

WASTEWATER UTILITY SERVICE AND FEE AGREEMENT

This Wastewater Utility Service and Fee Agreement (“**Agreement**”) is between the City of Dripping Springs, a Type A General Law City located in Hays County, Texas (“**City**”), and Dripping Springs Partners, LLC, a Texas limited liability company, whose address is 7401 Highway 71 W, Austin, Texas 78735 (“**Owner**”).

RECITALS:

- A. Owner is the owner of 95.31 acres, and is purchasing 17.038 acres from 740 Sports Park, LLC 17 acres (the 95.31 acre tract and the 17.038 acre tract are jointly hereinafter referred to as the “Land”), the Land being more particularly described on **Exhibit A**, which Land is located wholly within the City and in Hays County, Texas (the “**County**”); and
- B. Owner intends to develop the Land as a master-planned, residential, commercial and governmental/utility/institutional community with improvements and infrastructure pursuant to a series of final plats and approved construction plan to be approved by the City (the “**Project**”);
- C. No sewer collection treatment and disposal system presently exists to serve the Land;
- D. Owner desires to receive wastewater service for the Land through the System and to connect to the System through the City’s South Regional wastewater collection line;
- E. Subject to the terms of this Agreement, the City will allow Owner to receive wastewater service for the Land through the System and to connect to the System through the City’s East Interceptor wastewater collection line that is yet to be constructed;
- F. This Agreement is necessary to protect the health, safety, and general welfare of the community, to limit the harmful effects of substandard subdivisions;.

THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, including the agreements set forth below, the City and Owner agree as follows:

ARTICLE I

DEFINITIONS

- 1.1 Agreement.** This agreement between City and Owner, including all Exhibits, which are incorporated herein for all intents and purposes.
- 1.2 Chapter 395:** Chapter 395 of the Texas Local Government Code, as such may be amended from time to time.
- 1.3 City.** The City of Dripping Springs, an incorporated Type A, general law municipality located in Hays County, Texas.
- 1.4 City Engineer:** The person or firm designated by the City Council as the wastewater engineer for the City.

1.5 City Utility Standards. City standards for design, location, construction, installation and operation of wastewater and drainage utility infrastructure, as of the date of this Agreement, and expressly including the following chapters of the City's Code of Ordinances and all related regulations and permits:

- (a) Utilities (Chapter 20)
- (b) Development and Water Quality Protection (Chapter 22)
- (c) Building Regulations (Chapter 24)
- (d) Subdivision and Site Development (Chapter 28)

1.6 Connection Point. The location where the Onsite Facilities connect to the System (on the East Interceptor Line) as shown on the attached **Exhibit C**.

1.7 Contractor. A person or entity engaged by Owner to design, construct, install, alter or repair infrastructure required to serve the Land, whether located on or outside the Land, as further described in §4.3.

1.8 Development. The development on the Land, consisting of improvements and infrastructure to be constructed in accordance with the final plat and approved construction plan.

1.9 Discharge Permit. The Texas Pollutant Discharge Elimination System (TPDES) Permit No. WQ0014488003. Notwithstanding such authorization, it is City's goal to beneficially reuse all of the treated effluent that is authorized to be discharged by the Discharge Permit.

1.10 East Interceptor Line. The east interceptor wastewater collection line to be constructed to carry sewage to the WWTP. The East Interceptor Line has not yet been constructed and therefore the alignment has not yet been determined by the City.

1.11 Effective Date. The date set forth as the Effective Date in § 8.13 below.

1.12 Impact Fees. Impact Fees adopted by City pursuant to Chapter 395 of the Texas Local Government Code and City Ordinance.

1.13 Land. Those certain tracts of land being more particularly described in **Exhibit A**.

1.14 LUE. Living Unit Equivalent of sewer usage, as established from time to time by City Ordinance.

1.15 Notice. Notice as defined in § 8.2 of this Agreement.

1.16 Owner. Dripping Springs Partners, LLC, a Texas limited liability company.

1.17 Onsite Facilities. All wastewater facilities, equipment, reuse storage tanks, or related improvements necessary to serve the Land between the structures on the Land. To the extent that any lift stations are required to pump the wastewater to the Connection Point, such lift station would be included in the definition of Onsite Facility.

