

Exhibit A

Sec. 13.02.012 Line Extension and Pro rata cost sharing agreements for extension of water and wastewater mains.

- (a) The city may enter into line extension and/or pro rata cost sharing agreements with owners and/or developers of property (developers) for the construction and/or extension of water and/or wastewater mains, and for any oversized mains developers are required to construct, both within and outside the city limits as set forth herein.
- (b) A developer shall make application for proposed water or wastewater line extension (line extension) and/or construction of oversized mains to the city engineer or designee and shall supply all necessary information (e.g., maps, diagrams, engineering reports,.) concerning the site of the extension or of the construction of oversized mains, as may be required. The developer shall pay to the city an application fee as established in the city's fee schedule.
- (c) Upon compiling all necessary and required information, the city engineer or designee shall submit to the city manager a preliminary plan and cost estimate for the line extension or construction of oversized mains, including any costs associated with city's acquisition of utility service rights needed to serve the property. The developer's proposed line extension or construction of oversized mains may be approved or disapproved by the city council. If approved, the city manager is authorized to execute a written contract with the property owner pursuant to terms and conditions agreed to by the city council and by this section.
- (d) The city will participate in the cost of any oversized main developers are required to construct, by purchasing the excess capacity in the main at the oversize cost of the main. The determination of the city engineer or designee of the size of main necessary to adequately serve the subdivision, and the necessary degree of oversizing, shall be final. Oversize cost will be based upon the evaluated cost estimates provided by the city's engineers and will be paid after acceptance of the oversized main by the city.
- (e) A contract for line extension and/or pro rata cost sharing (which may include an agreement for water or wastewater main extension, the construction of oversized mains, or city's purchase of excess capacity in the main at the oversize cost of the main) shall be approved as to form by the city attorney and shall be made subject to all city policies and conditions, which may include but not be limited to the following:
 - (1) All necessary mains, lines, fire hydrants, gate valves manholes, lift stations, acquisition of utility service rights and other fittings or ancillary components needed to provide the developer with service to water or wastewater (line extension improvements), and city's determination of the size of main necessary to serve the subdivision adequately, shall be furnished and installed at the cost of the developer. All work shall be under the direction of the city engineer and the director of public works, or as otherwise agreed;
 - (2) The pipe diameter of any main to be extended shall be determined by the city engineer or designee and the director of public works;
 - (3) No extension of any main or service line shall be laid except in a dedicated street, public road or approved easement. Each line extension improvement of a water main line shall terminate with a fireplug and each extension of a sewer main shall terminate at a manhole unless otherwise approved by the director of public works or city engineer.
 - (4) Such line extension improvements shall become the property of the city immediately upon their installations, and the city shall have full control, management and jurisdiction of such line extension improvements; and
 - (5) The city shall receive all revenues for water or wastewater service provided through such line extension.
- (f) The developer making such extension may be entitled to reimbursement of up to but not to exceed the costs of materials and installation of such extension main, from the point of connection to an existing main to the developer's property, but not including any portion of such extension main across, along, or adjacent to the

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developer's property. Any such reimbursement shall be paid only out of funds received for such reimbursement as herein provided.

- (1) Upon completion of any such line extension, the developer shall furnish to the director of public works satisfactory evidence as to the actual cost of such extension. The amount of such costs as finally determined by the director of public works shall be conclusive for the purpose of reimbursement under this section. The costs may include administration, engineering and legal costs directly associated with the developer's application and contract.
 - (2) For each service connection made to any such line extension by an individual water or wastewater user for a single-unit family dwelling or for each single-unit business (as distinguished from a connection by an owner or developer of an addition or subdivision, an apartment project, multi-unit dwelling project or commercial user of any type), the individual user so connecting shall, upon application and in addition to the usual service connection charge, pay to the city the sum prescribed from time to time by separate ordinance, allowing for the developer's reimbursement.
 - (3) For each service connection made to such extension by an owner or developer of an addition or subdivision, an apartment project, multi-unit dwelling project or a commercial user of any type, the party making such connection shall, upon application and in addition to the usual service charge, pay to the city a connection fee based on one-half ($\frac{1}{2}$) of the cost per foot of such extension multiplied by the number of feet of such owner's or developer's property fronting on such extended main, or one-half ($\frac{1}{2}$) of the cost per foot of such extension multiplied by the length of one side of a square equal in area to such owner's or developer's property, whichever is greater.
 - (4) When any such taps as are provided for in subsections (2) and (3) above are completed during the reimbursement period, the payments therein provided for (exclusive of the regular service-connection charges) shall be refunded to the developer making such extension as a partial reimbursement of such party's costs as set out in the section. Such reimbursements shall be made annually and shall be limited to payments received by the city within ten (10) years from the date such water extension main is completed ("reimbursement period"). The completion date shall be determined by the director of public works, which date as so established shall be conclusive.
 - (5) Any developer making a line extension that is a lateral extension to another extension made as hereinabove set out (but not a tap on the extension), and which lateral extension is made to serve property not fronting or adjacent to the main to which such owner is connecting, shall be entitled to reimbursement on the same basis as the owner making such original extension, provided such owner shall also be obligated to pay to the city the reimbursement charges on the extended main to which such owner is connecting, on the same basis as is provided in subsections (b) and (c) above, whichever is applicable.
 - (6) Before any reimbursement is made, there shall be a written contract between the city and developer pursuant to and in accordance with this section.
- (g) Any resolution approving a developer's agreement that allows a pro rata reimbursement provision with a developer who has paid for installation of either a water or wastewater extension line, pursuant to this section, shall set forth the legal property description of each lot or tract affected by such agreement and the amount of costs to be reimbursed upon connection to the line by each property owner affected, and shall be recorded in the Official Public Records of Bastrop County, Texas. The ordinance shall, by its own terms, expire and be of no further effect upon the expiration of the seven-year contractual reimbursement period.
- (h) This section shall not prohibit the city council from assessing benefiting property owners a portion of the cost of any water or wastewater extension pursuant to state law or ordinances passed pursuant to the power granted to a home rule city, in lieu of a developer's agreement.
- (i) A developer who disputes the determination of the pro rata share, may appeal to the city manager. If developer is not satisfied at the determination of the city manager, developer may appeal that determination to the city council in accordance with V.T.C.A., Local Government Code § 212.904.