

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

STATE OF TEXAS §
 §
COUNTY OF STEPHENS §

**CHAPTER 43 TEXAS LOCAL GOVERNMENT CODE
MUNICIPAL SERVICES AGREEMENT**

This Municipal Services Agreement (the "Agreement") is entered into pursuant to Section 43.0672 of the Texas Local Government Code by and between the City of Breckenridge, Texas, a Texas home-rule municipality whose address is 105 N. Rose Avenue, Breckenridge, Texas, 76424 (the "City") and Breckenridge Economic Development Corporation, a Texas non-profit corporation whose mailing address is 100 E. Elm Street, Breckenridge, Texas, 76424 (the "Owner"). City and Owner may be referred individually as a "Party" and collectively referred to as the "Parties."

WHEREAS, Owner owns a parcel of real property in Stephens County, Texas described 33.08 acres of land out of the Jim Purcell Survey also known as Section 6, Lunatic Asylum Lands, A-1223, Stephens County, Texas, and being part of the tract described as Tract B of Volume 2069, Page 508, Official Public Records, Stephen County, Texas, and being more particularly described in **Exhibit A** (the "Property"), which is adjacent to the City limits of the City;

WHEREAS, Owner has requested that the Property be annexed into the City pursuant to Subchapter C-3 of Chapter 43 of the Texas Local Government Code and the City Commission of the City annexed said Property pursuant to **Ordinance No. 2026-** adopted on March 3, 2026 (the "Annexation Date");

WHEREAS, the Parties desire to enter into this Agreement pursuant to Section 43.0672 of the Texas Local Government Code in order to address the provision of municipal services to the Property on the date of annexation, and a schedule that includes the period within which the City will provide any municipal service that is not provided on the Annexation Date, as shown in **Exhibit B** attached hereto;

WHEREAS, the Owner and the City acknowledge that this Agreement is binding upon the City and the Owner and its respective successors and assigns for the term (defined below) of this Agreement; and

WHEREAS, this Agreement is to be recorded in the Real Property Records of Stephens County.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the Parties hereto agree as follows:

Section 1. The City acknowledges and agrees that it shall provide the municipal services listed in **Exhibit B** to the Property on the time frames specified in **Exhibit B**, pursuant to Chapter 43 of Texas Local Government Code.

Section 2. The Owner acknowledges that each and every owner of the Property must sign this Agreement in order for the Agreement to take full effect, and **the Owner who signs this Agreement covenants and agrees, jointly and severally, to indemnify, hold harmless, and defend the City against any and all legal claims, by any person claiming an ownership interest in the Property who has not signed the Agreement,** arising in any way from the City's reliance on this Agreement.

Section 3. The Owner agrees and stipulates that such annexation of the Property is voluntary, and the Owner submitted a petition for such annexation to the City. Furthermore, the Owner hereby waives any and all vested rights and claims that it may have under Section 43.002(a)(2) and Chapter 245 of the Texas Local Government Code that would otherwise exist by virtue of any actions Owner has taken. Owner acknowledges and stipulates that this Agreement is not a permit, as defined in Texas Local Government Code, Section 245.001(1), required by the City.

Section 4. The Parties acknowledge and agree that nothing in this Agreement shall require the City to provide a uniform level of full municipal services to each area of the City, including the annexed Property, if different characteristics of topography, land use, and population density are considered a sufficient basis for providing different levels of municipal service. Furthermore, the Parties acknowledge and agree that this Agreement will not provide any fewer services, and it will not provide a lower level of services, than were in existence in the annexed area at the time immediately preceding the annexation process.

Section 5. The Owner acknowledges that the City's codes, ordinances, regulations and policies ("Regulations") that apply throughout the City, including the Property, may be reviewed at City Hall and at https://library.municode.com/tx/breckenridge/codes/code_of_ordinances and shall apply to all such regulations in development of the Property.

Section 6. This Agreement shall be valid for a term of ten (10) years beginning on the date it is signed by both parties. Renewal of the Agreement shall be at the discretion of the City Commission of the City and must be approved by ordinance. The Owner agrees that this Agreement may be amended without the written consent or knowledge of the Owner if the City Commission of the City determines at a public hearing that changed conditions or subsequent occurrences make this Agreement unworkable or obsolete. Furthermore, the Owner acknowledges and agrees that the City Commission of the City may amend the services provided under this Agreement without the written consent of the Owner in order to conform to the changed conditions, subsequent occurrences or any other legally sufficient circumstances existing pursuant to the Local Government Code or other Texas or Federal laws that make this Agreement unworkable, obsolete or unlawful.

