

Exhibit C

RESOLUTION 2025-22

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FAIR OAKS RANCH, TEXAS AUTHORIZING A UTILITY SERVICE AGREEMENT BETWEEN THE CITY OF FAIR OAKS RANCH, TEXAS AND AD ACQUISITIONS, LLC REGARDING WATER AND WASTEWATER SERVICES FOR AN 80.69-ACRE PARCEL OF LAND AT 29850 RALPH FAIR ROAD, A PORTION OF THE CORLEY TRACT, AND AUTHORIZING THE EXECUTION OF ALL APPLICABLE DOCUMENTS BY THE CITY MANAGER

WHEREAS, on August 30, 2024, Athena Domain, LLC submitted a formal request to incorporate an 80.69-acre parcel at 29850 Ralph Fair Road, a portion of the Corley Tract, into the City's Water and Wastewater Certificate of Convenience and Necessity (CCN), and

WHEREAS, on October 17, 2024, the City Council approved a resolution to incorporate the parcel into its CCNs, contingent on the approval of a Master Development Plan reflecting a maximum of 139 LUEs (water) and 137 LUEs (wastewater), in alignment with the City's Water, Wastewater and Reuse Master Plan, and

WHEREAS, staff has evaluated the Master Development Plan and has determined that the maximum number of LUEs will not be exceeded, and that the City's reserved water capacity and wastewater treatment capacity are adequate to serve the development, and

WHEREAS, on December 5, 2024, the City Council, upon recommendation from the Planning and Zoning Commission, approved the Master Development Plan with a condition that the developer enter into a Utility Service Agreement with the City to memorialize the number of units, LUEs, related fees and any cost-sharing arrangements for off-site infrastructure necessary to serve the development, and

WHEREAS, the cost-sharing arrangement for off-site infrastructure included in the Utility Service Agreement addresses known deficiencies in the City's wastewater collection system and increases resiliency of the City's water distribution system, and

WHEREAS, the City Council finds it appropriate to enter into a Utility Service Agreement with the developer and reaffirms its support for incorporating the 80.69-acre parcel into the City's water and wastewater CCN.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FAIR OAKS RANCH, TEXAS:

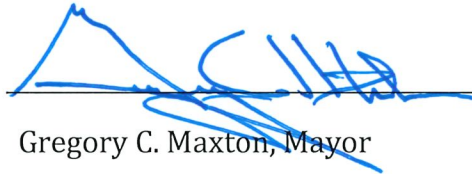
- Section 1.** The City Council hereby approves the Utility Service Agreement (**Exhibit A**) between the City of Fair Oaks Ranch, Texas and AD Acquisitions, LLC, and authorizes the execution of all applicable documents by the City Manager to effectuate this resolution.
- Section 2.** That the recitals contained in the preamble hereto are hereby found to be true and such recitals are hereby made a part of this resolution for all purposes and are adopted as a part of the judgment and findings of the City Council.
- Section 3.** If any provision of this resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this resolution and the

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application of such provision to other persons and circumstances shall nevertheless be valid, and the City Council hereby declares that this resolution would have been enacted without such invalid provision.

- Section 4.** That it is officially found, determined, and declared that the meeting at which this resolution is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this resolution, was given, all as required by Chapter 551, as amended, Texas Government Code.
- Section 5.** All resolutions or parts thereof, which are in conflict or inconsistent with any provision of this resolution are hereby repealed to the extent of such conflict, and the provision of this resolution shall be and remain controlling as to the matters resolved herein.
- Section 6.** This resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.
- Section 7.** This resolution shall be in force and effect from and after its final passage, and it is so resolved.

PASSED, APPROVED, and ADOPTED on this 1st day of May 2025.



Gregory C. Maxton, Mayor

ATTEST:



Christina Picioccio, TRMC
City Secretary

APPROVED AS TO FORM:



Denton Navarro Rodríguez Bernal Santee & Zech
P.C., City Attorney

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UTILITY SERVICE AGREEMENT

STATE OF TEXAS §
 §
COUNTY OF BEXAR §
 §
 §
CITY OF FAIR OAKS RANCH §

This Utility Service Agreement (including the General Conditions, the Special Conditions, and the Attachments hereto, this “Agreement” or “USA”) is entered into by and between the CITY OF FAIR OAKS RANCH, TEXAS (the City) and AD Acquisitions, LLC (the Developer). The City and the Developer are herein referred to generally as a Party and, together, the Parties. Development capitalized but not otherwise defined herein shall have the meanings ascribed to them in the hereinafter-defined Master Development Plan, a copy of which is attached hereto as Attachment IV.

W I T N E S S E T H

WHEREAS, the City and the Developer have entered into that certain Master Development Plan, pursuant to which the City and the Developer are obligated to undertake specified actions relative to the Master Development Plan (such development, the Development; the property that is the subject of the Master Development Plan and the location of the Development, the Property); and

WHEREAS, the Master Development Plan contemplates the need for improvements to the City’s water utility systems (the Water System) and the City’s wastewater utility system (the Wastewater System), (collectively referred to herein as “Systems”) that are outside the boundaries of the Property to extend Systems infrastructure to the Property’s border for connection to necessary water and wastewater infrastructure improvements within the Property (such offsite improvements, as further defined and described herein, the Offsite Improvements; such onsite improvements, as further defined and described herein, the Onsite Improvements; the Offsite Improvements and the Onsite Improvements, together, the Improvements); and

WHEREAS, the Master Development Plan requires the Developer to design, construct, and finance all requisite Improvements, which includes all Improvements within the boundaries of the Property (“Onsite Improvements”) that are necessary for connection to the Systems to provide retail water and wastewater services (Services) to the Development, and upon completion thereof, dedicate the same to the City; and

WHEREAS, the Master Development Plan requires the Developer to work with the City to design, construct, and finance all requisite Improvements beyond the boundaries of the Property (“Offsite Improvements”) that are necessary for connection to the Systems to provide Services to the Development, and upon completion thereof, dedicate the same to the City; and

WHEREAS, the completion of the Offsite Improvements will allow for the Developer’s connection of the Onsite Improvements to the Systems; and

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WHEREAS, the Parties now desire to enter into this Agreement to memorialize the terms and conditions by which (i) the Improvements will be designed, constructed, financed, dedicated to the City, and made a part of the Systems and (ii) Systems capacity is reserved for the purpose of providing Service to the Development; and

NOW, THEREFORE, in consideration of the foregoing Recitals, the covenants contained herein, and for other good and valuable considerations (the receipt and sufficiency of which are hereby acknowledged), the Developer and the City hereby agree as follows.

