



**AGENDA
CITY COUNCIL SPECIAL CALLED MEETING
CITY COUNCIL CHAMBERS
5803 THUNDERBIRD
LAGO VISTA, TX
SEPTEMBER 28, 2023 AT 5:30 PM**

JOIN MEETING VIA VIDEO CONFERENCE

Please join my meeting from your computer, tablet or smartphone.

<https://meet.goto.com/740324965>

You can also dial in using your phone.

United States: [+1 \(571\) 317-3122](tel:+15713173122)

Access Code: 740-324-965

CALL TO ORDER, CALL OF ROLL

Ed Tidwell, Mayor

Paul Prince, Mayor Pro-Tem

Gage Hunt, Council Member

Kevin Sullivan, Council Member

Rob Durbin, Council Member

Chelaine Marion, Council Member

Paul Roberts, Council Member

EXECUTIVE SESSION

Convene into a closed Executive Session pursuant to;

- A. Consultation with Legal Counsel concerning all regular meeting agenda items requiring confidential, attorney/client advice (as needed). (Government Code Section 551.071)
- B. Consultation with Legal Counsel regarding the Water Treatment Plant 3 property (Government Code Section 551.071 and Government Code Section 551.072)
- C. Consultation with Legal Counsel regarding city owned property located at 20132 Ming Trail, Lago Vista, Tx. (Government Code Section 551.071 and Government Code Section 551.072)
- D. Discussion regarding City Manager's annual review. (Government Code Section 551.074)

ACTION ON EXECUTIVE SESSION ITEMS (action and/or vote may be taken on the following agenda items):

Reconvene from Executive Session into open session to act as deemed appropriate in City Council's discretion regarding:

- A. Consultation with Legal Counsel concerning all regular meeting agenda items requiring confidential, attorney/client advice (as needed). (Government Code Section 551.071)
- B. Consultation with Legal Counsel regarding the Water Treatment Plant 3 property (Government Code Section 551.071 and Government Code Section 551.072)

- C. Consultation with Legal Counsel regarding city owned property located at 20132 Ming Trail, Lago Vista, Tx. (Government Code Section 551.071 and Government Code Section 551.072)
- D. Discussion regarding City Manager's annual review. (Government Code Section 551.074)

PLEDGE OF ALLEGIANCE, PLEDGE TO TEXAS FLAG

CITIZEN COMMENTS

In accordance with the Open Meetings Act, Council is prohibited from acting or discussing (other than factual responses to specific questions) any items not on the agenda.

To participate in the citizen comments portion of the meeting, you must submit a completed form. If you are attending the meeting in the City Council Chambers you must complete the form available at that location and provide it to the Mayor prior to the start of the meeting. If you will be participating using the online videoconferencing tool, you must complete the form and submit it by email in accordance with the instructions included within the form. It is found on the City's website at the link below. The Council will reconvene from executive session at or around 6:30 p.m.

[Citizen Participation Registration Form](#)

ITEMS OF COMMUNITY INTEREST

Pursuant to Texas Government Code Section 551.0415, the City Council may report on any of the following items:

- a. Expression of thanks, gratitude, and condolences.
- b. Information regarding holiday schedules.
- c. Recognition of individuals, i.e. Proclamations.
- d. Reminders regarding City Council events.
- e. Reminders regarding community events.
- f. Health and safety announcements.

STAFF AND COUNCIL LIAISON REPORTS

- 1. Routine Reports from City staff.
- 2. Routine Reports from City Council Board/Commission/Committee Liaisons.

PUBLIC HEARING AND POSSIBLE ACTION

- 3. Hold a public hearing and consider Resolution 23-2015; a resolution of the City Council of the City of Lago Vista authorizing and creating the Turnback Ranch Public Improvement District.

ACTION ITEMS

- 4. Discussion, consideration, and possible action on a Public Improvement District Development Agreement with Turnback Development, LLC.
- 5. Discussion, consideration, and possible action on a proposed Dissolution Agreement for the Turnback Ranch Public Improvement District.

[PO Box 4727, Lago Vista, TX 78645 • 512.267.1155 • www.lagovistatexas.gov](#)

6. Discussion, consideration, and possible action regarding Resolution No. 23-2016, a resolution by the City Council of the City of Lago Vista, Texas, confirming the re-appointment of an Associate Municipal Court Judge for the City of Lago Vista, Texas, authorizing execution of the professional services agreement for said Judge, and recognizing the resignation of an Associate Municipal Court Judge.
7. Discussion, consideration and possible action regarding Ordinance No. 23-09-28-01; An Ordinance of the City Council of the City of Lago Vista, Texas pursuant to Vernon's Texas Codes Annotated, Local Government Code, Chapter 102, Section 102.007(b) providing for amendments to Ordinance No. 22-09-15-03, for the Fiscal Year beginning October 1, 2022 and ending September 30, 2023; amendments to said budget by department are set forth in "Exhibit A" attached to this ordinance.
8. Discussion, consideration, and possible action regarding Ordinance 23-09-28-02, an ordinance of the City of Lago Vista updating the Municipal Purchased Water Conservation Plan as required by LCRA.
9. Discussion, consideration and possible action on third amendment to Restated Development Agreement for Tessera on Lake Travis.

ADJOURNMENT

IT IS HEREBY CERTIFIED that the above Notice was posted on the Bulletin Board located at all times in City Hall in said City at 8:10 a.m. on the 22nd day of September 2023.

Lucy Aldrich, City Secretary

THIS MEETING SHALL BE CONDUCTED PURSUANT TO THE TEXAS GOVERNMENT CODE SECTION 551.001 ET SEQ. AT ANY TIME DURING THE MEETING THE COUNCIL RESERVES THE RIGHT TO ADJOURN INTO EXECUTIVE SESSION ON ANY OF THE ABOVE POSTED AGENDA ITEMS IN ACCORDANCE WITH THE SECTIONS 551.071, 551.072, 551.073, 551.074, 551.075 OR 551.076.

THE CITY OF LAGO VISTA IS COMMITTED TO COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT. REASONABLE MODIFICATIONS AND EQUAL ACCESS TO COMMUNICATIONS WILL BE PROVIDED UPON REQUEST.

AT THIS MEETING AT THE STATED LOCATION, A QUORUM OF THE CITY COUNCIL WILL BE PHYSICALLY PRESENT, AND THIS NOTICE SPECIFIES THE INTENT TO HAVE A QUORUM PRESENT THERE, AND THE MEMBER OF THE CITY COUNCIL PRESIDING OVER THE MEETING WILL BE PHYSICALLY PRESENT AT THAT LOCATION. ONE OR MORE MEMBERS OF THE CITY COUNCIL MAY PARTICIPATE IN THIS MEETING REMOTELY, AND IF SO, VIDEOCONFERENCE EQUIPMENT PROVIDING TWO-WAY AUDIO AND VIDEO DISPLAY AND COMMUNICATION WITH EACH MEMBER WHO IS PARTICIPATING BY VIDEOCONFERENCE CALL WILL BE MADE AVAILABLE.



Item Cover Page

CITY COUNCIL AGENDA ITEM REPORT

DATE: September 28, 2023

SUBMITTED BY: Lucy Aldrich, City Secretary

SUBJECT: Routine Reports from City staff.

FINANCIAL IMPACT: N/A



Item Cover Page

CITY COUNCIL AGENDA ITEM REPORT

DATE: September 28, 2023

SUBMITTED BY: Lucy Aldrich, City Secretary

SUBJECT: Routine Reports from City Council
Board/Commission/Committee Liaisons.

FINANCIAL IMPACT: N/A



Item Cover Page

CITY COUNCIL AGENDA ITEM REPORT

DATE: September 28, 2023

SUBMITTED BY: Joe Crawford, City Manager

SUBJECT: Hold a public hearing and consider Resolution 23-2015; a resolution of the City Council of the City of Lago Vista authorizing and creating the Turnback Ranch Public Improvement District.

BACKGROUND: The City Council adopted a Public Improvement District Policy in May of 2022 to provide for a consistent process for all developers requesting a Public Improvement District (PID). This policy outlines the procedures the City will consider for the creation, levy of PID assessments, and issuance of PID bonds.

The developer was provided this policy manual as guidance for how the City would proceed with the process and the requirements necessary on their part.

FINDINGS: Approval of this item would create a new Public Improvement District within the City limits. This development tool allows the City to impose the costs of infrastructure improvements on the beneficiaries of such improvements by authorizing debt issuances repaid by special assessments on the subject property. The petitioner for the creation of this PID, Turnback Development, LLC, has requested that the City authorize the creation of a PID which contemplates \$40,000,000 of PID Bonds to fund the construction of public improvements for the development of the property.

FINANCIAL IMPACT: Creation of the PID would allow special assessments to be levied within the district in addition to property tax obligations of those property owners.

ATTACHMENTS:

[Resolution_23-2015_Turnback_Ranch_PID.pdf](#)

[Turnback_Ranch_Draft_PID_Analysis_2023-09-18_to_City.pdf](#)

RESOLUTION NO. 23-2015

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGO VISTA, TEXAS AUTHORIZING AND CREATING THE TURNBACK RANCH PUBLIC IMPROVEMENT DISTRICT WITHIN THE CITY OF LAGO VISTA, TEXAS IN ACCORDANCE WITH CHAPTER 372 OF THE TEXAS LOCAL GOVERNMENT CODE; RESOLVING OTHER MATTERS INCIDENT AND RELATED THERETO; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Lago Vista, Texas (the “City”) is authorized by Chapter 372, Texas Local Government Code, as amended (the “Act”), to create a public improvement district within its corporate limits and to levy special assessments against property within the district to pay the costs of public improvement projects that confer a special benefit on property within the district; and

WHEREAS, on August 2, 2022, Turnback Development, LLC, a Nevada limited liability company (the “Petitioner”), submitted and filed with the City Secretary of the City (the “City Secretary”), pursuant to the Act, a petition for creation of Turnback Ranch Public Improvement District (the “Petition”) requesting the establishment of a public improvement district covering approximately 241.54 acres described in Exhibit “A”, attached hereto and incorporated herein for all purposes, to be known as the Turnback Ranch Public Improvement District (the “District”); and

WHEREAS, Petitioner represents they constitute (i) the owners of taxable real property representing more than fifty percent (50%) of the appraised value of taxable real property liable for assessment under the proposal in the Petition, as determined by the current roll of the appraisal district in which the property is located and (ii) the record owners of real property liable for assessment under the proposal who: (A) constitute more than fifty percent (50%) of all record owners of property that is liable for assessment under the proposal in the Petition; or (B) own taxable real property that constitutes more than fifty percent (50%) of the area of all taxable real property that is liable for assessment under the proposal in the Petition, within the corporate limits of the City. It is further asserted that Petitioner includes the intended successors in interest to certain owners of taxable real property within the area proposed for the District and who will be responsible for the assessments against the property within the District; and

WHEREAS, the Act states that a Petition to create a public improvement district is sufficient if signed by owners of more than fifty percent (50%) of the taxable real property, according to appraised value, and either of the following: more than fifty percent (50%) of the area of all taxable real property liable for assessment under the proposal, or more than fifty percent (50%) of all record owners of property liable for assessment; and

WHEREAS, Petitioner estimates the cost of the proposed public improvements is \$40,000,000.00 (including issuance and other financing costs) and that said cost will be recovered through an assessment against property in the District which will result in each parcel paying its fair share of the costs of public improvements based on the special benefits received by the property; and

WHEREAS, the City Council of Lago Vista, Texas (the “City Council”) has investigated and determined that the facts contained in the Petition are true and correct; and

WHEREAS, after publishing notice in an official newspaper of general circulation in the City and mailing notice of the hearing, all as required by and in conformity with the Act, the City Council conducted a public hearing on the advisability of the improvements and services on September 28, 2023; and

WHEREAS, the Petition has been examined, verified, and found to meet the requirements of Section 372.005(b) of the Act and to be sufficient for consideration by the City Council.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LAGO VISTA THAT:

SECTION 1. The City Council hereby approves the recitals contained in the preamble of this Resolution and finds that all the recitals are true and correct and incorporate the same in the body of this Resolution as findings of fact.

SECTION 2. The Petition submitted to the City by the Petitioner was filed with the City Secretary and complies with Section 372.005 of the Act.

SECTION 3. Pursuant to the requirements of the Act, including, without limitation, Sections 372.006, 372.009(a), 372.009(b), and 372.010, the City Council, after considering the Petition and the evidence and testimony presented at the public hearing, hereby finds and declares:

- (a) Advisability of the Proposed Improvements. It is advisable to create the District to provide the Authorized Improvements (as defined below) described in the Petition and this Resolution. The Authorized Improvements will promote the interests of the City and will confer a special benefit on the District.
- (b) General Nature of the Proposed Improvements. The general nature of the proposed improvements to be provided by the District that are necessary for the development of the Property within the District, in phases, and which shall promote the interest of the City and confer a special benefit upon the Property, may include, without limitation, landscaping, irrigation, streets, roadway and bridge construction, offsite right-of-way acquisition, intersection improvements, water facilities and improvements, wastewater facilities and improvements, drainage facilities and improvements, detention and water quality ponds, stormwater mitigation features, park improvements, trails, improvements related to the foregoing, payment of expenses incurred in the establishment, administration and operation of the District, and other improvement projects (collectively, the “Authorized Improvements”). The Authorized Improvements shall promote the interests of the City and confer a special benefit upon the Property within the District.
- (c) Estimated Cost of the Authorized Improvements. The estimated cost to design, acquire and construct the Authorized Improvements is \$40,000,000.00 (including

bond issuance and other financing costs). The City will determine what amount or portion of the costs will be paid by assessment of the property owners within the District.

- (d) District Boundaries. The District is proposed to include approximately 241.54 acres of land generally located at the terminus of Dodge Trail, south of Surrey Lane, and west of Bar K Ranch Road, and within the corporate limits of the City, as more particularly described in Exhibit "A" attached hereto.
- (e) Proposed Method of Assessment. The City shall levy an assessment on each tract within the District to pay the cost of the Authorized Improvements in a manner that results in imposing equal shares of the costs on property similarly benefitted. Each assessment may be paid in full at any time (including accrued and unpaid interest) or may be paid in annual installments (including interest and debt). The installments must be paid in amounts necessary to meet annual costs for the Authorized Improvements and must continue for a period necessary to retire the indebtedness on the Authorized Improvements.

The assessment methodology will result in each parcel paying its fair share of the costs of the Authorized Improvements provided with the assessments based on the special benefits received by the property from the Authorized Improvements and property equally situated paying equal shares of the costs of the Authorized Improvements. The assessment may be paid in full at any time (including accrued and unpaid interest) or may be paid in annual installments (including interest and debt).

- (f) Proposed Apportionment of Cost between the District and the City. Authorization and creation of the District will not obligate the City to provide any funds to finance the Authorized Improvements. No City property in the District shall be assessed. All of the costs of the Authorized Improvements will be paid from assessments levied on the property within the District and from other funds available to the District.
- (g) Management of the District. The District shall be managed by the City. The City may contract with a consultant or third-party administrator, who shall, from time to time, advise the City regarding certain operations of the District.
- (h) Advisory Body. The District shall be managed without the creation of an advisory body. The City Council reserves the right to appoint an advisory body in the future.

SECTION 4. The Turnback Ranch Public Improvement District is hereby authorized and created as a public improvement district under the Act in accordance with the findings as to the advisability of the Authorized Improvements contained in this Resolution, which authorization shall take effect on the date of adoption of this Resolution. The District shall be subject to the terms, conditions, limitations, and reservations contained in the findings of Section 3 of this Resolution. The Authorized Improvements described in the Petition and Section 3 of this Resolution are authorized to be made in accordance with the service and assessment plan for the Turnback Ranch Public Improvement District to be approved by City Council at a future meeting.

SECTION 5. The District can be terminated as provided by law or as provided in that certain Agreement Regarding the Dissolution of the Turnback Ranch Public Improvement District dated September 28, 2023 (the “Dissolution Agreement”). Subject to the last sentence of this Section 5, the power of the City to continue to levy and collect assessments within the District pursuant to the Act will cease and the District will be dissolved following the date that a petition requesting dissolution is filed with the City Secretary of the City of Lago Vista and the petition contains signatures of at least the number of property owners in the District to make the petition sufficient for creation of a public improvement district as provided in Section 372.00S(b) of the Act, and a public hearing has been held by the City Council as described in Section 372.011 of the Act, and as provided in the Dissolution Agreement. If the District is dissolved, the District shall remain in effect for the purpose of meeting obligations of indebtedness for the Authorized Improvements.

SECTION 6. If any section, article, paragraph, sentence, clause, phrase or word in this Resolution or application thereof to any persons or circumstances is held invalid or unconstitutional by a court of competent jurisdiction, such holding shall not affect the validity of the remaining portions of this Resolution; and the City Council hereby declares it would have passed such remaining portions of the Resolution despite such invalidity, which remaining portions shall remain in full force and effect.

SECTION 7. The City Secretary is directed to give notice of the authorization for the establishment of the District by recording this Resolution in the Official Public Records of Hays County, Texas on or before the seventh day after the passage of this Resolution.

SECTION 8. This Resolution shall be in full force and effect from and after its passage, and it is accordingly so resolved.

PASSED AND ADOPTED by the City Council of Lago Vista, Texas, at a regular meeting on the 21st day of September, 2023, at which a quorum was present, and for which due notice was given pursuant to Government Code, Chapter 551.

Ed Tidwell, Mayor

ATTEST:

Lucy Aldrich, City Secretary
City of Lago Vista, Texas

[CITY SEAL]

LEGAL DESCRIPTION
241.541 ACRES

BEING a tract of land located in the TEXAS-MEXICO RAILROAD SURVEY, ABSTRACT NO. 2291, CHRISTIAN FEHRENKAMP SURVEY, ABSTRACT NO. 286, and the LEWIS GOODWIN SURVEY, ABSTRACT NO. 336, Travis County, Texas and being all of those tracts of land described as Tracts 1-7 in Deed to Vol H. Montgomery, recorded in Document No. 1999-148851, Deed Records, Travis County, Texas and being part of a 10.81 acre tract of land described in Deed to Vol H. Montgomery, recorded in Document No. 1999-148850, Deed Records, Travis County, Texas and being part of a tract of land described in Deed to RPI-P2A Partnership, recorded in Volume 9113, Page 300, Deed Records, Travis County, Texas and being more particularly described as follows:

BEGINNING at a 1/2 inch iron rod found in the East line of said Tract 2 at the Northwest corner of said Tract 7;

THENCE South 72 degrees 36 minutes 49 seconds East, along the North line of said Tract 7, a distance of 497.02 feet to a 1/2 inch iron rod with an aluminum cap stamped "CHAPARRAL" found at the most Northeast corner of said Tract 7 and said Tract 5;

THENCE South 13 degrees 31 minutes 35 seconds West, along the East line of said Tract 5, passing at a distance of 60.13 feet the Southeast corner of said Tract 7, and continuing for a total distance of 282.10 feet to a 1/2 inch iron rod with an aluminum cap stamped "CHAPARRAL" found for corner;

THENCE South 15 degrees 26 minutes 33 seconds West, continuing along the East line of said Tract 5, a distance of 90.41 feet to an "X" set in concrete for corner in the West right-of-way line of Bar-K Ranch Road, a variable width right-of-way, at the South corner of said Tract 5;

THENCE North 13 degrees 36 minutes 15 seconds East, along said West right-of-way line and the West line of said Tract 5, a distance of 312.51 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set in the South line of said Tract 7;

THENCE North 72 degrees 35 minutes 06 seconds West, leaving said West right-of-way line and said West line of Tract 5 and along the South line of said Tract 7, a distance of 508.72 feet to a 1/2 inch iron rod found in the East line of said Tract 2 at the Southwest corner of said Tract 7;

THENCE South 27 degrees 07 minutes 37 seconds West, along the East line of said Tract 2, a distance of 1,157.48 feet to a 1/2 inch iron rod found;

THENCE South 30 degrees 29 minutes 52 seconds West, a distance of 212.31 feet to a 1/2 inch iron rod with a red washer stamped "BUSH SURVEYING, INC." found at the Southeast corner of said Tract 4;

THENCE along the South line of said Tract 4 the following twenty-three (23) courses and distances:

South 75 degrees 31 minutes 34 seconds West, a distance of 372.92 feet to a point for corner;

North 57 degrees 02 minutes 33 seconds West, a distance of 114.31 feet to a point for corner;

North 74 degrees 29 minutes 21 seconds West, a distance of 132.94 feet to a point for corner;

South 57 degrees 14 minutes 10 seconds West, a distance of 166.72 feet to a point for corner;

South 75 degrees 22 minutes 03 seconds West, a distance of 147.89 feet to a point for corner;

South 82 degrees 36 minutes 45 seconds West, a distance of 107.60 feet to a point for corner;

North 65 degrees 07 minutes 30 seconds West, a distance of 186.14 feet to a point for corner;

North 19 degrees 11 minutes 13 seconds West, a distance of 140.45 feet to a point for corner;

North 11 degrees 16 minutes 02 seconds West, a distance of 174.21 feet to a point for corner;

North 61 degrees 12 minutes 46 seconds West, a distance of 107.16 feet to a point for corner;

North 23 degrees 24 minutes 37 seconds East, a distance of 108.08 feet to a point for corner;

North 59 degrees 45 minutes 10 seconds East, a distance of 71.76 feet to a point for corner;

North 65 degrees 43 minutes 16 seconds East, a distance of 242.14 feet to a point for corner;

North 62 degrees 47 minutes 27 seconds West, a distance of 167.68 feet to a point for corner;

North 01 degrees 23 minutes 12 seconds West, a distance of 152.53 feet to a point for corner;

South 61 degrees 04 minutes 13 seconds West, a distance of 70.03 feet to a point for corner;

North 60 degrees 25 minutes 41 seconds West, a distance of 101.88 feet to a point for corner;

South 08 degrees 28 minutes 27 seconds West, a distance of 141.00 feet to a point for corner;

South 53 degrees 12 minutes 27 seconds West, a distance of 54.67 feet to a point for corner;

South 70 degrees 06 minutes 27 seconds West, a distance of 51.82 feet to a point for corner;

North 70 degrees 51 minutes 22 seconds West, a distance of 55.90 feet to a point for corner;

North 27 degrees 22 minutes 10 seconds West, a distance of 150.67 feet to a point for corner;

North 19 degrees 29 minutes 33 seconds West, a distance of 77.43 feet to a point for corner in the East line of said Tract 1;

THENCE South 28 degrees 33 minutes 24 seconds West, leaving the South line of said Tract 4 and along the East line of said Tract 1, a distance of 128.11 feet to a point at the South corner of said Tract 1;

THENCE North 26 degrees 06 minutes 08 seconds West, along the South line of said Tract 1, passing at a distance of 1351.89 feet a point in the common line of said Tract 1 and said RPI-P2A Partnership tract, and continuing for a total distance of 1,579.19 feet to a point at the most Southerly corner of a Boundary Line Agreement recorded in Document No. 2006102847, Deed Records, Tarrant County, Texas;

THENCE Northerly and Easterly, along the lines of said Boundary Line Agreement, the following twenty-seven (27) courses and distances:

North 17 degrees 58 minutes 41 seconds East, a distance of 278.70 feet to a point for corner;

North 01 degrees 38 minutes 28 seconds East, a distance of 190.86 feet to a point for corner;

North 11 degrees 37 minutes 39 seconds East, a distance of 163.43 feet to a point for corner;

North 47 degrees 55 minutes 52 seconds East, a distance of 192.93 feet to a point for corner;

South 88 degrees 12 minutes 56 seconds East, a distance of 139.55 feet to a point for corner;

South 81 degrees 37 minutes 44 seconds East, a distance of 143.11 feet to a point for corner;

North 88 degrees 02 minutes 58 seconds East, a distance of 261.75 feet to a point for corner;

North 85 degrees 17 minutes 39 seconds East, a distance of 89.08 feet to a point for corner;

North 61 degrees 29 minutes 04 seconds East, a distance of 125.04 feet to a point for corner;

North 40 degrees 01 minutes 31 seconds East, a distance of 287.20 feet to a point for corner;

North 44 degrees 55 minutes 48 seconds East, a distance of 245.57 feet to a point for corner;

North 25 degrees 29 minutes 17 seconds East, a distance of 222.75 feet to a point for corner;

North 14 degrees 55 minutes 59 seconds East, a distance of 425.83 feet to a point for corner;

North 31 degrees 51 minutes 34 seconds East, a distance of 220.08 feet to a point for corner;

North 31 degrees 19 minutes 46 seconds East, a distance of 127.39 feet to a point for corner;

North 15 degrees 26 minutes 15 seconds East, a distance of 103.23 feet to a point for corner;

North 04 degrees 14 minutes 17 seconds East, a distance of 86.39 feet to a point for corner;

North 19 degrees 09 minutes 00 seconds West, a distance of 68.81 feet to a point

for corner;

North 19 degrees 00 minutes 57 seconds East, a distance of 71.63 feet to a point for corner;

North 71 degrees 19 minutes 54 seconds East, a distance of 79.91 feet to a point for corner;

South 76 degrees 28 minutes 07 seconds East, a distance of 221.73 feet to a point for corner;

North 88 degrees 37 minutes 19 seconds East, a distance of 92.92 feet to a point for corner;

North 68 degrees 35 minutes 11 seconds East, a distance of 82.77 feet to a point for corner;

North 60 degrees 49 minutes 17 seconds East, a distance of 44.03 feet to a point for corner;

North 75 degrees 04 minutes 08 seconds East, a distance of 78.77 feet to a point for corner;

South 88 degrees 19 minutes 06 seconds East, a distance of 88.90 feet to a point for corner;

North 75 degrees 46 minutes 12 seconds East, a distance of 421.27 feet to a 1 1/4 inch iron rod found at the most Northerly corner of said Boundary Line Agreement and the most Northerly corner of said 10.81 acre tract;

THENCE South 28 degrees 33 minutes 28 seconds West, leaving the lines of said Boundary Line Agreement, passing at a distance of 85.11 feet the Northeast corner of said Tract 1, and continuing along the East line of said Tract 1 for a total distance of 576.09 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set at the most Westerly Northwest corner of said Tract 2;

THENCE along the Northerly line of said Tract 2, the following sixteen (16) courses and distances:

North 66 degrees 50 minutes 28 seconds East, a distance of 56.40 feet to 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

North 54 degrees 01 minutes 28 seconds East, a distance of 240.80 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

North 34 degrees 58 minutes 28 seconds East, a distance of 89.96 feet to a 1/2 inch

iron rod with a red washer stamped "BUSH SURVEYING, INC." found at the North corner of said Tract 2;

South 01 degrees 34 minutes 37 seconds East, a distance of 30.00 feet to a 1/2 inch iron rod with a red washer stamped "BUSH SURVEYING, INC." found;

South 06 degrees 44 minutes 01 seconds West, a distance of 152.81 feet to a 1/2 inch iron rod found for corner;

South 56 degrees 23 minutes 37 seconds West, a distance of 133.82 feet to a 1/2 inch iron rod found for corner;

South 42 degrees 53 minutes 45 seconds West, a distance of 199.49 feet to a 1/2 inch iron rod found for corner;

South 28 degrees 00 minutes 15 seconds West, a distance of 59.28 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 24 degrees 18 minutes 04 seconds East, a distance of 82.17 feet to a 1/2 inch iron rod found for corner;

South 54 degrees 38 minutes 26 seconds East, a distance of 313.48 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 55 degrees 23 minutes 59 seconds East, a distance of 224.17 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 50 degrees 06 minutes 49 seconds East, a distance of 375.05 feet to a 1/2 inch iron rod with a red washer stamped "BUSH SURVEYING, INC." found for corner;

South 60 degrees 23 minutes 31 seconds East, a distance of 244.45 feet to a 1/2 inch iron rod with a red washer stamped "BUSH SURVEYING, INC." found for corner;

South 55 degrees 02 minutes 31 seconds East, a distance of 242.22 feet to a 1/2 inch iron rod with a red washer stamped "BUSH SURVEYING, INC." found for corner;

South 57 degrees 13 minutes 31 seconds East, a distance of 446.11 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 59 degrees 45 minutes 42 seconds East, a distance of 56.90 feet to a 1/2 inch iron rod found for corner at a wood fence corner post;

THENCE Southerly, along the East line of said Tract 2, the following three (3) courses

and distances:

South 29 degrees 51 minutes 44 seconds West, a distance of 813.38 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

North 65 degrees 24 minutes 31 seconds West, a distance of 340.98 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 27 degrees 07 minutes 37 seconds West, a distance of 120.12 feet to a 1/2 inch iron rod with a red washer stamped "BUSH SURVEYING, INC." found at the most Northwest corner of said Tract 6;

THENCE leaving the East line of said Tract 2 and along the East line of said Tract 6, the following three (3) courses and distances:

South 65 degrees 24 minutes 31 seconds East, a distance of 9.99 feet to a 1/2 inch iron rod found at the Northeast corner of said Tract 6;

South 27 degrees 07 minutes 37 seconds West, a distance of 50.05 feet to a 1/2 inch iron rod found at the most Southeast corner of said Tract 6;

North 65 degrees 24 minutes 31 seconds West, a distance of 9.99 feet to a 1/2 inch iron rod found in the East line of said Tract 2 at the Southwest corner of said Tract 6;

THENCE South 27 degrees 07 minutes 37 seconds West, along the East line of said Tract 2, a distance of 926.23 feet to the **POINT OF BEGINNING** and containing 241.541 acres of land, more or less.

**Turnback Ranch
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9/18/2023**

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Turnback Ranch
Exhibit A
PID Financing Summary
9/18/2023

Bond Sources & Uses of Funds							
	Improvement Area #1			Major IA			Total
	IA 1 Zone A	IA 1 Zone B	SubTotal	Future IA #2A	Future IA #2B	SubTotal	
A. PID Equivalent Tax Rate:							
Avg. Annual Installment	\$ 491,334	\$ 486,401	\$ 977,735	\$ 491,279	\$ 200,327	\$ 691,606	
Avg. Annual Installment per Unit	\$ 4,426	\$ 4,422	\$ 4,424	\$ 5,520	\$ 5,137	\$ 5,403	
PID Equivalent Tax Rate:							
Series A / Major Bond	\$ 0.50	\$ 0.50		\$ -	\$ -		
Improvement Area/Series B Bond				\$ 0.50	\$ 0.50		
Total Adjusted PID Equivalent Tax Rate ^[a]	\$ 0.50	\$ 0.50		\$ 0.50	\$ 0.50		
Existing Tax Rate	\$ 2.21	\$ 2.21		\$ 2.21	\$ 2.21		
Total Equivalent Tax Rate with PID	\$ 2.71	\$ 2.71		\$ 2.71	\$ 2.71		
B. Bond Sources and Uses:^[b]							
Bond Issue Date ^[c]	9/1/2024	9/1/2024		9/1/2026	9/1/2026		
Interest Rate	6.00%	6.00%		6.25%	6.25%		
Estimated Value to Lien	3.0 to 1	3.0 to 1		TBD ^[c]	TBD ^[c]		
Sources:							
Par Bond/Assessment Amount	\$ 6,045,347	\$ 5,984,653	\$ 12,030,000	\$ 5,789,313	\$ 2,360,687	\$ 8,150,000	\$ 20,180,000
Uses:							
Capitalized Interest	\$ 725,442	\$ 718,158	\$ 1,443,600	\$ 723,664	\$ 295,086	\$ 1,018,750	\$ 2,462,350
Reserve Fund	\$ 452,220	\$ 447,680	\$ 899,900	\$ 444,854	\$ 181,396	\$ 626,250	\$ 1,526,150
Underwriter Discount	\$ 181,360	\$ 179,540	\$ 360,900	\$ 173,679	\$ 70,821	\$ 244,500	\$ 605,400
Cost of Issuance (6.0%)	\$ 362,721	\$ 359,079	\$ 721,800	\$ 347,359	\$ 141,641	\$ 489,000	\$ 1,210,800
First Year Collection Costs	\$ 15,076	\$ 14,924	\$ 30,000	\$ 21,310	\$ 8,690	\$ 30,000	\$ 60,000
Improvement Fund	\$ 4,308,528	\$ 4,265,272	\$ 8,573,800	\$ 4,078,447	\$ 1,663,053	\$ 5,741,500	\$ 14,315,300
Total Uses	\$ 6,045,347	\$ 5,984,653	\$ 12,030,000	\$ 5,789,313	\$ 2,360,687	\$ 8,150,000	\$ 20,180,000
C. Allocation of Improvement Fund:							
Major Improvements	\$ 2,320,464	\$ 2,297,167	\$ 4,617,631	\$ 2,228,175	\$ 908,575	\$ 3,136,749	\$ 7,754,380
Internal Improvements	1,988,064	1,968,105	3,956,169	1,850,272	754,479	2,604,751	6,560,920
Total	\$ 4,308,528	\$ 4,265,272	\$ 8,573,800	\$ 4,078,447	\$ 1,663,053	\$ 5,741,500	\$ 14,315,300

Footnotes:

[a] City PID policy limits the PID equivalent tax rate to \$.50.

