



**AGENDA
CITY COUNCIL MEETING
CITY OF LEANDER, TEXAS**



Pat Bryson Municipal Hall
201 North Brushy Street - Leander, Texas
Thursday, June 4, 2026
Briefing Workshop at 6:00 PM
Regular Meeting at 7:00 PM

Mayor – Na'Cole Thompson
Place 1 – Stephen Chang
Place 2 – Michael Herrera
Place 3 – Natomi Blair

Place 4 – Annette Sponseller
Place 5 – Andrew Naudin
Place 6 – Becki Ross, Mayor Pro Tem
City Manager – Todd Parton

The meeting will also be live-streamed at the following link: <https://www.leandertx.gov/video>.

BRIEFING WORKSHOP - CONVENE AT 6:00 PM

1. Open Meeting.
2. Roll Call.
3. Convene into Executive Session pursuant to:
 1. Section 551.071, Texas Government Code, and Rule 1.05, Texas Disciplinary Rules of Professional Conduct, to consult with legal counsel regarding proposed settlement of Cause No. 24-0818-C369; DeNucci Constructors, LLC v. City of Leander, et al, in the 368th Judicial District Court, Williamson County, Texas; and
 2. Section 551.071, Texas Government Code, and Section 1.05, Texas Disciplinary Rules of Professional Conduct to consult with legal counsel regarding agreements regarding Brushy Creek Regional Utility Authority (BCRUA) and facilities expansion projects, and litigation and agreements related to the Brushy Creek Regional Wastewater Treatment Plant (BCRWWTP); and
 3. Section 551.071 and Section 551.072 Texas Government Code, and Section 1.05 Texas Disciplinary Rules of Professional Conduct to consult with legal counsel regarding the acquisition of properties for public purposes and an option agreement for acquisition of real property; and
 4. Section 551.071, Texas Government Code, and Section 1.05, Texas Disciplinary Rules of Professional Conduct, and Section 551.072, to consult with legal counsel regarding a lease agreement for City operations.

Reconvene into open session to take action as deemed appropriate in the City Council's discretion regarding:

1. Cause No. 24-0818-C369; DeNucci Constructors, LLC v. City of Leander, et al, in the 368th Judicial District Court, Williamson County, Texas; and
2. Agreements regarding Brushy Creek Regional Utility Authority (BCRUA) and facilities expansion projects, and litigation and agreements related to the Brushy Creek Regional Wastewater Treatment Plant (BCRWWTP); and

3. Acquisition of properties for public purposes and an option agreement for acquisition of real property; and
4. Lease agreement for City operations.

REGULAR MEETING – CONVENE AT 7:00 PM

4. Open Meeting, Invocation and Pledges of Allegiance.
5. Roll Call.
6. Public comments on items not listed in the agenda.

Public comments on items listed in the agenda will be heard at the time each item is discussed.

[All comments are limited to no more than 3 minutes (6 minutes if translation is needed) per individual.]

7. Staff Reports
 1. Update on America 250 celebration activities.

CONSENT AGENDA: ACTION

8. Approval of the minutes for the City Council meeting held on May 21, 2026.
9. Acceptance of public infrastructure improvements for Roger Beasley Mazda (PICP-23-0104) to include: streets, water, wastewater and drainage systems.
10. Acceptance of public infrastructure improvements for Hawkes Landing North Phase 3 (PICP-24-0137) to include: streets, drainage, water and wastewater.
11. Approval of an Interlocal Agreement (ILA) with the Cities of Cedar Park, Georgetown, Leander, Round Rock, Taylor, Williamson County ESD 3, and Williamson County, regarding the county-wide hazardous materials response team, establishing a governing board consisting of representatives from each participating agency, establishing agreed upon operating policies, providing for maintaining equipment, cost of insurance, maintenance, repairs, and upgrades; authorize the City Manager to appoint the City's board representative, and execute any and all necessary documents.
12. Approval of the termination of a water easement located within the Northline Subdivision, more particularly described as 0.0066 acres out of Williamson Central Appraisal District Parcel R659614, and generally located to the south of the intersection San Gabriel Parkway and Main Street, Leander, Williamson County, Texas; and authorize the City Manager to execute any and all necessary documents.
13. Approval of a contract in the amount of \$69,000.00 with Sky Elements, LLC, to conduct drone display services during Liberty Fest 2026 on July 3, 2026, with July 5, 2026, as the inclement weather date; and authorize the City Manager to execute any and all necessary documents.
14. Approval of a Special Event Permit for the City's annual Liberty Fest event to be held on Friday, July 3, 2026, at Devine Lake Park, 1807 Waterfall Avenue; event site will open at 6:00 p.m., with shuttle service starting at 5:30 p.m. from Glenn High School and Danielson Middle School, along with a Celebrate America 250 Bike and Pedestrian Parade beginning at 9:00 a.m. and ending at Camacho Elementary School at approximately 11:00 a.m., located at 501 Municipal Drive; and if inclement weather, Liberty Fest will be rescheduled for Sunday, July 5, 2026.

PUBLIC HEARING: ACTION

15. Conduct a Public Hearing regarding Special Use Case Z-26-0210 to consider action on a Special Use Permit to allow for an in-home day care with up to 12 children on one parcel of land 0.2 acres ± in size, more particularly described by Williamson Central Appraisal District Parcel R456282; and more commonly known as 1202 Drake Cove, Leander, Williamson County, Texas.
 - Discuss and consider action regarding Special Use Case Z-26-0210 as described above.

16. Conduct a Public Hearing for the purpose of receiving public comment on an Ordinance approving a Letter of Agreement with Pedernales Electric Cooperative, Inc., (PEC) to grant an extension to the franchise approved by Ordinance No. 19-032-00, which grants PEC certain powers, licenses, rights-of-way, privileges and franchise to construct, maintain, operate and use a transmission and distribution system in the City of Leander to provide electric utility service:
 - Provide direction to City staff on an Ordinance approving a Letter of Agreement with PEC as described above, and
 - Schedule formal action for the regular City Council meeting of July 2, 2026.

REGULAR AGENDA

17. Discuss and consider action on a Resolution authorizing the submission of a Staffing for Adequate Fire and Emergency Response (SAFER) Grant through the United States Department of Homeland Security and Federal Emergency Management Agency (FEMA) to fund the hiring of 15 new firefighter positions; providing for the cost-sharing, if awarded, of 25% of the actual cost in the first and second year and 65% in the third year of the grant; and authorize the City Manager to execute any and all necessary documents.
18. Discuss and consider action on casting the City's votes on the ballot relating to Pedernales Electric Cooperative, Inc., 2026 Board of Directors Election; and authorize the City Secretary to cast the City's votes as determined by the City Council.
19. Discuss and consider the appointment of a Council Director and a Citizen Director to the Board of Directors of the Brushy Creek Regional Utility Authority (BCRUA) for terms that are set to expire on June 30, 2026.
20. Council Member Closing Statements.
21. Convene back into Executive Session, if needed, pursuant to:
 1. Section 551.071, Texas Government Code, and Rule 1.05, Texas Disciplinary Rules of Professional Conduct, to consult with legal counsel regarding proposed settlement of Cause No. 24-0818-C369; DeNucci Constructors, LLC v. City of Leander, et al, in the 368th Judicial District Court, Williamson County, Texas; and
 2. Section 551.071, Texas Government Code, and Section 1.05, Texas Disciplinary Rules of Professional Conduct to consult with legal counsel regarding agreements regarding Brushy Creek Regional Utility Authority (BCRUA) and facilities expansion projects, and litigation and agreements related to the Brushy Creek Regional Wastewater Treatment Plant (BCRWWTP); and
 3. Section 551.071 and Section 551.072 Texas Government Code, and Section 1.05 Texas Disciplinary Rules of Professional Conduct to consult with legal counsel

- regarding the acquisition of properties for public purposes and an option agreement for acquisition of real property; and
4. Section 551.071, Texas Government Code, and Section 1.05, Texas Disciplinary Rules of Professional Conduct, and Section 551.072, to consult with legal counsel regarding a lease agreement for City operations.

Reconvene into open session to take action as deemed appropriate in the City Council's discretion regarding:

1. Cause No. 24-0818-C369; DeNucci Constructors, LLC v. City of Leander, et al, in the 368th Judicial District Court, Williamson County, Texas; and
2. Agreements regarding Brushy Creek Regional Utility Authority (BCRUA) and facilities expansion projects, and litigation and agreements related to the Brushy Creek Regional Wastewater Treatment Plant (BCRWWTP); and
3. Acquisition of properties for public purposes and an option agreement for acquisition of real property; and
4. Lease agreement for City operations.

22. Adjournment

CERTIFICATION

This meeting will 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 for which state law authorizes Executive Session to be held, including but not limited to Sections 551.071 [litigation and certain Consultation with attorney], 551.072 [acquisition of interest in real property], 551.073 [prospective gift to city], 551.074 [certain personnel deliberations], 551.076 [deployment/implementation of security personnel or devices], 551.0761 [critical infrastructure/cybersecurity systems, policies, and contracts] critical infrastructure or 551.087 [Deliberations regarding Economic Development Negotiations]. The City of Leander is committed to compliance with the American with Disabilities Act. Reasonable modifications and equal access to communications will be provided upon request. Please call the City Secretary at (512) 528-2743 for information. Hearing impaired or speech disabled persons equipped with telecommunication devices for the deaf may call (512) 528-2800. I certify that the above agenda for this meeting of the City Council of the City of Leander, Texas, was posted on the bulletin board at City Hall in Leander, Texas, on the 29 day of May 2026 by 5:00 p.m. pursuant to Chapter 551 of the Texas Government Code.



Dara Crabtree, City Secretary, TRMC



EXECUTIVE SUMMARY
6/4/2026

AGENDA SUBJECT:

Approval of the minutes for the City Council meeting held on May 21, 2026.

BACKGROUND:

Attached are the minutes for the City Council meeting held on May 21, 2026.

HISTORY/TIMELINE:

APPLICANT/AGENT:

RECOMMENDATION:

City staff recommends that City Council approve the minutes for the City Council meeting held on May 21, 2026, as presented.

PRESENTER:

Dara Crabtree, City Secretary

Fiscal Impact

Attachments:

1. Draft Minutes 05.21.2026



**MINUTES
CITY COUNCIL MEETING
CITY OF LEANDER, TEXAS**



Pat Bryson Municipal Hall
201 North Brushy Street - Leander, Texas
Thursday, May 21, 2026
Briefing Workshop at 6:00 PM
Regular Meeting at 7:00 PM

Mayor – Na'Cole Thompson
Place 1 – Stephen Chang
Place 2 – Michael Herrera
Place 3 – Natomi Blair

Place 4 – Annette Sponseller
Place 5 – Andrew Naudin
Place 6 – Becki Ross, Mayor Pro Tem
City Manager – Todd Parton

BRIEFING WORKSHOP - CONVENE AT 6:00 PM

1. Open Meeting.

Opened meeting at 6:00 p.m.

2. Roll Call.

Roll call reflected all present with Councilmember Sponseller absent.

3. Joint workshop of the City Council and Planning and Zoning Commission to receive a presentation from Kendig Keast Collaborative, Inc., regarding updates to the City of Leander Comprehensive Plan and Transportation Master Plan.

The presentation included project website now live; population flux amid growth; reliability safe; value of time; planning themes; Comprehensive Plan Advisory Committee priorities; stakeholders; effective growth management; livable community; safe community; sustainable, resilient community; more balanced economy and tax base; focus areas for plans; top 10 list; and verification of consensus on plan direction.

Briefing workshop adjourned at 6:47 p.m.

REGULAR MEETING – CONVENE AT 7:00 PM

4. Open Meeting, Invocation and Pledges of Allegiance.

Opened meeting at 7:01 p.m.; invocation provided by Pastor Serenity Coats; and Mayor Thompson led the Pledges of Allegiance.

5. Roll Call.

Roll call reflected all present with Councilmember Sponseller absent.

6. Welcome Special Guests and Visitors.

7. Public comments on items not listed in the agenda.

Public comments on items listed in the agenda will be heard at the time each item is discussed.

[All comments are limited to no more than 3 minutes (6 minutes if translation is needed) per individual.]

Kathy Bonardi, 1412 Volente Drive - commented on recent Senior Activity Center dedication event.

8. Staff Reports

- Capital Improvement Project update includes Automated Metering Infrastructure (CIP W.42) conversation timeline, benefits to residents, how information is being communicated to residents, and where to find updates on the City's website.

CONSENT AGENDA: ACTION

Motion: Approve to consent agenda items 9 through 12.

By: Councilmember Chang

Seconded: Councilmember Blair

Vote: 6 - 0

9. Approval of the minutes for the City Council Retreat held on April 23, 2026, April 24, 2026, and the regular meeting of the City Council held on May 7, 2026.
10. Award Solicitation S26-006 to Bennett Paving, Inc., to conduct road rehabilitation services which includes the pavement mill and overlay, multiple full-depth repairs, roadway striping, and other maintenance work on various City of Leander roadways in the amount of \$2,355,078.29; authorize the City Manager to execute any and all necessary documents; and authorize the City Manager to approve change orders up to \$50,000.00 with a total amount of change orders not to exceed 25% of the original contract amount.
11. Approval of renewal in the amount of \$263,610.48 for the City's Microsoft 365 subscription licensing through Microsoft's authorized reseller SHI Government Solutions, Inc., utilizing pricing and terms contained in Texas DIR Contract DIR-CPO-5237; and authorize the City Manager to execute all necessary documents, renewals, and licensing changes for the City's Microsoft 365 service agreement.
12. Approval of a special event permit for the Leander Chamber of Commerce for their annual Old Town Street Festival, providing for road closures for the event scheduled from 11:30 a.m. to 11:30 p.m., June 6, 2026, in the Old Town District.

REGULAR AGENDA

13. Discuss and consider approval of the proposed comparator list submitted by Leander Professional Fire Fighters Association, International Association of Fire Fighters, Local 4298 intended to serve as the foundational framework for the upcoming compensation study, as outlined in the collective bargaining agreement ratified by City Council on October 16, 2025.

Motion: Approve the comparator list of cities as presented.

By: Mayor Pro Tem Ross
Seconded: Councilmember Blair

Vote: 6 - 0

14. Discuss and consider an Ordinance amending Article 9.08, Division 2, Municipal Civil Service for fire fighters to authorize access to department personnel files; and providing for the effective date, open meetings, and related matters.

Motion: Table action on item until June 18, 2026, regular council meeting, following a discussion.

By: Councilmember Chang
Seconded: Councilmember Naudin

Vote: 6 - 0

15. Discuss and consider action on a Resolution committing to a goal of zero roadway fatalities and authorizing the submittal of an application for the Safe Streets and Roads for All (SS4A) Grant; and authorize the City Manager to execute any and all necessary documents.

Motion: Approve Resolution to submit for Safe Streets and Roads for All (SS4A) Grant, following a discussion.

By: Mayor Pro Tem Ross
Seconded: Councilmember Blair

Vote: 6 - 0

16. Receive a presentation and review the Fiscal Year 2026 Capital Improvements Program (CIP) plan, processes, and list of proposed projects to be approved in a future Public Hearing by City Council for funding with the Fiscal Year 2026 Annual Budget.

No action; discussion item only.

17. Discuss and consider action on the appointment process for a Charter Review Committee pursuant to Section 13.08. Charter Review of the Leander City Charter.

Motion: to accept Mayor Thompson's recommended list of appointees along with any additional names submitted by Councilmembers, no later than noon on June 5, 2026, for consideration of appointment at the June 18, 2026 regular meeting.

By: Mayor Thompson
Seconded: Councilmember Naudin

Vote: 5 - 1 (Herrera)

18. Council Member Closing Statements.

Stephen Chang - commented on tonight being his 1st anniversary as a councilmember; and thanked his parents for all their support.

Michael Herrera - commented on the recent Senior Activity Center Dedication; Crystal Falls Young Entrepreneur; and attendance at the ICSC conference.

Natomi Blair - wished her brother happy birthday; and commented on the upcoming VFW Memorial Day event.

Andrew Naudin - commented on attendance at the ICSC conference; mental health; today in music history in 1983, Prince achieved 1st Billboard Top 10 with Little Red Corvette; and today in history FIFA was formed in Paris, France, and his father was born in 1942.

Becki Ross - stated Old Town Street Festival still needed volunteers.

Na'Cole Thompson - stated dinner came from Willie's Ice House; reminded everyone shop local; commented on recent attendance at the ICSC conference; thanked Economic Development Department Team for all their work with the ICSC conference; and upcoming Memorial Day event.

19. Convene into Executive Session pursuant to:

1. Section 551.071, Texas Government Code, and Rule 1.05, Texas Disciplinary Rules of Professional Conduct, to consult with legal counsel regarding proposed settlement of Cause No. 24-0818-C369; DeNucci Constructors, LLC v. City of Leander, et al, in the 368th Judicial District Court, Williamson County, Texas; and
2. Section 551.071, Texas Government Code, and Section 1.05, Texas Disciplinary Rules of Professional Conduct to consult with legal counsel regarding proposed agreements regarding Travis Municipal Utility District No. 19, No. 20 and No. 21 and the Travisso development.
3. Section 551.071 and Section 551.072 Texas Government Code, and Section 1.05 Texas Disciplinary Rules of Professional Conduct to consult with legal counsel regarding the acquisition of properties for public purposes; and
4. Section 551.071, Texas Government Code, and Section 1.05, Texas Disciplinary Rules of Professional Conduct, and Section 551.072, to consult with legal counsel regarding a lease agreement for City operations.

Reconvene into open session to take action as deemed appropriate in the City Council's discretion regarding:

1. Proposed settlement of Cause No. 24-0818-C369; DeNucci Constructors, LLC v. City of Leander, et al, in the 368th Judicial District Court, Williamson County, Texas; and
2. Travis Municipal Utility District No. 19, No. 20 and No. 21 and the Travisso development.
3. Acquisition of properties for public purposes; and
4. Lease agreement for City operations.

Convened into Executive Session at 8:15 p.m.; reconvened into open session at 9:05 p.m.

1. No action.
2. No action.
3. No action.
4. No action.

20. Adjournment

Adjourned at 9:07 p.m.

APPROVED

MAYOR

ATTEST:

CITY SECRETARY



EXECUTIVE SUMMARY
6/4/2026

AGENDA SUBJECT:

Acceptance of public infrastructure improvements for Roger Beasley Mazda (PICP-23-0104) to include: streets, water, wastewater and drainage systems.

BACKGROUND:

Approximately \$1,115,317.00 in required public infrastructure for streets, streetlights, drainage, water and wastewater for the Roger Beasley Mazda Subdivision (PICP-23-0104) has been installed, inspected, and is substantially completed. These improvements align with City ordinances and master plans, encouraging further economic development. Further, these improvements will provide the legal subdivision of the property with access to City provided services like – transportation, water, wastewater for orderly, safe and healthful development to promote the health, safety and general welfare of this commercial property.

All documentation required for acceptance of this project has been received, including record drawings, statement of substantial completion prepared by a professional engineer licensed in the State of Texas, copies of all inspection reports and certified test results, electronic files of the improvements, an affidavit of all bills paid, and a two (2) year term maintenance bond.

The maintenance bond will commence its two (2) year term upon City Council acceptance, as anticipated, on June 4, 2026, which will provide warranty and maintenance coverage for the public infrastructure improvements through June 4, 2028. The Engineering Division of the Development Services Department will perform a formal inspection of the improvements approximately 30 days prior to the expiration of the maintenance bond to ensure that any defects in materials, quality construction, or maintenance are corrected prior to the expiration of the bond.

HISTORY/TIMELINE:

APPLICANT/AGENT:

RECOMMENDATION:

City staff recommends that City Council accept the public infrastructure improvements for Roger Beasley Mazda (PICP-23-0104) to include: streets, water, wastewater and drainage systems.

PRESENTER:

Emily Truman, P.E., CFM, PMP, City Engineer

Fiscal Impact

Attachments:

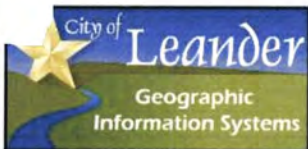
1. Roger Beasley Acceptance Documents




This map has been produced by the City of Leander for informational purposes only. No warranty is made by the City regarding completeness or accuracy, please refer to the appraisal district website for official property data. No responsibility is assumed for damages or other liabilities due to the accuracy, availability, completeness, use or misuse of the information herein provided.

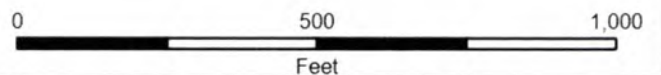


SUBDIVISION ACCEPTANCE

Roger Beasley Mazda - PICP-23-0104



-  Accepted Subdivision
-  City Limits
-  Extra-Territorial Jurisdiction



Esri, CGIAR, USGS

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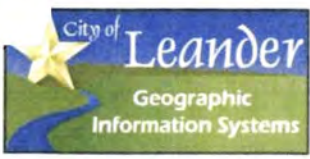
Leander City Limits
Extra-Territorial Jurisdiction






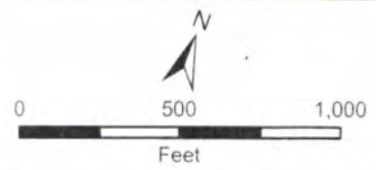
Esri, NASA, NGA, USGS

SUBDIVISION ACCEPTANCE

Roger Beasley Mazda - PICP-23-0104



-  Accepted Subdivision
-  City Limits
-  Extra-Territorial Jurisdiction



Bowman

March 25, 2026

City of Leander, Texas
Development Services Department
105 N. Brushy St.
Leander, Texas 78641

Re: Engineer's Concurrence Letter – PICP Permit Closeout
Project: Roger Beasley Mazda Subdivision
PICP Permit No.: 23-0104
Owner/Developer: Roger Beasley Mazda Inc.
Property Address: 9480 183A Toll Road, Leander, Texas 78641

To Whom It May Concern,

Based on a site visit performed by myself on March 11, 2026, accompanied by site photos provided by Mike McGlynn on March 25, 2026, the installed improvements appear to be in substantial conformance of the above-mentioned PICP.

This letter is issued for project closeout purposes and does not negate future compliance of the owner and/or contractor.

If you have any questions or require additional information, please do not hesitate to reach out to us at (512) 672-8965, or mkeiser@bowman.com

Thank you,



Marisa Keiser, PE
Branch Manager



March 25, 2026



Jeff Gutknecht, RAS #472
9958 FM 428
Aubrey, Texas 76227
214-808-9248
tasbyjeff@gmail.com

Roger Beasley Mazda Permit # PICP-23-0104

Date 5-7-2026

**Public sidewalk inspection
INSPECTION COMPLETED – NO VIOLATIONS**

We are pleased to inform you that the referenced Site Work has been inspected and found to be in substantial compliance with the provisions of the Texas Government Code, Chapter 469.

If you have any questions or need further assistance with the results of the inspection, or the requirements of the Architectural Barriers Act, or if you are not the owner of record for this facility, contact Jeff Gutknecht, RAS #472 at (214) 808-9248.

Please reference the job name in all future correspondence pertaining to this project.

Sincerely,

Jeff Gutknecht

Jeff Gutknecht, RAS #472

MAINTENANCE BOND
Subdivision Improvements

THE STATE OF TEXAS §

COUNTY OF WILLIAMSON §

KNOW ALL BY THESE PRESENTS, that Steve Wier, Inc. dba Wier Commercial Construction as Principal, whose address is 2400 W. 34th St., Houston, TX 77018 and Swiss Re Corporate Solutions America Insurance Corporation a Corporation organized under the laws of the State of MO, and duly authorized to do business in the State of Texas, as Surety, are held and firmly bound unto the City of Leander, Texas as Obligee, in the penal sum of One Hundred Eleven Thousand Five Hundred Thirty One and 70/100 Dollars (\$ 111,531.70) to which payment will and truly to be made we do bind ourselves, our and each of our heirs, executors, administrators, successors and assigns jointly and severally, firmly by these presents.

WHEREAS, the said Principal has constructed Roger Beasley Mazda Subdivision Public Improvement Construction Plan, PICP-23-0104 (the "improvements") pursuant to the ordinances of the Obligee, which ordinances are hereby expressly made a part hereof as though the same were written and embodied herein;

WHEREAS, said Obligee requires that the Principal furnish a bond conditioned to guarantee for the period of two (2) years after acceptance by the Obligee, against all defects in workmanship and materials which may become apparent during said period;

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH that, if the Principal keeps and perform the requirement of the Obligee's ordinances and this Maintenance Bond to maintain the improvements and keep the same in good repair and shall indemnify the Obligee for all loss that the Obligee may sustain by reason of any defective materials or workmanship which become apparent during the period of two (2) years from and after the date of acceptance by the Owner, then this obligation shall be void, otherwise to remain in full force and effect, and Owner shall have and cover from said Principal and Surety damages in the premises, as provided, and it is further agreed that this obligation shall be a continuing one against the Principal and Surety hereon, and that successive recoveries may be had thereon for successive breaches until the full amount shall have been exhausted; and it is further understood that the obligation herein to maintain said improvements shall continue throughout the maintenance period, and the same shall not be diminished in any manner from any cause during said time.

Principal agrees to repair or reconstruct the improvements in whole or in part at any time within the two year period to such extent as the Obligee deems necessary to properly correct all defects except for normal wear and tear. If the Principal fails to make the necessary corrections within ten days after being notified, the Obligee may do so or have done all said corrective work and shall have recovery hereon for all expenses thereby incurred. Principal will maintain and keep in good repair the improvements for a period of two years from the date of acceptance; it being understood that the purpose of this Maintenance Bond is to cover all defective conditions arising by reason of defective material, work, or labor performed by said Principal or its

subcontractors, and in the case the said Principal shall fail to do so within ten days after being notified, it is agreed that the Obligeo may do said work and supply such materials, and charge the same against Principal and Surety on this obligation.

The Surety shall notify the Obligeo at least fifteen (15) days prior to the end of the first full calendar year and prior to the lapse of this Maintenance Bond at the end of the second full calendar year.

Surety and Principal agree that whenever a defect or failure of the improvement occurs within the period of coverage under this Bond, the Surety and Principal shall provide a new maintenance bond or other surety instrument in a form acceptable to the Obligeo and compliant with the Obligeo's ordinances conditioned to guarantee for the period of one (1) year after the Obligeo's acceptance of the corrected defect or failure, against all defects in workmanship and materials associated with the corrected defect or failure which may become apparent during said period, which shall be in addition to this Maintenance Bond.

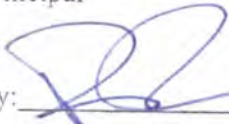
The Surety agrees to pay the Obligeo upon demand all loss and expense, including attorneys' fees, incurred by the Obligeo by reason of or on account of any breach of this obligation by the Surety. Provided further, that in any legal action be filed upon this bond, venue shall lie in the county where the improvements are constructed.

This Bond is a continuing obligation and shall remain in full force and effect until cancelled as provided for herein.

Surety, for value received, stipulates and agrees that no change, extension of time, alteration or addition to the improvements, or the work to be performed thereon, or the plans, specifications or drawings accompanying the same, shall in any way affect its obligation on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the improvements, or the work to be performed thereon.


IN WITNESS WHEREOF, the said Principal and Surety have signed and sealed this instrument this 5th day of May, 2026.

Steve Wier, Inc. dba Wier Commercial Construction
Principal

By:  PETER CLARK
Title: VICE PRESIDENT

Address: _____
2400 W. 34th St
Houston, TX 77018

Swiss Re Corporate Solutions America Insurance Corporation
Surety

By: 
Title: Sandra Villegas, Attorney-in-Fact

Address: _____
1200 Main St., Suite 800
Kansas City, MO 64105

The name and address of the Resident Agent of Surety is:

Brad Ballew
3802 Manchaca Road, Austin, Texas 78704

(Seal)

SWISS RE CORPORATE SOLUTIONS

SWISS RE CORPORATE SOLUTIONS AMERICA INSURANCE CORPORATION ("SRCSAIC")
SWISS RE CORPORATE SOLUTIONS PREMIER INSURANCE CORPORATION ("SRCSPIC")
WESTPORT INSURANCE CORPORATION ("WIC")

GENERAL POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, THAT SRCSAIC, a corporation duly organized and existing under laws of the State of Missouri, and having its principal office in the City of Kansas City, Missouri, each does hereby make, constitute, and appoint:

DAVID T. MICLETTE, BARRY K McCORD, ROBERT C. DAVIS, ASHLEY BRITT, NIKOLE JEANNETTE, NANCY RIOS, STACY OWENS, STACEY BOSLEY, WILL DUKE, LUCAS LOMAX, KATHLEEN CUCKLER, AARON HAWLEY AND SANDRA VILLEGAS

JOINTLY OR SEVERALLY

Its true and lawful Attorney(s)-in-Fact, to make, execute, seal and deliver, for and on its behalf and as its act and deed, bonds, consents of surety, or other obligations obligatory in the nature of a bond on behalf of each of said Companies, as surety, on contracts of suretyship as are or may be required or permitted by law, regulation, contract or otherwise, provided that no bond or undertaking or contract or suretyship executed under this authority shall exceed the amount of:

ONE HUNDRED TWENTY-FIVE MILLION (\$125,000,000) Dollars

This Power of Attorney is granted and is signed by facsimile under and by the authority of the following Resolutions adopted by the Boards of Directors of both SRCSAIC and SRCSPIC at meetings duly called and held on the 18th of November 2021 and WIC by written consent of its Executive Committee dated July 18, 2011:

"RESOLVED, that any two of the President, any Managing-Director, any Senior Vice President, any Vice President, the Secretary or any Assistant Secretary be, and each or any of them hereby is, authorized to execute a Power of Attorney qualifying the attorney named in the given Power of Attorney to execute on behalf of the Corporation bonds, undertakings and all contracts of surety, and that each or any of them hereby is authorized to attest to the execution of any such Power of Attorney and to attach therein the seal of the Corporation; and it is

FURTHER RESOLVED, that the signature of such officers and the seal of the Corporation may be affixed to any such Power of Attorney or to any certificate relating thereto by facsimile, and any such Power of Attorney or certificate bearing such facsimile signatures or facsimile seal shall be binding upon the Corporation when so affixed and in the future with regard to any bond, undertaking or contract of surety to which it is attached."



By [Signature] David Satory, Senior Vice President of SRCSAIC & Senior Vice President of SRCSPIC & Senior Vice President of WIC

By [Signature] Gabriel Jacques, Senior Vice President of SRCSAIC & Senior Vice President of SRCSPIC & Senior Vice President of WIC



IN WITNESS WHEREOF, SRCSAIC have caused their official seals to be hereunto affixed, and these presents to be signed by their authorized officers this 11th day of June 20 25

State of Illinois
County of Cook

Swiss Re Corporate Solutions America Insurance Corporation
Swiss Re Corporate Solutions Premier Insurance Corporation
Westport Insurance Corporation

On this 11th day of June 20 25, before me, a Notary Public personally appeared David Satory, Senior Vice President of SRCSAIC and Senior Vice President of SRCSPIC and Senior Vice President of WIC, and Gabriel Jacques, Senior Vice President of SRCSAIC and Senior Vice President of SRCSPIC and Senior Vice President of WIC, personally known to me, who being by me duly sworn, acknowledged that they signed the above Power of Attorney as officers of and acknowledged said instrument to be the voluntary act and deed of their respective companies.



[Signature] Karen M Szweda, Notary

I, Jeffrey Goldberg, the duly elected Senior Vice President and Assistant Secretary of SRCSAIC and SRCSPIC and WIC do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney given by said SRCSAIC and SRCSPIC and WIC, which is still in full force and effect.

IN WITNESS WHEREOF, I have set my hand and affixed the seals of the Companies this 5th day of May 20 26

Jeffrey Goldberg, Senior Vice President and Assistant Secretary of SRCSAIC and SRCSPIC and WIC

IMPORTANT NOTICE

In order to obtain information or make a complaint:

You may contact the **Surety Claims Department**
at **1-816-235-3702**

You may call **Swiss Re Corporate Solutions America Insurance Corporation** or **Swiss Re Corporate Solutions Premier Insurance Corporation** for information or to make a complaint at:

1-816-235-3702

You may also write to **Swiss Re Corporate Solutions America Insurance Corporation** or **Swiss Re Corporate Solutions Premier Insurance Corporation** at the following address:

**1200 Main Street, Suite 800
Kansas City, MO 64105**

You may contact the **Texas Department of Insurance** to obtain information on companies, coverages, rights or complaints at:

1- 800-252-3439

You may write the **Texas Department of Insurance**:

**P.O. Box 149104
Austin, TX 78714-9104
Fax: (512) 475-1771
Web: <http://www.tdi.state.tx.us>
E-mail: ConsumerProtection@tdi.state.tx.us**

PREMIUM OR CLAIM DISPUTES:

Should you have a dispute concerning your premium or about a claim you should first contact the **Swiss Re Corporate Solutions America Insurance Corporation** or **Swiss Re Corporate Solutions Premier Insurance Corporation**. If the dispute is not resolved, you may contact the Texas Department of Insurance.

ATTACH THIS NOTICE TO YOUR POLICY: This notice is for information only and does not become a part or condition of the attached document.

AVISO IMPORTANTE

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**1200 Main Street, Suite 800
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DISPUTAS SOBRE PRIMAS O RECLAMOS: Si tiene una disputa concierne a su prima o a un reclamo, debe comunicarse con el **Swiss Re Corporate Solutions America Insurance Corporation** o **Swiss Re Corporate Solutions Premier Insurance Corporation** primero. Si no se resuelve la disputa, puede entonces comunicarse con el Departamento de Seguros de Texas.

UNA ESTE AVISO A SU POLIZA:

Este aviso es solo para proposito de informacion y no se convierte en parte o condicion del documento adjunto.

May 5, 2026

Mr. Paul Brochi
City of Leander
201 N. Brushy Street
Leander, Texas 78641

Attn,

The following is the information as applicable for **PICP-23-0104** of this project.

Final Plat Legal Name as Recorded: **PAG LEANDER H1 PHASE 2**

Name on Approved Construction Documents: ROGER BEASLEY MAZDA SUBDIVISION

Name on Bank Bond for Fiscal Posting: Roger Beasley Mazda Subdivision

(Ensure that each relevant item being submitted is included above)

COSTS CATAGORIES	AMOUNT
Streets	\$569,494.00
Drainage	\$192,124.00
Water	\$ 84,871.00
Wastewater	\$268,828.00
Streetlights	NA
TOTAL	\$1,115,317.00

Add other relevant information. For example of related items such as a maintenance bond and how much of the value is applied to said item.

Total Improvements = \$1,115,317.00

Maintenance Bond (10%) = \$111,531.70

An example of related items such as the inspection fees and how much of the value is applied to said item.

Total Improvements = \$1,115,317.00

Currently Paid Inspection Fees = \$33,355.00

Inspection Fees (3.5%) = \$39,036.10

Remaining Insp. Fees to be Paid = \$5,681.10

MARISA KEISER, PE
Branch Manager | BOWMAN
O: (512) 327-1180 | D: (512) 672-8965
mkeiser@bowman.com | bowman.com



Seal

May 6, 2026

Marisa Keiser
Name & Signature

Marisa Keiser

Marisa Keiser

**FINAL BILLS PAID AFFIDAVIT
AND WAIVER OF LIEN**

STATE OF TEXAS
COUNTY OF

Date: 5/4/26

Developer: ROGER BEASLEY MAZDA, INC.

Contractor/Material

Provider ("Affiant"): WIER COMMERCIAL CONSTRUCTION

Project: ROGER BEASLEY MAZDA LEANDER

This is to acknowledge and certify that Affiant has completed the construction of all improvements for the project noted above and that Affiant has been paid in full for all labor and material provided to the above-noted construction project, except for retainage, and acknowledges and certifies that Affiant, and all of his or its agents, employees, successors, assigns, subsidiaries, and legal representatives will and do release and waive all Mechanic's liens, or similar lien rights, which have or might arise as a result of the Affiant's or Affiant's agents' or employees' providing labor and materials to the above-noted project. Affiant understands that a portion or all of the property upon which the project is located has been or will be accepted by the City of Leander, Texas, for ownership, maintenance, and operation. Affiant further agrees that it shall look solely to the Developer for payment of the retainage and shall have no cause of action whatsoever, against the City in the event that the retainage is not paid to the Affiant, and that Affiant shall not file a lien of any kind which has or may arise related to the release of the retainage for the project. Affiant acknowledges and understands that the City is relying on the representations made in this document to accept the phase or portion of the subdivision in which the project is located.

In addition to the foregoing, Affiant acknowledges and certifies that Affiant has paid all laborers, subcontractors, materialmen, and all other persons or parties who have provided labor or materials through, for, or on behalf of the Affiant to the above-noted construction project.

Affiant indemnifies and holds Owner harmless from any liens, debts or obligations which arise as a result of labor or materials provided by or through Affiant to the project through the date set out above. Affiant further indemnifies and holds harmless all real property on which the improvements were constructed and all interests in such property, including leasehold interests, from any liens, debts, or obligations arising from any labor or materials provided by or through Affiant to the project through the date set out above.

SUBSCRIBED AND SWORN TO BY Affiant on this 4TH day of MAY, 2026.

Initialed: RC

AFFIANT:

Signature: 

Typed Name: Peter J. Clark

Title: Vice President

STATE OF TEXAS
COUNTY OF TEXAS

BEFORE ME the undersigned authority on this day personally appeared Peter J. Clark, known to me to be the person noted above, and acknowledged to me the following: that he/she executed the foregoing for the purpose and consideration therein expressed, in the capacity therein stated, and as the duly authorized act and deed of the party releasing and waiving the lien therein; and that every statement therein is within his/her knowledge and is true and correct.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 4TH day of MAY, 2026.

[SEAL]






Notary in and for the State of Texas

Name: Diem Chi Nguyen

My commission expires: 07-06-2029

Initialed: 



EXECUTIVE SUMMARY
6/4/2026

AGENDA SUBJECT:

Acceptance of public infrastructure improvements for Hawkes Landing North Phase 3 (PICP-24-0137) to include: streets, drainage, water and wastewater.

BACKGROUND:

Approximately \$2,765,084.05 in required public infrastructure for streets, drainage, water and wastewater for the Hawkes Landing North Phase 3 (PICP-24-0137) has been installed, inspected, and is substantially completed. The completed public infrastructure will provide the legal subdivision of the property with access to City provided services like – transportation, water, wastewater for orderly, safe and healthful development to promote the health, safety and general welfare of the property.

All documentation required for acceptance of this project has been received, including record drawings, statement of substantial completion prepared by a professional engineer licensed in the State of Texas, copies of all inspection reports and certified test results, electronic files of the improvements, an affidavit of all bills paid, and a two (2) year term maintenance bond. Hawkes Landing North Phase 3 (PICP-24-0137) consists of five (5) Blocks and 83 Lots.

The maintenance bond will commence its two (2) year term upon City Council acceptance, as anticipated, on June 4, 2026, which will provide warranty and maintenance coverage for the public infrastructure improvements through June 4, 2028. The Engineering Division of the Development Services Department will perform a formal inspection of the improvements approximately 30 days prior to the expiration of the maintenance bond to ensure that any defects in materials, quality construction, or maintenance are corrected prior to the expiration of the bond.

HISTORY/TIMELINE:

APPLICANT/AGENT:

RECOMMENDATION:

City staff recommends that City Council accept the public infrastructure improvements for Hawkes Landing North Phase 3 (PICP-24-0137) to include: streets, drainage, water and wastewater.

PRESENTER:

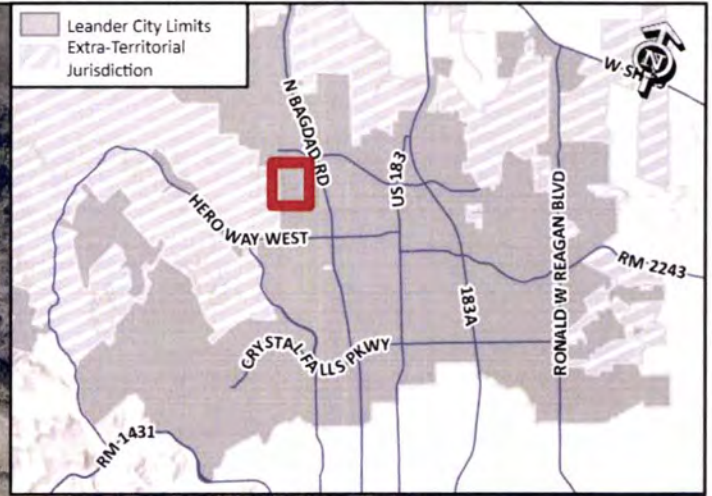
Emily D. Truman, P.E., CFM, City Engineer

Fiscal Impact

Attachments:

1. Hawkes Landing N Ph 3 Acceptance Documents

This map has been produced by the City of Leander for informational purposes only. No warranty is made by the City regarding completeness or accuracy, please refer to the appraisal district website for official property data. No responsibility is assumed for damages or other liabilities due to the accuracy, availability, completeness, use or misuse of the information herein provided.






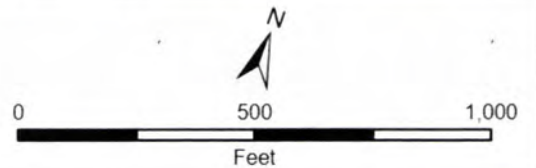
ESRI, NASA, NGA, USGS

SUBDIVISION ACCEPTANCE

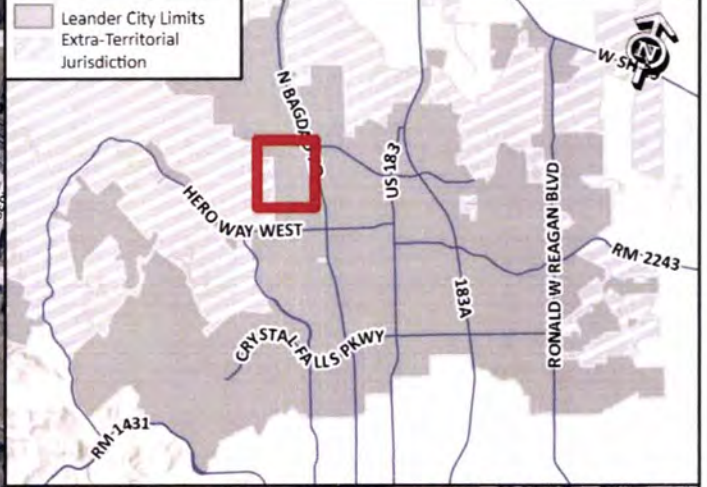
Hawkes Landing North Phase 3 - PICP-24-0137



-  Accepted Subdivision
-  City Limits
-  Extra-Territorial Jurisdiction

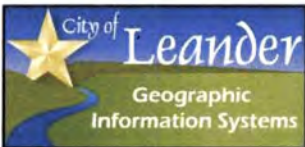





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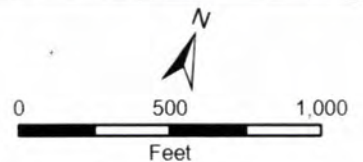


SUBDIVISION ACCEPTANCE

Hawkes Landing North Phase 3 - PICP-24-0137



-  Accepted Subdivision
-  City Limits
-  Extra-Territorial Jurisdiction





April 2, 2026

Parker Donathen
DRB Group
3815 S. Capital of Texas Highway, Suite 275
Austin, Texas 78704

Re: Hawkes Landing North Phase 3

RE-INSPECTION COMPLETED – NO VIOLATIONS

Dear Parker:

This report presents the findings of the re-inspection for the Hawkes Landing North Phase 3 Project in Leander, Texas for compliance with the Texas Accessibility Standards (TAS) Rule 68.102 and the Public Right-of-Way Guidelines (PROWAG). This report is limited to re-inspecting the elements for compliance with the applicable technical standards and not scoping. A re-inspection was conducted on April 1, 2026.

All of the pedestrian elements were found to be in compliance with the Texas Accessibility Standards Rule 68.102 and the Public Right-of-Way Guidelines. The scope of work is limited to the re-inspection of the elements and excludes project registration with TDLR and a formal plan review of the design documents.

Feel free to contact me at (512) 410-7059 or at access@alturalp.com with any questions.

Sincerely,

A handwritten signature in black ink that reads 'Jesús Lardizábal'.

Jesús Lardizábal, RAS #1051

Engineer's Concurrence for Project Acceptance

Project: Hawkes Landing North Phase 3 Public Improvement Construction Plans **Date:** 4/23/2026

City of Leander Issued Permit Number: PICP-24-0137

Owner's Name & Address

DRB Enterprises, LLC.

Parker Donathen

3815 S. Capital of Texas Highway, Suite 275 Austin, TX 78704

Consultant Engineer's Name & Address

Pape-Dawson Consulting Engineers, LLC.

Aime Chavez, P.E.

10801 N Mopac Expy., Bldg 3, Ste. 200 Austin, TX 78759

On this date, I, the undersigned Professional Engineer in the State of Texas, or my representative, have made a visual inspection of the above referenced project. No discrepancies from the approved construction plans or deficiencies in construction were visible or brought to my attention. I, therefore, certify that all improvements are in substantial compliance with the approved construction plans and all City, State, and Federal requirements, including the City of Leander Subdivision Ordinance and Composite Zoning Ordinance.

If applicable, for closeout of public improvement construction project (PICP) permits, I additionally certify that all project closeout procedures with other governmental entities have been completed and finalized with each entity prior to submittal of my concurrence letter to the City of Leander.



(SEAL)

Aimee Chavez
Signature

Aimee Chavez
Typed Name

Pape-Dawson Consulting Engineers, LLC.
Engineering Firm Name

#470
Registered Engineering Firm Number

February 12, 2026

Ann Weis, P.E.
Engineer
201 N. Brushy Street
Leander, Texas 78646

RE: Hawkes Landing North Phase 3
App. No.: PICP-24-0137
Final Cost Certification

Dear Ms. Weis:

Following is the information as applicable for items that will be owned and maintained by the City within this project:

Final Plat Legal Name as Recorded: Hawkes Landing North, Phase 3.

Name on Approved Construction Documents: Hawkes Landing North Phase 3.

Name on Bank Bond for Fiscal Posting: Hawkes Landing North Phase 3 Public Improvement Construction Plans (PICP-24-0137).

COST SUMMARY

Street Improvements:	\$	945,582.30
Drainage & Erosion and Sedimentation Control Improvements:	\$	1,031,927.75
Water Improvements:	\$	309,572.00
Wastewater Improvements:	\$	478,002.00
TOTAL	\$	2,765,084.05

MAINTENANCE BOND

Total Improvements:	\$	2,765,084.05
Maintenance Bond (10%)	\$	276,508.41

INSPECTION FEE


Total Cost of Hawkes Landing North Phase 3 Improvements	\$ 2,765,084.05
Inspection Fees Paid at Initial Submittal	\$ 94,925.00
Inspection Fees Paid at Initial Submittal of Revision #1	\$ 0.00
Inspection Fees Paid at Initial Submittal of Revision #2	\$ 0.00
Inspection Fees Paid at Initial Submittal of Revision #3	\$ 0.00
Inspection Fees Owed to City with Closeout	\$ 0.00

ENGINEER'S CONTACT INFORMATION

Aimee Chavez, P.E.
Pape-Dawson Consulting Engineers, LLC.
10801 N. Mopac Expressway. Building 3, Suite 200
Austin, TX 78759
achavez@pape-dawson.com
(512) 693-2383

Please call if you have any questions.