1. Interpretation of Agreement.

- a. The Parties acknowledge that the Service contemplated by this Agreement shall be provided in accordance with the applicable Governing Regulations, including the City's Code of Ordinances and Unified Development Code. In the event the specific terms of this Agreement conflict with the Governing Regulations, the specific terms of this Agreement shall apply. The Parties further acknowledge that this Agreement is subject to future acts of the City Council with respect to the adoption or amendment of Impact Fees and City ordinances or resolutions specifying rates for Service.
- b. The Parties agree that a purpose of this Agreement is the City's reservation and dedication of [139] of Water Service living unit equivalents (LUEs) (such dedicated capacity, Water Capacity, and Guaranteed Capacity, collectively) from available System capacity (whether currently existing or to result from ongoing System expansion) for provision of Service to the Development.
- c. The Parties also agree that a purpose of this Agreement is the City's reservation and dedication of [137] of Wastewater Service living unit equivalents (LUEs) (such dedicated capacity, Wastewater Capacity, and Guaranteed Capacity, collectively) from available System capacity (whether currently existing or to result from ongoing System expansion) for provision of Service to the Development

2. Obligation Conditioned. The City's obligation to provide Service to the Property is conditioned upon present rules, regulations and statutes of the United States of America and the State of Texas and any court order that directly affects the City or its ownership and operation of the System. The Developer acknowledges that if the rules, regulations and statutes of the United States of America and/or the State of Texas that are in effect upon the Effective Date are repealed, revised or amended to such an extent that the City becomes incapable of, or is prevented from, providing the Service, then no liability of any nature is to be imposed upon the City as a result of the City's compliance with such legal or regulatory mandates. The City agrees that it will use its best efforts to prevent the enactment or to mitigate the impact of such legal or regulatory mandates.

3. Term.

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- a. The term of this Agreement shall be seven (7) years from the Effective Date, unless extended by mutual agreement, evidenced in writing, by the City and the Developer. If the Developer starts development of the project during the first seven (7) years since execution, the Agreement shall automatically extend to the earlier of (i) fifteenth (15th) anniversary of its execution or (ii) upon conveyance by Developer of all of the Property to third parties (each a "Lot Owner" and collectively, the "Lot Owners"), unless extended by mutual agreement of the parties. Certain City obligations (described in Section 3.c below) may survive the expiration of the term of this Agreement if (i) all Impact Fees applicable to the Development, defined as lots conveyed to owners, have been paid and (ii) the Developer has complied with all requirements concerning the Improvements as are described, as applicable, in this Agreement and the Master Development Plan.
- b. To the extent that the City's obligations do not survive the expiration of this Agreement, the Developer understands and agrees that a new utility service agreement must be entered into with the City to receive Service to the Development.
- c. Provided compliance with clauses (i) and (ii) of Section 3.a above has occurred, the following obligations shall survive expiration of this Agreement:
 - i. The City's recognition of the Guaranteed Capacity to be provided by the System to the Development in the form of Service, as specified in S.C. 1.00 hereof.
 - ii. The City's continued provision of Service to retail customers located in the Property, so long as such customers pay for the Service and comply with the regulations applicable to individual customers (including payment of rates for Service, as from time to time specified by City ordinance or resolution).

4. Entire Agreement. The following documents attached hereto and incorporated herein are as fully a part of this Agreement as if herein repeated in full and, together, comprise this Agreement in its entirety:

Attachment I:	General Conditions
Attachment II:	Special Conditions
Attachment III:	Engineering Report Regarding Improvements
Attachment IV:	Master Development Plan
Attachment V:	Property Legal Description

Any of the above attachments that are created and submitted by the Developer as an attachment to this Agreement shall be limited to providing relevant engineering, planning, or

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managing information for the purposes of setting aside or reserving the Guaranteed Capacity as specified in the body of this Agreement, the General Conditions, and the Special Conditions.

The Developer understands that this Agreement, including the Attachments, is subject to the Texas Public Information Act. The Developer, therefore, agrees that it will not claim that any of the information contained herein is subject to any third-party exception under that Act.

5. The Developer's Obligations. The Developer acknowledges and agrees that the Guaranteed Capacity runs with the land and shall be an appurtenance to the Property. The Developer agrees to record this Agreement in the Real Property Records of Bexar County, Texas as quickly as practicable (but not more than fifteen (15) days from the Effective Date); otherwise, this Agreement will automatically terminate. Delivery to the City of a recorded copy of this Agreement shall serve as a condition precedent to any transfer of any portion of the Property or any portion of the Guaranteed Capacity in accordance with G.C.14.00. To the extent not reflected in the Plats from time to time submitted by the Developer to and accepted by the City pursuant to the Master Development Plan, the Developer shall maintain records of allocated and unallocated Water and Wastewater Capacity (by LUE) for use by the Development by developers thereof and therein and provide the City with copies of such records upon receipt of the City's written request for the same.

6. **INDEMNITY. TO THE EXTENT ALLOWED BY APPLICABLE LAW, THE DEVELOPER FURTHER AGREES TO DEFEND, INDEMNIFY AND HOLD HARMLESS THE CITY AND ITS SUCCESSOR AND ASSIGNS FROM THE CLAIMS OF THIRD PARTIES ARISING OUT OF THE CITY'S RECOGNITION RESERVATION AND TRANSFER OF THE GUARANTEED CAPACITY UNDER THIS AGREEMENT TO THE DEVELOPER'S SUBSEQUENT PURCHASERS, SUCCESSORS AND ASSIGNS.**

7. Notices. Any notice, request, demand, report, certificate, or other instrument which may be required or permitted to be furnished to or served upon the parties shall be delivered by actual delivery, facsimile with receipt of confirmation, or by depositing the same in the United States mail, certified with return receipt, postage prepaid, addressed to the appropriate party at the following addresses:

Developer: Athena Domain, Inc.
6002 Camp Bullis Rd., Suite 201
San Antonio, Texas 78257
Attn: Rajeev Puri
Email: rpuri@athenadomain.com

City: City Manager
City of Fair Oaks Ranch
7286 Dietz Elkhorn Rd.
Fair Oaks Ranch, Texas 78015
Email: shuizenga@fairoaksranchtx.org

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Either party may designate a different address at any time upon written notice to the other party.

