INTERLOCAL COOPERATION AGREEMENT

This Interlocal Cooperation Agreement ("Agreement") is made and entered into effective as of the date of execution by authorized representatives of the parties, by and between the City of Austin, Texas ("Austin"), a Texas home rule municipal corporation, and the City of Jonestown, Texas ("Jonestown"), a Texas general law municipal corporation, acting by and through their authorized representatives.

Recitals.

Whereas, Austin and Jonestown (sometimes hereinafter collectively referred to as the "cities" or "parties") recognize that both the public interest and good government are best served by long-term, mutually cooperative relationships between neighboring cities;

Whereas, agreements that establish boundaries within which specific duties are performed and standards are applied in a convenient and cost effective manner to assure quality urban planning and development serve the best interests of all citizens;

Whereas, agreement regarding areas adjacent to the cities' respective corporate limits or extraterritorial jurisdiction ("ETJ") will assist and enhance the planning and development of capital improvement programs and services, and result in meaningful protection for the environment and valuable natural resources;

Whereas, Jonestown has requested that Austin release that portion of Austin's ETJ which is approximately 66 acres identified as Tract 1 in Exhibit "A" and Tract A in Exhibit "B" (the "2011 Jonestown Release Area") attached hereto and incorporated herein for all purposes, so that this area will be in Jonestown's ETJ and Austin has agreed to release the 2011 Jonestown Release Area to Jonestown as set out in this Agreement; and

Whereas, this Agreement will accomplish legitimate public purposes of both cities and will permit dependable urban planning that will benefit the environment and the public health, safety and welfare of our respective present and future citizens;

NOW, THEREFORE, pursuant to Chapt. 791, Tex. Gov't. Code, and Chapt. 42, Tex. Loc. Gov't. Code, and as otherwise authorized and permitted by the City Charter of Austin and the laws of the State of Texas, for and in consideration of the covenants, conditions and undertakings hereinafter described, and the benefits to accrue to the citizens of the cities, and subject to each and every term and condition of this Agreement, the parties contract, covenant and agree as follows:
Article One
Findings and Declarations.

Section 1.1. Fact Findings. The recitals hereinabove set forth are incorporated herein for all purposes and are found by the respective city councils of Austin and Jonestown to be true and correct. It is further found and determined that both the governing body of the City of Austin and the City of Jonestown have authorized and approved this Agreement.

Section 1.2. Water Protection Requirements. The application and enforcement of the Water Quality Regulations within the 2011 Jonestown Release Area, as those terms are hereinafter defined, are reasonable and necessary for the preservation and protection of water quality, the watersheds of both Jonestown and Austin, and valuable natural resources.

Article Two
Term and Nature of Agreement.

Section 2.1. Effective Date. This Agreement shall be effective upon the later date of the execution of this Agreement by both the City of Austin and the City of Jonestown and the execution of a separate agreement by the Village of Volente agreeing to Austin’s release of the 2011 Jonestown Release Area to Jonestown.

Section 2.2. Intent and Purpose. The intent and purpose of this Agreement is to provide for the effective and efficient urban planning, the release of ETJ as set out in this Agreement, and the planning of future municipal services, for the geographic area shown and generally described as Tract 1 in Exhibit “A” and Tract A in Exhibit “B” (the “2011 Jonestown Release Area”).

Section 2.3. Map. It is the stated intent and agreement of the parties that all references to the geographic areas described in Section 2.2 above (collectively the "2011 Jonestown Release Area" as used in this Agreement) refer to areas named and shown and described as Tract 1 on Exhibit "A" and shown and described as Tract A in Exhibit “B”, said exhibits attached hereto and incorporated herein for all purposes.