Sincerely,
Pape-Dawson Consulting Engineers, LLC.
Texas Board of Professional Engineers, Firm Registration # 470


Aimee Chavez, P.E.
Associate Vice President



H:\Projects\511\67\03\301 Construction Documents\Documents\Plan Processing\City\Closeout\Maintenance Bond\260106 Hawkes Phase 3 - Development Cost Letter.dwg

MAINTENANCE BOND
Subdivision Improvements

THE STATE OF TEXAS §

COUNTY OF WILLIAMSON §

KNOW ALL BY THESE PRESENTS, that DNT Construction, LLC
as Principal, whose address is 2300 Picadilly Dr. Round Rock, TX 78664 and
Philadelphia Indemnity Insurance Company a Corporation organized under the
laws of the State of Pennsylvania, and duly authorized to do business in the State of Texas, as
Surety, are held and firmly bound unto the City of Leander, Texas as Obligee, in the penal sum
of Two Hundred Seventy-Six Thousand, Five Hundred Eight And 41/100 Dollars (\$276,508.41)
to which payment will and truly to be made we do bind ourselves, our and each of our heirs,
executors, administrators, successors and assigns jointly and severally, firmly by these presents.

WHEREAS, the said Principal has constructed Hawkes Landing North Phase 3 Public
Improvement Construction Plans (PICP-24-0137) (the "improvements") pursuant to the
ordinances of the Obligee, which ordinances are hereby expressly made a part hereof as though
the same were written and embodied herein;

WHEREAS, said Obligee requires that the Principal furnish a bond conditioned to
guarantee for the period of two (2) years after acceptance by the Obligee, against all defects in
workmanship and materials which may become apparent during said period;

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH that, if the
Principal keeps and perform the requirement of the Obligee's ordinances and this Maintenance
Bond to maintain the improvements and keep the same in good repair and shall indemnify the
Obligee for all loss that the Obligee may sustain by reason of any defective materials or
workmanship which become apparent during the period of two (2) years from and after the date
of acceptance by the Owner, then this obligation shall be void, otherwise to remain in full force
and effect, and Owner shall have and cover from said Principal and Surety damages in the
premises, as provided, and it is further agreed that this obligation shall be a continuing one
against the Principal and Surety hereon, and that successive recoveries may be had thereon for
successive breaches until the full amount shall have been exhausted; and it is further understood
that the obligation herein to maintain said improvements shall continue throughout the
maintenance period, and the same shall not be diminished in any manner from any cause during
said time.

Principal agrees to repair or reconstruct the improvements in whole or in part at any time
within the two year period to such extent as the Obligee deems necessary to properly correct all
defects except for normal wear and tear. If the Principal fails to make the necessary corrections
within ten days after being notified, the Obligee may do so or have done all said corrective work
and shall have recovery hereon for all expenses thereby incurred. Principal will maintain and
keep in good repair the improvements for a period of two years from the date of acceptance; it
being understood that the purpose of this Maintenance Bond is to cover all defective conditions
arising by reason of defective material, work, or labor performed by said Principal or its
subcontractors, and in the case the said Principal shall fail to do so within ten days after being

notified, it is agreed that the Obligee may do said work and supply such materials, and charge the same against Principal and Surety on this obligation.

The Surety shall notify the Obligee at least fifteen (15) days prior to the end of the first full calendar year and prior to the lapse of this Maintenance Bond at the end of the second full calendar year.

Surety and Principal agree that whenever a defect or failure of the improvement occurs within the period of coverage under this Bond, the Surety and Principal shall provide a new maintenance bond or other surety instrument in a form acceptable to the Obligee and compliant with the Obligee's ordinances conditioned to guarantee for the period of one (1) year after the Obligee's acceptance of the corrected defect or failure, against all defects in workmanship and materials associated with the corrected defect or failure which may become apparent during said period, which shall be in addition to this Maintenance Bond.

The Surety agrees to pay the Obligee upon demand all loss and expense, including attorneys' fees, incurred by the Obligee by reason of or on account of any breach of this obligation by the Surety. Provided further, that in any legal action be filed upon this bond, venue shall lie in the county where the improvements are constructed.

This Bond is a continuing obligation and shall remain in full force and effect until cancelled as provided for herein.

Surety, for value received, stipulates and agrees that no change, extension of time, alteration or addition to the improvements, or the work to be performed thereon, or the plans, specifications or drawings accompanying the same, shall in any way affect its obligation on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the improvements, or the work to be performed thereon.

IN WITNESS WHEREOF, the said Principal and Surety have signed and sealed this instrument this 24th day of April, 2026.

DNT Construction, LLC

Principal

By: 
(Dean Tomme)


Title: President

Address: 2300 Picadilly Dr.

Round Rock, TX 78664

Philadelphia Indemnity Insurance Company

Surety

By: 
(Raquel Martinez)

Title: Attorney-in-Fact

Address: One Bala Plaza, Suite 100,

Bala Cynwyd, PA 19004

The name and address of the Resident Agent of Surety is:

Tom Mulanax TDI #1597740

11200 Jollyville Rd, Austin, TX 78759

(Seal)

PHILADELPHIA INDEMNITY INSURANCE COMPANY

One Bala Plaza, Suite 100
Bala Cynwyd, PA 19004-0950

Power of Attorney

KNOW ALL PERSONS BY THESE PRESENTS: That **PHILADELPHIA INDEMNITY INSURANCE COMPANY** (the Company), a corporation organized and existing under the laws of the Commonwealth of Pennsylvania, does hereby constitute and appoint **Tom Mulanax, Michael Whorton, David Whorton, Raquel Martinez, Rosemarie Mojica, Logan Mulanax and/or Noe Moreno of Whorton Insurance Service** its true and lawful Attorney-in-fact with full authority to execute on its behalf bonds, undertakings, recognizances, consents of surety and other contracts of indemnity and writings obligatory in the nature thereof, issued in the course of its business and to bind the Company thereby, in an amount not to exceed **\$50,000,000**.

This Power of Attorney is granted and is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of PHILADELPHIA INDEMNITY INSURANCE COMPANY on the 14th of November 2016.

RESOLVED: That the Board of Directors hereby authorizes the President or any Vice President of the Company: (1) Appoint Attorney(s) in Fact and authorize the Attorney(s) in Fact to execute on behalf of the Company bonds and undertakings, contracts of indemnity and other writings obligatory in t

he nature thereof and to attach the seal of the Company thereto; and (2) to remove, at any time, any such Attorney-in-Fact and revoke the authority given. And, be it

FURTHER That the signatures of such officers and the seal of the Company may be affixed to any such Power of Attorney or certificate relating thereto by facsimile, and any such Power of **RESOLVED:** Attorney so executed and certified by facsimile signatures and facsimile seal shall be valid and binding upon the Company in the future with respect to any bond or undertaking to which it is attached.

IN TESTIMONY WHEREOF, PHILADELPHIA INDEMNITY INSURANCE COMPANY HAS CAUSED THIS INSTRUMENT TO BE SIGNED AND ITS CORPORATE SEAL TO BE AFFIXED BY ITS AUTHORIZED OFFICE THIS 21ST DAY OF AUGUST 2025.

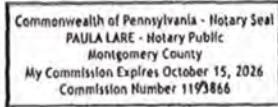


John Glomb
John Glomb, President & CEO

Philadelphia Indemnity Insurance Company

On this 21st day of August, 2025, before me came the individual who executed the preceding instrument, to me personally known, and being by me duly sworn said that he is the therein described and authorized officer of the **PHILADELPHIA INDEMNITY INSURANCE COMPANY**; that the seal affixed to said instrument is the Corporate seal of said Company; that the said Corporate Seal and his signature were duly affixed.

Notary Public: *Paula Lare*



residing at: Bala Cynwyd
My commission expires: October 15, 2026

I, Angelique Cooper, Corporate Secretary of PHILADELPHIA INDEMNITY INSURANCE COMPANY, do hereby certify that the foregoing resolution of the Board of Directors and the Power of Attorney issued pursuant thereto on the 21st day of August, 2025 are true and correct and are still in full force and effect. I do further certify that John Glomb, who executed the Power of Attorney as President, was on the date of execution of the attached Power of Attorney the duly elected President of PHILADELPHIA INDEMNITY INSURANCE COMPANY.

In Testimony Whereof I have subscribed my name and affixed the facsimile seal of each Company this 24th day of April, 2026.



Angelique Cooper

Angelique Cooper, Corporate Secretary

IMPORTANT NOTICE

To obtain information or make a complaint: You may call the Surety's toll free telephone number for information or to make a complaint at:

1-877-438-7459

You may also write Philadelphia Indemnity Insurance Company at:

**One Bala Plaza, Suite 100
Bala Cynwyd, PA 19004
Attention: Senior Vice President and
Director of Surety**

You may contact the Texas Department of Insurance to obtain information on companies, coverage, rights or complaints at:

1-800-252-3439

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**P.O. Box 149104
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Fax# 512-490-1007
Web: www.tdi.texas.gov
Email: ConsumerProtection@tdi.texas.gov**

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ATTACH THIS NOTICE TO YOUR BOND: This notice is for information only and does not become a part or condition of the attached document.

ADVISO IMPORTANTE

Para obtener informacion o para someter una queja: Usted puede llamar al numero de telefono gratis de para informacion o para someter una queja al:

1-877-438-7459

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Bala Cynwyd, PA 19004
Attention: Senior Vice President and
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UNA ESTE AVISO A SU FIANZA DE GARANTIA: Este aviso es solo para proposito de informacion y no se convierte en parte o condicion del documento adjunto.

**FINAL BILLS PAID AFFIDAVIT
AND WAIVER OF LIEN**

STATE OF TEXAS
COUNTY OF BELL COUNTY

Date: 4/8/2026

Owner: Brightland Homes, LTD

Contractor/Material
Provider ("Affiant"): DNT Construction

Project : Hawkes Landing North Ph 3

This is to acknowledge and certify that Affiant has completed the construction of all improvements for the project noted above and that they have been paid in full for all labor and material provided to the above-noted construction project, except for retainage and acknowledge and certify that Affiant, and all of his or its agents, employees, successors, assigns, subsidiaries, and legal representatives will and do release and waive all Mechanic's liens, or similar lien rights, which have or might arise as a result of the Affiant's or Affiant's agents' or employees' providing labor and materials to the above-noted project pursuant to the Contract.

In addition to the foregoing, Affiant acknowledges and certifies that Affiant has paid all laborers, subcontractors, materialmen, and all other persons or parties who have provided labor or materials through, for, or on behalf of the Affiant to the above-noted construction project pending City acceptance and subsequent retainage payment by Brightland Homes, LTD.

Affiant indemnifies and holds Owner harmless from any liens, debts or obligations which arise as a result of labor or materials provided by or through Affiant to the project through the date set out above. Affiant further indemnifies and holds harmless all real property on which the improvements were constructed and all interests in such property, including leasehold interests, from any liens, debts, or obligations arising from any labor or materials provided by or through Affiant to the project through the date set out above.

SUBSCRIBED AND SWORN TO BY Affiant on this 8th day of APRIL, 2026

AFFIANT:

Signature: _____



Typed Name: Dean Tomme

Title: President

Initialed: _____



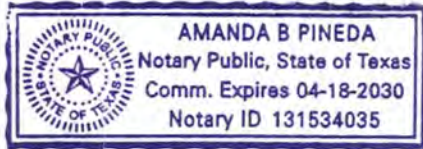
STATE OF TEXAS

COUNTY OF BELL

BEFORE ME the undersigned authority on this day personally appeared Dean Tomme, known to me to be the person noted above, and acknowledged to me the following: that he/she executed the foregoing for the purpose and consideration therein expressed, in the capacity therein stated, and as the duly authorized act and deed of the party releasing and waiving the lien therein; and that every statement therein is within his/her knowledge and is true and correct.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 8th day of April, 2020

[SEAL]



Amanda B Pineda

Notary in and for the State of Texas

Name: Amanda B Pineda

My commission expires: April 18, 2030

Initialed: 



EXECUTIVE SUMMARY
6/4/2026

AGENDA SUBJECT:

Approval of an Interlocal Agreement (ILA) with the Cities of Cedar Park, Georgetown, Leander, Round Rock, Taylor, Williamson County ESD 3, and Williamson County, regarding the county-wide hazardous materials response team, establishing a governing board consisting of representatives from each participating agency, establishing agreed upon operating policies, providing for maintaining equipment, cost of insurance, maintenance, repairs, and upgrades; authorize the City Manager to appoint the City's board representative, and execute any and all necessary documents.

BACKGROUND:

Nearly 30 years ago, Williamson County, the Cities of Cedar Park, Georgetown, Leander, Round Rock, Taylor, and Williamson County ESD #3 established a County-wide hazardous material response team (HazMat Team) which operated under mutual aid agreements. Due to the growth and urbanization of the County, it is time to formalize the HazMat Team program. Attached is the **INERLOCAL AGREEMENT FOR COUNTYWIDE HAZARDOUS MATERIALS (HAZMAT) RESPONSE (ILA)** that outlines the responsibilities of each participating agency, establishes a governing board consisting of a representative from each agency, and creates a leadership team responsible for drafting and maintaining operational policies.

Williamson County provides and maintains all HazMat equipment, covering costs for insurance, maintenance, repairs, and upgrades. The County also manages vendor contracts for HazMat cleanup and administers grant applications and awards. Participating entities are responsible for supplying on-duty HazMat certified personnel, maintaining required training and certifications, participating in board and committee operations, and covering the cost of any equipment damage resulting from misuse or negligence. Each participating entity remains liable solely for its own personnel, actions, omissions, injuries, or fatalities, and neither entity assumes liability for another entity's members. The Leander Fire Department, as a participant, has received, maintains, and operates equipment issued by Williamson County, which is standard plug and patching equipment the Department would need if not participating, and replaces the consumables when used for non-team activation events.

The Agreement becomes effective upon final signature and remains in force through September 30, 2026. It automatically renews each October 1 unless a participating entity provides written notice at least 30 days before the renewal date. Any entity may terminate its participation with 90 days' written notice and must return all County-owned equipment upon withdrawal.

HISTORY/TIMELINE:

The county wide team has been operating for over a decade, but this is the first formal ILA outlining responsibilities.

APPLICANT/AGENT:

RECOMMENDATION:

City staff recommends that City Council approve the Interlocal Agreement (ILA) with Williamson County, the Cities of Cedar Park, Georgetown, Leander, Round Rock, Taylor, and Williamson County ESD 3 regarding the County-wide hazardous materials response team, establishing a governing board consisting of representatives from each participating agency, establishing agreed upon operating policies, providing for maintaining equipment, cost of insurance, maintenance, repairs, and upgrades; authorize the City Manager to appoint the City's board representative, and execute any and all necessary documents.

PRESENTER:

Billy Wusterhausen, Fire Chief

Fiscal Impact

Attachments:

- I. ILA Williamson County HazMat

INTERLOCAL AGREEMENT FOR COUNTYWIDE HAZARDOUS MATERIALS (HAZMAT) RESPONSE

THIS INTERLOCAL AGREEMENT FOR COUNTYWIDE HAZARDOUS MATERIALS (HAZMAT) RESPONSE (“Agreement”) is entered into by and between the Williamson County, Texas (“County”), a political subdivision of the State of Texas, the CITY OF CEDAR PARK, TEXAS; the CITY OF GEORGETOWN, TEXAS; the CITY OF LEANDER, TEXAS; the CITY OF ROUND ROCK, TEXAS; and the CITY OF TAYLOR, TEXAS on behalf of the fire departments (“Cities”), each a home-rule municipal corporation, and the Emergency Service District/s; EMERGENCY SERVICE DISTRICT NO. 3 (“ESD”) located within the County’s jurisdiction, hereinafter referred to collectively as the “Parties” or singularly as a “Party,” whether or not capitalized. This Agreement is established to coordinate the response to hazardous materials (HazMat) incidents, define responsibilities, and enhance countywide emergency preparedness and response.

RECITALS

WHEREAS, the Cities and ESDs currently provide hazardous materials (HazMat) response services within their respective jurisdictions;

WHEREAS, the County owns and maintains HazMat equipment that is utilized by the Cities and ESDs and supports HazMat response operations;

WHEREAS, the Parties recognize the need for a coordinated and efficient countywide approach to HazMat materials response to ensure public safety and resource optimization;

WHEREAS, the Parties desire to enter into this Agreement to establish a framework for the shared use, maintenance, and management of HazMat resources, enhance interagency coordination, and improve response capabilities countywide;

WHEREAS, the authority for entering into this Agreement is found in the Interlocal Cooperation Act, Texas Government Code Chapter 791; and

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

TERMS

Article I – Purpose

The purpose of this Agreement is to establish a cooperative framework among the County, Cities, and ESDs for the efficient allocation, maintenance, management of HazMat resources, and ensuring compliance with local, state, and federal regulations. This Agreement seeks to enhance countywide preparedness and response by defining roles and responsibilities, fostering interagency coordination, standardizing training and operational procedures, and securing funding for necessary resources. By promoting a unified strategy, the Parties aim to improve tactical response capabilities, minimize duplication of efforts, and ensure public safety during hazardous materials incidents.

Article II – Responsibilities of the County

The County shall be responsible for:

- A. **Operational Support Role in HazMat Response:** Assisting the Cities and ESDs in their HazMat response efforts by providing subject matter expertise, research, and other responsive support as needed. Upon activation of a Party HazMat response, the County may, but is not required to, respond by providing coordination and support of the County's HazMat team, deployment of additional resources to respond to HazMat incidents within the requested area, ensuring a prompt and efficient mitigation strategy, and ensuring adherence to approved countywide standard operating procedures (SOPs), local, state and federal laws.
- B. **Equipment Provision and Maintenance:** Supplying and insuring HazMat response equipment and conducting primary maintenance, including oil changes, repairs, necessary replacements, and upgrades as required. The County shall promptly respond to any mechanical issues and requests for further maintenance as recommended by the Preventative Maintenance Checks which are conducted by equipment operators on each shift.
- C. **Records Management:** Maintaining all documents related to training, equipment maintenance, testing, and inspections, ensuring compliance with state and federal reporting requirements. The County shall provide maintenance logs to be utilized by the Parties.
- D. **Grant Management:** Applying for and managing grant funding for equipment procurement, training, and operational needs, including identifying new funding opportunities to enhance regional preparedness.
- E. **Inventory and Audits:** Conducting regular audits of equipment and ensuring proper inventory tracking, verifying that all resources remain in operational condition.
- F. **Emergency Operations Center (EOC) Support:** Providing logistical and operational support during HazMat incidents, ensuring a coordinated response with all stakeholders.
- G. **HazMat Clean-Up Contracts:** Managing and overseeing contracts with third-party vendors for hazardous materials clean-up and disposal, ensuring compliance with environmental regulations and cost-effectiveness.
- H. **Coordination with State and Federal Agencies:** Liaising with relevant state and federal agencies to facilitate regulatory compliance, technical assistance, and additional resources during large-scale HazMat incidents.
- I. **Fire Cost Recovery** – The County fire marshal's office shall either write a citation to the responsible party that caused the HazMat release following state and/or local code regulations, file criminal charges if warranted, and/or use a third-party billing company to recover response costs.
- J. **Self-Contained Breathing Apparatus (SCBA)** The County shall also be responsible for all annual testing and maintenance of County owned SCBA and respiratory equipment.

Article III – Responsibilities of the Cities and ESDs

The Cities and ESDs shall be responsible for:

- A. **Proper Care of HazMat Equipment:**
 - 1. *Preventative Maintenance Checks:* Conducting daily inspections, routine upkeep per manufactures recommendations, and accountability of HazMat equipment to ensure operational readiness. All daily inspections shall be conducted by a HazMat trained

operator and recorded in a maintenance log, which shall be provided to the County monthly. The maintenance log, supplied by the County, shall document that each equipment was checked/tested, the date and time of the inspection, and the name of the inspector. If mechanical issues or damage are discovered during a daily inspection, the Party in possession shall notify the County within twenty-four (24) hours, or immediately if it is a mission critical device or piece of equipment. Routine upkeep shall include a weekly driving test, fluid, emergency lights, and siren checks to ensure proper vehicle function. The Cities and ESDs are not authorized to make modifications, repair, removal, or upgrades without the County's written consent.

2. *Equipment Responsibility*: Ensuring that all employees using HazMat equipment and vehicles will comply with all applicable laws regarding its operation. HazMat vehicles shall only be operated by a trained and licensed operator per State law. The Party in possession of the HazMat equipment and/or vehicles shall cover the costs for repairs, due to damages beyond reasonable wear and tear caused by misuse or negligence, ensuring accountability for the proper handling of equipment.
 3. *Failure to Provide Proper Care of HazMat Equipment*: If a Party fails to perform the required preventative maintenance, adhere to equipment responsibility requirements, or causes damage beyond reasonable wear and tear without reimbursement of expenses, the County reserves the right to remove the affected equipment from that Party's use and possession and seek financial reimbursement. A Party shall be responsible for any lost equipment and/or damaged equipment due to negligence as determined by the County.
 4. *Annual SCBA and Respiratory Mask FIT Testing*: All Parties are responsible for their personnel for ensuring that every team member completes annual SCBA and respiratory mask FIT testing on Party and County owned equipment. Each Party is responsible for maintaining these records.
- B. **Tactical Response**: Providing 24/7 staffing of HazMat certified personnel and deployment of resources to respond to HazMat incidents within their respective jurisdictions, county, and Region, ensuring a prompt and efficient mitigation strategy, and ensuring adherence to approved countywide standard operating procedures (SOPs).
- C. **Crew Training**: Leading training and ensuring that personnel receive regular training on HazMat response procedures, equipment use, and safety protocols in accordance with federal and state regulations. All training certifications shall be provided to the County for records management.
- D. **Incident Documentation and Reporting**: Providing comprehensive reports on HazMat incidents, including response measures taken, resource utilization, and lessons learned to improve future preparedness. Documentation shall be reviewed by the Countywide HazMat Board and provided to the Williamson County Fire Marshals Office for records management. Each Party shall be responsible for ensuring the County Fire Marshals office has up to date contact information for personnel that are part of the County hazmat team.
- E. **Participation in Countywide Drills**: Engaging in biannual multi-jurisdictional training exercises, simulations and after-action reviews (AARs) to enhance inter-agency coordination and response effectiveness.

- F. **Records:** Each Party shall submit annually (September 1) to the Fire Marshal an approved/active HazMat Tech roster along with their annual fit test records, and a copy of their driver's license for approved driver/operators for the Counties hazmat truck operation.
- G. **County Public Safety Technology requirements.** All Parties and devices accessing the Williamson County Network, or data hosted by Williamson County, shall comply with Williamson County IT standards for identity, access controls, and security. These are available by contacting Williamson County Technology Services.

Article IV – Countywide HazMat Board

A. **Formation:**

- 1) The Countywide HazMat Board (“Board”) is hereby established as the governing body responsible for approving SOPs relating to HazMat response.
- 2) The Board shall be composed of one representative, at the Chief Officer Level, appointed by each participating Party (“Board Representative”).
- 3) Each Party shall notify the County Fire Marshal’s office and all other Parties in writing of its appointed Board Representative within thirty (30) days of execution of this Agreement.

B. **Duties:** The Board shall:

- 1) Approve any operational and tactical SOPs for HazMat response.
- 2) Plan and coordinate responses to large-scale HazMat incidents across jurisdictions, ensuring a standardized approach.
- 3) Ensure and oversee consistency in training and certification standards across all responding agencies and facilitating mutual aid support.
- 4) Evaluate equipment needs and recommend purchases or upgrades.
- 5) Conduct after-action reviews and recommend improvements based on incident response evaluations, identifying best practices and areas for enhancement.
- 6) Establish communication protocols to ensure effective information-sharing during HazMat incidents.

C. **Tactical Leadership Teams:**

- 1) Each Board Representative shall appoint an additional representative, at the Company Officer Level, with appropriate expertise to serve on the tactical leadership team.
- 2) The tactical leadership team shall be responsible for drafting and revising SOPs for submission to the Board.
- 3) The tactical leadership team shall meet as needed to ensure efficient HazMat response coordination.

D. **Meetings and Voting:**

- 1) The Board shall convene quarterly to review progress, discuss policy recommendations, address any operational concerns, and evaluate regional preparedness.

- 2) The Board may convene special meetings as needed.
 - 3) Decisions, including the approval of SOPs, shall be made by a majority vote of the Board Representative.
- E. **Funding and Resources:** Each Party shall be responsible for its own costs related to participation in the Board and tactical leadership teams.
- F. Article V – Term and Termination
1. **Term:** This Agreement shall be in full force and effect as of the date of the last Party’s execution below (“Effective Date”) and shall continue till September 30, 2026. The Agreement will automatically renew for a one-year period on October 1st of each successive year (“Renewal Date”). A Party may choose not to renew the Agreement by providing written notice to the other Parties no later than thirty (30) days prior to the applicable Renewal Date. Upon termination, the nonrenewing Party shall return any County-owned equipment in its possession.
 2. **Termination:** Any Party may withdraw from this Agreement upon providing ninety (90) days’ written notice to the other Parties. Upon termination, the withdrawing Party shall return any County-owned equipment in its possession.
 3. **Continuation of Services:** In the event of withdrawal by any Party, remaining Parties shall evaluate and adjust their resource allocations to ensure the continuity of HazMat response services. Likewise, if a Party chooses not to renew this Agreement, that decision shall have no effect on the validity and continuing applicability of this Agreement on the remaining parties.

Article VI – Liability

1. Each Party shall be responsible for its own acts and omissions in the performance of this Agreement. Each Party shall be responsible for any injuries or death to its employees while performing HazMat response services under this Agreement. A Party shall not be liable for benefits or any other compensation for injuries to or death of any other party’s employees while performing HazMat response services under this Agreement.
2. This Agreement does not create any employment relationship between the Parties; each Party remains an independent entity responsible for its personnel and operations.
3. Specifically citing Texas Government Code Section 791.006(a-1), the Parties agree that, for purposes of determining civil liability for non-party claims, the act of any person or persons while providing HazMat response services, or in any other services provided in accordance with this Agreement, shall be the act of the Party performing such act. The payment of any and all civil or other liability, including liability on the basis of negligence, resulting from the furnishing of services under this Agreement is the responsibility of the individual Party performing such acts. This shall specifically include, but not be limited to, the payment of court costs, expenses, and attorney’s fees resulting from any such claim or lawsuit.
4. Each Party’s monetary obligations, if any, are for the performance of governmental functions or services and are payable only from the current revenues appropriated and available for the performance of those functions or services.
5. It is expressly understood and agreed that the entering into and execution of this Agreement does not waive, modify or alter, nor shall be deemed to waive, modify, or alter, any immunity or defense

that would otherwise be available to a Party against third-party claims arising from activities performed under this Agreement.

Article VII – Amendments and Modifications

This Agreement may be amended or modified upon mutual written agreement of all Parties. Proposed amendments shall be reviewed by the HazMat Board before implementation to ensure alignment with operational goals.

Article VIII – Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of Texas.

IN WITNESS WHEREOF, the undersigned representatives of the County, Cities, and ESDs execute this Agreement as of the Effective Date.

Williamson County

By: _____

Name: Steven Snell

Title: County Judge

Date:

Address: 710 S Main St

Georgetown, TX 78626

City of Cedar Park

By: _____

Name:

Title:

Date:

Address:

City of Georgetown

By: _____

Name:

Title:

Date:

Address:

City of Leander

By: _____

Name: Todd Parton

Title: City Manager

Date:

Address: 105 N Brushy St., Leander, TX 78641

City of Round Rock

By: _____

Name:

Title:

Date:

Address:

City of Taylor

By: _____

Name:

Title:

Date:

Address:

ESD NO. 3

By: _____

Name:

Title:

Date:

Address:



EXECUTIVE SUMMARY
6/4/2026

AGENDA SUBJECT:

Approval of the termination of a water easement located within the Northline Subdivision, more particularly described as 0.0066 acres out of Williamson Central Appraisal District Parcel R659614, and generally located to the south of the intersection San Gabriel Parkway and Main Street, Leander, Williamson County, Texas; and authorize the City Manager to execute any and all necessary documents.

BACKGROUND:

The Northline Block B Subdivision design originally included a water easement to accommodate a planned water meter installation. This easement is approximately 17 by 17 feet in size, including 289 square feet, and was dedicated April 12, 2024. Since that time, the plans have been updated and the size of the meter has been reduced; the meter can now be located within the public right-of-way instead of the dedicated easement. As a result, the water easement is no longer needed and may be vacated. This easement vacation will allow the developer to use the property as part of their development.

HISTORY/TIMELINE:

05/23/2024 – Easement Recorded

APPLICANT/AGENT:

Alex Tynberg

RECOMMENDATION:

City staff recommends that the City Council approve the termination of a water easement located within the Northline Subdivision, more particularly described as 0.0066 acres out of Williamson Central Appraisal District Parcel R659614, and generally located to the south of the intersection San Gabriel Parkway and Main Street, Leander, Williamson County, Texas.

PRESENTER:

Robin M. Griffin, AICP, Executive Director of Development Services

Fiscal Impact

Attachments:

1. ESMT-26-0164 Att 1 Water Utility Easement Release - Northline Block B
2. ESMT-26-0164 Att 2 Northline Block B - Location Map
3. ESMT-26-0164 Att 3 Northline Block B Original Easement Doc # 2024040966

RELEASE AND TERMINATION OF WATER UTILITY EASEMENT

THE STATE OF TEXAS §
§
COUNTY OF WILLIAMSON §

WHEREAS, by easement, recorded under 2024040966 (the "Original Instrument") of the Official Records of the Williamson County Deed Records, the Northline Leander Development Company, LP conveyed water easement (the "Original Easement") over 0.0066 acres of that certain property described as Northline Lots 1 – 6 Block B located in the City of Leander Williamson County, Texas recorded in 2024007681 of the Official Records of Williamson County, Texas, that certain real property marked and shown as the Easement on the attached Exhibit "A"; and

WHEREAS, the City of Leander (the "City") has determined that the Easement is no longer necessary for use by the City and that no City infrastructure is located in the Easement;

WHEREAS, the City desires to terminate and grant a release of the City's interest in the Easement; and

NOW THEREFORE, for ten dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and for the benefit of all present and future owners of the Property, or any portion thereof, the City has **RELEASED AND TERMINATED** and, by these presents, does **RELEASE AND TERMINATE** the Easement. By execution hereof, the City confirms and acknowledges the Easement will be of no further force or effect.

EXECUTED TO BE EFFECTIVE the ____ day of _____, 20__.

ATTEST:

THE CITY OF LEANDER, TEXAS

Dara Crabtree, City Secretary
P.O. Box 319
Leander, Williamson County, TX 78646
Williamson County

Todd Parton, City Manager
P. O. Box 319
Leander, Williamson County, TX 78646
Williamson County

THE STATE OF TEXAS §
 §
COUNTY OF WILLIAMSON §

BEFORE ME, the undersigned authority, a Notary Public in and for said County and State, on this day personally appeared Todd Parton, City Manager, of the City of Leander, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the ___ day of _____, 20__.

[Seal]

Notary Public in and for the State of Texas
My Commission Expires: _____

AFTER RECORDING RETURN TO:
City of Leander
Attention: City Secretary
P.O. Box 319
Leander, Texas 78646

**WATER UTILITY EASEMENT**DATE: April 12, 2024GRANTOR: **Northline Leander Development Company, LP**

GRANTOR'S MAILING ADDRESS (including County):

**2601 Wooldridge Drive
Austin, Texas 78703
Travis County**GRANTEE: **The City of Leander, Texas**

GRANTEE'S MAILING ADDRESS (including County):

**P.O. Box 319
Leander, Texas 78646
Williamson County**LIENHOLDER: **Verabank, N.A.**

CONSIDERATION: Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged.

PROPERTY:

A **289** square foot water utility easement, containing **0.0066** acres, more or less, located in **Williamson** County, Texas, said easement being more fully described in Exhibit "A" attached hereto and made a part hereof for all purposes.

GRANTOR, for the **CONSIDERATION** paid to **GRANTOR**, hereby grants, sells, and conveys to **GRANTEE**, its successors and assigns, an exclusive, perpetual easement for the purpose of placing, constructing, operating, repairing, maintaining, rebuilding, replacing, relocating and removing or causing to be placed, constructed, operated, repaired, maintained, rebuilt, replaced, relocated and removed structures, facilities, or improvements reasonably necessary and useful for water mains, lines and pipes, and the supplying of water in, upon, under and across the **PROPERTY** more fully described in Exhibit "A" attached hereto.

This Easement is subject to the following covenants:

1. Grantor reserves the right to use the Property for all purposes that do not unreasonably interfere with or prevent Grantee's use of the Property as provided herein. Specifically, and without limiting the generality of the foregoing, Grantor has the right to place, construct, operate, repair, replace and maintain roadways, driveways, sidewalks, drainage, utility lines, landscaping and signage on, in, under, over and across the Property, so long as such use does not unreasonably interfere with or prevent Grantee's use of the Property as provided herein. But Grantor may not

construct any buildings or similar improvements on the Property. Grantor shall be responsible for the cost of replacing such improvements in the event the Grantee removes or alters the improvement to exercise Grantee's rights hereunder.

2. This Easement is granted and accepted subject to any and all easements, covenants, rights-of-way, conditions, restrictions, encumbrances, mineral reservations and royalty reservations, if any, relating to the Property to the extent and only to the extent, that the same may still be in force and effect, and either shown of record in the Office of the County Clerk of **Williamson** County, Texas, or apparent on the ground.

The covenants and terms of this Easement are covenants running with the land, and inure to the benefit of, and are binding upon, Grantor, Grantee, and their respective heirs, executors, administrators, legal representatives, successors and assigns.

TO HAVE AND TO HOLD the above-described easement, together with all and singular the rights and appurtenances thereto in anywise belonging unto **GRANTEE**, and **GRANTEE's** successors and assigns forever; and **GRANTOR** does hereby bind himself, his heirs, successors and assigns to **WARRANT AND FOREVER DEFEND** all and singular the easement unto **GRANTEE**, its successor and assigns, against every person whomsoever lawfully claiming or to claim the same, or any part thereof, subject to the exceptions set forth above.


When the context requires, singular nouns and pronouns include the plural.

GRANTOR:

NORTHLINE LEANDER DEVELOPMENT
COMPANY, LP, a Texas limited partnership


By: NLDC GP, LLC, a Texas limited liability
company, General Partner

By: Tynberg, LLC, a Texas limited liability
company, Manager

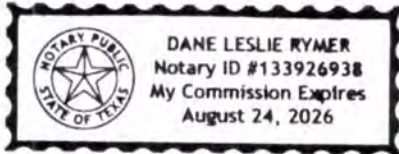
By: 
Alex Tynberg, Manager

THE STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

This instrument was acknowledged before me on the 12th day of April, 2024, by Alex Tynberg, as Manager of Tynberg, LLC, a Texas limited liability company, on behalf of said limited liability company as Manager of NLDC GP, LLC, a Texas limited liability company, on behalf of said limited liability company as General Partner of NORTHLINE LEANDER DEVELOPMENT COMPANY, LP, a Texas limited partnership, on behalf of said limited partnership.

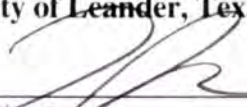


NOTARY PUBLIC, State of Texas



GRANTEE:

City of Leander, Texas



Todd Parton
City Manager
P.O. Box 319
Leander, Texas 78646

THE STATE OF TEXAS §
COUNTY OF WILLIAMSON §

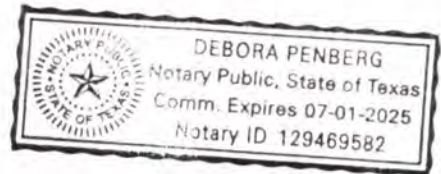
BEFORE ME, the undersigned authority, a Notary Public in and for said County and State, on this day personally appeared **Todd Parton** Grantee herein, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged that [s]he executed the same for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the 16th day of May, 2024.

Debra Penberg

Notary Public in and for the County of Williamson Texas

My Commission Expires 7/1/25



AFTER RECORDING RETURN TO:

City of Leander
Attention: City Secretary
P.O. Box 319
Leander, Texas 78646

LIENHOLDER'S SUBORDINATION
TO WATER UTILITY EASEMENT

Date: April 15, 2024

Lienholder: Verabank, N.A.

Deed of Trust

Date: May 27, 2019

Grantor: NORTHLINE LEANDER DEVELOPMENT COMPANY, LLC,
a Texas limited liability company

Beneficiary: VERA BANK, N.A., a national banking association

Recording Information: Document No. 2019125629 in the Official Public Records of Williamson County, Texas, as renewed and extended in Renewal Deed of Trust recorded under Document No. 2022057417 in the Official Public Records of Williamson County, Texas

The property subject to the foregoing Water Utility Easement includes all or part of the property encumbered by the deed of trust, and Lienholder owns the deed of trust lien and the debt it secures. In return for a valuable consideration, Lienholder subordinates the deed of trust lien, and any vendor's lien owned by Lienholder, to the Water Utility Easement, and ratifies the Water Utility Easement.

If the deed of trust lien is foreclosed and the property is sold under any terms of the deed of trust, that sale of the property will not affect the Water Utility Easement.

LIENHOLDER:

VERABANK, N.A.

By: Jonathan Voight
Jonathan Voight,
Senior Vice President

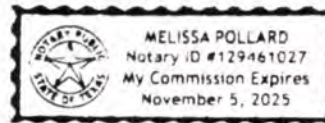
STATE OF TEXAS §

COUNTY OF Williamson §

This instrument was acknowledged before me on the 15 day of April, 2024, by Jonathan Voight, as Senior Vice President of VERABANK, N.A., a national banking association, on behalf of said banking association.

ME

Notary Public, State of Texas



Legal Description

BEING A DESCRIPTION OF A TRACT OF LAND CONTAINING 0.0066 ACRES (289 SQUARE FEET) OUT OF THE WILLIAM MANSIL SURVEY, ABSTRACT NO. 437, IN WILLIAMSON COUNTY, TEXAS, BEING OUT OF LOT 1, NORTHLINE LOTS 1-6, BLOCK B FINAL PLAT, A SUBDIVISION RECORDED IN DOCUMENT NO. 2024004523 OF THE OFFICIAL PUBLIC RECORDS OF WILLIAMSON COUNTY, TEXAS (O.P.R.W.C.T.), SAID LOT 1 CONVEYED TO NORTHLINE LEANDER DEVELOPMENT COMPANY, LP IN DOCUMENT NO. 2023004523 OF THE OFFICIAL PUBLIC RECORDS OF WILLIAMSON COUNTY, TEXAS (O.P.R.W.C.T.), SAID 0.0066 ACRES BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:



PO Box 90876
Austin, TX 78709
512.537.2384
jward@4wards.com
www.4wards.com

BEGINNING, at a calculated point in the north right-of-way line of Northline Street (54' right-of-way), being in the south line of said Lot 1, and being the southeast corner and **POINT OF BEGINNING** hereof, from which a 1/2-inch iron rod with "4Ward-Boundary" cap set for intersection of the north right-of-way line of said Northline Street and the west right-of-way line of Main Street (75' right-of-way), being the southeast corner of said Lot 1 bears, N69°27'26"E, a distance of 129.51 feet;

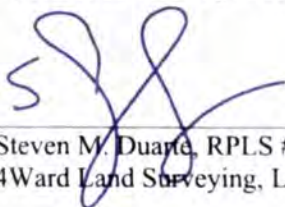
THENCE, with the north right-of-way line of said Northline Street and the south line of said Lot 1, S69°27'26"W, a distance of 17.00 feet to a calculated point for the southwest corner hereof, from which a 1/2-inch iron rod with "4Ward-Boundary" cap set for the common south corner of said Lot 1 and Lot 6 of said Northline Lots 1-6, Block B Final Plat bears, S69°27'29"W, a distance of 3.00 feet;

THENCE, leaving the north right-of-way line of said Northline Street, over and across said Lot 1 the following three (3) courses and distances:

N20°32'34"W, a distance of 16.99 feet to a calculated point for the northwest corner hereof,
N69°27'26"E, a distance of 17.00 feet to a calculated point for the northeast corner hereof,
S20°32'34"E, a distance of 16.99 feet to the **POINT OF BEGINNING** hereof, containing 0.0066 Acres (289 Square Feet) more or less.

NOTE:

All bearings are based on the Texas State Plane Coordinate System, Grid North, Central Zone (4203), all distances were adjusted to surface using a combined scale factor of 1.000138805545. See attached sketch (reference drawing: 00508_PEC Secondary Easements.dwg)


2/15/24
Steven M. Duarte, RPLS #5940
4Ward Land Surveying, LLC



0 20 40 60 80



20 60
GRAPHIC SCALE: 1" = 40'

WILLIAM MANSIL SURVEY ABSTRACT NO. 437

LOT 6

LOT 1

NORTHLINE LOTS 1-6
BLOCK B FINAL PLAT
DOC. NO. 2024007681
O.P.R.W.C.T.

OWNER: NORTHLINE LEANDER
DEVELOPMENT COMPANY, LP
DOC. NO. 2023004523
O.P.R.W.C.T.

LOT 5

PUBLIC UTILITY EASEMENT
0.0066 ACRE(S)
289 SQUARE FEET

MAIN STREET (75' PUBLIC R.O.W.)
(DOC. NO. 2020035600, O.P.R.W.C.T.)

[A]

210.93'

3.00'

26.00'

129.51'

S69°27'26"W 386.44'
(S69°27'26"W 386.44')



P.O.B.

GRID N: 10,188,250.73
GRID E: 3,076,298.28

NORTHLINE STREET
(54' PUBLIC R.O.W.)
(DOC. # 2020035600, O.P.R.W.C.T.)

APPROXIMATE LOCATION
OF SURVEY LINE

TALBOT CHAMBERS SURVEY ABSTRACT NO. 125

**0.0066 ACRE
PUBLIC UTILITY
EASEMENT
City of Leander,
Williamson County, Texas**



A Limited Liability Company

PO Box 90876, Austin Texas 78709
INFO@4WARDLS.COM (512) 537-2384
TBPELS FIRM #10174300

Date:	2/15/2024
Project:	00508
Scale:	1" = 40'
Reviewer:	PRB
Tech:	EBD
Field Crew:	TF/BAP
Survey Date:	MAR. 2018
Sheet:	1 OF 2

LINE TABLE		
LINE #	DIRECTION	LENGTH
L1	S69°27'26"W	17.00'
L2	N20°32'34"W	16.99'
L3	N69°27'26"E	17.00'
L4	S20°32'34"E	16.99'

LEGEND	
	EASEMENT LINE
	EXISTING PROPERTY LINES
	CALCULATED POINT
	1/2" IRON ROD WITH "4WARD BOUNDARY" CAP SET
P.O.B.	POINT OF BEGINNING
DOC. NO.	DOCUMENT NUMBER
R.O.W.	RIGHT-OF-WAY
O.P.R.W.C.T.	OFFICIAL PUBLIC RECORDS, WILLIAMSON COUNTY, TEXAS
(.....)	RECORD INFORMATION PER DEED DOC. # 2019058968

2/1/2024



NOTES:

1) ALL BEARINGS ARE BASED ON THE TEXAS STATE PLANE COORDINATE SYSTEM, GRID CENTRAL ZONE, (4203), NAD83, ALL DISTANCES WERE ADJUSTED TO SURFACE USING A COMBINED SCALE FACTOR OF 1.000138805545.

2) SEE ATTACHED METES AND BOUNDS DESCRIPTION.

**0.0066 ACRE
PUBLIC UTILITY
EASEMENT
City of Leander,
Williamson County, Texas**

 4WARD <i>Land Surveying</i> <small>A Limited Liability Company</small> PO Box 90876, Austin Texas 78709 INFO@4WARDLS.COM (512) 537-2384 TBPELS FIRM #10174300	Date:	2/15/2024
	Project:	00508
	Scale:	N/A
	Reviewer:	PRB
	Tech:	EBD
	Field Crew:	TF/BAP
	Survey Date:	MAR. 2018
Sheet:	2 OF 2	

5
E

City of Leander
PO Box 319
Leander, TX 78646

FILED AND RECORDED

OFFICIAL PUBLIC RECORDS 2024040966

ESMT Fee: \$57.00
05/23/2024 12:26 PM CFIRESTONE



Nancy E. Rister

Nancy E. Rister, County Clerk
Williamson County, Texas



EXECUTIVE SUMMARY
6/4/2026

AGENDA SUBJECT:

Approval of a contract in the amount of \$69,000.00 with Sky Elements, LLC, to conduct drone display services during Liberty Fest 2026 on July 3, 2026, with July 5, 2026, as the inclement weather date; and authorize the City Manager to execute any and all necessary documents.

BACKGROUND:

At the April 16, 2026, City Council meeting, the Council approved approximately \$121,000 to support special programming in recognition of America's 250th Anniversary. As part of this investment, \$60,000.00 was allocated for a professional drone show to enhance the City's annual Liberty Fest celebration taking place on July 3rd. To reserve Sunday, July 5th, as a potential rain-out date, an additional fee of \$9,000.00 will be required.

To commemorate America's Semiquincentennial, the City of Leander will introduce a patriotic drone performance featuring 300 synchronized drones creating dynamic aerial imagery and animations celebrating American heritage and community spirit. The 10- to 12-minute show is scheduled to begin at approximately 9:30 p.m.

Following the drone performance, Liberty Fest will transition into a traditional 15-minute firework display at approximately 9:45 p.m. Together, the enhanced programming will provide more than 25 minutes of evening entertainment and a memorable conclusion to the event.

These additions reflect the City's commitment to delivering high-quality, family-friendly experiences for residents and visitors while honoring an important milestone in the nation's history.

Sky Elements, LLC (Sky Elements), has been identified as the contractor for the drone show. As the largest drone light show provider in the United States, Sky Elements specializes in turnkey aerial productions for public events and major organizations, with clients including Major League Baseball, Disney Studios, Marvel, Seattle Seahawks, and Coca-Cola. The company has produced some of the world's largest drone shows and is widely experienced in partnering with municipalities to deliver safe, innovative, and visually striking community performances. Contracting with Sky Elements enables the City to provide a memorable and modern addition to Liberty Fest.

HISTORY/TIMELINE:

APPLICANT/AGENT:

RECOMMENDATION:

City staff recommends that the City Council approve a contract in the amount of \$69,000.00 with Sky Elements, LLC, to conduct drone display services during Liberty Fest 2026 on July 3, 2026, with July 5, 2026, as the inclement weather date; and authorize the City Manager to execute any and all necessary documents.

PRESENTER:

Greg Olmer, Deputy Director of Parks and Recreation

	<u>Fiscal Impact</u>
<u>Amount requested:</u>	\$69,000.00
<u>Approved in current budget (Yes / No):</u>	Yes
<u>Expenditure (New / Amended):</u>	Amended
<u>Recurring or one-time:</u>	One-time
<u>Fund source (Operating / Utility / etc.):General Fund</u>	Operating

Attachments:

1. Sky Elements Agreement



This Agreement is made and entered into as of the date of the first signature below (the “Effective Date”), by and between Sky Elements, LLC, a Texas limited liability company, whose address is 820 W Sandy Lake Drive, Coppell, TX 75019 (“Sky Elements”), and **“Sky Elements”** and City of Leander, Texas, hereinafter referred to as “Customer.” Sky Elements is in the business of providing drone display services, and Customer desires to have Sky Elements provide drone display services at Customer’s event(s). The parties therefore agree as follows:

1. **Drone Display(s):** Sky Elements agrees to furnish Customer with drone display services, hereinafter referred to as “Display(s)” The Display(s) will be conducted in accordance with the following specifications:

Display Date(s): July 3rd, 2026

Inclement Weather Delay Date, if approved by City: July 5, 2026

Drone Count: 300

Display(s) Location: Devine Lake Park 1807 Waterfall Ave. Leander, TX 78641

Rain Date: See “Exhibit A”

2. **Payment Terms.** Customer shall pay Sky Elements \$ 69,000. Customer shall submit a 55% deposit immediately upon execution of this Agreement. The balance remaining for each display(s) will be paid to Sky Elements seven days prior to each Display. Customer shall pay the Invoice by wire transfer, ACH, check, or credit card with 3.5% service fee. Failure to pay final balance before Display date shall give Sky Elements the right to cancel or postpone the Display without liability or obligation to refund any deposits. Late payments are subject to a 6% annual interest charge on outstanding balances more than 10 days past due.
3. **Safety.** The performance of the Display(s) will start at the agreed upon time(s) if the launch site is secure and the conditions are safe to proceed as determined by Sky Elements in its sole discretion. The Parties agree that should unsafe conditions arise during the performance of the Display(s), as determined by Sky Elements in its sole discretion, Sky Elements’ Pilot in Command (“PIC”) may halt the display. The PIC may resume the Display(s) if the PIC determines that safe conditions are restored. Should safety not be able to reach an acceptable level there shall be no refund or other adjustments.
4. **Statement of Compliance.** Sky Elements complies with federal aviation law. In connection with these obligations, Sky Elements hereby represents and warrants to Customer that Sky Elements is obligated by federal aviation law to conduct all aerial operations within the limitations stated in Federal Aviation Administration Waiver No: 107W-2025-00682 including any subsequent revisions, renewals, updates, amendments or any other waivers, exemptions, or authorizations Sky Elements or its employees are authorized to perform under (“**Waiver**”). Customer represents that nothing in this Agreement shall obligate Sky Elements to exceed or

violate the terms of the Waiver. Should Customer make a request that would violate the Waiver, Sky Elements shall notify Customer of such violation, and if Customer persists in such request, it shall be considered a material breach of this Agreement. Sky Elements shall have the right to immediately terminate this Agreement and retain all fees paid if Customer commits such material breach.