1.18 Offsite Facilities. All wastewater facilities, equipment or related improvements necessary to serve the Land and not located on the Land and being located between the Onsite Facilities and the Connection Point, if any.

1.19 Package Plant. The temporary wastewater treatment facility operated and maintained by City that will provide wastewater treatment services to the Development until the Discharge Permit is issued and the System facilities are sufficient to accept the wastewater from the Land.

1.20 Party. Individually, City or Owner and any successors and assigns, as permitted by this Agreement.

1.21 South Regional Wastewater Treatment Plant or “WWTP”. The wastewater treatment facility that is currently authorized by TCEQ Permit No. WQ0014488001 and that is located approximately 0.55 mile east of the intersection of Ranch Road 12 and Farm-to-Market Road 150, as measured along Farm-to-Market Road 150, and from that point, approximately 1,110 feet south of Farm-to-Market Road 150.

1.22 System. City’s South Regional Wastewater Treatment System, including City’s WWTP and all of City-owned collection facilities transporting wastewater to that plant, including the East Interceptor Line.

1.23 TCEQ. Texas Commission on Environmental Quality, or its successor agencies.

1.24 Temporary Construction Staging Area. The temporary construction staging area shown on **Exhibit F** 9or as otherwise agreed by the Parties) needed for construction of City wastewater facilities.

1.25 TLAP Permit. The Texas Land Application Permit.

1.26 Unit. A structure located on the Land that will be assigned a wastewater LUE by City.

ARTICLE II SERVICE TO THE DEVELOPMENT

2.1 City Wastewater Service. Notwithstanding anything contained in this Agreement to the contrary, City will be the exclusive provider of wastewater collection and treatment service to the Development through the System or the Package Plant in an amount up to 531residential LUEs, 8 amenity center LUEs and 32 commercial/governmental/utility/institutional LUEs. City will make this retail wastewater service available to the Land upon Owner’s construction and connection of the Onsite Facilities to the System or the Package Plant pursuant to this Agreement. Additional LUEs will not be made available to the Land except as may be agreed in writing by City from time to time

WASTEWATER SERVICE; FACILITIES CONSTRUCTION AND OPERATION

3.1 Service.

a. **Discharge Permit.** City has received the Discharge Permit, but due to legal proceedings, the City is unable to employ the Discharge Permit. The City is pursuing the acquisition of the necessary easements that will allow the construction of the East Interceptor Line and proposed new wastewater treatment plant (TCEQ Permit No. WQ0014488003) expansion that will allow sewage from the Land to be permanently transported to the East Interceptor Line and ultimately to be treated at City's proposed new wastewater treatment plant facility, as modified in accordance with the Discharge Permit. City pays all costs associated with the Discharge Permit including engineering and legal. City will construct, at its sole cost, the East Interceptor Line. Once the legal proceedings are resolved to allow the Discharge Permit to take effect, and the City has completed construction of the improvements to the System sufficient to accept the wastewater from the Land (including the East Interceptor Line and new wastewater treatment plant facility), City will permanently provide wastewater service from the Development to the System to allow the wastewater from the Land to be treated at the City wastewater facility. Owner shall be responsible for all costs associated with removing any Package Plant facilities and irrigation facilities associated with the Package Plant that are not needed for connection to the System.

b. **TLAP Permit.** Subject to receiving City's approvals as described in this paragraph, within 60 days after the approval by City of the initial preliminary plat for the Development, Owner will apply for and use its reasonable efforts to obtain a TLAP Permit to allow (i) the Package Plant to be built and (ii) such other terms as are agreeable to the Parties. Owner must obtain City approval for the phases and size and capacity of the Package Plant associated with each phase that are submitted with the TLAP Permit application which approval shall not be unreasonably withheld, conditioned or delayed. The TLAP Permit will allow for interim irrigation for the disposal of treated effluent. Construction of the Package Plant built pursuant to the TLAP Permit is subject to the terms of this Agreement. City will prepare a letter in support of the TLAP Permit and will otherwise reasonably support and assist in obtaining approval of the application. Without limiting the generality of the prior sentence, City will provide for attendance at TCEQ hearings by its personnel if requested by Owner and will cooperate with Owner in preparing and submitting written testimony in support of the TLAP Permit. Owner pays all costs associated with the TLAP Permit (and City's reasonable out of pocket costs).