8. Severability. If for any reason any one or more paragraphs of this Agreement are held legally invalid, such judgment shall not prejudice, affect impair or invalidate the remaining paragraphs of the Agreement as a whole, but shall be confined to the specific sections, clauses, or paragraphs of this Agreement held legally invalid.

9. Effective Date. The Effective Date of this Agreement shall be the date signed by the later of an authorized City representative and an authorized Developer representative.

10. Ownership. By signing this Agreement, the Developer represents and warrants that it is the owner of the Property or has the authority of the Property owner to develop the Property. Any misrepresentation of authority or ownership by the Developer shall make this Agreement voidable by the City. If the Developer does not own the Property, then the Developer must provide documentation from the owner of the Property to show that the Developer has the proper authority to develop the Property.

ACCEPTED AND AGREED TO IN ALL THINGS:

CITY OF FAIR OAKS RANCH, TEXAS

[DEVELOPER]

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Address: _____

Address: _____

Date: _____

Date: _____

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ACKNOWLEDGEMENTS

STATE OF TEXAS §

COUNTY OF _____ §

BEFORE ME, the undersigned Notary Public, on this day personally appeared _____
_____ known to me to be the person whose name is subscribed to the foregoing
instrument and that he has executed the same as _____ for the purposes and
consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this ____ day of _____, 2025.

(seal)

Notary Public

STATE OF TEXAS §

COUNTY OF BEXAR §

BEFORE ME, the undersigned Notary Public, on this day personally appeared _____
_____ known to me to be the person whose name is subscribed to the foregoing
instrument and that he has executed the same as _____ for the purposes and
consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this ____ day of _____, 2025.

(seal)

Notary Public

ATTACHMENT I

GENERAL CONDITIONS OF THE UTILITY SERVICE AGREEMENT

G.C.1.00 Definition of Terms.

Unless defined in the Agreement, the terms used in this General Conditions of the Utility Service Agreement (the *General Conditions*) shall have the same definitions and meaning as those set out in the Unified Development Code or Code of Ordinances. In the event a term is specifically defined in the General Conditions, and the definition is in conflict with that found in the Unified Development Code or the Code of Ordinances, and such conflict is acknowledged in the General Conditions, the definition set out in the General Conditions shall apply.

G.C.2.00 Required Submittals.

Plans and specifications for Improvements.

G.C.3.00 Developer Development and Dedication of Improvements.

Subject to the provisions of Section G.C.4.00 and G.C.5.00 below, the Improvements shall be designed and constructed by the Developer and, upon completion, dedicated to the City, who shall thereafter own, operate, and maintain the same as a part of the Systems. Offsite Improvements shall be constructed within easements and rights-of-way provided or identified by the City. The cost to acquire any additional easements or rights of way shall be as outlined in Special Conditions of the USA attached hereto. With respect to Onsite Improvements, the Developer shall acquire all necessary easements and rights-of-way to accommodate the development of Onsite Improvements. The Developer recognizes that the approval of easement or right-of-way adequacy, location, size, grade, and invert elevation for construction of Improvements is reserved to the City.

Upon respective completion of the Offsite Improvements and Onsite Improvements, the Developer shall dedicate, grant, and convey to the City, and the City (subject to Section G.C.6.00) shall accept the dedication, grant, and conveyance of, such Improvements, accompanied by all construction warranties and associated easements and rights-of-way, without lien or other encumbrance. As and after the City's acceptance of the same, the Improvements shall be made a part of the Systems and be owned, operated, and maintained by the City.

The responsibility for payment of the costs of the development and dedication of the Improvements as herein specified, shall be as outlined in Special Conditions of the USA attached hereto.

G.C.4.00 Design and Construction Requirements.

The design and construction of all Improvements shall comply with all applicable Governing Regulations, applicable rules and regulations of Bexar County, Texas, the State of Texas, and any agency thereof with jurisdiction thereon (including, but not limited to, the Texas Commission on Environmental Quality, the Public Utility Commission of Texas, and the Texas Department of Health). In addition, and except as specifically provided otherwise herein, design and construction of the Improvements shall comply with the following provisions:

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- 1) City of Fair Oaks Ranch Construction Standard Specification for Water and Sanitary Sewer Construction
(<https://www.fairoaksranchtx.org/DocumentCenter/View/5511/Construction-Standard-Specifications-for-Water-and-Sanitary-Sewer-Construction?bidId=>)
- 2) City of Fair Oaks Ranch Material Standard Specifications for Water and Sanitary Sewer Construction
(<https://www.fairoaksranchtx.org/DocumentCenter/View/5512/Material-Standard-Specifications-for-Water-and-Sanitary-Sewer-Construction?bidId=>)

The Developer shall involve the City, as and to the extent requested or required by the City, with the Improvements' design. Prior to soliciting any bid or letting any contract for construction of any of the Improvements, the City shall have approved the final plans and specifications for such Improvements. Modifications to plans and specifications to accommodate change orders shall also be subject to City approval.

Notwithstanding any provision herein to the contrary, and unless during the design process the City approves a variance to the foregoing requirement, Improvements shall be designed to provide for the same diameter, pressure, and volume capacity as the component of the Systems to which the Improvements connect. In addition, Onsite Improvements shall be extended to one or more boundaries of the Property, as determined by the City during the design process, to allow for connection to the Systems by adjoining property owners.

G.C. 5.00 Oversizing.