5. **Customer's Obligations.**

- a) Customer shall be solely and entirely responsible for the following obligations:
 - i) Obtaining all necessary permissions from property owners, controllers, or authorized representatives required for the performance of the Display(s) at least seven days before the performance of the Display(s).
 - ii) Obtaining all necessary permits required by local governmental agencies (excluding FAA) at least seven days before the performance of the Display(s).
 - iii) Maintaining a safe operating area from which the Sky Elements crew will work, uninterrupted.
 - iv) Securing the area of operation to ensure only individuals necessary to the operation ("Participating Persons") are allowed in the area of flight operations as designated by Sky Elements.
 - v) Ensuring that only Participating Persons will be permitted within the perimeter of 100 feet from the area of primary flying.
 - vi) Ensuring that none of the Customer's employees, contractors, or representatives are operating a drone within 2500 feet of the Display(s) location during the performance of the Display, without prior approval by Sky Elements.
- b) Customer, and its employees, representatives, and agents, must respond promptly to any Sky Elements request to provide direction, information, approvals, authorizations, or decisions that are reasonably necessary for Sky Elements to perform the Display(s) in accordance with the requirements of this Agreement.
- c) If Sky Elements' performance of its obligations under this Agreement is prevented or delayed by any act or omission of Customer or its employees, representatives, and agents, Sky Elements shall not be deemed in breach of its obligations under this Agreement or otherwise liable for any costs, charges, losses, damages (whether direct, indirect, consequential, or incidental), or expenses sustained or incurred by Customer, in each case, if arising directly or indirectly from such prevention or delay.

6. **Cancellation.**

- a) If Sky Elements is unable to perform the Display(s) due to (i) the Parties inability to obtain the requisite permissions to perform the Display(s), (ii) the illness, injury, or death of its

employees or personnel who are intended to pilot and coordinate the Display(s), (iii) or due to the damage or destruction of Sky Elements' equipment during transit to the location of the Display(s) (each, an "Unforeseen Event"), and to the extent such Unforeseen Event was not directly caused by Sky Elements or its personnel, Sky Elements may cancel the Display(s) and any of its obligations under this Agreement by providing Customer notice as soon as reasonably possible before the Display(s). If a cancellation under this Section 6(a) is required, Sky Elements will provide Customer a refund of any amounts Customer paid to Sky Elements at the time of cancellation within ninety days of the cancellation. Sky Elements shall retain any and all reasonable expenses already incurred in preparation for the Display(s) including but not limited to show choreography and design.

- b) If Customer cancels this Agreement more than 30 days before the scheduled date of the Display(s), the cancellation fee will be 50% of the full Invoice price regardless of whether such fees and expenses are incurred and regardless of whether other external conditions would have prevented the Display(s) from moving forward as scheduled.
- c) If Customer cancels this agreement less than 30 days, but more than 72 hours before the scheduled date of the Display(s), the cancellation fee will be 75% of the full Invoice price regardless of whether such fees and expenses are incurred and regardless of whether other external conditions would have prevented the operations from moving forward as scheduled.
- d) If Customer cancels this agreement less than 72 hours before the scheduled date of the Display(s), the Customer shall pay Sky Elements the total amount of the Invoice, regardless of whether such fees and expenses are incurred and regardless of whether other external conditions would have prevented the operations from moving forward as scheduled.

7. Indemnification.

- a) To the extent permitted by law, Customer shall defend, indemnify, and hold harmless Sky Elements, its agents, employees, heirs, representatives, successors, and assigns from and against any costs, losses, claims, liabilities, fines, expenses, penalties, and damages (including reasonable legal fees) in connection with or resulting from: 1) Any inaccuracy in any representation or breach of any warranty made by Customer under this Agreement; 2) Customer's gross negligence or willful misconduct in performing any of its obligations under this Agreement; 3) A material breach by Customer of any of its representations, warranties, covenants, or agreements under this Agreement; or 4) Any third-party claim based on, resulting from, or arising out of Customer's conduct under this Agreement.
- b) Sky Elements shall defend, indemnify, and hold harmless the Customer, its agents, employees, heirs, representatives, successors, and assigns from and against any costs, losses, claims, liabilities, fines, expenses, penalties, and damages (including reasonable legal fees) in connection with or resulting from: 1) Any inaccuracy in any representation or breach of any warranty made by Sky Elements under this Agreement; 2) Sky Elements' gross negligence or willful misconduct in performing any of its obligations under this Agreement; 3) A material breach by Sky Elements of any of its representations, warranties, covenants, or agreements under this Agreement; or 4) Any third-party claim based on, resulting from, or arising out of Sky Elements' conduct under this Agreement.

8. **Relationship of the Parties.** The relationship between the Parties is that of independent contractors. Nothing in this Agreement shall give Customer the right to instruct, supervise, control, or direct the details and manner of the completion of the Display(s). Nothing in this Agreement shall be construed as creating any agency, partnership, joint venture, or other form of joint enterprise, employment, or fiduciary relationship between the Parties, and neither Party shall have authority to Agreement for or bind the other Party.
9. **Intellectual Property.** All intellectual property rights, including images, text, graphics, film, audio, audiovisual works, copyrights, patents, patent disclosures, inventions (whether patentable or not), trademarks, service marks, trade secrets, know-how, drone show choreography, flight patterns and other confidential information, trade dress, trade names, logos, corporate names, and domain names, together with all of the goodwill associated therewith, derivative works, and all other rights (collectively, "**Intellectual Property Rights**") in and to the Display(s), work product, and other materials that are delivered to or for Customer under this Agreement shall be owned by Sky Elements.
10. **Confidential Information.**
 - a) Confidential Information disclosed by either Party shall be used by the receiving Party solely for the purposes authorized by this Agreement, unless otherwise approved in advance and in writing by the disclosing Party.
 - b) If the receiving Party is legally obliged to disclose any of the Confidential Information, the receiving Party shall immediately notify the disclosing Party in writing so that the disclosing Party may seek a protective order or other appropriate remedy or waive compliance with the terms of this Agreement, at the disclosing Party's sole discretion.
 - c) Under this Agreement, "**Confidential Information**" includes, but is not limited to, Sky Elements' operating procedures, operations manuals, drone show choreography, flight patterns, technical specifications, pricing information, and any documents marked "Confidential."
 - d) The Parties shall be entitled to injunctive relief for any violation of this Section.
 - e) Notwithstanding the foregoing it is acknowledged and agreed that Client is subject to the Texas Public Information Act and Texas Open Meeting Act. Public records, as defined by these acts, will be handle according to these acts.
11. **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be the same agreement. A signed copy of this Agreement delivered by facsimile, email, shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.
12. **Waiver.** No waiver of any right, remedy, power, or privilege under this Agreement ("Right") is effective unless in writing signed by the Party charged with such waiver. No failure to exercise, or delay in exercising, any Right operates as a waiver thereof. No single or partial exercise of any Right precludes any other or further exercise thereof or the exercise of any other Right.

13. **Entire Agreement.** This Agreement contains the entire understanding of the Parties with respect to the subject matter hereof and supersedes all prior and contemporaneous written or oral understandings, agreements, representations, and warranties with respect to such subject matter. the Parties may not amend this Agreement except by written instrument signed by the Parties.
14. **Amendment & Assignment.** This Agreement may not be sold, assigned, amended, or transferred without the prior written consent of either Party. This Agreement may only be amended or modified in a writing which specifically states that it amends this Agreement and is signed by an authorized representative of each party.
15. **Successors and Assigns.** This Agreement is binding upon and inures to the benefit of the Parties and their respective successors and permitted assigns.
16. **No Third-Party Beneficiaries.** This Agreement is for the sole benefit of the parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall grant to any other person or entity any legal or equitable right, benefit, or remedy of any nature under or because of this Agreement.
17. **Force Majeure.** If for any reason beyond its reasonable control, whether foreseeable or unforeseeable, including, but not limited to, strikes, labor disputes, accidents, government requisitions, acts of war, acts of God, epidemic, pandemic, governmental restrictions, weather conditions (including but not limited to wind, rain, or lightning), or other similar events that would make the event impractical, unsafe, or impossible, the Parties agree Customer's sole remedy is to transfer the display date subject to Sky Element's availability within 12 months of the original display date. In no event will Sky Elements be liable for any damages, including, but not limited to consequential damages.
18. **Choice of Law.** Each party agrees that any legal action to enforce or defend with respect to this Agreement (a "Legal Action") shall be brought only in the District Court of the State of Texas in Williamson County. Each party further accepts for itself, and in respect of its property, generally and unconditionally, the exclusive jurisdiction of that court with respect to any Legal Action and irrevocably waives any objection, including, without limitation, any objection to the laying of venue or based on the grounds of forum non convenience, which it may now or hereafter have to the bringing of any Legal Action in that jurisdiction and venue.
19. **Form of Written Notice.** Each Party shall deliver all communications in writing either in person, by certified or registered mail, return receipt requested and postage prepaid, by facsimile or email (with confirmation of transmission), or by recognized overnight courier service, and addressed to the other Party at the addresses that the receiving Party may designate from time to time in accordance with this Section.
20. **Severability.** If any provision or portion of this Agreement is found to be invalid, unlawful or unenforceable to any extent, such provision of this Agreement will be enforced to the fullest extent permissible by applicable law so as to effect the intent of the Parties, and the remainder of this Agreement will continue in full force and effect. Upon such determination that any term or other provision of this Agreement is invalid, unlawful, or unenforceable, the Parties hereto shall negotiate in good faith to modify this Agreement to affect the original intent of the Parties as

closely as possible in a mutually acceptable manner so that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible.

21. **FAA Approvals and Authorizations.** Sky Elements shall use commercially reasonable efforts to obtain all necessary Federal Aviation Administration (FAA) approvals and authorizations to enable Sky Elements to perform fully hereunder, including airspace authorization needed for the Display(s). Customer acknowledges that such approvals are at the discretion of the FAA and delays or denials by the FAA shall not constitute a breach of this Agreement by Sky Elements.

22. **Representation and Warranty.**

- a) Sky Elements represents and warrants to Customer that it shall perform the Display using personnel of required skill, experience, and qualifications and in a professional and workmanlike manner in accordance with generally recognized industry standards for similar services, subject to weather conditions and other factors outside of Sky Elements' reasonable control and shall devote adequate resources to meet its obligations under this Agreement.
- b) In the event of a materially defective Display, being a display that is performed material different than the rendering or missing more than fifteen percent of the drones in the Display(s), Sky Elements shall, in its sole discretion, either:
 - i) Reperform the Display(s) at a mutual agreed upon date; or
 - ii) Credit or refund the price of the Display at the pro rata Agreement rate.
- c) The remedies set forth in this section shall be Customer's sole and exclusive remedy and Sky Elements entire liability for any breach of the limited warranty set forth in this section.
- d) Except for the warranty set forth above, Sky Elements makes no warranty related to its services, including any (a) warranty of fitness for a particular purpose; (b) warranty of title; or (c) warranty against infringement of intellectual property rights of a third party, whether express or implied by law, course of dealing, course of performance, usage of trade, or otherwise.

23. **Insurance:** Sky Elements will maintain the following insurance coverages in connection with the Display(s) described in this Agreement.

Commercial General Liability: \$1,000,000

Automobile Liability: \$1,000,000

Umbrella: \$10,000,000

Workers Compensation: \$1,000,000

Aviation Liability: \$5,000,000

Sky Elements also agrees to include Customer as additional insured under the terms of this coverage, limited to the Display(s) specified in this Agreement. Sky Elements will provide a Certificate of Insurance. All entities listed on the certificate will be deemed an additional insured per this Agreement.

24. **Marketing Materials.** Should Sky Elements provide marketing collateral, including but not

limited to images, videos, mockups, or other such marketing materials to Customer. Subject to the terms and conditions of this Agreement, Sky Elements hereby grants Customer "Licensee" a non-exclusive, non-transferable, revocable, limited license to use the Licensed Material solely for the purpose of promoting the specific upcoming Sky Elements drone show within a period of six months from the Effective Date of this Agreement or the Show Date, whichever is greater. All rights not expressly granted by Sky Elements are reserved. No other use is granted. Licensee shall not modify, alter, distribute, sublicense, sell, or create derivative works based on the Licensed Material without prior written consent from Sky Elements. Licensee shall maintain the integrity of the Licensed Material and shall not use it in a manner that discredits or tarnishes the reputation of Sky Elements. Sky Elements retains all copyrights and intellectual property rights to the Licensed Material. Any rights not expressly granted herein are reserved by Sky Elements.

25. **Survival.** Subject to the limitations and other provisions of this Agreement: (a) the representations and warranties of the Parties contained herein will survive the expiration or earlier termination of this Agreement for 12 months after such expiration or termination; and (b) Section 10 of this Agreement, as well as any other provision that, in order to give proper effect to its intent, shall survive for a period of 24 months after such expiration or termination of this Agreement.
26. **Notices.** All notices required under this Agreement shall be in writing, signed by the party delivering such notice, and delivered to the respective addresses set forth below by overnight courier, first-class mail with return receipt requested, or by email with confirmation of receipt from the receiving party.

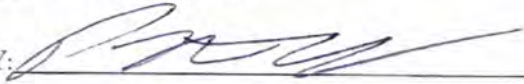
Sky Elements
ATTN: Preston Ward
preston@skyelementsdrones.com
(817) 538-3207
820 W Sandy Lake Rd. Suite 200
Coppell, TX 75019

Customer:
City of Leander, TX
Attn: Deputy Director, Leander Parks & Recreation
Email: golmer@leandertx.gov
Phone : 512-528-2971
Address: 406 Municipal Drive,
Leander, TX 78641

All notices shall be effective upon receipt if sent by overnight mail, or three days after deposited via U.S. mail.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals the day and year first above written.

SKY ELEMENTS, LLC

BY: 

Date: 5/25/20

Preston Ward, Manager / General Counsel

CUSTOMER

BY: _____

Date: _____

Printed Name: TODD PARTON

Company: CITY OF LEANDER

Title: CITY MANAGER

ATTEST:

Printed Name: DARA CRABTREE

Company: CITY OF LEANDER

Title: CITY SECRETARY

EXHIBIT A
DISPLAY TERMS AND COST BREAKDOWN

This Exhibit A is attached to and incorporated into the Drone Display Contract dated 5/21/2026 (the "Agreement"), by and between Sky Elements, LLC, a Texas limited liability company, located at 820 W Sandy Lake Rd Suite 200, Coppell, TX 75019 ("Sky Elements"), and City of Leander ("Customer"). The terms set forth in this Exhibit A govern the scheduled Display, the contingent Rain Date, and the total compensation payable under the Agreement.

1. Display Date. The Display shall be performed on July 3, 2026 (the "Display Date").

2. Rain Date. A contingent rain date of July 5, 2026 (the "Rain Date") is established, which is two (2) days following the Display Date. In the event that the Display cannot be performed on the Display Date due to weather or other conditions reasonably determined by Sky Elements to make the Display unsafe or impracticable, the Display shall be rescheduled to the Rain Date. All references to the Display Date in the Agreement shall be deemed to refer to the Rain Date if and when the Rain Date is invoked.

3. Rain Date Hold Fee. In consideration of Sky Elements' commitment to reserve crew, equipment, and operational capacity for the Rain Date, Customer shall pay Sky Elements a Rain Date Hold Fee equal to fifteen percent (15%) of the Show Price, in the amount of \$9,000.00. The Rain Date Hold Fee is fully earned by Sky Elements upon execution of the Agreement and is non-refundable, regardless of whether the Rain Date is ultimately utilized. If the Rain Date is invoked and the Display is performed on the Rain Date, no additional charge beyond the Rain Date Hold Fee shall be incurred for use of the Rain Date.

4. Show Price and Payment. The total compensation payable under the Agreement is \$69,000.00. Customer shall pay Sky Elements the Rain Date Hold Fee of \$9,000.00 upon execution of the Agreement, in addition to the payments otherwise set forth in the Payment Terms of the Agreement.

5. Cost Breakdown. For clarity, the total compensation is itemized as follows:

Description	Amount
Drone Display - July 3, 2026 (Show Price)	\$60,000.00
Rain Date Hold - July 5, 2026 (15% of Show Price)	\$9,000.00
Total	\$69,000.00



EXECUTIVE SUMMARY
6/4/2026

AGENDA SUBJECT:

Approval of a Special Event Permit for the City's annual Liberty Fest event to be held on Friday, July 3, 2026, at Devine Lake Park, 1807 Waterfall Avenue; event site will open at 6:00 p.m., with shuttle service starting at 5:30 p.m. from Glenn High School and Danielson Middle School, along with a Celebrate America 250 Bike and Pedestrian Parade beginning at 9:00 a.m. and ending at Camacho Elementary School at approximately 11:00 a.m., located at 501 Municipal Drive; and if inclement weather, Liberty Fest will be rescheduled for Sunday, July 5, 2026.

BACKGROUND:

The City of Leander Parks and Recreation Department will host two (2) coordinated Independence Day events on Friday, July 3, 2026: the Celebrate America 250 Bike and Pedestrian Parade and Liberty Fest. The bike and pedestrian parade will begin at 9:00 a.m. and end at Camacho Elementary School at approximately 11:00 a.m., located at 501 Municipal Drive.

Later that evening, Liberty Fest will take place at Devine Lake Park, 1807 Waterfall Avenue. The event site will open at 6:00 p.m., with shuttle service starting at 5:30 p.m. from Glenn High School and Danielson Middle School due to limited onsite parking. Shuttles will be free to festival attendees. The festival will feature live music, food vendors, children's activities, and a patriotic drone show followed by fireworks. Admission is free, and attendance is estimated at approximately 10,000 people throughout the day. The event budget is \$171,708.00. In case of inclement weather, Liberty Fest will be rescheduled for Sunday, July 5. Event insurance will be acquired to protect against any financial losses due to inclement weather cancellations.

To support shuttle operations, westbound street parking on Waterfall Avenue between Clear Spring Lane and Sunny Brook Drive will be designated as a bus-only lane. For pedestrian and traffic safety, the Leander Police Department recommends closing Waterfall Avenue between Deercreek Lane and Clear Spring Lane and closing Maplecreek Drive between Little Creek Road and Waterfall Avenue to properly detour traffic around the affected area.

The following streets are proposed to be closed from 8:30 a.m. to 11:00 a.m. on the day of the event for the Bike and Pedestrian Parade:

- Municipal Drive between Northern Trail and S. West Drive,
- S. West Drive between Municipal Drive and W. South Street, and
- W. South Street between N. West Drive and Windmill Circle.

The following streets are proposed to be closed from 5:30 p.m. to 11:59 p.m. on the day of the event for Liberty Fest:

- Westbound street parking on Waterfall Avenue between Clear Spring Lane and Sunny Brook Drive,
- Waterfall Avenue between Deercreek Lane and Clear Spring Lane, and

- Maplecreek Drive between Little Creek Road and Waterfall Avenue.

Pursuant to Sec. 4.05.077 of the Code of Ordinances, City Council approval of special events permits is required if the event anticipates more than 6,000 attendees, more than two (2) arterial roads to be closed for greater than two (2) hours, and if the cost is projected to exceed \$30,000.00. Therefore, City Council approval is required for these events. The special event application is attached for reference.

HISTORY/TIMELINE:

APPLICANT/AGENT:

RECOMMENDATION:

City staff respectfully requests approval of the special event permit for the annual Liberty Fest event to be held on Friday, July 3, 2026, at Devine Park and the Celebrate America 250 Bike and Pedestrian Parade.

PRESENTER:

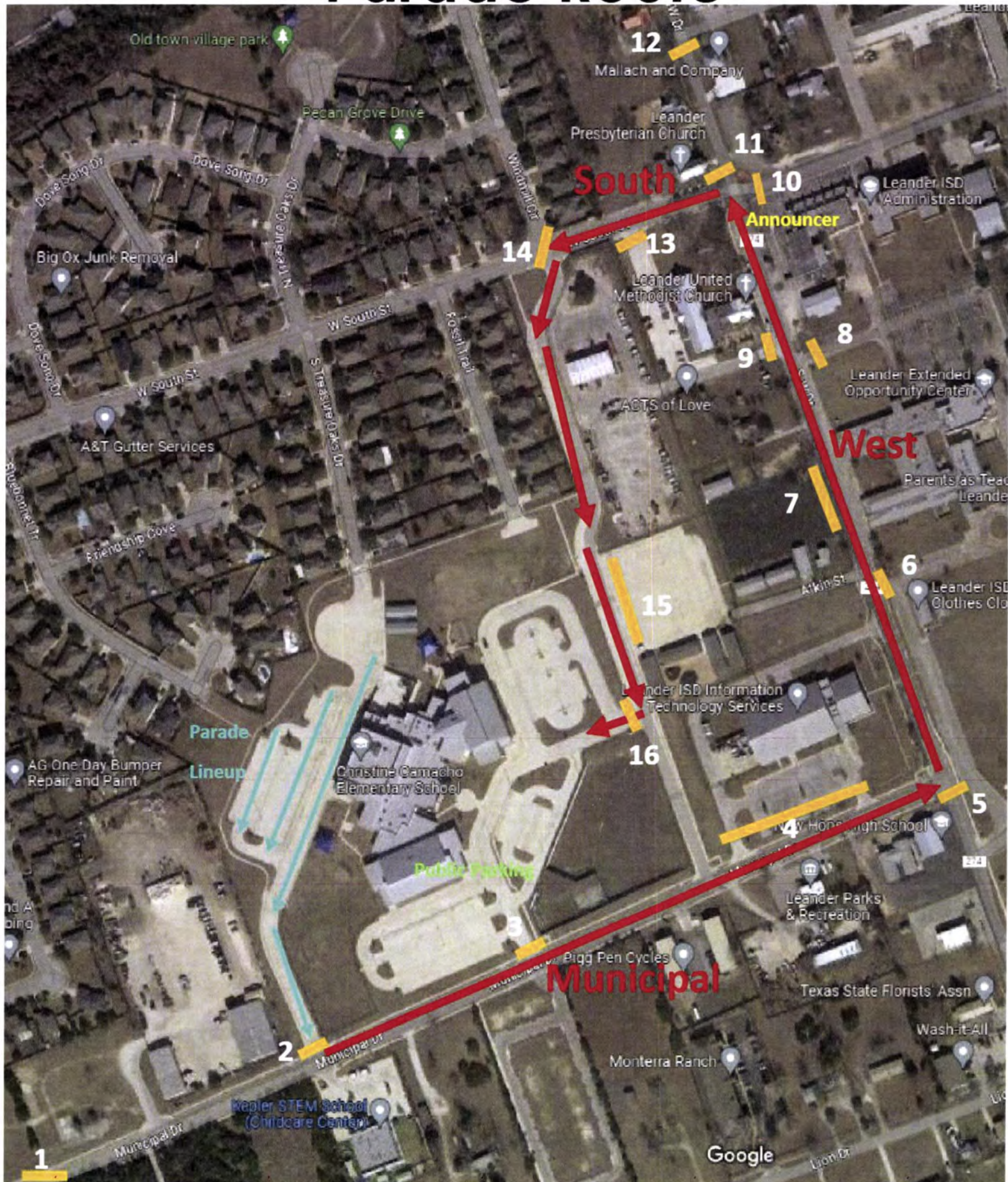
Greg Olmer, Deputy Director of Parks and Recreation

Fiscal Impact

Attachments:

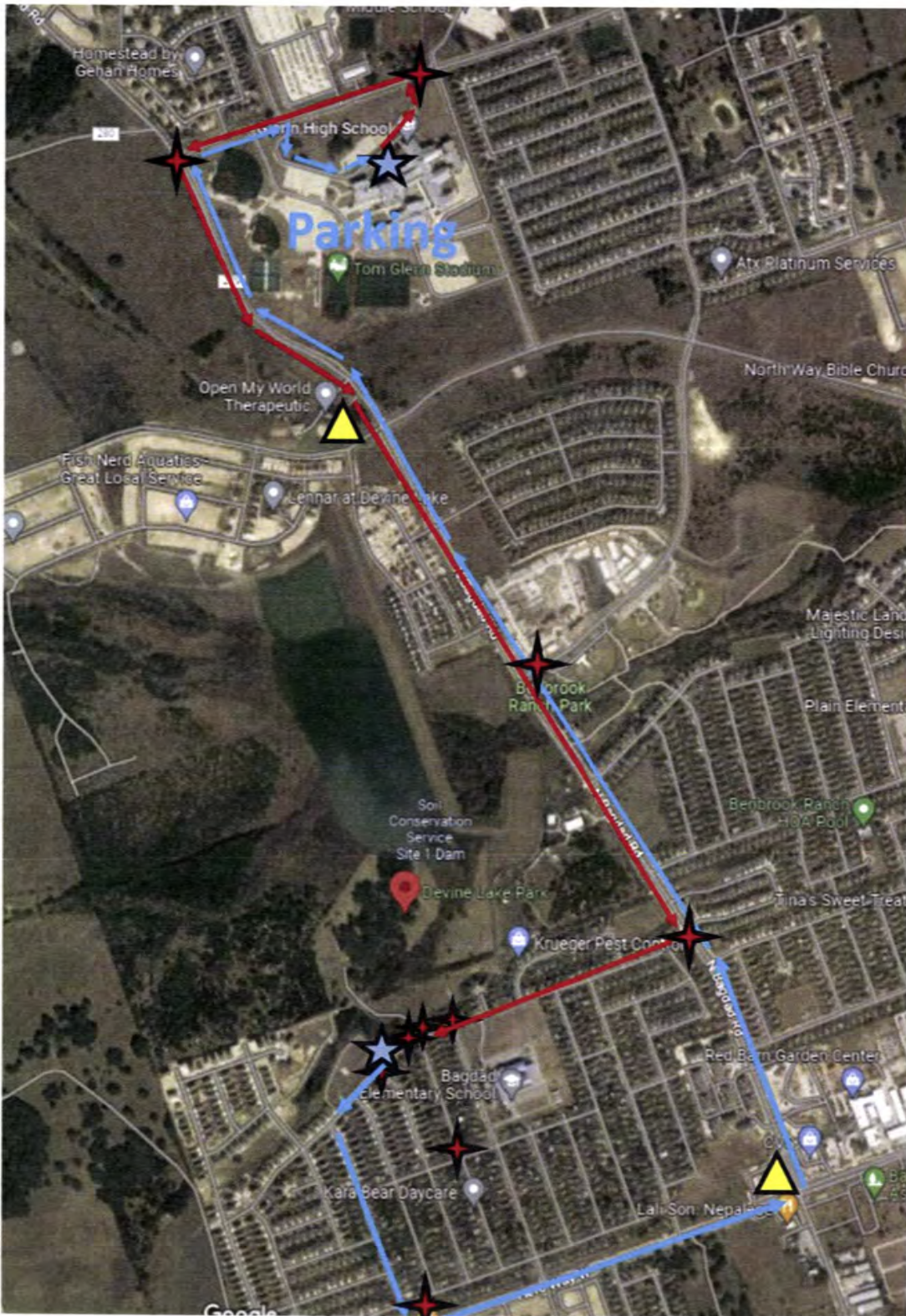
1. 2026 Celebrate America 250 Bike Parade Map
2. 2026 Liberty Fest Bus Routes
3. Special Event Liberty Fest Application and Maps

Parade Route








Yellow bar icon: Road Closure—Parade

8:30am—11:00am



LIBERTY FEST 2026

Bus Pick Up and Drop Off Map

-  Pick Up/Drop Off Location
-  Route to Devine Lake Park
-  Route to Glenn High School
-  Police Stationed
-  Public Works Stationed



Glenn High School—Parking

→ Route to Devine Lake Park

→ Route to Glenn High School



Pick Up/Drop Off





A

B

C

D

Devine Lake Park—Liberty Fest

-  Road Closure 5:30pm—11:59pm
-  Parking Lane Closure 5:30pm—11:59pm
-  Route to Devine Lake Park
-  Route to Glenn High School



Special Event Application

Event Name: LIBERTY FEST - CELEBRATE AMERICA 250 - BIKE PARADEStreet Address of Event: 1807 WATERFALL AVE- DEVINE LAKE PARKEvent Type (ex. Block Party, Marathon, Street Closure, etc.): FESTIVAL- BIKE PARADEDate(s) of Event: 07-03-2026Time of Event: 9AM - 10:30PMSet-Up Date(s): 07-03-2026Tear-Down Date(s): 07-03-2026Set-Up Time: 8AMTear-Down Time: 10:30PMApplicant Name: MARIEL GUENTHEROrganization: CITY OF LEANDER PARKS AND RECREATION / CAP METROApplicant Phone Number: 737-308-2374Applicant Email Address: MGUENTER@LEANDERTX.GOVPrimary On-Site Contact Name: MARIEL GUENTHERPrimary On-Site Cell Phone Number: 737-308-2374Estimated Attendance: 10,000

Parking Arrangements:

- Onsite Number of Attendants 2
- Offsite BUS WILL BE USED TO AND FROM
TRANSPORT FROM OFF SITE
- Both PARKING

Portable Restroom Facilities:

- Yes
- No

Location of Event: Check all that apply

- Inside an existing structure. If so, what is the current use of the structure: _____
- Vacant Lot
- Parking Lot
- Public Property
- Private Property
- In the Right-of-Way
- Cross railroad tracks

Building/Equipment to be Used:

- Tent or Temporary Structure(s) – **Additional permit required for tent over 200 sq. ft.** Tent size to be used: _____
- Stage _____
- Mobile Food Establishments/Food Booth/Vendor
- Signs (Banners, "A" Frame, etc.)
- Mass Gathering
- Outdoor Amplified Sound and/or Music (please read the City's Noise Ordinance) - **Additional permit required**
- Pyrotechnics/Firework Display – **Additional permit required**
- Flame Effects or Similar – **Additional permit required**
- Open Fires – Any open-to-air fires proposed, used for other than cooking.
Please describe: _____
- Other: _____
- None

Any additional permits required will need to be applied for simultaneously with the Special Event application.

Animals Present?: (Temporary or Commercial Animal Permit required)

- Yes
- No

Food Booth/Vendor: Make sure vendors have their permits with the county they are working in.

- Cooking Equipment: What type: GRILLS, FRYERS
- Generator
- Open Flame
- No Food Booth/Vendor

Number of mobile food vendors 20

Number of solicitor/peddler vendors 26

Number of Blow Ups 8

Street Event: A Traffic Control Plan will need to be provided.

Street Closure Start Time: 8:30AM

WATERFALL AVENUE, MAPLECREEK DR

Street Closure End Time: 11AM

No Street Closure 5:30PM TO 11:59PM - WATERFALL AVE, MAPLECREEK DR

Moving Event (Marathons, parades, etc.): A map will need to be provided showing start and finish lines.

On-Site Registration Time: _____

Assembly Time for Participants: _____

Start Time (First Wave): _____

End Time (Last Wave): _____

Will other jurisdictions be involved (Check one) Yes No

If yes, please check all that apply.

- City of Cedar Park
- City of Georgetown
- Williamson County
- Travis County
- Other _____

Alcohol:

Will alcohol be sold or distributed?

- Yes
- No

If yes, please indicate which applies. Please provide a copy of the Texas Alcoholic Beverage Commission (TABC) application.

- Sold
- Distributed

Private Companies Contracted to Work Event: Please check all that apply and provide contact information.

<input type="checkbox"/>	Set-Up - Name: _____	Phone Number: _____
		Email: _____
<input type="checkbox"/>	Planner - Name: _____	Phone Number: _____
		Email: _____
<input type="checkbox"/>	Catering - Name: _____	Phone Number: _____
		Email: _____
<input type="checkbox"/>	Security - Name: _____	Phone Number: _____
		Email: _____
<input type="checkbox"/>	EMS - Name: _____	Phone Number: _____
		Email: _____

Request for City Services: City services are charged at a minimum rate dependent on the event.

If yes, please check all that apply.

- Fire Department
 - Medical Standby
 - Fire Watch
 - Event Standby
- Police Department
- Public Works

If yes, please check all that apply.

- Street Blockage
- Cones
- Barricades
- Parks and Recreation
 - Location: _____
 - Staff

Applicant Signature

Date

Bike Parade

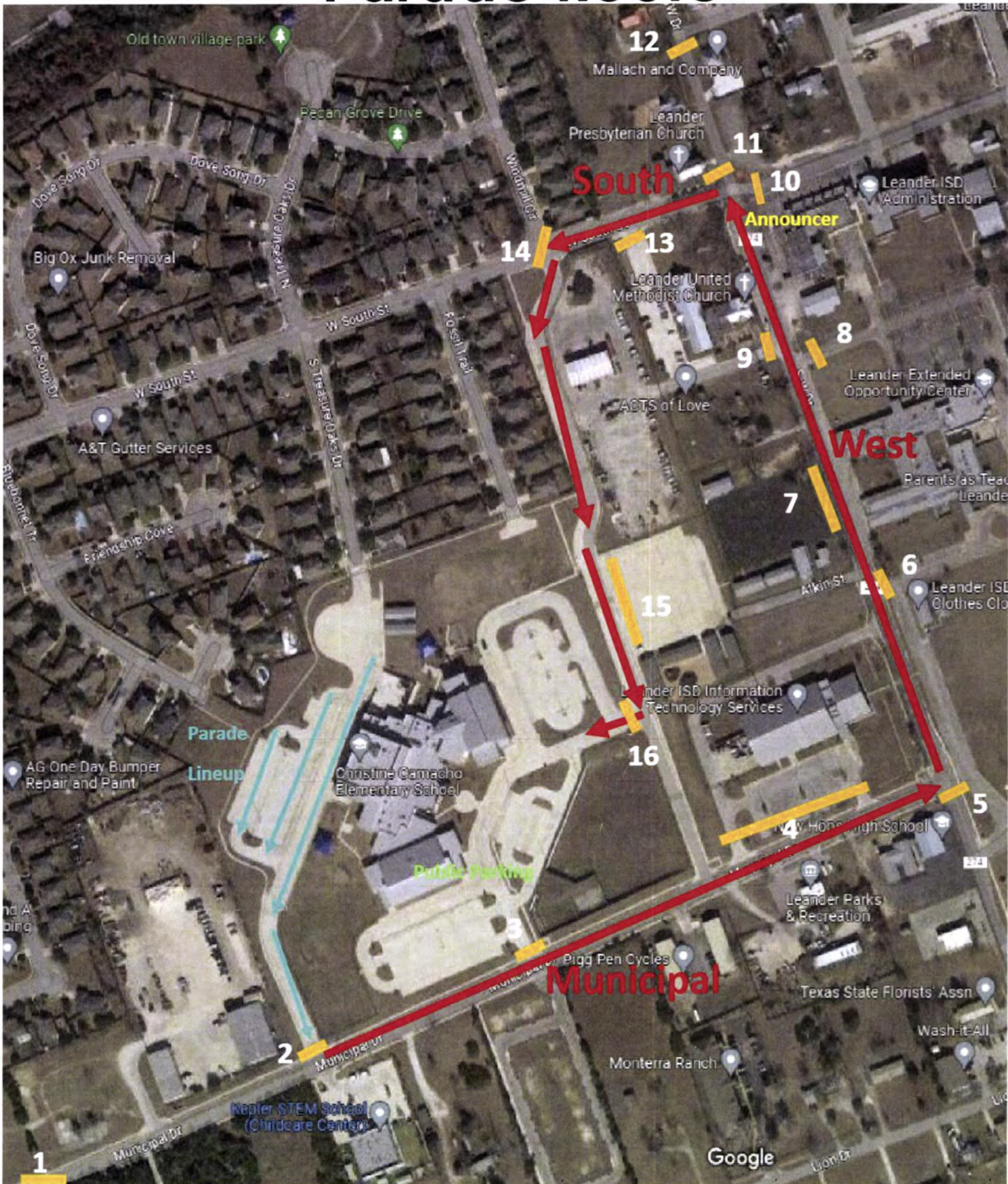
2026 Barricade Placement and Assignment

PARADE BARRICADES (8:30am - 11:00am)

1. Across Municipal at Northern Trail	Police car w/ lights	Police	Manned
2. Camacho NW Parking Lot	Cones	PARD	Manned
3. Camacho SE Parking Lot	Cones	PARD	Manned
4. LISD Information/Tech Lot	Bike racks	PARD	Manned
5. West Drive/Municipal	Police car w/lights	Police	Manned
6. LEO south lot entrance	Bike racks	PARD	Manned
7. North lot of Atkin/West	Cones	PARD	Manned
8. LEO Center parking lot/West	Bike racks	PARD	Manned
9. Methodist Church south entrance	Bike racks	PARD	Manned
10. East side of South/West Drive	Water barricades	PW	Manned
11. North side of West/South	Panel Barricades	PW	Manned
12. North side of West/Willis	Police car w/ lights	Police	Manned
13. Methodist Church north entrance	Cones	PARD	Manned
14. Windmill/ W South	Police car w/lights	Police	Manned
15. Leander Head Start Parking Lot	Cones	PARD	Manned
16. Camacho East Parking Lot	Bike racks	PARD	Manned

Updated: April 30, 2026

Parade Route



Yellow bar: Road Closure—Parade

8:30am—11:00am

Leander Liberty Fest
2026 Barricade Placement and Assignment

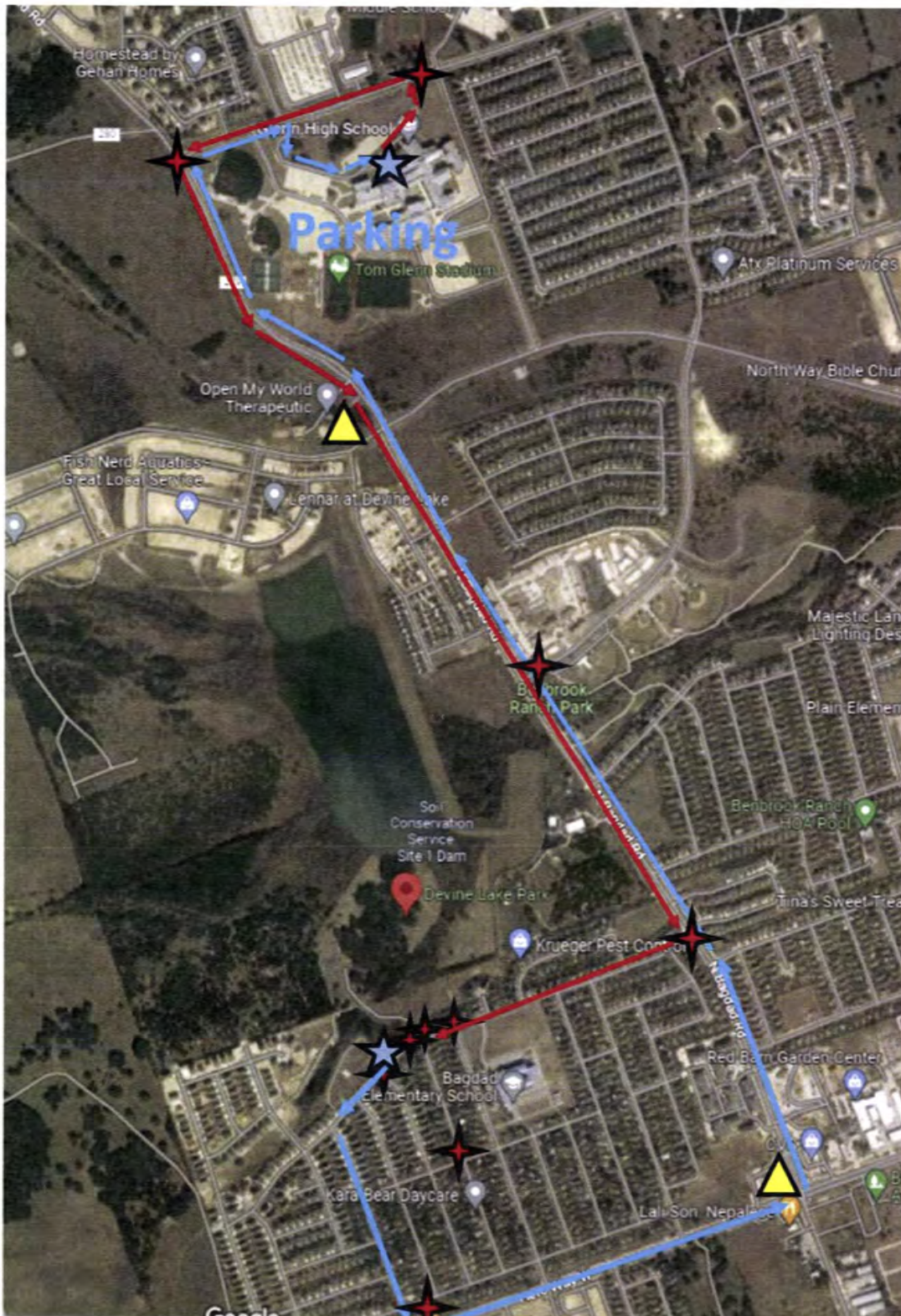
STREET BARRICADES (5:30pm – 12:00am)

A. Waterfall/Deercreek	Police car w/ lights Panel barricade	Police PW	Manned Unmanned
B. Maplecreek/Waterfall	Police car w/ lights	Police	Manned
C. Waterfall/Clear Spring	Police car w/ lights Panel barricade	Police PW	Manned Unmanned
D. Maplecreek/Little Creek	Police car w/ lights	Police	Manned

Updated: April 28, 2026

LIBERTY FEST 2026

Bus Pick Up and Drop Off Map



 Pick Up/Drop Off Location

 Route to Devine Lake Park

 Route to Glenn High School

 Police Stationed

 Public Works Stationed



Glenn High School—Parking

→ Route to Devine Lake Park

→ Route to Glenn High School



Pick Up/Drop Off

A

B

C

D

- Devine Lake Park—Liberty Fest**
- Road Closure 5:30pm—11:59pm
 - Parking Lane Closure 5:30pm—11:59pm
 - Route to Devine Lake Park
 - Route to Glenn High School



LIBERTY FEST 2026 Parking Map














LEANDER LIBERTY FEST

2026 Site Map

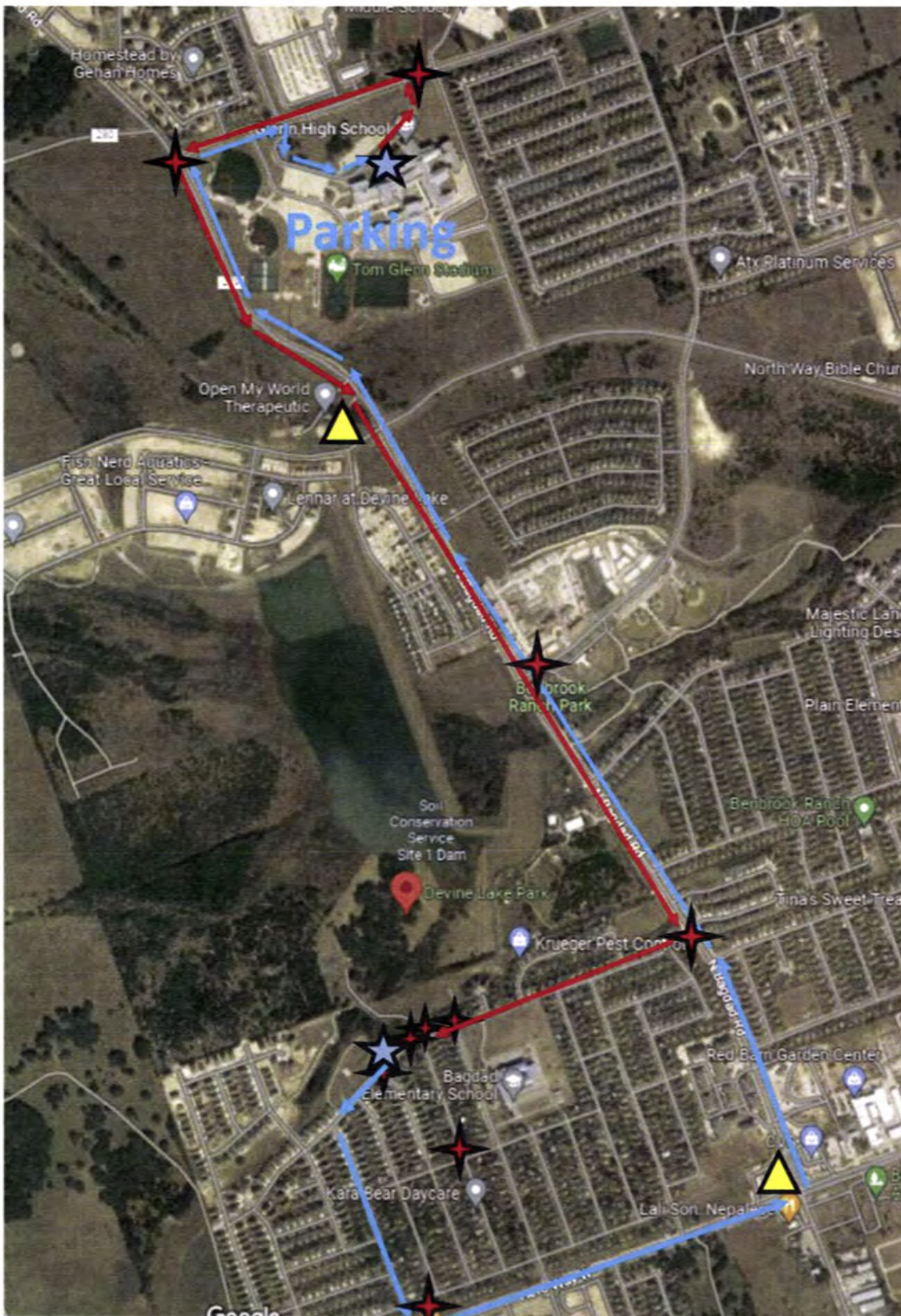
Updated 4/28/2026



-  SECURITY CHECK
-  ORANGE FENCE BORDER
-  FENCING
-  BIKE RACK
-  INFLATABLE
-  PARKS TENT
-  LIGHT TOWER
-  RESTROOM
-  10x10 TENT, CHAIR, COOLER
-  FAN
-  LARGE TENT

LIBERTY FEST 2026 Parking Map





LIBERTY FEST 2026


Bus Pick Up and Drop Off Map

 Pick Up/Drop Off Location

 Route to Devine Lake Park

 Route to Glenn High School

 Police Stationed

 Public Works Stationed



Glenn High School—Parking

→ Route to Devine Lake Park

→ Route to Glenn High School



Pick Up/Drop Off





A

C

B

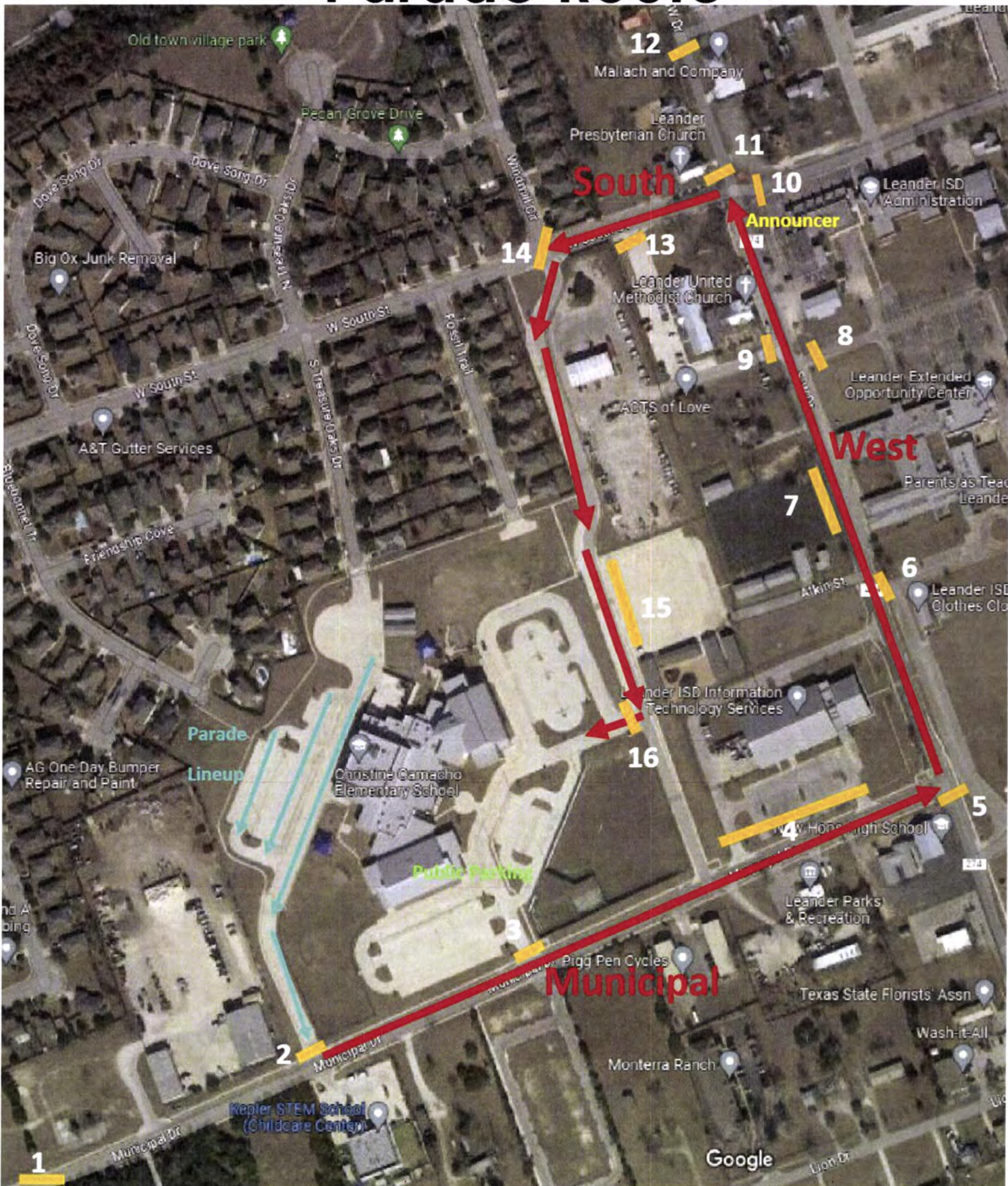
D

Devine Lake Park—Liberty Fest

-  Road Closure 5:30pm—11:59pm
-  Parking Lane Closure 5:30pm—11:59pm
-  Route to Devine Lake Park
-  Route to Glenn High School



Parade Route



Yellow bar icon: Road Closure—Parade












8:30am—11:00am

LEANDER LIBERTY FEST

2026 Site Map

Updated 4/28/2026



-  SECURITY CHECK
-  ORANGE FENCE BORDER
-  FENCING
-  BIKE RACK
-  INFLATABLE
-  PARKS TENT
-  LIGHT TOWER
-  RESTROOM
-  10x10 TENT, CHAIR, COOLER
-  FAN
-  LARGE TENT



EXECUTIVE SUMMARY
6/4/2026

AGENDA SUBJECT:

Conduct a Public Hearing regarding Special Use Case Z-26-0210 to consider action on a Special Use Permit to allow for an in-home day care with up to 12 children on one parcel of land 0.2 acres ± in size, more particularly described by Williamson Central Appraisal District Parcel R456282; and more commonly known as 1202 Drake Cove, Leander, Williamson County, Texas.