Section 7. Any notice provided or permitted to be given under this Agreement must be in writing and may be served by depositing same in the United States mail, addressed to the Party to be notified, postage pre-paid and registered or certified with return receipt requested, or by delivering the same in person to such Party via facsimile or a hand-delivery service, Federal Express or any courier service that provides a return receipt showing the date of actual delivery of same to the addressee thereof. Notice given in accordance herewith shall be effective upon receipt at the address of the addressee. For purposes of notice, the addresses of the Parties shall be as first written above.

Section 8. A certified copy of this Agreement shall be recorded in the real property records of Stephens County, Texas, and this Agreement shall constitute a covenant that runs with the Property.

Section 9. If a court of competent jurisdiction determines that any covenant of this Agreement is void or unenforceable, including the covenants regarding involuntary annexation, then the remainder of this Agreement shall remain in full force and effect.

Section 10. This Agreement may be enforced by the Owner or the City by any proceeding at law or in equity. Failure to do so shall not be deemed a waiver to enforce the provisions of this Agreement thereafter. Notwithstanding the preceding terms of this section, the City does not waive immunity from suit or liability. Owner acknowledges and agrees that the only recourse against the City for breach or default of the Agreement is disannexation for failure to provide services pursuant to Chapter 43 of the Texas Local Government Code.

Section 11. Owner and City acknowledge and expressly agree that no subsequent change in the law regarding annexation shall affect the enforceability of this Agreement or the City's ability to annex the properties covered herein pursuant to the terms of this Agreement.

Section 12. The validity of this Agreement and any of its terms and provisions, as well as the rights and duties of the Parties, shall be governed by the laws of the State of Texas; and venue for any action concerning this Agreement shall be only in Stephens County, Texas.

Section 13. This Agreement may be separately executed in individual counterparts and, upon execution, shall constitute one and same instrument.

Section 14. This Agreement shall survive its termination to the extent necessary for the implementation of the provisions of Sections 2, 3, 4 and 10 herein.

Section 15. This Agreement embodies the complete agreement of the Parties hereto, superseding all oral or written, previous and contemporary agreements between the Parties and relating to the matters in this Agreement and except as otherwise provided herein, cannot be modified without written agreement of the Parties to be attached to and made a part of this Agreement.

Section 16. The determinations recited and declared in the preambles to this Agreement are hereby incorporated herein as part of this Agreement.

Section 17. The exhibits to this Agreement are incorporated herein by reference for all purposes wherever reference is made to the same.

Entered into this ____ day of March, 2026.

SIGNATURE PAGE FOLLOWS

CITY OF BRECKENRIDGE, TEXAS

Bob Sims, Mayor

ATTEST:

Jessica Sutter, City Secretary

STATE OF TEXAS §
 §
COUNTY OF STEPHENS §

This instrument was acknowledged before me on the ____ day of March, 2026 by Bob Sims, Mayor of the City of Breckenridge, Texas, on behalf of said City.

Notary Public in and for the State of Texas

**OWNER
BRECKENRIDGE ECONOMIC DEVELOPMENT CORPORATION**

Ty Bartoskewitz, President

STATE OF TEXAS §
 §
COUNTY OF STEPHENS §

This instrument was acknowledged before me on the ____ day of March, 2026 by Ty Bartoskewitz, President of Breckenridge Economic Development Corporation, on behalf of said Corporation.

Notary Public in and for the State of Texas

EXHIBIT "A"
Legal Description

33.08 acres of land out of the Jim Purcell Survey also known as Section 6 Lunatic Asylum Lands, A-1223, Stephens County, Texas and being part of the tract described as Tract B of Volume 2069 Page 508 Official Public Records, Stephens County, Texas.

BEGINNING at a 1/2" iron pin set in the east line of the tract described in Tract 1 of Volume 324 Page 128 and the west line of Tract B of Volume 2069 Page 508 for the northwest corner of Lot 3 of Breckenridge Market Subdivision as shown on the plat recorded in Slide 114 of the Plat Records, of Stephens County.