[b] Represent estimates only. Actual dates, rates, and amounts to be determined at bond issue.

[c] City PID policy requires a minimum 3.0 to 1 VTL. Reimbursement obligation, holdback of funds, or Series B bonds may be required.

Turnback Ranch
Exhibit B
Land Use and PID Assessment Summary
9/18/2023

I. Land Use and Estimated Values								II. Total PID Assessments, Installments, and Equivalent Tax Rates ^[d]						
Description ^[a]	Units ^[a]	Estimated Appraised Value ^[b]		Estimated Buildout Value - Series A		Estimated Buildout Value (2% Inf)		PID Assessment		Annual Installment		Avg. PID Equiv.		
		Per Unit	Total	Per Unit ^[c]	Total	Per Unit	Total ^[c]	Total	Per Unit	Total	Per Unit	Tax Rate		
A. Improvement Area #1A & 1B														
Lot Type 1	64	\$ 138,240	\$ 8,847,360	\$ 768,000	\$ 49,152,000	\$ 768,000	\$ 49,152,000	\$ 3,025,566	\$ 47,274	\$ 245,902	\$ 3,842	\$ 0.50		
Lot Type 2	33	\$ 186,354	\$ 6,149,682	\$ 986,000	\$ 32,538,000	\$ 986,000	\$ 32,538,000	\$ 2,002,887	\$ 60,694	\$ 162,784	\$ 4,933	\$ 0.50		
Lot Type 3	14	\$ 233,640	\$ 3,270,960	\$ 1,180,000	\$ 16,520,000	\$ 1,180,000	\$ 16,520,000	\$ 1,016,894	\$ 72,635	\$ 82,648	\$ 5,903	\$ 0.50		
Sub Total IA 1 Zone A	111	\$ 164,577	\$ 18,268,002	\$ 884,775	\$ 98,210,000	\$ 884,775	\$ 98,210,000	\$ 6,045,347	\$ 54,463	\$ 491,334	\$ 4,426	\$ 0.50		
Lot Type 1	64	\$ 138,240	\$ 8,847,360	\$ 768,000	\$ 49,152,000	\$ 768,000	\$ 49,152,000	\$ 3,025,566	\$ 47,274	\$ 245,902	\$ 3,842	\$ 0.50		
Lot Type 2	32	\$ 186,354	\$ 5,963,328	\$ 986,000	\$ 31,552,000	\$ 986,000	\$ 31,552,000	\$ 1,942,193	\$ 60,694	\$ 157,851	\$ 4,933	\$ 0.50		
Lot Type 3	14	\$ 233,640	\$ 3,270,960	\$ 1,180,000	\$ 16,520,000	\$ 1,180,000	\$ 16,520,000	\$ 1,016,894	\$ 72,635	\$ 82,648	\$ 5,903	\$ 0.50		
Sub Total IA 1 Zone B	110	\$ 164,379	\$ 18,081,648	\$ 883,855	\$ 97,224,000	\$ 883,855	\$ 97,224,000	\$ 5,984,653	\$ 54,406	\$ 486,401	\$ 4,422	\$ 0.50		
Total / Wtd Avg - IA 1	221	\$ 164,478	\$ 36,349,650	\$ 884,317	\$ 195,434,000	\$ 884,317	\$ 195,434,000	\$ 12,030,000	\$ 54,434	\$ 977,735	\$ 4,424	\$ 0.50		
B. Future Improvement Area #2														
Future Improvement Area #2A														
Lot Type 1	10	\$ 138,240	\$ 1,382,400	\$ 768,000	\$ 7,680,000	\$ 799,027	\$ 7,990,272	\$ 471,474	\$ 47,147	\$ 40,009	\$ 4,001	\$ 0.50		
Lot Type 2	34	\$ 186,354	\$ 6,336,036	\$ 986,000	\$ 33,524,000	\$ 1,025,834	\$ 34,878,370	\$ 2,058,035	\$ 60,530	\$ 174,644	\$ 5,137	\$ 0.50		
Lot Type 3	45	\$ 233,640	\$ 10,513,800	\$ 1,180,000	\$ 53,100,000	\$ 1,227,672	\$ 55,245,240	\$ 3,259,804	\$ 72,440	\$ 276,626	\$ 6,147	\$ 0.50		
Sub Total IA #2A	89	\$ 204,857	\$ 18,232,236	\$ 1,059,596	\$ 94,304,000	\$ 1,102,403	\$ 98,113,882	\$ 5,789,313	\$ 65,048	\$ 491,279	\$ 5,520	\$ 0.50		
Future Improvement Area #2B														
Lot Type 4	39	\$ 186,354	\$ 7,267,806	\$ 986,000	\$ 38,454,000	\$ 1,025,834	\$ 40,007,542	\$ 2,360,687	\$ 60,530	\$ 200,327	\$ 5,137	\$ 0.50		
Total / Wtd Avg - IA 2	128	\$ 199,219	\$ 25,500,042	\$ 1,037,172	\$ 132,758,000	\$ 1,079,074	\$ 138,121,423	\$ 8,150,000	\$ 63,672	\$ 691,606	\$ 5,403	\$ 0.50		
Total / Weighted Average	349	\$ 177,220	\$ 61,849,692	\$ 940,378	\$ 328,192,000	\$ 955,746	\$ 333,555,423	\$ 20,180,000	\$ 57,822	\$ 1,669,341	\$ 4,783	\$ 0.50		

Footnotes:

[a] Per Land Use Plan provided by the developer.

[b] For illustration purposes, IA 1 estimated as finished lots. IA 2 estimated as paper lots. Assumes 10% appraisal discount. Actual amounts to be determined by appraiser.

[c] Per discussion with developer. Assumes 2% annual inflation for IA 2 future bonds.

[d] Estimate for illustration purposes only. Actual amounts and assumptions to be determined at time of bond issuance.

Turnback Ranch
Exhibit C
Cost Allocation
9/18/2023

Description	Total Costs ^[a]	Improvement Area #1						Improvement Area #2					
		IA #1 A		IA #1 B		IA #1 Subtotal		Future IA #2A		Future IA #2B		IA #2 Subtotal	
		%	Cost	%	Cost	%	Cost	%	Cost	%	Cost	%	Cost
Major Infrastructure Improvements^[b]													
Street ^[c]	\$ 3,037,980	29.92%	\$ 909,102	29.62%	\$ 899,975	59.55%	\$ 1,809,077	28.73%	\$ 872,945	11.72%	\$ 355,958	40.45%	\$ 1,228,903
Water	\$ 841,958	29.92%	\$ 251,952	29.62%	\$ 249,423	59.55%	\$ 501,375	28.73%	\$ 241,932	11.72%	\$ 98,652	40.45%	\$ 340,583
Wastewater	\$ 464,640	29.92%	\$ 139,041	29.62%	\$ 137,646	59.55%	\$ 276,687	28.73%	\$ 133,512	11.72%	\$ 54,442	40.45%	\$ 187,953
Landscaping ^[d]	\$ 1,782,323	29.92%	\$ 533,352	29.62%	\$ 527,997	59.55%	\$ 1,061,350	28.73%	\$ 512,140	11.72%	\$ 208,833	40.45%	\$ 720,973
Offsite	\$ 423,333	29.92%	\$ 126,680	29.62%	\$ 125,409	59.55%	\$ 252,089	28.73%	\$ 121,642	11.72%	\$ 49,602	40.45%	\$ 171,244
Subtotal	\$ 6,550,233		\$ 1,960,128		\$ 1,940,449		\$ 3,900,577		\$ 1,882,170		\$ 767,486		\$ 2,649,656
Soft Costs ^[e]	\$ 272,535	29.92%	\$ 81,555	29.62%	\$ 80,736	59.55%	\$ 162,291	28.73%	\$ 78,311	11.72%	\$ 31,933	40.45%	\$ 110,244
Contingency	\$ 669,603	29.92%	\$ 200,376	29.62%	\$ 198,364	59.55%	\$ 398,740	28.73%	\$ 192,406	11.72%	\$ 78,457	40.45%	\$ 270,863
Construction Management (4.0%)[f]	\$ 262,009	29.92%	\$ 78,405	29.62%	\$ 77,618	59.55%	\$ 156,023	28.73%	\$ 75,287	11.72%	\$ 30,699	40.45%	\$ 105,986
Total Major Improvements	\$ 7,754,380		\$ 2,320,464		\$ 2,297,167		\$ 4,617,631		\$ 2,228,175		\$ 908,575		\$ 3,136,749
Improvement Area Improvements													
Street ^[c]	\$ 9,660,564		\$ 3,265,068		\$ 3,232,288		\$ 6,497,357		\$ 2,616,583		\$ 546,624		\$ 3,163,207
Water	\$ 2,631,799		\$ 904,895		\$ 895,810		\$ 1,800,704		\$ 725,171		\$ 105,924		\$ 831,094
Drainage	\$ 6,302,191		\$ 2,188,915		\$ 2,166,939		\$ 4,355,853		\$ 1,754,167		\$ 192,170		\$ 1,946,337
Wastewater	\$ 1,452,375		\$ 499,372		\$ 494,358		\$ 993,730		\$ 400,190		\$ 58,455		\$ 458,645
Landscaping	\$ 448,455		\$ -		\$ -		\$ -		\$ -		\$ 448,455		\$ 448,455
Subtotal	\$ 20,495,383		\$ 6,858,250		\$ 6,789,395		\$ 13,647,644		\$ 5,496,110		\$ 1,351,628		\$ 6,847,739
Soft Costs ^[e]	\$ 920,465		\$ 292,907		\$ 289,966		\$ 582,873		\$ 234,732		\$ 102,860		\$ 337,592
Contingency	\$ 2,154,258		\$ 719,656		\$ 712,431		\$ 1,432,087		\$ 576,723		\$ 145,449		\$ 722,172
Construction Management (4.0%)[f]	\$ 819,815		\$ 274,330		\$ 271,576		\$ 545,906		\$ 219,844		\$ 54,065		\$ 273,910
Total Improvement Area Improvements	\$ 24,389,922		\$ 8,145,143		\$ 8,063,368		\$ 16,208,510		\$ 6,527,409		\$ 1,654,002		\$ 8,181,411
Total Improvements	\$ 32,144,302		\$ 10,465,606		\$ 10,360,535		\$ 20,826,141		\$ 8,755,584		\$ 2,562,577		\$ 11,318,161

Footnotes:

- [a] Per the draft OPC prepared by Bowman Consulting.
[b] Assumes benefit is allocated to the improvement areas pro rata based on estimated Buildout Value.
[c] Includes erosion control and grading costs.
[d] Represents parkway and median landscaping along the major improvements.
[e] Includes engineering, design, contingency and Developer District formation costs.
[f] Estimate for illustration purposes only.

Turnback Ranch
Exhibit D
Sources and Uses of Funds
9/18/2023

Initial Owner Contribution ^[c]	\$ 12,252,341
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Description	Total	IA 1A	IA 1 B	IA 1 Subtotal	IA 2A	IA 2B	IA 2 Subtotal
A. Sources of Funds:							
Improvement Area Bond Par ^[a]	\$ 20,180,000	\$ 6,045,347	\$ 5,984,653	\$ 12,030,000	\$ 5,789,313	\$ 2,360,687	\$ 8,150,000
Owner Contribution	17,829,002	6,157,078	6,095,263	12,252,341	4,677,137	899,524	5,576,661
Total Sources	\$ 38,009,002	\$ 12,202,425	\$ 12,079,916	\$ 24,282,341	\$ 10,466,450	\$ 3,260,211	\$ 13,726,661
B. Uses of Funds:							
Major Improvements ^[b]	\$ 7,754,380	\$ 2,320,464	\$ 2,297,167	\$ 4,617,631	\$ 2,228,175	\$ 908,575	\$ 3,136,749
Improvement Area Improvements ^[b]	\$ 24,389,922	\$ 8,145,143	\$ 8,063,368	\$ 16,208,510	\$ 6,527,409	\$ 1,654,002	\$ 8,181,411
Total Improvements	\$ 32,144,302	\$ 10,465,606	\$ 10,360,535	\$ 20,826,141	\$ 8,755,584	\$ 2,562,577	\$ 11,318,161
<u>Improvement Area Bond Cost^[a]</u>							
Debt Service Reserve Fund	\$ 1,526,150	\$ 452,220	\$ 447,680	\$ 899,900	\$ 444,854	\$ 181,396	\$ 626,250
Capitalized Interest	2,462,350	725,442	718,158	1,443,600	723,664	295,086	1,018,750
Underwriter Discount	605,400	181,360	179,540	360,900	173,679	70,821	244,500
Cost of Issuance	1,210,800	362,721	359,079	721,800	347,359	141,641	489,000
First Year Annual Collection Costs	60,000	15,076	14,924	30,000	21,310	8,690	30,000
Subtotal	\$ 5,864,700	\$ 1,736,819	\$ 1,719,381	\$ 3,456,200	\$ 1,710,866	\$ 697,634	\$ 2,408,500
Total Uses	\$ 38,009,002	\$ 12,202,425	\$ 12,079,916	\$ 24,282,341	\$ 10,466,450	\$ 3,260,211	\$ 13,726,661

Footnotes:

[a] Amounts represent estimates only. Actual amounts to be determined at time assessments are levied and PID bonds are issued.

[b] Per the draft OPC prepared by Bowman Consulting.

[c] City PID policy requires Developer to demonstrate committed capital in the form of cash deposit, proof of bank financing and/or equity capital, or letter of credit to the City.

Amount represents an estimate only and is subject to change.

Turnback Ranch
Exhibit E
Taxing Jurisdictions and Ad Valorem Rates
9/18/2023

Description	2022 Tax Rate ^[a]	Existing 2022 Ad Valorem Revenues [a]	Estimated Annual Ad Valorem Revenues at Buildout
Estimated Taxable Property Value		\$ 5,795,300	\$ 333,555,423
Taxing Jurisdiction:			
City of Lago Vista	\$ 0.4283	\$ 24,821	\$ 1,428,618
Lago Vista ISD	1.1846	68,651	3,951,298
Travis County	0.3182	18,443	1,061,503
Travis County ESD #1	0.1000	5,795	333,555
Travis Central Health	0.0987	5,719	329,166
Travis County ESD #7	0.0784	4,544	261,507
Total	\$ 2.2082	\$ 127,973	\$ 7,365,648

Footnotes:

[a] Tax rate per \$100 AV, per the Travis County appraisal district. Represents 2022 rates.

Turnback Ranch
Exhibit F
Detailed Bond Sizing Analysis: Improvement Area No. 1
9/18/2023

Bond Issue Date [a] 9/1/2024

	Year Ending 9/1	Principal	Interest Rate [a]	Annual Interest	Principal & Interest	Admin Expense [a]	0.50% Additional Interest	Subtotal	Capitalized Interest	Annual PID Installment
1	2025	\$ -	6.00%	\$ 721,800	\$ 721,800	\$ 30,000	\$ 60,150	\$ 811,950	\$ (721,800)	\$ 90,150
2	2026	\$ -	6.00%	\$ 721,800	\$ 721,800	\$ 30,600	\$ 60,150	\$ 812,550	\$ (721,800)	\$ 90,750
3	2027	\$ 175,000	6.00%	\$ 721,800	\$ 896,800	\$ 31,212	\$ 60,150	\$ 988,162	\$ -	\$ 988,162
4	2028	\$ 185,000	6.00%	\$ 711,300	\$ 896,300	\$ 31,836	\$ 59,275	\$ 987,411	\$ -	\$ 987,411
5	2029	\$ 195,000	6.00%	\$ 700,200	\$ 895,200	\$ 32,473	\$ 58,350	\$ 986,023	\$ -	\$ 986,023
6	2030	\$ 210,000	6.00%	\$ 688,500	\$ 898,500	\$ 33,122	\$ 57,375	\$ 988,997	\$ -	\$ 988,997
7	2031	\$ 220,000	6.00%	\$ 675,900	\$ 895,900	\$ 33,785	\$ 56,325	\$ 986,010	\$ -	\$ 986,010
8	2032	\$ 235,000	6.00%	\$ 662,700	\$ 897,700	\$ 34,461	\$ 55,225	\$ 987,386	\$ -	\$ 987,386
9	2033	\$ 250,000	6.00%	\$ 648,600	\$ 898,600	\$ 35,150	\$ 54,050	\$ 987,800	\$ -	\$ 987,800
10	2034	\$ 265,000	6.00%	\$ 633,600	\$ 898,600	\$ 35,853	\$ 52,800	\$ 987,253	\$ -	\$ 987,253
11	2035	\$ 280,000	6.00%	\$ 617,700	\$ 897,700	\$ 36,570	\$ 51,475	\$ 985,745	\$ -	\$ 985,745
12	2036	\$ 295,000	6.00%	\$ 600,900	\$ 895,900	\$ 37,301	\$ 50,075	\$ 983,276	\$ -	\$ 983,276
13	2037	\$ 315,000	6.00%	\$ 583,200	\$ 898,200	\$ 38,047	\$ 48,600	\$ 984,847	\$ -	\$ 984,847
14	2038	\$ 335,000	6.00%	\$ 564,300	\$ 899,300	\$ 38,808	\$ 47,025	\$ 985,133	\$ -	\$ 985,133
15	2039	\$ 355,000	6.00%	\$ 544,200	\$ 899,200	\$ 39,584	\$ 45,350	\$ 984,134	\$ -	\$ 984,134
16	2040	\$ 375,000	6.00%	\$ 522,900	\$ 897,900	\$ 40,376	\$ 43,575	\$ 981,851	\$ -	\$ 981,851
17	2041	\$ 395,000	6.00%	\$ 500,400	\$ 895,400	\$ 41,184	\$ 41,700	\$ 978,284	\$ -	\$ 978,284
18	2042	\$ 420,000	6.00%	\$ 476,700	\$ 896,700	\$ 42,007	\$ 39,725	\$ 978,432	\$ -	\$ 978,432
19	2043	\$ 445,000	6.00%	\$ 451,500	\$ 896,500	\$ 42,847	\$ 37,625	\$ 976,972	\$ -	\$ 976,972
20	2044	\$ 475,000	6.00%	\$ 424,800	\$ 899,800	\$ 43,704	\$ 35,400	\$ 978,904	\$ -	\$ 978,904
21	2045	\$ 500,000	6.00%	\$ 396,300	\$ 896,300	\$ 44,578	\$ 33,025	\$ 973,903	\$ -	\$ 973,903
22	2046	\$ 530,000	6.00%	\$ 366,300	\$ 896,300	\$ 45,470	\$ 30,525	\$ 972,295	\$ -	\$ 972,295
23	2047	\$ 565,000	6.00%	\$ 334,500	\$ 899,500	\$ 46,379	\$ 27,875	\$ 973,754	\$ -	\$ 973,754
24	2048	\$ 595,000	6.00%	\$ 300,600	\$ 895,600	\$ 47,307	\$ 25,050	\$ 967,957	\$ -	\$ 967,957
25	2049	\$ 635,000	6.00%	\$ 264,900	\$ 899,900	\$ 48,253	\$ 22,075	\$ 970,228	\$ -	\$ 970,228
26	2050	\$ 670,000	6.00%	\$ 226,800	\$ 896,800	\$ 49,218	\$ 18,900	\$ 964,918	\$ -	\$ 964,918
27	2051	\$ 710,000	6.00%	\$ 186,600	\$ 896,600	\$ 50,203	\$ 15,550	\$ 962,353	\$ -	\$ 962,353
28	2052	\$ 755,000	6.00%	\$ 144,000	\$ 899,000	\$ 51,207	\$ 12,000	\$ 962,207	\$ -	\$ 962,207
29	2053	\$ 800,000	6.00%	\$ 98,700	\$ 898,700	\$ 52,231	\$ 8,225	\$ 959,156	\$ -	\$ 959,156
30	2054	\$ 845,000	6.00%	\$ 50,700	\$ 895,700	\$ 53,275	\$ 4,225	\$ 953,200	\$ -	\$ 953,200
		\$ -	6.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total		\$ 12,030,000	6.00%	\$ 14,542,200	\$ 26,572,200	\$ 1,217,042	\$ 1,211,850	\$ 29,001,092	\$ (1,443,600)	\$ 27,557,492

Footnotes:

[a] For illustration purposes only. Actual date and rate to be determined.

Turnback Ranch
Exhibit G
Detailed Bond Sizing Analysis: Future Improvement Area 2
9/18/2023

Bond Issue Date [a] 9/1/2026

	Year Ending 9/1	Principal	Interest Rate [a]	Annual Interest	Principal & Interest	Admin Expense [a]	0.50% Additional Interest	Subtotal	Capitalized Interest	Annual PID Installment
1	2027	\$ -	6.25%	\$ 509,375	\$ 509,375	\$ 30,000	\$ 40,750	\$ 580,125	\$ (509,375)	\$ 70,750
2	2028	\$ -	6.25%	\$ 509,375	\$ 509,375	\$ 30,600	\$ 40,750	\$ 580,725	\$ (509,375)	\$ 71,350
3	2029	\$ 115,000	6.25%	\$ 509,375	\$ 624,375	\$ 31,212	\$ 40,750	\$ 696,337	\$ -	\$ 696,337
4	2030	\$ 120,000	6.25%	\$ 502,188	\$ 622,188	\$ 31,836	\$ 40,175	\$ 694,199	\$ -	\$ 694,199
5	2031	\$ 130,000	6.25%	\$ 494,688	\$ 624,688	\$ 32,473	\$ 39,575	\$ 696,735	\$ -	\$ 696,735
6	2032	\$ 135,000	6.25%	\$ 486,563	\$ 621,563	\$ 33,122	\$ 38,925	\$ 693,610	\$ -	\$ 693,610
7	2033	\$ 145,000	6.25%	\$ 478,125	\$ 623,125	\$ 33,785	\$ 38,250	\$ 695,160	\$ -	\$ 695,160
8	2034	\$ 155,000	6.25%	\$ 469,063	\$ 624,063	\$ 34,461	\$ 37,525	\$ 696,048	\$ -	\$ 696,048
9	2035	\$ 165,000	6.25%	\$ 459,375	\$ 624,375	\$ 35,150	\$ 36,750	\$ 696,275	\$ -	\$ 696,275
10	2036	\$ 175,000	6.25%	\$ 449,063	\$ 624,063	\$ 35,853	\$ 35,925	\$ 695,840	\$ -	\$ 695,840
11	2037	\$ 185,000	6.25%	\$ 438,125	\$ 623,125	\$ 36,570	\$ 35,050	\$ 694,745	\$ -	\$ 694,745
12	2038	\$ 195,000	6.25%	\$ 426,563	\$ 621,563	\$ 37,301	\$ 34,125	\$ 692,989	\$ -	\$ 692,989
13	2039	\$ 210,000	6.25%	\$ 414,375	\$ 624,375	\$ 38,047	\$ 33,150	\$ 695,572	\$ -	\$ 695,572
14	2040	\$ 225,000	6.25%	\$ 401,250	\$ 626,250	\$ 38,808	\$ 32,100	\$ 697,158	\$ -	\$ 697,158
15	2041	\$ 235,000	6.25%	\$ 387,188	\$ 622,188	\$ 39,584	\$ 30,975	\$ 692,747	\$ -	\$ 692,747
16	2042	\$ 250,000	6.25%	\$ 372,500	\$ 622,500	\$ 40,376	\$ 29,800	\$ 692,676	\$ -	\$ 692,676
17	2043	\$ 265,000	6.25%	\$ 356,875	\$ 621,875	\$ 41,184	\$ 28,550	\$ 691,609	\$ -	\$ 691,609
18	2044	\$ 285,000	6.25%	\$ 340,313	\$ 625,313	\$ 42,007	\$ 27,225	\$ 694,545	\$ -	\$ 694,545
19	2045	\$ 300,000	6.25%	\$ 322,500	\$ 622,500	\$ 42,847	\$ 25,800	\$ 691,147	\$ -	\$ 691,147
20	2046	\$ 320,000	6.25%	\$ 303,750	\$ 623,750	\$ 43,704	\$ 24,300	\$ 691,754	\$ -	\$ 691,754
21	2047	\$ 340,000	6.25%	\$ 283,750	\$ 623,750	\$ 44,578	\$ 22,700	\$ 691,028	\$ -	\$ 691,028
22	2048	\$ 360,000	6.25%	\$ 262,500	\$ 622,500	\$ 45,470	\$ 21,000	\$ 688,970	\$ -	\$ 688,970
23	2049	\$ 385,000	6.25%	\$ 240,000	\$ 625,000	\$ 46,379	\$ 19,200	\$ 690,579	\$ -	\$ 690,579
24	2050	\$ 410,000	6.25%	\$ 215,938	\$ 625,938	\$ 47,307	\$ 17,275	\$ 690,519	\$ -	\$ 690,519
25	2051	\$ 435,000	6.25%	\$ 190,313	\$ 625,313	\$ 48,253	\$ 15,225	\$ 688,791	\$ -	\$ 688,791
26	2052	\$ 460,000	6.25%	\$ 163,125	\$ 623,125	\$ 49,218	\$ 13,050	\$ 685,393	\$ -	\$ 685,393
27	2053	\$ 490,000	6.25%	\$ 134,375	\$ 624,375	\$ 50,203	\$ 10,750	\$ 685,328	\$ -	\$ 685,328
28	2054	\$ 520,000	6.25%	\$ 103,750	\$ 623,750	\$ 51,207	\$ 8,300	\$ 683,257	\$ -	\$ 683,257
29	2055	\$ 555,000	6.25%	\$ 71,250	\$ 626,250	\$ 52,231	\$ 5,700	\$ 684,181	\$ -	\$ 684,181
30	2056	\$ 585,000	6.25%	\$ 36,563	\$ 621,563	\$ 53,275	\$ 2,925	\$ 677,763	\$ -	\$ 677,763
Total		\$ 8,150,000	6.25%	\$ 10,332,188	\$ 18,482,188	\$ 1,217,042	\$ 826,575	\$ 20,525,805	\$ (1,018,750)	\$ 19,507,055

Footnotes:

[a] For illustration purposes only. Actual date and rate to be determined. Assumes administrative expenses are included in the Series A bonds.



Item Cover Page

CITY COUNCIL AGENDA ITEM REPORT

DATE: September 28, 2023

SUBMITTED BY: Joe Crawford, City Manager

SUBJECT: Discussion, consideration, and possible action on a Public Improvement District Development Agreement with Turnback Development, LLC.

BACKGROUND: The developer of the Turnback Ranch Property submitted a petition for the creation of a Public Improvement District (PID) in 2022. The proposed PID would be empowered to issue up to \$40,000,000 of bonds for the construction of public improvements, which would be secured by special assessments on the property. Early drafts of the development agreement for the Turnback Ranch property included issues related to the PID creation and administration. In response to Council preference and the advice of bond counsel, the City has separated consideration of the Public Improvement District related to Turnback Ranch from the general development agreement for the Turnback Ranch property. The City's adopted PID policy includes a requirement that a PID creation be preceded by the adoption of a Development Agreement including certain PID-related terms. This agreement is meant to satisfy the policy's requirement.

FINDINGS: The PID Development Agreement generally addresses the terms of the PID and the development of the property. It includes provisions related to the sequence of events and approvals, the development of the property, and special assessment rates. Following the execution of this Agreement, if Council approves the creation of the PID, Council will later be asked to consider financing documents including the PID financing agreement, service and assessment plan, and reimbursement agreement to fine-tune the financial specifics of the PID.

FINANCIAL IMPACT: The City's faith and credit are not pledged to the repayment of PID bonds. Owners of the property located within the PID will be required to pay special assessments in addition to their existing property taxes.

ATTACHMENTS:

**TURNBACK RANCH
PUBLIC IMPROVEMENT DISTRICT
DEVELOPMENT AGREEMENT**

THIS TURNBACK RANCH DEVELOPMENT AGREEMENT (the "Agreement") is made and entered into as of _____, 2023 (the "Effective Date") by and between the **CITY OF LAGO VISTA, TEXAS**, a home rule municipality located in Travis County, Texas (the "City") and **TURNBACK DEVELOPMENT, LLC**, a Nevada limited liability company (the "Owner"). The City and Owner are hereinafter sometimes referred to individually as a "Party" and collectively as the "Parties," as the context indicates.

RECITALS

A. Owner intends to develop and improve, in one or more phases, all or a portion of that certain tract or parcel of land consisting of approximately 241.54 acres of land, more or less, all of which is located within the municipal boundaries of the City, in Travis County, Texas, as more particularly described in Exhibit "A" attached hereto (the "Property"), as a master-planned community with single family detached residential dwelling units, amenities, parks, and open space, as provided in the zoning for the Property pursuant to Ordinance No. _____, as may be amended ("Turnback Ranch PDD"), and as generally shown on the "Land Plan" (hereinafter defined, and as may be amended pursuant to Section 2.1) attached hereto as Exhibit "B" (the "Project").

B. On or about August 2, 2022, the Owner submitted to the City a petition for the creation of Turnback Ranch Public Improvement District ("PID") on the Property in order to construct the Authorized Improvements (defined below) to support the Project in a financially feasible manner in accordance with Chapter 372, Texas Local Government Code, as amended (the "PID Act"), and any applicable state law (the "PID Petition").

C. The City intends to create the PID in order to plan, finance, construct, acquire, operate and maintain a portion of the Authorized Improvements within the Project without imposing an undue burden on the City and its residents and taxpayers outside of the Property.

D. It is intended that special assessments will be levied on the Property within the PID ("Special Assessments") and PID Bonds (hereinafter defined) will be sold to finance or reimburse the Owner for the design, construction, and installation of a portion of the Authorized Improvements. The Authorized Improvements will confer a special benefit to the Property within the PID.

E. The City intends to exercise its powers under the PID Act, to provide alternative financing arrangements that will enable the Owner to do the following in accordance with the procedures and requirements of the PID Act and this Agreement: (i) fund or be reimbursed for a specified portion of the costs of the Authorized Improvements using the proceeds of PID Bonds; or (ii) obtain reimbursement for the specified portion of the costs of the Authorized Improvements, the source of which reimbursement will be annual installment payments from Special Assessments within the Property.

F. The City, after due and careful consideration, has concluded that the development of the Property will further the growth of the City, provide recreational spaces, increase the assessed valuation of the real estate situated within the City, upgrade public infrastructure, and otherwise be in the best interests of the City by furthering the health, safety, morals and welfare of its residents and taxpayers.

G. This Agreement is entered into pursuant to the laws of the State of Texas, the City Charter, and the City Regulations.

H. The Parties further desire to establish certain commitments to be imposed in connection with the development of the Property and to provide increased certainty to the City and Owner concerning development rights, entitlements, arrangements, and commitments, including the obligations and duties of the Owner and the City, for a period of years. The Parties acknowledge that they are proceeding in reliance upon the purposes, intent, effectiveness, and enforceability of this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants and agreements herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

ARTICLE I

DEFINITIONS; INCORPORATION OF RECITALS; TERM

1.1 Incorporation of Recitals. The representations, covenants and recitations set forth in the above recitals (the “Recitals”) are material to this Agreement and are hereby found and agreed to be true and correct and are incorporated into and made a part hereof as though they were fully set forth in this Article.