- Discuss and consider action regarding Special Use Case Z-26-0210 as described above.

BACKGROUND:

This request is the second step in the zoning process to approve a Special Use Permit (SUP). Uses permitted in a zoning district are classified in two (2) ways. The first type of use is what is referred to as a use permitted by right. A use permitted by right is allowed in the specified zoning district provided that the property owner complies with specified building and site requirements. The second type of use is what is referred to as a special use. A special use permit allows for certain land uses in a given zoning district and generally requires more review by the Planning and Zoning Commission and City Council in order to ensure the compatibility of the proposed use with the surrounding land uses. The applicant has submitted a request for a Special Use Permit (SUP) in order to allow for an in-home day care with up to 12 children and a garage conversion. If approved as-is, this request would result in a reduction of the parking requirements that would allow for two (2) driveway parking spaces for both the residence and the day care.

DEVELOPMENT REQUIREMENTS:

Composite Zoning Ordinance:

- The ordinance currently allows for an in-home day care with up to five (5) children.
- The ordinance requires that a residential home with three (3) or more bedrooms have two (2) garage-enclosed parking spaces and two (2) additional off-street parking spaces.
- In-home day cares do not have additional parking requirements since they are limited to five (5) children.
- Commercial day cares for over five (5) children require a parking ratio of one (1) space per 400 square feet.

Texas Health and Human Services

- Texas Health and Human Services grants licenses for childcare homes with up to 12 children. The applicant has been operating Dew Drops Montessori Preschool with up to 12 children at this site with their State License.

The City Council discussed potential updates to the day care requirements during their meeting on April 16, 2026. An amendment to the Composite Zoning Ordinance is scheduled for review by the City Council on June 18, 2026, and includes the following updates:

1. Definition of In-Home Day Care
2. Allowance for an additional six (6) children for after-school care with additional requirements:
 - a. Add parking requirements
 - b. Maintain traffic flow
 - c. Provide hours of operation
 - d. Create standards for outdoor play areas

CODE ENFORCEMENT CASE

A Code Enforcement case was opened due to the in-home day care having over five (5) children in August 2025. Staff held a pre-development meeting with the applicant on October 6, 2025, to go over the next steps for bringing the site into compliance. Following the meeting, staff conducted a courtesy visit to verify the items that needed to be addressed regarding the garage conversion. In early January, staff met with the applicant to help them submit their application for the SUP. During the review, Staff noted that the proper permits for the garage conversion were not issued. Staff conducted another site visit to verify the necessary permits and have been coordinating with the applicant on obtaining the permits.

GENERAL INFORMATION:

Current Zoning: SFU-2-B (Single-Family Urban)

Size and Location: The property is located at 1202 Drake Cove, including approximately 0.2 acres.

Surrounding Area: This property is located within the Woods at Mason Creek Subdivision, surrounded by other single-family residential uses.

Previous Zoning Cases: No zoning cases were previously submitted for this property:

PUBLIC NOTIFICATION:In addition to the notice mailed on behalf of the City to all property owners within 200', the agent is required to reach out to all property owners of property zoned as single-family or any properties used as single-family uses within 500' as per Article X, Section 3 (d) of the Composite Zoning Ordinance. Any Homeowner's Association located within 500' are also required to be contacted.

The residents within 500' were notified by a hand-delivered letter on January 19, 2026. Those who were not available were mailed a letter on February 2, 2026. In addition, the Magnolia HOA was also notified. No comments/concerns were discussed during the outreach.

Please see the full report from the applicant attached as Exhibit 7.

Also, for more information pertaining to public input, please see attached minutes from the April 23rd Planning and Zoning meeting.

HISTORY/TIMELINE:

- 08/26/2025 – Code Enforcement Case Opened
- 10/06/2025 – Pre-Development Meeting
- 02/12/2026 – SUP Application Filed
- 04/16/2026 – Daycare Workshop with City Council
- 04/23/2026 – Planning & Zoning, 1st Public Hearing

APPLICANT/AGENT:

Ashanthi Perera

RECOMMENDATION:

As part of the evaluation of this request, the City Council has the following options:

1. Approve the proposed Special Use Permit with a six (6) month time limit;
2. Deny the proposed Special Use Permit; or
3. Approve an alternative request that may include modifications to the parking requirements or time limit.

Staff recommends Option 2 listed above – deny the proposed Special Use Permit. Staff made this recommendation based on the lack of parking spaces available for the residential home and day care use. This proposed use is more intense and changes the neighborhood character through converting the garage and not accommodating parking on site.

During the meeting of April 23, 2026, the Planning & Zoning Commission recommended that no action not be taken on the case until amendments to the City's in-home day care standards were considered and approved which could establish new standards that may impact this site.

PRESENTER:

Robin M. Griffin, AICP, Executive Director of Development Services

Attachments:

1. Z-26-0210 Att 1 Letter of Intent - 1202 Drake Cove
2. Z-26-0210 Att 2 Current Zoning - 1202 Drake Cv SUP
3. Z-26-0210 Att 3 FLU Map - 1202 Drake Cv SUP
4. Z-26-0210 Att 4 Public Notification - 1202 Drake Cv SUP
5. Z-26-0210 Att 5 Aerial Map - 1202 Drake Cv SUP
6. Z-26-0210 Att 6 Utilities Map - 1202 Drake Cv SUP
7. Z-26-0210 Att 7 Neighborhood Outreach - 1202 Drake Cove
8. Z-26-0210 Att 8 Ordinance - 1202 Drake Cove
9. Z-26-0210 Att 9 P & Z Minutes 4-23-2026

Ref# Z-26-210
Ashanthi Perera
1202 Drake Cove
Leander, TX 78641
512-966-5522
Date: 03/02/2026

To Whom It May Concern,

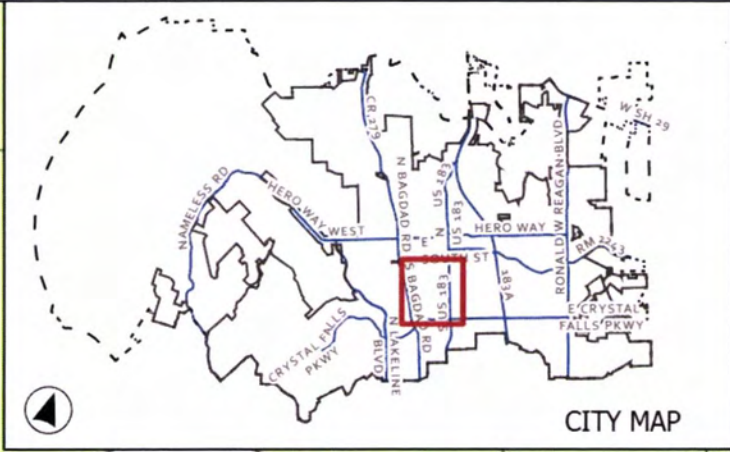
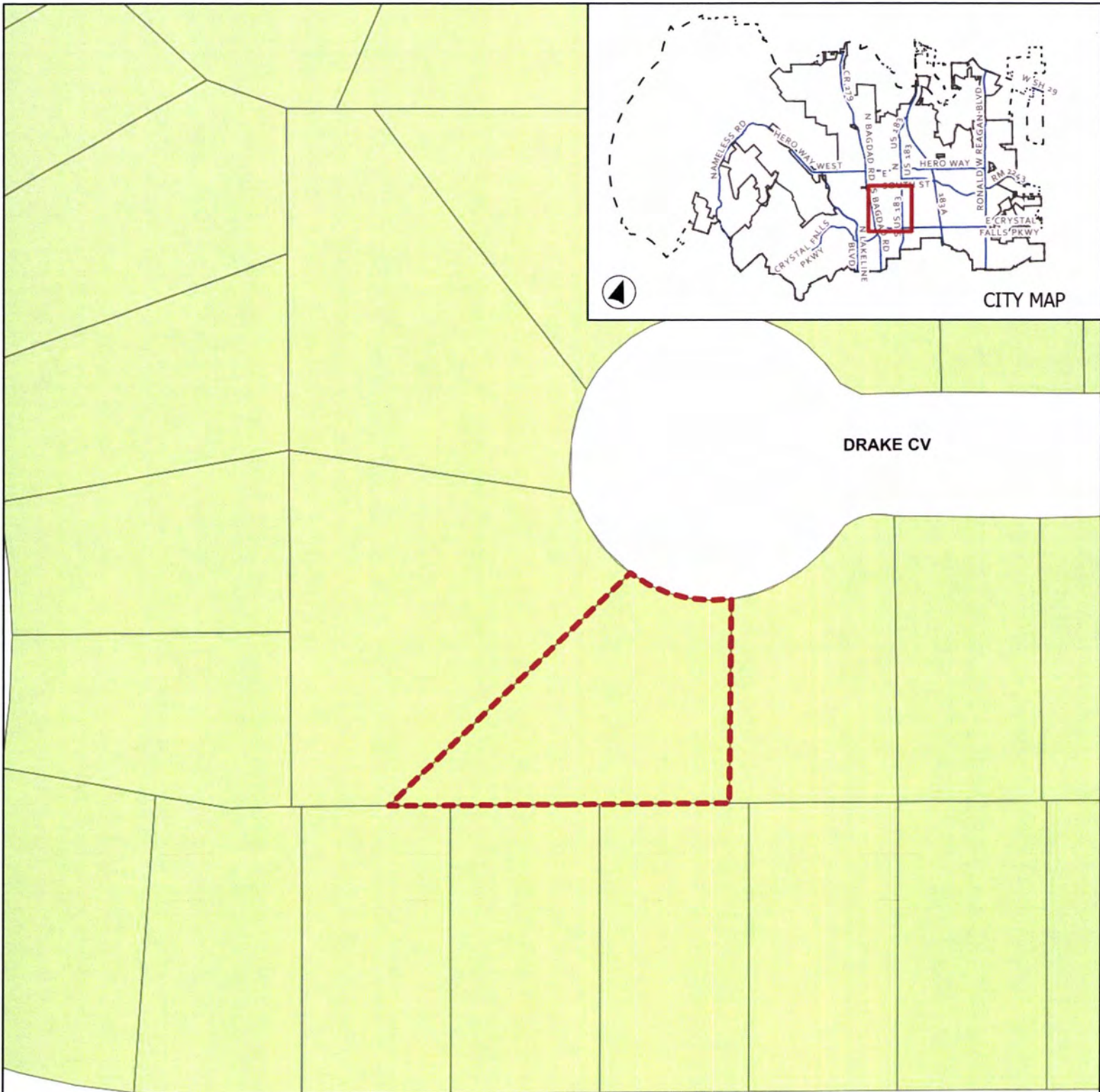
I am submitting this application to request a special use permit for the operation of a home-based daycare. The proposed daycare will serve up to 12 children, ages 3 to 5, on weekdays from 8:00 AM to 5:00 PM.

I am requesting approval for a period of 6 months with the intention that the permit be renewed. The garage was converted. The residential and daycare parking will be met through the parking spaces located on the driveway.

Qualifications and Ownership

I have been licensed with the state since 2008 and currently hold a Texas Rising Star certification from Workforce Solutions. In addition, I am the owner of the property at the address listed above.


Ashanthi Perera



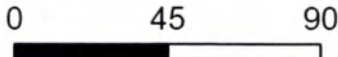
ALSATIAN LN

CASE: Z-26-0210

ATTACHMENT 2

1202 DRAKE CV
HOME DAYCARE

Current Zoning

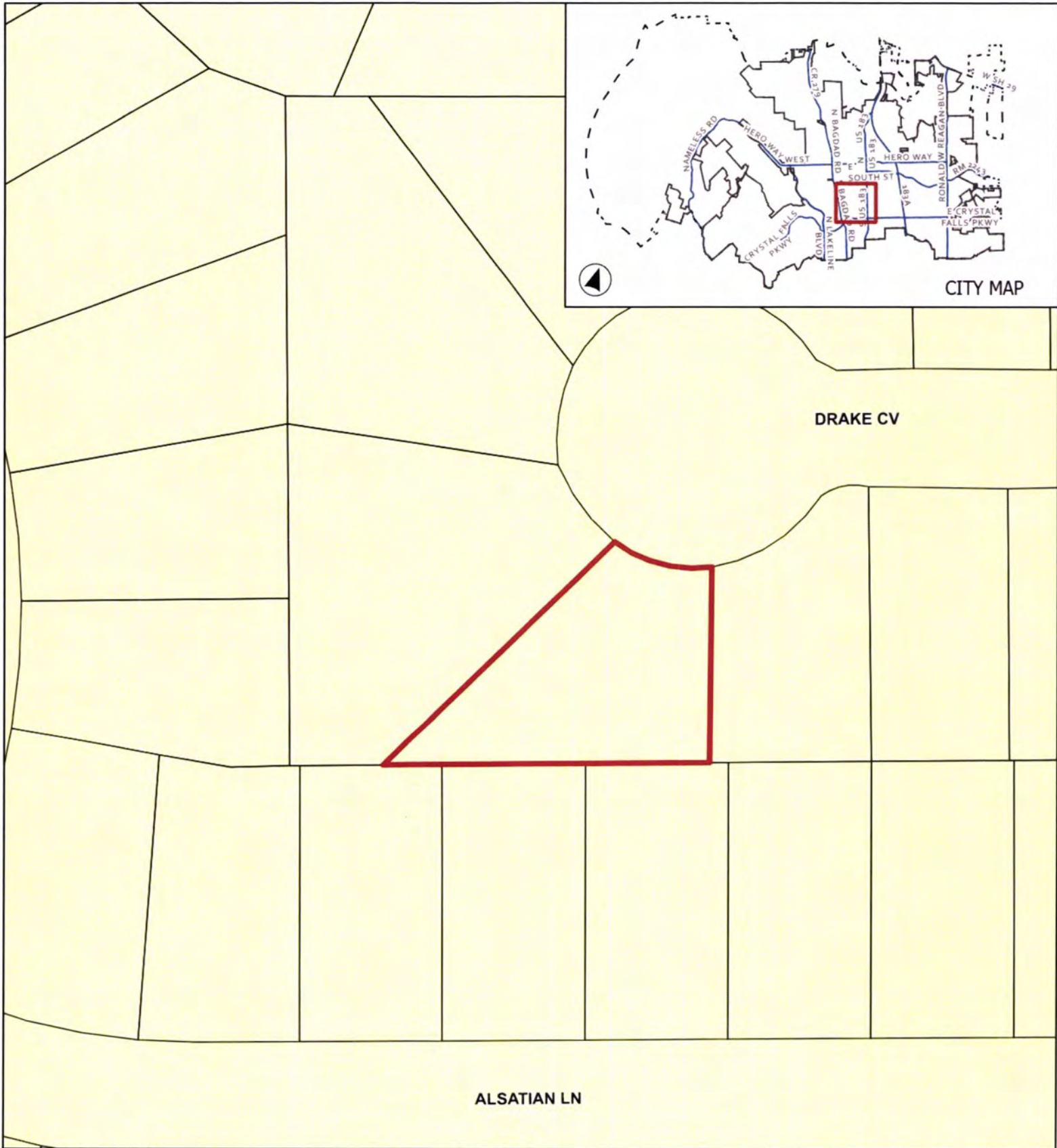


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- City Limits
- ETJ
- Subject Boundary

Current Zoning

SFU - Single-Family Urban



CASE: Z-26-0210

ATTACHMENT 3

**1202 DRAKE CV
HOME DAYCARE**

Future Land Use Map

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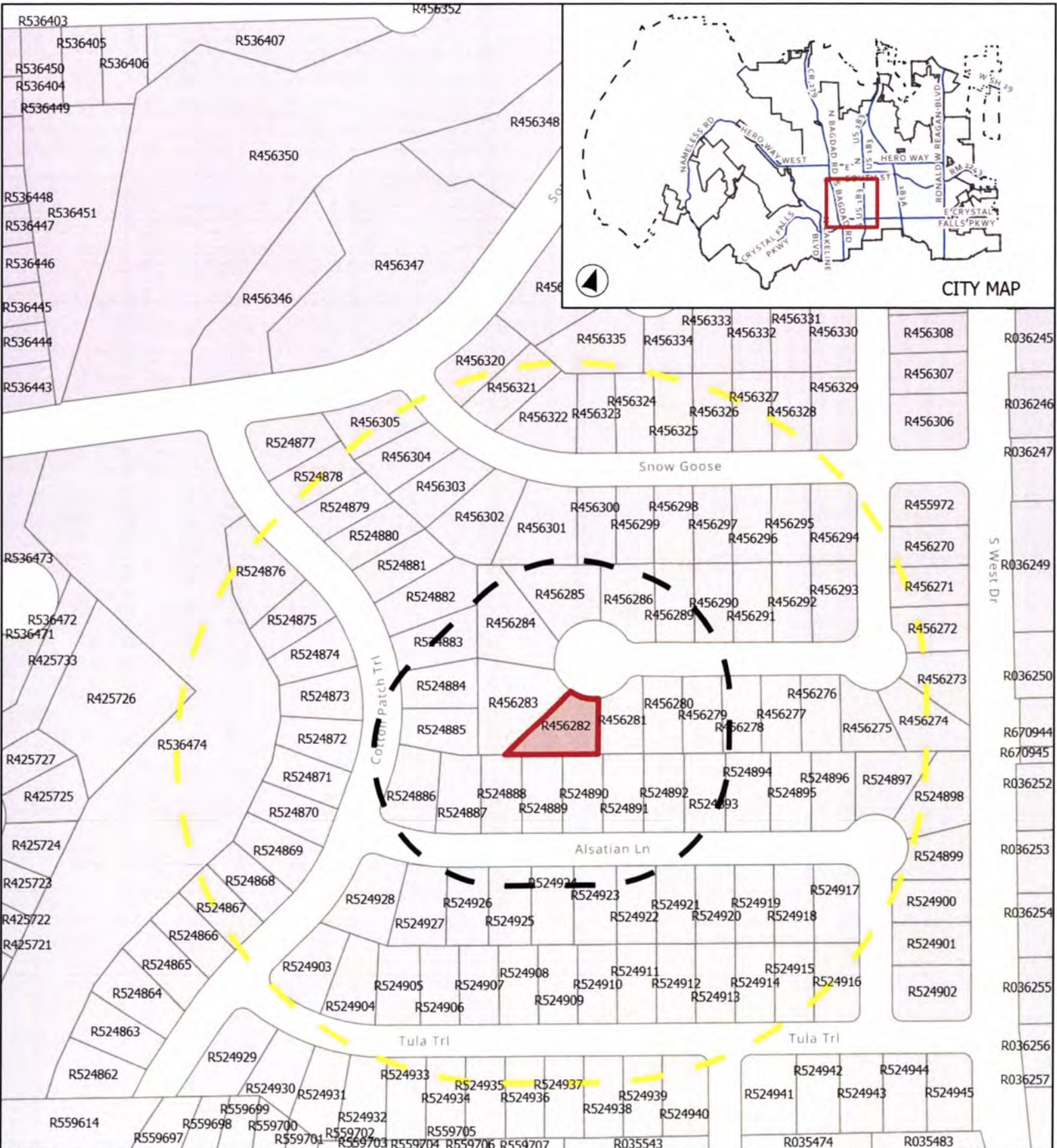


 ETJ Boundary

 Leander City Limits

 Subject Boundary

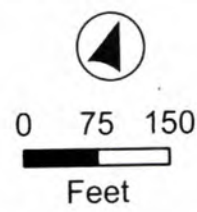
 Neighborhood Residential








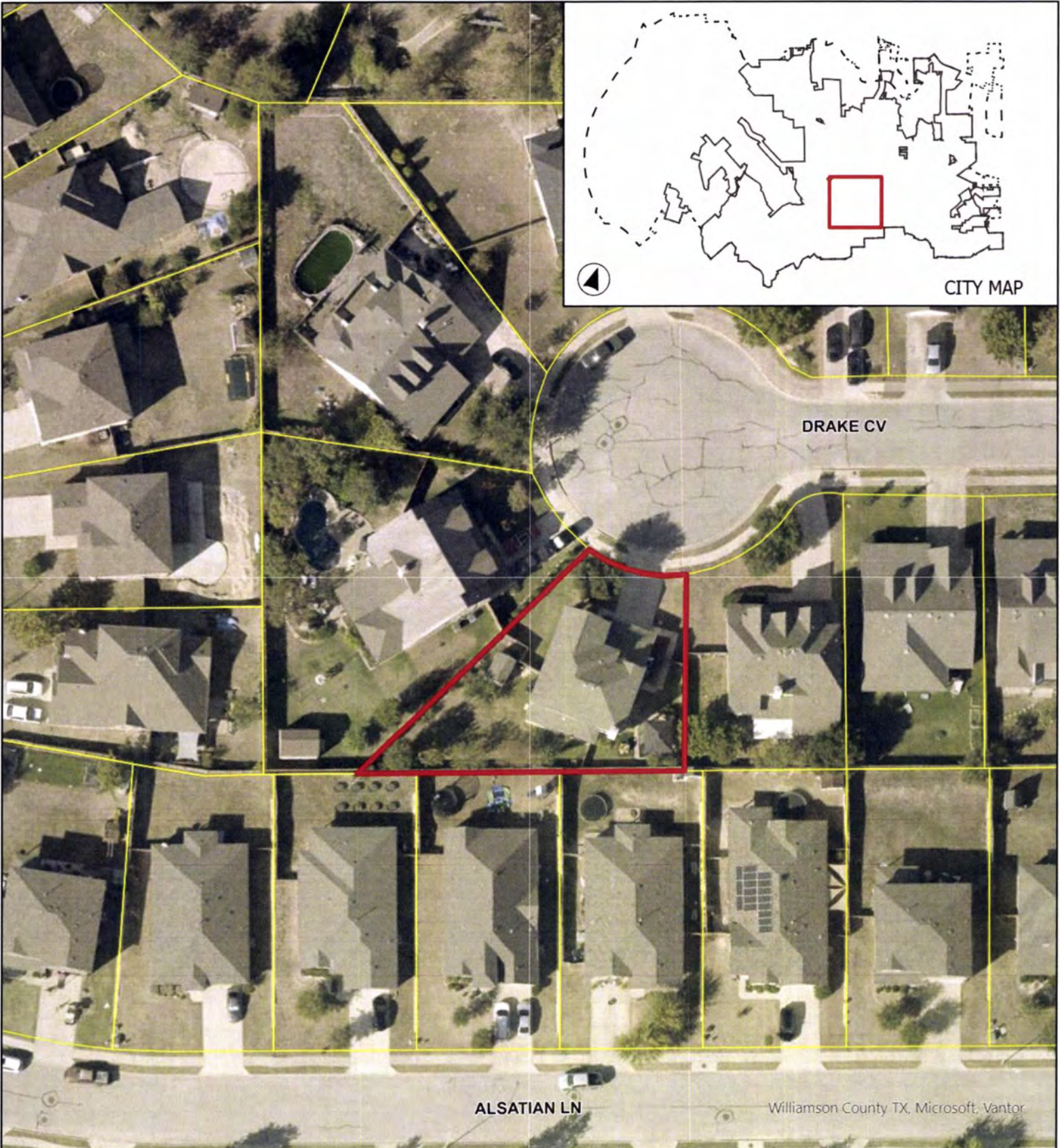
CASE: Z-26-0210 **ATTACHMENT 4** **1202 DRAKE CV HOME DAYCARE**

Public Notification

This map has been produced by the City of Leander for informational purposes only. No warranty is made by the City regarding completeness or accuracy. This data should not be construed as a legal description or survey instrument. No responsibility is assumed for damages or other liabilities due to the accuracy, availability, completeness, use or misuse of the information herein provided.



-  City Limits
-  ETJ
-  Subject Boundary
- Buffer**
-  200
-  500



CASE: Z-26-0210

ATTACHMENT 5

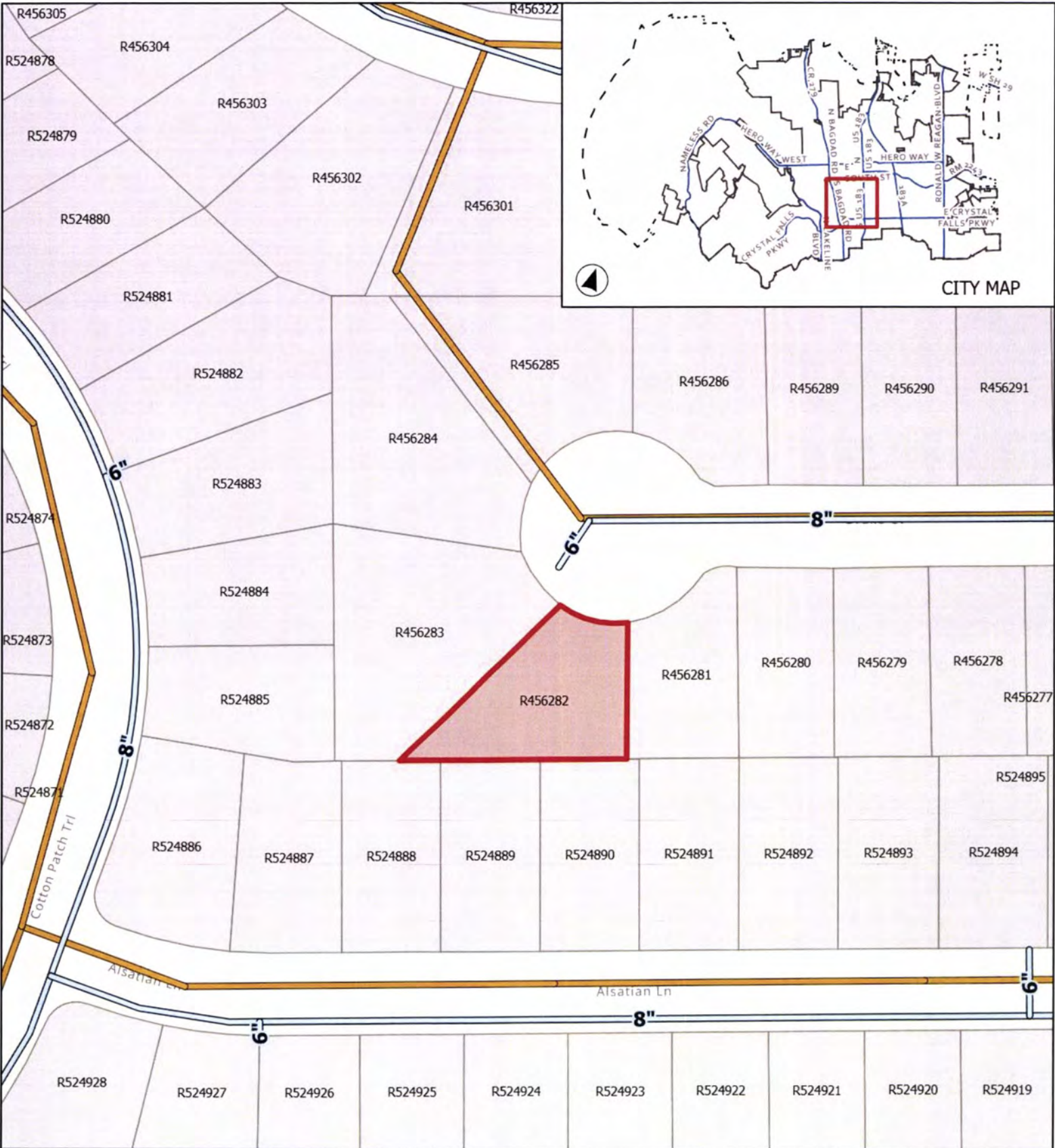
1202 DRAKE CV HOME DAYCARE

Aerial Map

This map has been produced by the City of Leander for informational purposes only. No warranty is made by the City regarding completeness or accuracy. This data should not be construed as a legal description or survey instrument. No responsibility is assumed for damages or other liabilities due to the accuracy, availability, completeness, use or misuse of the information herein provided.



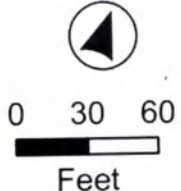
- Leander City Limits
- Williamson County Parcels
- Subject Boundary



CASE: Z-26-0210 ATTACHMENT 6 1202 DRAKE CV HOME DAYCARE

Utilities Map

This map has been produced by the City of Leander for informational purposes only. No warranty is made by the City regarding completeness or accuracy. This data should not be construed as a legal description or survey instrument. No responsibility is assumed for damages or other liabilities due to the accuracy, availability, completeness, use or misuse of the information herein provided.



- City Limits
- ETJ
- Subject Boundary
- Waste Water Line
- Water Main Line

APPLICANT'S SUMMARY OF NEIGHBORHOOD COMMUNICATIONS

- 1. How and when were the surrounding neighborhood and residential property owners within 500' notified, how was information shared, and who was directly involved in the communication process? Please provide the address of the properties notified and the name and contact information of the residents directly involved in the communication process. Attach any materials that were distributed.

In person hand delivered on the 19th of January 2026. And by mail the rest of the addresses on February 2nd 2026.

- 2. Who was notified (i.e. property owners, HOA, etc)? The HOA and/or a representative if there is no organized HOA must be contacted, if applicable. Provide a separate sheet listing the contact information used including the names and addresses of the individuals.

Magnolia Homeowners Association, 1812 Creek drive, Suite 350 Austin TX78754

Please see attached list of all property owners within 500ft who were notified.

- 3. What concerns were raised during these communications?

None at this time.

- 4. What specific conditions were added to or modified within the zoning request in response to the concerns raised at the meeting?

None at this time.

The above information is deemed to be true to the best of my knowledge.

Signature: *A. Perera* Date 02/02/2026
Ashanthi Perera

January 11, 2026

Hello Neighbors,

I like to introduce myself. My name is Ashanthi Perera, I live at 1202 Drake Cove.

I currently have a home-based daycare for children between the ages of 3-5 years of age on weekdays between the hours of 8AM – 5PM.

I'm licensed with the State of Texas since 2008 and hold a Texas Rising Star certification from Workforce Solutions.

Recently I was asked to get a special use permit from the city, and in order to so I need to write to inform the community.

Please email me for questions or concerns to Ashanthi.rperera@gmail.com

Thank you

Ashanthi Perera

AN ORDINANCE OF THE CITY OF LEANDER, TEXAS

ORDINANCE NO.

AN ORDINANCE OF THE CITY OF LEANDER, TEXAS, AMENDING THE ZONING ORDINANCE BY APPROVING THE 1202 DRAKE COVE (DEW DROPS MONTESSORI PRESCHOOL) SPECIAL USE PERMIT TO ALLOW FOR IN HOME DAY CARE WITH UP TO 12 CHILDREN AND A GARAGE CONVERSION; MAKING FINDINGS OF FACT; AND PROVIDING FOR RELATED MATTERS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the owner of the property described herein after (the "Property") has requested that the Property be rezoned;

WHEREAS, after giving at least ten (10) days written notice to the owners of land within two hundred (200') feet of the Property, the Planning & Zoning Commission held a public hearing on the proposed rezoning and forwarded its recommendation on the rezoning to the City Council;

WHEREAS, after publishing notice of the public hearing at least fifteen (15) days prior to the date of such hearing, the City Council at a public hearing has reviewed the request and the circumstances of the Property and finds that a substantial change in circumstances of the Property, sufficient to warrant a change in the zoning of the Property, has transpired;

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

SECTION 1. Findings. The foregoing recitals are hereby found to be true and correct and are hereby adopted by the City Council and made a part hereof for all purposes as findings of fact.

SECTION 2. Amendment of Zoning Ordinance. Ordinance No. 05-018-00, as amended, the City of Leander Composite Zoning Ordinance (the "Zoning Ordinance" or "Code"), is hereby modified and amended by rezoning the Property as set forth in Section 3.

SECTION 3. Applicability. This ordinance applies to the following parcel of land, which is herein referred to as the "Property". That certain parcel of land being including 0.2 acres ±; being more particularly described in Exhibit "A"; more commonly known as 1202 Drake Cove; identified by Williamson Central Appraisal District tax identification number R456282; more particularly described in Instrument Number 2018077276; recorded in the Official Public Records of Williamson County, Texas.

SECTION 4. Property Rezoned. The Special Use Permit is hereby approved to allow in home day care with up to 12 children and a garage conversion. The term of this permit shall be limited to a time frame of six (6) months. At the end of this term, the applicant has the ability to request an extension.

SECTION 5. Recording Zoning Change. The City Council directs the Planning Department to record this zoning classification on the City's official zoning map with the official notation as prescribed by the City's zoning ordinance.

SECTION 6. Severability. Should any section or part of this ordinance be held unconstitutional, illegal, or invalid, or the application to any person or circumstance for any reasons thereof ineffective or inapplicable, such unconstitutionality, illegality, invalidity, or ineffectiveness of such section or part shall in no way affect, impair or invalidate the remaining portion or portions thereof; but as to such remaining portion or portions, the same shall be and remain in full force and effect and to this end the provisions of this ordinance are declared to be severable.

SECTION 7. Open Meetings. That 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, Chapt. 551, Loc. Gov't. Code.

PASSED AND APPROVED on First Reading this the 4th day of June, 2026.

FINALLY PASSED AND APPROVED on this the 18th day of June, 2026.

ATTEST:

THE CITY OF LEANDER, TEXAS:

Dara Crabtree, City Secretary

Na'Cole Thompson, Mayor



**MINUTES
PLANNING & ZONING COMMISSION MEETING
CITY OF LEANDER, TEXAS**

Pat Bryson Municipal Hall
201 North Brushy Street - Leander, Texas
Thursday, April 23, 2026
Regular Meeting at 6:00 PM



Place 1 – Donnie Mahan, Chair
Place 2 – Joseph Morales
Place 3 – Karen Lewis
Place 4 – Jay Coats

Place 5 – James Oliver
Place 6 – Laura Lantrip, Vice-Chair
Place 7 – Tyler Bray
Staff Liaison – Robin Griffin

REGULAR MEETING

1. Call to Order.
Meeting was called to order at 6:00 p.m.
2. Roll Call.
All commissioners were present except Commissioner Jay Coats.
3. Director's report to the Planning & Zoning Commission on action taken by City Council on the April 16, 2026 meeting.
4. Review of meeting protocol.
5. Public comments on items not listed in the agenda.

Public comments on items listed in the agenda will be heard at the time each item is discussed.

[All comments are limited to no more than 3 minutes (6 minutes if translation is needed) per individual.]

No one wished to speak.

CONSENT AGENDA: ACTION

Motion to approve consent agenda item 6.

By: Board Member Oliver
Seconded: Board Member Lantrip

Vote: 6 - 0

6. Approval of the minutes for meeting held on April 9, 2026.

PUBLIC HEARING: ACTION

7. Conduct a Public Hearing regarding Special Use Case Z-26-0210 to consider action on a Special Use Permit to allow for an in-home day care with up to 12 children on one parcel of land 0.2 acres ± in size,

more particularly described by Williamson Central Appraisal District Parcel R456282; and more commonly known as 1202 Drake Cove, Leander, Williamson County, Texas.

- Discuss and consider action regarding Zoning Case Z-26-0210 as described above.

Public Hearing opened at 6:08 p.m.; Public Hearing closed at 6:55 p.m.; following discussion.

THE FOLLOWING SPOKE IN FAVOR OF THE REQUEST:

Jaganath Dhanasekaran, 320 Windward Vw, Leander, Texas 78641
Michael Dennis, 4517 Trinity Woods St., Leander, Texas 78641
Carson Horwitt, 2109 Rosin Jaw Walk, Leander, Texas 78641
Dan Glushko, 624 Acuff Ln, Leander, Texas 78641
Theresa Miraflor, 644 Silver Creek Dr., Leander, Texas 78641
Jennifer Jones, 116 Talon Grasp Trail Apt 7102, Leander, Texas 78641
Gay Glick, 912 Mallard Lake Trl, Leander, Texas 78641
Naushir Maredia, 725 Eastuary Dr., Leander, Texas 78641
Marion Cichella, 600 Caballero Rd., Leander, Texas 78641
Mary Moreno, 520 Tula Trl, Leander, Texas 78641
Crystal Medina, 429 Alsatian Ln., Leander, Texas 78641
Chante Dennis, 4517 Trinity Woods, Leander, Texas 78641
Janice Joubert, 909 Tanglewood Drive, Leander, Texas 78641
Pappachan Renjith Ambarappilly, 937 Birchbrook Dr., Leander, Texas 78641
Vanessa Coffman, 1107 Drake Cove, Leander, Texas 78641
CJ Schmidt, 320 Tula Trl, Leander, Texas 78641

THE FOLLOWING SPOKE IN OPPOSITION OF THE REQUEST:

Travis Griffin, 1201 Canadian Cove, Leander, Texas 78641
Alan Peterson, 103 Vista Ave., Round Rock, Texas 78664 (represents the HOA)
Jeff Libersat, 317 Grace Ln, Ste 140, Austin, Texas 78746 (attorney for Magnolia HOA)
Michael Sullivan, 504 Tula Trl, Leander, Texas 78641
Wayne Nowell, 1204 Drake Cv, Leander, Texas 78641

SUBMITTED VIA WEBSITE IN FAVOR OF THE REQUEST:

Zaida Perez, 1201 Drake Cove, Leander, Texas 78641
Naushir Maredia, 725 Estuary Drive, Leander, Texas 78641
Josh Coffman, 1107 Drake Cove, Leander, Texas 78641

SUBMITTED VIA WEBSITE IN OPPOSITION OF THE REQUEST:

Wayne Nowell, 1204 Drake Cv., Leander, Texas 78641

Motion to not take action on the case until the daycare ordinance is approved which will establish new standards that may impact this site.

By: Board Member Oliver
Seconded: Board Member Bray

Vote: 5 - 1 Board Member Morales

REGULAR AGENDA

8. Adjournment
Meeting adjourned at 7:30 p.m.

APPROVED

CHAIR

ATTEST:

STAFF LIAISON



EXECUTIVE SUMMARY
6/4/2026

AGENDA SUBJECT:

Conduct a Public Hearing for the purpose of receiving public comment on an Ordinance approving a Letter of Agreement with Pedernales Electric Cooperative, Inc., (PEC) to grant an extension to the franchise approved by Ordinance No. 19-032-00, which grants PEC certain powers, licenses, rights-of-way, privileges and franchise to construct, maintain, operate and use a transmission and distribution system in the City of Leander to provide electric utility service:

- Provide direction to City staff on an Ordinance approving a Letter of Agreement with PEC as described above, and
- Schedule formal action for the regular City Council meeting of July 2, 2026.

BACKGROUND:

Pedernales Electric Cooperative, Inc., (PEC) provides electric services in the City of Leander via a franchise agreement that expires in June 2026. The franchise agreement grants PEC the right to use and/or cross public right-of-way within the City limits to construct, maintain, operate, and use electric transmission and distribution systems. City parkland is not defined as public right-of-way and additional City approval is required for them to use parkland.

PEC currently pays a four percent (4%) franchise fee to the City for use of public rights of way and City property for the electric transmission and distribution system.

City staff have been reviewing a draft agreement presented to the City by PEC. This is a complex and multi-year agreement that requires additional time for City staff to review, discuss, and negotiate with PEC. Attached is an ordinance and letter agreement that, if approved, would extend the franchise agreement under its current terms for up to twelve months pending the approval of a new franchise agreement by the City Council and PEC.

PEC is reviewing the proposed amendment and their comments are imminent. Scheduling this item for formal action at the regular City Council agenda of July 2, 2026, should provide adequate time to receive PEC comments and finalize the terms for this extension.

HISTORY/TIMELINE:

APPLICANT/AGENT:

RECOMMENDATION:

City staff recommends that the City Council conduct a public hearing to receive public comment on an ordinance approving a letter of agreement with Pedernales Electric Cooperative, Inc., (PEC) to grant an extension to the franchise approved by Ordinance No. 19-032-00, which grants PEC certain powers, licenses, rights-of-way, privileges and franchise to construct, maintain, operate and use a transmission and distribution system in the City of Leander to provide electric utility service; provide direction to City staff; and schedule this item for formal consideration at the regular City Council meeting of July 2, 2026.

PRESENTER:

Edwin Revell, Assistant City Manager

Fiscal Impact

Attachments:

1. PEC Franchise Ordinance Extension and Exhibit

AN ORDINANCE OF THE CITY OF LEANDER, TEXAS

ORDINANCE NO.

AN ORDINANCE APPROVING A LETTER AGREEMENT WITH THE THE PEDERNALES ELECTRIC COOPERATIVE, INC., EXTENDING THE TERM OF THE FRANCHISE GRANTED BY ORDINANCE NO. 19-032-00 BY THE EARLIER TO OCCUR OF TWELVE MONTHS OR THE DATE A NEW FRANCHISE AGREEMENT IS ADOPTED

WHEREAS, the City of Leander, Texas, and Pedernales Electric Cooperative, Inc. are parties to that certain franchise agreement adopted by Ordinance 19-032-00 on June 6, 2019 (the "Franchise Agreement");

WHEREAS, the Franchise Agreement expires on June 5, 2026;

WHEREAS, the City and PEC desire to extend the term of the current Franchise Agreement by of the earlier to occur of twelve months from the date of the Letter Agreement attached hereto as **Exhibit "A"** and incorporated herein for all purpose or the date a new Franchise Agreement is adopted by the City and approved by PEC; and

WHEREAS, this Ordinance was adopted on the second reading after a public hearing, notice of which was published in the newspaper at least ten days before the date of the public hearing in accordance with the City Charter;

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LEANDER:

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

Section 2. Letter Agreement Approved. The City Council hereby approves and authorizes the Mayor to sign a Letter Agreement in a form substantially similar to that attached hereto as **Exhibit "A"**.

Section 3. Effective Date. This ordinance shall take effect immediately from and after its passage in accordance with the provisions of the Tex. Loc. Gov't. Code and the City Charter.

Section 4. 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.

PASSED AND APPROVED on first reading on this 4th day of June, 2026.

PASSED AND FINALLY APPROVED on second reading on this the 18th day of June, 2026

ATTEST:

THE CITY OF LEANDER

Dara Crabtree, City Secretary

Na'Cole Thompson, Mayor

Exhibit "A"

June _____, 2026

Mayor Na’Cole Thompson
City of Leander
P.O. Box 319
Leander, Texas 78646

Dear Honorable Mayor Thompson:

The existing franchise agreement between the City of Leander (“City”) and Pedernales Electric Cooperative, Inc. (“PEC”) adopted by Ordinance 19-032-00 on June 6, 2019 will expire on June 5, 2026.

This letter agreement between the City of Leander and PEC reflects the parties’ mutual agreement to continue to be governed by and adhere to the terms of the existing franchise as renewed and extended between the City of Leander and PEC.

PEC and the City wish to extend the terms of the franchise agreement between PEC and the City, as though same had never terminated or expired and to extend the terms of the agreement until the earlier to occur of twelve months from the date of this letter or the date a new Franchise Agreement is adopted by the City and approved by PEC.

Please indicate acceptance by your signature below on the two originals included. Retain one of the originals for your records and return the other executed original to me.

If you have any questions concerning the template please contact me at (830) 868-6036 or aisha.hagen@peci.com.

Sincerely,

Aisha Nawaz Hagen
Senior Associate General Counsel

Accepted:
Pedernales Electric Cooperative, Inc.

