upon dissolution the city shall (1) take over all the property and other assets of the limited district, (2) assume all the debts, liabilities, and obligations of the limited district, and (3) perform all functions of the limited district, including the provision of services.

Section 3.05 Audit; Review of District Records.

The District, at its sole expense, shall conduct an annual audit each year to the extent required by the Texas Water Code and the rules of the Texas Commission on Environmental Quality to be performed by

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an independent certified public accountant. The District shall file a copy of the completed audit with the City's Director of Finances. The District shall make its financial records available to the City for inspection during normal business hours and with prior reasonable notice.

ARTICLE IV **MISCELLANEOUS PROVISIONS**

Section 4.01 Duplicate Counterparts.

This Agreement may be executed in duplicate counterparts but shall not be effective unless executed by the City and the District.

Section 4.02 Entire Agreement.

- a. Except as expressly set forth in this Agreement, this Agreement is not intended to waive or limit the applicability of laws, regulations and ordinances applicable to the District or the City, nor does it waive the jurisdiction or sovereignty of any governmental body with respect to the District or the City. Notwithstanding the foregoing, City may not adopt an ordinance or resolution annexing the District for full or limited purposes which contains terms inconsistent with this Agreement, unless this Agreement has been previously terminated as provided herein.
- b. As of this date there are no agreements, oral or written, between the Parties which are in conflict with this Agreement. Except as expressly provided by this Agreement, this Agreement, together with all of the attachments to this Agreement, constitutes the entire agreement between the Parties with respect to the terms and conditions governing the annexation of the District. No representations or agreements other than those specifically included in this Agreement shall be binding on either the City or the District.

Section 4.03 Notice.

- a. It is contemplated that the Parties will contact each other concerning the subject matter of this Agreement. However, any Notice shall be given at the addresses below for each of the Parties.
- b. Notice may be given by:
 - i. delivering the Notice to the Party to be notified;
 - ii. by depositing the Notice in the United States Mail, certified or registered, return receipt requested, postage prepaid, addressed to the Party to be notified; or
 - iii. by sending the Notice by telefax with confirming copy sent by mail to the Party to be notified.
- c. Notice deposited in the United States mail in the manner hereinabove described shall be deemed effective from and after the earlier of the date of actual receipt or 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.

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- d. For purposes of Notice, the addresses of the Parties shall, until changed as provided in this Section, be as follows:

City of Angleton:	City Administrator 121 S. Velasco Angleton, Texas 77515
The District:	Brazoria County Municipal Utility District No. 82 c/o The Muller Law Group, PLLC 202 Century Square Boulevard Sugar Land, Texas 77479 Attn: Richard L. Muller, Jr.

- e. The Parties may change their addresses for Notice purposes by providing ten (10) days written notice of the changed address to the other Party.
- f. If any date or period provided in this Agreement ends on a Saturday, Sunday, or legal holiday, the applicable period for calculating Notice is extended to the first business day following the Saturday, Sunday, or legal holiday.

Section 4.04 Time.

Time is of the essence in all matters pertaining to the performance of this Agreement.

Section 4.05 Severability or Modification of Agreement as a Result of Modification of the State Code and Statutory Authority for the Agreement.

- a. If any word, phrase, clause, sentence, paragraph, section, or other part of this Agreement, or the application of the word, phrase, clause, sentence, paragraph, section or other part of this Agreement to any person or circumstance is held by a court of competent jurisdiction to be invalid or unconstitutional for any reason, the Parties agree that they will amend or revise this Agreement to accomplish to the greatest degree practical the same purpose and objective of the part determined to be invalid or unconstitutional, including without limitation amendments or revisions to the terms and conditions of this Agreement pertaining to or affecting the rights and authority of the Parties in areas of the District annexed by the City pursuant to this Agreement, whether for limited or full purposes.
- b. If any word, phrase, clause, sentence, paragraph, section, or other part of this Agreement is modified in whole or in part as a result of amendments to the underlying state code and statutory authority for this Agreement, the Parties agree and understand that such modification may frustrate the purpose of this Agreement. The parties agree that they will attempt to amend or revise this Agreement to accomplish to the greatest degree practical (i) the same purpose and objective of the part of this Agreement affected by the modification of the underlying state code and statutory authority and (ii) the original intent and purpose of this Agreement. If the Parties cannot agree on any such amendment or revision within ninety (90) days from the effective date of amendment of the state code and statutory authority for this Agreement, then this Agreement shall terminate (except for the provisions of Article III which shall specifically survive such termination for the remaining term set forth in Section 4.13 below), unless the Parties agree to an extension of time for negotiation of the modification.