1.2 Definitions. Capitalized terms used in this Agreement shall have the meanings set forth in this section, unless otherwise defined, or unless the context clearly requires another definition.

“Agreement” is defined in the preamble hereof and includes any subsequent written amendments or modifications made pursuant to Section 12.7 hereof.

“Appraisal” means the appraisal of the Property obtained in connection with issuance of a series of PID Bonds to determine whether there is sufficient value associated with the Property to meet the value to lien ratios set forth in the PID Finance Exhibits (hereinafter defined).

“Authorized Improvements” means the public improvements expressly authorized by the PID Act and to be partially constructed and funded in connection with the PID Bonds that will be more particularly described in the PID creation resolution, the PFA (hereinafter defined) and the SAP (hereinafter defined). A list of public improvements for the Project and their estimated costs are attached hereto as Exhibit “C”, as may be updated in the SAP. PID Bonds will fund no more than \$40,000,000 in Authorized Improvements, including PID Bond issuance and financing costs.

“Bond Authorization Date” means the date that the City Council authorizes the issuance of a series of PID Bonds.

“City” means the City of Lago Vista, Texas, a home rule municipality located in Travis County, Texas.

“City Regulations” means the City’s Charter, the City’s applicable Code of Ordinances, and the other applicable regulations, standards, codes, and ordinances.

“Effective Date” is defined in the preamble hereof and is the date on which this Agreement

is entered into by both Parties.

“Improvement Account of the Project Fund” means the construction fund account created under the Indenture of Trust, funded by PID Bonds, and used to pay or reimburse for certain portions of the construction or acquisition of the Authorized Improvements.

“Indenture of Trust” means an Indenture of Trust between the City and trustee acceptable to City and Owner covering a series of PID Bonds, as the same may be amended from time to time.

“Land Plan” means the conceptual site plan shown on Exhibit “B” attached hereto and made a part hereof.

“Owner” is defined in the preamble hereof and includes any subsequent owner of the Property, whether one or more and whether or not related to the Owner or otherwise a related party of the Owner or a partnership or other entity in which the Owner is a partner or participant, of all or any portion of the Property that specifically acquires by whole or partial assignment, by operation of law or otherwise, the rights and obligations of the Owner under this Agreement.

“Party” or “Parties” is defined in the preamble hereof and all or any of the City and the Owner, as applicable, and their respective successors and/or permitted assigns.

“PID” is defined in the recitals hereto and means the Turnback Ranch Public Improvement District for the Property created under authority of the PID Act pursuant to a resolution adopted by the City Council of the City.

“PID Act” means Chapter 372 of the Texas Local Government Code, as amended.

“PID Bonds” means special assessment revenue bonds authorized by the City to be issued, in one or more series, in accordance with the PID Act and the PFA.

“PID Finance Exhibits” means the financial analysis and assumptions about the Project in accordance with the SAP, the proposed Special Assessments, and the PID Bonds described in Section 9.1. The information set forth in Section 9.1 may be revised by agreement of the Parties based on updated information received during the due diligence review of the Project, the proposed special assessments, and the proposed PID Bonds.

“PID Financing Agreement” or “PFA” means a PID Financing Agreement to be entered into between City and Owner to provide for the assessment, levying and collection of Special Assessments on the Property, the construction and maintenance of the Authorized Improvements, the issuance of the PID Bonds, and other matters related thereto.

“PID Financing Documents” means the PFA, SAP, Indenture of Trust, and Reimbursement Agreement collectively.

“Project” is defined in the recitals hereof and means the residential development planned for the Property, as generally shown on the Land Plan, known as “Turnback Ranch.” The Project is a “project” for purposes of Chapter 245 of Texas Local Government Code.

“Project Costs” means all costs and expenses paid or incurred by the Owner in connection with the design and construction of the Authorized Improvements.

“Project Engineer” means Bowman Consulting, or successor consultant selected by the Owner, as the engineer for the Authorized Improvements.

“Project Facilities” means the Authorized Improvements and any other improvements included by the Owner as part of the project, if any, that do not qualify as Authorized Improvements.

Commented [LME1]: Language subject to change or modification after further discussion with the City's Bond Counsel.

“Property” is defined in the recitals hereto and means the approximately 241.54-acre tract legally described on Exhibit “A” attached hereto and made a part hereof.

“Reimbursement Agreement” means a PID reimbursement agreement, construction funding agreement, or similar agreement between the City and the Owner pursuant to which the Owner may use PID Bond proceeds to fund construction of the Authorized Improvements and/or to reimburse the Owner for construction of the Authorized Improvements funded by the Owner.

“SAP” means a Service and Assessment Plan to be entered into contemporaneously with the levy of all requisite Special Assessments on the Property in support of PID Bonds in accordance with the PID Finance Exhibits and further subject to the PID Bond issuance requirements set forth under Section 9.1 attached hereto, as the same may be amended from time to time by City Council action.

“Turnback Ranch PDD” means Ordinance No. _____ approved by the City Council on _____, 2023, as may be amended from time to time.

1.3 Term. The term of his agreement, subject to Section 12.3 below, shall commence on the Effective Date and continue until the earlier to occur of: (i) the expiration of thirty-five (35) years from the Effective Date, or (ii) the date on which the City and the Owner discharge all of their obligations hereunder, including: (a) the Authorized Improvements have been completed and the City has accepted all of the Authorized Improvements, (b) all PID Bond proceeds have been expended for the construction of all of the Authorized Improvements, and (c) the Owner has been reimbursed for all completed and accepted Authorized Improvements, up to the total amount of the reimbursement obligation described in the Reimbursement Agreement.

ARTICLE II

CONCEPT PLAN; BENEFITS; SEQUENCE OF EVENTS; COOPERATION

2.1 Land Plan. The Property is proposed for development as a master-planned community with up to 349 single family detached residential dwelling units and the uses as set forth in the Turnback Ranch PDD, including park areas, open space and other public and private amenities as shown in the Land Plan. Owner, or its successors and assigns, shall submit an application to subdivide and develop the Property and construct or cause to be constructed the Project and the Authorized Improvements, at the Owner's expense, in accordance with this Agreement (subject to PID funding and reimbursements as provided in this Agreement), the plans and specifications approved by the City, good engineering practices, the City Regulations, as modified by the Turnback Ranch PDD, and other local, state, and federal laws and regulations that apply to the Property and the development thereof. The Land Plan illustrates the approved development concept for the Property and outlines the land use and thoroughfare connections but has not been engineered and does not represent the final design to be approved through the final platting process. Any amendment to the Land Plan approved by the City pursuant to City Regulations related to zoning or platting, including any approved amendment to the Turnback Ranch PDD or detailed site plan approved in connection therewith, shall be deemed an amendment to this Agreement and shall replace the attached Land Plan and become part of this Agreement.

2.2 General Benefits. The City will provide water and wastewater service to the Property on

the same terms and conditions as such services are provided to similarly situated properties within the City. Owner has voluntarily elected to enter into and accept the benefits of this Agreement and will benefit from: (a) the water and wastewater services that will be made available to the Property; and (b) the funding and reimbursements set forth herein. The City will benefit from this Agreement, by virtue of construction of the Authorized Improvements, expansion of its public roadway network, public amenities, and extension of its water and wastewater systems and infrastructure by Owner as herein provided. The proposed PID is located within the City's existing Water and Wastewater Certificates of Convenience and Necessity ("CCNs"). Plans for the proposed PID shall be prepared and reviewed by the City in compliance with the City Regulations as modified by the terms of the Turnback Ranch PDD. The Parties expressly confirm and agree that development of the Property will be best accomplished through this Agreement and will substantially advance the legitimate interests of the City. The City, by approval of this Agreement, further finds the execution and implementation of this Agreement is not inconsistent or in conflict with any of the policies, plans, or ordinances of the City.

2.3 Necessary and Appropriate Actions. The Parties agree to take such actions, including the execution and delivery of such documents, instruments, petitions and certifications (and, in the City's case, the adoption of such ordinances and resolutions), as may be necessary or appropriate, from time to time, to carry out the terms, provisions and intent of this Agreement and to reasonably aid and assist each other in carrying out said terms, provisions and intent, subject to the terms and conditions of this Agreement and subject to applicable processes, procedures, and findings that are required by state law and the City Regulations related to actions taken by the City Council.

ARTICLE III **OBLIGATIONS AND CONDITIONS**

3.1 City's Obligations. The City will reasonably cooperate with the Owner and use its best efforts, in good faith, to:

(a) Negotiate and enter into the PFA and a Reimbursement Agreement, if any, and approve the form of SAP prior to or simultaneously with the issuance of a series of PID Bonds, provided that:

(1) The PFA and the SAP will specifically identify the Authorized Improvements; and

(2) Owner can reasonably demonstrate that it has or will have, together with funds provided by the issuance of PID Bonds, adequate funding to timely construct or cause to be constructed the Authorized Improvements for the Project which will not be paid for or reimbursed by the PID Bonds;

(b) Authorize issuance of the PID Bonds within three (3) months but no later than six (6) months after receiving a bond issuance request from the Owner (the "Bond Authorization Date") in compliance with the PID Bond issuance requirements set forth in Section 9.1 and the PID Finance Exhibits attached hereto, so long as the City and Owner are proceeding in good faith to complete all of the following necessary documentation to effectuate the transaction:

(1) An Appraisal of the Property has been prepared by a third party selected by the City prior to issuance of PID Bonds;

(2) The Parties have entered into the PFA and a Reimbursement Agreement, if applicable; and

(3) Special Assessments in an amount adequate to finance the PID Bonds have been levied against the Property and the SAP has been adopted; and

(c) Subject to the conditions set forth in Section 3.1(a) and 3.1(b), work towards approval of the PFA, a Reimbursement Agreement, if any, the SAP, and issuance of PID Bonds.

3.2 Owner's Obligations. The Owner shall:

(a) Use its best efforts, in good faith, subject to Force Majeure as defined in Section 12.3 of this Agreement, within three (3) years after the Effective Date of this Agreement, to obtain approval of a preliminary plat for the entire Property and submit an application for a final plat for the Property, or some portion thereof consistent with the phasing plan approved by the City pursuant to Section 4.2, to the City and timely respond to City comments, subject to the City timely commenting on such applications; and

(b) Reasonably cooperate with the City and use its best efforts, in good faith, to (i) negotiate and enter into the PFA and a Reimbursement Agreement, if applicable, (ii) request the issuance of PID Bonds, (iii) provide the City with information needed to evaluate the proposed Special Assessments and the issuance of PID Bonds, to develop and adopt the SAP, and to issue PID Bonds; and

(c) Develop the Property and construct all infrastructure required for the Project in compliance with the applicable City Regulations, subject to this Agreement and the Turnback Ranch PDD; and

(d) Pay to the City such fees and charges for, or with respect to, the development of the Property, including, but not limited to, subdivision application fees, building permit fees, and water and wastewater impact, tap, and use fees, with the Owner, its grantees, successors and assigns, agreeing that the City's fees and charges are currently provided for in the applicable City Regulations which may be amended by the City from time to time; and

(e) Enter into a Professional Service Agreement that will be pre-funded to pay the reasonable costs and expenses incurred by the City for legal and professional services in connection with the creation of the PID, and the negotiation and implementation of this Agreement, the PFA and Reimbursement Agreement; and

(f) Agree that this Agreement does not waive the requirements of any state or federal laws and regulations or applicable City Regulations.

3.3 Conditions. Notwithstanding any other codes, resolutions, or ordinances of the City or any agreements related to the PID to the contrary, the Parties, in addition to any other remedies set forth herein, shall confer to reasonably and in good faith determine whether the issuance of PID Bonds is feasible based on the conditions set forth in Section 9.1 in the event any of the following events should occur: (i) the Owner fails to give the City notice of its request to issue PID Bonds; (ii) the Appraisal does not demonstrate that Property meets the value to lien ratio set forth in this Agreement; or (iii) the City fails for any reason to authorize the issuance of the PID Bonds to finance the Authorized Improvements on or before the Bond Authorization Date in accordance with the PID Finance Exhibits, which date may be extended by mutual agreement of the Parties. If the Parties in good faith reasonably elect not to proceed with the issuance of PID Bonds, then the Owner may (without waiving any other remedies set forth in this Agreement) develop the Project in accordance with this Agreement and may be reimbursed for the costs of the Authorized Improvements from Special Assessments pursuant to a Reimbursement Agreement.

3.4 Dissolution of PID. Contemporaneously with the adoption of a resolution by the City creating the PID, the Parties shall enter into an agreement for the dissolution of the PID (the "Dissolution Agreement") whereby the Owner agrees that, in the event Special Assessments have not been levied or PID Bonds have not been issued on or before three (3) years after the effective date of the Dissolution Agreement in accordance with the agreed upon terms set forth in the Dissolution Agreement, the City may dissolve the PID.

ARTICLE IV **DEVELOPMENT OF THE PROPERTY**

4.1 Applicable Rules. The Owner shall develop the Property or cause the Property to be developed in compliance with the applicable City Regulations, this Agreement, the Turnback Ranch PDD (as may be amended), the Land Plan, as it may be amended from time to time, and good engineering practices that apply to the Property and the development thereof.

4.2 Phased Development. The Owner may develop the Project in one or more phases in accordance with that certain Development Agreement executed between the City and Owner dated effective as of _____ ("Project Development Agreement") and with the phasing plan approved by the City Engineer and the Director of Development Services.

4.3 Zoning. As of the Effective Date of this Agreement, the Property is zoned as Planned Development District (PDD) pursuant to Ordinance No. _____. The Owner agrees to develop the Property consistent with the Turnback Ranch PDD, as may be amended pursuant to the process, notice, hearings, and procedures applicable to all other properties within the City.

4.4 Owner's Rights to Continue Development. In consideration of Owner's agreements, the City agrees that it will not, during the term of this Agreement, impose or attempt to impose: (a) any moratorium on building or development within the Project or (b) any land use or development regulation that limits the rate or timing of land use approvals, whether affecting utility service extensions and/ or tap connections, subdivision plats, site development permits or other necessary approvals, within the Project except for moratoria imposed pursuant to Texas Local Government Code, Subchapter E, Section 212.131 et. seq. This Agreement on the part of the City will not apply to temporary moratoria uniformly imposed throughout the City due to an emergency constituting an imminent threat to the public health or safety (including but not limited to an inability to comply with capacity requirements promulgated by the TCEQ), provided that the temporary moratorium continues only during the duration of the emergency.

4.5 Public Parkland. The Owner shall convey approximately 34 acres by special warranty deed, with no possibility or right of reverter, subject to all matters of record, to the City upon City's approval and recordation of the first final plat for the Project that shall include the portion of the Property located in the southeast corner of the Property as generally indicated in the Land Plan ("Public Parkland"). The Owner shall contribute, as part of the Authorized Improvements, the amount of one million and 00/100 dollars (\$1,000,000.00) to be used by the City, in its sole discretion, toward the design, construction, and installation of public amenities and other recreational amenities Within the PID ("Parkland Contribution"). This Agreement does not act to obligate the City in any manner to construct any improvements in any particular timeframe. In the event the City elects not to receive Parkland Contribution funds and communicates such election to the Owner in advance of the creation of the PID, such funds shall not be included as part of any Authorized Improvements.

Commented [LME2]: Language subject to change or modification after further discussion with the City's Bond Counsel.

4.6 Project Entrances. Pursuant to the Project Development Agreement and as described and defined therein, Owner shall design and construct, at the Owner's sole expense, (i) a fifty (50) foot wide

extension of Dodge Trail from Bar K Ranch Road to the northeast Property boundary as the primary entrance with improvements ("Dodge Trail Extension"); (ii) roadway frontage improvements adjacent to and outside the right of way of the Dodge Trail Extension that include, but are not limited to, utilities, trees, landscaping, retaining walls, graded berms, and a six (6) foot high masonry fence/wall; (iii) a secondary entry off of Bar K Ranch Road in the vicinity of the K Oaks Clubhouse, opposite of Paseo De Vaca, in the area depicted on the Land Plan ("Paseo de Vaca Extension"); and (iv) a six (6) foot high masonry fence/wall adjacent to the northern boundary of the K Oaks Clubhouse parcel owned by LVPOA and outside the southern boundary of the Paseo de Vaca Extension (collectively, "Roadway Improvements"). The City agrees that the Roadway Improvements may be an Authorized Improvement funded through the issuance of PID Bonds.

4.7 Development Impact Mitigation. Pursuant to the Project Development Agreement and as described and defined therein, Owner agrees to (i) fund improvements to existing Dodge Trail from Bar K Ranch Road to FM 1431 that include ribbon curbs and asphalt overlay; (ii) to direct all monetary commitments for traffic signals identified in the Traffic Impact Analysis dated October 5, 2022, as may be amended or updated, to installation of a traffic signal at the intersection of Bar K Ranch Road and RM 1431 in order to expedite TxDOT's installation of that signal; and (iii) construct any and all other off-site roadway and utility infrastructure that is reasonably determined by engineering and reasonably approved technical studies and designs as necessary to accommodate the demand of the Project ("Impact Mitigation"). The City agrees that Impact Mitigation, subject to any credits against street impact fees (as permitted by law), may be Authorized Improvements funded through the issuance of PID Bonds, subject to the requirements of state law.

Commented [LME3]: Language subject to change or modification after further discussion with the City's Bond Counsel.

ARTICLE V

PID TRUE UP

5.1 PID True Up.

(a) The following definitions shall be used in this Article V:

(1) "Maximum Special Assessment" means, for each lot classification identified in the Service and Assessment Plan ("SAP"), a Special Assessment equal to an amount that produces an average annual installment (inclusive of principal, interest, and administrative expenses) resulting in the Maximum Equivalent Tax Rate defined below. The Maximum Special Assessment shall only be calculated (i) for a parcel being created by a subdivision plat, at the time of the filing of a subdivision plat, and (ii) for parcels whose Special Assessments are securing a series of PID Bonds, at the time such PID Bonds are issued.

(2) "Maximum Equivalent Tax Rate" means, for each lot classification identified in the SAP, a maximum overlapping tax rate equivalent, including all taxing entities within the PID, of \$3.00 per \$100 of estimated buildout value, unless the City Council of the City authorizes a higher amount. The estimated buildout value for a lot classification shall be determined by the PID administrator using information provided by the Owner and confirmed by the City Council by considering such factors as density, lot size, proximity to amenities, view premiums, location, market conditions, historical sales, builder contracts, discussions with homebuilders, reports from third party consultants, information provided by the Owner, or any other information that may help determine buildout value.

(b) Mandatory Reduction in Special Assessments if Maximum Special Assessment Exceeded.

(1) Maximum Special Assessment Exceeded at Plat. If the subdivision of

any assessed property by a recorded subdivision plat causes the Special Assessment per lot to exceed the Maximum Special Assessment, then prior to the City approving the plat, the Owner must partially prepay the Special Assessment for each property that exceeds the Maximum Special Assessment in an amount sufficient to reduce the Special Assessment to the Maximum Special Assessment.

(2) Maximum Special Assessment Exceeded at PID Bond Issuance. At the time PID Bonds are issued, if the Special Assessments have been previously levied and the Special Assessment per lot for any lot classification identified in the SAP exceeds the Maximum Special Assessment, then prior to the issuance of PID Bonds, the Special Assessment on the parcel shall be reduced until the Special Assessment equals the Maximum Special Assessment.

ARTICLE VI **PROJECT ENGINEER**

Project Engineer. The Owner has selected the Project Engineer as the project engineer for the Authorized Improvements. The Project Engineer will prepare the design, construction plans and specifications, and supporting documentation for the development of the Property. The Project Engineer will work and coordinate with the City Engineer to obtain the review and approval by Owner, the City Engineer, and the Director of Development Services of such design, plans and specifications and supporting documentation. The Owner may, from time to time and at any time, replace the Project Engineer in the Owner's sole and absolute discretion. In the event Owner elects to replace the Project Engineer, the Owner will provide written notice to the City of the replacement engineer.

ARTICLE VII **PLAN REVIEW/APPROVAL AND BIDDING OF PROJECT FACILITIES**

7.1 Plan Review and Approval. The City and the Owner shall cooperate in good faith and in a diligent manner to provide the Project Engineer with all information required to prepare a complete set of plans and specifications for each of the Project Facilities (the "Plans"). The City and the Owner shall work together in good faith to prepare and finalize the final plats and Plans, to maximize value, and to ensure the construction costs for all of the Project Facilities are commercially reasonable. Upon receipt by the City of draft final plats and Plans from the Owner or Project Engineer, the Owner shall submit such final plats and Plans to the City. The Owner shall also provide to the City a cost estimate of the cost to construct the Project Facilities based on the Plans provided ("Cost Estimate") and an estimated construction schedule based on such Plans. The City and Owner agree to work diligently with one another to finalize the Plans and keep the costs commercially reasonable. Any written City approval or denial must be based on compliance with applicable City Regulations as modified by this Agreement and/ or the Turnback Ranch PDD. After Owner receives any comments to the Plans, the Owner shall revise the Plans accordingly to address such comments and value engineering. The foregoing process shall repeat until the Plans are approved by the Owner and the City. The City agrees not to unreasonably withhold its approval of the final plats or Plans. Upon approval of the Plans, the City and the Owner shall sign, date, and exchange an index of drawings identifying such approved Plans. Once the Plans are approved by the City and the Owner, the Plans shall not be modified or amended without the prior written consent of both the City and the Owner, which both Parties agree to give reasonably; provided that such changes do not result in a material increase in cost. Following approval of the Plans, the Owner shall, at the Owner's cost and expense and in compliance with all applicable codes, laws, regulations, and ordinances, cause the construction of the Project Facilities in accordance with the Plans. The City shall cooperate with the Owner in connection with obtaining the necessary permits for the Project Facilities. If any provision in this paragraph conflicts with any other provision in this Agreement, this paragraph controls.

7.2 Project Facilities Costs Expenses and Reimbursement. All costs and expenses for

designing, bidding, constructing, and installing the Project Facilities shall initially be paid by the Owner or through funds available after PID Bond issuance for any Authorized Improvements. The Owner shall be eligible for funding and reimbursement of the Authorized Improvements as set forth in this Agreement and any Reimbursement Agreement.

7.3 Competitive Bidding. This Agreement and construction of the Authorized Improvements are anticipated to be exempt from competitive bidding pursuant to Sections 252.022(a)(9) and 252.022(a)(11) of the Texas Local Government Code based upon current cost estimates. However, in the event that the actual costs for the Authorized Improvements do not meet the parameters for exemption from the competitive bid requirement, then the Project Facilities shall be competitively bid with a minimum of three (3) bids being requested, and as otherwise required by state law, which shall be documented by the Owner. Copies of the bids will be provided by the Owner to the City upon request.

7.4 Project Facilities Constructed on City Land or the Property. If the Project Facilities are on land owned by the City, the City shall grant to the Owner a temporary easement to enter upon such land for purposes related to construction (and maintenance pending acquisition and acceptance) of the Project Facilities in a form acceptable to both Parties. If the Project Facilities are on land owned by the Owner, the Owner shall execute and deliver to the City such access, maintenance and operation easements as the City may reasonably require in recordable form, and the Owner shall grant to the City a permanent access, maintenance, and operation easement to enter upon such land for purposes related to inspection, maintenance, and operation of the Project Facilities in a form acceptable to the City. The grant of the permanent easement shall not relieve the Owner of any obligation to grant the City or other entity, as applicable, title to property and/or easements related to the Project Facilities as required by this Agreement or as should in the City's reasonable judgment be granted to provide for convenient access to and routine and emergency maintenance of such Project Facilities. The provisions for inspection and acceptance of such Project Facilities otherwise provided herein shall apply.

ARTICLE VIII **CONSTRUCTION OF PROJECT FACILITIES; PAYMENT**

8.1 Construction of the Project Facilities. Owner shall design, construct, install and obtain City acceptance, as applicable, of the Project Facilities in accordance with the terms and conditions of this Agreement.

8.2 Fiscal Surety. The City shall require the Owner to provide fiscal surety (in a form reasonably acceptable to the City) at the time of final plat recordation to assure that the public improvements will be constructed as proposed. The Owner shall provide, or cause to be provided, a two (2) year maintenance bond upon acceptance by the City.

8.3 City Acceptance.

(a) Within thirty (30) days after the City's final inspection and correction of punch list items of the Project Facilities (or applicable segment thereof), the Owner shall convey to the City (if requested by the City and by an instrument acceptable to the City and subject to the maintenance bond required as set forth in Section 8.2 above), and the City will accept the applicable Project Facilities to be dedicated to the City as follows:

-
- (1) The Owner shall provide the City Engineer with a set of as-built drawings, for permanent record.
 - (2) The Owner or Owner's Contractor shall provide the City Manager or

designee with a two-year maintenance bond for the Project Facilities conveyed to the City (as applicable).

(b) Upon the completion of construction of the applicable Project Facilities by the Owner and acceptance thereof by and conveyance to the City, the applicable Project Facilities will be owned, operated, and maintained by the City (subject to the maintenance bond required in Section 8.2 above), and no other conveyance documents will be required to effectuate this transfer (other than easements that are not conveyed by plat).

8.4 Project Costs.

(a) The cost of the Authorized Improvements (the "Project Costs") will include all costs and expenses paid or incurred by the Owner in connection with the design and construction of the Authorized Improvements including, but not limited to, costs and expenses for:

- (1) feasibility, design, planning, engineering, environmental, consulting, survey, and legal;
- (2) soils and materials testing;
- (3) obtaining governmental and regulatory approvals;
- (4) construction management (4%), construction, and inspections; and
- (5) amounts reimbursed by the Owner to the City for third party costs paid or incurred by the City in connection with the design and construction of the Project Facilities (including, but not limited to, inspection, engineering, and legal fees).

(b) Project Costs shall be reviewed by the City Engineer or the City's PID consultant for reasonableness and necessity, and written comments, if any, shall be provided to the Owner within thirty (30) days after the Project Costs, including documentation, are delivered to the City Engineer or the City's PID consultant. If any Project Costs are rejected by the City Engineer or the City's PID consultant as unreasonable or unnecessary, a detailed written justification for the rejection shall be provided to the Owner. The portion of the approved Project Costs shall be paid or reimbursed to the Owner while payment with respect to the disputed portion(s) of the Project Costs shall not be made until the Owner and the City have jointly settled such dispute or additional information has been provided to the City's reasonable satisfaction.

8.5 City's Option to Complete Project Facilities.

(a) In accordance with Section 8.2, Owner shall provide fiscal surety to assure that the public improvements are constructed. In the event the Owner fails to complete and obtain City acceptance of the Project Facilities to be dedicated to the City after any applicable notice and cure periods, the City will have the right, but not the obligation, to complete such Project Facilities and to draw on any fiscal surety guaranteeing the completion of such Project Facilities. To the extent that such fiscal surety is insufficient to cover the City's costs incurred in such completion, the Owner shall compensate the City for any such difference.

(b) In the event the City elects to complete the Project Facilities to be dedicated to the City, the Owner agrees that all of the Owner's right, title, and interest in the plans and specifications, designs, easements, real and personal property, and improvements acquired, produced or installed in aid of or necessary for completing such Project Facilities by the Owner or its engineers or contractors before

such default shall become the property of the City and, in such event, the Owner will provide all necessary documentation to the City within five (5) business days of the City's request. To ensure that the City has all necessary rights to the plans and specifications for such Project Facilities and any other engineering services of the Project Engineer, Owner hereby assigns all its rights, title, and interest in the professional services agreements between the Owner and the Project Engineer necessary for completion of the Project Facilities. The Owner agrees that the City will have the right to use such plans and specifications to complete the Project Facilities to be dedicated to the City.

ARTICLE IX **PID BOND ISSUANCE REQUIREMENTS**

9.1 **PID Bond Issuance Requirements.** The Parties acknowledge the City's "Public Improvement District Policy Manual" as of the Effective Date and agree that as consideration for the Owner's development of the Project, the City's issuance of PID Bonds and the PID Financing Documents shall be subject to the following requirements set forth in this Section 9.1, which may differ from the policy:

(a) **PID Bond Operations.** The aggregate principal amount of PID Bonds to be issued shall not exceed \$40,000,000, which shall be used to fund: (i) the actual costs of a portion of the Authorized Improvements, (ii) to the extent permitted by law, required reserves, additional interest, and capitalized interest during the period of construction and not more than twelve (12) months after the completion of construction of all Authorized Improvements covered by the PID Bond issue in question and in no event for a period greater than thirty-six (36) months from the date of the initial delivery of the respective PID Bonds, (iii) a PID reserve fund and administrative fund, and (iv) any costs of issuance for the PID Bonds; provided, however, that to the extent the law(s) which limit the period of capitalized interest to twelve (12) months after completion of construction change, the foregoing limitation may, with the agreement of the Parties, be adjusted to reflect the law(s) in effect at the time of future PID Bond issuances.

(b) **Maturity.** The final maturity for each series of PID Bonds shall occur no later than thirty (30) years from the issuance date of said PID Bonds.

(c) **Financing Amount.** The Owner intends to request the issuance of the PID Bonds subject to the condition that the maximum cost of Authorized Improvements to be funded plus issuance and other financing costs shall not exceed \$40,000,000.

(d) **Value to Lien Ratio.** The minimum value to lien ratio based on the anticipated final lot values as provided in an Appraisal at the issuance date of each series of PID Bonds shall be at least 3 to 1 overall, as set forth in the Indenture of Trust, unless the City Council approves a different ratio.

ARTICLE X **PROPERTY OWNERS' ASSOCIATION**

10.1 **Property Owners Association.** Owner will create one or more Property Owners Association(s) ("Association"), and shall establish bylaws, rules, regulations, and restrictive covenants (collectively, the "Association Regulations") to assure the Association performs and accomplishes the duties and purposes required to be performed and accomplished by the Association pursuant to this Agreement. The applicable Association Regulations will establish periodic Association dues and assessments that are and will be sufficient to maintain and operate (a) certain drainage easements and improvements within the Property that are dedicated to the City but not maintained and operated by the City; (b) any part or portion of the Property that is dedicated to the applicable Association, such as parkland and buffer areas; (c) signage and roadway frontage improvements along Dodge Trail Extension and Paseo

de Vaca Extension (the “Dedicated Association Property”). The applicable Association Regulations will require the periodic dues and assessments to be increased from time to time as necessary to provide the funds required for the maintenance of the Dedicated Association Property and to provide funds required for the management and operation of the Association.

ARTICLE XI

AUTHORITY; COVENANTS; PROPERTY RIGHTS

11.1 Powers.

(a) The City hereby represents and warrants to the Owner that the City has full constitutional and lawful right, power and authority, under currently applicable law, to execute and deliver and perform the terms and obligations of this Agreement, subject to the terms and conditions of this Agreement and subject to applicable processes, procedures, and findings that are required by state law, City Regulations, or the City Charter related to actions taken by the City Council, and all of the foregoing have been authorized and approved by all necessary City proceedings, findings and actions. Accordingly, this Agreement constitutes the legal, valid and binding obligation of the City, is enforceable in accordance with its terms and provisions, and does not require the consent of any other governmental authority.

(b) The Owner hereby represents and warrants to the City that the Owner has full lawful right, power and authority to execute and deliver and perform the terms and obligations of this Agreement and all of the foregoing have been or will be duly and validly authorized and approved by all necessary actions of the Owner. Concurrently with the Owner’s execution of this Agreement, the Owner has delivered to the City copies of the resolutions or other corporate actions authorizing the execution of this Agreement and evidencing the authority of the persons signing this Agreement on behalf of the Owner to do so. Accordingly, this Agreement constitutes the legal, valid and binding obligation of the Owner, and is enforceable in accordance with its terms and provisions.

11.2 Authorized Parties. Whenever under the provisions of this Agreement and other related documents and instruments or any supplemental agreements, any request, demand, approval, notice or consent of the City or the Owner is required, or the City or the Owner is required to agree or to take some action at the request of the other, such request, demand, approval, notice or consent, or agreement shall be given for the City, unless otherwise provided herein or inconsistent with applicable law, the City Charter, or City Regulations, by the City Manager and for the Owner by any officer of the Owner so authorized (and, in any event, the officers executing this Agreement are so authorized); and any party shall be authorized to act on any such request, demand, approval, notice or consent, or agreement.