Accepted:
City of Leander, Texas

By: _____
Pedernales Electric Cooperation, Inc.
Chief Executive Officer

By: _____
Na’Cole Thompson
Mayor



EXECUTIVE SUMMARY
6/4/2026

AGENDA SUBJECT:

Discuss and consider action on a Resolution authorizing the submission of a Staffing for Adequate Fire and Emergency Response (SAFER) Grant through the United States Department of Homeland Security and Federal Emergency Management Agency (FEMA) to fund the hiring of 15 new firefighter positions; providing for the cost-sharing, if awarded, of 25% of the actual cost in the first and second year and 65% in the third year of the grant; and authorize the City Manager to execute any and all necessary documents.

BACKGROUND:

The City of Leander's Fire Department is pursuing funding for 15 additional firefighter positions from the SAFER grant program, which stands for "Staffing for Adequate Fire and Emergency Response." The SAFER grant provides funding directly to fire departments to help them increase or maintain the number of trained, "front line" firefighters available in their communities. The SAFER Program is separated into two (2) activities: Hiring of Firefighters (Hiring) Activity, and Recruitment and Retention (R&R) Activity. There is a total of \$324 million available under the SAFER grant program, which includes funds appropriated as part of the Fiscal Year 2025 Department of Homeland Security (DHS) Appropriations Act. In 2018, the City of Leander Fire Department pursued funding and received \$1,408,502.00 from the SAFER grant to hire additional firefighters.

Staff has engaged our grant consultants to assist in preparing the grant application, which is due June 22, 2026. There is no maximum award amount for the SAFER grant. The grant requires a cost share where recipients must contribute 25% of the actual costs incurred in each of the first and second years of the grant, and 65% of the actual costs incurred in the third year of the grant. In the first and second years of the grant, the amount of federal funding may not exceed 75% of the usual annual cost of a first-year firefighter in that department at the time the grant application was submitted; and in the third year of the grant the amount of federal funding may not exceed 35% of the usual annual cost of a first-year firefighter in that department.

The addition of twelve full-time firefighter positions will allow the department to add a dedicated response unit that will serve the rapidly growing commercial and residential area in the northeast portion of the City. City staff estimate that this area currently has 12,000 residents with an estimated \$3.7 billion in property value, representing an economically and demographically dynamic sector of the City that is already at the far end of the Insurance Services Office (ISO) distance requirements for fire departments. Based on historical data, this proposed unit would have responded to approximately 300 emergencies within that area over the last year in addition to responding to an additional 250 emergencies that occurred in adjacent areas — a clear indication of the critical need for enhanced fire protection and emergency medical services fire response. The proposed staffing expansion will improve response times in that area and significantly elevate operational readiness, firefighter safety, and community resilience.

The new response unit would be a "floating" unit that would be stationed as needed in its primary service sector. However, the unit could be relocated to provide support for other areas as needed to address development activity, special events, weather conditions, and other factors. Station 4 would be the base of operations and would house the firefighters overnight. The unit would also be deployed using existing apparatus and equipment.

It is also the first step in staffing up for a sixth fire station.

Creation of this unit will also require the City to reclassify six (6) existing positions to provide for three (3) supervisors (Lieutenants or Captains) and three drivers - three (3) Firefighter positions reclassified to Lieutenant and/or Captain and three (3) Firefighter positions reclassified to Driver. This is a cost that would not be covered under the SAFER grant.

Estimated personnel costs of the grant positions are provided below:

Position	Year 1			Year 2			Year 3		
	Total Cost	Grant	City	Total Cost	Grant	City	Total Cost	Grant	City
Firefighter (15)	\$1,502,460	\$1,126,845	\$375,615	\$1,534,455	\$1,150,841	\$383,614	\$1,567,770	\$548,720	\$1,019,051
Driver (3)	\$ 37,890	\$ -	\$ 37,890	\$ 38,907	\$ -	\$ 38,907	\$ 39,837	\$ -	\$ 39,837
Captain (3)	\$ 105,762	\$ -	\$105,762	\$ 108,369	\$ -	\$108,369	\$ 111,048	\$ -	\$ 111,048
TOTAL	\$1,646,112	\$1,126,845	\$519,267	\$1,681,731	\$1,150,841	\$530,890	\$1,718,655	\$548,720	\$1,169,936

Award announcements will be made beginning on approximately September 14, 2026, and continuing thereafter until all FY 2025 SAFER Program grant awards are issued, but no later than September 30, 2026.

HISTORY/TIMELINE:

APPLICANT/AGENT:

RECOMMENDATION:

City staff recommends that the City Council approve a Resolution authorizing the submission of a Staffing for Adequate Fire and Emergency Response (SAFER) Grant through the United States Department of Homeland Security and Federal Emergency Management Agency (FEMA) to fund the hiring of 15 new firefighter positions; providing for the cost-sharing, if awarded, of 25% of the actual cost in the first and second year and 65% in the third year of the grant; and authorize the City Manager to execute any and all necessary documents.

PRESENTER:

Tony Anguiano, Fire Department Division Chief
Kent Souriyasak, Assistant to the City Manager/Innovation Coordinator

Fiscal Impact

Costs related to this grant will be programmed into FY 2027 for the first year and included in the City's long-term fiscal forecasts.

Attachments:

1. ILA Williamson County HazMat

INTERLOCAL AGREEMENT FOR COUNTYWIDE HAZARDOUS MATERIALS (HAZMAT) RESPONSE

THIS INTERLOCAL AGREEMENT FOR COUNTYWIDE HAZARDOUS MATERIALS (HAZMAT) RESPONSE ("Agreement") is entered into by and between the Williamson County, Texas ("County"), a political subdivision of the State of Texas, the CITY OF CEDAR PARK, TEXAS; the CITY OF GEORGETOWN, TEXAS; the CITY OF LEANDER, TEXAS; the CITY OF ROUND ROCK, TEXAS; and the CITY OF TAYLOR, TEXAS on behalf of the fire departments ("Cities"), each a home-rule municipal corporation, and the Emergency Service District/s; EMERGENCY SERVICE DISTRICT NO. 3 ("ESD") located within the County's jurisdiction, hereinafter referred to collectively as the "Parties" or singularly as a "Party," whether or not capitalized. This Agreement is established to coordinate the response to hazardous materials (HazMat) incidents, define responsibilities, and enhance countywide emergency preparedness and response.

RECITALS

WHEREAS, the Cities and ESDs currently provide hazardous materials (HazMat) response services within their respective jurisdictions;

WHEREAS, the County owns and maintains HazMat equipment that is utilized by the Cities and ESDs and supports HazMat response operations;

WHEREAS, the Parties recognize the need for a coordinated and efficient countywide approach to HazMat materials response to ensure public safety and resource optimization;

WHEREAS, the Parties desire to enter into this Agreement to establish a framework for the shared use, maintenance, and management of HazMat resources, enhance interagency coordination, and improve response capabilities countywide;

WHEREAS, the authority for entering into this Agreement is found in the Interlocal Cooperation Act, Texas Government Code Chapter 791; and

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

TERMS

Article I – Purpose

The purpose of this Agreement is to establish a cooperative framework among the County, Cities, and ESDs for the efficient allocation, maintenance, management of HazMat resources, and ensuring compliance with local, state, and federal regulations. This Agreement seeks to enhance countywide preparedness and response by defining roles and responsibilities, fostering interagency coordination, standardizing training and operational procedures, and securing funding for necessary resources. By promoting a unified strategy, the Parties aim to improve tactical response capabilities, minimize duplication of efforts, and ensure public safety during hazardous materials incidents.

Article II – Responsibilities of the County

The County shall be responsible for:

- A. **Operational Support Role in HazMat Response:** Assisting the Cities and ESDs in their HazMat response efforts by providing subject matter expertise, research, and other responsive support as needed. Upon activation of a Party HazMat response, the County may, but is not required to, respond by providing coordination and support of the County's HazMat team, deployment of additional resources to respond to HazMat incidents within the requested area, ensuring a prompt and efficient mitigation strategy, and ensuring adherence to approved countywide standard operating procedures (SOPs), local, state and federal laws.
- B. **Equipment Provision and Maintenance:** Supplying and insuring HazMat response equipment and conducting primary maintenance, including oil changes, repairs, necessary replacements, and upgrades as required. The County shall promptly respond to any mechanical issues and requests for further maintenance as recommended by the Preventative Maintenance Checks which are conducted by equipment operators on each shift.
- C. **Records Management:** Maintaining all documents related to training, equipment maintenance, testing, and inspections, ensuring compliance with state and federal reporting requirements. The County shall provide maintenance logs to be utilized by the Parties.
- D. **Grant Management:** Applying for and managing grant funding for equipment procurement, training, and operational needs, including identifying new funding opportunities to enhance regional preparedness.
- E. **Inventory and Audits:** Conducting regular audits of equipment and ensuring proper inventory tracking, verifying that all resources remain in operational condition.
- F. **Emergency Operations Center (EOC) Support:** Providing logistical and operational support during HazMat incidents, ensuring a coordinated response with all stakeholders.
- G. **HazMat Clean-Up Contracts:** Managing and overseeing contracts with third-party vendors for hazardous materials clean-up and disposal, ensuring compliance with environmental regulations and cost-effectiveness.
- H. **Coordination with State and Federal Agencies:** Liaising with relevant state and federal agencies to facilitate regulatory compliance, technical assistance, and additional resources during large-scale HazMat incidents.
- I. **Fire Cost Recovery** – The County fire marshal's office shall either write a citation to the responsible party that caused the HazMat release following state and/or local code regulations, file criminal charges if warranted, and/or use a third-party billing company to recover response costs.
- J. **Self-Contained Breathing Apparatus (SCBA)** The County shall also be responsible for all annual testing and maintenance of County owned SCBA and respiratory equipment.

Article III – Responsibilities of the Cities and ESDs

The Cities and ESDs shall be responsible for:

- A. **Proper Care of HazMat Equipment:**
 - 1. *Preventative Maintenance Checks:* Conducting daily inspections, routine upkeep per manufactures recommendations, and accountability of HazMat equipment to ensure operational readiness. All daily inspections shall be conducted by a HazMat trained

operator and recorded in a maintenance log, which shall be provided to the County monthly. The maintenance log, supplied by the County, shall document that each equipment was checked/tested, the date and time of the inspection, and the name of the inspector. If mechanical issues or damage are discovered during a daily inspection, the Party in possession shall notify the County within twenty-four (24) hours, or immediately if it is a mission critical device or piece of equipment. Routine upkeep shall include a weekly driving test, fluid, emergency lights, and siren checks to ensure proper vehicle function. The Cities and ESDs are not authorized to make modifications, repair, removal, or upgrades without the County's written consent.

2. *Equipment Responsibility*: Ensuring that all employees using HazMat equipment and vehicles will comply with all applicable laws regarding its operation. HazMat vehicles shall only be operated by a trained and licensed operator per State law. The Party in possession of the HazMat equipment and/or vehicles shall cover the costs for repairs, due to damages beyond reasonable wear and tear caused by misuse or negligence, ensuring accountability for the proper handling of equipment.
 3. *Failure to Provide Proper Care of HazMat Equipment*: If a Party fails to perform the required preventative maintenance, adhere to equipment responsibility requirements, or causes damage beyond reasonable wear and tear without reimbursement of expenses, the County reserves the right to remove the affected equipment from that Party's use and possession and seek financial reimbursement. A Party shall be responsible for any lost equipment and/or damaged equipment due to negligence as determined by the County.
 4. *Annual SCBA and Respiratory Mask FIT Testing*: All Parties are responsible for their personnel for ensuring that every team member completes annual SCBA and respiratory mask FIT testing on Party and County owned equipment. Each Party is responsible for maintaining these records.
- B. **Tactical Response**: Providing 24/7 staffing of HazMat certified personnel and deployment of resources to respond to HazMat incidents within their respective jurisdictions, county, and Region, ensuring a prompt and efficient mitigation strategy, and ensuring adherence to approved countywide standard operating procedures (SOPs).
- C. **Crew Training**: Leading training and ensuring that personnel receive regular training on HazMat response procedures, equipment use, and safety protocols in accordance with federal and state regulations. All training certifications shall be provided to the County for records management.
- D. **Incident Documentation and Reporting**: Providing comprehensive reports on HazMat incidents, including response measures taken, resource utilization, and lessons learned to improve future preparedness. Documentation shall be reviewed by the Countywide HazMat Board and provided to the Williamson County Fire Marshals Office for records management. Each Party shall be responsible for ensuring the County Fire Marshals office has up to date contact information for personnel that are part of the County hazmat team.
- E. **Participation in Countywide Drills**: Engaging in biannual multi-jurisdictional training exercises, simulations and after-action reviews (AARs) to enhance inter-agency coordination and response effectiveness.

- F. **Records:** Each Party shall submit annually (September 1) to the Fire Marshal an approved/active HazMat Tech roster along with their annual fit test records, and a copy of their driver's license for approved driver/operators for the Counties hazmat truck operation.
- G. **County Public Safety Technology requirements.** All Parties and devices accessing the Williamson County Network, or data hosted by Williamson County, shall comply with Williamson County IT standards for identity, access controls, and security. These are available by contacting Williamson County Technology Services.

Article IV – Countywide HazMat Board

A. Formation:

- 1) The Countywide HazMat Board ("Board") is hereby established as the governing body responsible for approving SOPs relating to HazMat response.
- 2) The Board shall be composed of one representative, at the Chief Officer Level, appointed by each participating Party ("Board Representative").
- 3) Each Party shall notify the County Fire Marshal's office and all other Parties in writing of its appointed Board Representative within thirty (30) days of execution of this Agreement.

B. Duties: The Board shall:

- 1) Approve any operational and tactical SOPs for HazMat response.
- 2) Plan and coordinate responses to large-scale HazMat incidents across jurisdictions, ensuring a standardized approach.
- 3) Ensure and oversee consistency in training and certification standards across all responding agencies and facilitating mutual aid support.
- 4) Evaluate equipment needs and recommend purchases or upgrades.
- 5) Conduct after-action reviews and recommend improvements based on incident response evaluations, identifying best practices and areas for enhancement.
- 6) Establish communication protocols to ensure effective information-sharing during HazMat incidents.

C. Tactical Leadership Teams:

- 1) Each Board Representative shall appoint an additional representative, at the Company Officer Level, with appropriate expertise to serve on the tactical leadership team.
- 2) The tactical leadership team shall be responsible for drafting and revising SOPs for submission to the Board.
- 3) The tactical leadership team shall meet as needed to ensure efficient HazMat response coordination.

D. Meetings and Voting:

- 1) The Board shall convene quarterly to review progress, discuss policy recommendations, address any operational concerns, and evaluate regional preparedness.

- 2) The Board may convene special meetings as needed.
 - 3) Decisions, including the approval of SOPs, shall be made by a majority vote of the Board Representative.
- E. **Funding and Resources:** Each Party shall be responsible for its own costs related to participation in the Board and tactical leadership teams.
- F. Article V – Term and Termination
1. **Term:** This Agreement shall be in full force and effect as of the date of the last Party's execution below ("Effective Date") and shall continue till September 30, 2026. The Agreement will automatically renew for a one-year period on October 1st of each successive year ("Renewal Date"). A Party may choose not to renew the Agreement by providing written notice to the other Parties no later than thirty (30) days prior to the applicable Renewal Date. Upon termination, the nonrenewing Party shall return any County-owned equipment in its possession.
 2. **Termination:** Any Party may withdraw from this Agreement upon providing ninety (90) days' written notice to the other Parties. Upon termination, the withdrawing Party shall return any County-owned equipment in its possession.
 3. **Continuation of Services:** In the event of withdrawal by any Party, remaining Parties shall evaluate and adjust their resource allocations to ensure the continuity of HazMat response services. Likewise, if a Party chooses not to renew this Agreement, that decision shall have no effect on the validity and continuing applicability of this Agreement on the remaining parties.

Article VI – Liability

1. Each Party shall be responsible for its own acts and omissions in the performance of this Agreement. Each Party shall be responsible for any injuries or death to its employees while performing HazMat response services under this Agreement. A Party shall not be liable for benefits or any other compensation for injuries to or death of any other party's employees while performing HazMat response services under this Agreement.
2. This Agreement does not create any employment relationship between the Parties; each Party remains an independent entity responsible for its personnel and operations.
3. Specifically citing Texas Government Code Section 791.006(a-1), the Parties agree that, for purposes of determining civil liability for non-party claims, the act of any person or persons while providing HazMat response services, or in any other services provided in accordance with this Agreement, shall be the act of the Party performing such act. The payment of any and all civil or other liability, including liability on the basis of negligence, resulting from the furnishing of services under this Agreement is the responsibility of the individual Party performing such acts. This shall specifically include, but not be limited to, the payment of court costs, expenses, and attorney's fees resulting from any such claim or lawsuit.
4. Each Party's monetary obligations, if any, are for the performance of governmental functions or services and are payable only from the current revenues appropriated and available for the performance of those functions or services.
5. It is expressly understood and agreed that the entering into and execution of this Agreement does not waive, modify or alter, nor shall be deemed to waive, modify, or alter, any immunity or defense

that would otherwise be available to a Party against third-party claims arising from activities performed under this Agreement.

Article VII – Amendments and Modifications

This Agreement may be amended or modified upon mutual written agreement of all Parties. Proposed amendments shall be reviewed by the HazMat Board before implementation to ensure alignment with operational goals.

Article VIII – Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of Texas.

IN WITNESS WHEREOF, the undersigned representatives of the County, Cities, and ESDs execute this Agreement as of the Effective Date.

Williamson County

By: _____

Name: Steven Snell

Title: County Judge

Date:

Address: 710 S Main St

Georgetown, TX 78626

City of Cedar Park

By: _____

Name:

Title:

Date:

Address:

City of Georgetown

By: _____

Name:

Title:

Date:

Address:

City of Leander

By: _____

Name: Todd Parton

Title: City Manager

Date:

Address: 105 N Brushy St., Leander, TX 78641

City of Round Rock

By: _____

Name:

Title:

Date:

Address:

City of Taylor

By: _____

Name:

Title:

Date:

Address:

ESD NO. 3

By: _____

Name:

Title:

Date:

Address:



EXECUTIVE SUMMARY
6/4/2026

AGENDA SUBJECT:

Discuss and consider action on casting the City's votes on the ballot relating to Pedernales Electric Cooperative, Inc., 2026 Board of Directors Election; and authorize the City Secretary to cast the City's votes as determined by the City Council.

BACKGROUND:

The Pedernales Electric Cooperative, Inc., (PEC) Board of Directors 2026 Election has been called for Districts 2 and 3. Leander is in District 2 and directors serve three (3) year terms. Two (2) candidates are on the ballot, Elexis Grimes and Carlos St. James. Members seeking nomination for PEC director positions must maintain a primary residence in the PEC board district in which they seek election, receive continuous electric service for at least one (1) year, and obtain verifiable signatures from fifty (50) members who live within the nominee's board district or have a designated voting residence within that district.

Each PEC account holder receives one (1) vote and may vote online or by mail by June 12, 2026. The City of Leander has two (2) accounts, the primary account for our utilities at our city facilities and the second account for the streetlights. The City Council has the opportunity to cast two (2) separate votes in any of the following ways:

1. Cast the City Council two (2) votes for the same candidate,
2. Split the City Council two (2) votes by casting one (1) vote for each candidate, or
3. Choose not to vote in the election.

HISTORY/TIMELINE:

APPLICANT/AGENT:

RECOMMENDATION:

City staff recommends that the City Council authorize the City Secretary to cast the City's ballots as determined by the City Council.

PRESENTER:

Otis Williams, Chief Financial Officer

Fiscal Impact

Attachments:

1. Elexis Grimes Bio
2. Carlos St. James Bio



Elexis Grimes **Candidate for District 2 Director**

[View Candidate Questionnaire](#)

[View Conflict of Interest Form](#)

[View Code of Conduct Affirmation](#)

Elexis Grimes is a results-driven leader with more than 15 years of experience in operations, financial oversight, and public service. She is committed to continuing the strong tradition of fiscal responsibility and member-focused governance that PEC members expect and deserve.

Elexis currently serves in a Project Management leadership role at Aperture, LLC, where she oversees complex projects from planning through execution, ensuring they are delivered on time, within scope, and on budget. She coordinates cross-functional teams, manages timelines and resources, mitigates risk, and maintains clear communication with stakeholders to drive measurable results. Her work emphasizes accountability, efficiency, and strategic alignment with organizational goals.

Elexis and her husband, Lyle, have raised their two sons, Joshua and Caleb, in Cedar Park. As a family, they live by the motto of "servant leadership" as a principle that guides both her personal life and her approach to public service.

A Record of Fiscal Responsibility

Throughout her career, Elexis has prioritized transparency, cost control, and measurable outcomes:

- Develops and manages annual budgets aligned with long-term goals
- Improves operational efficiency while reducing unnecessary costs
- Establishes clear performance metrics to ensure accountability
- Negotiates vendor and service contracts to protect financial interests

She understands that every dollar at PEC belongs to its member-owners and must be safeguarded with diligence and integrity.

Proven Public Service Leadership

Elexis has extensive governance experience serving the Central Texas community:

- **Leander ISD Trustee (2018–2022):** Provided budget oversight, policy governance, superintendent evaluation, and long-term facilities planning
- **OneStar Foundation Board of Directors (2019–Present):** Serves as Public Policy Chair, helping guide advocacy priorities and strengthen nonprofit impact across Texas

- **Leander FFA Booster Club President:** Leads volunteer and fundraising efforts to support student agricultural programs, scholarships, and leadership development opportunities
- **Greater Leander FFA Vice President (2023-Present):** Supports regional coordination and community partnerships that expand resources and opportunities for FFA students across Leander ISD

In these roles, she worked collaboratively with stakeholders, ensured responsible allocation of public funds, and supported strategic initiatives that serve families and communities for the long term.

Commitment to PEC Members

Elexis believes PEC's mission is clear: deliver safe, reliable, and affordable electricity while maintaining strong governance and financial stewardship. She is committed to:

- Protecting member dollars
- Maintaining transparent and accountable board governance
- Supporting infrastructure planning for responsible growth
- Ensuring PEC remains financially strong for future generations

A Cedar Park resident and graduate of New Mexico State University with minors in Business Administration and Marketing, Elexis is deeply invested in the future of District 2 and the communities PEC serves.

Elexis Grimes is ready to continue the good work already underway and to ensure PEC remains strong, stable, and member-focused for years to come.



Carlos St. James
Candidate for District 2 Director

[View Candidate Questionnaire](#)

[View Conflict of Interest Form](#)

[View Code of Conduct Affirmation](#)

After more than a decade in Texas, I have found a permanent home in Leander. This is my community. My wife and I have raised two sons and three daughters here.

I've spent over two decades working in the electric power sector and know that the overall cost of electricity continues to drop – yet our electricity bills rise. I want to address that -- while also working to provide special rates for seniors and the veterans among our co-op members.

But this industry affects me in a very personal way too: the rising risk of blackouts has put one of my daughter's life at risk: she was born with special physical needs, which means she needs emergency medical equipment at hand that requires electricity at all times, and she needs medicine that must remain refrigerated. This is something that affects not just our family but thousands across Texas.

My leadership roles in energy-related institutions include:

- In Texas I joined the board of the **Texas Renewable Energy Industries Association** and quickly got to work on merging the institution with **CleanTX**, creating a single solid institution;
- In partnership with Bill Richardson, a past U.S. Secretary of Energy, and the heads of some of the largest oil & gas companies in the Middle East, established the **Middle East-Americas Energy Council** to help promote greater energy investment from that region;
- Co-founder of the **Argentine Renewable Energies Chamber**, which in partnership with the local government and U.S. embassy helped establish policies that attracted foreign investment in energy;
- Board member of the Washington-based **Latin American & Caribbean Council on Renewable Energy**, promoting U.S. investment in the hemisphere

Regarding community-related work, I can add this:

- was a member of **Leander's Parks and Recreation Committee** in 2022-2024,
- also member of its **Economic Development Committee** (2023-2025)
- was a member of Leander's quinquennial **Charter Review Commission** (2023)
- along the way I established a 501(c)(3) non-profit called the **Leander Foundation**
- I also established **Keep Leander Beautiful**, an affiliate of Keep Texas Beautiful

I'd love to be a part of the team that addresses the issues at Pedernales Electric Co-op and seek a seat on the board.



EXECUTIVE SUMMARY
6/4/2026

AGENDA SUBJECT:

Discuss and consider the appointment of a Council Director and a Citizen Director to the Board of Directors of the Brushy Creek Regional Utility Authority (BCRUA) for terms that are set to expire on June 30, 2026.

BACKGROUND:

The Bylaws of the Brushy Creek Regional Utility Authority (BCRUA), approved by the City Council on April 26, 2026, provide that the term of office of all BCRUA Directors is two (2) years. And, further states in Article II, Board of Directors, Section 2.03(b), Term of Directors the terms of the Directors who hold office on the date these Bylaws are amended shall expire on June 30, 2026. This is a one-time resetting of the clock for all Directors, so all Directors in each City term will expire on the same date going forward.

The Council Director must be the Mayor or a member of the City Council, while the Citizen Director may be the Mayor, a member of the City Council, a City staff member, a resident of the City, or a water customer of the City. Currently, Mayor Na'Cole Thompson serves as the Council Director and Richard Schaffner as the Citizen Director.

HISTORY/TIMELINE:

APPLICANT/AGENT:

RECOMMENDATION:

City staff recommends that the City Council appoint a Council Director and Citizen Director to the Board of Directors of the Brushy Creek Regional Utility Authority (BCRUA) for terms that are set to expire on June 30, 2026.

PRESENTER:

Gina Ellison, Executive Director of Public Works

Fiscal Impact

Attachments:

1. BCRUA Amended and Restated Master Agreement and Bylaws- 04.08.2026

**AMENDED AND RESTATED MASTER CONTRACT
FOR THE
FINANCING, CONSTRUCTION AND OPERATION
OF THE
BRUSHY CREEK REGIONAL UTILITY AUTHORITY
WATER TREATMENT
AND DISTRIBUTION SYSTEM**

Among

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC,

CITY OF CEDAR PARK

CITY OF LEANDER

AND

CITY OF ROUND ROCK

Dated: April 23, 2025

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**AMENDED AND RESTATED MASTER CONTRACT
FOR THE FINANCING, CONSTRUCTION AND OPERATION
OF THE BCRUA REGIONAL WATER TREATMENT
AND DISTRIBUTION SYSTEM**

THIS AMENDED AND RESTATED MASTER CONTRACT FOR THE FINANCING, CONSTRUCTION AND OPERATION OF THE BCRUA REGIONAL WATER TREATMENT AND DISTRIBUTION SYSTEM (the “Contract”) is dated and entered into as of the 23rd day of April, 2025, by and among the Brushy Creek Regional Utility Authority, Inc. (“BCRUA”), a non-profit corporation of the State of Texas (the “State”), created and existing under the laws of the State, including Subchapter D of Chapter 431 as amended, Texas Transportation Code, and the City of Cedar Park, Texas (“Cedar Park”), the City of Leander, Texas (“Leander”), and the City of Round Rock, Texas (“Round Rock”) all home-rule municipalities and political subdivisions of the State (individually, the “City”; collectively, the “Cities”). The BCRUA and the Cities are collectively referred to herein as the “Parties.”

RECITALS

WHEREAS, Subchapter D of Chapter 431 of the Texas Transportation Code, as amended (the “Act”) authorizes municipalities to create one or more local government corporations to accomplish any governmental purpose of the Cities including to plan, finance, construct, own, operate, and/or maintain facilities necessary for the conservation, storage, transportation, treatment, and/or distribution of raw and treated water, including a plant site, right-of-way, and property, equipment, and/or right of any kind useful in connection with the conservation, storage, transportation, treatment, and/or distribution of raw and treated water that will ultimately provide a potable water supply to meet future water demands of the Cities based on current population projections and estimates (said facilities herein referred to as the “System”); and

WHEREAS, the City Councils of Cedar Park, Leander, and Round Rock, respectively (collectively, the “Governing Bodies”), have authorized and approved the creation of the BCRUA as their constituted authority and instrumentality to accomplish the specific public purpose to plan, finance, construct, operate, or maintain facilities necessary for the conservation, storage, transportation, treatment, or distribution of raw and treated water, including plant sites, rights-of-way, and property, equipment, or rights of any kind useful in connection with the conservation, storage, transportation, treatment, or distribution of raw and treated water, pursuant to the provisions of the Act and other applicable law, including Section 791.026 Texas Government Code, as amended; and

WHEREAS, the Cities and the BCRUA recognize that the construction of the System will occur in phases that will occur over time and will depend on future growth and environmental conditions that are uncertain today; and

WHEREAS, the Cities and the BCRUA have previously entered into the MASTER CONTRACT FOR THE FINANCING, CONSTRUCTION AND OPERATION OF THE BCRUA REGIONAL WATER TREATMENT AND DISTRIBUTION PROJECT (the 2008 Master Contract”), which was dated and entered into as of the 24th day of September, 2008, and

WHEREAS, on the 22nd day of January, 2009 the Parties entered into that one certain First Amendment to the Master Contract for the Financing, Construction and Operation of the BCRUA Regional Water Treatment and Distribution Project (“First Amendment”) to postpone the date on which the BCRUA Project is to be operational from April 1, 2011 to April 1, 2012; and

WHEREAS, on the 20th day of October, 2010 the Parties entered into that one certain Second Amendment to the Master Contract for the Financing, Construction and Operation of the BCRUA Regional Water Treatment and Distribution Project (“Second Amendment”) to update the estimated costs shown in Exhibit D with actual cost numbers, as well as to revise estimated costs; and

WHEREAS, on the 22nd day of February, 2012 the Parties entered into that one certain Third Amendment to the Master Contract for the Financing, Construction and Operation of the BCRUA Regional Water Treatment and Distribution Project (“Third Amendment”) to delay substantial completion of the water treatment plant from April 2012 to June 2012; and

WHEREAS, on the 25th day of April, 2018 the Parties entered into that one certain Fourth Amendment to the Master Contract for the Financing, Construction and Operation of the BCRUA Regional Water Treatment and Distribution Project (“Fourth Amendment”) to expand the definition of “BCRUA Project” to include certain Phase II Regional System Components, as referenced in the Preliminary Engineering Report, and

WHEREAS, on the 22nd day of April, 2021 the Parties entered into that one certain Fifth Amendment to the Master Contract for the Financing, Construction and Operation of the BCRUA Regional Water Treatment and Distribution Project (“Fifth Amendment”) to expand the definition of “BCRUA Project” to include all Phase II Regional System Components, as referenced in the Preliminary Engineering Report, and to attach a new Exhibit D-1 to set out the estimated costs, the allocation of the costs among the Parties, and to set out the Parties respective reserved capacities in said Phase II components; and

WHEREAS, on the 5th day of November, 2021 the Parties entered into that one certain Sixth Amendment to the Master Contract for the Financing, Construction and Operation of the BCRUA Regional Water Treatment and Distribution Project (“Sixth Amendment”) to expand the definition of “BCRUA Project” to include new phases to be designated Phase IB, Phase IC, and Phase ID, and to attach a new Exhibit D-2 to set out the estimated costs, the allocation of the costs among the Cities, and to set out the Cities’ respective reserved capacities in said Phase IB, IC, and ID components; and

WHEREAS, the 27th day of March, 2024, the Parties entered into that one certain Seventh Amendment to the Master Contract for the Financing, Construction and Operation of the BCRUA Regional Water Treatment and Distribution (“Seventh Amendment”) to expand the definition of “BCRUA Project” to include a new phase to be designated Phase IIA, and to attach a new Exhibit D-3 to set out the estimated costs, the allocation of the costs among the Cities, and the Cities’ respective reserved capacities in said Phase IIA components; and

WHEREAS, the BCRUA and the Cities now agree that it is efficient and appropriate to amend and restate the 2008 Master Contract by approving this Contract to incorporate the previous amendments, as well as other amendments contained herein, including making conforming revisions to reflect the fact that BCRUA has not “acquired” and does not have “ownership rights” to the System; and

WHEREAS, the Cities and the BCRUA, exercising their respective mutual authorities, wish to enter into this Contract in order to most efficiently and quickly obtain the capability to deliver treated water to the Cities; and

WHEREAS, the Cities, respectively, have contracted with LCRA, directly or indirectly, to purchase raw water from Lake Travis in sufficient quantities to meet each City’s anticipated treatment capacity for the System and each City shall make available sufficient raw water to the BCRUA for its treatment capacity in the System; and

WHEREAS, after treatment, the BCRUA will deliver the treated water to the Cities, respectively, for use within their respective corporate limits or applicable service areas; and

WHEREAS, the governing bodies of the Cities and the Board of Directors of the BCRUA have determined that the provisions of this Contract and all of the actions contemplated herein are in compliance with the Texas State Water Plan and the Regional Water Plan adopted pursuant to Chapter 16, Subchapter C, Planning, of the Texas Water Code; and

WHEREAS, the Cities, respectively, have adopted water conservation plans approved by the Texas Commission on Environmental Quality (“TCEQ”) prior to execution of this Contract; and

WHEREAS, in accordance with Section 12.6 of the 2008 Master Contract, no change, amendment or modification of the 2008 Master Contract effectuated through this Contract adversely affects the prompt payment when due of all money required to be paid by each City under the terms of the 2008 Master Contract, as amended, and no such change, amendment or modification causes a violation of any provisions of any Bond Resolution in effect as of the date hereof; and

WHEREAS, the BCRUA, to the best of its ability, shall in general do or cause to be done all such things as may be required or necessary for the proper acquisition, construction, and operation of the System; NOW, THEREFORE,

In consideration of the mutual covenants and agreements herein contained, the sufficiency of which are hereby conclusively acknowledged, and subject to the terms and conditions hereinafter set forth, the Cities and the BCRUA mutually undertake, promise, and agree as follows:

ARTICLE I
DEFINITIONS AND INTERPRETATIONS

Section 1.1 Definitions. In addition to the terms defined above, the following terms shall have the meanings assigned to them below wherever they are used in this Contract, unless the context clearly requires otherwise:

(a) "Additional Bonds" means one or more series of additional Bonds which are issued by the BCRUA to finance construction of the System pursuant to Section 3.10 hereof or for any other lawful purpose.

(b) "Annual Budget" means the budget prepared by BCRUA each Fiscal Year and as described in the BCRUA Bylaws including all Annual Payments such as Operation and Maintenance Expenses, Reserve Fund and Debt Service, or Bond payments.

(c) "Annual Payments" means the amount of money constituting the Operation and Maintenance Expenses, Capital Improvements, Reserve Fund and to the extent the BCRUA issues a series of Bonds on behalf of a City, the Bond Payment to be paid to the BCRUA by each City, on a several and not a joint basis as described in Section 4.1 and Section 4.5 hereof from the revenues of each City's System as an operating and maintenance expense of each City's System at the times and in the amounts required by Sections 4.5 and 9.4 of this Contract.

(d) "Authorized Representative" means any person at the time delegated authority to act on behalf of the Cities or the BCRUA, as the case may be, and designated as such in a written certificate, containing a specimen signature of such person, which, for the Cities shall be the City Manager, of each City or such other officers or employees of the Cities authorized to act on behalf of the Cities during the respective City Manager's absence or incapacity, and for the BCRUA shall be the General Manager of the BCRUA or such other officer or employee of the BCRUA authorized to act on behalf of the BCRUA during the General Manager's absence or incapacity, unless a party notifies the other party in writing of a change in its Authorized Representative.

(e) "BCRUA" means the Brushy Creek Regional Utility Authority, Inc. and its lawful successors and assigns.

(f) "Bond Payment(s)" means the amount of money to be paid to the BCRUA by a City, for the debt service or to fund or replenish any debt service reserve fund or other special or contingency fund or the payment of Trustee or other fees related to one or more series of Bonds issued for that City, which Bonds are payable from the gross revenues of the City's System as an operating and maintenance expense of the City's System at the times and in the amounts required to pay debt service on a series of Bonds issued for that City, at such time as further provided in Section 4.5 of this Contract. A City is responsible for paying debt service on only the series of Bonds issued for that City, after taking into account any capitalized interest funded from the proceeds of any series of Bonds issued for that City. A City is not responsible for paying debt service on any series of Bonds issued for another City.

(g) "Bond Resolution" means any resolution and/or trust indenture of the BCRUA, authorizing the issuance of and securing a series of Bonds and all amendments and supplements thereto authorized by such resolution to establish certain terms of the Bonds authorized by such resolution. Since separate series of Bonds will be issued for each City requesting financing, any

such reference in this Contract means the Bond Resolutions related to the City for which such series of Bonds are being issued.

(h) “Bonds” means all bonds, notes, or other obligations hereafter issued by the BCRUA, for each City requesting financing, the proceeds of which shall be used to pay such City’s share of System Costs, (including any Additional Bonds) or to refund any Bonds or to refund any such refunding Bonds.

(i) “Bylaws” means the Bylaws originally adopted by the BCRUA Board of Directors and the Cities on the 17th day of February, 2010; as amended on the 21st day of July, 2010; as amended on the 23rd day of April, 2025; and as amended from time to time in the future.

(j) “Capital Expenses” means all direct costs for the design, permitting, construction and/or acquisition of Capital Improvements, including the costs of acquiring any necessary easements, rights of way, or fee simple title to real property.

(k) “Capital Improvements” means physical improvements to or assets of the System with an expected useful life of a minimum of three years and of the type generally categorized as a capital improvement and/or a capital expense in individual budgets of the Cities, including but not limited to repairs and/or replacement of damaged, worn out or obsolete portions of the System and any new additions to or improvements made to the System, including Expansions, Emergency Repairs, and other improvements necessary for the System to meet or maintain regulatory requirements and/or improve operations of the System for the benefit of the Cities.

(l) “Capital Improvements Budget” means the annual amount budgeted as provided in Article IX for all Capital Improvements during any Fiscal Year.

(m) “Cities” means, collectively, the City of Cedar Park, Texas, the City of Leander, Texas, and the City of Round Rock, Texas. “City” means, respectively, the City of Cedar Park, Texas, the City of Leander, Texas, or the City of Round Rock, Texas.

(n) “City System” means and includes a respective City’s existing combined waterworks and wastewater disposal system, together with all future extensions, improvements, enlargements, and additions thereto, including, to the extent permitted by law, and/or reclaimed water systems which are integrated with the waterworks or wastewater disposal system, and all replacements thereof, provided that, notwithstanding the foregoing, and to the extent now or hereafter authorized or permitted by law, the term City System shall not include any waterworks or wastewater facilities which are declared by a City not to be a part of its City System of such City and which are hereafter acquired or constructed by a respective City with the proceeds from the issuance of “Special Project Bonds”, which are hereby defined as being special revenue obligations of such City, which are not secured by or payable from the net revenues of a respective City System, but which are secured by and are payable solely from special contract revenues, or payments received by a City or any other legal entity, or any combination thereof, in connection with such facilities; and such revenues or payments shall not be considered as or constitute gross revenues of a respective City System, unless and to the extent otherwise provided in the ordinance or ordinances authorizing the issuance of such “Special Project Bonds.”

(o) “Claim”, as used in Section 12.13 of this Contract, means claims, demands, and expenses, including reasonable attorney’s fees.

(p) “Code” means the Internal Revenue Code of 1986, and any amendments thereto, as in force and effect on the date of delivery of any series of Bonds.

(q) "Construction Fund" means the fund created with that name pursuant to a Bond Resolution.

(r) "Consulting Engineer(s)" means an engineering firm that is selected and approved by the BCRUA.

(s) "Credit Agreement" means any bond insurance policy or other credit agreement, as defined in and authorized by the provisions of Chapter 1371, as amended, Texas Government Code, which the BCRUA may execute relating to a series of Bonds.

(t) "Delivery Point" means the place, whether one or more, to which the BCRUA will deliver raw and/or treated water to each City pursuant to this Contract.

(u) "Emergency Repairs" means those unanticipated System repairs and improvements that are not included in the Annual Budget or the Capital Improvements Budget, but must be initiated immediately to repair and/or avoid failure in any System component that could threaten public health and safety or the environment, as determined by the General Manager following consultation with the Operating Committee and the Consulting Engineer.

(v) "Engineering Reports" means preliminary and final engineering reports and other types of engineering reports, design memoranda, etc., applicable to the design and construction of the System or System components, in possession, on record, or having legal right to by the BCRUA.

(w) "Expansion" means expansion, extension, improvement or enlargement of any System Component(s) by one or more of the Parties which results in an increase in the capacity reservation for any System Component(s).

(x) "Financial Obligation" means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of a debt obligation or any such derivative instrument; provided that "financial obligation" shall not include municipal securities (as defined in the Securities Exchange Act of 1934, as amended) as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

(y) "Fiscal Year" means the fiscal year, which begins on October 1 of each year and ends on September 30 of the following year.

(z) "Force Majeure" means such term as it is defined in Section 12.3 of this Contract.

(aa) "General Manager" means the individual hired by the BCRUA Board of Directors to manage the affairs of the BCRUA.

(bb) "Insurance Policy" means the insurance policy, if any, issued by the Insurer guaranteeing the scheduled payment of principal of and interest on a particular series of Bonds when due.

(cc) "Insurer" means the company, if any, insuring a particular series of the Bonds, or any successor thereto or assignee thereof.

(dd) "Land Interests" means the fee simple interests and/or the easements, right-of-way, and other interests in real property necessary for the acquisition, construction, and operation of the System.

(ee) "MSRB" means the Municipal Securities Rulemaking Board and any successor to its duties.

(ff) "Operation and Maintenance Expenses" means all direct costs and expenses, fixed and variable, incurred by the BCRUA for its operation and maintenance of the System, including (for greater certainty but without limiting the generality of the foregoing) the costs of utilities, supervision, treatment, engineering, accounting, auditing, legal services, insurance premiums, supplies, services, and administration of the System, and costs of operating, repairing, maintaining, and replacing equipment for proper operation and maintenance of the System. The term "Operation and Maintenance Expenses" does not include depreciation charges or such portion of the above-described costs to the extent such costs are paid pursuant to an agreement other than this Contract.

(gg) "Operations Committee" means the committee created in Article IV of the Bylaws.

(hh) "Permitted Liens" means:

(i) minor irregularities, charges, liens, encumbrances, defects, easements, licenses, rights-of-way, servitudes, restrictions, mineral rights, and clouds on title which, in the opinion of counsel to the BCRUA, a copy of which shall be forwarded to each City, do not materially impair the use of the System for the purposes for which it is designed;

(ii) easements for roads (as used in this Contract, the term "roads" shall include, without limitation, streets, curbs, gutters, drains, ditches, sewers, conduits, canals, mains, aqueducts, aerators, connections, ramps, docks, viaducts, alleys, driveways, parking areas, walkways, and trackage), utilities (which for purposes of this Contract shall include, without limitation, water, sewer, electricity, gas, telephone, pipeline, railroad, and other collection, transportation, light, heat, power, and communication systems) and similar easements and other easements, rights-of-way, rights of flowage, flooding, diversion or outfall, licenses, restrictions, and obligations relating to the operation and maintenance of the System which, in the opinion of counsel to the BCRUA, a copy of which shall be forwarded to each City, do not materially impair the use of the System for the purposes for which it is designed; and

(iii) rights of the United States or any state or political subdivision thereof, or other public or governmental authority or agency or any other entity vested with the power of eminent domain to take or control property or to terminate any right, power, franchise, grant, license, or permit previously in force.

(ii) "Plans and Specifications" means the plans and specifications prepared for the System by the BCRUA Consulting Engineer(s) and kept on file at the BCRUA treatment plant, as the same may be revised from time to time in accordance with this Contract.

(jj) "Prudent Utility Practice" means any of the practices, methods, and acts, in the exercise of reasonable judgment, in the light of the facts, including but not limited to the practices, methods, and acts engaged in or approved by a significant portion of the public utility industry prior thereto, known at the time the decision was made, that would have been expected to accomplish the desired result at the lowest reasonable cost consistent with reliability, safety, and

expedition. It is recognized that Prudent Utility Practice is not intended to be limited to the optimum practice, method, or act at the exclusion of all others, but rather is a spectrum of possible practices, methods, or acts which could have been expected to accomplish the desired result at the lowest reasonable cost consistent with reliability, safety, and expedition. In the case of any facility included in a City System which is owned in common with one or more other entities, the term “Prudent Utility Practice”, as applied to such facility, shall have the meaning set forth in the agreement governing the operation of such facility.

(kk) “Rule” means SEC Rule 15c2-12, as amended from time to time.

(ll) “Sale and Offering Documents” means any official notice of sale, official bid form, preliminary official statement, official statement, or other offering document for the Bonds.

(mm) “SEC” means the United States Securities and Exchange Commission and any successor to its duties.

(nn) “State” means the State of Texas.

(oo) “System” means collectively the Raw Water Delivery System, the Treatment System, and the Treated Water Distribution System, as shown in Exhibit A, and defined, as follows:

(i) “Raw Water Delivery System,” means:

- (a) the deep-water intake and pumping system in Lake Travis,
- (b) the tunnel to deliver raw water from the intake system to the raw water pumping station,
- (c) the raw water pumping station,
- (d) the line(s) to deliver 26.9 mgd of raw water to the Cedar Park Water Treatment Plant,
- (e) the line(s) to deliver 12.0 mgd of raw water to the Leander Sandy Creek Water Treatment Plant, and
- (f) the line(s) to deliver 105.8 mgd of raw water to the Brushy Creek Water Treatment Plant; and

(ii) “Treatment System,” means:

- (a) the BCRUA Water Treatment Plant, including the administration building,
- (b) the on-site water storage tank(s), and
- (c) the related facilities; and

(iii) “Treated Water Distribution System,” means:

- (a) the distribution lines, valves, meters, and related facilities to deliver treated water to the respective City Systems for the Cities.

(pp) “System Component” means a specified facility comprising part of the System.

(qq) “System Costs” means and includes, without limitation, the following costs incurred for the System by or on behalf of the BCRUA or the Cities:

- (i) the cost of acquisition of the Land Interests, including appraisals, closing costs and title insurance policies;
- (ii) the cost of acquisition, construction, repair, replacement, improvement or decommissioning of the System, and any structure, item of equipment, or other item, used for, or in connection with, the System;
- (iii) the cost of site preparation of the Land Interests, including demolition or removal of structures and improvements as necessary or incident to completing the System;
- (iv) the cost of engineering, legal, architectural or other related services;
- (v) the preparation cost of plans, specifications, studies, surveys, cost estimates, and other expenses necessary or incident to planning, providing, or financing the System;
- (vi) the cost of machinery, equipment, furnishings, and facilities necessary or incident to placing the System in operation;
- (vii) finance charges and interest before, during, and after construction as permitted by the laws of the State;
- (viii) costs incurred in connection with financing the System, including, without limitation:
 - (1) financing, legal, accounting, financial advisory, rating agency, and auditing fees, expenses and disbursements;
 - (2) the cost of printing, engraving, and reproduction services; and
 - (3) the cost of a trustee's or paying agent's initial or acceptance fee and subsequent fees;
- (ix) all costs, fees and expenses of litigation of all kinds;
- (x) the cost of property casualty and public liability insurance;
- (xi) the fees and costs of the underwriters as the anticipated purchasers of the Bonds;
- (xii) reimbursement of the costs previously incurred by and agreeable to the other Cities with respect to the System; and
- (xiii) other costs generally recognized as a part of System construction costs.

(rr) "TCEQ" means the Texas Commission on Environmental Quality or its successors or assigns.

(ss) "Trustee" means any trustee named under a trust indenture or the paying agent/registrant named in a paying agent/registrant agreement entered into by the BCRUA relating to the payment of a series of Bonds and authorized by a Bond Resolution.

(tt) "Utility Bond" means the bonds, notes and other obligations of a City outstanding from time to time secured by a lien on and pledge of the net revenues of that City's System or any part thereof, regardless of lien priority.

(uu) "TWDB" means the Texas Water Development Board or any successor entity thereto.

(vv) "TWDB Program" means the applicable TWDB programs.