The City, during the design process, may require the installation of oversized Improvements or components thereof. If such oversizing requirement results in incremental cost increases attributable to the oversized Improvements component when compared to the cost of the size or capacity of such Improvements component that is required to only provide Service to the Property (such increased cost, the *Incremental Cost*), then such City oversizing requirement shall be conditioned on the City's providing to the Developer (i) compensation equal to the Increased Cost or (ii) a method of Increased Cost recovery acceptable to the Developer or (iii) cost split outlined in the Special Conditions to the USA attached hereto. Any requisite oversizing component of Improvements shall be considered Improvements, with no distinction from any other component of the Improvements, for all other purposes of this Agreement.

G.C.6.00 City Inspection; Acceptance.

The City, or any consultant acting on its behalf, shall have the right to inspect Improvements during their construction for any reasonable and legitimate City purpose, including assurance of conformity to approved designs, the terms of the construction contracts, this Agreement, and any Governing Regulations and satisfaction of warranty requirements associated with such construction. The Developer shall be solely responsible for any necessary corrections or remedial actions required by the City that result from its findings during such inspections.

The City's acceptance of the Developer's dedication of completed Improvements shall be subject to the City's prior determination that the Improvements were constructed in accordance with

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approved plans and specifications, that associated construction warranties remain valid and in effect (and that the Developer has taken no action that would or could compromise such validity and effectiveness) without reduction in duration or scope, and that no liens or encumbrances associated with such Improvements shall transfer to the City as a result of the subject dedication.

G.C.7.00 Joint Venture Agreements.

In the event the Developer enters into a Joint Venture Agreement covering the costs of the Improvements, the Developer shall send a copy of such agreement to the City.

G.C.8.00 Assignment.

This Agreement may be assigned only in conjunction with an assignment of the Master Development Plan; provided, however, the Developer may assign, convey, or transfer some or all of the Guaranteed Capacity to buyers of portions of the Property in accordance with the terms specified in G.C.14.00.

G.C.9.00 Event of Foreclosure.

In the event the Developer's interest in the Property is extinguished by an act of foreclosure, and the foreclosing party has supplied sufficient evidence to the City that it is the successor in interest to the Property as a result of such foreclosure, and that there are no lawsuits pending concerning the Property, the City shall consider the foreclosing party a Developer successor in interest if the foreclosing party executes a utility service agreement with the City (after the City Council determines that the execution of such an agreement will not be adverse to the City's interest).

G.C.10.00 Payment for Provision of Utility Service.

Customers within the Development receiving Service shall be charged the applicable rates for Service from time to time specified by ordinance or resolution adopted by the City Council. Billing and collection for charges for Service shall be the responsibility of the City.

G.C.11.00 Impact Fee Payment.

Impact fees for Water and Wastewater shall be paid as outlined in the Special Conditions to the USA. In addition, and to the extent the Developer's development of the Property results in the City's providing to the Developer Systems capacity, in the form of Water and Wastewater Service LUEs, in excess of the Water and Wastewater Capacity, the Developer agrees to pay all applicable Impact Fees as provided and in accordance with the applicable provisions of the Code and implementing City ordinances or resolutions relating to such Systems capacity in excess of the Water and Wastewater Capacity. Any conveyance of any portion of the Property shall include a written statement to the transferee of such portion of the Property concerning the requirement to pay Impact Fees as previously described as a result of the development of such Property pursuant to and in accordance with the applicable provisions of the Code. Notwithstanding the foregoing, the City makes no representations or guarantees concerning the availability of Systems capacity in excess of the Guaranteed Capacity.

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The Developer agrees that this Agreement does not constitute an assessment of Impact Fees on the Property or the Development regarding Water and Wastewater Capacity; however, because fees owed to the City hereunder by the Developer for Water Capacity are used by the City to pay costs of System expansion to make available the Water Capacity, such payment shall supersede and replace any Impact Fees that would otherwise be due and owing to the City for the Developer's accessing the Water and Wastewater Capacity. The provision of Special Conditions to the USA shall control in case of any conflict with any other provision of this Agreement or any other provision of the Master Development Plan.

G.C.12.00 City's Obligation to Provide Service.

Provision of Service to the Property shall not commence until (i) completion of (a) the Offsite Improvements as required by each Phase of the Development as outlined in the Special Conditions to the USA, (b) the Onsite Improvements necessary to provide Service to the portion of the Property for which Service is requested, and (c) the System improvements being undertaken by the City to expand System capacity in order to enable its provision of the Guaranteed Capacity, and (ii) the City has approved and accepted the Offsite Improvements as required by each Phase of the Development and Onsite Improvements identified in Clause (i)(b) of this Section G.C.12.00.

To the extent that all applicable Impact Fees and capacity charges (including, specifically, the capacity charges relating to the Water Capacity) have been paid and all Offsite Improvements (for each respective phase as outlined in the Special Conditions to the USA) and the Onsite Improvements necessary to provide Service to the Property pursuant to an approved Plat have been completed and made a part of the Systems in accordance with the terms of this Agreement and the Master Development Plan, such portion of the Property that is the subject of such approved Plat shall be entitled to Service by permanent use and benefit of Water and Wastewater Capacity from and up to the Guaranteed Capacity.

G.C.13.00 Conformance of Plans.

All water and wastewater facilities serving the Property other than and in addition to the Improvements shall be designed and constructed in conformance with this Agreement, the Master Development Plan, and the Governing Regulations. Once initially approved by the City, changes in the water and wastewater system design shall be resubmitted to the City for written approval.

G.C.14.00 LUE Transfers.

The transfer of Guaranteed Capacity for use outside the boundaries of the Property shall not be allowed.

The City considers this Agreement to run with the Property; however, LUE transfers from Water and Wastewater Capacity to subdivided tracts within the Property are the responsibility of the Developer and approval of such transfers is not required by the City. The Developer shall maintain a separate accounting of the Water and Wastewater Service LUEs derived from the Guaranteed Capacity that are used by the Developer and/or transferred after the Effective Date to portions of the Property. If the Developer sells a portion of the Property and transfers part of the Guaranteed Capacity that is provided under this Agreement, then that Guaranteed Capacity transfer must be

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included in the deed, bill of sale or instrument conveying the land and the Developer must require the buyer of the land who receives the allocated Water Service LUEs and Wastewater Service LUEs from Guaranteed Capacity to record the instrument effectuating the transfer.