ARTICLE XII

GENERAL PROVISIONS

12.1 Time of the Essence. Time is of the essence in all things pertaining to the performance of this Agreement. The Parties will make every reasonable effort to expedite the subject matters hereof and acknowledge that the successful performance of this Agreement requires their continued cooperation.

12.2 Default; Remedies.

(a) A Party shall be deemed in default under this Agreement if such Party fails to materially perform, observe or comply with any of its covenants, agreements or obligations hereunder or breaches or violates any of its representations contained in this Agreement, subject to the notice and cure provisions in this Section 12.2.

(b) Before any failure of any Party to perform its obligations under this Agreement shall be deemed to be a default of this Agreement, the Party claiming such failure shall notify, in writing, the Party alleged to have failed to perform of the alleged failure and shall demand performance. No default of this Agreement may be found to have occurred if performance has commenced to the reasonable satisfaction of the complaining party within thirty (30) days of the receipt of such notice, and the Party shall be given a reasonable time to cure the alleged failure (such reasonable time determined based on the nature of the alleged failure, but in no event less than thirty (30) days after written notice of the alleged failure has been given). Upon a default of this Agreement for which cure has not commenced as provided above, the non-defaulting Party, in any court of competent jurisdiction, by an action or proceeding at law or in equity, may seek relief, including but not limited to the specific performance of the covenants and agreements herein contained, mandamus, and injunctive relief. Except as otherwise set forth herein, no action taken by a Party pursuant to the provisions of this Section or pursuant to the provisions of any other Section of this Agreement shall be deemed to constitute an election of remedies and all remedies set forth in this Agreement shall be cumulative and non-exclusive of any other remedy either set forth herein or available to any Party at law or in equity. Each of the Parties shall have the affirmative obligation to mitigate its damages in the event of a default by the other Party.

12.3 Force Majeure.

(a) The term "Force Majeure" as employed herein shall mean and refer to acts of God; strikes, lockouts, or other industrial disturbances; acts of public enemies; orders of any kind of the government of the United States, the State of Texas or any civil or military authority; insurrections; riots; wars; revolts; terrorism; sabotage and threats of sabotage or terrorism; epidemic; pandemic; landslides; lightning, earthquakes; fires, hurricanes; storms, floods; washouts; arrests; restraint of government and people; civil disturbances; explosions; breakage or accidents to machinery, pipelines, or canals; transportation disasters, whether by ocean, rail, land or air; review by the City or its third party consultants of submittals from the Developer which review takes over thirty (30) calendar days for initial review of submittals, or over ten (10) business days for review of resubmittals in response to City comments, or other causes that (i) are not reasonably within the control of the party claiming such inability, or (ii) could not be avoided, by the party who suffers it, by the exercise of commercially reasonable efforts. Force Majeure does not include the marketability of the Project or any portion thereof.

(b) If, by reason of Force Majeure, any party hereto shall be rendered wholly or partially unable to carry out its obligations under this Agreement, then such party shall give written notice of the full particulars of such Force Majeure to the other party within thirty (30) days after the occurrence thereof. The obligations of the party giving such notice, to the extent effected by the Force Majeure, shall be suspended during the continuance of the inability claimed, except as hereinafter provided, but for no longer period, and the party shall endeavor to remove or overcome such inability with all reasonable dispatch.

(c) It is understood and agreed that the settlement of strikes and lockouts shall be entirely within the discretion of the party having the difficulty, and that the above requirement that any Force Majeure shall be remedied with all reasonable dispatch shall not require that the settlement be unfavorable in the judgment of the party having the difficulty.

12.4 Liability of the Owner, its Successors and Assignees. Any obligation or liability of the Owner whatsoever that may arise at any time under this Agreement or any obligation or liability which may be incurred by the Owner pursuant to any other instrument, transaction or undertaking contemplated hereby shall be satisfied, if at all, out of the assets of the Owner and any fiscal surety posted with the City related to the Turnback Ranch subdivision only, except as required by the PFA or any other agreements the Owner enters related to the PID or the Turnback Ranch subdivision. No obligation or liability shall be personally binding upon, nor shall resort for the enforcement thereof be had to, the property of any of partners, officers,

employees, shareholders or agents of the Owner, regardless of whether such obligation or liability is in the nature of contract, tort or otherwise, except as required by the PFA or any other agreements the Owner enters related to the PID or the Turnback Ranch subdivision.

12.5 Personal Liability of Public Officials. To the extent permitted by State law, no public official or employee shall be personally responsible for any liability arising under or growing out of this Agreement.

12.6 Notices. Any notice sent under this Agreement (except as otherwise expressly required) shall be written and mailed by registered or certified mail, return receipt requested, or personally delivered to an officer of the receiving party at the following addresses:

If to the City:

City of Lago Vista
Attn: City Manager
5803 Thunderbird Street
Lago Vista, Texas 78645

If to the Owner:

Turnback Development, LLC
c/o Ventana Capital
8678 Concord Center Drive #200
Englewood, Colorado 80112

with a copy to:

McLean & Howard LLP
Attn: Jeffrey Howard
4301 Bull Creek Road, Suite 150
Austin, Texas 78731

Each Party may change its address by written notice in accordance with this Section. Any communication addressed and mailed in accordance with this Section shall be deemed to be given when deposited with the United States Postal Service, and any communication so delivered in person shall be deemed to be given when receipted for by, or actually received by, an authorized officer of the City or the Owner, as the case may be.

12.7 Amendments and Waivers. Any provision of this Agreement may be amended or waived if such amendment or waiver is in writing and is approved by the City Council and the Owner. No course of dealing on the part of the City or the Owner nor any failure or delay by the City or the Owner with respect to exercising any right, power or privilege pursuant to this Agreement shall operate as a waiver thereof, except as otherwise provided in this Section.

12.8 Invalidity. In the event that any of the provisions contained in this Agreement shall be held unenforceable in any respect, such unenforceability shall not affect any other provisions of this Agreement, and, to that end, all provisions, covenants, agreements or portions of this Agreement are declared to be severable.

12.9 Beneficiaries. This Agreement shall bind and inure to the benefit of the Parties and their

successors and permitted assigns. Owner waives all rights or claims against the City for any funds paid to a third party in accordance with an assignment made pursuant to the terms of this Agreement. The foregoing notwithstanding, no assignment of payments hereunder may be pledged to the payment of debt service on public securities issued by any state of the United States or any political subdivision thereof without the approval of the City Council.

12.10 Successors and Assigns.

(a) Except as expressly provided in this Section, neither party to this Agreement shall have the right to convey, transfer, assign, mortgage, pledge or otherwise encumber all or any part of its right, title and interest under this Agreement to any party without the prior written consent of the other party to this Agreement, which consent shall not be unreasonably withheld, conditioned, delayed or denied. Upon any permitted assignment of the duties, obligations and liabilities assigned hereunder, the assigning party shall be relieved of any and all such duties, obligations and liabilities. Owner waives all rights or claims against the City for any funds paid to a third party in accordance with an assignment made pursuant to the terms of this Agreement. The foregoing notwithstanding, no assignment of payments hereunder may be pledged to the payment of debt service on public securities issued by any state of the United States or any political subdivision thereof without the approval of the City Council.

(b) Notwithstanding the foregoing, Owner may, from time to time, effectuate a transfer of the obligations, rights, privileges, benefits, duties, requirements, or covenants under this Agreement, in whole or in part, without the consent of City by providing the City with written notice of such assignment within ten (10) days after the effective date of such transfer to (i) the residential construction company known as Toll Brothers, Inc. as a successor in interest as subsequent purchaser of all or a majority of the Property, (ii) an affiliate of which Owner remains a member, or (iii) any lienholder on the Property. The obligations, rights, requirements, or covenants to develop the Property under this Agreement shall not otherwise be assigned by the Owner without the prior written consent of the City Council, which consent shall not be unreasonably withheld, conditioned, delayed, or denied; provided such party agrees in writing to assume all of Owner's duties, obligations, and liabilities so assigned hereunder, and provided further that any such assignment shall not become effective until the City receives notice of the assignment and a copy of the assignment instrument. Upon any permitted assignment of the duties, obligations and liabilities assigned hereunder, the Owner shall be relieved of any and all such duties, obligations and liabilities. Any receivables due to the Owner under this Agreement, the PFA, or any Reimbursement Agreement may be assigned by the Owner without the consent of, but upon written notice to, the City within ten (10) days of such assignment pursuant to this Agreement.

(c) Owner may pledge, assign, collaterally assign, or grant a lien or security interest in, or otherwise encumber any of its right, title and interest under this Agreement, in whole or in part, (i) without the consent of the City, to any third party lender of the Project (each, a "Lender"), or (ii) to any person or entity with the City Council's prior written consent (which consent shall not be unreasonably withheld, conditioned, or delayed) as security for the performance of Owner's obligations; and in relation thereto, the City will execute reasonable acknowledgements of this Agreement as may be requested by such Lender or third party, including confirmation whether this Agreement is valid and in full force and effect, whether either party is in default of any duty or obligation under this Agreement, and agreeing to provide notice and opportunity to cure to such Lender and the City agrees to accept a cure, not to be unreasonably withheld, offered by the Lender as if offered by the defaulting Party. The collateral assignment, pledge, grant of lien or security interest, or other encumbrance shall not, however, obligate any Lender to perform any obligations or incur any liability under this Agreement unless the Lender agrees in writing to perform such obligations or incur such liability. A Lender is not a party to this Agreement unless this Agreement is amended, with the consent of the Lender, to add the Lender as a Party.

(d) Notwithstanding anything to the contrary, this Agreement shall not be binding upon and shall not create any encumbrance to title any end-buyer of a fully developed and improved platted lot in the Project, unless the owner of such platted lot agrees to accept the terms of this Agreement as a binding encumbrance in connection with its acquisition of such platted lot.

12.11 Exhibits, Titles of Articles, Sections and Subsections. The exhibits attached to this Agreement are incorporated herein and shall be considered a part of this Agreement for the purposes stated herein, except that in the event of any conflict between any of the provisions of such exhibits and the provisions of this Agreement, the provisions of this Agreement shall prevail. All titles or headings are only for the convenience of the Parties and shall not be construed to have any effect or meaning as to the agreement between the Parties hereto. Any reference herein to a section or subsection shall be considered a reference to such section or subsection of this Agreement unless otherwise stated. Any reference herein to an exhibit shall be considered a reference to the applicable exhibit attached hereto unless otherwise stated.

12.12 Applicable Law. This Agreement is a contract made under, and shall be construed in accordance with and governed by, the laws and regulations of the United States of America and the State of Texas, and any actions concerning this Agreement shall be brought in either the Texas State District Courts of Travis County, Texas or the United States District Court for the Western District of Texas.

12.13 Entire Agreement. This Agreement represents the entire agreement between the Parties at the time of its execution and may not be contradicted by evidence of prior, contemporaneous, or subsequent oral agreements of the Parties. There are no unwritten oral agreements between the Parties.

12.14 No Waiver of City Regulations. Except as may be specifically provided in this Agreement, the City does not waive or grant any exemption to the Property or the Owner with respect to City Regulations.

12.15 Approval by the Parties. Whenever this Agreement requires or permits approval or consent to be hereafter given by any of the Parties, the Parties agree that such approval or consent shall not be unreasonably withheld, conditioned or delayed. Approvals and consents shall be effective without regard to whether given before or after the time required for giving such approvals or consents.

12.16 Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same agreement.

12.17 Interpretation. This Agreement has been jointly negotiated by the Parties and shall not be construed against a Party because that Party may have primarily assumed responsibility for the drafting of this Agreement.

12.18 Severability. The provisions of this Agreement are severable, and if any word, phrase, clause, sentence, paragraph, section, or other part of this Agreement, or the application thereof to any person or circumstance, shall ever be held by any court of competent jurisdiction to be invalid or unconstitutional for any reason, the remainder of this Agreement and the application of such word, phrase, clause, sentence, paragraph, section, or other part of this Agreement to other persons or circumstances shall not be affected thereby.

12.19 Binding Obligations. This Agreement shall be binding upon the Parties and their successors and assigns permitted by this Agreement and upon the Property; provided, however, this Agreement, if recorded, shall not be binding upon, and shall not constitute any encumbrance to title as to, any end-buyer of a fully developed and improved lot within the Property except for land use and development regulations that apply to specific lots. For purposes of this Agreement, the Parties agree (i)

that the term “end-buyer” means any owner, developer, tenant, user, or occupant, and (ii) that the term “fully developed and improved lot” means any lot, regardless of proposed use, for which a final plat has been approved by the governmental authority having jurisdiction and for which all planned and approved improvements have been constructed and accepted to the extent that a building permit may be obtained for such lot.

12.20 Anti-Boycott Verification. 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, Owner represents that neither 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.

12.21 Verification under Chapter 2252, Texas Government Code. 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.

12.22 No Discrimination Against Fossil-Fuel Companies. To the extent this Agreement constitutes a contract for goods or services for which a written verification is required under Section 2274.002, Texas Government Code, as amended, 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 enable the City to comply with such Section and to the extent such Section does not contravene applicable Texas or federal law. As used in the foregoing verification, “boycott energy companies” shall mean, 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 (a) above.

12.23 No Discrimination Against Firearm Entities and Firearm Trade Associations. To the extent this Agreement constitutes a contract for goods or services for which a written verification is required under Section 2274.002, Texas Government Code, as amended, 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 discriminate during the term of this Agreement against a firearm entity or firearm trade association. The foregoing verification is made solely to enable the City to comply with such Section and to the extent such Section does not contravene applicable Texas or federal law. As used in the foregoing verification, (a) ‘discriminate against a firearm entity or firearm trade association’ means, with respect to the firearm entity or firearm trade association, to: (i) refuse to engage in the trade of any goods or services with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, (ii) refrain from continuing an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, or (iii) terminate an existing business relationship with the firearm entity or firearm trade association based solely on its status

as a firearm entity or firearm trade association; and (b) does not include (i) the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories and (ii) 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 (A) to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency or (B) 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. As used in the foregoing verification, (a) 'firearm entity' means a manufacturer, distributor, wholesaler, supplier, or retailer of firearms (i.e., weapons that expel projectiles by the action of explosive or expanding gases), firearm accessories (i.e., devices specifically designed or adapted to enable an individual to wear, carry, store, or mount a firearm on the individual or on a conveyance and items used in conjunction with or mounted on a firearm that are not essential to the basic function of the firearm, including detachable firearm magazines), or ammunition (i.e., a loaded cartridge case, primer, bullet, or propellant powder with or without a projectile) or a sport shooting range (as defined by Section 250.001, Texas Local Government Code); and (b) 'firearm trade association' means a person, corporation, unincorporated association, federation, business league, or business organization that: (i) is not organized or operated for profit (and none of the net earnings of which inures to the benefit of any private shareholder or individual), (ii) has two or more firearm entities as members, and (iii) is exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c) of that code.

12.24 Exhibits. The following Exhibits to this Agreement are incorporated herein by reference for all purposes:

<u>Exhibit A</u>	Description of Property
<u>Exhibit B</u>	Land Plan
<u>Exhibit C</u>	Authorized Improvements

[Signature pages follow]

IN WITNESS WHEREOF, the Parties have duly executed this Agreement pursuant to all requisite authorizations as of the date first above written.

CITY:

CITY OF LAGO VISTA, TEXAS,
a home rule municipality

By: _____
Ed Tidwell, Mayor

ATTEST:

Sandra Barton, City Secretary

THE STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

This instrument was acknowledged before me on the _____ day of _____, 2023, by _____ of the City of Lago Vista, a home-rule municipality, on behalf of said municipality.

Notary Public, State of Texas

(SEAL)

OWNER:

TURNBACK DEVELOPMENT, LLC,
a Nevada limited liability company

By: _____

Name: _____

Title: _____

THE STATE OF _____ §

COUNTY OF _____ §

This instrument was acknowledged before me on the _____ day of _____, 2023, by _____, as _____ of Turnback Development, LLC, a Nevada limited liability company, on behalf of said entity.

Notary Public, State of Texas

EXHIBIT "A"

Description of Property

LEGAL DESCRIPTION
241.541 ACRES

BEING a tract of land located in the TEXAS-MEXICO RAILROAD SURVEY, ABSTRACT NO. 2291, CHRISTIAN FEHRENKAMP SURVEY, ABSTRACT NO. 286, and the LEWIS GOODWIN SURVEY, ABSTRACT NO. 336, Travis County, Texas and being all of those tracts of land described as Tracts 1-7 in Deed to Vol H. Montgomery, recorded in Document No. 1999-148851, Deed Records, Travis County, Texas and being part of a 10.81 acre tract of land described in Deed to Vol H. Montgomery, recorded in Document No. 1999-148850, Deed Records, Travis County, Texas and being part of a tract of land described in Deed to RPI-P2A Partnership, recorded in Volume 9113, Page 300, Deed Records, Travis County, Texas and being more particularly described as follows:

BEGINNING at a 1/2 inch iron rod found in the East line of said Tract 2 at the Northwest corner of said Tract 7;

THENCE South 72 degrees 36 minutes 49 seconds East, along the North line of said Tract 7, a distance of 497.02 feet to a 1/2 inch iron rod with an aluminum cap stamped "CHAPARRAL" found at the most Northeast corner of said Tract 7 and said Tract 5;

THENCE South 13 degrees 31 minutes 35 seconds West, along the East line of said Tract 5, passing at a distance of 60.13 feet the Southeast corner of said Tract 7, and continuing for a total distance of 282.10 feet to a 1/2 inch iron rod with an aluminum cap stamped "CHAPARRAL" found for corner;

THENCE South 15 degrees 26 minutes 33 seconds West, continuing along the East line of said Tract 5, a distance of 90.41 feet to an "X" set in concrete for corner in the West right-of-way line of Bar-K Ranch Road, a variable width right-of-way, at the South corner of said Tract 5;

THENCE North 13 degrees 36 minutes 15 seconds East, along said West right-of-way line and the West line of said Tract 5, a distance of 312.51 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set in the South line of said Tract 7;

THENCE North 72 degrees 35 minutes 06 seconds West, leaving said West right-of-way line and said West line of Tract 5 and along the South line of said Tract 7, a distance of 508.72 feet to a 1/2 inch iron rod found in the East line of said Tract 2 at the Southwest corner of said Tract 7;

THENCE South 27 degrees 07 minutes 37 seconds West, along the East line of said Tract 2, a distance of 1,157.48 feet to a 1/2 inch iron rod found;

THENCE South 30 degrees 29 minutes 52 seconds West, a distance of 212.31 feet to a 1/2 inch iron rod with a red washer stamped "BUSH SURVEYING, INC." found at the Southeast corner of said Tract 4;

THENCE along the South line of said Tract 4 the following twenty-three (23) courses and distances:

South 75 degrees 31 minutes 34 seconds West, a distance of 372.92 feet to a point for corner;

North 57 degrees 02 minutes 33 seconds West, a distance of 114.31 feet to a point for corner;

North 74 degrees 29 minutes 21 seconds West, a distance of 132.94 feet to a point for corner;

South 57 degrees 14 minutes 10 seconds West, a distance of 166.72 feet to a point for corner;

South 75 degrees 22 minutes 03 seconds West, a distance of 147.89 feet to a point for corner;

South 82 degrees 36 minutes 45 seconds West, a distance of 107.60 feet to a point for corner;

North 65 degrees 07 minutes 30 seconds West, a distance of 186.14 feet to a point for corner;

North 19 degrees 11 minutes 13 seconds West, a distance of 140.45 feet to a point for corner;

North 11 degrees 16 minutes 02 seconds West, a distance of 174.21 feet to a point for corner;

North 61 degrees 12 minutes 46 seconds West, a distance of 107.16 feet to a point for corner;

North 23 degrees 24 minutes 37 seconds East, a distance of 108.08 feet to a point for corner;

North 59 degrees 45 minutes 10 seconds East, a distance of 71.76 feet to a point for corner;

North 65 degrees 43 minutes 16 seconds East, a distance of 242.14 feet to a point for corner;

North 62 degrees 47 minutes 27 seconds West, a distance of 167.68 feet to a point for corner;

North 01 degrees 23 minutes 12 seconds West, a distance of 152.53 feet to a point for corner;

South 61 degrees 04 minutes 13 seconds West, a distance of 70.03 feet to a point for corner;

North 60 degrees 25 minutes 41 seconds West, a distance of 101.88 feet to a point for corner;

South 08 degrees 28 minutes 27 seconds West, a distance of 141.00 feet to a point for corner;

South 53 degrees 12 minutes 27 seconds West, a distance of 54.67 feet to a point for corner;

South 70 degrees 06 minutes 27 seconds West, a distance of 51.82 feet to a point for corner;

North 70 degrees 51 minutes 22 seconds West, a distance of 55.90 feet to a point for corner;

North 27 degrees 22 minutes 10 seconds West, a distance of 150.67 feet to a point for corner;

North 19 degrees 29 minutes 33 seconds West, a distance of 77.43 feet to a point for corner in the East line of said Tract 1;

THENCE South 28 degrees 33 minutes 24 seconds West, leaving the South line of said Tract 4 and along the East line of said Tract 1, a distance of 128.11 feet to a point at the South corner of said Tract 1;

THENCE North 26 degrees 06 minutes 08 seconds West, along the South line of said Tract 1, passing at a distance of 1351.89 feet a point in the common line of said Tract 1 and said RPI-P2A Partnership tract, and continuing for a total distance of 1,579.19 feet to a point at the most Southerly corner of a Boundary Line Agreement recorded in Document No. 2006102847, Deed Records, Tarrant County, Texas;

THENCE Northerly and Easterly, along the lines of said Boundary Line Agreement, the following twenty-seven (27) courses and distances:

North 17 degrees 58 minutes 41 seconds East, a distance of 278.70 feet to a point for corner;

North 01 degrees 38 minutes 28 seconds East, a distance of 190.86 feet to a point for corner;

North 11 degrees 37 minutes 39 seconds East, a distance of 163.43 feet to a point for corner;

North 47 degrees 55 minutes 52 seconds East, a distance of 192.93 feet to a point for corner;

South 88 degrees 12 minutes 56 seconds East, a distance of 139.55 feet to a point for corner;

South 81 degrees 37 minutes 44 seconds East, a distance of 143.11 feet to a point for corner;

North 88 degrees 02 minutes 58 seconds East, a distance of 261.75 feet to a point for corner;

North 85 degrees 17 minutes 39 seconds East, a distance of 89.08 feet to a point for corner;

North 61 degrees 29 minutes 04 seconds East, a distance of 125.04 feet to a point for corner;

North 40 degrees 01 minutes 31 seconds East, a distance of 287.20 feet to a point for corner;

North 44 degrees 55 minutes 48 seconds East, a distance of 245.57 feet to a point for corner;

North 25 degrees 29 minutes 17 seconds East, a distance of 222.75 feet to a point for corner;

North 14 degrees 55 minutes 59 seconds East, a distance of 425.83 feet to a point for corner;

North 31 degrees 51 minutes 34 seconds East, a distance of 220.08 feet to a point for corner;

North 31 degrees 19 minutes 46 seconds East, a distance of 127.39 feet to a point for corner;

North 15 degrees 26 minutes 15 seconds East, a distance of 103.23 feet to a point for corner;

North 04 degrees 14 minutes 17 seconds East, a distance of 86.39 feet to a point for corner;

North 19 degrees 09 minutes 00 seconds West, a distance of 68.81 feet to a point

for corner;

North 19 degrees 00 minutes 57 seconds East, a distance of 71.63 feet to a point for corner;

North 71 degrees 19 minutes 54 seconds East, a distance of 79.91 feet to a point for corner;

South 76 degrees 28 minutes 07 seconds East, a distance of 221.73 feet to a point for corner;

North 88 degrees 37 minutes 19 seconds East, a distance of 92.92 feet to a point for corner;

North 68 degrees 35 minutes 11 seconds East, a distance of 82.77 feet to a point for corner;

North 60 degrees 49 minutes 17 seconds East, a distance of 44.03 feet to a point for corner;

North 75 degrees 04 minutes 08 seconds East, a distance of 78.77 feet to a point for corner;

South 88 degrees 19 minutes 06 seconds East, a distance of 88.90 feet to a point for corner;

North 75 degrees 46 minutes 12 seconds East, a distance of 421.27 feet to a 1 1/4 inch iron rod found at the most Northerly corner of said Boundary Line Agreement and the most Northerly corner of said 10.81 acre tract;

THENCE South 28 degrees 33 minutes 28 seconds West, leaving the lines of said Boundary Line Agreement, passing at a distance of 85.11 feet the Northeast corner of said Tract 1, and continuing along the East line of said Tract 1 for a total distance of 576.09 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set at the most Westerly Northwest corner of said Tract 2;

THENCE along the Northerly line of said Tract 2, the following sixteen (16) courses and distances:

North 66 degrees 50 minutes 28 seconds East, a distance of 56.40 feet to 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

North 54 degrees 01 minutes 28 seconds East, a distance of 240.80 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

North 34 degrees 58 minutes 28 seconds East, a distance of 89.96 feet to a 1/2 inch

iron rod with a red washer stamped "BUSH SURVEYING, INC." found at the North corner of said Tract 2;

South 01 degrees 34 minutes 37 seconds East, a distance of 30.00 feet to a 1/2 inch iron rod with a red washer stamped "BUSH SURVEYING, INC." found;

South 06 degrees 44 minutes 01 seconds West, a distance of 152.81 feet to a 1/2 inch iron rod found for corner;

South 56 degrees 23 minutes 37 seconds West, a distance of 133.82 feet to a 1/2 inch iron rod found for corner;

South 42 degrees 53 minutes 45 seconds West, a distance of 199.49 feet to a 1/2 inch iron rod found for corner;

South 28 degrees 00 minutes 15 seconds West, a distance of 59.28 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 24 degrees 18 minutes 04 seconds East, a distance of 82.17 feet to a 1/2 inch iron rod found for corner;

South 54 degrees 38 minutes 26 seconds East, a distance of 313.48 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 55 degrees 23 minutes 59 seconds East, a distance of 224.17 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 50 degrees 06 minutes 49 seconds East, a distance of 375.05 feet to a 1/2 inch iron rod with a red washer stamped "BUSH SURVEYING, INC." found for corner;

South 60 degrees 23 minutes 31 seconds East, a distance of 244.45 feet to a 1/2 inch iron rod with a red washer stamped "BUSH SURVEYING, INC." found for corner;

South 55 degrees 02 minutes 31 seconds East, a distance of 242.22 feet to a 1/2 inch iron rod with a red washer stamped "BUSH SURVEYING, INC." found for corner;

South 57 degrees 13 minutes 31 seconds East, a distance of 446.11 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 59 degrees 45 minutes 42 seconds East, a distance of 56.90 feet to a 1/2 inch iron rod found for corner at a wood fence corner post;

THENCE Southerly, along the East line of said Tract 2, the following three (3) courses

and distances:

South 29 degrees 51 minutes 44 seconds West, a distance of 813.38 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

North 65 degrees 24 minutes 31 seconds West, a distance of 340.98 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 27 degrees 07 minutes 37 seconds West, a distance of 120.12 feet to a 1/2 inch iron rod with a red washer stamped "BUSH SURVEYING, INC." found at the most Northwest corner of said Tract 6;

THENCE leaving the East line of said Tract 2 and along the East line of said Tract 6, the following three (3) courses and distances:

South 65 degrees 24 minutes 31 seconds East, a distance of 9.99 feet to a 1/2 inch iron rod found at the Northeast corner of said Tract 6;

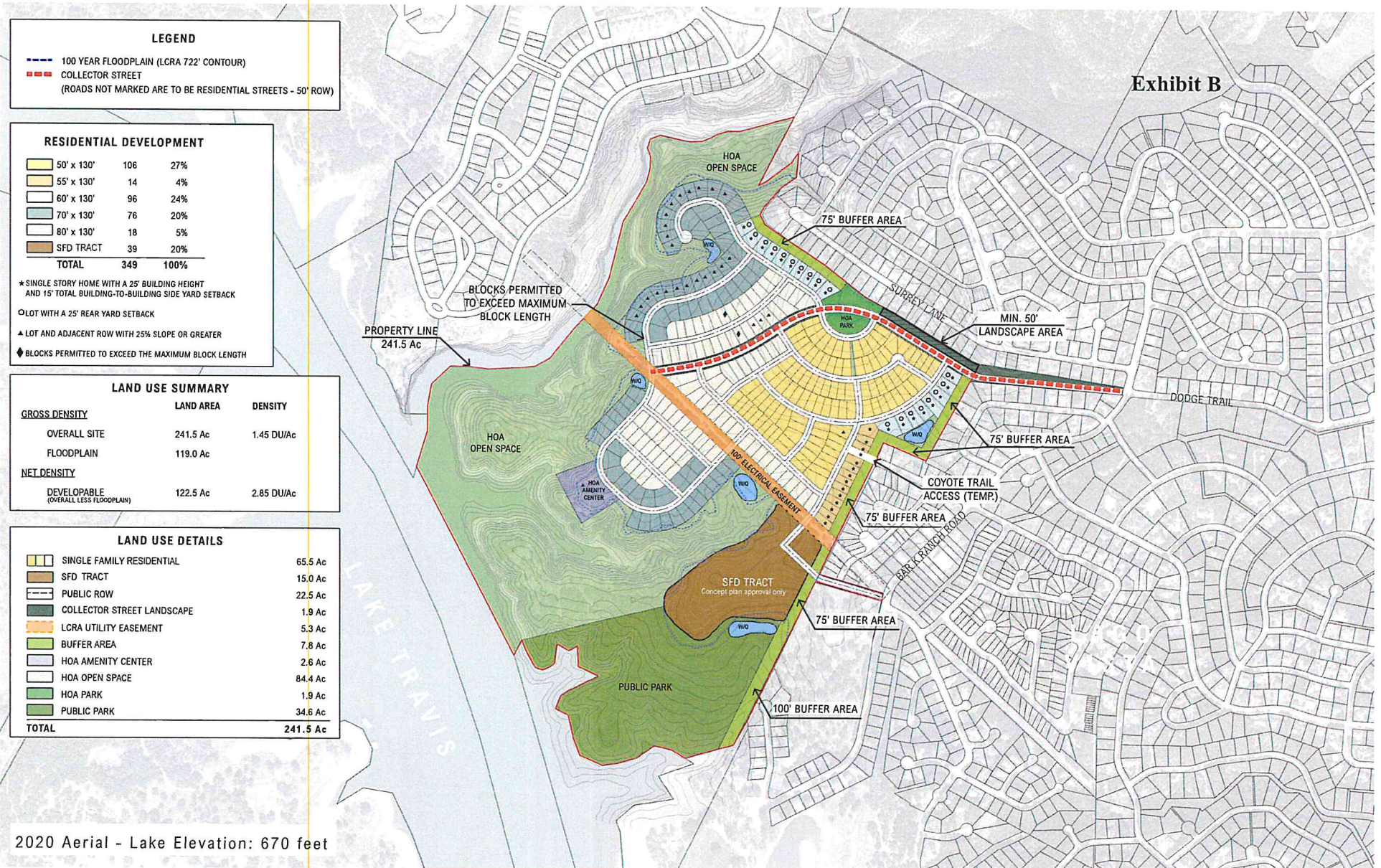
South 27 degrees 07 minutes 37 seconds West, a distance of 50.05 feet to a 1/2 inch iron rod found at the most Southeast corner of said Tract 6;

North 65 degrees 24 minutes 31 seconds West, a distance of 9.99 feet to a 1/2 inch iron rod found in the East line of said Tract 2 at the Southwest corner of said Tract 6;

THENCE South 27 degrees 07 minutes 37 seconds West, along the East line of said Tract 2, a distance of 926.23 feet to the **POINT OF BEGINNING** and containing 241.541 acres of land, more or less.