(ww) "Water Rights" means each City's respective right to raw water under each City's contract with LCRA and/or BRA. Each City's right(s) to raw water are and shall remain the City's sole property. The BCRUA holds no raw water rights and will not acquire any raw water rights by virtue of this Contract.

Section 1.2 Interpretation. The table of contents and caption headings of this Contract are for reference purposes only and shall not affect its interpretation in any respect. Unless the context otherwise requires, words of the masculine gender shall be construed to include correlative words of the feminine and neuter genders and vice versa. Defined terms include the plural and singular versions of the words. This Contract and all the terms and provisions shall be liberally construed to effectuate the purpose set forth herein and to sustain the validity of this Contract.

ARTICLE II

PURPOSE AND DESCRIPTION OF THE SYSTEM

Section 2.1 Raw Water Contracts. Each City, individually, has contracted with LCRA and/or Brazos River Authority ("BRA") to purchase raw water from Lake Travis in sufficient quantities to meet the long-term projected demands for treated water for each City. Each City has conducted its own investigation and, based solely thereon, has determined that it has contracted for and acquired sufficient quantities of raw water to meet its own needs.

Section 2.2 Regional Water Treatment and Distribution. In order to utilize the raw water from Lake Travis, in 2005, each City began independently studying and planning for its own water intake, treatment, and distribution system. In early 2006, the three Cities entered into discussions regarding the possibility of a joint regional intake, treatment, and distribution system. Shortly thereafter, the Cities determined that a joint regional intake, treatment, and distribution system would be the most efficient and cost-effective option for each of them and their respective rate-payers.

Section 2.3 Local Government Corporation. After determining that a joint regional intake, treatment, and distribution system was the best solution available to the Cities water needs, in 2007 the Cities continued their discussions to determine the best method of jointly acquiring, designing, financing, constructing, and operating such system. After researching the various options for a regional system, the Cities determined that the best method would be to create a Local Government Corporation pursuant to Subchapter D of Chapter 431, Texas Transportation Code. In July 2007, the three Cities jointly created a Local Government Corporation which was named the Brushy Creek Regional Utility Authority, Inc. The express purpose for the creation of the BCRUA was to provide an efficient vehicle for the financing, design, construction, maintenance, and operation of a regional water transmission, treatment, and distribution system.

Section 2.4 Purpose of this Contract. The purpose of this Contract is to set forth the terms and conditions under which the Cities, by and through the BCRUA, will finance, design, construct, maintain and operate the System. This Contract also sets forth in general terms the manner in which the Cities will share the costs of constructing, operating, and maintaining the

System. Finally, this Contract also set forth the manner in which the BCRUA will assist the Cities in the constructing, operating, and maintaining the System. For the sake of clarity, the BCRUA will have no ownership interest in the System.

Section 2.5 System Ownership. The System shall be owned by the Cities in proportion to their Capacities in the System and System Components.

Section 2.6 Title to Raw Water. Title to and interest in each City's raw water supply shall remain with each City, respectively, at all times. The BCRUA shall not acquire any right or title to the Cities' respective raw water interests by virtue of this Contract and shall not otherwise assert any ownership interest in any City's raw water rights. However, the Cities hereby authorize and assign to the BCRUA the authority to take the raw water from Lake Travis and to exercise servicing authority over, and in all respects, to use the raw water for the sole purpose of treating said water in order to deliver potable water to the Cities. The BCRUA will be responsible for the operation of the System and the treatment of raw water, but shall not claim title to any of the raw water contracted for by the Cities, respectively, which passes through and is treated by the System. Each City is solely responsible to make sufficient raw water available to the BCRUA for its treatment capacity in the System, and the BCRUA shall treat such raw water at its treatment plant.

Section 2.7 Quality. The treated water to be delivered by the BCRUA and received by the Cities shall be potable water, meeting all applicable federal and state regulatory requirements. The BCRUA will draw all or a portion, as the case may be, of each City's raw water from Lake Travis into the System for treatment and distribution in order to serve each City's need for treated water, and the BCRUA will treat such raw water using the System and equipment described in applicable Engineering Reports.

Section 2.8 Operation. The BCRUA covenants to operate the System in accordance with Prudent Utility Practices and in accordance with applicable federal and state regulatory requirements and standards.

Section 2.9 Conservation Plans. Each City has adopted a water conservation plan in accordance with the rules and regulations of the TCEQ. Each City agrees to provide the BCRUA with a certified copy of its adopted plan. Each City covenants to the other Cities and to the BCRUA to fully comply with their respective conservation plans and to comply with all applicable rules and regulations of the TCEQ.

ARTICLE III

ACQUISITION AND CONSTRUCTION OF THE SYSTEM

Section 3.1 General. Subject to the remaining terms and provisions of this Contract, the BCRUA agrees to issue one or more series of the Bonds, as requested by any City, to construct the System as generally described in the Engineering Reports. It is expressly understood and agreed that any obligations on the part of the BCRUA to finance, construct, and complete the System and any future expansions of the System and to provide the water treatment capacity to the Cities shall be (i) conditioned upon the BCRUA's ability to obtain all necessary permits, Land Interests, material, labor, and equipment, and upon the ability of the BCRUA to finance the System Costs through the actual sale of the Bonds or receipt of funds from the Cities, including any Additional Bonds needed to complete the System, and (ii) subject to all present and future

valid laws, orders, rules, and regulations of the United States of America, the State, and any regulatory body having jurisdiction. The BCRUA shall construct the System with all reasonable dispatch, at the direction of the Cities, delays incident to events of Force Majeure only excepted; but if for any reason there should be delays in or the entire failure of such acquisition, construction, and improvement, there shall be no diminution in or postponement of the Annual Payments to be made by the Cities hereunder and no resulting liability on the part of the BCRUA.

Section 3.2 Location of System; Acquisition of Land Interests. The System will be constructed and located on, across, within and through the Land Interests. The title to the Land Interests shall be held by the BCRUA, or one or more of the Cities, as deemed appropriate by the Cities. The BCRUA shall be responsible for ensuring that proper filings of each such portion of the Land Interests are made in the deed records of the appropriate counties to ensure that all interested parties have proper notice of the BCRUA's interests in the Land Interests. As each deed, easement, or other evidence of an interest in real property comprising a portion of the Land Interests is acquired by the BCRUA, a copy of such instrument, together with evidence of its filing in the deed records of the counties in which such portion lies, shall, upon the written request of the Cities, be given to the Cities. The BCRUA shall acquire a title insurance policy or a title opinion showing good and indefeasible title with respect to each Land Interest acquired. A copy of each such title insurance policy or title opinion shall be retained in the BCRUA's official records.

Section 3.3 Award of Construction Contracts. Upon obtaining the approval by the General Manager and the Operating Committee, the BCRUA will promptly advertise for sealed bids or comply with the requirements for an alternative delivery method for the System to the extent and as required by law. The BCRUA may break the System into several contracts or phases as it determines is best for the timely acquisition and construction of the System. The BCRUA shall not be obligated to award a construction contract unless the proceeds from the Bonds or other funding are available to pay the contract(s). The approval of construction contracts shall be in compliance with the requirements of the Bylaws.

Section 3.4 Liens. Neither the Cities nor the BCRUA will create or permit or suffer to exist any lien, encumbrance, or charge upon the System or any interest therein at any time, except Permitted Liens.

Section 3.5 Revisions of Plans. BCRUA may revise the Plans and Specifications with the unanimous approval of the Operating Committee, and in accordance with the applicable construction contract documents if the project is under construction. .

Section 3.6 Approvals. Unless otherwise required by law, each consent, approval, or other official action required of the Cities or the BCRUA by any provision of this Contract shall be deemed in compliance with this Contract when written evidence of such action, signed by the respective Authorized Representative, is delivered to the party who is to receive evidence of such action. The Cities will cooperate with the BCRUA in the design, financing, acquisition, and construction of the System and, following the adoption of the Bond Resolution by the BCRUA's Board of Directors, the Cities will not take any action or fail to take any action (including, without limitation, any exercise or denial of their consent or approval of any action proposed to be taken by the BCRUA or any of their agents hereunder), if taking or failing to take such action, respectively, would unreasonably delay or obstruct the completion of the System by the BCRUA.

Section 3.7 Raw Water Supply. Each City has conducted its own investigation and, based solely thereon, has determined that it has contracted for and acquired sufficient quantities of raw water to meet its needs. Title to and interest in each City's raw water supply shall remain with each City, respectively, at all times. The BCRUA shall not acquire any right or title to the Cities' respective raw water interests by virtue of this Contract and shall not otherwise assert any ownership interest in any City's raw water rights. However, the Cities hereby authorize and assign to the BCRUA the authority to take the raw water from Lake Travis and to exercise servicing authority over and in all respects to use such raw water for the sole purpose of treating such raw water in order to deliver potable water to the Cities. The BCRUA will be responsible for the operation of the System and the treatment of raw water, but shall not claim title to any of the raw water contracted for by the Cities, respectively, which passes through and is treated by the System. Each City is solely responsible to make available to the BCRUA sufficient raw water for its treatment capacity in the System, and the BCRUA shall treat such raw water at its treatment plant.

Section 3.8 Access to Cities Rights-of-Way. If any facility, pipeline, or appurtenance owned by the BCRUA is installed in any street, alley, or public way within the boundaries of a City, as same is now constituted or as may hereafter be extended, such City hereby grants to the BCRUA, upon complying with such City's franchise ordinances or other provisions, the right, privilege, and franchise of using such street, alley or public way for the purposes of maintaining, operating, laying, repairing, or removing such facility, pipeline, or appurtenance.

Section 3.9 Easements. Each City hereby agrees to grant to the BCRUA such easements as may be reasonably necessary for the purposes of placing, constructing, operating, repairing, maintaining, rebuilding, replacing, relocating, and removing water treatment facilities upon, over, across and through the City's property and giving to the BCRUA, and its successors and assigns, all of the rights and benefits necessary or appropriate for the full enjoyment and use of the easement, including but without limiting the same, to the free right of ingress and egress to and from the City's property.

Section 3.10 Delivery Point(s). The BCRUA and/or the Cities will acquire and/or provide the Land Interests required to deliver treated water to the Delivery Point(s) for each City at the location depicted in the Engineering Reports and Exhibit B. Each City shall have the sole responsibility, at its own cost and expense, for providing additional pipelines and other facilities required for transporting its share of the treated water from the System to a new or additional Delivery Point, but an additional or alternative Delivery Point will be allowed only with the consent of the Cities, which consent will not be unreasonably withheld. The BCRUA will own, operate, maintain and repair all equipment at the Delivery Points including valves, meters, SCADA equipment, chlorine analyzers and equipment enclosures.

Section 3.11 Other Contracts. The BCRUA shall not enter into contracts with other persons for the supply of raw or treated water without the prior written consent of all the Cities, which consent is subject to the unfettered discretion of the Cities and may be withheld for any or no reason.

Section 3.12 Quality. The treated water to be delivered by the BCRUA and received by the Cities shall be potable water meeting all applicable federal and state requirements for drinking water. The BCRUA will draw all or a portion, as the case may be, of each City's raw water from Lake Travis into the System for treatment and distribution in order to serve each City's need for

treated water, and the BCRUA will treat such raw water using the System and equipment described in the Engineering Reports.

Section 3.13 Expansions. Each City shall have the right to commence an Expansion under the provisions of this Contract as set forth in in this Section.

(a) Requests for Expansion. At any time, any City, one or more, may request, in writing, to the General Manager and Operations Committee, that an Expansion be made. All Expansions will require an amendment to the applicable Exhibits in this Contract to reflect the revised capacity allocations resulting from such Expansion.

(b) Expansion Planning, Engineering and Construction Management. Planning, engineering and construction management of all Expansions shall be performed by the Consulting Engineer unless an alternate engineering firm is unanimously approved by the Board of Directors. Should any City(s) request an Expansion, the other Cities shall within sixty (60) days after receiving a preliminary engineering report of the proposed Expansion, prepared by the Consulting Engineer, determine whether they are willing to participate in the Expansion. By the end of the sixty (60) day review period, the City(ies) participating in an Expansion shall notify the Operations Committee of such participation. Any City may move forward with an Expansion even if no other Cities participate in such Expansion, subject to compliance with this Agreement. The City(ies) participating in an Expansion must use reasonable efforts to ensure that the Expansion does not result in any negative impacts to the non-participating City(ies) and will coordinate with the Operations Committee regarding planning, design, and construction of the Expansion. The Operations Committee shall have the opportunity to timely review and comment on the preliminary design, final plans, and specifications, and other construction related matters as appropriate regarding the Expansion. The City(ies) requesting an Expansion are financially responsible for the design, construction, and inspection of the Expansion in accordance with this Contract and agree to provide periodic updates of the Expansion to the Operations Committee and the Board of Directors.

(c) Contract Amendment for Expansions. All Expansions will require an amendment to the applicable Exhibits in this Contract to reflect the capacity and cost allocations for the Expansion.. Costs of the Expansion will be allocated among the Cities based on the prorata shares of the capacity reservations of each City participating in the Expansion. .. Upon completion of construction, the Expansion will be part of the System, and the Capacity of the Expansion will be allocated to and for each participating City based on the provisions of this Agreement.

(d) Non-participating City(ies). The non-participating City(ies) will fully cooperate with the participating City(ies) in efforts to obtain necessary governmental and regulatory approvals and permits for the Expansion and will use their best efforts to provide assistance in this regard, which shall be paid for solely by the requesting City(ies).

(e) Other Capital Improvements and Emergency Repairs. Costs and expenses associated with Capital Improvements, other than Expansions, shall be planned for and funded through the Annual Budget and Capital Improvements Budget , in the process set out in Article IX herein or as otherwise agreed to by the Cities. Emergency Repairs shall be identified and reported to the General Manager, Operations Committee and Consulting Engineer , and they shall determine the method and party responsible for completing such repair and the source of funding for the repair.. The costs and expenses for Emergency Repairs will be allocated amongst the Parties using the System capacity provisions in Article VI and Exhibits C, D and E, for the affected

System component. Approvals by the Board of Directors and or the Cities for Emergency Repair activities and costs will be obtained as necessary to assure compliance with applicable provisions of the Bylaws and this Agreement.

ARTICLE IV

FINANCING OF THE SYSTEM

Section 4.1 Issuance of Bonds.

(a) The BCRUA's acquisition, construction, and completion of the System will be financed by

(i) receipt of funds from the Cities, respectively,

(ii) the BCRUA through the issuance of one or more series or issues of Bonds by the BCRUA for a City, which Bonds are payable solely from and secured, in part, by an assignment of the Bond Payments made under this Contract by the City for which such series of Bonds are issued, or

(iii) any combination of funds from the Cities, respectively, and the issuance of Bonds for the Cities, respectively. It is expressly understood and agreed by the BCRUA and the Cities that the BCRUA shall issue Bonds as separate series for the applicable City.

Each City shall be solely responsible for Bond Payments on its series of Bonds. No City shall have any liability or responsibility for any Bond Payment on a series of Bonds issued for another City. In consideration of the covenants and agreements set forth in this Contract, and to enable the BCRUA to issue the Bonds to carry out the intents and purposes hereof, this Contract is executed to assure the issuance of the Bonds at the request of a City and to provide for and ensure the due and punctual payment by such City to the BCRUA, or to the Trustee relating to the series of Bonds issued for such City, of amounts not less than the Bond Payments. Each City hereby agrees to make, or cause to be made, its respective Bond Payments, as and when due, for the benefit of the owners of the Bonds, as provided in the Bonds and the Bond Resolution. The cost allocations for the System Cost are shown Exhibit C, Exhibit D, Exhibit E and Exhibit F.

(b) The proceeds from the sale of the Bonds, together with any funds received from a City will be used for the payment of the System Costs. Upon request of a City, the Bonds will be issued by the BCRUA for such City's share of the amount anticipated to be required to acquire the Land Interests and construct the System, including payment of all System Costs advanced by such City and incurred by the BCRUA prior to the date of issuance of the Bonds, and to fund, to the extent deemed advisable by the BCRUA, a debt service reserve fund, if applicable, and interest on the Bonds during construction and for up to one year after completion of construction. However, each City specifically reserves the right to pay cash to the BCRUA rather than have the BCRUA issue Bonds on its behalf.

(c) Each Bond Resolution of the BCRUA shall specify the maximum principal amount of the Bonds for each City's series of Bonds to be issued thereunder. The Bonds shall mature not more than forty (40) years from the date of such Bonds and shall bear interest at not to exceed the maximum legal rate then permitted by law, and the Bond Resolution may create and provide for

the maintenance of a revenue fund, a debt service fund, a reserve fund, a construction fund, and any other funds deemed prudent by the BCRUA, all in the manner and amounts as provided in such Bond Resolution.

(d) Prior to the final adoption of a Bond Resolution or any amendment of a Bond Resolution by the BCRUA's Board of Directors for a City, a substantially final copy of the proposed Bond Resolution for such City and the Sale and Offering Documents, if any, for such City shall be presented to the governing body of such City for review and approval.

(e) Upon approval by the City's governing body of

(i) a substantially final copy of the Bond Resolution for the City hereafter adopted by the BCRUA for the applicable City, including any Credit Agreements,

(ii) any amendments to any Bond Resolution for the City, and

(iii) the Sale and Offering Documents for the City and the delivery to the BCRUA of a certification signed by the Authorized Representative of the City to the effect that the Bond Resolution and the Sale and Offering Documents comply with this Contract,

then upon the adoption and approval of the Bond Resolution in such final form by the BCRUA's Board of Directors or Authorized Representative, as the case may be, and the issuance and delivery of the Bonds to the purchaser thereof, the Bond Resolution shall for all purposes be considered approved by the City for its Bonds and deemed to be in compliance with this Contract in all respects, and the Bonds issued thereunder will constitute Bonds as defined in this Contract for all purposes. Any registered owner of Bonds is entitled to rely fully and unconditionally on any such approval.

(f) All covenants and provisions in the Bond Resolution affecting, or purporting to bind, the City shall, upon the delivery of the Bonds, become absolute, unconditional, valid, and binding covenants and obligations of the City so long as the Bonds and interest thereon are outstanding and unpaid, and may be enforced by the remedies of mandamus and specific performance in addition to any other legal or equitable remedies which may be available, as provided in Section 12.10 of this Contract and the Bond Resolution. Particularly, the obligation of the City to make, promptly when due, all Annual Payments specified in this Contract shall be absolute and unconditional, and said obligation may be enforced as provided in this Contract. In addition, subject to the approval of the City, the BCRUA may enter into Credit Agreements for the purpose of achieving the lowest financing costs for the System.

Section 4.2 Proceeds of Bonds. Subject to the terms and provisions of this Contract, the proceeds of the Bonds shall be used by the BCRUA for the purpose of financing and funding the BCRUA's acquisition of the Land Interests and construction of the System as provided in Section 4.1. Upon request by a City, the BCRUA shall use its best efforts to issue its Bonds, in one or more separate series for each City requesting financing, in amounts which will be sufficient, together with any funds contributed by a City, to accomplish such purpose. The proceeds of the Bonds shall be deposited in the Construction Fund established pursuant to the terms of each Bond Resolution. A trust indenture may be entered into between the BCRUA and a corporate trustee for the purpose of securing the payment of the Bonds. The trust indenture or each Bond Resolution, as appropriate, will establish procedures for the payment of System Costs out of one or more construction funds, or subaccount within the Construction Fund. It is anticipated that the Bonds

will be issued pursuant to each Bond Resolution and that a paying agent/registrars agreement will be executed between the BCRUA and the Trustee concerning the payment procedures with respect to the Bonds.

Any funds contributed by a City for its share of System Costs shall be deposited into a separate subaccount of the Construction Fund of the BCRUA:

- (a) prior to the BCRUA pricing any series of Bonds for a City; or
- (b) simultaneous with the delivery of the proceeds of any series of Bonds so long as sufficient evidence is provided to the BCRUA and Cities prior to pricing of Bonds that their funds will be available at the closing of the Bonds.

Section 4.3 Refunding of Bonds. The BCRUA reserves the right to issue refunding bonds in accordance with the laws of the State and will provide notice to each applicable City, respectively, of the redetermined Bond Payment in accordance with Section 9.3 of this Contract.

Section 4.4 Redemption of Bonds. The BCRUA, in its sole discretion or upon the written request of a City (and provided that the affected series of Bonds for such City are subject to redemption or prepayment prior to maturity at the option of the BCRUA, and provided that such request is received in sufficient time prior to the date upon which such redemption or prepayment is proposed), forthwith shall take or cause to be taken all action that may be necessary under the applicable redemption provisions of the series of Bonds to redeem the Bonds or any part thereof, to the full extent of funds that are either made available for such purpose by the applicable City or already on deposit under the Bond Resolution and available for such purpose. The redemption of any outstanding Bonds prior to maturity at any time shall not relieve the applicable City of its absolute and unconditional obligation to pay each remaining Annual Payment with respect to any outstanding Bonds, as specified in the Bond Resolution.

Section 4.5 Debt Service on Bonds and Other Bond Funding Requirements. It is acknowledged and agreed that payments to be made under this Contract will be the primary source available to the BCRUA to provide the money necessary for the BCRUA to meet its obligations with respect to any series of Bonds and any Credit Agreements. Each City therefore agrees and accepts sole responsibility to pay the Bond Payments related to the series of Bonds issued for the respective City, as outlined in subsections (a) through (c) below, in full when due as provided in this Contract. However, no City shall have any liability or responsibility for any Bond Payments on a series of Bonds issued for another City. Bond Payments shall be due by the close of business on the business day prior to each date on which any of the following payments or deposits shall be due and shall be in an amount equal to all such payments and deposits due on such date:

- (a) debt service on its related series of Bonds for each respective City for which such series of Bonds were issued and related payments and deposits, as follows:
 - (i) principal of, redemption premium, if any, and interest on, its related series of Bonds for each respective City, less interest to be paid out of Bond proceeds or from other sources if permitted by any Bond Resolution, and the redemption price of any Bonds to be redeemed prior to maturity when and as provided in any Bond Resolution plus the fees, expenses, and, to the extent permitted by law, indemnities of the Trustee, if any, for the Bonds, and those of the paying agent/registrars for paying the principal of and interest on the Bonds and for authenticating, registering, and transferring Bonds on the registration books;

- (ii) deposits required to be made to any special, contingency, or reserve fund by the provisions of any Bond Resolution; and
 - (iii) any deposit in addition thereto required to restore any deficiency in any of such funds by the provisions of any Bond Resolution,
- (b) amounts payable by the BCRUA under a Credit Agreement; and
- (c) the fees, expenses, and indemnities (to the extent permitted by law) of the Trustee, remarketing agent, rate setting agent, authentication agent, arbitrage rebate compliance firm, and tender agent, if any, for the Bonds.

Section 4.6 Billing. The BCRUA will take all reasonable steps to ensure that the Cities are billed and make payments to BCRUA sufficient to meet the debt service requirements on outstanding Bonds, and each City shall maintain rates and charges for its City System sufficient to pay the City's obligations secured by and made payable from the revenues derived from the operation of its City System. To the extent Annual Payments are due (excluding Bond Payments), the BCRUA will render a bill to each City not more than once each month, for the payments required by this Contract. The BCRUA shall, until further notice, render such bills within the first month of each Fiscal Year quarter and payment shall be due to the BCRUA on or before the 30th day from the date of the bill. To the extent permitted by law; interest shall accrue on past due bills at the rate of ten per cent (10%) per annum until paid in full. Notwithstanding the foregoing, Bond Payments shall be paid in accordance with Section 4.5 of this Contract. The BCRUA may, however, from time to time by sixty (60) days' written notice change the date by which it shall render bills. Each City shall make all payments in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts and shall make payment to the BCRUA at its office in Williamson County, Texas, or at such other place as the BCRUA may from time to time designate by sixty (60) days written notice.

Section 4.7 Delinquency in Payment. If any City fails to pay in full any bills when due and payable, the BCRUA shall give written notice of such delinquency to the City and if all bills due and unpaid, including interest thereon, are not paid in full within forty-five (45) days after delivery of such notice, then the City agrees that the BCRUA shall be authorized, at its sole option, to institute suit for collection thereof and to collect any amounts due and unpaid, together with interest thereon and reasonable attorneys' fees, and the City further agrees that the BCRUA shall, at its sole option, discontinue providing treated water to the City until all amounts due and unpaid are paid in full with interest as herein specified. Any such discontinuation of service shall not, however, relieve the City of its unconditional obligations to make the payments required by this Contract. It is also hereby expressly acknowledged and agreed that any non-defaulting City shall have no obligation to make any payments for the benefit of the defaulting City.

Section 4.8 BCRUA's Rights Assigned to Trustee. The Cities are advised and recognize that as security for the payment of a series of Bonds, the BCRUA may, subsequent to the issuance of the initial series of Bonds, assign to the Trustee, pursuant to one or more trust indentures (or paying agent/registrars agreements) to be authorized by a Bond Resolution, the BCRUA's rights under this Contract, including the right to receive the Annual Payments hereunder (but not the right to receive payments, if any, under Section 12.13 hereof). Each City assents to such assignment and will make the Annual Payments directly to the Trustee without defense or set-off by reason of any dispute between one or both of the Cities and the BCRUA or the Trustee. All rights against a City arising under this Contract or each Bond Resolution and assigned to the

Trustee may be enforced by the Trustee, or the owners of the Bonds, to the extent provided in each Bond Resolution, and the Trustee, or the owners of the Bonds, shall be entitled to bring any suit, action, or proceeding against a City, to the extent provided in the Bond Resolution, for the enforcement of this Contract, and it shall not be necessary in any such suit, action, or proceeding to make the BCRUA or any other City a party thereto.

Section 4.9 Tax-Exempt Bonds. The Parties hereto understand and agree that the BCRUA will use reasonable efforts to provide for, but will not be liable for a failure to produce, the lowest overall debt service cost for any series of Bonds to be issued for the System. In connection therewith, each City understands that the BCRUA intends to issue Bonds the interest on which is excludable from the gross income of the owners thereof for federal income tax purposes. The Parties hereto acknowledge their understanding that the federal income tax laws impose certain restrictions on the use and investment of proceeds of such tax-exempt bonds and on the use of the property financed therewith and the output produced therefrom. Accordingly, each City agrees and covenants that if any series of Bonds are offered to investors with the understanding that the interest will be exempt from federal income taxation, then the Parties, their assigns and agents, will take such action to assure, and refrain from such action which will adversely affect the treatment of such Bonds as obligations described in section 103 of the Code. Should any party fail to comply with such covenant, the effect of which being that the Bonds no longer qualify as obligations described in the Code, such defaulting party shall be liable for all costs resulting from the loss of the tax-exempt status of the Bonds. The Parties hereby agree and covenant to comply with all of the representations and covenants relating to such exemption which are set out in any Bond Resolution. Each City and the BCRUA further agree and covenant that in the event any series of Bonds issued are to be tax-exempt, they will modify such agreements, make such filings, restrict the yield on investments, and take such other action necessary to fulfill the applicable provisions of the Code. For these purposes, the Parties may rely on the respective opinion of any firm of nationally-recognized bond attorneys selected by them. In the event that a conflict arises in the opinions of the respective firms of each of the Parties, the Parties will identify a different firm that is mutually acceptable to all Parties, in order to resolve the conflict of opinion.

Section 4.10 Payment to Rebate Fund. In the event that tax-exempt Bonds are issued as provided in Section 4.9, the BCRUA hereby covenants and agrees to make the determinations and to pay any deficiency into a rebate fund, at the times and as described in each Bond Resolution to comply with the provisions of section 148(f)(2) of the Code. In any event, if the amount of cash held in each rebate fund shall be insufficient to permit the BCRUA or the Trustee to make payment to the United States of America of any amount due on any date under section 148(f)(2) of the Code, each City forthwith shall pay the amount of such insufficiency for the series of Bonds issued for that City on such date to the Trustee in immediately available funds for such purpose. The obligations of each City under this Section 4.10 are direct obligations of the City, acting under the authorization of, and on behalf of, the BCRUA and the BCRUA shall have no further obligation or duty with respect to the rebate fund.

Section 4.11 City's Obligations. In the event any proceeds from issuance of a series of Bonds are not used for the System for any reason, any Bond proceeds and earnings thereon for such series not used for completion of the System shall be utilized to satisfy amounts due and owing on such Bonds as described in the related Bond Resolution, and herein, so as to reduce the Bond Payments which would otherwise be due hereunder, or be applied for the benefit of each City as provided in the related Bond Resolution. Each City has covenanted absolutely and

unconditionally, in accordance with all other terms of this Contract, to make the Annual Payments, as provided herein, in consideration for such application of the money as well as the other covenants and obligations of the BCRUA and others set forth or contemplated herein.

Section 4.12 Interest on Money. All legally available money respecting a series of Bonds shall be invested in the manner set forth in each Bond Resolution. Any interest earnings on the Bond proceeds may be used to pay principal of and interest on the related Bonds or for the payment of any System Costs or other costs related to the System approved by the Cities, subject to Section 4.9.

Section 4.13 Sale and Offering Documents. At the request of the BCRUA, each City for which a series of Bonds is being issued shall provide to the BCRUA current and historical information concerning such City's System, the financial conditions results, and prospects of the City, and such other information concerning such City as the BCRUA shall deem advisable for inclusion in the Sale and Offering Documents, if any, for the Bonds to be issued for such City, and shall certify to the BCRUA and the underwriters of any offering of Bonds to be made by means of such Sale and Offering Documents when and if the City deems such Sale and Offering Documents to be complete and final for purposes of the Rule. Each City represents and warrants that all statements concerning it (including, without limitation, its financial condition, results, and prospects, and any demographic and economic information concerning the area served by the System) that are contained in any Sale and Offering Document approved by the City pursuant to Section 4.1 hereof shall be true in all material respects and shall not omit to state any material fact necessary to make the statements made in such Sale and Offering Document, in the light of the circumstances in which they are made, not misleading.

Section 4.14 Right to Prepay. Each City shall have the right at any time to prepay all or any portion of its Annual Payments. Subject to the provisions of Section 4.9, such prepaid Annual Payments, including any interest accruing, shall be used and invested by BCRUA as directed by the City which made such prepayment

- (a) as a credit against future Annual Payment obligations of such City,
- (b) to redeem Bonds issued for such City pursuant to the provisions of Section 4.4, or
- (c) to provide for the defeasance of the Bonds pursuant to the provisions of the applicable Bond Resolution.

Any such prepayment will not cause a termination of this Contract until all other amounts owed or to be incurred by the BCRUA or any other person under the provisions of the applicable Bond Resolution have been paid in full or waived by such person.

ARTICLE V

OPERATION OF THE SYSTEM

Section 5.1 Operation. The BCRUA shall operate the System in accordance with accepted good business and engineering practices, Prudent Utility Practices, and in accordance with requirements of federal and state law, including without limitation the Texas Water Code, as amended, and as said laws may be amended in the future, and any rules and regulations issued and to be issued by appropriate agencies in the administration of said laws. The Operations Committee,

as established in the Bylaws, shall assist the BCRUA by providing advice and recommendations on the operations of the System, as provided in said Bylaws.

Section 5.2 Payments for Operations and Maintenance Expenses. Each City shall pay to the BCRUA its Annual Payments, including Operations and Maintenance Expenses related to the operation of the System, as provided in Article IX. . However, controlling the costs paid by the Cities to the BCRUA for Operation and Maintenance Expenses shall be of primary importance to BCRUA. The BCRUA shall use diligent efforts so that Operation and Maintenance Expenses incurred by the BCRUA and ultimately paid by the Cities are reasonable and justified.

Section 5.3 Operations Committee. Article IV of the Bylaws provides for the establishment of an Operations Committee composed of two representatives from each City. As stated in the Bylaws, the Operations Committee shall represent the individual and collective interests of the Cities and shall consult with and advise the Board of Directors and the General Manager with regard to the matters set forth in the Bylaws.

ARTICLE VI **CAPACITIES OF THE CITIES IN THE SYSTEM**

Section 6.1 Capacities in System Components. Each City, respectively, shall have the exclusive right to its capacity in each System component as described in Exhibits C, D, and E. No capacity may be allocated to or used by anyone other than the City which has the exclusive rights to said capacity, unless the affected City specifically agrees in writing to the allocation or use. Under no circumstances shall a City exceed the Capacity of that City in a System Component. If a City exceeds the Capacity of that City in a System Component, then the City and/or the BCRUA must immediately take actions to reduce its take of water in accordance with this Agreement. Notwithstanding the capacity rights shown in Exhibits C, D, and E, the reserved capacities of the System Components constructed with Phase 1A of the System which were constructed to the ultimate capacity of 105.8 MGD as shown in Exhibit F shall also be reserved for each City.

Section 6.2 Capacities in the Raw Water System. Each City, respectively, shall have the exclusive right to take, and the BCRUA shall have the obligation to deliver raw water at the Raw Water Delivery points in the amounts shown in Exhibit C. Cost allocations of Phase 2 for each City are also shown in Exhibit C.

Section 6.3 Capacities in the Treatment System. Each City, respectively, shall have the exclusive right to take, and the BCRUA shall have the obligation to deliver, treated water at the Delivery Points in the amounts shown in Exhibit D. Capacity, design, and engineering cost allocations for the Phase 2A construction are shown in a separate table in Exhibit D.

Section 6.4 Capacities in the Treated Water Distribution System. Each City, respectively, shall have the exclusive right to the capacity in the various Treated Water Distribution segments shown in Exhibit E.

Section 6.5 Transfer of Capacity. Any City may transfer any portion of its capacity in one or more System components to another City, in exchange for such consideration as such Cities shall deem appropriate. The Cities making such transfer shall provide written notice to the BCRUA

and the other City, signed by the Cities making the transfer, specifying the amount of transferred capacity and the affected System component(s), and providing that the Cities otherwise ratify and confirm their pre-existing obligations under this Contract. No such transfer shall be effective until and unless such notice is provided. A transfer of capacity shall not change any Bond Payment, other payment, or other obligations of the Cities pursuant to this Contract.

Section 6.6 Documentation of Transferred Capacity. In the event that capacity is transferred, the BCRUA and the Cities shall cause a written amendment to be made to the appropriate Exhibit(s) describing such transfer and setting forth the revised capacity of each City in the System or component(s) thereof.

ARTICLE VII DELIVERY POINT(S)

Section 7.1 Treated Water Delivery Point(s). Each City shall receive its treated water at Delivery Point(s) designated for each City as shown in Exhibit B and as described in applicable Plans and Specifications and Engineering Reports on file at the BCRUA treatment plant, or as mutually agreed upon by all Cities. The approved Delivery Points as of the date of this Agreement are as shown in Exhibit B.

Section 7.2 Raw Water Delivery Point(s). Upon completion of the Phase 2 Raw Water Delivery Project, Cedar Park and Leander shall receive their raw water from the BCRUA at Delivery Point(s) designated for each City shown in Exhibit B and as described in the Engineering Reports, or as mutually agreed upon by the Cities.

Section 7.3 Rate and Quantity at Delivery Point(s). The rate and quantity of raw and treated water delivered to each City at its Delivery Point(s) shall be metered. Each City shall cooperate in good faith to design the Delivery Point(s) to be at appropriate sizes and in appropriate locations to deliver the City's capacity allowed in this Agreement. No City shall take delivery of treated or raw water from the System from any one, or all of their Delivery Points combined, at rates that exceed that City's total allocated capacities allowed in this Agreement.

ARTICLE VIII METERING AND MEASUREMENT

Section 8.1 Unit of Measurement. The unit of measurement for water delivered hereunder shall be 1,000 gallons of water, U. S. Standard Liquid Measure.

Section 8.2 Measuring Equipment at the Intake Point. In compliance with the regulations and requirements of the LCRA, the BCRUA shall furnish, install, operate and maintain for the intake point on Lake Travis the necessary meters, including electronic or other equipment and devices of standard type for measuring properly the quantity of water taken from Lake Travis. Each City also agrees, with the consent of the BCRUA, to enter into an interlocal agreement to provide for, among other matters, the appropriate amount of water taken from Lake Travis to be allocated to each City based upon certain formulas and taking into account the quantity of treated water actually delivered to each City.

Section 8.3 Measuring Equipment at Delivery Points. The BCRUA shall furnish, install, operate and maintain at the Cities' expense for each Delivery Point the necessary meters, including electronic or other equipment and devices of standard type for measuring properly the quantity of treated water delivered under this Contract. Such meter or meters and other equipment so installed shall remain the property of the BCRUA. Each City shall have access to such metering equipment at all reasonable times, but the reading, calibration, and adjustment thereof shall be done only by the employees or agents of the BCRUA. For the purpose of this Contract the original record or reading of the meter or meters shall be electronically recorded and/or entered into a journal or other record book of BCRUA and maintained in its office in which the records of the employees or agents of the BCRUA who take readings are or may be transcribed. Upon written request of a City, the BCRUA will give the City a copy of such records, journal or record book, or permit the City to have access to the same in the office of the BCRUA during reasonable business hours.

Section 8.4 Controlling Rate of Flow. All Delivery Point meters shall include the ability for the BCRUA to control the rate of flow of treated and raw water through each City's meter(s). The controlled rate of flow through the meters shall be expressed in gallons per minute (GPM). The purpose of controlling the rate of flow is to limit each City's take of treated and raw water so that it does not exceed its allocated maximum daily and maximum instantaneous capacity or delivery rate, in any System, as provided for in this Agreement. If a City has more than one Delivery Point meter, then that City shall give notice to the BCRUA regarding how it wants its capacity allocated among its multiple meters. The total controlled flow of all the multiple meters shall not exceed that City's total allocated capacity. Said City may modify its allocation among its meters by giving the BCRUA reasonable notice of its desire to do so. No City shall be permitted to exceed its allocated capacity of treated and raw water expressed in GPM without notification of the General Manager and written consent from the other Cities..

Section 8.5 Calibration of Meters. The BCRUA shall test and calibrate its meters periodically, but not less often than every three (3) years. Testing and calibration shall be done in the presence of an Operations Committee representative of each City, unless the Operations Committee representative of the city for which a meter is being tested and calibrated consents in writing to allow the BCRUA to provide a written report of the results of the testing and calibration of the meter by a certified meter testing company.

The BCRUA and the Operations Committee representative of each City shall have the option of jointly observing any necessary adjustments which are made to the meters by a certified meter testing company. If any check meter(s) hereinafter provided for have been installed, the same shall also be checked, tested, calibrated, etc. by each City in the presence of a representative of the BCRUA and an Operations Committee representative of the other Cities, who shall jointly observe any necessary adjustment, unless the BCRUA consents in writing to allow the applicable City to provide the BCRUA with a written report of the test results from a certified meter testing company. The BCRUA shall give the Cities reasonable notice of the time when any such calibration is to be made. In the event that an Operations Committee representative of a City is not present at the time set, the BCRUA may proceed with calibration and adjustment in the absence of any such representative.

If any party at any time observes a variation between the delivery meter or meters and the check meter or meters, if any such check meter or meters shall be installed, such party will promptly notify the other Parties, and the Parties hereto shall then cooperate to procure an immediate

calibration test and joint observation of any adjustment, and said meter or meters shall then be adjusted to accuracy. Each party shall give the other Parties not less than forty-eight (48) hours' notice of the time of all tests of meters so that the other Parties may have a representative present.

If upon any test, the percentage of inaccuracy of any metering equipment is found to be in excess of two percent (2%), registration thereof shall be corrected for a period extending back to the time when such inaccuracy began, if such time is ascertainable, and if such time is not ascertainable, then for a period extending back one-half (½) of the time elapsed since the last date of calibration, but in no event further back than a period of six (6) months. If for any reason any meters are out of service or out of repair so that the amount of treated water delivered cannot be ascertained or computed from the reading thereof, the treated water delivered during the period such meters are out of service or out of repair shall be estimated and agreed upon by the Parties hereto upon the basis of the best data available. For such purposes, the best data available shall be deemed to be the registration of any check meter or meters if the same have been installed and are accurately registering. Otherwise the amount of treated water delivered during such period may be estimated (i) by correcting the error if the percentage of the error is ascertainable by calibration tests or mathematical calculation, or (ii) by estimating the quantity of delivery by deliveries during the preceding periods under similar conditions when the meter or meters were registering accurately.

Section 8.6 Check Meters. Each City may, at its sole option and its own expense, install and operate a check meter to verify the operation of each meter installed by the BCRUA, but the measurement of treated water for the purpose of this Contract shall be determined solely by the BCRUA's meters, except in the cases hereinabove specifically provided to the contrary. All such check meters shall be of standard make and shall be subject at all reasonable times to inspection and examination by any employee or agent of the BCRUA, but the reading, calibration and adjustment thereof shall be made only by the City that installed the check meter, except during any period when a check meter may be used under the provisions hereof for measuring the amount of treated water delivered, in which case the reading, calibration and adjustment thereof shall be made by BCRUA with like effect as if such check meter or meters had been furnished or installed by BCRUA.

Section 8.7 Backflow Prevention. The BCRUA shall furnish, install, operate and maintain at the Cities' expense for each Delivery Point the necessary backflow prevention devices approved by the Operations Committee.

ARTICLE IX

ANNUAL BUDGET, ANNUAL PAYMENTS, AND CITY COVENANTS

Section 9.1 Annual Budget. No later than one hundred fifty (150) days prior to each Fiscal Year, each City shall submit to the Operations Committee estimates of the quantity of Raw Water and Treated Water flows each City estimates to take from the BCRUA for the upcoming fiscal year. Such estimated flows shall be used to prepare the Annual Budget and billing of the Annual Payments. Not less than ninety (90) days before commencement of each Fiscal Year, the General Manager shall furnish to the Operations Committee and BCRUA Board of Directors a detailed estimate of the Annual Payments to be incurred in the next ensuing Fiscal Year which it deems properly includable in the Annual Budget. Not less than sixty (60) days prior to each Fiscal Year, the Cities shall approve the Annual Budget for that Fiscal Year. The Cities shall use diligent

efforts so that Operation and Maintenance Expenses and Capital Expenses incurred by, and ultimately paid by, the Cities are reasonable and justified.

Section 9.2 Operations and Maintenance Expenses. The Operations and Maintenance Expenses shall consist of the following three (3) categories of expenses: 1) Non-Operating Expenses, 2) Fixed Operating Expenses and 3) Variable Operating Expenses.

(a) Non-Operating Expenses are those expenses, or portion thereof, which have a percentage allocation shown in column 1 of Exhibit G. Non-Operating Expenses for raw and treated water shall be allocated to and included in each City's Annual Payment based upon the Ultimate capacity percentages shown in Figures C and D, respectively. . Each City will be responsible for its share of Non-Operating Expenses whether it takes delivery of treated water or not.

(b) Fixed Operating Expenses are those expenses, or portion thereof, which have a percentage allocation shown in column 2 of Exhibit G. Fixed Operating Expenses for both raw and treated water shall be allocated to and included in each City's Annual Payment, based on the actual amount of raw and treated water that is delivered to such City, as applicable, as a percentage of the total amount of raw and treated water delivered to all cities, subject to the provisions of Section 9.4 (b). A City shall be responsible for this category of expense only if that City takes delivery of treated water.

(c) Variable Operating Expenses are those expenses which have a percentage allocation shown in column 3 of Exhibit G. Variable Operating Expenses shall be allocated to and included in each City's Annual Payment, based on the actual amount of raw and treated water that is delivered to such City, as applicable, as a percentage of the total amount of raw and treated water delivered to all Cities, subject to the provisions of Section 9.4 (b). A City shall be responsible for Variable Operating Expenses only if that City takes delivery of treated water.

As shown on Exhibit F, some expenses are included in more than one category. In those cases, the expenses shall be allocated between the two categories in accordance with the percentages shown in Exhibit F. Notwithstanding anything herein to the contrary, expenses for the General Manager shall be allocated among the Cities in accordance with their respective capacity reservations in the ultimate Treatment System, which are currently 47.26% to Leander, 38.56% to Round Rock and 14.18% to Cedar Park.

Section 9.3 Reserve Fund. The Annual Budget shall contain a reserve operating account, to be funded by the Cities, in which it shall maintain, at a minimum, funds equivalent to three months' worth of estimated Operations and Maintenance Expenses. Billing for and payment of each City's share of the reserve account funding shall be in accordance with the procedures established for billing and payment of Annual Payments. All funds maintained in the reserve account described herein, including any earned interest, shall be dedicated to and inure to the benefit of the BCRUA System.

Section 9.4 Annual Payments by the Cities.

(a) Annual Payments, excluding Bond Payments. The periodic billing for payment of all Annual Payments in the Annual Budget (excluding Bond Payments and Cities cash funded payments) for each City shall be calculated using the annual flow projections provided by each City prorated for the duration of the billing period, as a percentage of the total flow estimated for

that year. Each City shall pay to the BCRUA its Annual Payments in the Annual Budget related to the operation of the System as prescribed in this Article and Section 4.6 (Billing) of this Agreement. However, controlling the costs paid by the Cities to the BCRUA for Operation and Maintenance Expenses shall be of primary importance to BCRUA. The BCRUA shall use diligent efforts so that Operation and Maintenance Expenses incurred by the BCRUA and ultimately paid by the Cities are reasonable and justified.

(b) Annual Budget Reconciliation (True-Up). On October 1st each year, the BCRUA Plant Superintendent will send the BCRUA Accountant a fiscal year-end report of the actual treated water delivered to each city from the BCRUA water plant. The BCRUA Accountant will re-calculate the flow allocation based on actual water delivered to each city and reallocate the fiscal year's variable expenses and applicable fixed expenses for cities receiving water. The BCRUA Accountant will prepare a true-up spreadsheet whereby the adjustments to each city's expense distribution is derived. This MGD true-up will be settled internally with corresponding adjustments to fund cash. Budget overpayments, will be refunded and any underpayment will be billed.

(c) Each City hereby agrees that it will make payment of its Bond Payment to the extent BCRUA issues a series of Bonds for such City and its proportionate share of the Operation and Maintenance Expenses to the BCRUA, or to the Trustee on behalf of the BCRUA, as provided in each Bond Resolution in accordance with the procedures established in Section 4.6 hereof. If a City at any time disputes the amount to be paid by it to the BCRUA, such City shall nevertheless promptly make such payment or payments, but if it is subsequently determined by agreement or court decision that such disputed payments made by the such City should have been less, or more, the BCRUA shall promptly revise the charges for such City in such manner that a City will recover its overpayment or the BCRUA will recover the amount due it. The BCRUA shall pursue all legal remedies, including the remedies of mandamus and specific performance in addition to any other legal or equitable remedies (other than termination) which may also be available to it, against any City to enforce and protect the rights of the BCRUA and the owners of the Bonds, and the City shall not be relieved of the liability to the BCRUA for the payment of all amounts which are due by them hereunder. However, no City shall have any liability or responsibility for any Annual Payment attributable to another City.

(d) Except to the extent otherwise provided by a Bond Resolution, all amounts due under this Contract shall be paid and are due in Williamson County, Texas, which is the County in which the principal administrative offices of the BCRUA are located.

(e) The BCRUA shall redetermine the estimate and schedule of Annual Payments due in any Fiscal Year at any time during such Fiscal Year, as and to the extent deemed necessary or advisable by the BCRUA to accurately forecast the amount and date of Annual Payments to be made by each City, if (i) the BCRUA issues Bonds to complete the System or to refund any Bonds or enters into, amends, or terminates a Credit Agreement, (ii) actual interest rates on any variable interest rate Bonds differ from those projected by the BCRUA, or (iii) any other event occurs which results in an increase or decrease in the Annual Payments required to be made by any City in such Fiscal Year.

(f) If, during any Fiscal Year, the Annual Payment is redetermined in any manner as provided or required in this Section, the BCRUA will promptly furnish the Cities with an updated schedule of payments reflecting such redetermination.

(g) Notwithstanding anything herein to the contrary, no failure of the BCRUA to estimate, and no mistake by the BCRUA in any estimate of, the amount of or schedule for Annual Payments due from the Cities in any Fiscal Year shall relieve any City from (or defer) its absolute and unconditional obligation to make all Annual Payments in full when due.

