

**FIRST AMENDMENT TO  
WASTEWATER SERVICE AND IMPACT FEE AGREEMENT**

This First Amendment to the Wastewater Service and Impact Fee Agreement (“First Amendment”) is between the City of Dripping Springs, a Type A General Law City located in Hays County, Texas (the “City”) and SLF IV - Dripping Springs JV, L.P., a Texas limited partnership (“Owner”), whose address is 5949 Sherry Lane, Suite 800, Dallas, TX 75225. The City and Owner may be individually referred to as a “Party” and collectively referred to as the “Parties.”

**RECITALS:**

- A. City and Owner previously entered into the Wastewater Service and Impact Fee Agreement (the “Agreement”), effective October 17, 2017.
- B. City and Owner wish to i) revise the deadlines set forth in Section 2.5 and 2.5(a) of the Agreement to change each deadline to be not later than 120 days; and further to ii) allow the City Administrator to negotiate and approve certain timing, administrative or non-substantive procedural changes to the Agreement.
- C. Owner and City wish to enter into this First Amendment as set forth below.

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

**AGREEMENT**

- 1. **Construction of the TLAP Amendment 2 Facilities.** The first sentence of Section 2.5 of the Agreement is hereby deleted and replaced with the following:

The City shall file with TCEQ, not later than 120 days after the Effective Date, a complete permit amendment application comprising the request for TLAP Amendment 2.

- 2. **Owner’s Election.** Section 2.5(a) of the Agreement is hereby deleted and replaced with the following:

(a) **Owner’s Election.** Notwithstanding the foregoing, Owner may elect to forgo construction of the TLAP Amendment 2 Facilities and the Heritage Stage 2 Effluent Disposal Field, and in doing so await the completion of the Discharge Permit Facilities for service to the Stage 2 LUEs or alternatively, in the event that City is not able to obtain TLAP Amendment 2 from TCEQ before the Stage 2 service is needed by Owner, Owner may elect to proceed pursuant to Section 2.8 below with the Onsite WWTP for such service. Either such election must be made in writing and shall occur not later than 120 days after Notice to Owner by the City that (i) the authorization issued by TCEQ for TLAP Amendment 2

is final and non-appealable (a “Final Authorization”) and (ii) the City has determined that initiation of design and construction of the TLAP Amendment 2 Facilities are then needed to serve the Development. Owner shall not be in default under this Agreement if Owner makes the election set forth in this subpart.

3. Amendments. Section 7.4 of the Agreement is hereby amended by adding the following text at the end thereof:

Notwithstanding the foregoing, the City Administrator or the City Administrator’s designee is authorized to negotiate and enter into separate letter agreements without City Council approval that will constitute valid amendments to this Agreement to (a) adjust timing requirements set-forth in this Agreement, (b) make administrative changes to this Agreement, or (c) make non-substantive or procedural changes to allow for changes in circumstances or timing that may arise during the term of this Agreement.

7. Definitions. The capitalized terms in this First Amendment have the same meanings defined in the Agreement.
8. Effect of First Amendment. Except as amended by this First Amendment, all terms of the Agreement continue to govern the rights and obligations of the Parties and remain in full force and effect as set forth therein.
9. Effective Date. The Effective Date of this First Amendment is February 20, 2018.
10. Authority. The execution, delivery and performance of this First Amendment has been duly authorized by all necessary action on the part of each of the Parties, and the person executing this First Amendment on behalf of a Party has been fully authorized and empowered to bind the Party to the terms and provisions of this First Amendment.
11. Counterparts. This First Amendment may be executed in counterparts.

**IN WITNESS WHEREOF**, the parties have executed this First Amendment to be effective as of the Effective Date of this First Amendment.

*[Signatures on following pages]*

**CITY OF DRIPPING SPRINGS, TEXAS**

Attest:

Andrea Cunningham

City Secretary



STATE OF TEXAS  
COUNTY OF HAYS

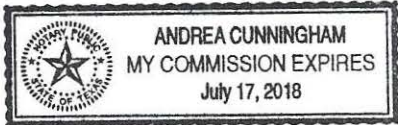
By:

Todd Purcell  
Todd Purcell, Mayor

Date:

April 6, 2018

This instrument was executed by Todd Purcell, in the capacity set forth above, and before me on this the 6<sup>th</sup> day of April, 2018.



Andrea Cunningham  
Notary Public, State of Texas

**OWNER**  
**SLF IV – DRIPPING SPRINGS JV, L.P.,**  
a Texas limited partnership

By: SLF IV Property GP, LLC,  
a Texas limited liability company,  
its General Partner

By: Stratford Land Fund IV, L.P.  
a Delaware limited partnership,  
its Co-Managing Member

By: Stratford Fund IV GP, LLC,  
a Texas limited liability  
company,  
its General Partner

By: *Mark Westerburg*  
Name: Mark Westerburg  
Title: Vice President

STATE OF TEXAS           §  
  §  
COUNTY OF DALLAS   §

This instrument was acknowledged before me on this 26th day of February, 2018, by Mark Westerburg, Vice President of Stratford Fund IV GP, LLC, a Texas limited liability company, General Partner of Stratford Land Fund IV, L.P., a Delaware limited partnership, co-managing member of SLF IV Property GP, LLC, a Texas limited liability company, General Partner of **SLF IV – DRIPPING SPRINGS JV, L.P.**, a Texas limited partnership, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated and as the act and deed of said limited partnership.



*Susan C. Evans*  
Notary Public