EXHIBIT “B”

Land Plan



**TURNBACK RANCH
DETAIL PLAN**
September 12, 2023

EXHIBIT "C"

Authorized Improvements

Turnback Ranch
Cost Allocation
9/18/2023

Description	Total Costs ^[a]	Improvement Area #1						Improvement Area #2					
		IA #1 A		IA #1 B		IA #1 Subtotal		Future IA #2A		Future IA #2B		IA #2 Subtotal	
		%	Cost	%	Cost	%	Cost	%	Cost	%	Cost	%	Cost
Major Infrastructure Improvements^[b]													
Street ^[c]	\$ 3,037,980	29.92%	\$ 909,102	29.62%	\$ 899,975	59.55%	\$ 1,809,077	28.73%	\$ 872,945	11.72%	\$ 355,958	40.45%	\$ 1,228,903
Water	\$ 841,958	29.92%	\$ 251,952	29.62%	\$ 249,423	59.55%	\$ 501,375	28.73%	\$ 241,932	11.72%	\$ 98,652	40.45%	\$ 340,583
Wastewater	\$ 464,640	29.92%	\$ 139,041	29.62%	\$ 137,646	59.55%	\$ 276,687	28.73%	\$ 133,512	11.72%	\$ 54,442	40.45%	\$ 187,953
Landscaping ^[d]	\$ 1,782,323	29.92%	\$ 533,352	29.62%	\$ 527,997	59.55%	\$ 1,061,350	28.73%	\$ 512,140	11.72%	\$ 208,833	40.45%	\$ 720,973
Offsite	\$ 423,333	29.92%	\$ 126,680	29.62%	\$ 125,409	59.55%	\$ 252,089	28.73%	\$ 121,642	11.72%	\$ 49,602	40.45%	\$ 171,244
Subtotal	\$ 6,550,233		\$ 1,960,128		\$ 1,940,449		\$ 3,900,577		\$ 1,882,170		\$ 767,486		\$ 2,649,656
Soft Costs ^[e]	\$ 272,535	29.92%	\$ 81,555	29.62%	\$ 80,736	59.55%	\$ 162,291	28.73%	\$ 78,311	11.72%	\$ 31,933	40.45%	\$ 110,244
Contingency	\$ 669,603	29.92%	\$ 200,376	29.62%	\$ 198,364	59.55%	\$ 398,740	28.73%	\$ 192,406	11.72%	\$ 78,457	40.45%	\$ 270,863
Construction Management (4.0%)[f]	\$ 262,009	29.92%	\$ 78,405	29.62%	\$ 77,618	59.55%	\$ 156,023	28.73%	\$ 75,287	11.72%	\$ 30,699	40.45%	\$ 105,986
Total Major Improvements	\$ 7,754,380		\$ 2,320,464		\$ 2,297,167		\$ 4,617,631		\$ 2,228,175		\$ 908,575		\$ 3,136,749
Improvement Area Improvements													
Street ^[c]	\$ 9,660,564		\$ 3,265,068		\$ 3,232,288		\$ 6,497,357		\$ 2,616,583		\$ 546,624		\$ 3,163,207
Water	\$ 2,631,799		\$ 904,895		\$ 895,810		\$ 1,800,704		\$ 725,171		\$ 105,924		\$ 831,094
Drainage	\$ 6,302,191		\$ 2,188,915		\$ 2,166,939		\$ 4,355,853		\$ 1,754,167		\$ 192,170		\$ 1,946,337
Wastewater	\$ 1,452,375		\$ 499,372		\$ 494,358		\$ 993,730		\$ 400,190		\$ 58,455		\$ 458,645
Landscaping	\$ 448,455		\$ -		\$ -		\$ -		\$ -		\$ 448,455		\$ 448,455
Subtotal	\$ 20,495,383		\$ 6,858,250		\$ 6,789,395		\$ 13,647,644		\$ 5,496,110		\$ 1,351,628		\$ 6,847,739
Soft Costs ^[e]	\$ 920,465		\$ 292,907		\$ 289,966		\$ 582,873		\$ 234,732		\$ 102,860		\$ 337,592
Contingency	\$ 2,154,258		\$ 719,656		\$ 712,431		\$ 1,432,087		\$ 576,723		\$ 145,449		\$ 722,172
Construction Management (4.0%)[f]	\$ 819,815		\$ 274,330		\$ 271,576		\$ 545,906		\$ 219,844		\$ 54,065		\$ 273,910
Total Improvement Area Improvements	\$ 24,389,922		\$ 8,145,143		\$ 8,063,368		\$ 16,208,510		\$ 6,527,409		\$ 1,654,002		\$ 8,181,411
Total Improvements	\$ 32,144,302		\$ 10,465,606		\$ 10,360,535		\$ 20,826,141		\$ 8,755,584		\$ 2,562,577		\$ 11,318,161

Footnotes:

[a] Per the draft OPC prepared by Bowman Consulting.

[b] Assumes benefit is allocated to the improvement areas pro rata based on estimated Buildout Value.

[c] Includes erosion control and grading costs.

[d] Represents parkway and median landscaping along the major improvements.

[e] Includes engineering, design, contingency and Developer District formation costs.

[f] Estimate for illustration purposes only.



Item Cover Page

CITY COUNCIL AGENDA ITEM REPORT

DATE: September 28, 2023

SUBMITTED BY: Joe Crawford, City Manager

SUBJECT: Discussion, consideration, and possible action on a proposed Dissolution Agreement for the Turnback Ranch Public Improvement District.

BACKGROUND: The City Council approved a Public Improvement District Policy in May of 2022. The City's PID Policy requires, among other things, an agreement to dissolve the subject PID if certain actions are not taken within 3 years.

FINDINGS: Under this Agreement, if PID Bonds are not issued or special assessments are not levied within three years, the property owner agrees to the dissolution of the PID.

FINANCIAL IMPACT: N/A

ATTACHMENTS:
[Turnback PID Dissolution Agreement \(w exhibit\).pdf](#)

**Agreement Regarding the Dissolution of
the Turnback Ranch Public Improvement District**

This Agreement Regarding the Dissolution of the Turnback Ranch Public Improvement District (the “Agreement”) is entered into on this ____ day of _____ 2023 by Turnback Development, LLC, a Nevada limited liability company (the “Developer”), and the City of Lago Vista, a Texas home rule municipality (the “City”), hereinafter sometimes referred to collectively as the “Parties”.

Whereas, the Developer requested the City establish the Turnback Ranch Public Improvement District (the “District”) in that certain petition for creation of the Turnback Ranch Public Improvement District, including any subsequent amendments (the “Petition”); and

Whereas, on the same date that the Parties entered into this Agreement, the City approved the formation of the District over the Property described in **Exhibit A**, attached hereto and incorporated herein for all purposes, by Resolution No. _____, as it may be amended from time to time (the “Resolution”); and

Whereas, the Developer has requested the City issue bonds to assist with the financing of certain public improvements identified in the Resolution (the “PID Bonds”) and levy special assessments to pay for the PID Bonds; and

Whereas, the Parties desire to provide for the dissolution of the District if special assessments are not levied or the PID Bonds are not issued by the deadline set forth herein which is three (3) years after the effective date of this Agreement.

NOW, THEREFORE, for and in consideration of the above recitals and the terms, conditions and agreements stated in this Agreement, the Parties agree as follows:

1. The recitals set forth above are incorporated herein and made a part of this Agreement for all purposes.

2. The Developer agrees that this Agreement constitutes Developer’s petition to dissolve the District under Section 372.011, Texas Local Government Code, and the City is hereby authorized to dissolve the District, in the event that the first issuance of PID Bonds or a levy of special assessments does not occur by September 28, 2026 (the “Authorization”). The Developer will not oppose the City’s dissolution of the District undertaken in accordance with this Agreement and will cooperate with the City to cause the District to be dissolved.

3. The Authorization shall terminate and expire upon the earlier of (i) the levy of special assessments or (ii) the first issuance of the PID Bonds.

4. This Agreement shall be a covenant running with the land and shall be binding upon future owners of the Property or portions thereof and shall further be binding upon and inure to the benefit of the Parties, and their successors and assigns. Developer shall cause any person or entity to whom Developer transfers the Property or any portion thereof (the “Subsequent Owner”) to

execute a document containing language substantially similar to that set forth in paragraph 2 granting the City the authorization to dissolve the District as provided in paragraph 2. Developer shall provide the City with a copy of said document within three (3) business days of signing.

5. This Agreement may be amended only by a written instrument executed by all the Parties. Upon satisfaction of one of the conditions set forth in paragraph 2, the City will execute an instrument confirming the termination and expiration of this Agreement so that it can be recorded in the Official Public Records of Travis County, Texas.

6. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, without regard to its conflict of laws provisions, and venue shall lie in Travis County, Texas.

7. It is acknowledged and agreed by the Parties that time is of the essence in the performance of this Agreement.

[Signature pages follow]

IN WITNESS WHEREOF, the Parties have executed this Agreement and this Agreement is effective as of the first date indicated above.

CITY:

CITY OF LAGO VISTA, TEXAS,
a home rule municipality

By: _____
Ed Tidwell, Mayor

ATTEST:

Lucy Aldrich, City Secretary

THE STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

This instrument was acknowledged before me on the ____ day of _____, 2023, by _____, _____ of the City of Lago Vista, a home-rule municipality, on behalf of said municipality.

Notary Public, State of Texas

(SEAL)

DEVELOPER:

TURNBACK DEVELOPMENT, LLC,
a Nevada limited liability company

By: _____

Name: _____

Title: _____

THE STATE OF _____ §

§

COUNTY OF _____ §

This instrument was acknowledged before me on the ____ day of _____, 2023, by _____, as _____ of Turnback Development, LLC, a Nevada limited liability company, on behalf of said entity.

Notary Public, State of Texas

LEGAL DESCRIPTION
241.541 ACRES

BEING a tract of land located in the TEXAS-MEXICO RAILROAD SURVEY, ABSTRACT NO. 2291, CHRISTIAN FEHRENKAMP SURVEY, ABSTRACT NO. 286, and the LEWIS GOODWIN SURVEY, ABSTRACT NO. 336, Travis County, Texas and being all of those tracts of land described as Tracts 1-7 in Deed to Vol H. Montgomery, recorded in Document No. 1999-148851, Deed Records, Travis County, Texas and being part of a 10.81 acre tract of land described in Deed to Vol H. Montgomery, recorded in Document No. 1999-148850, Deed Records, Travis County, Texas and being part of a tract of land described in Deed to RPI-P2A Partnership, recorded in Volume 9113, Page 300, Deed Records, Travis County, Texas and being more particularly described as follows:

BEGINNING at a 1/2 inch iron rod found in the East line of said Tract 2 at the Northwest corner of said Tract 7;

THENCE South 72 degrees 36 minutes 49 seconds East, along the North line of said Tract 7, a distance of 497.02 feet to a 1/2 inch iron rod with an aluminum cap stamped "CHAPARRAL" found at the most Northeast corner of said Tract 7 and said Tract 5;

THENCE South 13 degrees 31 minutes 35 seconds West, along the East line of said Tract 5, passing at a distance of 60.13 feet the Southeast corner of said Tract 7, and continuing for a total distance of 282.10 feet to a 1/2 inch iron rod with an aluminum cap stamped "CHAPARRAL" found for corner;

THENCE South 15 degrees 26 minutes 33 seconds West, continuing along the East line of said Tract 5, a distance of 90.41 feet to an "X" set in concrete for corner in the West right-of-way line of Bar-K Ranch Road, a variable width right-of-way, at the South corner of said Tract 5;

THENCE North 13 degrees 36 minutes 15 seconds East, along said West right-of-way line and the West line of said Tract 5, a distance of 312.51 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set in the South line of said Tract 7;

THENCE North 72 degrees 35 minutes 06 seconds West, leaving said West right-of-way line and said West line of Tract 5 and along the South line of said Tract 7, a distance of 508.72 feet to a 1/2 inch iron rod found in the East line of said Tract 2 at the Southwest corner of said Tract 7;

THENCE South 27 degrees 07 minutes 37 seconds West, along the East line of said Tract 2, a distance of 1,157.48 feet to a 1/2 inch iron rod found;

THENCE South 30 degrees 29 minutes 52 seconds West, a distance of 212.31 feet to a 1/2 inch iron rod with a red washer stamped "BUSH SURVEYING, INC." found at the Southeast corner of said Tract 4;

THENCE along the South line of said Tract 4 the following twenty-three (23) courses and distances:

South 75 degrees 31 minutes 34 seconds West, a distance of 372.92 feet to a point for corner;

North 57 degrees 02 minutes 33 seconds West, a distance of 114.31 feet to a point for corner;

North 74 degrees 29 minutes 21 seconds West, a distance of 132.94 feet to a point for corner;

South 57 degrees 14 minutes 10 seconds West, a distance of 166.72 feet to a point for corner;

South 75 degrees 22 minutes 03 seconds West, a distance of 147.89 feet to a point for corner;

South 82 degrees 36 minutes 45 seconds West, a distance of 107.60 feet to a point for corner;

North 65 degrees 07 minutes 30 seconds West, a distance of 186.14 feet to a point for corner;

North 19 degrees 11 minutes 13 seconds West, a distance of 140.45 feet to a point for corner;

North 11 degrees 16 minutes 02 seconds West, a distance of 174.21 feet to a point for corner;

North 61 degrees 12 minutes 46 seconds West, a distance of 107.16 feet to a point for corner;

North 23 degrees 24 minutes 37 seconds East, a distance of 108.08 feet to a point for corner;

North 59 degrees 45 minutes 10 seconds East, a distance of 71.76 feet to a point for corner;

North 65 degrees 43 minutes 16 seconds East, a distance of 242.14 feet to a point for corner;

North 62 degrees 47 minutes 27 seconds West, a distance of 167.68 feet to a point for corner;

North 01 degrees 23 minutes 12 seconds West, a distance of 152.53 feet to a point for corner;

South 61 degrees 04 minutes 13 seconds West, a distance of 70.03 feet to a point for corner;

North 60 degrees 25 minutes 41 seconds West, a distance of 101.88 feet to a point for corner;

South 08 degrees 28 minutes 27 seconds West, a distance of 141.00 feet to a point for corner;

South 53 degrees 12 minutes 27 seconds West, a distance of 54.67 feet to a point for corner;

South 70 degrees 06 minutes 27 seconds West, a distance of 51.82 feet to a point for corner;

North 70 degrees 51 minutes 22 seconds West, a distance of 55.90 feet to a point for corner;

North 27 degrees 22 minutes 10 seconds West, a distance of 150.67 feet to a point for corner;

North 19 degrees 29 minutes 33 seconds West, a distance of 77.43 feet to a point for corner in the East line of said Tract 1;

THENCE South 28 degrees 33 minutes 24 seconds West, leaving the South line of said Tract 4 and along the East line of said Tract 1, a distance of 128.11 feet to a point at the South corner of said Tract 1;

THENCE North 26 degrees 06 minutes 08 seconds West, along the South line of said Tract 1, passing at a distance of 1351.89 feet a point in the common line of said Tract 1 and said RPI-P2A Partnership tract, and continuing for a total distance of 1,579.19 feet to a point at the most Southerly corner of a Boundary Line Agreement recorded in Document No. 2006102847, Deed Records, Tarrant County, Texas;

THENCE Northerly and Easterly, along the lines of said Boundary Line Agreement, the following twenty-seven (27) courses and distances:

North 17 degrees 58 minutes 41 seconds East, a distance of 278.70 feet to a point for corner;

North 01 degrees 38 minutes 28 seconds East, a distance of 190.86 feet to a point for corner;

North 11 degrees 37 minutes 39 seconds East, a distance of 163.43 feet to a point for corner;

North 47 degrees 55 minutes 52 seconds East, a distance of 192.93 feet to a point for corner;

South 88 degrees 12 minutes 56 seconds East, a distance of 139.55 feet to a point for corner;

South 81 degrees 37 minutes 44 seconds East, a distance of 143.11 feet to a point for corner;

North 88 degrees 02 minutes 58 seconds East, a distance of 261.75 feet to a point for corner;

North 85 degrees 17 minutes 39 seconds East, a distance of 89.08 feet to a point for corner;

North 61 degrees 29 minutes 04 seconds East, a distance of 125.04 feet to a point for corner;

North 40 degrees 01 minutes 31 seconds East, a distance of 287.20 feet to a point for corner;

North 44 degrees 55 minutes 48 seconds East, a distance of 245.57 feet to a point for corner;

North 25 degrees 29 minutes 17 seconds East, a distance of 222.75 feet to a point for corner;

North 14 degrees 55 minutes 59 seconds East, a distance of 425.83 feet to a point for corner;

North 31 degrees 51 minutes 34 seconds East, a distance of 220.08 feet to a point for corner;

North 31 degrees 19 minutes 46 seconds East, a distance of 127.39 feet to a point for corner;

North 15 degrees 26 minutes 15 seconds East, a distance of 103.23 feet to a point for corner;

North 04 degrees 14 minutes 17 seconds East, a distance of 86.39 feet to a point for corner;

North 19 degrees 09 minutes 00 seconds West, a distance of 68.81 feet to a point

for corner;

North 19 degrees 00 minutes 57 seconds East, a distance of 71.63 feet to a point for corner;

North 71 degrees 19 minutes 54 seconds East, a distance of 79.91 feet to a point for corner;

South 76 degrees 28 minutes 07 seconds East, a distance of 221.73 feet to a point for corner;

North 88 degrees 37 minutes 19 seconds East, a distance of 92.92 feet to a point for corner;

North 68 degrees 35 minutes 11 seconds East, a distance of 82.77 feet to a point for corner;

North 60 degrees 49 minutes 17 seconds East, a distance of 44.03 feet to a point for corner;

North 75 degrees 04 minutes 08 seconds East, a distance of 78.77 feet to a point for corner;

South 88 degrees 19 minutes 06 seconds East, a distance of 88.90 feet to a point for corner;

North 75 degrees 46 minutes 12 seconds East, a distance of 421.27 feet to a 1 1/4 inch iron rod found at the most Northerly corner of said Boundary Line Agreement and the most Northerly corner of said 10.81 acre tract;

THENCE South 28 degrees 33 minutes 28 seconds West, leaving the lines of said Boundary Line Agreement, passing at a distance of 85.11 feet the Northeast corner of said Tract 1, and continuing along the East line of said Tract 1 for a total distance of 576.09 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set at the most Westerly Northwest corner of said Tract 2;

THENCE along the Northerly line of said Tract 2, the following sixteen (16) courses and distances:

North 66 degrees 50 minutes 28 seconds East, a distance of 56.40 feet to 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

North 54 degrees 01 minutes 28 seconds East, a distance of 240.80 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

North 34 degrees 58 minutes 28 seconds East, a distance of 89.96 feet to a 1/2 inch

iron rod with a red washer stamped "BUSH SURVEYING, INC." found at the North corner of said Tract 2;

South 01 degrees 34 minutes 37 seconds East, a distance of 30.00 feet to a 1/2 inch iron rod with a red washer stamped "BUSH SURVEYING, INC." found;

South 06 degrees 44 minutes 01 seconds West, a distance of 152.81 feet to a 1/2 inch iron rod found for corner;

South 56 degrees 23 minutes 37 seconds West, a distance of 133.82 feet to a 1/2 inch iron rod found for corner;

South 42 degrees 53 minutes 45 seconds West, a distance of 199.49 feet to a 1/2 inch iron rod found for corner;

South 28 degrees 00 minutes 15 seconds West, a distance of 59.28 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 24 degrees 18 minutes 04 seconds East, a distance of 82.17 feet to a 1/2 inch iron rod found for corner;

South 54 degrees 38 minutes 26 seconds East, a distance of 313.48 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 55 degrees 23 minutes 59 seconds East, a distance of 224.17 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 50 degrees 06 minutes 49 seconds East, a distance of 375.05 feet to a 1/2 inch iron rod with a red washer stamped "BUSH SURVEYING, INC." found for corner;

South 60 degrees 23 minutes 31 seconds East, a distance of 244.45 feet to a 1/2 inch iron rod with a red washer stamped "BUSH SURVEYING, INC." found for corner;

South 55 degrees 02 minutes 31 seconds East, a distance of 242.22 feet to a 1/2 inch iron rod with a red washer stamped "BUSH SURVEYING, INC." found for corner;

South 57 degrees 13 minutes 31 seconds East, a distance of 446.11 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 59 degrees 45 minutes 42 seconds East, a distance of 56.90 feet to a 1/2 inch iron rod found for corner at a wood fence corner post;

THENCE Southerly, along the East line of said Tract 2, the following three (3) courses

and distances:

South 29 degrees 51 minutes 44 seconds West, a distance of 813.38 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

North 65 degrees 24 minutes 31 seconds West, a distance of 340.98 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 27 degrees 07 minutes 37 seconds West, a distance of 120.12 feet to a 1/2 inch iron rod with a red washer stamped "BUSH SURVEYING, INC." found at the most Northwest corner of said Tract 6;

THENCE leaving the East line of said Tract 2 and along the East line of said Tract 6, the following three (3) courses and distances:

South 65 degrees 24 minutes 31 seconds East, a distance of 9.99 feet to a 1/2 inch iron rod found at the Northeast corner of said Tract 6;

South 27 degrees 07 minutes 37 seconds West, a distance of 50.05 feet to a 1/2 inch iron rod found at the most Southeast corner of said Tract 6;

North 65 degrees 24 minutes 31 seconds West, a distance of 9.99 feet to a 1/2 inch iron rod found in the East line of said Tract 2 at the Southwest corner of said Tract 6;

THENCE South 27 degrees 07 minutes 37 seconds West, along the East line of said Tract 2, a distance of 926.23 feet to the **POINT OF BEGINNING** and containing 241.541 acres of land, more or less.



Item Cover Page

CITY COUNCIL AGENDA ITEM REPORT

DATE: September 28, 2023

SUBMITTED BY: Stephanie Alff, Municipal Court

SUBJECT: Discussion, consideration, and possible action regarding Resolution No. 23-2016, a resolution by the City Council of the City of Lago Vista, Texas, confirming the re-appointment of an Associate Municipal Court Judge for the City of Lago Vista, Texas, authorizing execution of the professional services agreement for said Judge, and recognizing the resignation of an Associate Municipal Court Judge.

BACKGROUND: In accordance with Section 4.03 of the City Charter and Ordinance No. 20-12-17-02, on October 21, 2021, the City Council of the City of Lago Vista ("City") appointed Laurie Drymalla and David Yturri to serve as Associate Municipal Court Judge for a two-year term ending October 21, 2023.

FINDINGS: Pursuant to Section 7.101, City of Lago Vista Ordinances, the City Manager hereby nominates for re-appointment, Laurie Drymalla as the Associate Municipal Court Judge for the City of Lago Vista, Texas, who, in addition to the judicial duties and responsibilities, shall be responsible for the administrative duties of the Court. An agreement for the court services to be performed and compensation for those services is proper for the operation of the municipal court and for the good government of the city pursuant to Texas Local Government Code Section 51.001. On the 14th day of September 2023, David Yturri submitted a notice of resignation, effective September 30, 2023. This will provide a single Associate Municipal Court Judge going forward.

FINANCIAL IMPACT: The Associate Judge will be compensated at a rate of \$60.00 per hour. This expense is budgeted in the FY2023-2024 budget in the Municipal Court Professional Services line item (10-515-6100).

ATTACHMENTS:
[Resolution 23-2016 \(Reappoint Associate Judge\)](#)

CITY OF LAGO VISTA

RESOLUTION NO. 23-2016

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF LAGO VISTA, TEXAS, CONFIRMING THE RE-APPOINTMENT OF AN ASSOCIATE MUNICIPAL COURT JUDGE FOR THE CITY OF LAGO VISTA, TEXAS, AUTHORIZING EXECUTION OF THE PROFESSIONAL SERVICES AGREEMENT FOR SAID JUDGE, AND RECOGNIZING THE RESIGNATION OF AN ASSOCIATE MUNICIPAL COURT JUDGE

RECITALS

WHEREAS, in accordance with Section 4.03 of the City Charter and Ordinance No. 20-12-17-02, on October 21, 2021, the City Council of the City of Lago Vista ("City") appointed Laurie Drymalla to serve as Associate Municipal Court Judge for a two-year term ending October 21, 2023; and

WHEREAS, pursuant to Section 7.101, City of Lago Vista Ordinances, the City Manager hereby nominates for re-appointment, Laurie Drymalla as the Associate Municipal Court Judge for the City of Lago Vista, Texas, who, in addition to the judicial duties and responsibilities, shall be responsible for the administrative duties of the Court.

WHEREAS, an agreement for the court services to be performed and compensation for those services is proper for the operation of the municipal court and for the good government of the City pursuant to Texas Local Government Code Section 51.001.

WHEREAS, in accordance with resolution 21-1910, on October 21, 2021, the City Council of the City of Lago Vista ("City") appointed David Yturri to serve as Associate Municipal Court Judge for a two-year term effective October 21, 2021; and

WHEREAS, on the 14th day of September, 2023, David Yturri submitted a notice of resignation effective September 30, 2023.

NOW, THEREFORE, BE IT RESOLVED by the City Council the City of Lago Vista, Texas, that:

1. The foregoing Recitals are hereby adopted as facts and are incorporated fully herein.
2. The City Council of the City of Lago Vista hereby approves, authorizes and directs the City Manager to execute on behalf of the City, the Professional Services Agreements between the City of Lago Vista and Laurie Drymalla, to serve as Associate Municipal Court Judge, attached hereto and incorporated fully herein as *Attachment A*.
3. This Resolution shall be effective immediately upon passage.

CITY OF LAGO VISTA, TEXAS

Ed Tidwell, Mayor

ATTEST:

Lucy Aldrich, City Secretary

On a motion by Councilmember _____, seconded by Councilmember _____, the above and foregoing instrument was passed and approved.

PROFESSIONAL SERVICES AGREEMENT
between the
City of Lago Vista and Laurie Drymalla, Associate Municipal Court Judge

THIS AGREEMENT is made and entered into between the City of Lago Vista, Texas, a home rule municipality ("City") and Laurie Drymalla ("Judge"). This Agreement is effective on the date of the last to execute below, (the "Effective Date").

RECITALS

WHEREAS, on September 28, 2023, the City Council of the City of Lago Vista re-appointed Laurie Drymalla as Associate Municipal Court Judge of the City of Lago Vista for a Term to begin on October 21, 2023; and

WHEREAS, the Parties agree that the Judge shall perform the full duties and responsibilities as Associate Municipal Court Judge for the City upon the terms and conditions set forth below and in accordance with state law.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the Parties agree as follows:

SECTION 1. RECITALS

The foregoing recitals are adopted as facts and are incorporated fully herein for all purposes.

SECTION 2. TERM

- A. Initial Term. The initial term under this Agreement shall commence and be effective on the "Effective Date", and shall continue through October 20, 2025, unless terminated as provided herein.
- B. Renewal. At the expiration of the initial term, and on the anniversary thereafter of the renewal term, as described herein, unless otherwise notified of non-renewal of appointment by the City, this Agreement shall automatically renew for a successive two-year term of office. This "renewal term" shall begin on the date the previous term of office expired, in accordance with Ordinance No. 20-12-17-02 as codified in Article 7.100 of the Lago Vista Code of Ordinances.

SECTION 3. TERMINATION

This Agreement may be terminated:

- (a) at the end of the term should the judicial appointment not be renewed by City Council; or
- (b) on removal of the Judge as provided by Section 1-a, Article V of the Texas Constitution; or
- (c) on removal of the Judge for the reasons and by the procedure provided in Subchapter B, Chapter 21, Texas Local Government Code; or

(d) at the option of either Party upon 30 days advance written notice to the other Party.

Termination of this Professional Services Agreement impacts only the compensation and duties specified under the contract and not the appointment or ability to continue to serve as the judge as is governed by state law, City Charter and City Ordinance.

SECTION 4. DUTIES

- A. The Judge shall perform all duties and responsibilities of the Office of the Associate Municipal Court Judge including, but not limited to, those contained under state and federal law, the Texas Local Government Code, state and federal regulations, municipal ordinances and the Texas Code of Judicial Conduct.
- B. The Judge shall be on call to perform such obligations 24 hours per day, seven (7) days per week, subject to his reasonable availability.
- C. The Judge shall conduct court sessions as needed at the location, time and days set by the Presiding Judge.
- D. The Judge shall perform on-call magistrate duties as required.

SECTION 5. LIMITATION ON LAW PRACTICE AND CONFLICTS

- A. The Judge shall refrain from any activity or employment that might place them in a position of conflict of interest with their duties for the City.

SECTION 6. COMPENSATION

- A. The Judge shall be compensated at a rate of \$60 per hour, for services performed.
- B. Express Exception: No compensation will be paid for the administration of statutorily required oaths to new council members of the City of Lago Vista City Council.
- C. The Judge shall invoice the City monthly and report the hours billed and the work conducted in those hours. City shall make payment to the Judge within thirty days upon receipt of the invoice.
- D. The Judge shall pay all applicable local, state, federal taxes, including income tax, withholding tax, and social security tax.
- E. The Judge is not a City employee for purposes of City employee benefits.
- F. The City will be responsible for fees incurred by the Judge for continuing education up to a maximum of \$500 per year.

SECTION 7. MISCELLANEOUS

- A. This Agreement may be modified or amended, in writing, signed by both Parties.
- B. This Agreement shall be governed by the laws of the State of Texas. Venue is proper in Travis County, Texas.
- C. This Agreement sets forth the entire agreement of the parties and supersedes and renders null and void any and all prior or contemporaneous oral or written understandings, statements, representations or promises. There are no other oral or written agreements between the parties.
- D. Severability. If for any reason any clause, sentence, paragraph, section or part of this Agreement is held invalid, unconstitutional, or unenforceable by a court of law or administrative agency with jurisdiction over the matter, such action shall not affect any valid provisions of this Agreement.
- E. Headings. The section headings in this agreement are used for convenience and reference purposes only.
- F. Non-Waiver. The failure on the part of either the City or the Judge at any time to require the performance by either the City or the Judge of any portion of this agreement shall not be deemed a waiver of or in any way affect either the City's or the Judge's rights to enforce such provision or any other provision in the future. Any waiver by either the City or the Judge of any provision herein shall not be taken or held to be a waiver of any other provision or any other breach. Any waiver of any provision herein shall be in writing and signed by both parties.
- G. Cooperative Drafting. This Agreement is the product of a cooperative drafting effort by the Parties and shall not be construed or interpreted against either Party solely on the basis that one Party or its attorney drafted this Agreement or any portion of it.

SECTION 8. NOTICE

Any notice and/or statement required or permitted by this Agreement, shall be deemed to be given and delivered when deposited in the United States mail, certified with return receipt requested, postage prepaid, addressed to the appropriate Party at the following addresses, or such other address as amended by providing notice to the other party at the addresses below:

For CITY:

City of Lago Vista
City Manager
5803 Thunderbird Drive
Lago Vista, Texas 78645

For JUDGE:

Laurie Drymalla
Associate Municipal Court Judge
Judge's confidential home address
provided under separate cover

SECTION 9. COUNTERPARTS

This Agreement may be executed in one or more counterparts, each of which shall be an original instrument, and all of which, when taken together, shall constitute one and the same instrument. Evidence of execution will be acceptable by original signature, email, PDF or facsimile transmission and shall be given the same force and effect as original signatures.

IN WITNESS WHEREOF, this Agreement is **AGREED TO AND ACCEPTED** and executed by the Parties on the dates indicated below.

CITY OF LAGO VISTA, TEXAS

Ed Tidwell, Mayor

Date

Attest: _____
Lucy Aldrich, City Secretary

ASSOCIATE MUNICIPAL COURT JUDGE

Laurie Drymalla

Date

STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

Before me, personally appeared _____, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he/she executed the instrument for the purposes in consideration therein expressed.