If and as applicable, the City will recognize the LUE allocations within the Property site plan delivered to the City so long as those allocations are compliant and consistent with the provisions of this Agreement and do not, in the aggregate, exceed the Guaranteed Capacity. For portions of the Property that have areas of unplanned use, the demand will be calculated at four (4) Water Service LUEs and Wastewater Service LUEs per acre unless the engineering report specifies otherwise or there is not enough Guaranteed Capacity remaining for the Property to allocate four (4) LUEs per acre.

In no event will the City be responsible to third parties for providing Service beyond the total Guaranteed Capacity identified in this Agreement for the Property. The Developer expressly disclaims, releases, and holds harmless the City from any liability, damages, costs, or fees, and agrees to indemnify the City for any liability, including, costs and attorney's fees, associated with any dispute related to the transfer of all or a portion of Guaranteed Capacity approved for the Property in this Agreement.

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ATTACHMENT II

SPECIAL CONDITIONS OF THE UTILITY SERVICE AGREEMENT

S.C.1.00 Tract Location; Ultimate Demand; and Cost.

The Property is 80.69 acres of real property more fully described in Attachment V. The Property is not located over the Edwards Aquifer Recharge Zone. Upon execution of this Agreement, the City of Fair Oaks Ranch shall complete all the required steps to add the Property to its water and wastewater certificate for convenience and necessity (CCN)

Water Capacity. The Water Capacity shall not exceed one hundred thirty-nine (139) Water Service LUEs. The Parties agree that the builders shall pay the City an amount equal to \$8,670.33 per Water Service LUE, for a total of \$1,205,175.87, for the Water Capacity, which amount shall be payable to the City at the time a builder pulls construction permit for such home, townhome or commercial building. **Developer's cost towards the Offsites outline below shall be in addition to the Water Impact Fees outline above.**

Offsite Improvements to the Water Systems shall be completed in two sections:

- 1) Section 1: Connection to Water line at the Arbors sub-division to the north of the Development with an 8" new water line. This line shall run in a minimum fifteen (15) foot wide water easement that shall be acquired by the Developer and dedicated to the City, provided however, if the easement is designed for water and wastewater lines, the total width of the easement shall be increased to a minimum of twenty (20) feet for both. This connection shall be required prior to construction of any phase of the Development. **This offsite shall be constructed at the sole expense of the Developer. The Developer shall manage this project with the City's support.**
- 2) Section 2: Water line upgrade from the Property to the west along Dietz Elkhorn Road to the Elmo Davis Water Plant at 29035 Dapper Dan, Fair Oaks Ranch, TX 78015, with a 12" new water line. This Section shall be built prior to the construction of Phase 2 of the Development. To the maximum extent possible, the Developer shall provide construction documents, including plans, specifications and estimates, for the water line to the City within 90 days of execution of this agreement. To the maximum extent possible, the City and Developer shall coordinate the installation of this line in conjunction with the planned reconstruction of Dietz Elkhorn Road. The costs for this line shall include, but not limited to design, survey, construction, monitoring, easements, etc. The Developer shall create a budget with all costs and submit it to the City for approval. The City and Developer shall escrow their respective share of costs 25% for the Developer and 75% for the City to a mutually acceptable Escrow Agent and drawn on such escrowed funds to pay for the Offsite Improvements to Water Systems. During the term of this Agreement, if the Developer acquires additional adjacent property, the City and the Developer shall work together to modify this Agreement to include the additional property in this Agreement, which will include Developer contributing additional funds towards cost share of Offsite Improvements based on LUEs required and approved for the additional property. **The Developer shall manage this project with the City's support.**

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Developer agrees that for Phase 1 of the Development, Developer shall hold the three (3) lots above the 1,340 foot topographic line until the Section 2 Offsite Improvements to the Water Systems are installed and accepted by the City.

Water Replacement. The Water Replacement shall not exceed two hundred and nine (209) acre-feet. The Parties agree that the Developer shall pay the City an amount equal to \$275 per acre-foot, for a total of \$57,475, for the Water Replacement, which amount shall be a one-time charge payable to the City at the time of approval of final plat for Phase 1.

Water Reservation. Provided the Developer submits the first final plat for review to the City within eighteen (18) months of execution of this Agreement, the Developer shall not have to pay Water Reservation fees. If the Developer does not submit the first final plat within eighteen (18) months of execution of this Agreement, the Developer shall, on or about the 30th day after eighteen (18) months from the date of execution of this Agreement, begin paying the monthly water reservation fee until the first final plat has been submitted to the City. Such fee shall be the monthly rate the City pays for the reservation of an acre-foot of water for that year and shall be adjusted annually to be equal to the City's cost for the reservation of water necessary for the development of the Property. This fee is equal to the product of 1/12th of the annual reservation times the firm water rate in effect during the month.

Wastewater Capacity. The Wastewater Capacity shall not exceed one hundred thirty-seven (137) Wastewater Service LUEs. The Parties agree that the builders shall pay the City an amount equal to \$6,068.64 per Wastewater Service LUE, for a total of \$831,403.68, for the Wastewater Capacity, which amount shall be payable to the City at the time a builder pulls construction permit for such home, townhome or commercial building.