Prior to submission of the TLAP Permit application to TCEQ, City shall promptly review the application and shall provide to Owner its comments and its written approval of the application. City recognizes that time is of the essence once the completed application is prepared by Owner and submitted to City for review and approval, and City's approval (which shall include approval of phasing) shall not be unreasonably withheld, conditioned or delayed. The application will comply with this Agreement and with all TCEQ requirements for such permit applications. Owner shall reimburse City for all necessary and reasonable costs City incurs for its review of and comment on the TLAP Permit application, provided specifically that such expenses shall include but not be limited to attorneys' fees and costs, and expert fees and expenses. Such reimbursement shall not include the time spent by employees of (as distinguished from outside Contractors of) City.

3.2 Temporary Wastewater Service of the Land.

a. Subject to **§3.2 b.** below, City will provide wastewater treatment service for the Land utilizing the Package Plant and City will charge its standard retail wastewater service rates to users within the Development. All Onsite Facilities and easements necessary for connection to the System shall be constructed or provided by Owner at no cost to City.

b. In the event the System cannot receive wastewater flow from the Development then prior to obtaining a Unit building permit in the Development for a Unit that will use a LUE, Owner shall connect the Development's wastewater to the Package Plant. In other words, the Package Plant must be approved by TCEQ and City and construction started prior to the issuance of any Building Permits. Upon completion of the Package Plant, all flows shall be directed to and treated by the Package Plant until such time as the flows may be diverted to the System authorized by the Discharge Permit.

c. Within 180 days of the submittal of the TLAP permit to TCEQ as described in **§ 3.1.b**, Owner will deliver to City its design calculations and construction documents of the Package Plant and the specifications of the Package Plant. City shall deliver its comments on the design and specifications within 60 days after receipt of same.

d. Once City and Owner agree on the specifications for the Package Plant, Owner shall be responsible for the following (at no cost to City):

- (i) The costs and construction of the collection system from individual lots or properties on the Land to a central location for treatment or removal.
- (ii) The funding and the mobilization of the Package Plant and related infrastructure for the proper operation of the Package Plant, including irrigation lines thereto and reuse storage tanks as each phase is needed. The term "mobilization" in this subparagraph shall mean the delivery of the Package Plant to the Land, its proper set up on the Land as required by City and such other work as may be required by City to make the Package Plant operational, including, but not limited to the phases of the irrigation lines thereto and the reuse storage tanks. Owner shall mobilize the Package Plant and construct the irrigation lines thereto and place the necessary reuse storage tank(s) within 120 days after the later to occur of (A) the approval of the specifications of the Package Plant by City and execution of a construction contract for the irrigation lines, or (B) the approval of the TLAP Permit by TCEQ. All such out of pocket costs for the mobilization of the Package Plant and related infrastructure paid by Owner and shall not be reimbursed by City.
- (iii) Providing the necessary easements and land (reasonably acceptable to City) needed for siting, construction and operation of all Onsite Facilities and Onsite Treatment Facilities necessary for the operation of the Package Plant.

After construction of the Onsite Facilities and the facilities described in **§3.2 d. (ii)** above (including the Package Plant), upon acceptance of same by City, all Onsite Facilities and easements shall be turned over to City and City will be solely responsible for the cost, operation, maintenance and repair of the Onsite Facilities; provided, however, City and Owner acknowledge

that the some of the easements associated with the Onsite Facilities are temporary and shall be terminated and released, where appropriate, upon the permanent connection to the System.

e. Owner shall notify City in writing immediately upon receiving a permit from TCEQ that authorizes the use of a Package Plant on the Land. Within 60 days after Owner obtains a permit from TCEQ that authorizes the Package Plant on the Land, City shall operate the Package Plant (no lease shall be executed by Owner or its affiliates for the Package Plant without prior City approval). Furthermore, after construction or installation of the Package Plant, and upon acceptance of same by City, the Package Plant shall be turned over to City and City will be solely responsible for the cost, rent (if applicable), operation, maintenance, and repair of the Package Plant and reuse storage tanks. City will bill retail customers and retain all monies collected from retail customers.

f. Owner, or its assigns, will remain responsible to mow (and conduct surface maintenance of) the irrigation fields in accordance with the permit issued for the Package Plant as long as the Package Plant is in service.