Given under my hand and seal of office this _____ day of _____, 2023

Notary Public in and for the
State of TEXAS



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CITY COUNCIL AGENDA ITEM REPORT

DATE: September 28, 2023

SUBMITTED BY: Starr Lockwood, Finance

SUBJECT: Discussion, consideration and possible action regarding Ordinance No. 23-09-28-01; An Ordinance of the City Council of the City of Lago Vista, Texas pursuant to Vernon's Texas Codes Annotated, Local Government Code, Chapter 102, Section 102.007(b) providing for amendments to Ordinance No. 22-09-15-03, for the Fiscal Year beginning October 1, 2022 and ending September 30, 2023; amendments to said budget by department are set forth in "Exhibit A" attached to this ordinance.

BACKGROUND: The City Council approved the original FY 2022-2023 budget on September 15, 2022. Budget amendments are required to account for unanticipated expenditures not approved during the normal budget cycle. Budget amendments for FY 2022-2023 include several amendments that are presented to show amounts reclassified from one account or fund to another but actually require no new dollars, amendments to formally accept budget items that were already approved by council earlier in the fiscal year, and amendments that are being presented to cover unanticipated expenses in some of the departments. Exhibit A is attached and shows each amendment. It includes the current amount budgeted, additional dollars if necessary, and the ending proposed budget amount that includes the additional expenses.

FINANCIAL IMPACT: State law requires that expenditure budgets end at or within the budgeted amounts including amendments.

ATTACHMENTS:
[Ordinance 23-09-28-01 Budget Amendments.pdf](#)
[Exhibit A.pdf](#)

CITY OF LAGO VISTA, TEXAS

ORDINANCE NO. 23-09-28-01

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LAGO VISTA, TEXAS PURSUANT TO VERNON’S TEXAS CODES ANNOTATED, LOCAL GOVERNMENT CODE, CHAPTER 102, SECTION 102.007(b) PROVIDING FOR AMENDMENTS TO ORDINANCE NO. 22-09-15-03, FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2022 AND ENDING SEPTEMBER 30, 2023; AMENDMENTS TO SAID BUDGET BY DEPARTMENT ARE SET FORTH IN “EXHIBIT A” ATTACHED TO THIS ORDINANCE.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LAGO VISTA, TEXAS:

**SECTION I
AMENDING BUDGET**

THAT, pursuant to Vernon’s Texas Codes Annotated, Local Government Code, Chapter 102, Section 102.007(b) the City Council of the City of Lago Vista, Texas hereby amends the City Budget by Department for the Fiscal Year beginning October 1, 2022 and ending September 30, 2023 with said amendments being as set forth in “Exhibit A” attached to this ordinance.

**SECTION II
SAVINGS CLAUSE**

THAT, any ordinance, or parts of ordinances in conflict with this ordinance are hereby repealed to the extent of said conflict.

**SECTION III
SEVERABILITY CLAUSE**

THAT, if any word, phrase, sentence, paragraph or section is found to be illegal, invalid or unconstitutional, the remaining portion of this ordinance shall remain in full force and effect.

**SECTION IV
EFFECTIVE CLAUSE**

THAT, this ordinance shall take effect and be in full force immediately upon its final passage and approval.

AND IT IS SO ORDERED.

PASSED AND APPROVED on this 28th day of September 2023.

ATTEST:

Ed Tidwell, Mayor

Lucy Aldrich, City Secretary

On a motion by Councilmember _____, seconded by Councilmember _____,
the above and foregoing ordinance was passed and approved.

City of Lago Vista
For Year Ending 9-30-2023

EXHIBIT A

<u>Department</u>	<u>Account Number</u>	<u>Current Budget</u>	<u>Amending to Add or Subtract</u>	<u>Ending Budget</u>
<u>OpenGov Account Number Changes</u>				
<u>General Fund Administration</u>				
Do Not Use Phone Allowance	10-510-1143	\$ -	\$ (184.64)	\$ (184.64)
Cell Phone Allowance	10-510-1138	\$ -	\$ 184.65	\$ 184.65
<u>Legal</u>				
Do Not Use Phone Allowance	10-518-1143	\$ 1,020.00	\$ (1,020.00)	\$ -
Cell Phone Allowance	10-518-1138	\$ -	\$ 1,020.00	\$ 1,020.00
<u>Dispatch</u>				
Do Not Use Dispatch Incentive	10-525-1150	\$ -	\$ (307.68)	\$ (307.68)
Current Dispatch Incentive	10-525-1160	\$ -	\$ 307.68	\$ 307.68
<u>Parks & Recreation</u>				
Do Not Use Recreation Coordinator	10-534-1550	\$ 41,600.00	\$ (41,600.00)	\$ -
Recreation Coordinator	10-534-1100	\$ -	\$ 41,600.00	\$ 41,600.00
<u>General Fund Information Technology</u>				
Do Not Use Phone Allowance	10-558-1143	\$ -	\$ (369.28)	\$ (369.28)
Cell Phone Allowance	10-558-1138	\$ -	\$ 369.28	\$ 369.28
<u>Golf Course Maintenance</u>				
Do Not Use Superintendent	15-530-1080	\$ 75,000.00	\$ (75,000.00)	\$ -
Superintendent (Greens Keeper)	15-530-1101	\$ -	\$ 75,000.00	\$ 75,000.00
<u>Public Works Administration</u>				
Do Not Use Car Allowance	30-559-1302	\$ 6,000.00	\$ (6,000.00)	\$ -
Car Allowance	30-559-1144	\$ -	\$ 6,000.00	\$ 6,000.00
Merit Increase	30-559-1300	\$ 105,000.00	\$ (105,000.00)	\$ -
Director of Public Works	30-559-1100	\$ -	\$ 105,000.00	\$ 105,000.00
Net Changes: Reclassified account numbers per OpenGov. Existing account numbers presented issues with the way that OpenGov pulled data. Reallocating dollars only - No new dollars.				

<u>Department</u>	<u>Account Number</u>	<u>Current Budget</u>	<u>Amending to Add or Subtract</u>	<u>Ending Budget</u>
<u>CIP Budget</u>				
Lago Vista Sunset Park Project	40-580-8243	\$ 948,000.00	\$ (948,000.00)	\$ -
Lago Vista Sunset Park Project	10-534-9710	\$ -	\$ 948,000.00	\$ 948,000.00
WTP Expansion TBD - Previously in WTP 1	30-565-9750	\$ 180,000.00	\$ (180,000.00)	\$ -
WTP #3 Expansion	30-569-9750	\$ -	\$ 180,000.00	\$ 180,000.00
Net Changes: Reclassified these CIP Projects from CIP Fund 40 to Fund 10 &/or Within Fund 30. Continuing to finish out or move projects from Fund 40 to respective departments and funds. Reallocating dollars only - No new dollars.				

<u>Department</u>	<u>Account Number</u>	<u>Current Budget</u>	<u>Amending to Add or Subtract</u>	<u>Ending Budget</u>
<u>Solid Waste Department</u>				
Winter Storms	10-531-5700	\$ -	\$ 54,000.00	\$ 54,000.00
Net Changes: Covers the cost to chip and haul away +/- 9,000 cubic yards of brush following Winter Storm Mara. Approved during April 6th Council Meeting. = +\$54,000.				

<u>Department</u>	<u>Account Number</u>	<u>Current Budget</u>	<u>Amending to Add or Subtract</u>	<u>Ending Budget</u>
<u>Hotel Occupancy Tax Fund Budget</u>				
Tourism Promotion	11-511-8620	\$ 100,000.00	\$ 15,000.00	\$ 115,000.00
Net Changes: Additional dollars to cover the not to exceed cost of the project. Approved during March 16th Council Meeting. = +\$15,000.				

<u>Department</u>	<u>Account Number</u>	<u>Current Budget</u>	<u>Amending to Add or Subtract</u>	<u>Ending Budget</u>
<u>Park Fund Budget</u>				
Miscellaneous Expense	43-560-4750	\$ -	\$ 3,150.00	\$ 3,150.00
Net Changes: The Hollows on Lake Travis overpaid their Parkland Dedication Fees by \$3,150. The fees were paid in a prior year so the refund had to be recorded as a current year expense. The unanticipated expense was not budgeted. = +\$3,150.				

<u>Department</u>	<u>Account Number</u>	<u>Current Budget</u>	<u>Amending to Add or Subtract</u>	<u>Ending Budget</u>
<u>Compensation Study Salary Adjustments 2023</u>				
<u>General Fund Administration</u>				
General Fund COLA Pay Increases	10-510-1405	\$ 175,000.00	\$ -	\$ 175,000.00
General Fund Pay Plan Increases	10-510-1500	\$ 385,000.00	\$ (346,560.74)	\$ 38,439.26
General Fund Administration	10-510-1500	\$ -	\$ 16,500.00	\$ 16,500.00
Development Services	10-512-1500	\$ -	\$ 33,134.35	\$ 33,134.35
Finance	10-513-1500	\$ -	\$ 19,697.46	\$ 19,697.46
Human Resources	10-514-1500	\$ -	\$ 21,652.49	\$ 21,652.49
Municipal Court	10-515-1500	\$ -	\$ 6,740.82	\$ 6,740.82
City Secretary	10-516-1500	\$ -	\$ 4,000.00	\$ 4,000.00
Economic Development	10-517-1500	\$ -	\$ 13,691.64	\$ 13,691.64
Legal	10-518-1500	\$ -	\$ 16,419.08	\$ 16,419.08
Police Department	10-520-1500	\$ -	\$ 57,360.00	\$ 57,360.00
Dispatch	10-525-1500	\$ -	\$ 11,213.21	\$ 11,213.21
Street Department	10-530-1500	\$ -	\$ 40,454.48	\$ 40,454.48
Parks & Recreation	10-534-1500	\$ -	\$ 47,263.64	\$ 47,263.64

Library	10-545-1500	\$	-	\$	34,448.31	\$	34,448.31
General Fund Information Technology	10-558-1500	\$	-	\$	40,485.26	\$	40,485.26
<u>Golf Fund</u>							
Golf Plan Cola Pay Increases	15-510-1405	\$	12,500.00	\$	(4,554.64)	\$	7,945.36
Pay Plan Increases	15-510-1500	\$	27,500.00	\$	(27,500.00)	\$	-
Golf ProShop	15-510-1500	\$	-	\$	28,736.59	\$	28,736.59
Golf Course Maintenance	10-530-1500	\$	-	\$	32,054.64	\$	32,054.64
<u>Utility Fund Administration</u>							
Utility Fund Administration COLA Pay Increases	30-555-1405	\$	62,500.00	\$	-	\$	62,500.00
Utility Fund Administration Pay Plan Increases	30-555-1500	\$	137,500.00	\$	(119,100.92)	\$	18,399.08
Utility Fund Administration	30-555-1500	\$	-	\$	7,969.52	\$	7,969.52
Public Works Administration	30-559-1500	\$	-	\$	2,080.00	\$	2,080.00
Water Services	30-560-1500	\$	-	\$	55,434.36	\$	55,434.36
Water Treatment Plant #1	30-565-1500	\$	-	\$	6,560.32	\$	6,560.32
Water Treatment Plant #3	30-569-1500	\$	-	\$	2,980.64	\$	2,980.64
Sewer Services	30-570-1500	\$	-	\$	15,920.94	\$	15,920.94
Waste Water Treatment Plant	30-575-1500	\$	-	\$	11,522.42	\$	11,522.42
Effluent Disposal	30-577-1500	\$	-	\$	16,802.24	\$	16,802.24
Booster Pumps	30-582-1500	\$	-	\$	3,900.00	\$	3,900.00
Lift Stations	30-584-1500	\$	-	\$	3,900.00	\$	3,900.00

Reclassified from General Fund Admin, Golf Fund ProShop, & Utility Fund Admin to individual departments as of 10/1/2022 as discussed during the 2022-2023 budget process. Reduces Admin budgets by the amount transferred and added to departmental budgets.

<u>Department</u>	<u>Account Number</u>	<u>Current Budget</u>	<u>Amending to Add or Subtract</u>	<u>Ending Budget</u>
<u>Legal</u>				
Legal Services	10-518-6120	\$ 50,000.00	\$ 50,000.00	\$ 100,000.00

Net Changes: Outside Legal expenses have exceeded the original amount budgeted and available dollars originally budgeted for onstaff legal counsel. Net Increase = +\$50,000.

<u>Department</u>	<u>Account Number</u>	<u>Current Budget</u>	<u>Amending to Add or Subtract</u>	<u>Ending Budget</u>
<u>Police Department</u>				
Overtime	10-520-1274	\$ 32,000.00	\$ 100,000.00	\$ 132,000.00
Uniforms	10-520-4100	\$ 5,355.00	\$ 10,000.00	\$ 15,355.00
Ballistic Vest Program	10-520-4110	\$ 6,000.00	\$ 20,000.00	\$ 26,000.00
Contract Services	10-520-6500	\$ 40,770.00	\$ 30,000.00	\$ 70,770.00

Net Changes: Going into the 2022-2023 Budget season, there were 8 vacancies in the police department. All but one of those positions have since been filled which increased the amount spent on uniforms and vests. Overtime should decrease significantly going forward. Net Increase = +\$160,000.

<u>Department</u>	<u>Account Number</u>	<u>Current Budget</u>	<u>Amending to Add or Subtract</u>	<u>Ending Budget</u>
<u>Dispatch</u>				
Overtime	10-525-1274	\$ 20,000.00	\$ 45,000.00	\$ 65,000.00

Net Changes: The Dispatch department started the 2022-2023 fiscal year with 3 vacancies. Those positions were filled but new vacancies continue to contribute to overtime. Net Increase = +\$45,000.

<u>Department</u>	<u>Account Number</u>	<u>Current Budget</u>	<u>Amending to Add or Subtract</u>	<u>Ending Budget</u>
<u>Aquatics</u>				
Chemicals	10-535-5430	\$ 4,000.00	\$ 10,000.00	\$ 14,000.00

Net Changes: Additional dollars to cover projected expenses = +\$10,000.

<u>Department</u>	<u>Account Number</u>	<u>Current Budget</u>	<u>Amending to Add or Subtract</u>	<u>Ending Budget</u>
<u>City Council</u>				
Legal Services	10-550-6120	\$ -	\$ 25,000.00	\$ 25,000.00

Net Changes: Legal expenses in the City Council budget are those that were directly associated with CAPMetro and the November 2022 election. Additional dollars to cover those expenses = +\$25,000

<u>Department</u>	<u>Account Number</u>	<u>Current Budget</u>	<u>Amending to Add or Subtract</u>	<u>Ending Budget</u>
<u>General Fund To Golf Fund Transfer</u>				
Transfer General Fund Reserve to Golf Fund	10-586-9766	\$ 973,926.00	\$ (98,926.00)	\$ 875,000.00
Transfer General Fund Reserve to Golf Fund	15-410-9101	\$ 973,926.00	\$ (98,926.00)	\$ 875,000.00
Net Changes: General Fund dollars covering Golf Course expenses estimated to be = \$875,000.				

<u>Department</u>	<u>Account Number</u>	<u>Current Budget</u>	<u>Amending to Add or Subtract</u>	<u>Ending Budget</u>
<u>Water Treatment Plant #3</u>				
Unanticipated Maintenance & Repairs	30-569-4715	\$ -	\$ 10,000.00	\$ 10,000.00
Contract Services	30-569-6135	\$ 25,000.00	\$ 10,000.00	\$ 35,000.00
Bulk Water	30-569-6430	\$ 130,000.00	\$ 20,000.00	\$ 150,000.00
Net Changes: Additional dollars to cover expenses = +\$40,000.				

<u>Department</u>	<u>Account Number</u>	<u>Current Budget</u>	<u>Amending to Add or Subtract</u>	<u>Ending Budget</u>
<u>Wastewater Treatment Plant</u>				
Overtime	30-575-1274	\$ 6,000.00	\$ 16,000.00	\$ 22,000.00
Unanticipated Maintenance & Repairs	30-575-4715	\$ -	\$ 12,000.00	\$ 12,000.00
Disposal Service	30-575-6600	\$ 35,000.00	\$ 45,000.00	\$ 80,000.00
Net Changes: Additional dollars to cover expenses = +\$73,000.				

<u>Department</u>	<u>Account Number</u>	<u>Current Budget</u>	<u>Amending to Add or Subtract</u>	<u>Ending Budget</u>
<u>Lift Stations</u>				
Maintenance & Repairs	30-584-4700	\$ 120,000.00	\$ 25,000.00	\$ 145,000.00
Unanticipated Maintenance & Repairs	30-584-4715	\$ -	\$ 7,500.00	\$ 7,500.00
Net Changes: Additional dollars to cover expenses = +\$32,500.				

<u>Department</u>	<u>Account Number</u>	<u>Current Budget</u>	<u>Amending to Add or Subtract</u>	<u>Ending Budget</u>
<u>CIP Projects</u>				
LCRA Hollows Water Quality Project	40-580-8211	\$ -	\$ 200,000.00	\$ 200,000.00

Net Changes: A Centex Settlement with the City in 2013 funded the LCRA Hollows Water Quality Project. Work began on the project during the 2012-2013 fiscal year and continued through the 2017-2018 fiscal year. But the project was never completed. The Hollows, working with LCRA, has requested that the City release the remaining funds provided for that project to them to be used in continuing the work. No New Dollars.



Item Cover Page

CITY COUNCIL AGENDA ITEM REPORT

DATE: September 28, 2023

SUBMITTED BY: Taylor Whichard, Public Works

SUBJECT: Discussion, consideration, and possible action regarding Ordinance 23-09-28-02, an ordinance of the City of Lago Vista updating the Municipal Purchased Water Conservation Plan as required by LCRA.

BACKGROUND: As part of the City of Lago Vista's water purchasing contract requirements with LCRA, the City has to adopt by ordinance an updated Water Conservation Plan. Staff worked with the LCRA to draft a WCP that met all of LCRA's requirements.

FINDINGS: There are two separate plans which need to be adopted by ordinance to meet LCRA's requirements. The first is an updated WCP, and the second is going to be a Drought Contingency Plan. The updated Drought Contingency Plan will be brought before Council at the October 19, 2023, City Council meeting.

FINANCIAL IMPACT: N/A

ATTACHMENTS:
[Ordinance 23-09-28-02 Water Conservation Plan.pdf](#)

CITY OF LAGO, VISTA, TEXAS

ORDINANCE NO. 23-09-28-02

AN ORDINANCE OF THE CITY OF LAGO VISTA, TEXAS, CREATING THE WATER CONSERVATION PLAN FOR THE CITY OF LAGO VISTA; PROVIDING FOR CONFLICTING ORDINANCES, SEVERABILITY, AND OPEN MEETINGS; AND PROVIDING FOR RELATED MATTERS

WHEREAS, LCRA rules require a municipality/wholesale water supplier with meter connections equal to or greater than 3400 to have a water conservation plans (WCP);

WHEREAS, the City of Lago Vista has determined that it has over 3400 meter connections and therefore must create and approve its own WCPs for the City; and

WHEREAS, the City Council also desires to provide an opportunity for public input for the WCP by holding a public hearing which has been noticed to such public for a period of not less than seventy-two hours prior to the public meeting at which it will be held.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LAGO VISTA, TEXAS THAT:

Section 1. Findings. The above and foregoing recitals are hereby found to be true and correct and are incorporated herein as findings of fact.

Section 2. Adoption of Water Conservation Plan. The City Council hereby adopts a Municipal Water Conservation Plan for the City of Lago Vista, attached hereto as Exhibit “A” and incorporated in this ordinance as though fully transcribed herein for all purposes.

Section 3. Amendment of Conflicting Ordinances. All ordinances or parts thereof conflicting or inconsistent with the provisions of this ordinance as adopted and amended herein, are hereby amended to the extent of such conflict. In the event of a conflict or inconsistency between this ordinance and any other code or ordinance of the City, the terms and provisions of this ordinance shall govern.

Section 4. Severability. If any section, subsection, sentence or phrase of this Ordinance is for any reason held to be unconstitutional, void or invalid, the validity of the remaining portions of this Ordinance shall not be affected. It is the intent of the city council in adopting this Ordinance, that no provision or regulation contained herein shall become inoperative, or fail by reason of the unconstitutionality or invalidity of any other section, subsection, sentence or phrase of this Ordinance.

Section 5. Effective Date. This ordinance shall take effect immediately from and after its passage and publication in accordance with the provisions of Chapter 52 of the Texas Local Government Code and the City Charter.

Section 6. Open Meetings. It is hereby officially found and determined that the meeting at which this ordinance is passed was open to the public as required and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act, Chapter 551 of the Texas Government Code.

PASSED AND APPROVED THIS 28th DAY OF SEPTEMBER, 2023.

CITY OF LAGO VISTA

Ed Tidwell, Mayor

ATTEST:

Lucy Aldrich, City Secretary

On a motion by _____, seconded by _____, the above and foregoing instrument was passed and approved.

Exhibit A

Water Conservation Plan

For



The City of Lago Vista

Municipal Purchased Water Customers

Prepared by

Taylor M. Whichard
Director of Public Works

August 30, 2023

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Definitions:

AF: an Acre-Foot is a unit of volume equal to the volume of a sheet of water one acre (0.405 hectare) in area and one foot (30.48 cm) in depth; 43,560 cubic feet (1233.5 cu m).

AMI: Automatic Meter Infrastructure is a fixed based radio frequency and/or cellular network which collects real-time water consumption data from a central location for billing and the customer portal.

Automatic Irrigation: the operation of an irrigation system with no or minimum of manual intervention besides surveillance. This includes drip, sprinkler, and surface irrigation systems that utilize timers, sensors, computers, or mechanical devices.

CoLV: the City of Lago Vista is a city located in Northwest Travis County, Texas, United States.

Commercial Use: The use of water by a place of business, such as a hotel, restaurant, or office building. This does not include multi-family residences or agricultural, industrial or institutional users.

Connections: a water meter used to provide service to an end user.

Conservation: those practices, techniques, and technologies that reduce the consumption of purchased water, reduce the loss of purchased water, improve the efficiency in the use of purchased water, or increase the recycling and reuse of purchased water so that the water supply is conserved and made available for future or alternative uses.

Customer: any CoLV resident, person, company, or organization using purchased water supplied by the CoLV.

DCP: a Drought Contingency Plan is a strategy or combination of strategies for monitoring the progression of a drought and preparing a response to potential water supply shortages resulting from severe droughts or other water supply emergencies.

Drip Irrigation: is a form of irrigation that saves water and fertilizer by allowing water to drip slowly to the roots of many different plants onto the soil surface thru a network of valves, tubes, pipes, and emitters.

End User: any CoLV resident, person, company, or organization using purchased water supplied by the CoLV.

EST: an Elevated Storage Tank is a container raised above ground elevation that holds potable water for long or short term storage. An EST may also be a GST that serves end users at least 100' below the elevation of the floor of the GST.

Finished Water Meter: a meter used to measure the flow of water from a water treatment plant after it has been treated.

GPCD: Gallons Per Capita per Day.

GST: a Ground Storage Tank is ground level container that holds potable water for long or short term storage.

Institutional Use: The use of water by an establishment dedicated to public service, such as a school, university, church, hospital, nursing home, prison or government facility. All facilities dedicated to public service are considered institutional regardless of ownership.

LCRA: the Lower Colorado River Authority is a nonprofit public utility created in November 1934 by the Texas Legislature. LCRA's mission is to enhance the lives of the Texans it serves through water stewardship, energy and community service.

MGD: Million Gallons per Day.

Pressure Plane: an isolated portion of the water distribution system supplied by a particular EST or GST.

Process Water Meter: a meter used to measure the potable water used in plant operations at water and wastewater treatment plants.

Purchased Water: Total amount of water pumped into the water distribution system from CoLV's water treatment facilities.

Raw Water Meter: a meter used to measure the raw water purchased from LCRA used in plant operations at water and wastewater treatment plants.

Residential Use: The use of water that is billed to single and multi-family residences, which applies to indoor and outdoor water uses.

Reuse Water: reclaimed water such as graywater, effluent from a wastewater treatment plant, or flushing water from a water distribution system.

RGPCD: Residential Gallons Per Capita per Day. The total gallons sold for residential use by a public water supplier divided by the residential population served, and then divided by the number of days in the year.

TAWWA: Texas American Water Works is a group that unites all Water Professionals in Texas to protect public health and all water resources by advancing technology, education, science, management and government policies by leveraging the collective leadership of the over 50,000 members of the American Water Works Association.

TCEQ: the Texas Commission for Environmental Quality is the environmental agency for the state of Texas and the fourth largest environmental agency in the United States. TCEQ strives to protect Texas' public health and natural resources consistent with sustainable economic development.

Total GPCD: The total amount of water pumped for potable use from the water treatment plant divided by the total permanent population, and then divided by the days of the year.

TTHM: Total Trihalomethanes are a cancer causing byproduct produced when chlorine is used to disinfect potable water containing organics.

TWDB: the Texas Water Development Board is the state agency in charge water conservation and long range water planning for Texas.

WCP: Water Conservation Plan is the CoLV plan that was developed to meet the Lower Colorado River Authority (LCRA) water conservation rules in accordance with the LCRA Firm Water contract administrative rules.

Water Customer: any CoLV resident, person, company, or organization using purchased water supplied by the CoLV.

WCAC: the Texas Water Conservation Advisory Council provides a professional forum for the continuing development of water conservation resources, expertise, and progress evaluation of the highest quality for the benefit of Texas. The WCAC also selects the Blue Legacy award recipients annually.

WWTP: a Wastewater Treatment Plant is a facility that converts wastewater, which is water no longer needed or suitable for its most recent use, into an effluent that can be either returned to the water cycle with minimal environmental issues or reused.

Water Service Area: the area served by the CoLV's water plants.

WTP1: Water Treatment Plant #1 is located at 21011 Seminole Drive, Lago Vista Texas 78645, was built in 1984, and consists two 1.0 MGD Enviroquip upflow clarifiers. WTP1 was last upgraded in 2017.

WTP2: Water Treatment Plant #2 is located at 21011 1/2 Dawn Drive, Lago Vista Texas 78645, was built in 1970, and consists two 0.5 MGD Roberts Package Plants. WTP2 was decommissioned in April 2017.

WTP3: Water Treatment Plant #3 is located at 6444 Marshall's Point Cove, Lago Vista Texas 78645, was built in 2015, and consists a 2.0 MGD Trident Package Plant. WTP3 can be expanded to 8.0 MGD and has the deepest water intake on Lake Travis.

Wholesale Purchased Water Customer: an entity that purchases bulk water for construction purposes or resale to agricultural, residential, commercial, industrial, or governmental end users.

Section 1: Introduction

The City of Lago Vista (CoLV) Municipal (Purchased) Water Conservation Plan (WCP) has been developed to meet the Lower Colorado River Authority (LCRA) water conservation rules in accordance with the LCRA Firm Water contract administrative rules. This Municipal WCP recognizes that conservation of purchased water is a valuable tool in managing water utility systems. Benefits of purchased water conservation include: extending available water supplies; reducing the risk of shortage during periods of extreme drought; reducing water utility operating cost; improving the reliability and quality of water utility service; reducing customer cost for water service; and enhancing water quality and the environment.

All LCRA firm water users are required to develop and formally adopt WCPs for their own systems in accordance with Title 30 Texas Administrative Code (TAC) Sections 288, Subchapter A, Water Conservation Plans, and Subchapter C, Required Submittals. Furthermore, being located within the regional water planning area of Region K, a copy of the WCP has been provided to the Region K Water Planning Group.

This Municipal WCP applies to all of CoLV's retail water customers located within its water service area, as defined in its Water Supply Contract with LCRA. Because the CoLV has a zero discharge permit for its Wastewater Treatment Plant (WWTP), the CoLV Municipal WCP does not apply to reuse water purchased by any CoLV water customer.

Section 2: Utility Profile Information

As of December 2022, there were approximately 5,500 connections in the CoLV's water service area. Based on the assumed average of 2.6 persons per household in this service area based on 2020 census data, and the total number of service addresses equal to 5,400, the December 2022 estimated population is 13,500. The projected population at full build out is estimated to be approximately 40,000 persons, or 10,500 additional connections. The population is expected to grow at an average rate of 5.0% per year until full build out around 2044.

Table 1 in Appendix A provides information on monthly purchased water use data for the past five years. The 5 year average monthly purchased water use was 124.06 AF. The five year average purchased water loss has been between 5% – 10%. The five year peak for monthly purchased water use was 205.35 AF. These numbers were calculated by using the total volume of treated water produced at both Water Treatment Facilities.

Table 2 in Appendix A shows an average water use for the past five years as 81.5 gallons per person per day (RGPCD) and 112.5 purchased water gallons per capita per day (GPCD).

Section 3: Water Conservation Goals

Water conservation five and ten year goals are required for overall water use, residential water use and water loss. The goals proposed by the CoLV are as follows:

	5-year goals	10-year goals
Gallons per connection per day (GPCD)	105	100
Residential gallons per person per day (RGPCD)	78	75
Water loss	10%	8.0%

Section 4: Water Conservation Strategies

4.1 Water Loss

4.1.1 Universal Metering, Meter Replacement, and Meter Repair

The CoLV requires that the following end users be metered:

- All municipal utility purchased water customers must be metered.
- All municipal irrigation purchased water customers must be metered.
- All wholesale purchased water customers must be metered.
- All construction projects both private and public using purchased water must be metered.
- All purchased water bulk water sales from a fire hydrant must be metered.
- All CoLV buildings and facilities using purchased water must be metered.
- All irrigation for CoLV medians and parks using purchased water must be metered.
- All CoLV water treatment plants must have the following water meters:
 - raw water meters
 - process water meters
 - finished water meters.
- All CoLV booster pump stations must be metered.
- All CoLV water distribution flushing must be metered.
- All CoLV wastewater treatment plants using purchased water must be metered.
- All CoLV lift stations using purchased water must be metered.

The CoLV requires all water meters to be accurate within plus or minus 5 percent of the indicated flow over the possible flow range.

A regularly scheduled maintenance program of meter repair, replacement and calibration will be performed in accordance with recommended meter manufacturer guidelines following the minimum schedule by meter size:

- Finished water meters: test once a year.
- Master water meters: test once a year.
- Water meters larger than 1": test per manufacturer's recommendations.

- Water meters 1” or smaller: test per manufacturer’s recommendations.
- Automatic Meter Infrastructure (AMI) registers and meter bodies will be replaced system wide every 10 – 15 years.

Zero consumption accounts will be checked monthly to see if water is actually being used and not recorded. In addition, the meters will be checked for proper sizing for all new installations and during reconnections. The CoLV successfully completed the conversion from an AMR to an AMI metering system. This project was completed in January of 2022. .

4.1.2 Distribution System Leak Detection and Repair

In order to meet the CoLV’s purchased water loss goal and in accordance with Texas Water Development Board (TWDB) rules, the CoLV will:

- Attempt to repair all purchased water leaks immediately upon discovery.
- conduct purchased water distribution leak detection audits as needed.
- monitor current purchased water loss through monthly water production and usage reports.
- conduct and submit yearly purchased water loss audits to the TWDB.

New measures and strategies to proactively reduce purchased water loss will be considered as feasible, including measures to reduce water lost within the water treatment process, line flushing and identifying/repairing waterline leaks quickly.

4.1.3 Additional Water Loss Best Management Practices

The CoLV currently utilizes the following water loss best management practices:

- AMI Fixed Based water metering system and software provides utility billing, and the utility department with almost real time consumption data. It will automatically notify utility billing of customers that have high consumption so staff can contact them. It can detect leaks in the City system which are nearby a specific meter. Also, this system’s software has a customer portal which allows customers to monitor their daily water consumption. As of September 2023, only 11% of our customers have registered to use this portal.
- The CoLV has abandoned the use of the leaky legacy PVC and ductile iron piping systems, becoming the second City in the US to adopt the sole use of the leak free fused HDPE pipe for all future distribution piping that will be installed in its water, wastewater, and reuse water distribution systems. Currently, approximately 42% of the water distribution system, 73% of the wastewater force main system, and 41% of the reuse water transmission lines are leak free fused HDPE pipe.
- CoLV strategies to minimize distribution flushing water losses that include the following:
 - Looping dead end waterlines within a pressure plane.
 - Looping dead end waterlines between pressure planes.
 - Developing an innovative tank mixing process for ground storage tanks that eliminated the need to flush the Ground Storage Tank (GST) because of high Trihalomethanes levels.