Section 9.5 Source of Payment.

(a) Each City represents and covenants that all payments to be made by it under this Contract shall constitute reasonable and necessary "operating expenses," as defined in Chapter 1502, as amended, Texas Government Code, of its City System, but only to the extent of the Annual Payment, and the Cities shall not be obligated to make the payments under this Contract from any source other than the gross revenues of its City System. Each City further represents that its Governing Body has determined that the services to be provided by the System are absolutely necessary and essential to provide the treated water to such City.

(b) Each City agrees throughout the term of this Contract to fix and collect such rates and charges for services to be supplied by its City System as will produce gross revenues at all times during the term of this Contract in an amount at least equal to (i) all of the expenses of operation and maintenance of its City System, including specifically its Annual Payments under this Contract and (ii) all other amounts as required by law and the provisions of the ordinances or resolutions authorizing its Utility Bonds or other obligations now or hereafter outstanding payable, in whole or in part, from the net revenues of the its City System, including the amounts required to pay all principal of and interest on such City's Utility Bonds and other obligations.

(c) No ad valorem tax revenues of any City shall be pledged to the payment of any amounts to be paid by the City to the BCRUA under this Contract, nor shall the BCRUA have the right to demand payment of any amounts to be paid by the City under this Contract be paid from funds raised or to be raised from ad valorem taxation from the City and the obligations under this Contract shall never be construed to be a debt or pecuniary obligation of the City of such kind as to require the City to levy and collect an ad valorem tax to discharge its obligations.

Section 9.6 Annual Budgeting by the Cities. Each City shall make provision in each of its annual budgets and shall appropriate an amount sufficient, at a minimum, for the payment of all amounts required to be paid by the City under this Contract.

Section 9.7 Revenue Sources Pledged. Each City hereby pledges the gross revenues of its City System to the payment of its obligations under this Contract and recognizes that the BCRUA will, and authorizes the BCRUA to, pledge the Bond Payments owing to it by each City under this Contract to the payment of the applicable series of Bonds and Credit Agreements issued for that particular City. The BCRUA agrees to make the payments for such series of Bonds and Credit Agreements when and as required by each Bond Resolution, each Credit Agreement, and this Contract, from and to the extent of proceeds of a series of Bonds not expended for the System and Bond Payments made by each City.

Section 9.8 General Covenants by Cities. Each City further represents, covenants and agrees that in accordance with and to the extent permitted by law, it will comply with the covenants listed below.

(a) Performance. It will faithfully perform at all times any and all covenants, undertakings, stipulations, and provisions contained in each ordinance or resolution authorizing the issuance of the series of Bonds issued for it by the BCRUA; and it will, at the time and in the

manner prescribed, deposit or cause to be deposited the amounts required to be deposited into the fund and accounts created by said ordinances, but only from and to the extent of the sources of funds described in such ordinances.

(b) Legal Authority. It is a duly created and existing home rule city of the State and is duly authorized under the laws of the State to enter into this Contract. By execution hereof, it represents that all actions on its part for the execution and delivery of this Contract have been duly and effectively taken; and that this Contract is a valid and enforceable special obligation of the City in accordance with its terms.

(c) Acquisition and Construction; Operation and Maintenance. (i) It shall use its best efforts in accordance with Prudent Utility Practice to acquire and construct, or cause to be acquired and constructed, any capital improvements to its City System, which shall mean and include any capital extensions, improvements, and betterments, in accordance with the plans and specifications therefor, as modified from time to time with due diligence and in a sound and economical manner; and (ii) it shall at all times use its best efforts to operate or cause to be operated its City System properly and in an efficient manner, consistent with Prudent Utility Practice, and shall use its best efforts to maintain, preserve, reconstruct and keep the same or cause the same to be so maintained, preserved, reconstructed and kept, with the appurtenances and every part and parcel thereof, in good repair, working order and condition, and shall from time to time make, or use its best efforts to cause to be made, all necessary and proper repairs, replacements, and renewals so that at all times the operation of its City System may be properly and advantageously conducted.

(d) Title. It has or will obtain lawful title, whether such title is in fee or lesser interest, to the lands, buildings, structures, and facilities constituting its City System; it will defend the title to all the aforesaid lands, buildings, structures, and facilities, and every part thereof, for the benefit of the BCRUA and the owners of each series of Bonds, against the claims and demands of all persons whomsoever; and it is lawfully qualified to pledge the gross revenues of its City System to the payment of the payments required by this Contract in the manner prescribed herein, and has lawfully exercised such rights.

(e) Liens. It will from time to time and before the same become delinquent pay and discharge all taxes, assessments, and governmental charges, if any, which shall be lawfully imposed upon its City System; it will pay all lawful claims for rents, royalties, labor, materials, and supplies which if unpaid might by law become a lien or charge thereon, the lien of which would be prior to or interfere with the liens hereof, so that the priority of the lien granted hereunder shall be fully preserved in the manner provided herein; and it will not create or suffer to be created any mechanic's, laborer's, materialman's, or other lien or charge which might or could be prior to the liens hereof, or do or suffer any matter or thing whereby the lien hereof might or could be impaired; provided however, that no such tax, assessment, or charge, and that no such claims which might be used as the basis of a mechanic's, laborer's, materialman's, or other lien or charge, shall be required to be paid so long as the validity of the same shall be contested in good faith by the Cities.

(f) Books, Records, and Accounts. It shall keep proper books, records, and accounts separate and apart from all other records and accounts, in which complete and correct entries shall be made of all transactions relating to its City System and each series of Bonds, and it shall cause said books and accounts to be audited annually as of the close of each Fiscal Year. At the request

of the BCRUA, the Cities shall allow the BCRUA to audit such books, records, and accounts at any reasonable time and from time to time.

(g) Insurance.

(i) Except as otherwise permitted in clause (ii) below, it shall cause to be insured such parts of its City System as would usually be insured by governmental entities operating like properties, with a responsible insurance company or companies, against risks, accidents, or casualties against which and to the extent insurance is usually carried by governmental entities operating like properties, including, to the extent reasonably obtainable, fire and extended coverage insurance, insurance against damage by floods, and use and occupancy insurance. Public liability and property damage insurance shall also be carried unless the City Attorney gives a written opinion to the effect that the City is not liable for claims which would be protected by such insurance. At any time, while any contractor engaged in construction work shall be fully responsible therefor, the Cities shall not be required to carry insurance on the work being constructed if the contractor is required to carry appropriate insurance. All such policies shall be open to the inspection of the BCRUA at all reasonable times.

(ii) In lieu of obtaining policies for insurance as provided above, the Cities may self-insure against risks, accidents, claims, or casualties described in clause (i) above.

(iii) The annual audit hereinafter required shall contain a section commenting on whether or not the City has complied with the requirements of this Section with respect to the maintenance of insurance, and listing the areas of insurance for which the City is self-insuring, all policies carried, and whether or not all insurance premiums upon the insurance policies to which reference is hereinbefore made have been paid.

(h) Audits. After the close of each Fiscal Year while this Contract is in effect, an audit will be made by each City of the books and accounts relating to its City System and the revenues of its City System. As soon as practicable after the close of each such Fiscal Year, and when said audit has been completed and made available to the Cities, a copy of such audit for the preceding Fiscal Year shall be mailed to the BCRUA. Such annual audit reports shall be open to the inspection of the BCRUA, its agents and representatives, the Trustee, and the owners of the Bonds at all reasonable times at the BCRUA's office.

(i) Governmental Agencies. It will comply with all of the terms and conditions of any and all franchises, permits, and authorizations applicable to or necessary with respect to a respective City System, and which have been obtained from any governmental entity, and the Cities have or will obtain and keep in full force and effect all franchises, permits, authorizations, and other requirements applicable to or necessary with respect to the acquisition, construction, equipment, operation, and maintenance of a respective City System.

(j) No Competition. To the extent it legally may, each City hereby covenants solely with the owners of its series of Bonds issued by the BCRUA, if any, that such City will not grant any franchise or permit for the acquisition, construction, or operation of any competing facilities which might be used as a substitute for a City System, to the extent such competing facility would impair the City System's ability to pay under this Contract, and, to the extent that it legally may, each City will prohibit any such competing facilities.

(k) Rights of Inspection. The BCRUA, the Trustee, and the owners of 10% or more in principal amount of the Bonds of any series shall have the right at all reasonable times to inspect each City System and all records, accounts, and data of the respective City relating thereto, and upon request, each City shall furnish to the BCRUA, the Trustee, and such owners of Bonds such financial statements, reports, and other information relating to a respective City and a respective City System as any such person may from time to time reasonably request.

(l) Sale, Lease, or Disposal of Property by the Cities. No part of a City System shall be sold, leased, mortgaged, demolished, removed, or otherwise disposed of, except as follows:

(i) To the extent permitted by law, a City may sell or exchange at any time and from time to time any property or facilities constituting a part of its City System only if (a) it shall determine such property or facilities are not useful in the operation of its City System, (b) the proceeds of such sale are \$250,000 or less, or it shall have received a certificate executed by the City Manager stating, in his/her opinion, that the fair market value of the property or facilities exchanged is \$250,000 or less, (c) if such proceeds or fair market value exceeds \$250,000 it shall have received a certificate executed by the City Manager stating his/her opinion that the sale or exchange of such property or facilities will not impair the ability of the Cities to comply during the current or any future year with the provisions of Section 9.4(b) of this Contract, or (d) the sale or exchange will not adversely affect the excludability of interest on the Bonds from the gross income of the owners thereof. The proceeds of any such sale or exchange not used to acquire other property necessary or desirable for the safe or efficient operation of its City System shall forthwith, at the option of the City be used as provided in the ordinances of the City authorizing its Utility Bonds.

(ii) To the extent permitted by law, a City may lease or make contracts or grant licenses for the operation of, or make arrangements for the use of, or grant easements or other rights with respect to, any part of its City System, provided that any such lease, contract, license, arrangement, easement or right (a) does not impede the operation by such City of its City System and (b) does not in any manner impair or adversely affect the rights or security of the BCRUA under this Contract; and provided, further, that if the depreciated cost of the property to be covered by any such lease, contract, license, arrangement, easement, or other right is in excess of \$500,000, the affected City shall have received a certificate executed by the City Manager that the action of the such City with

respect thereto does not result in a breach of the conditions under this subsection (ii). Any payments received by the affected City under or in connection with any such lease, contract, license, arrangement, easement or right in respect of one or more City System or any part thereof shall constitute gross revenues of the respective City System or Systems.

ARTICLE X

CONTINUING DISCLOSURE

Section 10.1 Annual Reports. Following the issuance of Bonds of any series by the BCRUA for the benefit of the appropriate City, the offer or sale of which is not exempt from the Rule and, until the City is no longer obligated, contingently or otherwise, to make Bond Payments in respect of the Bonds of such series issued for such City, each City undertakes to and shall provide annually to the MCRB, within six months after the end of each Fiscal Year, (i) financial information and operating data of the general type included in the Sale and Offering Documents for the Bonds of such series, as specified in its approval of such Sale and Offering Documents pursuant to Section 4.1 hereof and (ii) audited general purpose financial statements of the City, if then available. Any financial statements so to be provided shall be (i) prepared in accordance with generally accepted accounting principles for governmental agencies or such other accounting principles as the City may be required to employ from time to time pursuant to state law or regulation, and (ii) audited, if the City commissions an audit of such statements and the audit is completed within the period during which it must be provided. If the audit of such financial statements is not complete within 12 months after any Fiscal Year, then the City shall file unaudited financial statements within such 12 month period, and shall file audited financial statements for the applicable Fiscal Year, when and if the audit report on such statements become available.

If a City changes its Fiscal Year, the City will notify the Trustee, and file notice with the MSRB of the change and of the date of the new Fiscal Year end prior to the next date by which the City otherwise would be required to provide financial information and operating data pursuant to this Section.

Section 10.2 Event Notices.

(a) The following events with respect to any series of Bonds which each City must agree to file notice with EMMA in a timely manner and not more than 10 business days after the occurrence of the event.

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults;
- (iii) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) Substitution of credit or liquidity providers, or their failure to perform;
- (vi) Adverse tax opinions or events, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue

(IFS Form 5701-TEB, or other material events affecting the tax-exempt status of the Bonds;

(vii) Modifications to rights of holders of the Bonds, if material;

(viii) Bond calls if material, and tender offers;

(ix) Defeasances;

(x) Release, substitution, or sale of property securing repayment of the Bonds; if material;

(xi) Rating changes;

(xii) Bankruptcy, insolvency, receivership, or similar event of the City;

(xiii) The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(xiv) Appointment of a successor or additional trustee or the change of name of a trustee, if material;

(xv) Incurrence of a Financial Obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the City, any of which affect security holders, if material; and

(xvi) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the City, any of which reflect financial difficulties.

For these purposes, (a) any event described in the immediately preceding paragraph (xii) is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the City in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers of the City in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City, and (b) the City intends the words used in the immediately preceding paragraphs (xv) and (xvi) and the definition of Financial Obligation in this Section to have the same meanings as when they are used in the Rule, as evidenced by SEC Release No. 34-83885, dated August 20, 2018.

(b) Each City shall file notice with the MSRB, in a timely manner, of any failure by the City to provide financial information or operating data in accordance with subsection (a) of this Section by the time required by such subsection.

(c) Each City shall, promptly after obtaining actual knowledge of the occurrence of any of the events enumerated in (a) above, notify the BCRUA of such event and provide all

information in the format required to satisfy the requirements of the Rule. Further, each City shall provide, in a timely manner, notice of any failure to provide audited financial statements, financial information, and operating data in accordance with Section 10.1 hereof to each NRMSIR and each SID.

Section 10.3 Limitations, Disclaimers, and Amendments.

(a) Each City shall be obligated to observe and perform the covenants specified in this Contract in respect to its Bonds of any series for so long as, but only for so long as, the City remains an “obligated person” with respect to the Bonds of such series within the meaning of the Rule, except that the City in any event will give notice of any deposit made in accordance with the Bond Resolution that causes Bonds of such series no longer to be outstanding.

(b) The provisions of this Article are for the sole benefit of (and may be enforced by) the owners and beneficial owners of the Bonds of such City, and nothing in this Article, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. Each City undertakes to provide only the financial information, operating data, financial statements, and notices which they have expressly agreed to provide pursuant to this Article and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the its financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Article or otherwise, except as expressly provided herein. Each City makes no representation or warranty concerning such information or its usefulness to a decision to invest in or sell Bonds at any future date.

(c) UNDER NO CIRCUMSTANCES SHALL A CITY BE LIABLE TO THE OWNER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY A CITY WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS ARTICLE, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE.

(d) No default by a City in observing or performing its obligations under this Article shall comprise a breach of or default under this Contract for purposes of any other provision of this Contract.

(e) Nothing in this Article is intended or shall act to disclaim, waive, or otherwise limit the duties of the BCRUA or each City under federal and state securities laws.

(f) The provisions of this Article may be amended by the BCRUA and the Cities from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the BCRUA or the appropriate Cities, but only if

(i) the provisions of this Article, as so amended, would have permitted an underwriter to purchase or sell Bonds of the applicable series in the primary offering of the Bonds of such series in compliance with the Rule, taking into account any amendments or interpretations of the Rule since such offering as well as such changed circumstances, and

(ii) either

(1) the owners of a majority in aggregate principal amount (or any greater amount required by any other provision of this Contract that authorizes such an amendment) of the outstanding Bonds of each such series affected consent to such amendment or

(2) an entity that is unaffiliated with the BCRUA or the appropriate Cities (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interest of the owners and beneficial owners of the Bonds of such series and is permitted by the terms of the Article.

If the BCRUA and the Cities so amend the provisions of this Article in connection with the financial or operating data which the Cities are required to disclose under Section 10.1 hereof, the appropriate Cities shall provide a notice of such amendment to be filed in accordance with Section 10.2(b) hereof, together with an explanation, in narrative form, of the reason for the amendment and the impact of any change in the type of financial information or operating data to be so provided. The BCRUA and the appropriate Cities may also amend or repeal the provisions of this Article if the SEC amends or repeals the applicable provision of the Rule or a court of final jurisdiction enters judgment that such provisions of the Rule are invalid, but only if and to the extent that the provisions of this sentence would not prevent an underwriter from lawfully purchasing or selling Bonds in the primary offering of each series of Bonds.

ARTICLE XI **COMPLIANCE WITH FEDERAL, STATE AND LOCAL LAWS**

Section 11.1 Compliance with Federal, State and Local Laws. This Contract is subject to all applicable federal and State laws and any applicable permits, ordinances, rules, orders, and regulations of any local, state or federal government authority having or asserting jurisdiction. The Contract is specifically subject to the rules of the TCEQ, and the BCRUA shall have the right to terminate this Contract upon a City's non-compliance with the rules promulgated by the TCEQ, but such termination shall only affect the non-complying City; provided however, such termination shall not affect the non-complying City's obligation to pay Bond Payments in accordance with this Contract.

Section 11.2 Recordkeeping and Reporting. The BCRUA shall maintain records on site in accordance with applicable State laws.

- (a) Records to be maintained by the BCRUA include:
 - (i) copies of notifications made to the TCEQ concerning water systems;
 - (ii) as applicable, copies of contracts made with each water user;
 - (iii) records of volume of treated water delivered to each water user per delivery; and
 - (iv) water quality analyses.

(b) BCRUA shall report to the TCEQ as required by law. All costs of compliance with the rules of the TCEQ shall be paid by the BCRUA, but such costs shall be considered an Operation and Maintenance Expense.

ARTICLE XII **GENERAL PROVISIONS**

Section 12.1 Participation by the Parties. The BCRUA and each City represents to the others that it is empowered by law to participate in the acquisition, construction, and financing of the System, and to execute this Contract and other agreements and documents as are or may hereafter be required to accomplish the same; and that its participation in the System and execution of this Contract have been duly authorized by action of its governing body at a meeting conducted in accordance with the Texas Open Meetings Act, as amended, Chapter 551, Texas Government Code. The BCRUA and each City agree to furnish to each other such documentation or evidence of its authority to so participate and execute the contracts and other agreements as the other party may reasonably request, and to take and perform such other and further actions and execute such other agreements and documents as may be reasonably required to carry out the provisions of this Contract.

Section 12.2 Insurance.

(a) The BCRUA agrees to carry public liability insurance on the System for purposes and in amounts which ordinarily would be carried by a privately owned utility company owning and operating such facilities, except that the BCRUA shall not be required to carry liability insurance except to insure itself against risk of loss due to claims for which it can, in the opinion of the BCRUA's legal counsel, be potentially liable considering relevant governmental immunities of the Cities and the BCRUA. The BCRUA shall also carry property casualty insurance in the amount of the replacement value of all improvements and personal property connected with the System (less a deductible comparable to the deductible on the Cities' property insurance for Cities property generally).

All premiums for such insurance shall constitute an expense of the System but may be paid out of the proceeds of the Bonds to the extent that such proceeds are available. In the event the BCRUA is required to pay a deductible with respect to a claim under any such policy, the amount of such deductible shall constitute an expense and shall be paid by the Cities.

(b) The BCRUA shall require the contractor or contractors employed for construction of the System to carry insurance coverage throughout the construction period in at least the following amounts:

- (i) Workers' Compensation: State law limits;
- (ii) General Liability (including contractual liability) and Automobile Liability: One million dollars (\$1,000,000.00) per person and per occurrence for bodily injury and One million dollars (\$1,000,000.00) for property damage;
- (iii) Builder's Risk: full replacement value of improvements; and
- (iv) Performance and Payment Bond: full value of contract;

The Cities shall be furnished with a certified copy of such effective policy of insurance prior to commencement of construction. Such insurance policies shall name the BCRUA and the Cities as additional insureds, and the BCRUA shall be provided with a certificate of insurance showing the required coverage and providing that the policies may not be canceled, changed, or not renewed until the BCRUA has been given thirty (30) days prior written notice of such event.

(c) The insurance required by this section may be modified by written agreement of the Cities and the BCRUA, in accordance with good business practice. Any questions about the scope of coverage required hereunder shall be resolved by written agreement between the Cities and the BCRUA. The Parties can agree to substitute an owner-controlled insurance program for any of the above specified insurance requirements.

Section 12.3 Force Majeure. If by reason of Force Majeure any party hereto shall be rendered unable wholly or in part to carry out its obligations under this Contract, other than the obligation of each City to make the payments required under Sections 4.5 and 9.4 of this Contract, which payments will continue irrespective of a Force Majeure event, then if such party shall give notice and full particulars of such Force Majeure in writing to the other party within a reasonable time after the occurrence of the event or cause relied on, the obligation of the party giving such notice, so far as it is affected by such Force Majeure, shall be suspended during the continuance of the inability then claimed, but for no longer period, and any such party shall endeavor to remove or overcome such inability with all reasonable dispatch. The term "Force Majeure" as employed herein shall mean acts of God, war, strikes, fires, explosions or other causes that are beyond the reasonable control of the party claiming such inability and that by exercise of due foresight such party could not reasonably have been expected to avoid and which by exercise of all reasonable due diligence such party is unable to overcome.

Section 12.4 Unconditional Obligation to Make Payment. Recognizing the fact that the Cities urgently require the facilities and services of the System, and that such facilities and services are essential and necessary for actual use and for standby purposes, and recognizing the fact that the Bond Payments to be received from each City will be the primary source of funds available to the BCRUA and the Trustee to pay the Bonds and other System Costs, and recognizing the fact that purchasers of Bonds will rely on the obligation of the Cities to make Annual Payments with respect to their series of Bonds in accordance with the provisions of this Contract, each City hereby waives all rights of set-off, recoupment, counterclaim, suspension, deferment, reduction, and amendment, with respect to making its Annual Payments against the BCRUA, the Trustee, and any other direct or indirect recipients of Annual Payments, and each City agrees that it shall make its appropriate Annual Payment even if no Bonds are issued for its benefit by the BCRUA and if any Bonds are issued, each City shall be unconditionally obligated to pay its Annual Payments as provided and determined by this Contract, regardless of whether or not the BCRUA actually acquires the Land Interests and, constructs, or completes the System, or the portions thereof designated for its use, or breaches any obligation on its part hereunder, and whether or not each City actually uses the System, or the portions thereof designated for its use, whether due to Force Majeure or any other reason whatsoever, regardless of any other provisions of this Contract, any other contract or agreement between any of the Parties hereto. This covenant by each City shall be for the benefit of and enforceable by the owners of the Bonds and/or by the BCRUA.

By entering into this Contract and performing its obligations under any Section of this Contract, each City does not release any persons from or waive any claims against such persons that the City may have resulting from actions by such persons contrary to that person's legal obligations.

Section 12.5 Term of Contract. This Contract shall be effective from and after its date, and this Contract shall continue in force and effect until the principal of and interest on all Bonds shall have been paid or provision for the payment of all of the Bonds has been made in accordance with the terms of each Bond Resolution and thereafter continue in force and effect during the entire useful life of the System. When the principal of and interest on all Bonds shall have been paid or provision for the payment of all of the Bonds has been made in accordance with the terms of the Bond Resolution and all amounts owed to the BCRUA, the Trustee, or any other person hereunder have been paid, all money held by the Trustee or the BCRUA pursuant to the terms of the Bond Resolution shall be paid to the BCRUA. Upon the termination of this Contract, the BCRUA will charge each City a per gallonage charge (or other published rate) for treated water delivered to the Cities in accordance with the BCRUA's then existing rate schedule.

Section 12.6 Amendment and Modification. This Contract shall not be amended except in writing of all Parties hereto. No change, amendment, or modification of this Contract shall be made or be effective which will affect adversely the prompt payment when due of all money required to be paid by each City under the terms of this Contract and no such change, amendment, or modification shall be made or be effective which would cause a violation of any provisions of any Bond Resolution.

Section 12.7 Addresses and Notice. Unless otherwise provided herein, any notice, communication, request, reply, or advice (herein severally and collectively, for convenience, called "Notice") herein provided or permitted to be given, made, or accepted by any party to the other parties must be in writing and may be given or be served by depositing the same in the United States mail postpaid and registered or certified and addressed to the party to be notified, with return receipt requested, or by delivering the same to an officer of such party, or by prepaid telegram when appropriate, addressed to the party to be notified. Notice deposited in the mail in the manner hereinabove described shall be conclusively deemed to be effective, unless otherwise stated herein, from and after the expiration of three days after it is so deposited. Notice given in any other manner shall be effective only if and when received by the party to be notified. For the purposes of notice, the addresses of the Parties shall, until changed as hereinafter provided, be as follows:

If to the BCRUA:

President, Board of Directors
Brushy Creek Regional Utility Authority, Inc.
221 E. Main St.
Round Rock, Texas 78664

If to Cedar Park:

City Manager
450 Cypress Creek Rd.
Cedar Park, Texas 78613

If to Leander:

City Manager
P.O. Box 319
Leander, Texas 78646-0319

If to Round Rock:

City Manager
221 E. Main St.
Round Rock, Texas 78664

The BCRUA and the Cities hereto shall have the right from time to time and at any time to change their respective addresses and each shall have the right to specify as its address any other address by at least fifteen (15) days' written notice to the other Parties.

Section 12.8 State or Federal Laws, Rules, Orders, or Regulations. This Contract is subject to all applicable federal and State laws and any applicable permits, ordinances, rules, orders, and regulations of any local, state, or federal governmental authority having or asserting jurisdiction but nothing contained herein shall be construed as a waiver of any right to question or contest any such law, ordinance, order, rule, or regulation in any forum having jurisdiction and the Cities and the BCRUA represent that, to the best of their knowledge, no provisions of any applicable federal or State law, including the City Charters of the Cities, nor any permit, ordinance, rule, order, or regulation of either party will limit or restrict the ability of either party to carry out their respective obligations under or contemplated by this Contract.

Section 12.9 Severability. The Parties hereto specifically agree that in case any one or more of the sections, subsections, provisions, clauses, or words of this Contract or the application of such sections, subsections, provisions, clauses, or words to any situation or circumstance should be, or should be held to be, for any reason, invalid or unconstitutional, under the laws or constitutions of the State or the United States of America, or in contravention of any such laws or constitutions, such invalidity, unconstitutionality, or contravention shall not affect any other sections, subsections, provisions, clauses, or words of this Contract or the application of such actions, subsections, provisions, clauses, or words to any other situation or circumstance, and it is intended that this Contract shall be severable and shall be construed and applied as if any such invalid or unconstitutional section, subsection, provision, clause, or word had not been included herein, and the rights and obligations of the Parties hereto shall be construed and remain in force accordingly.

Section 12.10 Remedies Upon Default. It is not intended hereby to specify (and this Contract shall not be considered as specifying) an exclusive remedy for any default, but all such other remedies (other than termination) existing at law or in equity may be availed of by any party hereto and shall be cumulative. Recognizing that failure in the performance of the Cities' obligations hereunder could not be adequately compensated in money damages alone, each City agrees in the event of any default on its part that the BCRUA and the owners of the Bonds as third-party beneficiaries shall have available to them the remedies of mandamus and specific performance in addition to any other legal or equitable remedies (other than termination) which may also be available to them. As long as an Insurer is not in default on the related Insurance

Policy for a series of Bonds, the Insurer of a series of Bonds shall be deemed to be the Owner of such Bonds insured by it for purposes of enforcing the provisions of this Contract, so long as no event of default exists. Notwithstanding anything to the contrary contained in this Contract, any right or remedy or any default hereunder, except the right of the BCRUA to receive the Annual Payments and the provision of Section 4.9 hereof, which shall never be determined to be waived, shall be deemed to be conclusively waived unless asserted by a proper proceeding at law or in equity within two (2) years plus one (1) day after the occurrence of such default. No waiver or waivers of any breach or default (or any breaches or defaults) by any party hereto or of the performance by any other party of any duty or obligation hereunder shall be deemed a waiver thereof in the future, nor shall any such waiver or waivers be deemed or construed to be a waiver of subsequent breaches or defaults of any kind, character or description, under any circumstances.

Section 12.11 Venue. All amounts due under this Contract, including, but not limited to, payments due under this Contract or damages for the breach of this Contract, shall be paid and be due in Williamson County, Texas, which is the County in which the principal administrative offices of the BCRUA are located. It is specifically agreed among the Parties to this Contract that Williamson County, Texas, is the place of performance of this Contract; and in the event that any legal proceeding is brought to enforce this Contract or any provision hereof, the same shall be brought in Williamson County, Texas.

Section 12.12 Statutory Authority. In entering into this Contract and performing all duties and obligations hereunder, the Cities and the BCRUA exercise their authority under and in accordance with the State Constitution and laws including, but not limited to, the Act, Chapter 402, as amended, Texas Local Government Code; Chapter 1502, as amended, Texas Government Code, each City's respective Home Rule Charter; Chapter 1371, as amended, Texas Government Code and all other laws which may authorize this Contract, all of which provisions and laws, cited or not cited herein, shall cumulatively provide the authority for this Contract.

Section 12.13 Indemnification. For so long as the bonds are outstanding and unpaid, and also with respect to any claim that may arise out of the offer and sale of the bonds of any series or the alleged misstatement or omission of a material fact in or from any sale and offering document relating to any of the cities used in connection therewith, to the extent permitted by law, each city agrees to indemnify, to the extent permitted by law, and save and hold harmless the BCRUA, and the other cities, and their respective officers, directors, agents, financial advisors, attorneys, and employees, and the underwriters of any such offering and their respective directors, officers, employees, and agents, and all persons who control the same within the meaning of the federal securities laws, from and against all claims that may arise as a result of any undertaking, act, or omission, whether negligent or not, which is done or omitted to be done by the cities or any of their officers, councilmen, agents, attorneys, and employees, relating to the system or providing information for inclusion in the sale and offering documents. If any such claim is brought against any such indemnified person, the cities shall pay all costs incurred by such person in defending and (subject to applicable rules of attorney conduct) may control the defense of such claim.

Section 12.14 Contract for Benefit of the Cities. This Contract is made for the exclusive benefit of the Cities (except with respect to Section 9.8(j) which is solely for the benefit of the owners of the Bonds issued by the BCRUA for a particular City), the BCRUA, the Trustee, the owners of the Bonds, the parties to any Credit Agreements, the underwriters of any offering of and remarketing agent and tender agent, if any, for any Bonds, and their respective successors and assigns herein permitted, and not for any third party or parties other than the BCRUA (including

its officers, directors, employees, agents, and attorneys), the Trustee, the owners of the Bonds, the Cities, and the parties to any Credit Agreements, the underwriters of any offering of and remarketing agent and tender agent, if any, for any Bonds, the other persons indemnified by Section 12.13 hereof, and their respective successors and assigns herein permitted, any rights or remedies under or by reason of this Contract.

Section 12.15 Succession and Assignment. This Contract is binding on and inures to the benefit of the Parties hereto and their respective successors, representatives, and assigns. This Contract may not be assigned by any party hereto without (i) complying with any provisions relating to the right of the Parties to assign this Contract contained in the Bond Resolution and (ii) prior written notice to and approval by the other Parties, which consent may be withheld without cause. The provisions of this Section do not affect the assignment of the BCRUA's rights under this Contract to a Trustee pursuant to Section 4.8.

Section 12.16 Incorporation of Preamble Recitals. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Contract for all purposes and are adopted as a part of the judgment and findings of the BCRUA and the Cities.

Section 12.17 Independent Contractor. As among the Parties, the BCRUA shall be solely responsible for the operation of the System to produce and treat raw water and to deliver treated water to the Cities pursuant to this Contract (except to the extent the BCRUA and the Cities enter into agreements for the Cities to operate parts of the System); and the BCRUA shall be an independent contractor in the operation of the System.

Section 12.18 Financing Statement. Each City agrees at the request of the BCRUA to execute a financing statement in a form satisfactory to the BCRUA and meeting the requirements of the Texas Business and Commerce Code to perfect any security interest created hereby. The Cities further agree to execute such continuation statements or other documents as may be necessary to maintain any such security interest.

Section 12.19 Entire Agreement. This Contract constitutes the entire agreement among the Parties with respect to the matters described herein.

Section 12.20 Applicable Law. This Contract shall be governed by and construed in accordance with the laws of the State, and the obligations, rights, and remedies of the Parties hereunder shall be determined in accordance with such laws without reference to the laws of any other state or jurisdiction, except for applicable federal laws, rules, and regulations.

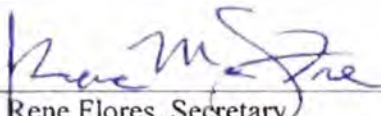
Section 12.21 Counterparts. This Contract may be executed in counterparts, each of which shall be an original and all of which together shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the Parties hereto acting under authority of their respective governing bodies have caused this Contract to be duly executed as of the day and year first above written.


BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.

By: 
Na'Cole Thompson, President

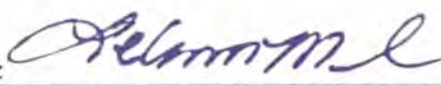
Attest:

By: 
Rene Flores, Secretary

CITY OF CEDAR PARK, TEXAS ⁴²

By: 
Jim Penniman-Morin, Mayor

Attest:

By: 
LeAnn Quinn, City Secretary

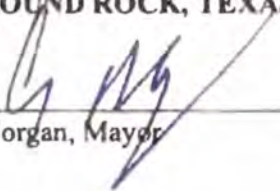
CITY OF LEANDER, TEXAS

By: C. DeFale
Christine DeFale, Mayor

Attest:

By: Dara Crabtree
Dara Crabtree, City Secretary

CITY OF ROUND ROCK, TEXAS

By: 
Craig Morgan, Mayor

Attest:

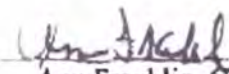
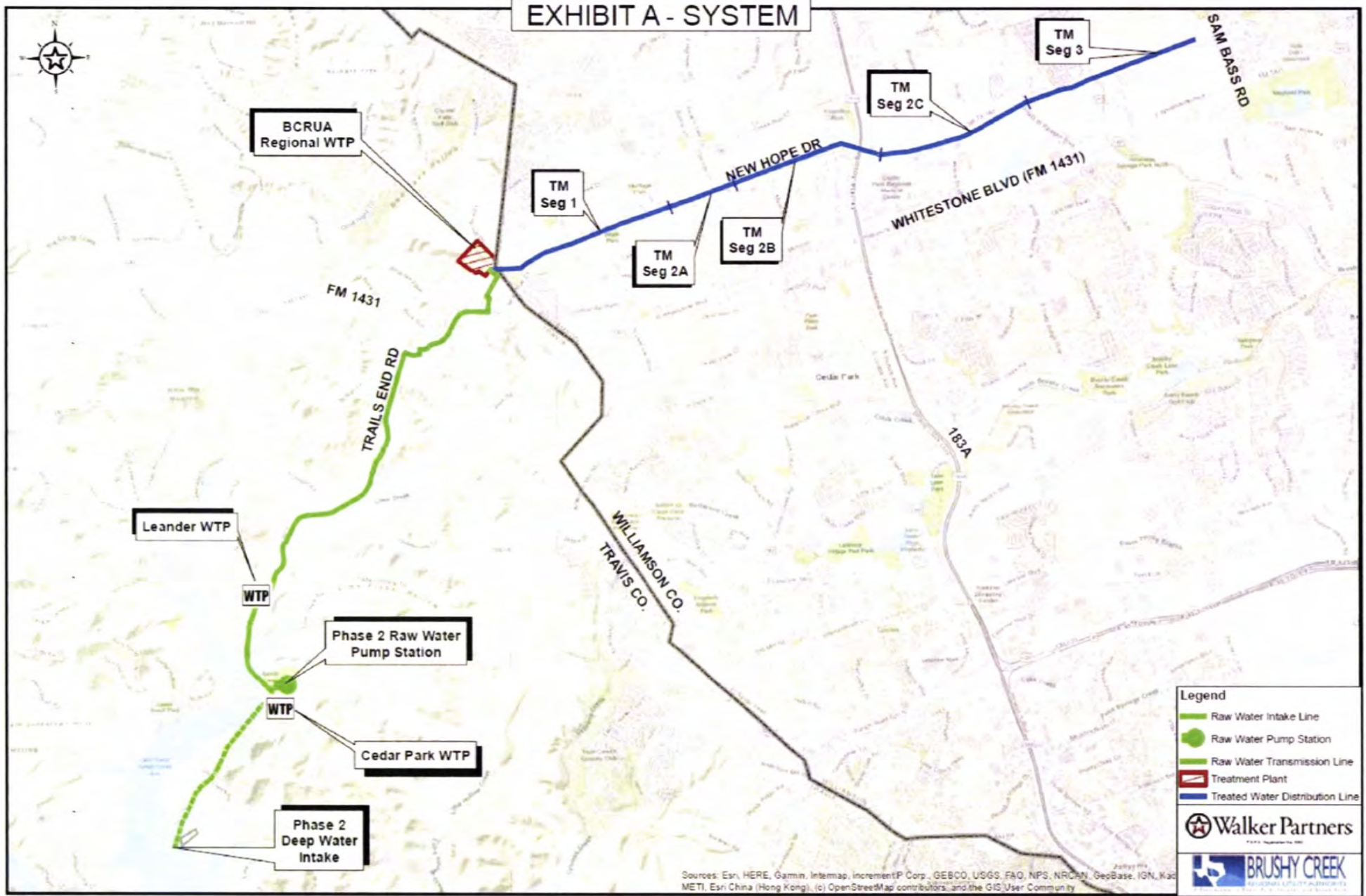
By: 
Ann Franklin, City Clerk

EXHIBIT A - SYSTEM



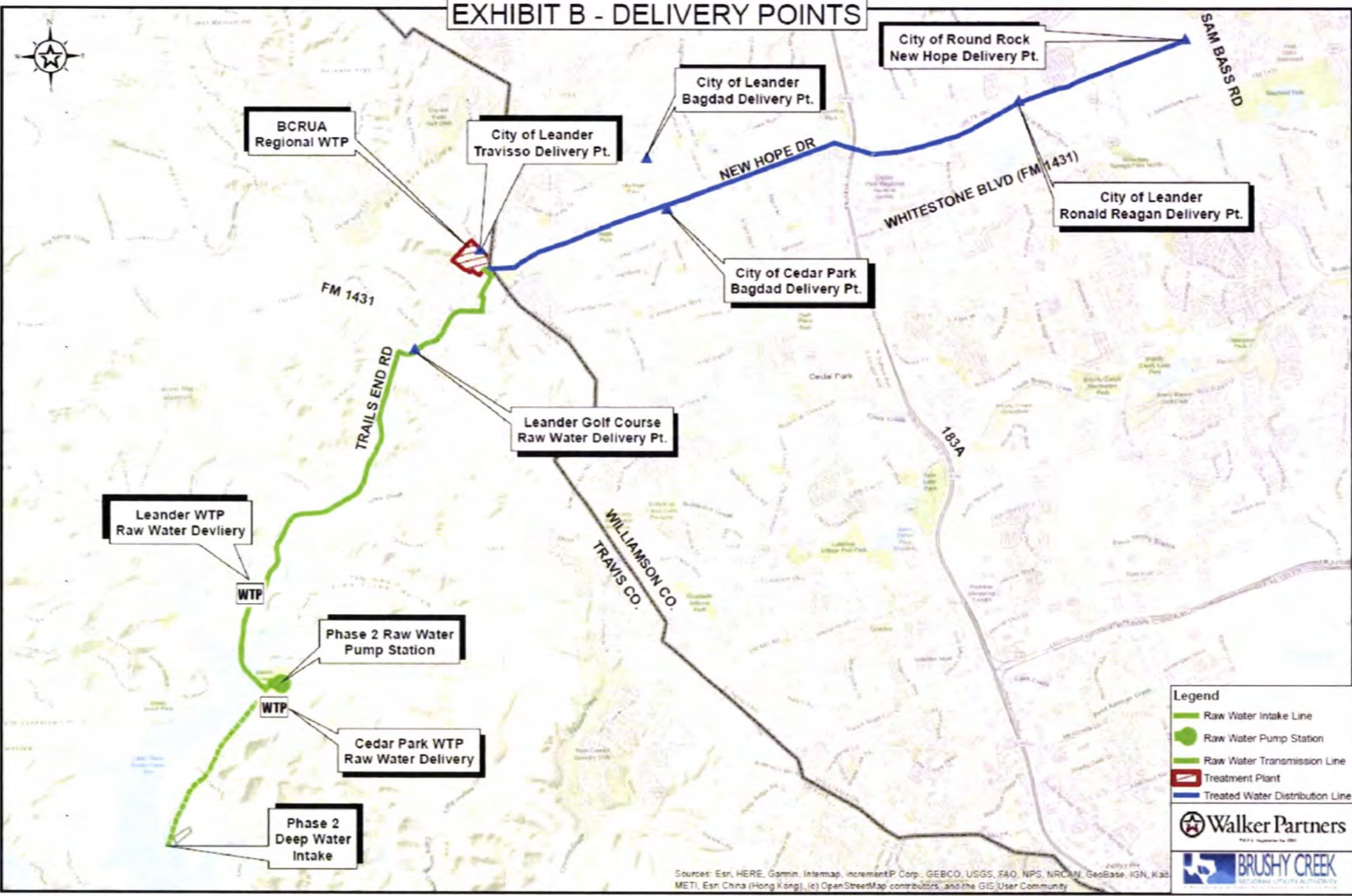
- Legend**
- Raw Water Intake Line
 - Raw Water Pump Station
 - Raw Water Transmission Line
 - Treatment Plant
 - Treated Water Distribution Line

Walker Partners
Partnership with

BRUSHY CREEK
REGIONAL UTILITY AUTHORITY

Sources: Esri, HERE, Garmin, Intermap, incrementP Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeBCO, IGN, Kad METI, Esri China (Hong Kong), (c) OpenStreetMap contributors, and the GIS User Community

EXHIBIT B - DELIVERY POINTS



BCRUA
Regional WTP

City of Leander
Travisso Delivery Pt.

City of Leander
Bagdad Delivery Pt.

City of Round Rock
New Hope Delivery Pt.

City of Leander
Ronald Reagan Delivery Pt.

City of Cedar Park
Bagdad Delivery Pt.

Leander Golf Course
Raw Water Delivery Pt.

Leander WTP
Raw Water Delivery

WTP

Phase 2 Raw Water
Pump Station

WTP

Cedar Park WTP
Raw Water Delivery

Phase 2
Deep Water
Intake

FM 1431

TRAILS END RD

NEW HOPE DR

WHITESTONE BLVD (FM 1431)

SAM BASS RD

WILLIAMSON CO.
TRAVIS CO.

183A



Exhibit C

Raw Water Delivery System Max Daily Capacities & Delivery Rates ^{1,2,3}									
System Phase	Total Raw Water System Capacity and Delivery Rates (MGD)	Cedar Park (MGD)			Leander (MGD)			Round Rock	
		Cedar Park WTP (MGD)	BCRUA WTP (MGD)	Total (MGD)	Leander WTP (MGD)	BCRUA WTP (MGD)	Total (MGD)	BCRUA WTP (MGD)	Total (MGD)
Phase 1C	32.50	0.00	8.67	8.67	0.00	15.16	15.16	8.67	8.67
Phase 1D	41.90	0.00	11.17	11.17	0.00	19.56	19.56	11.17	11.17
Phase 2	103.10	26.90	11.17	38.07	12.00	31.26	43.26	21.77	21.77
Ultimate	144.70	26.90	15.00	41.90	12.00	50.00	62.00	40.80	40.80

Note 1 - Max delivery rates for each City to the BCRUA plant prior to completion of Phase 2 shall be as shown in this Exhibit C unless the raw water capacity delivered prior to completion of Phase 2, through the Phase 1A, Contract 2 Raw Water Pipeline is less than 41.9 MGD as determined by the Consulting Engineer through engineering studies and construction repairs.

Note 2 - Max delivery rates shown for Total Raw System and Leander and Round Rock deliveries to the BCRUA WTP in Phase 2 assume a larger pump is added to the Phase 2 construction contract, which is currently sized for a Total delivery of 87 MGD instead of 103.1. Capacities shown for Leander and Round Rock deliveries to the BCRUA WTP match the capacity of the Phase 2A treatment plant expansion for these 2 cities.

Note 3 - Max delivery rates for each City involved in Expansions to the BCRUA WTP beyond completion of Phase 2 and before the Ultimate phase is completed will require an amendment to this Exhibit per this Agreement.

Phase 2 Ultimate Capacity & Cost		
	Capacity (MGD)	Percent %
Cedar Park	41.9	28.96
Leander	62.0	42.85
Round Rock	40.8	28.19
Total	144.7	100.00

Exhibit D

Treatment System Max Daily Capacities & Instantaneous Delivery Rates¹												
City	Phase 1C			Phase 1D			Phase 2A			Ultimate		
	Max Daily Capacity (MGD)	Max Instant Delivery Rate (GPM)	Percent %	Max Daily Capacity (MGD)	Max Instant Delivery Rate (GPM)	Percent %	Max Daily Capacity (MGD)	Max Instant Delivery Rate (GPM)	Percent %	Max Daily Capacity (MGD)	Max Instant Delivery Rate (GPM)	Percent %
Cedar Park	8.67	6,021	26.67	11.17	7,757	26.67	11.17	7,757	17.40	15	10,417	14.18
Leander	15.16	10,528	46.67	19.56	13,583	46.67	31.26	21,708	48.69	50	34,722	47.26
Round Rock	8.67	6,021	26.67	11.17	7,757	26.67	21.77	15,118	33.91	40.8	28,333	38.56
Total	32.50	22,570	100.00	41.90	29,097	100.00	64.20	44,583	100.00	105.80	73,472	100.00

Notes: 1) Max daily capacity and max instantaneous delivery rates in the treatment system are cumulative after completion of each Phase.

