

SUPPLEMENTAL AGREEMENT
REGARDING WASTEWATER SERVICE

This Supplemental Agreement Regarding Wastewater Service (“Supplemental Agreement”) is entered into by and between the City of Dripping Springs, Texas (the “City”) a Type A General Law City located in Hays County, Texas, and Development Solutions CARTER, LLC (“Owner”). The City and the Owner are referred to herein jointly as “Parties”.

RECITALS:

- A. The Parties, together with Hays County Development District No. 1, entered into a Second Amended Wastewater Service and Impact Fee Agreement (“Wastewater Agreement”) with an effective date of April 13, 2014.
- B. The Wastewater Agreement contemplated that the Property referred to as the Carter Ranch would receive wastewater service through what the Wastewater Agreement refers to as the Discharge Permit or TLAP Amendment 2. The Discharge Permit and TLAP Amendment 2 have been the subject of lengthy protests and appeals that have resulted in delays not contemplated by the Parties when the Wastewater Agreement was executed.
- C. The Parties desire to retain all the rights and obligations under the Wastewater Agreement and also address the delays caused by protests of the Discharge Permit and TLAP Amendment by providing an interim path forward until the City is able to build facilities under the Discharge Permit or the TLAP Amendment 2.
- D. The purpose of this Supplemental Agreement is to allow a path forward for assuring wastewater service at Carter Ranch for vertical construction at Carter Ranch while the City continues to pursue its efforts to construct facilities under the Discharge Permit or the City obtains issuance and constructs facilities under TLAP Amendment 2.

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:

- 1. This Supplemental Agreement does not change or affect any right or obligation under the Wastewater Agreement.
- 2. Upon execution of this Agreement, the City will issue a mass-grading permit (as authorized by the attached letter), schedule a pre-construction meeting (by June 6, 2024) for the mass-grading activities, and allow the excavation and grading activities that are authorized by the mass-grading permit.
- 3. Owner agrees that Owner will design and build facilities (fields and storage) on Carter Ranch that will allow the beneficial reuse (under Chapter 210 of the TCEQ Rules) for 50,000 gpd (“Beneficial Reuse Facilities”). These Beneficial Reuse Facilities will be available for use by the City.

4. Prior to installation of utilities, Owner will revise the construction plans that have been submitted to the City to include the Beneficial Reuse Facilities.
5. This Agreement shall be construed by applying Texas law and venue shall be in Hays County.
6. This Agreement may be executed electronically and in counterparts.

Effective as of May 31, 2024.

[signatures on following pages]

CITY OF DRIPPING SPRINGS, TEXAS

Attest:

City Secretary

By: _____
Bill Foulds, Mayor

STATE OF TEXAS
COUNTY OF _____

This instrument was executed by Bill Foulds before me on _____, 2024.

Notary Public, State of Texas

DEVELOPER

DEVELOPMENT SOLUTIONS CARTER, LLC

By:
Title:

STATE OF TEXAS
COUNTY OF _____

This instrument was executed by _____, in the capacity set forth above, and before me on this the ____ day of _____, 2024.

Notary Public, State of Texas