

PROFESSIONAL SERVICES FEES AGREEMENT
Pine Forest Unit 6

This Professional Services Fees Agreement (this "Agreement") is entered into by, between, among and for the benefit of the City of Bastrop, Texas, a home rule city (the "City"), and Capstick Development Group, Ltd., a Texas limited partnership (the "Developer").

WHEREAS, the Developer desires that the City enter into negotiations related to a new development of an area located within the City's jurisdiction (the "Project"); and

WHEREAS, the Developer desires that the City enter into negotiations related to the consideration of a purchase and sale agreement (the "Purchase and Sale Agreement") for the conveyance from the City to the Developer of the property known as Pine Forest Unit 6 Phase II, which is comprised of the Bid in Trust Lots more particularly depicted in EXHIBIT "A" attached hereto (the "Property"); and

WHEREAS, the Developer desires that the City enter into negotiations for the provision of the public improvements necessary to provide water, wastewater, drainage and development amenities for the Property; and

WHEREAS, the City and the Developer desire to negotiate a development agreement to provide for terms and conditions related to the Project (the "Development Agreement"); and

WHEREAS, in negotiating the Purchase and Sale Agreement or the Development Agreement, the City and the Developer may also negotiate other agreements, such as agreements related to the annexation of the Property, public improvement plans, or water and wastewater services (collectively, the "Related Agreements"); and

WHEREAS, the City and the Developer recognize and agree that the City will incur fees and associated expenses and costs for professional services for work to negotiate, develop, draft, and consider various concepts and documents in connection with its consideration of the Purchase and Sale Agreement, Development Agreement, and Related Agreements, including but not limited to the following: appraisal, legal publications, notices, public hearing expenses, planners, engineers, attorneys, assessment administrator fees and special consultant fees (collectively, the "Professional Services"); and

WHEREAS, the City and the Developer recognize and agree that the fees anticipated to be incurred by the City for Professional Services directly related to the Project cannot be recouped by the City through standard administrative or permit fees; and

WHEREAS, the City's engagement of professionals to perform the Professional Services and its participation in the undertakings described above are voluntary and of value to the Developer and the Developer desires to reimburse the City's fees and expenses related to the Professional Services.

NOW THEREFORE, in consideration of the mutual promises set forth in this Agreement, the City and the Developer agree as follows:

- 1. Recitals.** The representations, covenants and recitations set forth in the foregoing recitals and in this Agreement are material to this Agreement and are hereby incorporated into and made a part of this Agreement as though they were fully set forth in this paragraph.
- 2. Developer Payment.**
 - (a) Delivery.** Developer shall deliver, or shall have delivered, to the City the sum of twenty thousand dollars (\$20,000.00) upon the effective date of this Agreement, for the Professional Services and the related Purchase and Sale Agreement, Development Agreement, and Related Agreements expenses incurred by the City.
 - (b) Invoices.** Fees for all Professional Services to be covered by the Developer Payment shall be evidenced by monthly invoices that describe the work performed by date and time entries, copies of which invoices shall be provided to Developer at least ten (10) days before the invoices are paid.
 - (c) Segregation of Funds.** The Developer Payment shall be deposited in a segregated account and not be commingled with any other City funds.
 - (d) Replenishment of Funds.** If the cost of Professional Services exceeds the Developer Payment, the City shall notify the Developer in writing and the Developer may elect to: (1) make one or more additional payment(s) of five thousand dollars (\$5,000.00) each within thirty (30) days of such written request and such additional payment will be deposited by the City and utilized in the same manner described above, or (2) negotiate in good faith to amend this Agreement to provide for a reasonable amount of additional payment by Developer.
 - (e) Non-contingent.** The payment(s) made by the Developer under this Agreement are not contingent upon any outcome of the negotiations between the City and the Developer.
 - (f) Non-inclusivity.** The Developer Payment is in addition to, not instead of, standard, generally applicable administrative or permit fees required by ordinance for City consideration and approval of development approvals. Nothing herein relieves the Developer from the obligation to remit payment of applicable administrative and permit fees for authorizations sought from the City.

With a copy to: Bojorquez Law Firm, PC
Attn: Alan Bojorquez
11675 Jollyville Rd., Ste 300
Austin, TX 78759
Alan@TexasMunicipalLawyers.com

To the Developer: Capstick Development Group, Ltd.
c/o Capstick Development Group, LLC
Attn: Geoff Connor
1404 Wilson Street
Bastrop, TX 78602
geoff@geoffconnor.com

With a copy to: Jackson Walker L.L.P.
Attn: Brandon Janes; Brett Reamer
100 Congress Avenue, Ste. 1100
Austin, TX 78701
bjanes@jw.com; breamer@jw.com

[Signature page follows.]

EXECUTED in multiple counterparts, each of which shall constitute an original, to be effective upon the date of execution by both parties.

CITY:

CITY OF BASTROP,
a Texas home rule city

by: _____

name: Sylvia Carrillo

title: City Manager

date: _____

ATTEST:

By: _____

Ann Franklin, City Secretary

DEVELOPER:

CAPSTICK DEVELOPMENT GROUP,
LTD., a Texas limited partnership

by: _____

name: Geoffrey S. Connor

title: Manager

date: _____

ATTEST:

by: _____

EXHIBIT "A" PROPERTY

