

**CITY OF MANOR, TEXAS DEPOSIT AGREEMENT FOR THE  
PROPOSED WATER SERVICE TRANSFER FOR THE  
14704 US HWY 290 PROJECT**

THIS DEPOSIT AGREEMENT FOR THE PROPOSED WATER SERVICE TRANSFER FOR THE 14704 US HWY 290 PROJECT (this “Agreement”) is made and entered into as of May \_\_\_\_, 2024 by and between the **CITY OF MANOR, TEXAS** (the “City”) and **14704 Hwy 290 LLC**, a Texas Limited Liability Company (including its Designated Successors and Assigns, the “Owner”).

WHEREAS, Manville Water Supply Corporation (“Manville”) is the holder of a water certificate of convenience and necessity (“CCN”) No. 11144 which includes Owner’s approximately 50-acre tract (the “Property”) within its boundaries; and

WHEREAS, the City is the holder of a CCN No. 10947; and

WHEREAS, the Owner is developing its Property within the corporate limits of the City and desires to receive water service from the City; and

WHEREAS, Manville has informed Owner that Manville is not opposed to the City providing water service to Owner’s Property; and

WHEREAS, the Owner has agreed to advance moneys to be used by the City Manager of the City (the “City Manager”) to pay costs and expenses associated with retaining the Consultants (herein defined) to assist the City with the execution of a Water Service Area Transfer Agreement with Manville (the “Transfer Agreement”) and approval by the Public Utility Commission of said Transfer Agreement; and

WHEREAS, the parties hereto wish to enter into this Agreement to define the terms and conditions under which moneys will be advanced by and reimbursed to the Owner.

NOW THEREFORE, the parties, for mutual consideration, agree as follows:

**SECTION 1. DEPOSITS.** The Owner shall deposit with the City the amount of \$5,000.00 (the “Moneys”) to the City Manager within five (5) business days after this Agreement is executed and delivered by the City, which Moneys shall be used by the City exclusively to pay costs generally described in Section 2 hereof. If the Moneys are not deposited in accordance with this Section 1, the City shall not proceed with seeking execution and approval of the Transfer Agreement. The City will notify the Owner if the costs generally described in Section 2 exceed or are expected to exceed \$5,000.00. The City will draw from the deposit for the Consultants fees and other fees related to the execution and approval of the Transfer Agreement (the “Consultants Deposit”). Whenever the account for the Consultants Deposit reaches a balance below \$1,000.00, the Owner shall deposit an additional \$2,000.00 within five (5) business days of notification by the City Manager (the “Additional Moneys”). If the Additional Moneys are not deposited in accordance with this Section 1, the City shall not proceed with the execution and approval of the Transfer Agreement. The City Manager shall cause all Moneys received from the Owner to be

deposited into a separate account maintained by or at the direction of the City Manager and the Office of the City Director of Finance. All interest or other amounts earned on Moneys (if any) in such account shall be held in such account for the payment of Project Costs or otherwise applied as set forth in Section 3 hereof.

SECTION 2. USE OF MONEYS ON DEPOSIT. The City has engaged or will engage consultants, including but not limited to engineers and attorneys (collectively, "Consultants"). The Consultants will assist the City with execution and approval of the Transfer Agreement. The Consultants will be responsible to, and will act as consultants to, the City in connection with the execution and approval of the Transfer Agreement. The City Manager will use the Moneys to pay costs and expenses of the Consultants that are associated with or incidental to execution and approval of the Transfer Agreement (collectively, "Project Costs"). The scope of work and terms and conditions of the agreements for the Consultants are, or will be, set forth in agreements on file in the City Manager's office. The City Manager may also use the Moneys for other direct City expenses relating to the execution and approval of the Transfer Agreement, such as review by the City Attorney and City Engineer. The City Manager shall maintain records of the payment of all Project Costs and keep such records on file and available for inspection and review by the Owner in the City Manager's office upon request by Owner. If the Owner objects to any portion of an invoice, the City and the Owner agree in good faith to attempt to resolve the dispute within a reasonable period of time.