Offsite Improvements to the Wastewater Systems shall be completed in two sections:

- 1) Section 1: Connection to Wastewater line at the Arbors sub-division to the north of the Development with an 8" new wastewater line. This line shall run in a minimum fifteen (15) foot wide wastewater easement that shall be acquired by the Developer and dedicated to the City, provided however, if the easement is designed for water and wastewater lines, the total width of the easement shall be increased to twenty (20) feet for both. This connection shall be required prior to construction of any phase of the Development. **This Offsite Improvement shall be constructed at the sole expense of the Developer. The Developer shall manage this project with the City's support.**
- 2) Section 2: Wastewater manhole at Cojak Circle and 6" line upgrade from Cojak Circle manhole to the west to the City of Fair Oaks Ranch Wastewater Treatment Plant with a 12" new wastewater line that shall be installed in the existing easement to replace the existing 6" line. This Section shall be built prior to the issuance of Certificate of Occupancy for homes built during Phase 1 of the Development. **This offsite shall be constructed at the sole expense of the Developer. The Developer shall manage this project with the City's support.**

Exhibit C

The City's dedication of the Guaranteed Capacity to the Developer represents an allocation by the City of a scarce City resource. By entering into this Agreement, the Developer represents to the City that the Developer has a present intent to utilize the Guaranteed Capacity for the purpose of making Service available to the Property. If all of the Guaranteed Capacity has not been utilized by the fifteenth (15th) anniversary of the Effective Date, the City shall have the ability, exercisable at its discretion upon prior delivery of written notice to the Developer, to reallocate to another user such unutilized portion the Guaranteed Capacity. Any such reallocation shall be conditioned on the City's reimbursement to the Developer of any amounts paid by the Developer to the City for such reallocated portion of the Guaranteed Capacity pursuant to this S.C.2.00.

S.C.3.00 Time for Impact Fee Assessment and Payment.

Impact Fees owed pursuant to G.C.11.00, S.C.1.00, the Code, and applicable City ordinance or resolution, if any, will be assessed at the rates, and be payable at the times, as outlined in S.C. 1.00 above.

Exhibit C

ATTACHMENT III

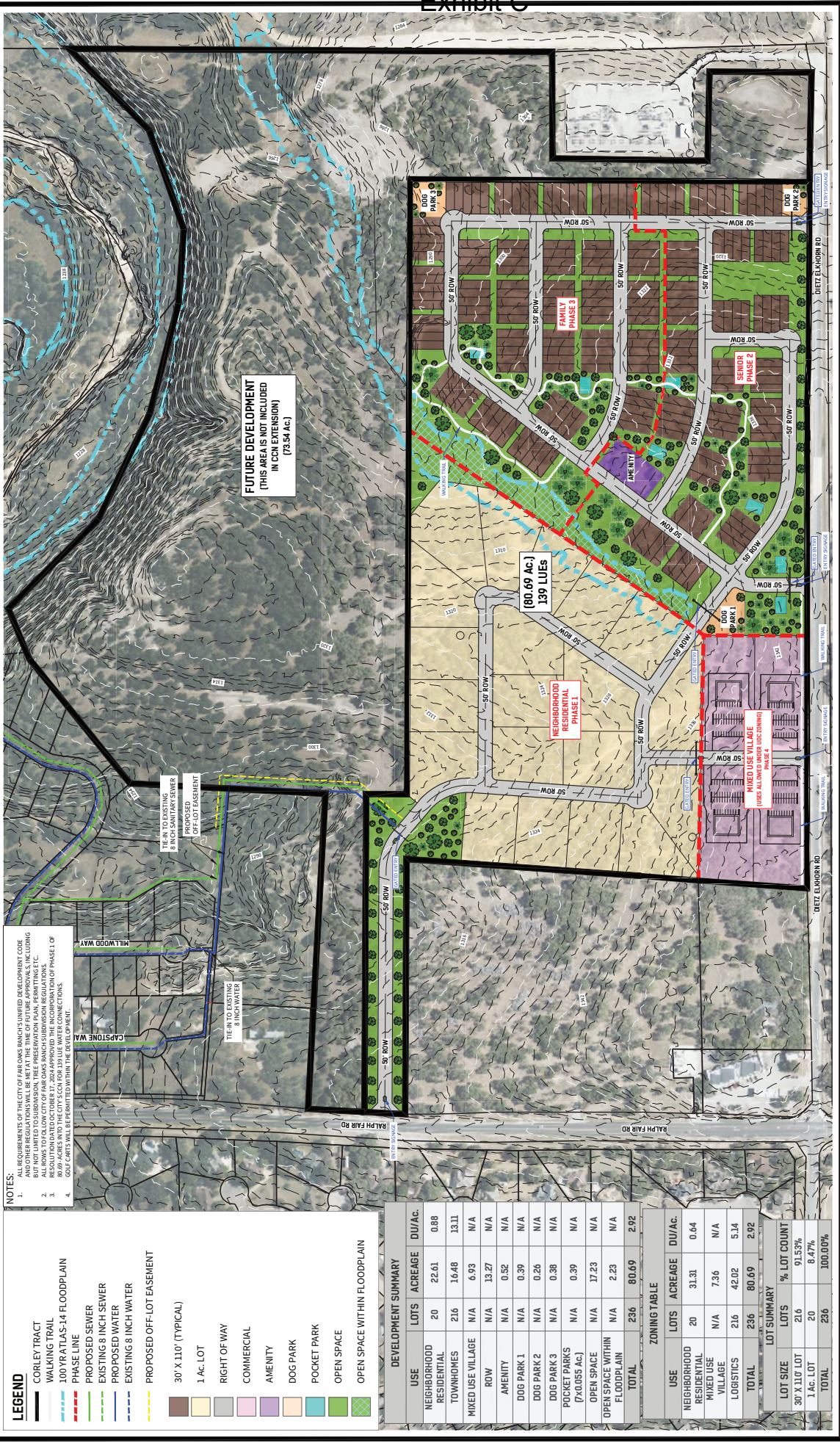
ENGINEERING REPORT REGARDING IMPROVEMENTS

To be delivered to the City by the Developer with adequate time for the City's review, comment, and approval, pursuant to the terms of this Agreement. The Parties hereby agree that adequate time means sixty (60) days from the initial date of submission. Upon the City's approval, the Engineering Report (which includes Improvements plans and specifications) shall be appended to and become a part of this Agreement as Attachment III.