Article Three
Water Quality Regulations

Section 3.1. Lake Travis Critical Water Quality Zone (LTCWQZ). A critical water quality zone shall be established along and parallel to the shoreline of Lake Travis. For Lake Travis this coincides with the 681-foot contour line. The width of the critical water quality zone, measured horizontally inland, is 100 feet, or for a detached single-family residence, 75 feet.
Development within the LTCWQZ that may be submerged from time to time and below the 681-foot contour line is prohibited, except that a boat dock, pier, wharf, or marina and necessary access and appurtenances are allowed. Within the LTCWQZ, approval by Jonestown or an agency designated by the Jonestown City Council of chemicals used to treat building materials that will be submerged in water is required before a permit may be issued or a site plan released.

Development shall comply with the 2006 LCRA Highland Lakes Watershed Ordinance, as amended from time to time, and the 2006 LCRA Water Quality Management Technical Manual, as amended from time to time.

Article Four
Release of ETJ

Section 4.1. ETJ Release. Austin will release to Jonestown the portion of Austin ETJ identified as the 2011 Jonestown Release Area shown on Exhibits “A” and “B”. Jonestown hereby accepts into Jonestown’s ETJ the 2011 Jonestown Release Area shown on Exhibits “A” and “B”.

Section 4.2. Jonestown agrees to Austin’s release of the portion of Austin’s ETJ which is approximately 637 acres identified as Tract B in Exhibit “B” (the “2011 Volente Release Area”) to the Village of Volente, as authorized by Austin and Volente under separate Interlocal Agreement.

Article Five
General and Miscellaneous.

Section 5.1. Development Approval and Policy Making Authority. Jonestown shall have control, supervision and policy making authority for and with respect to city services and future services within the 2011 Jonestown Release Area, to the fullest extent authorized by State law and not inconsistent with this Agreement.

Section 5.2. Other Services. Nothing in this Agreement shall be deemed to create, by implication or otherwise, any duty or responsibility of either of the cities to undertake any other action or to provide any service within the 2011 Jonestown Release Area, except as specifically set forth in this Agreement.

Section 5.3. Jurisdiction. This Agreement shall not be deemed to extend or increase the jurisdiction or authority of either of the cities except as necessary to implement and give effect to this Agreement. All governmental and proprietary functions and services to be performed and provided by Jonestown within the 2011 Jonestown Release Area shall, except as provided otherwise by State law and in this Agreement, be and remain in the sole
discretion of Jonestown. Nothing in this Agreement shall be deemed to be applicable to, or an attempt to limit or restrict, the legal rights, authority or jurisdiction of any other governmental entity.

Section 5.4. Governmental Immunity. Nothing in this Agreement shall be deemed to waive, modify or amend any legal defense available at law or in equity to either of the cities nor to create any legal rights or claims on behalf of any third party. Neither Austin nor Jonestown waives, modifies, or alters to any extent whatsoever the availability of the defense of governmental immunity under the laws of the State of Texas.

Section 5.5. Amendments and Modifications. This Agreement may not be amended or modified except in writing executed by both Austin and Jonestown and authorized by their respective governing bodies.

Section 5.6. Severability. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof, but rather this entire Agreement will be construed as if not containing the particular invalid or unenforceable provision or provisions, and the rights and obligations of the parties hereto shall be construed and enforced in accordance therewith. The parties hereto acknowledge that if any provision of this Agreement is determined to be invalid or unenforceable, it is their desire and intention that such provision be reformed and construed in such a manner that it will, to the maximum extent practicable, be deemed to be validated and enforceable.

Section 5.7. Gender, Number and Headings. Words of any gender used in this Agreement shall be held and construed to include any other gender, and words in the singular number shall be held to include the plural, unless the context otherwise requires. The headings and section numbers are for convenience only and shall not be considered in interpreting or construing this Agreement.

Section 5.8. Execution in Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall be considered fully executed when all parties have executed an identical counterpart, notwithstanding that all signatures may not appear on the same counterpart.

IN WITNESS WHEREOF, the parties have executed and attested this Agreement by their officers thereunto duly authorized as of the date below.