THENCE N 0°17'06" W with the east line of Tract 1 of Volume 324 Page 128 and the west line of the tract described in Tract B of Volume 2069 Page 508 a distance of 1358.67' to a 1/2" iron pin found in the south line of the tract described in Volume 1165 Page 269 for the northwest corner of Tract B of Volume 2069 Page 508 and the northeast corner of Tract 1 of Volume 324 Page 128 for the northwest corner of this tract;

THENCE S 89°31'28" E with the north line of the Tract B in Volume 2069 Page 508 and the south line of the tract described in Volume 1165 Page 269 a distance of 1065.86' to a 1/2" iron pin found in the west line of Farm Road 3099 for the northeast corner of Tract B of Volume 2069 Page 508 and being the northeast corner of this tract;

THENCE S 00°17'06" E with the east line of Tract B of Volume 2069 Page 508 and the west line of the farm road a distance of 1345.09' to a 5/8" iron pin found for the northeast corner of Lot 1 of the Breckenridge Market Subdivision and being the southeast corner of Tract B of Volume 2069 Page 508 for the southeast corner of this tract;

THENCE S 89°44'43" W passing the northwest corner of Lot 1 and the northeast corner of Lot 3 at and continuing a total distance of 1065.76' to the place of beginning and containing 33.08 acres of land.

EXHIBIT "B"
Municipal Service Plan

I. Area to be Annexed

33.08 acres of land out of the Jim Purcell Survey also known as Section 6, Lunatic Asylum Lands, A-1223, Stephens County, Texas, and being part of the tract described as Tract B of Volume 2069, Page 508, Official Public Records, Stephen County, Texas, and being more particularly described in **Exhibit A**.

II. Introduction

This service plan has been prepared in accordance with the Texas Local Government Code, Section 43.0672. Municipal facilities and services to the annexed area described above will be provided or made available on behalf of the City of Breckenridge (the "City") in accordance with the following plan. Unless otherwise indicated, the City will provide the following services to the annexed property, assuming any obligations of the Owner have been met, within two and one-half years unless certain services cannot be reasonably provided within that time and the City proposes a schedule to provide services within four and one-half years. The City shall provide the annexed tract the levels of service, infrastructure, and infrastructure maintenance that are comparable to the levels of service, infrastructure, and infrastructure maintenance available in other parts of the City with similar topography, land use, and population density.

III. Emergency Services

A. Police Protection and Animal Control

1. Police Protection

The Breckenridge Police Department shall provide protection and law enforcement services to the annexed tract upon the Annexation Date. These services shall include, but not be limited to: 911 service; normal patrols and responses; special units, such as traffic enforcement, criminal investigations, and narcotics; and any community program that may be implemented in the future by the City.

2. Animal Control

Regular animal control services shall be provided to the annexed tract upon the Annexation Date.

B. Fire Protection

The Breckenridge Fire Department shall provide fire protection and prevention services to the annexed tract upon the Annexation Date. These services shall include: fire suppression and rescue; assistance in providing emergency medical services; emergency prevention and public education services; pre-plan inspections; and emergency management planning.

IV. Code Enforcement and Inspections

A. Code enforcement services will be available on the Annexation Date. Code enforcement services include the response, investigation and potential abatement of property maintenance issues, nuisance issues, sanitation issues, abandoned or inoperable vehicles and other zoning violations.

EXHIBIT "B"
Municipal Service Plan

B. Upon the Annexation Date, the City will provide building permits and inspection services to the Property. This service will be made available to the Property on the same basis and at the same level of service as similar facilities throughout the City.

V. Roads and Streets

The Public Works Department shall maintain public streets existing within the annexed area as of the Annexation Date, over which the City shall have jurisdiction. These services shall include: emergency pavement repair and regular repair and maintenance of public streets. The Department shall provide standard regulatory signage on City-maintained streets. Any future streets established on the Property after the Annexation Date shall be constructed by the owner of the Property, or its successor, pursuant to City specifications and the City Engineer's approval. Dedication of such future streets to the City, and subsequent maintenance of said streets by the City, is subject to the requirements of Chapter 18 of the Breckenridge Code of Ordinances.

VI. Solid Waste

The City will provide solid waste collection services to the Property beginning on the Annexation Date.

VII. Water/Wastewater Facilities

The owner of the Property, or its successor, shall be responsible for construction of the infrastructure deemed necessary by the City and its engineer for the City to provide water and wastewater services to the Property. The City will provide the Property with water and wastewater services within a reasonable time after the owner of the Property, or its successor, has completed the necessary infrastructure to the City's satisfaction.

VIII. Planning and Development Services

The planning and zoning jurisdiction of the City will extend to this area upon the Annexation Date. City planning will thereafter encompass this property, and it shall be entitled to consideration for zoning in accordance with the City's Zoning Ordinance and Comprehensive Plan.

IX. Recreation

City parks shall be accessible to all residents of the City.