Exhibit C

ATTACHMENT IV

MASTER DEVELOPMENT PLAN



- NOTES:**
1. ALL REQUIREMENTS OF THE CITY OF FAIR OAKS RANCH SUBMITTED DEVELOPMENT CODE BUT NOT LIMITED TO SUBDIVISION, TREE PRESERVATION PLAN, PERMITTING ETC.
 2. ALL ROWS TO FOLLOW CITY OF FAIR OAKS RANCH SUBDIVISION REGULATIONS.
 3. 80.69 ACRES INTO THE CITY'S COA FOR 139 LUE WATER CONNECTIONS.
 4. GOLF CARTS WILL BE PERMITTED WITHIN THE DEVELOPMENT.

LEGEND

- CORLEY TRACT
- WALKING TRAIL
- 100 YR ATLAS-14 FLOODPLAIN
- PHASE LINE
- PROPOSED SEWER
- EXISTING 8 INCH SEWER
- PROPOSED WATER
- EXISTING 8 INCH WATER
- PROPOSED OFF-LOT EASEMENT
- 30' X 110' (TYPICAL)
- 1 AC. LOT
- RIGHT OF WAY
- COMMERCIAL
- AMENITY
- DOG PARK
- POCKET PARK
- OPEN SPACE
- OPEN SPACE WITHIN FLOODPLAIN

DEVELOPMENT SUMMARY			
USE	LOTS	ACREAGE	DU/AC.
NEIGHBORHOOD RESIDENTIAL	20	22.61	0.88
TOWNHOMES	216	16.48	13.11
WIKED USE VILLAGE	N/A	6.93	N/A
ROW	N/A	13.27	N/A
AMENITY	N/A	0.52	N/A
DOG PARK 1	N/A	0.39	N/A
DOG PARK 2	N/A	0.26	N/A
DOG PARK 3	N/A	0.38	N/A
POCKET PARKS (7X0.055 AC.)	N/A	0.39	N/A
OPEN SPACE	N/A	17.23	N/A
OPEN SPACE WITHIN FLOODPLAIN	N/A	2.23	N/A
TOTAL	236	80.69	2.92

ZONING TABLE			
USE	LOTS	ACREAGE	DU/AC.
NEIGHBORHOOD RESIDENTIAL	20	31.31	0.64
WIKED USE VILLAGE	N/A	7.36	N/A
LOGISTICS	216	42.02	5.14
TOTAL	236	80.69	2.92
LOT SUMMARY			
LOT SIZE	LOTS	% LOT COUNT	
30' X 110' LOT	216	91.53%	
1 AC. LOT	20	8.47%	
TOTAL	236	100.00%	

CORLEY TRACT / MASTER LAND PLAN - 139 LUES

CITY OF FAIR OAKS RANCH

NOVEMBER 2024



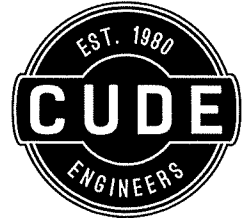
CUDE ENGINEERS
4122 POND HILL ROAD, SUITE 101
SAN ANTONIO, TEXAS 78231
P:(210) 681.2951 F:(210) 523.7112

Exhibit C

Exhibit C

ATTACHMENT V

LEGAL DESCRIPTION



LEGAL DESCRIPTION 80.69 ACRES OF LAND

80.69 ACRES OF LAND LOCATED IN THE MARIA DE LA LUZ GUERRA 172, ABSTRACT NO. 257 IN BEXAR COUNTY, TEXAS, AND BEING OUT OF A CALLED 159.74 ACRE TRACT DESCRIBED IN VOLUME 9675, PAGE 2082, OFFICIAL PUBLIC RECORDS OF BEXAR COUNTY, TEXAS; SAID 80.69 ACRES BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING, AT A FOUND ½ INCH IRON ROD IN THE EAST RIGHT-OF-WAY LINE OF RALPH FAIR ROAD, FOR THE NORTHWEST CORNER OF A CALLED 20.139 ACRE TRACT DESCRIBED IN VOLUME 5787, PAGE 1967, OFFICIAL PUBLIC RECORDS OF BEXAR COUNTY, TEXAS AND WEST CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE, WITH SAID EAST RIGHT-OF-WAY LINE OF RALPH FAIR ROAD THE FOLLOWING TWO (2) COURSES:

- 1) WITH A CURVE TO THE LEFT HAVING A RADIUS OF 5979.58 FEET AND A CHORD OF N 02°55'29" E, A DISTANCE OF 24.82 FEET TO A POINT,
- 2) N 02°59'01" E, A DISTANCE OF 117.10 FEET TO A POINT FOR THE NORTHWEST CORNER OF THE HERIN DESCRIBED TRACT;

THENCE, ENTERING INTO AND SEVERING SAID 159.74 ACRE TRACT THE FOLLOWING FOUR (4) COURSES:

- 1) S 89°55'56" E, A DISTANCE OF 1,107.03 FEET TO A POINT,
- 2) S 00°04'04" W, A DISTANCE OF 141.74 FEET TO A POINT,
- 3) S 89°55'56" E, A DISTANCE OF 2,129.06 FEET TO A POINT,
- 4) S 00°04'04" W, A DISTANCE OF 1,412.51 FEET TO A POINT IN THE NORTH RIGHT-OF-WAY LINE OF DIETZ ELKHORN ROAD, IN THE SOUTH LINE OF SAID 159.74 ACRE TRACT AND FOR THE SOUTHEAST CORNER OF THE HERIN DESCRIBED TRACT;

THENCE, WITH THE SAID NORTH RIGHT-OF-WAY LINE OF DIETZ ELKHORN ROAD THE FOLLOWING THREE (3) COURSES:

- 1) N 88°41'28" W, A DISTANCE OF 637.55 FEET TO A POINT,
- 2) N 88°25'28" W, A DISTANCE OF 152.15 FEET TO A POINT,
- 3) N 89°57'09" W, A DISTANCE OF 1,660.21 FEET TO A POINT FOR THE SOUTHEAST CORNER OF A CALLED 4.939 ACRE TRACT AND FOR THE SOUTHWEST CORNER OF THE HEREIN DESCRIBED TRACT;

Exhibit C

THENCE, WITH THE EAST LINE OF SAID 4.939 ACRE TRACT, N 04°01'29" E, A DISTANCE OF 375.76 FEET TO A FOUND ½ INCH IRON ROD FOR THE NORTHEAST CORNER OF SAID 4.939 ACRE TRACT, FOR THE SOUTHEAST CORNER OF SAID 20.139 ACRE TRACT AND FOR AN ANGLE POINT IN THE WEST LINE OF THE HEREIN DESCRIBED TRACT;

THENCE, WITH THE COMMON LINE OF SAID 20.139 ACRE TRACT AND THE HEREIN DESCRIBED TRACT THE FOLLOWING TWO (2) COURSES:

- 1) N 03°59'20" E, A DISTANCE OF 1,022.80 FEET TO A FOUND ½ INCH IRON ROD,
04396.000 80.69 ACRES 2 / 2
- 2) N 89°55'56" W, A DISTANCE OF 888.98 FEET TO THE POINT OF BEGINNING AND CONTAINING 80.69 ACRES OF LAND, MORE OR LESS.