3.3 Termination of Package Plant. As soon as the East Interceptor Line and the wastewater plant authorized by the Discharge Permit (“Discharge Permit WWTP”) is complete and City is authorized to and physically able to receive wastewater from the Development, City will notify Owner and Owner will begin, with deliberate speed, the cessation of the use of the Package Plant in favor of the System. Except for facilities needed to utilize the System (including the reuse storage tanks), all the facilities associated with the Package Plant and the irrigation fields shall be removed at Owner’s sole expense (other than reuse facilities) in accordance with 30 Tex. Admin. Code § 222.163 requirements and as approved by the City.

3.4 Stub-Outs for Foster Tract. As part of construction of Phase I of the Development, Owner will install at its expense two water stub-outs and two wastewater stub-outs for possible future water and wastewater service to the property identified as the Foster Tract shown on **Exhibit C**. The stub-outs shall be a size directed by the City.

3.5 Transfer of Storage Tanks. Upon completion of all of the phases and the termination of the Package Plant due to the System being able to receive wastewater from the Development, the reuse storage tanks shall be transferred to the City.

ARTICLE IV INFRASTRUCTURE CONSTRUCTION, CONNECTION AND DEDICATION

4.1 Construction Standards. Owner shall construct all Onsite Facilities in compliance with (a) this **Article 4**; (b) the City Utility Standards; and (c) the rules and regulations of the Texas Commission on Environmental Quality, or its successor agencies.

4.2 Construction in Phases. The Onsite Facilities may be constructed in separate phases, and as such, the requirements in this Agreement apply separately to each phase.

4.3 Onsite Facilities. Owner is required to fund, construct and install the Onsite Facilities within the Development. Except for individual service connections to Units on the Land, upon acceptance by City, the Onsite Facilities shall be dedicated to City and such facilities shall be owned, operated and maintained by City. The Onsite Facilities are to be built at Owner's sole cost.

4.4 Construction Warranty and Guarantee. Any facilities to be dedicated to City shall have a contract warranty with a guarantee of 2 years, enforceable by City as both Owner's assignee and as a third-party beneficiary. In addition, Owner's contract(s) with its Contractor for the construction of any facilities to be dedicated to City (including the Offsite Facilities) shall: (i) state that the "OWNER" includes Owner and its permitted assigns, including City, and (ii) include the following provision:

"Immediately before the expiration of the two-year guarantee period, the CONTRACTOR shall make an inspection of the Work in the company of the Engineer and Owner. The Engineer and Owner shall be given not less than 20 days' notice prior to the anticipated date of Guarantee expiration and the inspection. Failure to comply with these requirements within the guarantee period shall extend the guarantee period until 20-days after the inspection is completed.

During the guarantee period, where any portion of the Work is found to be defective and requires replacement, repair or adjustment (whether as a result of the foregoing inspection or otherwise), the CONTRACTOR shall immediately provide materials and labor necessary to remedy such defective work and shall prosecute such work without delay until completed to the satisfaction of the Engineer and Owner, even though the date of completion of the corrective work may extend beyond the expiration date of the guarantee period.

The CONTRACTOR shall not be responsible for correction of work which has been damaged because of neglect or abuse."

Owner shall provide a copy of the contract to City upon execution, assign the contract to City and shall immediately advise City of any notice it receives under this provision, and send City a copy of the notice as provided in this Agreement.

4.5 Construction Plan Review and Approval. City has the right to review and approve all plans and specifications for the Onsite Facilities and to charge applicable City review and approval fees. Owner shall cause to be filed a copy of each set of approved plans and specifications and a copy of all inspection certificates for the Facilities with City for review and approval. Construction of the Onsite Facilities shall not begin until the plans and specifications have been reviewed and accepted by City for compliance with the construction standards required by this Agreement, a pre-construction conference has been held by Owner's contractor(s) and the City Engineer, and the applicable City fees have been paid. City agrees to provide comments to plans and specifications within twenty (20) days of receipt.

