



STAFF REPORT
City of Dripping Springs
PO Box 384
511 Mercer Street
Dripping Springs, TX 78620

Submitted By: Ginger Faught, Deputy City Administrator

Council Meeting Date: September 15, 2026

Agenda Item Wording: Third Amended and Restated Wastewater Service and Impact Fee Agreement between the City of Dripping Springs and Hays County Development District No. 1, CF CSLK Caliterra LLC and CF CSLK Carter LLC

Summary/Background: This Restated Amendment modifies the Caliterra/Ranch at Caliterra Wastewater Service Agreement that was approved by Council for the Caliterra/Ranch at Caliterra tracts in January 2014, restated and amended in January 2015, restated and amended again in December 2016. This Restatement is needed to reflect changed realities that have occurred since the earlier agreements were entered into. Most significantly, earlier agreements contemplated the City obtaining an Amendment to its TLAP Permit, which did not occur. In addition, the District (Hays County Development District No. 1) did obtain a TLAP Permit, which they can utilize until the City's Discharge Permit facilities are ready. Many provisions which have been completed or are now obsolete have been removed.

Other provisions have been added. Notably:

- 1) The District will allow the City to install and use enough acreage to beneficially reuse 30,000 gpd of treated effluent.
- 2) The District may use its permit until the City's discharge facilities are ready to accept waste (at no cost to the City).
- 3) The District will remove unwanted facilities when the City is ready to accept waste.
- 4) The agreement makes clear how many unused LUEs are available to the Ranches at Caliterra (this has been a source of disagreement over the years).
- 5) The City agrees to issue a bid award for the construction of the wastewater treatment plant authorized by the Discharge Permit by January 15, 2027.
- 6) Certain easements the City needs will be conveyed to the City.
- 7) The District will take and use (without charge) as much beneficial reuse water as the City desires that District take and use (but not to

exceed an amount that will provide a reasonable margin of safety to ensure compliance with any applicable laws, rules, or statutes).

**Recommended
Council Actions:**

Approval of the Third Amended and Restated Agreement.

Attachments:

Clean and redlined versions of the Third Amended and Restated Agreement.

Next Steps/Schedule:

Notify HCDD No 1, CF CSLK Caliterra LLC, and CF CSLK Carter LLC of Council action.