BASIS OF BEARINGS IS THE TEXAS STATE PLANE COORDINATE SYSTEM, SOUTH CENTRAL ZONE (4204), NAD 83 (2011).

Chris Walterscheidt

CHRIS WALTERSCHEIDT

11/05/2020



REGISTERED PROFESSIONAL LAND SURVEYOR
NO. 6180 CUDE ENGINEERS
4122 POND HILL ROAD,
SUITE 101 SAN ANTONIO,
TEXAS 78231 TBPELS FIRM
NO. 10048500
TBPE FIRM NO.
455 JOB NO.
04396.000

Exhibit C

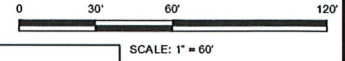
NOTES:

POB = POINT OF BEGINNING
 OPR = OFFICIAL PUBLIC RECORDS OF BEXAR COUNTY, TEXAS
 VOL = VOLUME
 PG = PAGE
 DOC = DOCUMENT
 [..] = RECORD BEARINGS AND DISTANCES

1. BASIS OF BEARING IS THE TEXAS STATE PLANE COORDINATE SYSTEM, SOUTH CENTRAL ZONE (4204), NAD 83 (2011).
2. SETBACKS OR EASEMENTS PER RESTRICTIONS OR ZONING MAY EXIST.

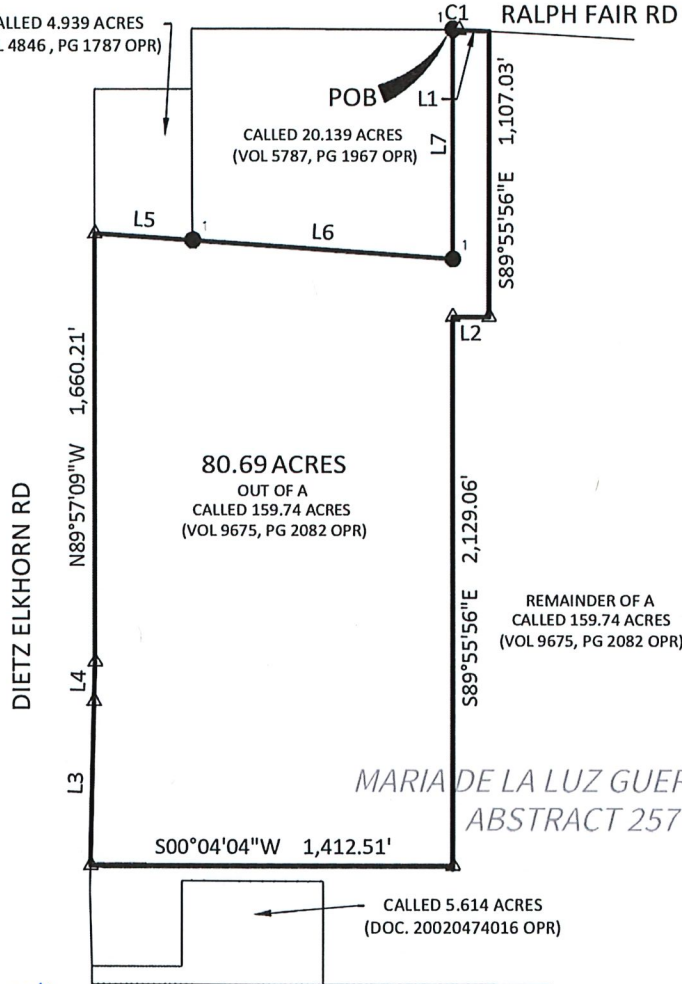
- △ = CALCULATED POINT
 ● = 1/2" IRON ROD
 ● = 1/2" IRON ROD "M.W. CUDE"
 ● = 1/2" IRON ROD "KFW SURVEY"
 ● = 1/2" IRON ROD WITH CAP

CURVE TABLE					
CURVE NO.	RADIUS	DELTA	ARC LENGTH	CHORD BEARING	CHORD DIST.
C1	5,679.58'	0°15'01"	24.82'	N02°55'29"E	24.82'



LINE TABLE		
LINE NO.	BEARING	DISTANCE
L1	N02°45'03"E	117.10'
L2	S00°04'04"W	141.74'
L3	N88°41'28"W	637.55'
L4	N88°25'28"W	152.15'
L5	N04°01'29"E	375.76'
L6	N03°59'20"E	1,022.80'
L7	N89°55'56"W	888.98'

CALLED 4.939 ACRES
 (VOL 4846, PG 1787 OPR)



Chris Walterscheidt



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 T:210.681.2951 • F:210.523.7112
 WWW.CUDEENGINEERS.COM
 TBPES FIRM #10048500
 TBPE FIRM #455

EXHIBIT OF

80.69 ACRES OF LAND LOCATED IN THE MARIA DE LA LUZ GUERRA NO. 172, A-257, BEXAR COUNTY, TEXAS AND BEING OUT OF A CALLED 159.74 ACRES OF LAND AS DESCRIBED IN VOL 9675, PAGE 2082, OFFICIAL PUBLIC RECORDS OF BEXAR COUNTY, TEXAS

PROJECT N0396.000 DATE:1-05-2024 BYJS FMCW PAGE:1