SECTION 3. UNEXPENDED MONEYS. If proceedings for execution and approval of the Transfer Agreement are unsuccessful and are terminated or abandoned prior to the issuance of approval by the PUC, the City Manager shall transfer to the Owner all Moneys, including any interest earnings thereon, then on deposit in the account established and maintained pursuant to Section 1, exclusive of Moneys necessary to pay Project Costs or portions thereof that (i) have been actually incurred and (ii) are due and owing as of the date of such termination or abandonment. Upon the successful approval by the PUC, the City shall return unexpended Moneys, and the interest thereon, if any, to Owner.

SECTION 4. RESERVED RIGHTS. This Agreement does not in any way create an obligation or commitment that the City will execute any agreements, and the City expressly reserves the right to terminate or abandon the proceedings at any time, if in the City's sole discretion, it deems such termination or abandonment to be in the best interest of the City.

SECTION 5. TERM. The term of this Agreement shall begin on the Effective Date and shall continue until the earliest to occur of the conditions in Section 3.

SECTION 6. BINDING EFFECT. This Agreement shall be binding on the successors and assigns of the parties hereto.

SECTION 7. AUTHORITY. Each party hereto warrants that each has the full legal authority to execute and deliver this Agreement. In addition, the individual who executes this Agreement on behalf of each party hereto is authorized to act for and on behalf of such party and to bind such party to the terms and provisions hereof.

SECTION 8. TEXAS LAW GOVERNS. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas and shall be performable in Travis County, Texas. Venue shall lie exclusively in Travis County, Texas.

SECTION 9. STATUTORY VERIFICATIONS.

(a) To the extent this Agreement constitutes a contract for goods or services within the meaning of Section 2270.002 of the Texas Government Code, as amended, solely for purposes of compliance with Chapter 2270 of the Texas Government Code, and subject to applicable Federal law, the Owner represents that neither the Owner nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of Owner (i) boycotts Israel or (ii) will boycott Israel through the term of this Agreement. The terms “boycotts Israel” and “boycott Israel” as used in this paragraph have the meanings assigned to the term “boycott Israel” in Section 808.001 of the Texas Government Code, as amended.

(b) To the extent this Agreement constitute a governmental contract within the meaning of Section 2252.151 of the Texas Government Code, as amended, solely for purposes of compliance with Chapter 2252 of the Texas Government Code, and except to the extent otherwise required by applicable federal law, Owner represents that Owner nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of Owner is a company listed by the Texas Comptroller of Public Accounts under Sections 2270.0201, or 2252.153 of the Texas Government Code.

(c) The Owner hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies during the term of this Agreement. The foregoing verification is made solely to comply with Section 2274.002, Texas Government Code, and to the extent such Section is not inconsistent with a governmental entity’s constitutional or statutory duties related to the issuance, incurrence, or management of debt obligations or the deposit, custody, management, borrowing, or investment of funds. As used in the foregoing verification, "boycott energy company" means, without an ordinary business purpose, refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with a company because the company: (A) engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law; or (B) does business with a company described by the preceding statement in (A).

(d) The Owner hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association during the term of this Agreement. The foregoing verification is made solely to comply with Section 2274.002, Texas Government Code. As used in the foregoing verification, “discriminate against a firearm entity or firearm trade association” means: (i) refuse to engage in the trade of any goods or services with the entity or association based solely on its status as a firearm entity or

firearm trade association; (ii) refrain from continuing an existing business relationship with the entity or association based solely on its status as a firearm entity or firearm trade association; or (iii) terminate an existing business relationship with the entity or association based solely on its status as a firearm entity or firearm trade association; but does not include (a) the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories; or (b) a company's refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency; or for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity's or association's status as a firearm entity or firearm trade association.

SECTION 10. COUNTERPARTS. This Agreement may be executed in multiple counterparts, each of which will be deemed original, and all of which will constitute one and the same agreement. Each such executed copy shall have the full force and effect of an original executed instrument.

*[signature pages follow]*

IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective as of the date above written.

CITY OF MANOR, TEXAS,  
a home-rule municipal corporation


By: \_\_\_\_\_  
Scott Moore, City Manager

ATTEST:

\_\_\_\_\_  
Lluvia T. Almaraz, City Secretary  
City of Manor, Texas

[CITY SEAL]

14704 HWY 290 LLC  
a Texas Limited Liability Company\_

By:  \_\_\_\_\_  
Name: Steven Cupit \_\_\_\_\_  
Title: Partner \_\_\_\_\_