4.6 City Inspections. City has the right, but not the obligation, to inspect and test at any time (including during construction and before beginning operation), and the right to participate in a final inspection of, all Onsite Facilities, including any connections to onsite structures and to City's

System. In addition, Owner or its Contractor shall notify City when the Onsite Facilities are ready for final inspection and connection to City's System. If City concurs that construction of the Onsite Facilities is substantially complete, then City will schedule a final inspection by City within twenty (20) days. After such final inspection, Owner shall timely correct any punch list items.

4.7 Review and Inspection Fees. Owner shall pay all of the City Engineer's fees for review of plans, and the construction phase(s) and final inspections.

4.8 Connection to the System. After the permanent connection to the System, Owner shall connect all wastewater flows up to 571 LUEs from the Land to the System in compliance with the City's Wastewater Ordinance.

4.9 Delivery of Drawings. Upon completion of the Onsite Facilities, the Developer shall provide to the City: (i) three sets of record drawings of the as-built plans, including complete and accurate locations of all Onsite Facilities (ii) autocad plans; (iii) GPS files noting location of the Onsite Facilities; (iv) a certification sealed by a registered professional engineer stating that the Onsite Facilities are fully completed in substantial compliance with the Plans and Specifications approved by the City and in accordance with the as-built plans; and (v) all items listed in the City's Wastewater Close-Out List (attached as **Exhibit G**).

ARTICLE V FEES AND CHARGES

5.1 Impact Fees. The payment for the Impact Fees for each LUE will be due upon such time as the permit required for construction of Units for that LUE is submitted to City in an amount required under the Impact Fee Ordinance and shall be \$7,580.00 per LUE. Connection of any structure on the Land to the Package Plant or the System is prohibited until Owner, or its assigns, pays the Impact Fees as required herein. This Agreement is an agreement providing for the time and method of payment of the Impact Fees. Owner is not entitled to any reimbursement of Impact Fees.

5.2 Beneficial Reuse Infrastructure. Rather than provide beneficial reuse infrastructure on the Land, Owner, or its assigns, shall pay \$1,675.00 per LUE for each lot within a final plat approved by City. Such payment is to be used by City in funding beneficial reuse infrastructure at another location. This payment shall be due within sixty (60) days after the recording of each final plat of the Project. City stipulates and confirms that the payment made by Owner pursuant to this paragraph constitutes complete compliance with Chapter 22, Article 22.06.007 of the City's Code of Ordinances.

ARTICLE VI EASEMENTS

6.1 Onsite Facility Easements. Owner shall dedicate to City all easements necessary for Onsite Facilities at no cost to City.

6.2 Offsite Facilities Easements. City shall acquire all easements necessary for Offsite Facilities at no cost to City, provided however that if City has existing easements that can be used for Offsite Facilities, City shall allow their use at no expense to Owner. If necessary, City will use its eminent domain power to acquire all easements necessary for Offsite Facilities. City shall maintain all acquired easements at City's sole cost. Owner will reimburse City for all reasonable costs of acquisition of easements; provided, however, if the reimbursement to City exceeds \$25,000.00, such excess shall be credited against the Project's wastewater impact fees.

6.3 Easements from Owner. Owner shall provide to City a non-exclusive easement or easements, if necessary, to access the Proposed Development's private roadways to access Onsite Facilities, Offsite Facilities, Wastewater Facilities and Package Plant. Prior to execution of any such easement, Owner agrees that City shall have a reasonable right of access to any roadway or designated trail on the Land for ingress or egress to Onsite Facilities, Offsite Facilities and Package Plant.

6.4 Provisions Related to Right of Way Identified on Exhibit E. Owner agrees to use its best efforts to obtain the easement and right of way identified at **Exhibit E** at its cost and convey it to the City. Within 30 days after Owner obtains the easement and right of way, Owner shall convey the easement shown at **Exhibit E** to the City. Such easement implicates a right-of-way that is both on and off the Land and shall include the full width of the right-of-way wastewater easement. Within thirty (30) days after receiving the easement shown at **Exhibit E**, City shall pay Owner \$30,000.00 as its contribution towards the acquisition of such easement.

6.5 Temporary Construction Staging Area. Within 30 days of the execution of this Agreement, Owner agrees to lease to the City the Temporary Construction Staging Area for construction of City wastewater facilities. The Parties will agree that no rent shall be payable by City during the term of the lease. The Parties will agree upon a timeframe for the duration of the lease.