- Chlorine injection stations have been placed strategically throughout the water distribution system in order to avoid the need for excessive flushing in order to keep chlorine residuals in compliance with Texas Commission for Environmental Quality (TCEQ) regulations.
- A proactive leak detection program is being used to decrease water loss in the water distribution system.
- At Water Treatment Plant #1 (WTP1), backwash water and sludge blanket draw down water is sent to the WWTP where it is processed into reuse water.
- At Water Treatment Plant #3 (WTP3), backwash water is decanted and mixed with the raw water inflow to the water plant.
- Reuse water from the WWTP is used to irrigate the Lago Vista Golf Course (LVGC) and Highland Lakes Golf Course (HLGC). The Grille at Highland Lakes uses reuse water to irrigate its 2 acres of grass surrounding the restaurant.
- At this time, CoLV is unable to irrigate local ball fields with reuse water. The City's current WWTP process only provides Type 2 treatment. As per TCEQ, Type 2 effluent is not allowed to be used to irrigate ball fields. The City is still exploring options to achieve Type 1 treatment at the WWTP, but costs are the deciding factor.

The CoLV is considering a multi-year City-wide Water Distribution Pipe Replacement Strategy to upgrade to HDPE pipe as our future “standard pipe type” as displayed in Appendix C. Implementation details have not been developed as of this plan approval. By migrating to one standard HDPE pipe type that has 100 year life, CoLV expects savings in the following areas:

- Water loss per mile of distribution system pipe will be reduced as the legacy Galvanized, Ductile iron, PVC class pipe, PVC C900 pipe and AC pipe are replaced with leak free HDPE pipe.
- The elimination of the 5 legacy piping systems will result
 - in a standardized piping system that is easier and faster to fix with less water losses.
 - the elimination of a large legacy pipe repair parts inventory and tooling that can be difficult to work with during emergency repairs.
 - the elimination of future training hours for repairing legacy piping systems.

PVC class pipe will be scheduled for replacement first followed by galvanized pipe and ductile iron pipe types. The CoLV will be monitoring each legacy piping system to identify when that particular legacy piping system start failing at a rate of one leak per mile per year, necessitating replacement per AWWA standards.

4.2 Water Rates and Records Management

4.2.1 Increasing Purchased Water Block Rates

The CoLV uses a base rate structure that promotes purchased water conservation with an increasing multi-tiered rate structure for residential, commercial, and irrigation purchased water end users. The CoLV reevaluates its rate structure periodically in order to promote purchased water conservation to the maximum extent possible. Future CoLV updated rates structures shall be submitted to LCRA within 30 days of adoption. The current rate structure can be found in Appendix B and is located on the CoLV utility web site.

4.2.2 Purchased Water Consumption Monitoring and Billing Records Management

The CoLV's utility billing staff maintains monthly records of purchased water sales, consumption reports, and utility bills on a central server that can be used to compile, present, and view purchased water-use and billing information.

The billing system is capable of separating water-use per customer type into the following categories: residential, irrigation, and commercial. Any new billing system purchased by the CoLV will be capable of reporting detailed water use data by single-family residential, multi-family residential, irrigation, commercial, industrial, institutional, agricultural and wholesale.

4.3 Water Reuse

The CoLV operates a 1.0 Million Gallon per Day (MGD) WWTP. Reuse water from the WWTP is used to supplement the irrigation supply needs of the following properties:

- 85 irrigated acres of the Highland Lakes Golf Course
- 113 irrigated acres of the Lago Vista Golf Course
- 2 irrigated acres of the Grille at Highland Lakes
- 67 irrigated acres of bird habitat at the Cedar Breaks Effluent Disposal Site

The treated wastewater effluent currently produces an average 0.71 MGD per day and 100% of that effluent is utilized for the beneficial irrigation uses listed above.

4.3.1 Additional Water Reuse Best Management Practices

The CoLV is exploring the option of irrigating local ball fields with reuse water instead of purchased water as the municipal supply of reuse water increases and becomes available. This can only be done if the WWTP is upgraded to achieve Type 1 treatment. Its current process only provides Type 2 effluent, which is not allowed for irrigation of local ball fields.

4.4 Education and Outreach

4.4.1 Required measures

Throughout the year, purchased water conservation literature will be made available to end users regarding purchased water conservation, native landscaping, and other related topics to garden clubs, homeowner associations, and various others interested groups. CoLV staff may attend such events or request a presentation from LCRA staff to promote purchased water conservation. Also, City staff will be aggressively promoting the new customer portal to all of its customers through social media campaigns, website postings and newsletters. We will work with the AMI software company to tailor the system to City specific needs.

4.4.2 Additional Best Management Practices

- Financial rebates: Customers will be offered irrigation technology and other rebates from the LCRA. CoLV will assist LCRA with promoting water conservation programs to its customers.
- Hotels currently being proposed will be strongly encouraged to adopt a hotel linen reuse option policy where linens are only changed out upon request during multi-night short stays.

4.5 Other Best Management

- Permanent landscape watering schedule for spray irrigation. This schedule limits outdoor spray irrigation for landscapes to no more than twice a week on the following days and times:
 - Residential addresses ending in odd numbers: Wednesdays and Saturdays
 - Residential addresses ending with even numbers: Thursdays and Sundays
 - Commercial customers: Tuesdays and Fridays
 - Watering times: Midnight to 10 a.m. and 7 p.m. to midnight
- Temporary landscape watering schedule variance for new landscapes. New landscapes can be watered according to the following schedule for the first 30 days after installation.
 - Days 1 through 20: spray irrigation allowed every day.
 - New variance application is required to continue temporary irrigation.
 - Days 21 through 30: spray irrigation allowed every other day.
 - No further variances allowed.
 - Watering times: Midnight to 10 a.m. and 7 p.m. to midnight.
- Landscape Conservation and Erosion Control Requirements for new development: the CoLV has adopted these two ordinances as shown in Appendix D of this plan.
- Swimming Pool Construction Requirements for new pools: the CoLV shall incorporate Appendix E of this plan into its adopted rules and regulations.

Section 5: Wholesale Water Conservation Plans

Wholesale treated water customers must develop a Drought Contingency Plan (DCP) and a Water Conservation Plan (WCP) in accordance with LCRA Water Contract Rules. The plans must include a governing board resolution, ordinance, or other official document noting that the plans have been formally adopted by the wholesale purchased water customers.

Wholesale purchased water customers must include in their wholesale water supply contracts the requirement that each successive wholesale purchased water customer must develop, implement, and regularly update their DCP and WCP, subject to CoLV and LCRA approval, and consistent with Title 30 Texas Administrative Code (TAC) Sections 288, Subchapter A, Water Conservation Plans, and Subchapter C, Required Submittals.

Section 6: Coordination with Regional Water Planning Group

The water service area of the CoLV is located within the Lower Colorado River Water Planning Area (Region K) of the State of Texas and the CoLV has provided or will provide a copy of this water conservation plan to the regional water planning group. The plan can be sent to the LCRA, c/o Water Contracts and Conservation, P.O. Box 220, Austin, Texas 78703.

Section 7: Authorization and Implementation

The City Manager of CoLV, or his/her designee, is hereby authorized and directed to implement the applicable provisions of this Municipal WCP. The City Manager, or his/her designee, will act as Administrator of the Water Conservation Program. He/she will oversee the execution and implementation of the program and will be responsible for keeping adequate records for program verification. A signed and dated copy of this plan by the City Manager or his/her designee will be sufficient to meet this requirement.

7.1 Municipal WCP Implementation

The CoLV has designated a water conservation coordinator, who will be responsible for the implementation of this water conservation plan. The current water conservation coordinator is the CoLV Director of Public Works. The City Manager, or his/her designee, may re-appoint this position. At that time, the CoLV will inform LCRA about this personnel change.

The Municipal WCP will be reviewed and approved in 2023 and every five (5) years thereafter.

Approved and Accepted by the CoLV Authorized Representative:

Approved and Accepted:

Ed Tidwell, Mayor

Date

Appendix A: Historical Purchased Water Data

Table 1: Monthly Purchased Water Use (AF)

	2018	2019	2020	2021	2022		
Month	Pur AF	Pur AF	Pur AF	Pur AF	Pur AF	Avg Pur	Max Pur
January	106.0	102.8	99.6	84.5	97.7	98.1	106.0
February	86.0	88.7	91.7	88.7	91.0	89.2	91.7
March	103.4	106.4	91.1	98.8	115.8	103.1	115.8
April	113.4	106.9	94.2	118.3	141.9	114.9	141.9
May	128.7	108.4	127.4	109.3	165.9	127.9	165.9
June	143.8	124.5	149.2	122.4	182.5	144.5	182.5
July	148.3	154.1	181.4	133.9	205.3	164.6	205.3
August	154.5	182.2	181.6	156.2	181.2	171.1	182.2
September	102.8	167.8	126.6	137.3	152.1	137.3	167.8
October	100.2	134.0	139.8	129.8	151.6	131.1	151.6
November	98.9	105.1	108.5	106.2	105.4	104.8	108.5
December	102.4	103.1	93.7	105.1	105.4	101.9	105.4
Total	1388.4	1483.9	1484.8	1390.5	1695.8		

Table 2: Monthly Purchased Water Use (GPCD)

	2018			2019			2020			2021			2022		
Month	Conn	Resid GPCD	Pur Water GPCD	Conn	Resid GPCD	Pur Water GPCD	Conn	Resid GPCD	Pur Water GPCD	Conn	Resid GPCD	Pur Water GPCD	Conn	Resid GPCD	Pur Water GPCD
January	3668	60.3	116.8	4039	49.9	102.9	4307	48.5	93.5	4716	49.4	72.4	5250	60.8	75.2
February	3731	49.4	103.2	4083	52.0	97.2	4339	53.1	94.6	4755	69.4	83.5	5367	57.3	75.9
March	3746	58.1	111.6	4133	58.3	104.1	4364	58.4	84.4	4814	65.5	83.0	5435	65.9	86.1
April	3774	85.2	125.5	4137	75.9	107.9	4381	66.5	89.8	4797	73.4	103.1	5383	88.9	110.1
May	3780	85.7	137.6	4161	65.0	105.3	4426	76.2	116.4	4853	63.6	91.1	5376	109.7	124.8
June	3818	100.0	157.3	4184	85.5	124.3	4425	119.6	140.9	4890	94.0	104.6	5398	123.3	141.2
July	3842	117.0	156.1	4188	116.7	148.8	4477	120.4	163.8	4887	81.1	110.8	5429	145.6	152.9
August	3875	109.7	161.1	4202	126.5	175.3	4538	128.2	161.8	4992	103.2	126.5	5436	121.2	134.8
September	3951	64.3	108.7	4243	123.3	165.2	4551	100.3	116.3	5080	102.9	112.9	5444	99.7	116.7
October	3998	61.9	101.4	4287	103.5	126.3	4624	93.1	122.2	5078	74.5	103.3	5482	94.6	111.8
November	4000	56.3	103.3	4318	58.6	101.7	4652	73.7	97.4	5082	67.7	87.3	5535	62.2	79.5
December	4030	59.1	102.7	4331	67.3	96.2	4675	63.6	81.0	5134	60.5	82.8	5500	61.6	77.5
Average	3851	75.6	123.8	4192	81.9	121.3	4480	83.5	113.5	4923	75.4	96.8	5420	90.9	107.2

*Conn = Connection

*Assumed average of 2.6 persons per connection to calculate Residential GPCD

Appendix B – 2023 CoLV Rate Structure

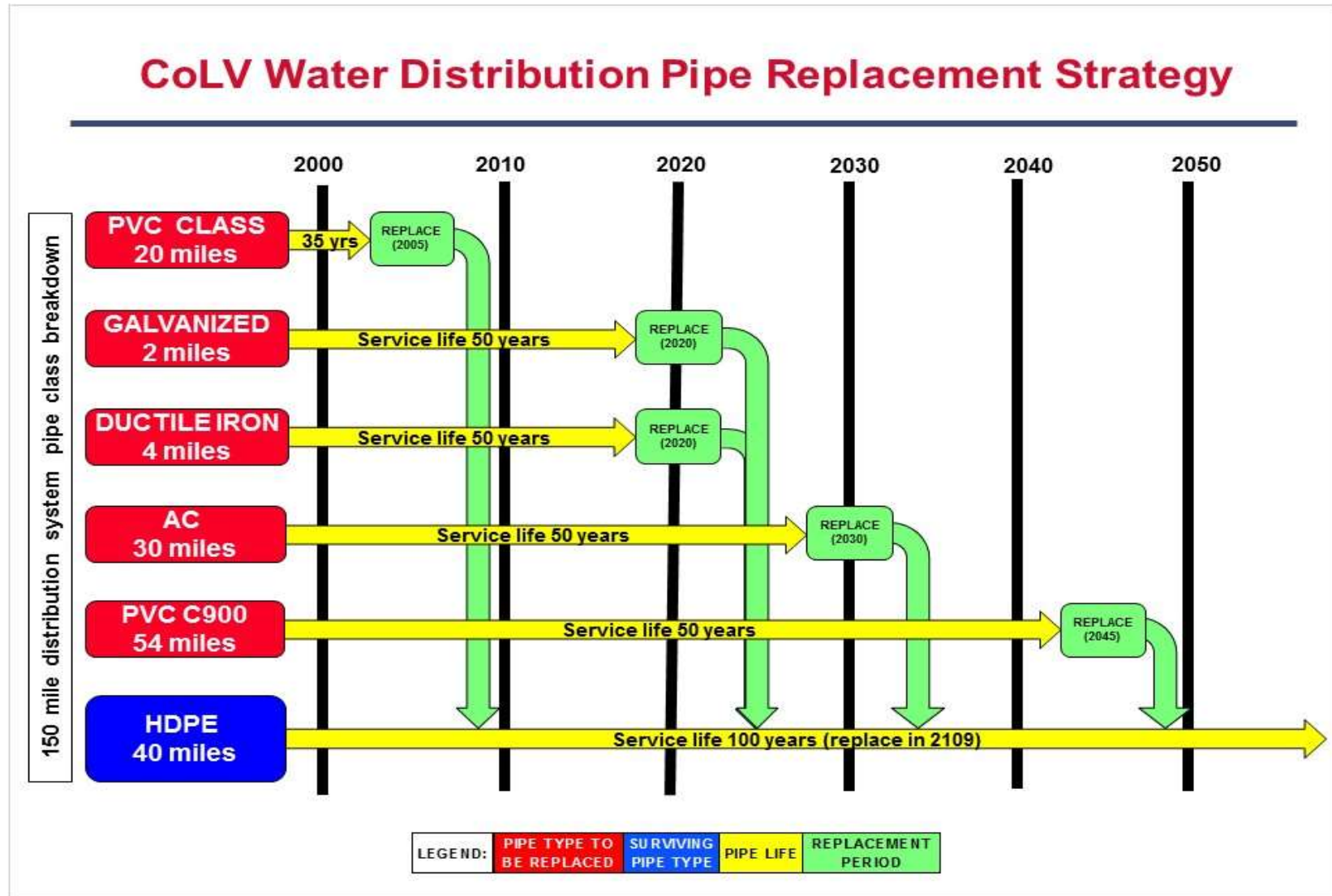
Water Rates - Residential		
	Inside City	Outside City
Base	\$36.52	\$41.51
0 - 2,000	\$0.00	\$0.00
2001 - 5,000	\$5.25 per 1,000 gal	\$6.55 per 1,000 gal
5,001 - 10,000	\$6.50 per 1,000 gal	\$7.80 per 1,000 gal
10,001 - 15,000	\$8.50 per 1,000 gal	\$9.80 per 1,000 gal
15,001 - 25,000	\$11.00 per 1,000 gal	\$11.00 per 1,000 gal
25,001 - 50,000	\$14.00 per 1,000 gal	\$14.00 per 1,000 gal
50,001 - Above	\$17.50 per 1,000 gal	\$17.50 per 1,000 gal

Water Rates - Commercial		
	Inside City	Outside City
Base	\$36.52	\$41.51
0 - 2,000	\$3.95 per 1,000 gal	\$3.95 per 1,000 gal
2001 - 5,000	\$5.77 per 1,000 gal	\$5.77 per 1,000 gal
5,001 - 10,000	\$7.15 per 1,000 gal	\$7.15 per 1,000 gal
10,001 - 15,000	\$9.35 per 1,000 gal	\$9.35 per 1,000 gal
15,001 - 25,000	\$11.87 per 1,000 gal	\$11.87 per 1,000 gal
25,001 - 50,000	\$15.17 per 1,000 gal	\$15.17 per 1,000 gal
50,001 - Above	\$19.02 per 1,000 gal	\$19.02 per 1,000 gal

Water Rates - Irrigation		
	Inside City	Outside City/hydrant
Base	\$36.52	\$41.51
0 - 2,000	\$6.11 per 1,000 gal	\$9.60 per 1,000 gal
2001 - 5,000	\$7.64 per 1,000 gal	\$12.00 per 1,000 gal
5,001 - 10,000	\$9.55 per 1,000 gal	\$15.00 per 1,000 gal
10,001 - 15,000	\$11.94 per 1,000 gal	\$18.75 per 1,000 gal
15,001 - 25,000	\$14.93 per 1,000 gal	\$23.44 per 1,000 gal
25,001 - 50,000	\$18.66 per 1,000 gal	\$29.30 per 1,000 gal
50,001 - Above	\$23.32 per 1,000 gal	\$36.62 per 1,000 gal

Water Rates - Industrial	
Base	\$36.52
Flat Volum Rate	\$4.17 per 1,000 gal

Appendix C - CoLV Water Distribution Pipe Replacement Strategy



Appendix D - Landscape and Conservation Standards

General

The Landscape Conservation Guidelines are modeled after the “Sensible Landscaping for Central Texas” guidebook for home builders and homeowners adopted by the Homebuilders Association of Greater Austin (<http://www.hbaaustin.com>) and are intended to provide builders and homeowners with a well-designed, water-efficient landscape.

Design

- A. Turf shall not be planted on more than 50 percent, or up to 7,000 square feet, of the landscape. Longer leafed native grasses, low water consumption grasses such as Bermuda grass, zoysia grass, and buffalo grass that use low amounts of water are not considered turf grass in this context. Wildflowers may also be used as a ground cover.
- B. Automatic spray irrigation for each home or business shall be limited to 2.5 times the foundation footprint, with a 12,000 square foot maximum. The footprint may include both the house and the garage, but not the driveway or patio.

Soil

- A. There shall be no less than 3” inches of high quality topsoil in planted areas for sodded lawns and 4” for hydro-mulched areas. The CoLV recommends that 6” inches of high quality topsoil in planted areas for sodded lawns and hydro-mulched areas as the additional depth of soil will make the lawns much more drought resistant.
- B. Topsoil shall be native soil from the site, or non-native topsoil that contains no less than 25 percent organic matter (compost) blended through the soil. Topsoil shall not be of any admixture of subsoil or slag and shall be free of stones more than 1.5 inches in diameter, lumps, refuse, plants or their roots, sticks, noxious weeds, salts, soil sterilants or other material detrimental to plant growth. Delivered topsoil should be obtained from a well-drained site that is free of flooding.
- C. Topsoil added to the site should be incorporated into existing surface in a 2-inch to 3-inch scarified transition layer to enable water to drain adequately through the different types of soil. Areas within the drip line of existing trees that will be retained should not be scarified as it may damage the trees.

Irrigation

- A. The CoLV does not require automated irrigation systems for new landscaping. However, if an automatic irrigation system is installed, it shall be required to meet the guidelines outlined in this section.
- B. All irrigation systems shall be installed in accordance with state law, Title 2 Texas Water Code, Chapter 34 and Title 30 Texas Administrative Code, Chapter 344 rules, as regulated and enforced by the Texas Commission on Environmental Quality (TCEQ). Irrigation contractors who install the irrigation systems must be TCEQ Licensed Irrigators.

- C. Drip irrigation shall be used for all irrigated landscaped areas, excluding turf. Turf may be irrigated with drip, but it is not required.
- D. Areas planted with turf shall be in separate zones from areas planted with shrubs, trees or perennials.
- E. Hydrozoning of automatically irrigated areas shall be scheduled with plants with similar watering needs.
- F. All automatic irrigation systems are required to have a rain sensor, and a soil moisture sensor or a weather sensor connected to an irrigation controller in order to stop the irrigation cycle during and after a rainfall event. Rain sensors are to be installed in a location where rainfall is unobstructed and should be adjusted to the 1/4-inch setting.
- G. Sprinkler irrigation is prohibited in median strips, parking islands and all landscape areas less than 10 feet from curb to curb or 10 feet in width. Areas less than 10 feet curb-to-curb or 10 feet in width can be irrigated with subsurface drip irrigation or drip irrigation low volume irrigation in order to avoid runoff and overspray onto the hardscape.
- H. All new residential irrigation systems are required to have pressure regulation where the static operating pressure exceeds the sprinkler manufacturer's recommended operating range in order to eliminate extensive misting. These may include in-line pressure regulators, flow control valves or sprinkler devices equipped with pressure regulation stems or nozzles. Irrigation systems must have a controller that features multiple start times, rain sensor capability, a water budget feature and a non-volatile memory in case of power outage.
- I. Scheduling recommendations shall be posted inside or close to the controller enclosure box for easy reference.
- J. Homeowners shall be provided with a complete irrigation plan (or as-built drawing) that describes the location of each irrigation zone, control valves and sprinkler devices.
- K. Sprinkler systems shall be designed with no overspray onto the hardscape.
- L. Sprinkler zones located at the bottom of sloped terrain along curbs, sidewalks, driveways and other hardscapes should be equipped with devices such as in-line check valves and sprinkler heads with check valves that prevent low-head drainage after the sprinkler zone is turned off.

Plant Choice

Plants used for landscaping must be native and drought tolerant. The City of Austin's Grow Green Guide (<http://austintexas.gov/departments/grow-green/plant-guide>) can be used as a reference for appropriate plants.

Turf grasses should be limited to low-water-use turfs such as bermuda grass, zoysia grass, and buffalo grass. St. Augustine grass is not an approved turf grass.

Invasive plants shall not be used. The City of Austin's Grow Green Guide can be used as a reference for invasive plants to avoid.

Plant Prepping

- A. A hole dug for a plant or tree should be 2 to 3 times wider than the container or root ball the plant is being stored in, ensuring that water will be able to be absorbed by the plant's roots.

- B. Before the sodding or seeding with a recommended turf grass, make sure that the existing soil has been blended with compost.

Plant Placement and Spacing

- A. Proper plant placement and spacing is critical to plant health and long-term landscape quality. Proper plant spacing ensures good air flow and room for plants to mature without crowding
- B. Plant placement too close to buildings can cause problems with plant disease, insects and structural problems.
- C. The mature height and width of plants should be considered before planting them.

Mulch

- A. All areas planted with trees, perennials and shrubs shall be finished with a 2-inch to 4-inch deep layer of high quality 50/50 blend of non-acidic organic mulch and compost blend.
- B. Wood chip mulch must be clean wood chips free of man-made debris, shredded into coarse pieces ranging in size from 1 to 3 inches.
- C. Rock mulch shall be used in planting beds only as temporary mulch until full plant coverage is achieved, or as permanent mulch in areas with native shrubs and perennials.

Maintenance

The CoLV recommends the following turf and plant maintenance schedule:

- A. Replenishing the mulch/compost blend only during the fall or spring at a minimum of every other year.
- B. Aerate turf grass within the first year of installation then twice a year after that during the fall or spring.
- C. Top dress turf grass areas with quality compost twice a year during the fall or spring at a depth of 1/4-inch to 1/2-inch following the aeration and drag or rake it into the canopy and/or aeration holes.

Appendix E – Swimming Pool Construction Requirements

- A. Private residential swimming pools shall not be installed with open pit sand media filters.
- B. Pool water features installed with public swimming pools or private residential swimming pools must be designed so that the water feature can be turned off without affecting the filtering capabilities of the pool. Automatic pool fill features must be designed so that they may be turned off in both public swimming pools and private residential swimming pools.
- C. Pools with shared water between the pool and spa shall be designed so that water can be shared without the necessity of an above ground water feature that cannot be turned off. If a water feature between the spa and the pool exists, the default setting will be for it to be turned off.
- D. Automatic pool fill features must include an automatic pool shut-off feature.
- E. Vanishing or negative edge pools must be designed with catch basins large enough to prevent splashing that leads to increased water use.
- F. Backwash systems must be designed so they may be turned off.
- G. Pool skimmers should be managed in such a way as to minimize water consumption. The range of allowable water within the skimmer fill range should allow for several inches of evaporative loss prior to filling.
- H. All residential swimming pools filled with a garden hose shall have a hose end timer installed at the nearest hose bib location. In addition, a hose bib back-flow prevention device will be connected to the hose bib fixtures nearest to the pool.
- I. The CoLV recommends that all residential swimming pools should be installed with a permanent automatic pool cover to minimize evaporative loss when not in use.
- J. Pool companies that provide installation and/or maintenance services within the CoLV must provide in writing to every customer specific information on maintenance requirements that includes an emphasis on preventative measures for keeping pool water quality high and alternatives to draining pools to correct water quality problems unless draining is needed for physical repairs.

Item Cover Page

CITY COUNCIL AGENDA ITEM REPORT

DATE: September 28, 2023

SUBMITTED BY: Lucy Aldrich, City Attorney

SUBJECT: Discussion, consideration and possible action on third amendment to Restated Development Agreement for Tessera on Lake Travis.

BACKGROUND: On August 17, 2023, City Council approved an amendment to the restated development agreement with Tessera provided that the builder be added as a signatory to the Amendment. After approval of the agreement, the builder provided additional comments clarifying that they do not, by virtue of signing the agreement, agree to take on any obligations other than what is included in the separate assignment agreement between the builder and the developer.

The City Attorney agreed that the requested changes are reasonable and do not affect the enforceability of the Amended Agreement.

The City Council tabled the agenda item until September 28, 2023, Council meeting allowing Hines, Cordsen Construction and staff to come back and detail when and how Surrey Lane will be remediated after construction for a water line.

FINANCIAL IMPACT: N/A

ATTACHMENTS:

[3rd Amendment to Restated Development Agreement for Tessera.pdf](#)

THIRD AMENDMENT TO
RESTATED DEVELOPMENT AGREEMENT FOR TESSERA ON LAKE TRAVIS

THIS THIRD AMENDMENT TO THE RESTATED DEVELOPMENT AGREEMENT FOR TESSERA ON LAKE TRAVIS (“Third Amendment”) is made as of the ____ day of _____, 2023 (the “**Effective Date**”) is entered into by and among HINES LAKE TRAVIS LAND II LIMITED PARTNERSHIP, a Texas limited partnership (“**Developer**”); Toll Southwest, LLC, a Delaware limited liability company (“**Toll**”); and the City of Lago Vista, Texas, a municipal corporation (the “**City**”), acting by and through its duly authorized representative.

RECITALS:

A. Developer, Hines Lake Travis Land Limited Partnership (“**Hines LT Land**”) and the City executed the Restated Development Agreement for Tessera on Lake Travis having an effective date of August 16, 2012 (herein “**Development Agreement**”) regarding approximately 877 acres of land (the “**Property**” or “**Tessera**”).

B. The Development Agreement identifies, among other things, the water and wastewater utility facilities Developer is obligated to construct and convey to the City for the provision of 2,030 LUEs of water and wastewater service to the Property (“**Developer Utility Improvements**”).

C. The Development Agreement identifies, among other things, the water and wastewater utility facilities the City is obligated to construct for the provision of 2,030 LUEs of water and wastewater service to the Property (“**City Utility Improvements**”).

D. Developer Utility Improvements and City Utility Improvements are referred to collectively as the “**Utility Improvements.**”

E. The Development Agreement authorizes the development of the Property and the Utility Improvements in phases.

F. On November 3, 2016, the City, Developer and Hines LT Land executed the First Amendment to the Development Agreement which primarily amended and updated the design of the Utility Improvements required to provide 2,030 LUEs of water and wastewater service to the Property by replacing Exhibit “C” and “D” attached to the Development Agreement (“**First Amended Development Agreement**”).

G. The First Amended Development Agreement constituted the First Request for a Specific Service Request and the City’s response to the First Request for Specific Service Commitment pursuant to Article 6 of the Development Agreement.

H. Exhibit “C” attached to the First Amended Development Agreement, divided the Property into three pressure zones and approved the Developer Utility Improvements required to provide water and wastewater service to each pressure zone.

I. In November 2021, Developer sold the approximately 52.617 acres of land within Phase 3C to Westin Homes and Properties, L.P. (“**Westin Homes**”). Pursuant to the Purchase and Sale Agreement for the 52.617 acres of land (“**Phase 3C Land**”) and the Development Management Agreement between Hines Interests Limited Partnership, an affiliate of Developer (the “**Development Manager**”), and Westin Homes (the “**Westin Homes Documents**”), the Development Manager agreed to organize, coordinate, manage and administer the construction of the Phase 3C subdivision improvements. Pursuant to the Westin Homes Documents, the Developer has retained all rights to reimbursement for the costs to construct Phase 3C Authorized Improvements under the Improvement Area #2 Financing Agreement.

J. On December 16, 2021, the City, Developer, and Hines LT Land executed the Second Amendment to the Development Agreement (“**Second Amendment**”), which amended and updated the design of the Utility Improvements required to provide 2,030 LUEs of water and wastewater service to the Property by replacing Exhibits “C” and “D” attached to the First Amended Development Agreement.

K. Exhibit “C” attached to the Second Amendment modified the master design of providing water and wastewater service to the Property by replacing the pressure plane approach in the First Amendment with a simpler Stage 1 and Stage 2 master design of off-site and on-site Developer Utility Improvements required for the delivery of 2,030 LUEs of water and wastewater service to the Property.

L. Exhibit “C” attached to the Second Amendment approved 631 LUEs of water and wastewater service to Stage 1.

M. The Second Amendment constituted the Second Developer Request for a Specific Service Request for the Stage 2 Developer Utility Improvements (“**Stage 2 Request**”). Exhibit “C” attached to the Second Amendment constitutes the City’s response to the Stage 2 Request and the City’s Specific Service commitment for 1,399 LUEs of water and wastewater service connections within the balance of the Property.

N. In February 2022, Hines LT Land and Developer sold approximately 262.478 acres comprising all the land within Phases 5 and 6 of Tessera to Toll (“**Toll Phase 5 and 6 Land**”).

O. Concurrent with the conveyance of the 262-acres to Toll, Developer, Hines LT Land, and Toll executed the Partial Assignment of Development Agreement recorded in Document

No. 2022021290, Official Public Records of Travis County, Texas (“**Phase 5 and 6 Partial Assignment**”).

P. The Phase 5 and 6 Partial Assignment assigned to Toll the rights and interests under and to the Development Agreement that specifically pertain to the Toll Phase 5 and 6 Land, the rights to 711 LUEs for water and wastewater service connections under the Second Amended Development Agreement and certain obligations related to the Toll Phase 5 and 6 Land as expressly set forth in the Phase 5 and 6 Partial Assignment.

Q. Hines LT Land no longer owns any developable land within the Property.

R. Developer has completed the construction of the Stage 1 Water and Wastewater Components of the Developer Utility Improvements described in **Exhibit “C”** and **Exhibit “D”** attached to this Third Amendment (“**Stage 1 Utility Improvements**”). Developer has conveyed to the City, and the City has accepted ownership of, the Stage 1 Utility Improvements.

S. Developer has completed the construction of the Stage 2, Phase 1 Water Improvements and other Developer Utility Improvements, as reflected in the attached **Exhibit “C”**. The City performed pressure delivery readings after the execution of the Second Amendment and after substantial completion of the Stage 2 Phase 1 Developer Utility Water Improvements listed in **Exhibit “C”** by the Developer. Based on such readings, the City determined that the delivery water pressure was insufficient, absent additional improvements by the City and the Developer, to allow unconditioned acceptance of the Stage 2 Phase 1 Developer Utility Improvements and provide certificates of occupancy for 70 houses in Phase 4A. Developer is currently constructing the Stage 2 Phase 2 and Phase 3 Water Improvements described in **Exhibit “C”** attached to this Third Amendment.