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Section 4.06 Waiver.

Any failure by a Party to the Agreement to insist upon strict performance by the other Party of any provision of this Agreement shall not be deemed a waiver of the provision or of any other provision of the Agreement. The Party has the right at any time to insist upon strict performance of any of the provisions of the Agreement.

Section 4.07 Applicable Law and Venue.

The construction and validity of the Agreement shall be governed by the laws of the State of Texas. Venue shall be in Brazoria County, Texas.

Section 4.08 Reservation of Rights.

To the extent not inconsistent with this Agreement, each Party reserves all rights, privileges and immunities under applicable law.

Section 4.09 Further Agreement and Documents.

Both Parties agree that at any time after execution of this Agreement, they will, upon request of the other Party, exchange any other documents necessary to effectuate the terms of this Agreement. Both Parties also agree that they will do any further acts or things as the other Party may reasonably request to effectuate the terms of this Agreement.

Section 4.10 Incorporation of Exhibits and Other Documents by Reference.

All Exhibits and other Documents attached to or referred to in this Agreement are incorporated into this Agreement by reference for the purposes set forth in this Agreement.

Section 4.11 Assignability, Successors, and Assigns.

This Agreement shall not be assignable by the either party without the prior written consent of the other party, which consent shall not be unreasonably withheld, delayed or conditioned.

This Agreement shall be binding upon and inure to the benefit of the Parties and their respective representatives, successors and assigns.

Section 4.12 Amendment.

This Agreement may only be amended in writing upon the approval of the governing bodies of the City and the District. To the extent allowed by law, the Parties do not intend to conduct additional hearings pursuant to Local Government Code Section 43.0751 prior to amending this Agreement.

Section 4.13 Term.

Except as it may otherwise be terminated as set forth herein, this Agreement shall remain in effect until the earlier date to occur of the following: (i) forty (40) years from the effective date of this Agreement, or (ii) the date the District (including the Limited District as applicable) shall cease to exist for any purpose pursuant to the terms of this Agreement. If the District is annexed for limited purposes prior to the

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expiration or termination of the Agreement, then upon such expiration or termination of the Agreement the territory of the District shall be automatically included within the full – purpose territory of the City.

Section 4.14 District's provision of Service outside Boundary.

District shall not provide water or sanitary sewer service outside the District's Boundaries without the City's consent. However, this prohibition shall not apply to any reciprocal agreements entered into by District for emergency water supply. This prohibition shall further not apply to or prevent the District from providing water or sanitary sewer service to other special districts that are part of a common development with the District.

Section 4.15 Future Annexations by District during term of Agreement.

The District may make application to the City to annex additional tracts into its boundaries in the future and, following such annexation(s), those tracts shall be considered part of the District and covered by this Agreement. The City agrees to consider in good faith any applications for consent to annexation of additional tracts into the District. Notwithstanding any provision of this Agreement to the contrary, the District may subdivide and annex or de-annex land as provided in the City's Consent Ordinance (City Ordinance No. _____).

Section 4.16 Design Standards for the Utility System. All water utility and sanitary sewer utility infrastructure and related appurtenances that are intended to become the property of the District must be designed and constructed to comply with the minimum standards made applicable by the City to water supply and sanitary sewer utility infrastructure development within the corporate limits of the City, except as may be modified by a Development Agreement covering the land in the District. The water supply system must be capable of providing the volumes and pressures necessary to meet fire suppression standards established by the City, and the system must be equipped with fire hydrants that meet the minimum spacing requirements applicable to subdivision development within the corporate limits the City. All drainage improvements shall be designed and constructed to comply with the applicable standards adopted by Brazoria County, Texas. Neither the District nor its developer(s) shall be required to submit plans and specifications for any public improvement to the City. The District and its developer(s), their successors and assigns, shall not be obligated to apply for, pay for, or obtain from the City any permit for construction of any public improvement or any City inspection of any public improvement.

If the District or its developer(s) desire to deviate from the standards set forth in this section, a registered profession engineer shall submit plans for the impacted water or sanitary sewer infrastructure, notating the planned deviations, for the City Engineer's review. The City will then have thirty (30) days to approve, comment on or reject the plans. If the City has not taken action with respect to the planned deviations within the thirty (30) day period, the planned deviations will be deemed approved and the District or its developers may proceed with the construction of such infrastructure in accordance with the submitted plans.