Phase 2A Capacity & Cost Allocation		
	Capacity (MGD)	Percent %
Cedar Park	0.0	0.00
Leander	11.7	52.40
Round Rock	10.6	47.60
Total	22.3	100.00

Exhibit E

Treated Water Distribution System Capacity Allocation				
Transmission Line Segment	Constructed System Capacity (MGD)	Cedar Park	Leander	Round Rock
		Percent (%)	Percent (%)	Percent (%)
Segment 1	105.80	14.18	47.26	38.56
Segment 2A	105.80	14.18	47.26	38.56
Segment 2B	78.80	0.00	48.22	51.78
Segment 2C	78.80	0.00	48.22	51.78
Segment 3	40.80	0.00	0.00	100.00

Exhibit F
BCRUA Regional Water Project
Capacity and Cost Allocation, Phase 1A
Amended: October 20, 2010

DESCRIPTION	CONSTRUCTED CAPACITY (MGD)	ESTIMATED COST	CEDAR PARK RESERVED CAPACITY (%)	CEDAR PARK COST	LEANDER RESERVED CAPACITY (%)	LEANDER COST	ROUND ROCK RESERVED CAPACITY (%)	ROUND ROCK COST
BCRUA PROJECT (Operational April 1, 2012)								
FLOATING INTAKE BARGE								
Preliminary Engineering	30.9	\$ 267,709	14.18	\$ 40,797	47.26	\$ 135,971	38.56	\$ 110,941
Final Engineering (Infl Bidding)	30.9	\$ 458,610	14.18	\$ 65,031	47.26	\$ 216,739	38.56	\$ 176,840
Construction	30.9	\$ 3,807,500	26.8	\$ 1,096,560	45.31	\$ 1,725,178	25.89	\$ 985,762
Construction - Contingency	30.9	\$ 837,480	26.8	\$ 241,194	45.31	\$ 379,462	25.89	\$ 216,824
Total Construction (Includes Construction and Contingency)	30.9	\$ 4,644,980	26.8	\$ 1,337,754	45.31	\$ 2,104,641	25.89	\$ 1,202,586
Construction Phase Services	30.9	\$ 128,414	26.8	\$ 36,983	45.31	\$ 58,184	25.89	\$ 33,246
FLOATING INTAKE BARGE SUB-TOTAL		\$ 5,519,713		\$ 1,480,565		\$ 2,515,535		\$ 1,523,612
Cost Allocation Percentages				26.82%		45.57%		27.60%
RAW WATER LINE- FROM BARGE, UP TRAIL & END ROAD TO REGIONAL WATER TREATMENT PLANT								
Preliminary Engineering	105.8	\$ 570,069	14.18	\$ 80,839	47.26	\$ 269,424	38.56	\$ 219,826
Final Engineering (Infl Bidding)	105.8	\$ 2,784,016	14.18	\$ 394,773	47.26	\$ 1,315,726	38.56	\$ 1,073,517
Environmental, Permit, and Habitat Mitigation	105.8	\$ 413,000	14.18	\$ 58,563	47.26	\$ 195,184	38.56	\$ 159,253
Construction - Contract 1	105.8	\$ 19,371,138	14.18	\$ 2,746,827	47.26	\$ 9,154,800	38.56	\$ 7,469,511
Construction - Contract 2	105.8	\$ 5,511,774	26.67	\$ 1,469,990	46.67	\$ 2,572,345	26.67	\$ 1,469,990
Contingency	105.8	\$ 3,649,300	14.18	\$ 517,471	47.26	\$ 1,724,659	38.56	\$ 1,407,170
Total Construction (Includes Construction and Contingency)	105.8	\$ 26,532,212	14.18	\$ 4,734,258	47.26	\$ 13,451,804	38.56	\$ 10,346,671
Customers	105.8	\$ 1,461,798	14.18	\$ 210,119	47.26	\$ 700,296	38.56	\$ 571,381
Construction Phase Services	105.8	\$ 802,846	14.18	\$ 113,844	47.26	\$ 379,425	38.56	\$ 309,577
RAW WATER LINE SUB-TOTAL		\$ 34,583,961		\$ 5,592,426		\$ 16,311,861		\$ 12,680,225
Cost Allocation Percentages				16.17%		47.17%		36.67%
REGIONAL WATER TREATMENT PLANT								
WTP Land Acquisition	105.8	\$ 3,324,022	14.18	\$ 471,346	47.26	\$ 1,570,933	38.56	\$ 1,281,743
Preliminary Engineering	105.8	\$ 703,112	14.18	\$ 99,701	47.26	\$ 332,291	38.56	\$ 271,120
Final Engineering	17	\$ 3,457,493	14.18	\$ 490,273	47.26	\$ 1,634,011	38.56	\$ 1,333,209
Supplemental Engineering	17	\$ 581,395	14.18	\$ 82,442	47.26	\$ 274,767	38.56	\$ 224,188
Construction Phase Services	17	\$ 1,166,500	14.18	\$ 166,398	47.26	\$ 567,878	38.56	\$ 469,225
1.0 Raw Water Conveyance								
1.01 72" 54" Raw Water Line, Isolation Valves, and Chemical Injection Vaults	105.8	\$ 1,081,911	14.18	\$ 153,415	47.26	\$ 511,311	38.56	\$ 417,185
2.0 Treatment Structure								
2.01 54" Raw Water, Raw Water Pipe Gallery	43	\$ 215,897	26.67	\$ 57,573	46.67	\$ 100,752	26.67	\$ 57,573
2.02 30" Raw Water Venturi Meter and Rate of Flow Control Valve, and Hydraulic Rapid Mix IC	22	\$ 222,386	26.67	\$ 59,298	46.67	\$ 103,771	26.67	\$ 59,298
2.03 Flocculators 1A, 1C thru 4A, 4C (12 total) and Flocculated Water Channel	22	\$ 1,309,126	26.67	\$ 349,101	46.67	\$ 610,926	26.67	\$ 349,101
Basin Inlet Channels, Sedimentation Basins 1 and 2 with Sludge Collection Equipment and Basin Outlet Channel, Settled Water Channel with Valves and Gates	22	\$ 3,029,835	26.67	\$ 807,956	46.67	\$ 1,413,923	26.67	\$ 807,956
2.05 Sludge Vault 1C and 12" Sludge Pipe	22	\$ 563,515	26.67	\$ 156,271	46.67	\$ 278,973	26.67	\$ 158,271
2.06 Filter Inlet Channel	43	\$ 833,670	26.67	\$ 222,312	46.67	\$ 389,048	26.67	\$ 222,312
Filters 1-4 (underdrains, media, troughs, effluent venturi meters, rate of flow control valves, piping and miscellaneous valves) and Filters 5-8 (structure, wall spools and blind flanges only)	12.8	\$ 2,045,785	26.67	\$ 545,537	46.67	\$ 954,690	26.67	\$ 545,537
2.08 Filter 5 (underdrains, media, troughs, effluent venturi meters, rate of flow control valves, piping and miscellaneous valves)	4.2	\$ 233,686	26.67	\$ 62,324	46.67	\$ 109,061	26.67	\$ 62,324
2.09 24" Backwash Water Venturi Meter and Rate of Flow Control Valve, and 30" Backwash Water Piping	105.8	\$ 216,706	14.18	\$ 30,729	47.26	\$ 102,415	38.56	\$ 83,562
2.1 36" Waste Backwash Water Piping and Valving	105.8	\$ 276,542	14.18	\$ 39,214	47.26	\$ 130,894	38.56	\$ 106,635
2.11 2 Air Scour Blowers	105.8	\$ 110,779	14.18	\$ 15,708	47.26	\$ 52,354	38.56	\$ 42,716

Exhibit F
BCRUA Regional Water Project
Capacity and Cost Allocation, Phase 1A
Amended: October 20, 2010

DESCRIPTION	CONSTRUCTED CAPACITY (MGD)	ESTIMATED COST	CEDAR PARK RESERVED CAPACITY (%)	CEDAR PARK COST	LEANDER RESERVED CAPACITY (%)	LEANDER COST	ROUND ROCK RESERVED CAPACITY (%)	ROUND ROCK COST
2.14 Administration Level, Mezzanine (Electrical Room and Storage) and Maintenance Room	105.8	\$ 6,324,892	14.18	\$ 896,870	47.26	\$ 2,983,144	38.56	\$ 2,438,878
3.0 Chemical Feed Facility								
3.01 Chemical Feed Area	105.8	\$ 77,626	14.18	\$ 11,007	47.26	\$ 36,686	38.56	\$ 29,933
3.02 2 Alum Metering Pumps, 2 Alum Storage Tanks, Valves and Piping	22	\$ 168,998	26.67	\$ 45,066	46.67	\$ 78,866	26.67	\$ 45,066
3.03 2 Fluoride Metering Pumps, 1 Fluoride Storage Tank, Valve and Piping	43	\$ 97,032	26.67	\$ 25,875	46.67	\$ 45,282	26.67	\$ 25,875
3.04 2 Polymer Metering Pumps, 1 Drum Scale, Valves and Piping	22	\$ 88,946	26.67	\$ 23,719	46.67	\$ 41,508	26.67	\$ 23,719
3.05 Bulk Chemical Secondary Containment Structure	105.8	\$ 130,185	14.18	\$ 18,460	47.26	\$ 61,525	38.56	\$ 50,199
4.0 Disinfection Facility								
4.01 Disinfection Facility Building	105.8	\$ 1,470,849	14.18	\$ 208,566	47.26	\$ 695,123	38.56	\$ 567,159
4.02 3 Sodium Hypochlorite Metering Pumps, 2 Sodium Hypochlorite Storage Tanks, Control Valves and Piping	22	\$ 304,035	26.67	\$ 81,076	46.67	\$ 141,893	26.67	\$ 81,076
4.03 Bulk Sodium Hypochlorite Chemical Secondary Containment Structure	105.8	\$ 61,454	14.18	\$ 8,714	47.26	\$ 29,043	38.56	\$ 23,697
4.04 2 LAS Metering Pumps, 2 LAS Storage Tanks, Control Valves and Piping	22	\$ 158,486	26.67	\$ 42,263	46.67	\$ 73,960	26.67	\$ 42,263
4.05 Bulk LAS Chemical Secondary Containment Structure	105.8	\$ 61,454	14.18	\$ 8,714	47.26	\$ 29,043	38.56	\$ 23,697
4.06 2 Potassium Permanganate Metering Pumps, 1 Feed Unit	43	\$ 139,888	26.67	\$ 37,304	46.67	\$ 65,281	26.67	\$ 37,304
5.0 Disinfection Basin								
5.01 Disinfection Basin, Weir Pile, Sample Pump, Isolation Valves and Piping	43	\$ 692,973	26.67	\$ 184,793	46.67	\$ 323,387	26.67	\$ 184,793
6.0 Ground/Elevated Storage Tanks								
6.01 2 MG Clear Storage Tank (cap based on WTP overall)			14.18		47.26		38.56	
6.01 7.5' Inlet/Outlet Piping and Valves	43	\$ 186,787	26.67	\$ 49,810	46.67	\$ 87,167	26.67	\$ 49,810
6.02 4 MG Process Storage Tanks with Buffer Walls	43	\$ 2,508,286	26.67	\$ 668,876	46.67	\$ 1,170,534	26.67	\$ 668,876
7.0 Booster Pump Station								
7.01 7.5' Discharge and Suction Piping and Isolation Valves	105.8	\$ 2,475,133	14.18	\$ 350,974	47.26	\$ 1,169,748	38.56	\$ 954,411
7.02 3 Booster Pumps & Motors, Cans, Discharge Piping, Control and Isolation Valves, and 3 Cans with Covers	43	\$ 1,613,971	26.67	\$ 430,392	46.67	\$ 753,187	26.67	\$ 430,392
7.03 2 Potable Water Pumps & Motors, Cans, Discharge Piping, and Valves	43	\$ 186,787	26.67	\$ 49,810	46.67	\$ 87,167	26.67	\$ 49,810
7.04 2 Backwash Water Pumps & Motors, Cans, Discharge Piping, and Valves	105.8	\$ 831,244	14.18	\$ 117,870	47.26	\$ 392,846	38.56	\$ 320,528
8.0 Sludge Dewatering Facility								
8.01 Sludge Dewatering Facility Building	67	\$ 1,215,330	14.18	\$ 172,334	47.26	\$ 574,365	38.56	\$ 468,631
8.02 1 Belt Filter Press, 2 Belt Press Feed Pumps, 2 Polymer Feed Systems, 2 Scraper Conveyors, Valves and Piping	67	\$ 780,302	14.18	\$ 110,647	47.26	\$ 368,771	38.56	\$ 300,884
9.0 Sludge Thickening and Handling Facilities								
9.01 1 Sludge Thickener with Collector, Piping, Valves	31	\$ 449,583	26.67	\$ 119,889	46.67	\$ 209,805	26.67	\$ 119,889
9.02 Sludge Pump Station Wet Well	105.8	\$ 214,280	14.18	\$ 30,385	47.26	\$ 101,269	38.56	\$ 82,626
9.03 2 Sludge Pumps, with Valves and Piping	43	\$ 73,583	26.67	\$ 19,622	46.67	\$ 34,339	26.67	\$ 19,622
10.0 Wastewater Recovery & Recycle								
10.01 2 Washwater Settling/Clarification Basins with Sludge Collectors	105.8	\$ 2,225,275	14.18	\$ 315,544	47.26	\$ 1,051,685	38.56	\$ 858,066
10.02 Recycle Pump Station Wet Well	105.8	\$ 178,701	14.18	\$ 25,340	47.26	\$ 84,454	38.56	\$ 68,907
10.03 3 Recycle Pumps, with Valves and Discharge Piping	43	\$ 121,290	26.67	\$ 32,344	46.67	\$ 56,602	26.67	\$ 32,344
11.0 Electrical Building								
11.01 Electrical Building	105.8	\$ 542,573	14.18	\$ 76,937	47.26	\$ 256,420	38.56	\$ 209,216
11.02 5KV Motor Control Center & 480V Motor Control Center with Switch Board, Transformer and Circuit Breaker	43	\$ 414,813	26.67	\$ 110,617	46.67	\$ 193,580	26.67	\$ 110,617
12.0 Yard Piping								
12.01 96" 64" 60" Filtered Water Piping with Valves and Chemical Injection Vaults	105.8	\$ 1,024,500	14.18	\$ 145,274	47.26	\$ 484,179	38.56	\$ 395,047
12.02 72" Finished Water Piping with Valves, Finished Water Meter Vault with 80" Valve, and Valves	105.8	\$ 1,921,240	14.18	\$ 272,432	47.26	\$ 907,978	38.56	\$ 740,830
12.03 36" Waste Backwash Piping with Valves, and Chemical Injection Vault	105.8	\$ 625,859	14.18	\$ 88,747	47.26	\$ 295,781	38.56	\$ 241,331
12.04 30" Backwash Water Piping with Valves	105.8	\$ 253,093	14.18	\$ 35,889	47.26	\$ 119,612	38.56	\$ 97,593
12.05 36" Waste Washwater Piping with Valves	105.8	\$ 308,078	14.18	\$ 43,685	47.26	\$ 145,598	38.56	\$ 118,796
12.06 20" Washwater Recycle Piping with Valves, and Recycle Meter Vault with 16" Valve and Valves	105.8	\$ 306,460	14.18	\$ 43,456	47.26	\$ 144,833	38.56	\$ 118,171
12.07 12" Sludge Line, Drain Line and Potable Water Line with Valves	105.8	\$ 884,612	14.18	\$ 125,438	47.26	\$ 418,067	38.56	\$ 341,106

Exhibit F
BCRUA Regional Water Project
Capacity and Cost Allocation, Phase 1A
Amended: October 20, 2010

DESCRIPTION	CONSTRUCTED CAPACITY (MGD)	ESTIMATED COST	CEDAR PARK RESERVED CAPACITY (%)	CEDAR PARK COST	LEANDER RESERVED CAPACITY (%)	LEANDER COST	ROUND ROCK RESERVED CAPACITY (%)	ROUND ROCK COST
12.04 30" Backwash Water Piping with Valves	105.8	\$ 253,090	14.18	\$ 35,859	47.26	\$ 119,612	38.56	\$ 97,593
12.05 36" Waste Washwater Piping with Valves	105.8	\$ 306,078	14.18	\$ 43,685	47.26	\$ 145,598	38.56	\$ 118,795
12.06 20" Washwater Recycle Piping with Valves, and Recycle Meter Vault with 16" Venturi and Valves	105.8	\$ 306,460	14.18	\$ 43,456	47.26	\$ 144,833	38.56	\$ 118,171
12.07 12" Sludge Line, Drain Line and Potable Water Line with Valves	105.8	\$ 884,612	14.18	\$ 125,438	47.26	\$ 418,067	38.56	\$ 341,108
12.08 8" Fire Water Line, Double Check Valves	105.8	\$ 190,830	14.18	\$ 27,060	47.26	\$ 90,196	38.56	\$ 73,584
12.09 Additional Piping and Appurtenances	105.8	\$ 740,680	14.18	\$ 105,028	47.26	\$ 350,045	38.56	\$ 285,606
13.0 Wastewater Lift Station								
13.01 Wastewater Lift Station Wet Well, 480VAC Utility Service	105.8	\$ 151,209	14.18	\$ 21,441	47.26	\$ 71,461	38.56	\$ 58,306
13.02 2 Submersible Motors, Force Main, Piping, Valves and Relocation	43	\$ 484,353	26.67	\$ 129,161	48.67	\$ 226,031	26.67	\$ 129,161
14.0 Civil / Site								
14.01 Rock Berm, Silt Fence, Tree Protection, Seeding and Topsoil	105.8	\$ 48,516	14.18	\$ 6,880	47.26	\$ 22,929	38.56	\$ 18,706
14.02 Water Quality Pond	105.8	\$ 444,732	14.18	\$ 63,083	47.26	\$ 210,180	38.56	\$ 171,488
14.03 Roads: 2" HMAAC with 10 Base, Concrete Pavements	105.8	\$ 1,779,735	14.18	\$ 252,368	47.26	\$ 841,103	38.56	\$ 686,266
14.04 8" Coated Chain Link Fence, 8" Concrete Fence and Gates	105.8	\$ 462,521	14.18	\$ 65,585	47.26	\$ 218,587	38.56	\$ 178,348
14.05 Landscaping and Irrigation with Lines and Sprinklers	105.8	\$ 388,938	14.18	\$ 55,151	47.26	\$ 183,812	38.56	\$ 149,974
14.06 Yard Electrical	105.8	\$ 3,569,982	14.18	\$ 506,223	47.26	\$ 1,687,173	38.56	\$ 1,376,585
Total Construction Cost		\$ 47,929,935		\$ 8,829,858		\$ 22,555,074		\$ 18,545,026
Cost Allocation Percentages-Construction Only				18.42%		47.06%		34.52%
Construction		\$ 47,929,935		\$ 8,829,858		\$ 22,555,074		\$ 18,545,026
Contingency		\$ 4,984,661		\$ 896,189		\$ 2,289,233		\$ 1,879,242
O & M Markup		\$ 623,975		\$ 96,529		\$ 245,574		\$ 180,872
REGIONAL WTP SUBTOTAL		\$ 62,578,635		\$ 11,184,735		\$ 29,460,761		\$ 21,924,623
Cost Allocation Percentages				17.88%		47.08%		35.04%
TRANSMISSION WATER LINES								
Segment 1								
Preliminary Engineering	105.8	\$ 211,215	14.18	\$ 29,950	47.26	\$ 99,820	38.56	\$ 81,445
Final Engineering	105.8	\$ 1,173,931	14.18	\$ 166,463	47.26	\$ 554,800	38.56	\$ 452,668
Easements	105.8	\$ 250,000	14.18	\$ 35,450	47.26	\$ 118,150	38.56	\$ 96,400
Construction	105.8	\$ 8,134,941	14.18	\$ 1,153,535	47.26	\$ 3,644,573	38.56	\$ 3,136,833
Contingency	105.8	\$ 1,833,254	14.18	\$ 231,595	47.26	\$ 771,876	38.56	\$ 629,783
Total Construction (Includes Construction plus Contingency)	105.8	\$ 9,788,195	14.18	\$ 1,385,130	47.26	\$ 4,618,449	38.56	\$ 3,766,616
Construction Phase Services	105.8	\$ 359,316	14.18	\$ 50,951	47.26	\$ 169,813	38.56	\$ 138,552
SEGMENT 1 SUB-TOTAL		\$ 11,762,657		\$ 1,667,945		\$ 5,559,032		\$ 4,535,681
Cost Allocation Percentages				14.18%		47.26%		38.56%
SEGMENT 2A								
Transmission Water Line Segment 2A, construction & complete. Cost allocations based on Interlocal Agreement Regarding Construction of Regional Water Line dated March 2008 and amended April 2008.								
Engineering/Project Management/Inspection/Administration	105.8	\$ 55,971	3.90	\$ 2,183	46.34	\$ 25,937	49.78	\$ 27,851
Easements	105.8	\$ 858,980	14.18	\$ 121,803	47.26	\$ 405,954	38.56	\$ 331,223
Construction - Cedar Park Additional Connection Payment		\$ 38,690		\$ 38,690				
Construction - Leander Additional Valve Payment		\$ 22,207				\$ 22,207		
SEGMENT 2A SUB-TOTAL		\$ 975,848		\$ 162,676		\$ 454,098		\$ 359,074
Cost Allocation Percentages				16.67%		46.53%		36.80%
SEGMENT 2B								
Transmission Water Line Segment 2B, construction & complete. Cost allocations based on Interlocal Agreement Regarding Construction of Regional Water Line dated March 2008 and amended April 2008.								
Engineering/Project Management/Inspection/Administration	78.8	\$ 754,029	0	\$ 48,22		\$ 363,590	51.78	\$ 390,438
Easements	78.8	\$ 8,678,440	0	\$ 48,22			51.78	\$ 4,493,696
Construction	78.8	\$ 8,678,440	0	\$ 48,22		\$ 4,184,744	51.78	\$ 4,493,696
SEGMENT 2B SUB-TOTAL		\$ 9,432,469		\$ -		\$ 4,548,337		\$ 4,884,132

Exhibit F
BCRUA Regional Water Project
Capacity and Cost Allocation, Phase 1A
Amended: October 20, 2010

DESCRIPTION	CONSTRUCTED CAPACITY (MGD)	ESTIMATED COST	CEDAR PARK RESERVED CAPACITY (%)	CEDAR PARK COST	LEANDER RESERVED CAPACITY (%)	LEANDER COST	ROUND ROCK RESERVED CAPACITY (%)	ROUND ROCK COST
Cost Allocation Percentages				0.00%		48.22%		51.78%
SEGMENT 2C								
Preliminary Engineering	78.8	\$ 191,919	14.18	\$ 27,214	47.26	\$ 90,701	38.56	\$ 74,004
Final Engineering	78.8	\$ 627,561	0	\$	48.22	\$ 302,810	51.78	\$ 324,951
Easements (Based on 25% of Fee Simple Value for 50 Perm. Grnts.)	78.8	\$ 330,000	0	\$	48.22	\$ 159,126	51.78	\$ 170,874
Construction Estimate	78.8	\$ 6,800,000	0	\$	48.22	\$ 3,278,980	51.78	\$ 3,521,040
Contingency	78.8	\$ 477,507	0	\$	48.22	\$ 230,254	51.78	\$ 247,253
Allowance for Materials and Labor Fluctuations	78.8	\$ 955,015	0	\$	48.22	\$ 460,508	51.78	\$ 494,507
Total Construction (Includes Const., Contingency, & Allowance)	78.8	\$ 8,232,522	0	\$	48.22	\$ 3,969,722	51.78	\$ 4,262,800
Construction Phase Services	78.8	\$ 219,653	0	\$	48.22	\$ 105,917	51.78	\$ 113,737
SEGMENT 2C SUB-TOTAL		\$ 8,452,175		\$ 27,214		\$ 4,628,076		\$ 4,946,366
Cost Allocation Percentages				0.28%		48.20%		51.52%
CONSTRUCTION MANAGEMENT SERVICES AND INSPECTION								
Includes: estimated construction cost for Floating Barge, Raw Water Line, WTP, and Transmission Mains 1 and 2C								
CONSTRUCTION MGMT./INSPECT. SUB-TOTAL		\$ 4,043,593		\$ 630,283		\$ 1,906,784		\$ 1,506,526
Cost Allocation Percentages				15.59%		47.16%		37.26%
ANCILLARY SERVICES								
Environmental Consultants - Barry Allison		\$ 471,155	14.18	\$ 66,810	47.26	\$ 222,868	38.56	\$ 181,677
Real Estate Acquisition Consultants - LAN		\$ 470,570	14.18	\$ 66,727	47.26	\$ 222,391	38.56	\$ 181,452
Condemnation Counsel - Kent Sick		\$ 150,000	14.18	\$ 21,270	47.26	\$ 70,890	38.56	\$ 57,840
Public Relations - Staats Faulkenburg		\$ 200,000	14.18	\$ 28,360	47.26	\$ 94,520	38.56	\$ 77,120
Public Relations Firm - Group Solutions RJW		\$ 320,000	14.18	\$ 45,376	47.26	\$ 151,232	38.56	\$ 123,392
Ancillary Services Sub Total		\$ 1,611,725		\$ 228,543		\$ 761,701		\$ 621,481
OPERATIONAL AND MAINTENANCE EXPENSES								
General Manager Salary and Supplies (5 years)		\$ 425,917	14.18	\$ 60,395	47.26	\$ 201,280	38.56	\$ 164,234
Preliminary Engineering Report Services		\$ 152,300	15.75	\$ 23,987	41.39	\$ 63,037	42.88	\$ 65,276
Surveying - The Wallace Group - New Hope Line		\$ 17,551	15.99	\$ 2,806	40.51	\$ 7,110	43.90	\$ 7,635
Administration Fees - Preliminary/Final Design		\$ 84,000	14.18	\$ 11,911	47.26	\$ 39,690	38.56	\$ 32,390
O&M Sub Total		\$ 679,768		\$ 99,100		\$ 311,134		\$ 269,534
ANCILLARY SVC'S/O&M EXPENSES SUB-TOTAL		\$ 2,291,493		\$ 327,642		\$ 1,072,835		\$ 891,016
Cost Allocation Percentages				14.30%		46.82%		38.88%
UPDATED BCRUA PHASE 1A PROJECT TOTAL COST		\$ 140,781,483		\$ 21,073,488		\$ 66,457,318		\$ 53,251,255
Cost Allocation Percentages				14.97%		47.21%		37.83%
ORIGINAL BCRUA PHASE 1A PROJECT TOTAL COST		\$ 171,596,451		\$ 24,877,637		\$ 81,031,380		\$ 65,687,430
TVDB Adjustment for Phase 2 Costs		\$ (525,000)		\$ (74,445)		\$ (248,115)		\$ (202,440)
ADJUSTED ORIGINAL BCRUA PHASE 1A PROJECT COST		\$ 171,071,451		\$ 24,803,192		\$ 80,783,265		\$ 65,484,990
Construction Cost Savings from Phase 1A		\$ 30,289,968		\$ 3,729,704		\$ 14,325,947		\$ 12,233,735
Note: Upon completion of the Phase 1A, the BCRUA is obligated to deliver up to the following quantities of treated water to each City at the Points of Delivery:								
		Capacity (MGD)	% of Capacity					
		Cedar Park	4.53	26.87				
		Leander	7.94	46.67				
		Round Rock	4.53	26.87				
		Total	17.00	100				

EXHIBIT G

OPERATIONS AND MAINTENANCE EXPENSE ALLOCATION

Item	Non-Operating Expenses Column 1	Fixed Operating Expenses Column 2	Variable Operating Expenses Column 3
Insurance	100%		
Gen Manager & Board Admin Services	100%		
Capital Outlay	100%		
Office Equipment	100%		
Treatment System Buildings & Facility Maintenance	100%		
Raw Water System Buildings & Facility Maintenance	100%		
Plant Utility Services	100%		
TCEQ Administration Fee	100%		
Safety Equipment	100%		
Treated/Raw Transmission Lines & Delivery Points Maintenance & Repairs	100%		
Audit/Investment/Banking Fees	100%		
Legal Services	100%		
Computers/Radios Maintenance & Equipment	33%	67%	
SCADA Maintenance	33%	67%	
Communications/Phone services	33%	67%	
Intake Barge Repairs & Maintenance	33%	67%	
Accounting/Finance/Personnel Services	33%	67%	
Plant Superintendent & Chief Operator		100%	
Admin Assistant - Operations		100%	
Small Tools and Equipment		100%	
General/Office Supplies		100%	
Miscellaneous Expenses		100%	
Plant Operators		100%	
Maintenance Technician		100%	
Vehicles Repairs and Maintenance		100%	
Contract Services		100%	
Laboratory Supplies		100%	
Fuel and Oil		100%	
Janitorial		100%	
Treatment Plant Equipment Repairs, Maintenance & Supplies		100%	
Raw Water System Equipment Repairs, Maintenance & Supplies (excluding buildings and related facilities)		100%	
Training, Meetings and Travel		100%	
License and Memberships		100%	
Uniforms		100%	
Power-Pumping Treatment Plant			100%
Power-Pumping Raw Water			100%
Treatment Plant Chemicals			100%
Raw Water Treatment Chemicals			100%
Sludge Disposal			100%

BYLAWS

OF THE

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.

April 23, 2025

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**BYLAWS
OF THE
BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.**

**ARTICLE I
PURPOSES AND PROHIBITIONS**

Section 1.01 General Purpose

(a) The Brushy Creek Regional Utility Authority, Inc. (the "Corporation") is formed pursuant to the provisions of Subchapter D, Chapter 431, Texas Transportation Code (the "Act") as it now or may hereafter be amended, which authorizes the Corporation to assist and act on behalf of the cities of Cedar Park, Leander, and Round Rock, (the "Cities"), to accomplish any governmental purpose of the Cities and to engage in activities in the furtherance of the purposes for its creation.

(b) Pursuant to the Act, the Corporation is created as a local governmental corporation and shall be a governmental unit within the meaning of Subdivision (2), Section 101.001, Texas Civil Practice and Remedies Code. The operations of the Corporation are governmental and not proprietary functions for purposes of the Texas Tort Claims Act, Section 101.001 et seq., Texas Civil Practice and Remedies Code. The Corporation shall have the power to acquire land in accordance with the Act as amended from time to time.

(c) The Corporation shall have and exercise all of the rights, powers, privileges, authority, and functions, now or hereafter, given by the general laws of the State of Texas to non-profit corporations incorporated under the Act including, without limitation, the Texas Non-Profit Corporation Act, Article 1396-1.01 et seq., Vernon's Texas Civil Statutes.

(d) The Corporation shall have all other powers of a like, or different nature not prohibited by law which are available to non-profit corporations in Texas, and which are necessary or useful to enable the Corporation to perform the purposes for which it is created, including the power to issue bonds, notes or other obligations, and otherwise exercise its borrowing power to accomplish the purposes for which it was created.

(e) The Corporation shall perform such other governmental functions and purposes of the Cities as may be determined from time to time by the Cities.

Section 1.02 Primary Purpose

The primary purpose of the Corporation to aid, assist, and act on behalf of the Cities in the performance of their governmental functions to promote the common good and general welfare of the Cities, including, without limitation, the financing, construction, acquisition, maintenance, and operation of regional utility systems including raw water transmission, treatment and distribution, wastewater collection and treatment, and water reuse systems, (the “System”)

Section 1.03 Prohibitions

The Corporation shall not undertake any of the following actions:

- 1) contract for or own any interest in raw surface or underground water;
- 2) provide or convey potable or raw water service to any customer;
- 3) take any action that would result in it being an “affected utility” as defined by Texas Water Code, Sections 13.1394 and/or 13.1395; and
- 4) accept compensation for supplying water to another person or entity for resale to the public for human consumption, and/or operate as a Wholesale Public Water Supplier as defined by TAC Title 30, Part 1, Chapter 288, Subchapter A, Rule 288.1.

ARTICLE II
BOARD OF DIRECTORS AND MEETINGS

Section 2.01. Number of Directors

All powers of the Corporation shall be vested in the Board of Directors (the "Board"). The Board shall consist of six (6) persons. Each City shall be represented by two (2) Directors appointed by the respective City Council. The number of Directors may subsequently be either increased or decreased in accordance with the provisions of Article VI of the Articles of Incorporation of the Corporation.

Section 2.02. Classes and Qualifications of Directors

- (a) There shall be two classes of Directors. One class is designated as the "Council Director," and the other class is designated as the "Citizen Director."
- (b) The Council of each City shall appoint either its Mayor or a Council member to be that city's Council Director.
- (c) In addition, the Council of each City shall appoint a Citizen Director who shall possess at least one of the following qualifications, (i) the Mayor, (ii) a Council member, (iii) an employee of the City, or (iv) a resident of the City.
- (d) In the event a City appoints two of its City Council members as Directors, such City Council shall designate which of its appointees is the Council Director and which is the Citizen Director.

Section 2.03 Term of Directors

- (a) Except as provided in (b) below, the term of each appointed Director shall be two (2) years. Upon the expiration of the term of office of a Director, the City Council shall appoint a Director as stated above.
- (b) The terms of the Directors who hold office on the date these Bylaws are amended shall expire on June 30, 2026.

Section 2.04 Failure to Maintain Qualifications of Directors

- (a) When any Council Director ceases to hold his/her elected position as the Mayor or Council member of a City, said Council Director shall be deemed to have resigned as Council Director and the City Council of said City shall appoint a qualified replacement Council Director to fill the unexpired term.
- (b) When any Citizen Director ceases to hold at least one of the qualifications of a Citizen Director, as set forth in Section 2.02(c) said Citizen Director shall be deemed to have resigned as Citizen Director and the City Council of said City shall appoint a qualified replacement Citizen Director to fill the unexpired term.

Section 2.05 Resignation or Removal

- (a) Any Director may be removed at will by a majority vote of the City Council that made such appointment, and such City Council shall appoint a new qualified Director to complete the unexpired term.
- (b) In the event that a Director resigns, then such Director shall be considered removed from the Board and the appropriate City Council shall appoint new qualified Director to complete the unexpired term.

Section 2.06 Meetings of Directors

The Directors may hold their meetings and may have an office and keep the books of the Corporation at such place or places as the Board may from time to time determine.

The Board shall meet in accordance with and file notices of each meeting of the Board as is required by Chapter 551, Government Code (the "Open Meetings Act").

The Corporation, and the Board, are subject to Chapter 552, Government Code, and (the "Public Information Act").

Section 2.07 Regular Meetings

Regular meetings of the Board shall be held at such times and places as shall be designated, from time to time, by a resolution of the Board or as called by the General Manager.

Section 2.08 Special and Emergency Meetings

Special and emergency meetings of the Board shall be held whenever called by the President of the Board, by a majority of the Council Directors, or by the General Manager.

The General Manager shall give notice to all Directors of each special meeting at least seventy-two (72) hours before the meeting.

Section 2.09 Quorum

Four Directors, being a majority of the Board, shall constitute a quorum for the consideration of matters pertaining to the purposes of the Corporation.

Section 2.10 Voting

Each City, acting through its Council Director, shall be entitled to one vote on each matter to come before the Board. In the absence of the Council Director at a meeting, the Citizen Director, if present, shall be entitled to vote and the vote of the Citizen Director of such City shall constitute the vote of the City. Except as provided below, the affirmative votes of at least two Cities present and voting at a meeting shall constitute a binding act of the Board.

The affirmative votes of all three Cities shall be required to approve the following matters:

- 1) The amendment of the Articles of Incorporation;
- 2) The amendment of these Bylaws; and
- 3) The addition of new members to the Corporation.

Section 2.11 Conduct of Business

- (a) At the meetings of the Board, matters pertaining to the business of the Corporation shall be considered in such order as the President, or a majority of the voting Directors may determine.
- (b) At all meetings of the Board, the President shall preside, and in the absence of the President, the Vice-President shall preside. In the absence of the President and the Vice-President, the Secretary shall preside.
- (c) An employee of one of the Cities shall act as the administrative secretary of all meetings of the Board, but in the absence of such employee, the General Manager may appoint any person to act as secretary of the meeting.

Section 2.12 Compensation of Directors; Reimbursement for Expenses

Directors shall not receive any salary or compensation for their services as Directors. Directors shall be reimbursed for their actual expenses incurred in the performance of their duties as Directors.

ARTICLE III OFFICERS

Section 3.01 Titles and Term of Office

The officers of the Corporation shall be a President, a Vice-President, and a Secretary. The President shall also serve as Chairperson of the Board and the Vice-President shall serve as Vice-Chairperson of the Board. The Secretary shall attest to the President's or Vice-President's signature on all official documents of the Corporation. The term of the officers in place on the date of the adoption of these amended Bylaws shall expire on July 1, 2025. Thereafter, the term of office for each officer shall be one (1) year.

Section 3.02 Selection of Officers

Only the three Council Directors are eligible to serve as officers. It is the intent of the Cities that the officer duties be shared equally among the three Cities. Accordingly, the officers of the Board will rotate among the three Cities every year as set forth below:

<u>Year One</u>	<u>(July 1, 2024-June 30, 2025)</u>
President	Leander's Council Director
Vice-President	Cedar Park's Council Director
Secretary	Round Rock's Council Director

<u>Year Two</u>	<u>(July 1, 2025-June 30, 2026)</u>
President	Cedar Park's Council Director
Vice-President	Round Rock's Council Director
Secretary	Leander's Council Director

<u>Year Three</u>	<u>(July 1, 2026-June 30, 2027)</u>
President	Round Rock's Council Director
Vice-President	Leander's Council Director
Secretary	Cedar Park's Council Director

Thereafter, the officers shall continue to rotate among the three Cities on the same three-year cycle as set forth above.

Section 3.03 Powers and Duties of the President

The President shall be a Council Director of the Board and shall preside at all meetings of the Board. When authorized by the Board, the President shall sign and execute all resolutions, bonds, notes, deeds, conveyances, franchises, assignments, mortgages, contracts, and other documents in the name of the Corporation. The President shall have such other duties as are assigned by the Board. The President may call special and emergency meetings of the Board.

Section 3.04 Powers and Duties of the Vice-President

The Vice-President shall perform the duties and exercise the powers of the President upon the President's death, absence, disability, or resignation, or upon the President's inability to perform the duties of

his or her office. Any action taken by the Vice-President in the performance of the duties of the President shall be conclusive evidence of the absence or inability to act of the President at the time such action was taken. The Vice-President shall have such other powers and duties as may be assigned to him or her by the Board.

Section 3.05 Secretary

The Secretary shall, subject to the limitations contained in the Articles of Incorporation, sign with the President in the name of the Corporation and/or attest the signatures thereof, all resolutions, contracts, conveyances, franchises, bonds, deeds, assignments, mortgages, notes and other instruments of the Corporation; and, he or she shall, in general, perform all duties incident to the office of Secretary subject to the control of the Board. The Board shall have the discretion to delegate some or all of the Secretary's duties to one or more staff members of the Corporation or of the three Cities.

Section 3.06 Compensation

Officers are not entitled to compensation except as otherwise provided in Section 2.12 of these Bylaws.

ARTICLE IV OPERATIONS COMMITTEE

Section 4.01 Composition of Operations Committee

To assist the General Manager and the Board, there is hereby created an Operations Committee to be composed of the following:

- (a) Two representatives appointed by Cedar Park;
- (b) Two representatives appointed by Leander; and
- (c) Two representatives appointed by Round Rock.

Each City shall have one vote for decision-making purposes on the Operations Committee.

The City Manager of each City shall appoint two appropriate City staff members as the City's representatives to the Operations Committee and

shall notify the Board and the other Cities of such appointments. Each representative shall serve at the will of the City Manager who appointed such representative. Upon the death, resignation or revocation of the power of a City's representative, the City Manager of such City shall promptly appoint a new representative to the Operations Committee.

Section 4.02 Responsibility of Operations Committee

The Operations Committee shall represent the individual and collective interests of the Cities and shall consult with and advise the Board and the General Manager with regard to the following matters pertaining to the System:

- (a) The operation and maintenance of the System operated by the Corporation;
- (b) Review of the Annual Budget, prior to submission to the Board;
- (c) Review of the annual reports of the System;
- (d) Review proposals for the improvements to and expansions of the System;
- (e) Review and make suggestions regarding proposals submitted to the Board for engineering services related to the System;
- (f) Review bids or proposals received for construction of System components, and make recommendations for contract award;
- (g) Review invoices received for the construction of System components, and make recommendations for the allocation and payment of such invoices;
- (h) Make recommendations for professional services consultants, including, but not limited to, engineering and financial services;
- (i) Review and make recommendations regarding BCRUA personnel matters, such as recruitment, selection, compensation, training and disciplinary matters, as requested by the General Manager;
- (j) Review changes to the Engineering Reports;
- (k) Review cash flow projections and provide input as to the assumptions contained therein; and

- (l) Any other pertinent matters relating to the management and operation of the System.

Section 4.03 Operations Committee Recommendations

The Board shall not take any action with respect to any of the foregoing matters without a recommendation from the Operations Committee. The Operations Committee shall meet at regular intervals to review the progress of construction of the System and the ongoing operation of the System. The Operations Committee shall have access to and may inspect at any reasonable time all physical elements of the System and all records and accounts of BCRUA pertaining to the System. The Operations Committee shall be diligent, prompt, and timely in reviewing and commenting on matters submitted to it.

ARTICLE V GENERAL MANAGER AND GENERAL COUNSEL

Section 5.01 General Manager

The Board shall appoint the General Manager. The method of selection shall be left to the discretion of the Board so long as the method ensures orderly action toward securing a competent and qualified person to fill the position. The General Manager shall be chosen solely upon the basis of such person's executive and administrative training, experience and ability.

Section 5.02 Compensation

The General Manager shall receive compensation as may be fixed by the Board according to his or her experience, education, and training. The compensation shall be agreed upon before appointment with the understanding that the Board may periodically review and modify the compensation at its discretion.

Section 5.03 Term and Removal

The General Manager shall not be appointed for a definitive term but may be removed at the discretion of the Board. The action of the Board in suspending or removing the General Manager shall be final.

Section 5.04 Powers and Duties

The General Manager shall be the Chief Administrative Officer of the Corporation, and shall be responsible to the Board for the proper administration of all the affairs of the Corporation and to that end shall have the power and shall be required to:

- (a) appoint, suspend or remove all or any one of the employees of the Corporation;
- (b) attend all meetings of the Board, and shall have the right to take part in the discussions;
- (c) prepare the Annual Budget and submit it to the Board and be responsible for its administration after its adoption;
- (d) prepare and submit to the Board at the end of the fiscal year a complete report on the finances of the Corporation for the preceding year;
- (e) keep the Board advised of the financial condition and future needs of the Corporation and make such recommendations as may seem advisable;
- (f) perform such other duties as may be prescribed by these Bylaws, or required by the Board, as consistent with these Bylaws.

Section 5.05 General Counsel

The Board shall designate a competent and duly licensed attorney practicing law in the state of Texas, who shall be the General Counsel. The General Counsel may be an attorney that represents one of the Cities. The General Counsel shall hold office at the pleasure of the

Board. The General Counsel shall be the legal advisor of, and attorney and counsel for the Board and the General Manager.

The Board may designate one or more Assistant General Counsels.

ARTICLE VI FISCAL YEAR AND BUDGETS

Section 6.01 Fiscal Year

The fiscal year of the Corporation shall commence on October 1st of each year and end on September 30th of the following year.

Section 6.02 Annual Budget

At least sixty (60) days prior to October 1st of each year, the Board shall prepare and adopt a proposed budget of expected revenues and proposed expenditures for the next ensuing fiscal year, such budget referred to herein as the "BCRUA Annual Budget,." The BCRUA Annual Budget shall include an Operating Expense Budget, a Capital Improvements Budget, and a Debt Service Budget. The Annual Budget shall contain such classifications and shall be in such form as may be prescribed from time to time by the City Councils. The BCRUA Annual Budget proposed for adoption shall include the projected expenses, and such other budgetary information as shall be required by the City Councils for their approval and adoption. The BCRUA Annual Budget shall be considered adopted upon formal approval of all three City Councils. Should any of the City Councils take no final action on or before October 1st, the proposed BCRUA Annual Operating Budget shall be deemed to have been finally adopted by such City Council.

ARTICLE VII AMENDMENTS

Section 7.01 Amendments

A proposal to alter, amend, or repeal these Bylaws shall be made by the affirmative vote of all the Council Directors (or in the absence of a Council Director, the vote of the Citizen Director) at any annual or regular meeting, or at any special meeting if notice of the proposed

amendment be contained in the notice of said special meeting. However, any proposed change or amendment to the Bylaws must be approved by all three City Councils to be effective.

ARTICLE VIII CONSENT OF CITY COUNCILS

Section 8.01 Council Consent

To the extent that these Bylaws refer to approval by the Cities or refer to advice and consent by the Cities, such approval or advice and consent shall be evidenced by a certified copy of a resolution or other official action duly adopted by each of the City Councils. There shall be no implied consent, obligation or liability to the Cities by any action of the Corporation.

ARTICLE IX DISTRIBUTION OF NET INCOME

Section 9.01 Distribution of Net Income

Unless otherwise determined by the City Councils in accordance with the provisions of Section 431.107 of the Transportation Code, any income earned by the Corporation after payment of reasonable expenses, debt, and the establishment of a reserve sufficient to cover estimated expenditures for future activities, shall either be retained by the Corporation or distributed to the Cities in an equitable manner to be determined by the three City Councils taking into consideration the relative use of the Facilities and the initial capital investments of the respective Cities. In the event that the Facilities cease to operate, the three City Councils may either direct that (a) the Corporation retain such income, but only in such a manner so as to ensure compliance with all then applicable federal tax law relating to the Corporation and its non-profit status, or (b) the Cities receive any such income earned by the Corporation in an equitable manner determined by the three City Councils as set forth above.

ARTICLE X
AUTHORITY TO CONTRACT

Section 10.01 Authority to Contract

- (a) Except as provided below, the Board may contract with any qualified and appropriate person, association, corporation or governmental entity to perform and discharge designated tasks which will aid or assist the Board in the performance of its duties. However, no such contract shall ever be approved or entered into which seeks or attempts to divest the Board of its discretion and policy making functions in discharging the duties herein set forth. The Board may contract with one or more of the Cities to utilize the services of staff and employees of the respective Cities.

- (b) All contracts or expenditures that provide for the expenditure of \$500,000, or more, must be approved by all three (3) City Councils, unless such contracts or expenditures are included in the BCRUA Annual Budget, or otherwise have been previously approved by all three (3) City Councils.

- (c) The Board may by resolution give the General Manager general authority to execute contracts, change orders, quantity adjustments and/or to otherwise authorize the expenditure of funds, so long as such authority is otherwise in compliance with the terms and provisions of the Articles of Incorporation, these Bylaws and state law. In addition to the foregoing, the General Manager shall have the authority to execute on behalf of the Corporation standard form documents, including but not limited to deeds, releases of liens, rental agreements, easements, right-of-way agreements, and similar documents under the following conditions:
 - (1) The execution of the document is necessary to carry out a project, program or policy that has been approved by the Board and/or the Cities;

(2) All blanks are filled in correctly and such document is consistent with the objectives approved by the Board and/or the Cities; and

(3) The form of such document shall be approved by the Board's General Counsel or one or more of the attorneys for the Cities.

ARTICLE XI MISCELLANEOUS PROVISIONS

Section 11.01 Seal

The seal of the Corporation shall be such as from time to time may be approved by the Board.

Section 11.02 Notice and Waiver of Notice

Whenever any notice whatever is required to be given under the provisions of these Bylaws, such notice shall be deemed to be sufficient if given by depositing the same in a post office box in a sealed postpaid wrapper addressed to the person entitled thereto at his or her post office address, as it appears on the books of the Corporation, and such notice shall be deemed to have been given on the day of such mailing. A waiver of notice, signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent thereto.

Section 11.03 Resignations

Any Director or officer may resign at any time. Such resignations shall be made in writing and shall take effect at the time specified therein, or, if no time be specified, at the time of its receipt by the President or Secretary. The acceptance of a resignation shall not be necessary to make it effective, unless expressly so provided in the resignation.

Section 11.04 Gender

References herein to the masculine gender shall also refer to the feminine in all appropriate cases, and vice versa.

Section 11.05 Appropriations and Grants

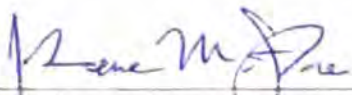
The Corporation shall have the power to request and accept any appropriation, grant, contribution, donation, or other form of aid from the federal government, the State, or from any other source.

Section 11.06 Ethics

The Directors shall comply with Chapter 171, of the Texas Local Government Code related to conflicts of interest. The Directors shall also comply with any ethics ordinances adopted by the city councils that appointed them to the Board of Directors.

Approved and adopted by a unanimous vote of the Brushy Creek Regional Utility Authority Board of Directors this 23rd day of April, 2025.

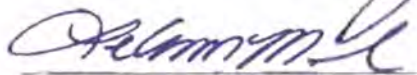

Na'Cole Thompson, President

Attest: 
Rene Flores, Board Secretary

Approved by the Cedar Park City Council to be effective the 23rd day of April, 2025.

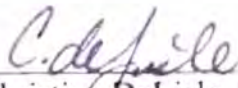


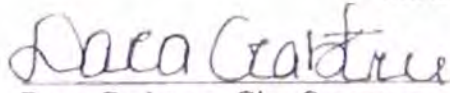
Jim Perriman-Morin, Mayor *JP*

Attest: 

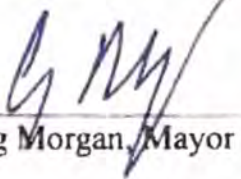
LeAnn Quinn, City Secretary

Approved by the Leander City Council to be effective the 23rd day of April, 2025.

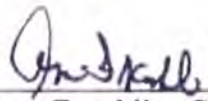

Christine DeLisle, Mayor

Attest: 
Dara Crabtree, City Secretary

Approved by the Round Rock City Council to be effective the 23rd day of April, 2025.



Craig Morgan, Mayor

Attest: 

Ann Franklin, City Clerk