T. The City previously authorized the design and construction of a 16” water line from the Bar K water Line to the 16” water line described in Stage 2, Phase 1.0 in the attached **Exhibit “C”** as a City Capital Improvement Plan project (“**16” City CIP Water Line**”).

U. On July 20, 2023, the City Council authorized entering into a contract for the construction of 16” CIP Water Line. The City anticipates completion of construction and City acceptance of the 16” CIP Water Line before the end of 2023.

V. The City desires to amend the City Response to the Stage 2 Request, as stated in the Second Amendment.

W. Developer and the City wish to enter into this Third Amendment to the Development Agreement to obtain City approval of the Phase 5 and 6 Partial Assignment and to amend and update the design of the Utility Improvements required to provide a total of 2,030 LUEs

of water service to the Property by replacing Exhibits “C” attached to the Second Amendment with **Exhibit “C”** attached hereto.

X. Toll’s obligations in respect of the Development Agreement are limited to those obligations expressly assigned to and assumed by Toll under the Phase 5 and 6 Partial Assignment. As such, Toll joins in the execution of this Third Amendment for the limited purpose of acknowledging and accepting the amended **Exhibit “C”** attached hereto.

NOW, THEREFORE, in consideration of the above stated recitals and the execution and delivery of this Third Amendment and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Developer and the City hereby agree as follows:

1. All capitalized terms used herein shall have the same meanings ascribed to them in the Development Agreement, as amended by the First Amendment unless a different definition is provided herein. The Development Agreement, as amended by the First Amendment is referred herein as the “**First Amended Development Agreement.**” The First Amended Development Agreement, as amended by the Second Amendment is referred to herein as the “**Second Amended Development Agreement.**” The Second Amended Development Agreement, as amended by this Third Amendment is referred herein as the “**Third Amended Development Agreement.**”

2. Section 6.04(b) of the Second Amended Development Agreement is modified to read as follows:

6.04 General Service Commitment.

(b) The Parties agree that development of the Utility Facilities and Utility Services shall be organized and provided in multiple stages. The reservation of capacity for the subdivision plats recorded as of the effective date of this Third Amendment is 631 LUEs and the general service commitment for the balance of the Property is 1,399 LUEs.

4. Section 6.07(a) and (b) of the Second Amended Development Agreement are modified to read as follows:

6.07 Second and Subsequent Specific Service Commitments.

(a) The Second Amendment constituted the Second Developer Request for a Specific Commitment of Service in the amount of 1,399 LUEs of water and wastewater service. This request is referred to as the “**Stage 2 Request.**”

(b) This Third Amendment constitutes the City's Amended Response to the Stage 2 Request and constitutes the City's Amended Specific Service Commitment for 1,399 LUEs of water and wastewater service connections within the balance of the Property. The terms and conditions of the City's Amended Specific Service Commitment for 1,399 LUEs are set forth in **Exhibit "C"** attached to this Third Amendment.

5. **Replacement of Exhibit "C."** Exhibit "C" (Description of Water Concept Plan 2021 and Wastewater Concept Plan 2021) is hereby deleted in its entirety and replaced with the **Exhibit "C"** (Description of Water Concept Plan 2023 and Wastewater Concept Plan 2023) attached to this Third Amendment.

6. **Approval of Phase 5 and 6 Partial Assignment.** Pursuant to Section 9.01 of the Second Amended Development Agreement, the City hereby approves the Phase 5 and 6 Partial Assignment recorded in Document No. 2022021290, Official Public Records of Travis County, Texas. Nothing in this Third Amendment shall modify or expand any obligations of Toll in respect of the Property, which obligations shall be limited to those obligations relating to the Toll Phase 5 and 6 Land that were specifically assigned to and assumed by Toll under the Phase 5 and 6 Partial Assignment.

7. Except as modified by this Third Amendment, the Second Amended Development Agreement remains in full force and effect. This Third Amendment may be executed in one or more counterparts, each of which shall be deemed an original and all of which combined shall constitute one and the same instrument. Each of the parties executing this Third Amendment represents and warrants that it has been fully authorized and has the requisite authority to bind the respective party to the terms hereof.

(remainder of page intentionally left blank; signature pages to follow)

IN WITNESS WHEREOF, the parties hereto have executed this Third Amendment to be effective as of _____, 2023.

CITY:

STATE OF TEXAS §

COUNTY OF TRAVIS §

The City of Lago Vista, Texas, a body politic and political subdivision of the State of Texas did at a regular meeting with a quorum being present, on _____, 2023 vote to authorize the acceptance of this dedication of the Easements.

Ed Tidwell, Mayor

STATE OF TEXAS §

COUNTY OF TRAVIS §

This instrument was acknowledged before me on _____, 2023 by Ed Tidwell, in his capacity as Mayor of the City of Lago Vista, Texas.

Notary Public in and for
The State of Texas

HINES LAKE TRAVIS LAND II LIMITED PARTNERSHIP,
a Nevada limited partnership

By: Hines Lake Travis II GP LLC,
a Delaware limited liability company,
its general partner

By: Hines Interests Limited Partnership
a Delaware limited partnership,
its sole member

By: _____
Name: Robert W. Witte
Title: Senior Managing Director

THE STATE OF TEXAS §

COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2023 by Robert W. Witte, Senior Managing Director of HINES INTERESTS LIMITED PARTNERSHIP, a Delaware limited partnership, in its capacity as sole member of HINES LAKE TRAVIS II GP, LLC, a Delaware limited liability company, in its capacity as general partner of HINES LAKE TRAVIS LAND LIMITED PARTNERSHIP, a Nevada limited partnership, on behalf of said entities.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the ____ day of _____
2023.

Notary Public-State of Texas

TOLL SOUTHWEST, LLC,
a Delaware limited liability company

By: _____

Name: _____

Title: _____

THE STATE OF TEXAS §

COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2023 by
_____, the _____ of Toll Southwest, LLC, a Delaware limited
liability company, on behalf of said limited liability company.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the ____ day of _____ 2023.

Notary Public-State of Texas

After recording, please return to:

Lucy Aldrich
City Secretary
City of Lago Vista, Texas
5803 Thunderbird Drive
Lago Vista, Texas 78645

EXHIBIT “C”
DESCRIPTION OF WATER CONCEPT PLAN 2023
AND
WASTEWATER CONCEPT PLAN 2023

This exhibit describes the water and wastewater facilities necessary to provide City water and wastewater service to Tessera on Lake Travis (“**Tessera**”). The Utility Construction will be done in stages. The completed Stage 1 water and wastewater improvements will provide 631 LUE’s of service to subdivision plats within Tessera that had been approved as of the effective date of the Second Amendment to the Development Agreement (“**Second Amendment**”). As long as Developer constructs the necessary off-site Developer Utility Improvements and internal utility improvements necessary to provide 2,030 LUEs of water and wastewater service to Tessera, Developer may use the 2,030 water and wastewater LUE’s in any part of the Property at any time. Except as otherwise noted, all items listed below are Developer Utility Improvements.

Basic Assumption:

Tessera has requested service for 2,030 water and wastewater LUE’s from the City. Unless the City approves and authorizes additional LUE’s of utility services for Tessera, the Developer Utility Improvements are limited to 2,030 water and wastewater LUE’s of service.

WATER COMPONENTS

Stage 1 (631 LUE’s)

The initial City water service to Tessera will be for 631 water LUE’s for subdivision plats approved as of the effective date of the Second Amendment.

Stage 1 Developer Utility Improvements required to deliver water:

- 1.1 Construct + 9,000 L.F. of 12” High Density Poly Ethylene (“**HDPE**”) transmission line from WTP No I to the street intersection of Brewer Lane and Deepwood Drive. Improvement is complete.
- 1.2 Construct + 8,000 L.F. of 14” HDPE transmission line from street intersection of Brewer Lane and Deepwood Drive to the south end of Tessera Parkway. Improvement is complete.
- 1.3 Inter-connect new pipelines described in (1.) and (2.) above to existing COLV water system to circulate flow to improve water quality to Tessera. Tie in point location is Bar-K Ranch Road and other tie-points at the City’s discretion. Improvement is complete.
- 1.4 Add two pumps next to the existing booster pump building at WTP No. 1; minimum capacity of each pump is 500 gpm; add SCADA system and control valves at City WTP No. 1. Pumps can be installed outside, next to the existing pump building. Improvement is complete.

- 1.5 Construct + 3,500 L.F. of 18" HDPE transmission line from the street intersection of Brewer Lane and Deepwood Drive to the Paseo and Lohman GST Facility. Note: This water line must be in service prior to issuance of the 126th building permit in Tessera. Improvement is complete.

Note: Low flows will require the City to flush the transmission line once or twice a week until the Tessera Phase 1 Development has at least 80 to 100 water connections. With the City's concurrence, irrigation connections within the Tessera Development will be allowed. Also, the location of the initial connections (houses) will have an impact on the need of flushing. The City will bill the Developer the wholesale cost of the water flushed.

Stage 2 (1,399 LUE's)

The Stage 2 Developer Utility Improvements required for sufficient water pressure to all areas and elevations of the Property are to be constructed in phases.

Phase 1-

- 1.0 Construct 9,400 L.F. of 16" PVC from existing Bronco GST to Tessera Pkwy. Improvement is complete.
- 1.1 Construct 1,000 L.F. of 12" Pipe along Tessera Pkwy to serve Phase 4A subdivision plat. Improvement is complete.

Phase 2

- 2.0 Construct 150,000-gallon ground storage tank, two - 1,500 gpm pumps, chemical pump and storage building, meter vault and generator to fill elevated storage tank.

Note: The construction of the 16" City CIP Water Line will deliver sufficient water to Tessera to provide the additional 1,399 LUE's of water service to Tessera.

Phase 3– The Phase 3 Developer Utility Improvements will distribute the additional 1,399 LUE's of water service to the Phases of Tessera within the Stage 2 area.

- 3.0 Construct 1,600 L.F. of 16" PVC from Tessera Pkwy to elevated storage tank (EST) at location shown on Exhibit D-1. Improvement is complete.
- 3.1 Construct 600,000-gallon EST.

Note: Completion of Developer Utility Water Improvements 1.0, 1.1, 2.0, 3.0, and 3.1 above and the 16" City CIP Water Line will allow water service connections for the Phases 4A and 4B.

- 3.2 Construct 1,800 L.F. of 12" Pipe from EST to 12" main in Tessera Pkwy. Improvement is complete.
- 3.3 Construct 6,600 L.F. of 12" Pipe from Tessera Pkwy to serve Phase 2.

Note: Completion of Developer Utility Water Improvements 1.0, 1.1, and 3.3 above and the 16" City CIP Water Line will allow water service connections within Phase 2.

WASTEWATER COMPONENTS

The wastewater collection line design described below assumes that a) the wastewater improvements will be developed in stages coinciding with water improvement stages; and b) wastewater and water improvements will have comparable capacities. If Developer intends to reallocate the number of LUE's to another area of Tessera, the sizing and location of the internal wastewater lines will be re-evaluated.

Stage 1 (631 LUE's)

The initial City wastewater service to Tessera will be 631 wastewater LUE's for subdivision plats approved as of the effective date of the Second Amendment.

Stage 1 Developer Utility Improvements required to deliver wastewater:

1. Wastewater Treatment Plant improvements at plant headworks. Construct force main header to combine multiple force mains entering plant. Improvement is complete.
2. Cost participate in the amount of \$173,200 with City on over-sizing the force main from the Hollows, increase force main to 14-inch approximately 3,650 L.F. Phase II 12-inch force main will tie into this line at Dawn Drive and Valley View. Improvement is complete.
3. Initial lift station installed with Phase 1A subdivision. Improvement is complete.
4. Utilize City's existing 12-inch wastewater force main from existing Bar-K Lift Station to Turner Lift Station. Improvement is complete.
5. Utilize City existing 8-inch wastewater force main in Bar-K Ranch Road. Improvement is complete.
6. Force mains from Tessera development to the City's 8-inch force main in Bar-K Ranch Road. Improvement is complete.
7. Construct low pressure wastewater force main at Lake crossing. Three – 6" HDPE Crossing under the lake were constructed. Improvement is complete.

Stage 2 (1,399 LUE's)

The Stage 2 Developer Utility Improvements required for sufficient wastewater service to all areas and elevations of the Property are to be constructed in phases.

Phase 1 -Wastewater Service provided for 856 LUEs.

- 1.0 Construct 4,600 LF of 4" pressure sewer main from Phase 4 to existing Tessera lift station.
- 1.1 Upgrade existing onsite lift station to serve 856 LUE's.

- 1.2 Construct 15,000 LF of 12" force main from existing Tessera lift station to existing force main at Dawn Drive. Subject of approval by City Engineer, alternate designs may be submitted and approved. Project includes Turnback Cove lake crossing and removal of 6" existing force main in Surrey Lane. Entire width pavement replacement shall be done in areas where pipe installation is done within the existing roadway.
- 1.3 Connect new force main to existing 14" wastewater main.

Phase 2

- 2.0 Construct new second lift station to serve 1,174 LUE's at location shown on Exhibit D-2.
- 2.1 Construct 4,500 LF of 8" to 12" force main from new second lift station to existing Tessera lift station discharge pipe, connecting directly to previously installed 12" force main.

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**THIRD AMENDMENT TO
RESTATED DEVELOPMENT AGREEMENT FOR TESSERA ON LAKE TRAVIS**

THIS THIRD AMENDMENT TO THE RESTATED DEVELOPMENT AGREEMENT FOR TESSERA ON LAKE TRAVIS (“Third Amendment”) is made as of the ____ day of _____, 2023 (the “Effective Date”) is entered into by and among HINES LAKE TRAVIS LAND II LIMITED PARTNERSHIP, a Texas limited partnership (“Developer”); Toll Southwest, LLC, a Delaware limited liability company (“Toll”); and the City of Lago Vista, Texas, a municipal corporation (the “City”), acting by and through its duly authorized representative.

Deleted: Developer, Toll, and the City may be referred to individually as a “Party” and are referred to collectively as the “Parties.”

RECITALS:

A. Developer, Hines Lake Travis Land Limited Partnership (“Hines LT Land”) and the City executed the Restated Development Agreement for Tessera on Lake Travis having an effective date of August 16, 2012 (herein “Development Agreement”) regarding approximately 877 acres of land (the “Property” or “Tessera”).

B. The Development Agreement identifies, among other things, the water and wastewater utility facilities Developer is obligated to construct and convey to the City for the provision of 2,030 LUEs of water and wastewater service to the Property (“Developer Utility Improvements”).

C. The Development Agreement identifies, among other things, the water and wastewater utility facilities the City is obligated to construct for the provision of 2,030 LUEs of water and wastewater service to the Property (“City Utility Improvements”).

D. Developer Utility Improvements and City Utility Improvements are referred to collectively as the “Utility Improvements.”

E. The Development Agreement authorizes the development of the Property and the Utility Improvements in phases.

F. On November 3, 2016, the City, Developer and Hines LT Land, executed the First Amendment to the Development Agreement which primarily amended and updated the design of the Utility Improvements required to provide 2,030 LUEs of water and wastewater service to the Property by replacing Exhibit “C” and “D” attached to the Development Agreement (“First Amended Development Agreement”).

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G. The First Amended Development Agreement constituted the First Request for a Specific Service Request and the City’s response to the First Request for Specific Service Commitment pursuant to Article 6 of the Development Agreement.

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H. Exhibit “C” attached to the First Amended Development Agreement, divided the Property into three pressure zones and approved the Developer Utility Improvements required to provide water and wastewater service to each pressure zone.

I. In November 2021, Developer sold the approximately 52.617 acres of land within Phase 3C to Westin Homes and Properties, L.P. (“**Westin Homes**”). Pursuant to the Purchase and Sale Agreement for the 52.617 acres of land (“**Phase 3C Land**”) and the Development Management Agreement between Hines Interests Limited Partnership, an affiliate of Developer (the “**Development Manager**”), and Westin Homes (the “**Westin Homes Documents**”), the Development Manager agreed to organize, coordinate, manage and administer the construction of the Phase 3C subdivision improvements. Pursuant to the Westin Homes Documents, the Developer has retained all rights to reimbursement for the costs to construct Phase 3C Authorized Improvements under the Improvement Area #2 Financing Agreement.

J. On December 16, 2021, the City, Developer, and Hines LT Land executed the Second Amendment to the Development Agreement (“Second Amendment”), which amended and updated the design of the Utility Improvements required to provide 2,030 LUEs of water and wastewater service to the Property by replacing Exhibits “C” and “D” attached to the First Amended Development Agreement.

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K. Exhibit “C” attached to the Second Amendment modified the master design of providing water and wastewater service to the Property by replacing the pressure plane approach in the First Amendment with a simpler Stage 1 and Stage 2 master design of off-site and on-site Developer Utility Improvements required for the delivery of 2,030 LUEs of water and wastewater service to the Property.

L. Exhibit “C” attached to the Second Amendment approved 631 LUEs of water and wastewater service to Stage 1.

M. The Second Amendment constituted the Second Developer Request for a Specific Service Request for the Stage 2 Developer Utility Improvements (“**Stage 2 Request**”). Exhibit “C” attached to the Second Amendment constitutes the City’s response to the Stage 2 Request and the City’s Specific Service commitment for 1,399 LUEs of water and wastewater service connections within the balance of the Property.

N. In February 2022, Hines LT Land and Developer sold approximately 262.478 acres comprising all the land within Phases 5 and 6 of Tessera to Toll (“**Toll Phase 5 and 6 Land**”).

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O. Concurrent with the conveyance of the 262-acres to Toll, Developer, Hines LT Land, and Toll, executed the Partial Assignment of Development Agreement recorded in Document

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No. 2022021290, Official Public Records of Travis County, Texas (“Phase 5 and 6 Partial Assignment”).

P. The Phase 5 and 6 Partial Assignment assigned to Toll the rights and interests under and to the Development Agreement that specifically pertain to the Toll Phase 5 and 6 Land, the rights to 711 LUEs for water and wastewater service connections under the Second Amended Development Agreement and certain obligations related to the Toll Phase 5 and 6 Land as expressly set forth in the Phase 5 and 6 Partial Assignment.

Q. Hines LT Land no longer owns any developable land within the Property.

R. Developer has completed the construction of the Stage 1 Water and Wastewater Components of the Developer Utility Improvements described in **Exhibit “C”** and **Exhibit “D”** attached to this Third Amendment (“**Stage 1 Utility Improvements**”). Developer has conveyed to the City, and the City has accepted ownership of, the Stage 1 Utility Improvements.

S. Developer has completed the construction of the Stage 2, Phase 1 Water Improvements and other Developer Utility Improvements, as reflected in the attached **Exhibit “C”**. The City performed pressure delivery readings after the execution of the Second Amendment and after substantial completion of the Stage 2 Phase 1 Developer Utility Water Improvements listed in **Exhibit “C”** by the Developer. Based on such readings, the City determined that the delivery water pressure was insufficient, absent additional improvements by the City and the Developer, to allow unconditioned acceptance of the Stage 2 Phase 1 Developer Utility Improvements and provide certificates of occupancy for 70 houses in Phase 4A. Developer is currently constructing the Stage 2 Phase 2 and Phase 3 Water Improvements described in **Exhibit “C”** attached to this Third Amendment.

T. The City previously authorized the design and construction of a 16” water line from the Bar K water Line to the 16” water line described in Stage 2, Phase 1.0 in the attached **Exhibit “C”** as a City Capital Improvement Plan project (“**16” City CIP Water Line**”).

U. On July 20, 2023, the City Council authorized entering into a contract for the construction of 16” CIP Water Line. The City anticipates completion of construction and City acceptance of the 16” CIP Water Line before the end of 2023.

V. The City desires to amend the City Response to the Stage 2 Request, as stated in the Second Amendment.

W. Developer and the City wish to enter into this Third Amendment to the Development Agreement to obtain City approval of the Phase 5 and 6 Partial Assignment and to amend and update the design of the Utility Improvements required to provide a total of 2,030 LUEs

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of water service to the Property by replacing Exhibits "C" attached to the Second Amendment with Exhibit "C" attached hereto.

X. Toll's obligations in respect of the Development Agreement are limited to those obligations expressly assigned to and assumed by Toll under the Phase 5 and 6 Partial Assignment. As such, Toll joins in the execution of this Third Amendment for the limited purpose of acknowledging and accepting the amended Exhibit "C" attached hereto.

NOW, THEREFORE, in consideration of the above stated recitals and the execution and delivery of this Third Amendment and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Developer and the City hereby agree as follows:

1. All capitalized terms used herein shall have the same meanings ascribed to them in the Development Agreement, as amended by the First Amendment unless a different definition is provided herein. The Development Agreement, as amended by the First Amendment is referred herein as the "**First Amended Development Agreement**." The First Amended Development Agreement, as amended by the Second Amendment is referred to herein as the "**Second Amended Development Agreement**." The Second Amended Development Agreement, as amended by this Third Amendment is referred herein as the "**Third Amended Development Agreement**."

2. Section 6.04(b) of the Second Amended Development Agreement is modified to read as follows:

6.04 General Service Commitment.

(b) The Parties agree that development of the Utility Facilities and Utility Services shall be organized and provided in multiple stages. The reservation of capacity for the subdivision plats recorded as of the effective date of this Third Amendment is 631 LUEs and the general service commitment for the balance of the Property is 1,399 LUEs.

4. Section 6.07(a) and (b) of the Second Amended Development Agreement are modified to read as follows:

6.07 Second and Subsequent Specific Service Commitments.

(a) The Second Amendment constituted the Second Developer Request for a Specific Commitment of Service in the amount of 1,399 LUEs of water and wastewater service. This request is referred to as the "Stage 2 Request."

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(b) This Third Amendment constitutes the City's Amended Response to the Stage 2 Request and constitutes the City's Amended Specific Service Commitment for 1,399 LUEs of water and wastewater service connections within the balance of the Property. The terms and conditions of the City's Amended Specific Service Commitment for 1,399 LUEs are set forth in **Exhibit "C"** attached to this Third Amendment.

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5. **Replacement of Exhibit "C."** Exhibit "C" (Description of Water Concept Plan 2021 and Wastewater Concept Plan 2021) is hereby deleted in its entirety and replaced with the **Exhibit "C"** (Description of Water Concept Plan 2023 and Wastewater Concept Plan 2023) attached to this Third Amendment.

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6. **Approval of Phase 5 and 6 Partial Assignment.** Pursuant to Section 9.01 of the Second Amended Development Agreement, the City hereby approves the Phase 5 and 6 Partial Assignment recorded in Document No. 2022021290, Official Public Records of Travis County, Texas. Nothing in this Third Amendment shall modify or expand any obligations of Toll in respect of the Property, which obligations shall be limited to those obligations relating to the Toll Phase 5 and 6 Land that were specifically assigned to and assumed by Toll under the Phase 5 and 6 Partial Assignment.

7. Except as modified by this Third Amendment, the Second Amended Development Agreement remains in full force and effect. This Third Amendment may be executed in one or more counterparts, each of which shall be deemed an original and all of which combined shall constitute one and the same instrument. Each of the parties executing this Third Amendment represents and warrants that it has been fully authorized and has the requisite authority to bind the respective party to the terms hereof.

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(remainder of page intentionally left blank; signature pages to follow)

IN WITNESS WHEREOF, the parties hereto have executed this Third Amendment to be effective as of _____, 2023.

CITY:

STATE OF TEXAS §

COUNTY OF TRAVIS §
 §

The City of Lago Vista, Texas, a body politic and political subdivision of the State of Texas did at a regular meeting with a quorum being present, on _____, 2023 vote to authorize the acceptance of this dedication of the Easements.

Ed Tidwell, Mayor

STATE OF TEXAS §

COUNTY OF TRAVIS §
 §

This instrument was acknowledged before me on _____, 2023 by Ed Tidwell, in his capacity as Mayor of the City of Lago Vista, Texas.

Notary Public in and for
The State of Texas

HINES LAKE TRAVIS LAND II LIMITED PARTNERSHIP,
a Nevada limited partnership

By: Hines Lake Travis II GP LLC,
a Delaware limited liability company,
its general partner

By: Hines Interests Limited Partnership
a Delaware limited partnership,
its sole member

By: _____
Name: Robert W. Witte
Title: Senior Managing Director

THE STATE OF TEXAS §

COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2023 by Robert W. Witte, Senior Managing Director of HINES INTERESTS LIMITED PARTNERSHIP, a Delaware limited partnership, in its capacity as sole member of HINES LAKE TRAVIS II GP, LLC, a Delaware limited liability company, in its capacity as general partner of HINES LAKE TRAVIS LAND LIMITED PARTNERSHIP, a Nevada limited partnership, on behalf of said entities.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the ____ day of _____
2023.

Notary Public-State of Texas

TOLL SOUTHWEST, LLC,
a Delaware limited liability company

By: _____

Name: _____

Title: _____

THE STATE OF TEXAS §

COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2023 by
_____, the _____ of Toll Southwest, LLC, a Delaware limited
liability company, on behalf of said limited liability company.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the ____ day of _____ 2023.

Notary Public-State of Texas

After recording, please return to:

Lucy Aldrich
City Secretary
City of Lago Vista, Texas
5803 Thunderbird Drive
Lago Vista, Texas 78645

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EXHIBIT “C”
DESCRIPTION OF WATER CONCEPT PLAN 2023
AND
WASTEWATER CONCEPT PLAN 2023

This exhibit describes the water and wastewater facilities necessary to provide City water and wastewater service to Tessera on Lake Travis (“**Tessera**”). The Utility Construction will be done in stages. The completed Stage 1 water and wastewater improvements will provide 631 LUE’s of service to subdivision plats within Tessera that had been approved as of the effective date of the Second Amendment to the Development Agreement (“**Second Amendment**”). As long as Developer constructs the necessary off-site Developer Utility Improvements and internal utility improvements necessary to provide 2,030 LUEs of water and wastewater service to Tessera, Developer may use the 2,030 water and wastewater LUE’s in any part of the Property at any time. Except as otherwise noted, all items listed below are Developer Utility Improvements.

Basic Assumption:

Tessera has requested service for 2,030 water and wastewater LUE’s from the City. Unless the City approves and authorizes additional LUE’s of utility services for Tessera, the Developer Utility Improvements are limited to 2,030 water and wastewater LUE’s of service.

WATER COMPONENTS

Stage 1 (631 LUE’s)

The initial City water service to Tessera will be for 631 water LUE’s for subdivision plats approved as of the effective date of the Second Amendment.

Stage 1 Developer Utility Improvements required to deliver water:

- 1.1 Construct +9,000 L.F. of 12” High Density Poly Ethylene (“**HDPE**”) transmission line from WTP No 1 to the street intersection of Brewer Lane and Deepwood Drive. Improvement is complete.
- 1.2 Construct + 8,000 L.F. of 14” HDPE transmission line from street intersection of Brewer Lane and Deepwood Drive to the south end of Tessera Parkway. Improvement is complete.
- 1.3 Inter-connect new pipelines described in (1.) and (2.) above to existing COLV water system to circulate flow to improve water quality to Tessera. Tie in point location is Bark Ranch Road and other tie-points at the City’s discretion. Improvement is complete.
- 1.4 Add two pumps next to the existing booster pump building at WTP No. 1; minimum capacity of each pump is 500 gpm; add SCADA system and control valves at City WTP No. 1. Pumps can be installed outside, next to the existing pump building. Improvement is complete.

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1.5 Construct + 3,500 L.F. of 18" HDPE transmission line from the street intersection of Brewer Lane and Deepwood Drive to the Paseo and Lohman GST Facility. Note: This water line must be in service prior to issuance of the 126th building permit in Tessera. Improvement is complete.

Note: Low flows will require the City to flush the transmission line once or twice a week until the Tessera Phase 1 Development has at least 80 to 100 water connections. With the City's concurrence, irrigation connections within the Tessera Development will be allowed. Also, the location of the initial connections (houses) will have an impact on the need of flushing. The City will bill the Developer the wholesale cost of the water flushed.

Stage 2 (1,399 LUE's)

The Stage 2 Developer Utility Improvements required for sufficient water pressure to all areas and elevations of the Property are to be constructed in phases.

Phase 1-

1.0 Construct 9,400 L.F. of 16" PVC from existing Bronco GST to Tessera Pkwy. Improvement is complete.

1.1 Construct 1,000 L.F. of 12" Pipe along Tessera Pkwy to serve Phase 4A subdivision plat. Improvement is complete.

Phase 2

2.0 Construct 150,000-gallon ground storage tank, two - 1,500 gpm pumps, chemical pump and storage building, meter vault and generator to fill elevated storage tank.

Note: The construction of the 16" City CIP Water Line will deliver sufficient water to Tessera to provide the additional 1,399 LUE's of water service to Tessera.

Phase 3— The Phase 3 Developer Utility Improvements will distribute the additional 1,399 LUE's of water service to the Phases of Tessera within the Stage 2 area.

3.0 Construct 1,600 L.F. of 16" PVC from Tessera Pkwy to elevated storage tank (EST) at location shown on Exhibit D-1. Improvement is complete.

3.1 Construct 600,000-gallon EST.

Note: Completion of Developer Utility Water Improvements 1.0, 1.1, 2.0, 3.0, and 3.1 above and the 16" City CIP Water Line will allow water service connections for the Phases 4A and 4B.

3.2 Construct 1,800 L.F. of 12" Pipe from EST to 12" main in Tessera Pkwy. Improvement is complete.

3.3 Construct 6,600 L.F. of 12" Pipe from Tessera Pkwy to serve Phase 2.

Note: Completion of Developer Utility Water Improvements 1.0, 1.1, and 3.3 above and the 16" City CIP Water Line will allow water service connections within Phase 2.

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WASTEWATER COMPONENTS

The wastewater collection line design described below assumes that a) the wastewater improvements will be developed in stages coinciding with water improvement stages; and b) wastewater and water improvements will have comparable capacities. If Developer intends to reallocate the number of LUE's to another area of Tessera, the sizing and location of the internal wastewater lines will be re-evaluated.

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Stage 1 Developer Utility Improvements required to deliver wastewater:

1. Wastewater Treatment Plant improvements at plant headworks. Construct force main header to combine multiple force mains entering plant. Improvement is complete.
2. Cost participate in the amount of \$173,200 with City on over-sizing the force main from the Hollows, increase force main to 14-inch approximately 3,650 L.F. Phase II 12-inch force main will tie into this line at Dawn Drive and Valley View. Improvement is complete.
3. Initial lift station installed with Phase 1A subdivision. Improvement is complete.
4. Utilize City's existing 12-inch wastewater force main from existing Bar-K Lift Station to Turner Lift Station. Improvement is complete.
5. Utilize City existing 8-inch wastewater force main in Bar-K Ranch Road. Improvement is complete.
6. Force mains from Tessera development to the City's 8-inch force main in Bar-K Ranch Road. Improvement is complete.
7. Construct low pressure wastewater force main at Lake crossing. Three – 6" HDPE Crossing under the lake were constructed. Improvement is complete.

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Stage 2 (1,399 LUE's)

The Stage 2 Developer Utility Improvements required for sufficient wastewater service to all areas and elevations of the Property are to be constructed in phases.

Phase 1 -Wastewater Service provided for 856 LUEs.

- 1.0 Construct 4,600 LF of 4" pressure sewer main from Phase 4 to existing Tessera lift station.
- 1.1 Upgrade existing onsite lift station to serve 856 LUE's.

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1.2 Construct 15,000 LF of 12" force main from existing Tessera lift station to existing force main at Dawn Drive. Subject of approval by City Engineer, alternate designs may be submitted and approved. Project includes Turnback Cove lake crossing and removal of 6" existing force main in Surrey Lane. Entire width pavement replacement shall be done in areas where pipe installation is done within the existing roadway.

1.3 Connect new force main to existing 14" wastewater main.

Phase 2

2.0 Construct new second lift station to serve 1,174 LUE's at location shown on Exhibit D-2.

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2.1 Construct 4,500 LF of 8" to 12" force main from new second lift station to existing Tessera lift station discharge pipe, connecting directly to previously installed 12" force main.

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