If required by the City, the District, acting though its registered professional engineer, shall certify to the City that all water and sanitary sewer infrastructure has been designed and constructed in accordance with the applicable standard and the approved planned deviations, if any.

Notwithstanding any provision herein to the contrary, neither the District nor its developer(s) shall be required to design or construct public infrastructure to standard higher than a standard made applicable, prior to this Agreement or hereafter, to another district or developer developing land within

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the City’s extraterritorial jurisdiction, it being the intent of both parties that neither desires for development in the District to be at a competitive disadvantage with other developments within the City’s extraterritorial jurisdiction.

ARTICLE V **DEFAULT AND REMEDIES FOR DEFAULT**

Section 5.01 Default.

- a. Upon the occurrence, or alleged occurrence, of an event of default under or violation of this Agreement, the non-defaulting Party shall send the defaulting Party Notice of its default or violation or alleged default or violation. Except as otherwise specifically provided in this Agreement, the defaulting Party must cure its default or violation within seventy-five (75) days following receipt of the Notice of default or violation unless curing such default in such time period is not reasonably possible and the Party who is alleged to be in default is taking all actions necessary to promptly cure the default. However, a Party is not considered in default of the terms contained herein unless Notice is actually given by the non-defaulting Party, and the alleged default has not been cured during the seventy-five (75) day cure period.
- b. If the default or violation is not cured by the defaulting Party within seventy-five (75) days of receiving the Notice, the non-defaulting Party may sue for enforcement or cancellation of this Agreement. However, prior to bringing any proceeding in a court of law or before a court of competent jurisdiction, the Parties may resolve the issue through mediation or arbitration. If the Parties agree to seek mediation or arbitration, they must participate in good faith. However, none of the Parties shall be obligated to pursue mediation or arbitration that does not resolve the issue in dispute within seven (7) days after the mediation is initiated or within fourteen (14) days after the mediation is requested. Further the parties are not obligated to pursue arbitration that does not resolve the issue within twenty-eight (28) days after the arbitration is requested. The Parties shall share the costs of the mediation or arbitration equally. The Parties further agree that the City is not obligated to resolve any dispute based on an arbitration decision under this Agreement if the arbitration decision compromises the City’s sovereign immunity as a home rule city.
- c. If the Parties are unable to resolve their dispute through mediation or arbitration, the non-defaulting Party shall have the right to enforce the terms and provisions of this Agreement by specific performance or by such other legal or equitable relief to which the non-defaulting Party maybe entitled. Any remedy or relief described in this Agreement shall be cumulative of, and in addition to, any other remedies and relief available at law or in equity.
- d. If the defaulting Party fails to abide by these deadlines, the non-defaulting Party shall have all rights and remedies available in law and equity and all rights and remedies provided in this Agreement. The Parties acknowledge that the City’s remedies shall include the right, in the City’s sole discretion, to terminate this Agreement and proceed with full purpose annexation of the District, or any portion thereof, pursuant to the requirements otherwise applicable for such annexation as if this Agreement had never been entered into.
- e. All of these rights and remedies shall be cumulative.

Signature pages follow

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IN WITNESS WHEREOF, this Agreement is executed in duplicate counterparts.

CITY OF ANGLETON, TEXAS

By: _____
Mayor, City of Angleton

Attest:

City Secretary

THE STATE OF TEXAS

COUNTY OF BRAZORIA

This instrument was acknowledged before me on the ___ day of _____, _____, by _____, Mayor of the City of Angleton, Texas, for and on behalf of said city.

Notary Public in and for the State of Texas
My Commission Expires: _____

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**BRAZORIA COUNTY MUNICIPAL UTILITY
DISTRICT NO. 82**

By: _____
President, Board of Directors

Attest:

Secretary, Board of Directors

THE STATE OF TEXAS

COUNTY OF _____

This instrument was acknowledged before me on the ___ day of _____, _____, by _____, President of Brazoria County Municipal Utility District No. 82, for and on behalf of said district.

Notary Public in and for the State of Texas
My Commission Expires: _____

THE STATE OF TEXAS

COUNTY OF _____

This instrument was acknowledged before me on the ___ day of _____, _____, by _____, Secretary of Brazoria County Municipal Utility District No. 82, for and on behalf of said district.

Notary Public in and for the State of Texas
My Commission Expires: _____