ARTICLE VII TERM AND TERMINATION

7.1 Term. This Agreement remains in effect so long as City is providing wastewater service to the Development, unless otherwise expired or terminated under this Article VII or otherwise rendered null and void by the terms of this Agreement.

7.2 Termination for Breach.

- (a) If Owner breaches this Agreement, then City may send a notice of default to Owner. The notice must include a reasonable description of the breach. If Owner fails to cure the breach within 60 days of that notice (including payment of all past-due amounts), then City may send a second notice describing the breach and Owner's failure to cure. Owner's failure to cure the breach within 30 days after the second notice gives City the right to terminate this Agreement by sending a termination notice to Owner. The effective date of the termination will be the date the notice is sent and, as of that date, City will be released from all obligations under this Agreement, and Owner will not receive any refunds of amounts already paid to City

under this Agreement. Owner expressly agrees that its forfeiture of such amounts, to be retained by City upon termination under this § 7.2(a), is a reasonable amount of liquidated damages to City for such breach of this Agreement, in addition to actual damages, if any, should Owner improperly connect to or tamper with City's System during construction.

- (b) If City breaches this Agreement, Owner may send a notice of default to City. The notice must include a reasonable description of the breach. If City fails to cure the breach within 60 days of that notice, then Owner may send a second notice describing the breach and City's failure to cure. If City's breach is a failure to commence wastewater service to the Development as provided in **§2.1 or §2.2**, and if Owner is not in breach of this Agreement, then City's failure to cure the breach within 30 days after the second notice gives Owner the right to:
 - (1) demand City's specific performance, subject to the other terms of this Agreement including Force Majeure; or
 - (2) terminate this Agreement by sending a termination notice to City and, upon such notice and termination, to receive a refund (without interest) of all Impact Fees and Delayed Connection Fees paid to City under this Agreement. The effective date of the termination will be the date the notice is sent and, as of that date, City will be released from all obligations under this Agreement except its refund obligation under this **§7.2(b)(2)**.

ARTICLE VIII MISCELLANEOUS

8.1 Governing Law, Jurisdiction and Venue. This Agreement must be construed and enforced in accordance with the laws of the State of Texas, as they apply to contracts performed within the State of Texas and without regard to any choice of law rules or principles to the contrary. The Parties acknowledge that this Agreement is performable in Hays County, Texas and hereby submit to the jurisdiction of the courts of Hays County, and hereby agree that any such court shall be a proper forum for the determination of any dispute arising hereunder.

8.2 Notice. Any notices, approvals, or other communications required to be given by one Party to another under this Agreement (a "Notice") shall be given in writing addressed to the Party to be notified at the address set forth below and shall be deemed given: (a) when the Notice is delivered in person to the person to whose attention the Notice is addressed; (b) when received if the Notice is deposited in the United States Mail, certified or registered mail, return receipt requested, postage prepaid; (c) when the Notice is delivered by Federal Express, UPS, or another nationally recognized courier service with evidence of delivery signed by any person at the delivery address; or (d) five business days after the Notice is sent by FAX (with electronic confirmation by the sending FAX machine) with a confirming copy sent by United States mail within 48 hours after the FAX is sent. If any date or 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 the Saturday, Sunday, or legal holiday. For the purpose of giving any Notice, the

addresses of the Parties are set forth below. The Parties may change the information set forth below by sending Notice of such changes to the other Party as provided in this section.

To City:

City of Dripping Springs, Texas
Attn: City Secretary
P. O. Box 384
Dripping Springs, Texas 78620
FAX: (512) 858-5646

City of Dripping Springs, Texas
Attn: City Administrator
P. O. Box 384
Dripping Springs, Texas 78620
FAX: (512) 858-5646

To Owner:

Dripping Springs Partners, LLC
7401 Highway 71 W
Austin, Texas 78735
Attn: Matthew Scrivener
Tel: 615 405-0225

With copy to:
Baker & Robertson
171 Benney Lane, Bldg II
Dripping Springs, Texas 78620
Attn: Rex G. Baker, III
Tel: 512 894-0890

8.3 Assignment. Owner may assign this Agreement to another owner of the Land without the consent of City provided the assignee agrees to be bound by the obligations contained herein. This Agreement is binding on Owners' successors and assigns, including future owners of any land or structures within the Development.

8.4 Amendment. This Agreement may be amended only with the written consent of Owner and approval of the governing body of City.

8.5 No Waiver. Any failure by a Party to insist upon strict performance by the other Party of any provision of this Agreement shall not be deemed a waiver thereof, and the Party shall have the right at any time thereafter to insist upon strict performance of any and all provisions of this Agreement. No provision of this Agreement may be waived except by a writing signed by the Party waiving such provision. Any waiver shall be limited to the specific purposes for which it is given. No waiver by any Party hereto of any term or condition of this Agreement shall be deemed

or construed to be a waiver of any other term or condition or subsequent waiver of the same term or condition.

8.6 Severability. The provisions of this Agreement are severable and, in the event any word, phrase, clause, sentence, paragraph, section, or other provision of this Agreement, or the application thereof to any person or circumstance, shall ever be held or determined to be invalid, illegal, or unenforceable for any reason, and the extent of such invalidity or unenforceability does not cause substantial deviation from the underlying intent of the Parties as expressed in this Agreement, then such provision shall be deemed severed from this Agreement with respect to such person, entity or circumstance, without invalidating the remainder of this Agreement or the application of such provision to other persons, entities or circumstances, and a new provision shall be deemed substituted in lieu of the provision so severed which new provision shall, to the extent possible, accomplish the intent of the Parties as evidenced by the provision so severed.

8.7 Captions. Captions and headings used in this Agreement are for reference purposes only and shall not be deemed a part of the agreement.

8.8 Interpretation. The Parties acknowledge that each party and, if it so chooses, its counsel have reviewed and revised this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any amendments or exhibits hereto. As used in this Agreement, the term “include” or “including” means to include “without limitation.” Any provision of this Agreement that provides for the agreement or approval of City staff or City Council, such agreement or approval may be withheld or conditioned by the staff or City Council in its sole discretion.

8.9 Counterpart Originals. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original.

8.10 Force Majeure. If any Party is delayed in meeting, or fails to meet, a deadline required by this Agreement (other than a deadline to pay money due and payable hereunder), and such delay or failure is due to causes beyond that Party's reasonable control, including, without limitation, failure of suppliers, contractors, subcontractors and carriers, then the dates by which performance obligations are scheduled to be met will be extended for a period of time equal to the time lost due to any delay so caused, provided that the Party experiencing the failure or delay gives the other Party reasonably prompt Notice specifically describing the cause relied upon.

8.11 Professional Fees. Owner agrees to place funds into City's escrow account, as necessary from time to time, to pay City's reasonably necessary engineering and legal fees incurred to prepare, negotiate, implement, interpret, or amend this Agreement. City is entitled to reimbursement of such fees plus a 20% administrative charge.

8.12 Incorporation of Exhibits by Reference. All exhibits attached to this Agreement are incorporated into this Agreement by reference for the purposes set forth herein, as follows:

Exhibit A	Survey of the Land
Exhibit B	Legal Description of the Land
Exhibit C	Map of Connection Point

Exhibit D	Form of Easement
Exhibit E	Right of Way to be Provided to City (through Easement)
Exhibit F	Temporary Construction Staging Area
Exhibit G	City Wastewater Close-Out List

8.13 Effective Date. Effective Date. The Effective Date of this Agreement is _____, 2022.

[signatures on following pages]

CITY OF DRIPPING SPRINGS, TEXAS

Attest:

City Secretary

By: _____

Bill Foulds, Mayor

Date: _____

STATE OF TEXAS

COUNTY OF HAYS

This instrument was acknowledged before me on _____, 2022 by Bill Foulds, Mayor of the City of Dripping Springs, Texas general laws municipality, on behalf of said municipality.

Notary Public, State of Texas

My Commission Expires: _____.

OWNER

Dripping Springs Partners, LLC
a Texas limited liability company

By: _____
Name: Matthew Scrivener
Title: Manager

STATE OF TEXAS
COUNTY OF _____

This instrument was executed before me on _____, 2022 by Matthew Scrivener,
Manager of Dripping Springs Partners, LLC, a Texas limited liability company, on behalf of said
limited liability company.

Notary Public, State of Texas

My Commission Expires: _____.