Executed this the _____ day of _______________________ 201__.
<table>
<thead>
<tr>
<th>City of Austin, Texas</th>
<th>City of Jonestown, Texas</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marc A. Ott, City Manager</td>
<td>Deane Armstrong, Mayor</td>
</tr>
<tr>
<td>Date:</td>
<td>Date:</td>
</tr>
<tr>
<td>Attest:</td>
<td>Attest:</td>
</tr>
<tr>
<td>Shirley Gentry, City Clerk</td>
<td>Linda Hambrick, City Secretary</td>
</tr>
</tbody>
</table>
METES AND BOUND DESCRIPTION
Tract 1 - 65.91 Ac.

All that certain tract of land consisting of approximately 65.91 Acres
being more particularly described as follows:

COMMENCING (P.O.C.) at a property pin located on the South ROW line of Lantern
View Drive of the NorthShore Of Lake Travis-Phase 2 Subdivision, said pin also
being the most Northwestern corner of Lot 1, Blk. A, NorthShore On Lake
Travis-Phase 4 Subdivision, said pin also being the Southwest Corner of Lot 8,
Blk. D, NorthShore On Lake Travis-Phase 2 Subdivision, THENCE heading
Northeasterly along common line of said Lot 1 & Lot 8, N63°48’26”E 322.04 feet
to a property pin on said common line of said Lot 1 and Lot 8, THENCE
N28°20’03”E 234.05 feet to a point (inundated) on said common line of said Lot 1
and Lot 8 for the PLACE OF BEGINNING (P.O.B.):

THENCE heading in some Northeasterly direction, N28°20’03”E 212.40 feet to a
point (inundated), said point also being the most Southeasterly corner of said
Lot 8, Blk. D NorthShore On Lake Travis-Phase 2 Subdivision;

THENCE, N28°20’03”E 700.00 feet to a point (inundated), said point also being
on the Jonestown ETJ line, said line also being common with City Of Austin
5-Mile ETJ line;

THENCE turning and heading in a Southerly direction, S12°51’51”E 212.96 feet
to a point (inundated);

THENCE turning and heading in a Southerly direction, S61°40’53”E 1857.16
feet to a point (inundated);

THENCE turning and heading in a Southwesterly direction, S32°09’17”W 718.28
feet to a point (inundated);

THENCE turning and heading in a Northwesterly direction, N61°54’06”W 3212.26
feet to a point (inundated), said point also being the most Southwesterly
point of said NorthShore On Lake Travis-Phase 2 Subdivision, said point also being the most Southwesterly corner of the
boundary line of NorthShore On Lake Travis-Phase 2 Subdivision;

THENCE turning and heading in a Northeastern direction, N28°20’03”E 253.39
feet to a point (inundated), said point also being on Southern boundary line of
NorthShore On Lake Travis-Phase 2 Subdivision: said point also being the most
Southwesterly corner of NorthShore On Lake Travis-Phase 4 Subdivision and
said point also being the most Southwesterly corner of that certain Lot 5, Blk.
A NorthShore On Lake Travis-Phase 4 Subdivision;

THENCE turning and heading in a Southeasterly direction, S63°20’03”E 1042.23
feet along the Southern boundary line of said NorthShore On Lake
Travis-Phase 4 Subdivision, said line being in common with herein described
Tract 1, to a point;

THENCE continuing and meandering along said Southern and Easterly boundary
line of said NorthShore On Lake Travis-Phase 4 Subdivision, said line being in
common with herein described Tract 1, the following 10 courses:

1. S81°14’57”E 61.50 feet;
2. N38°10’10”E 20.88 feet;
3. N28°59’57”W 105.20 feet;
4. N46°02’57”W 153.61 feet;
5. N00°29’57”W 121.01 feet;
6. N17°28’57”W 222.71 feet;
7. N25°03’57”W 262.71 feet;
8. N01°05’57”W 232.91 feet;
9. N05°23’57”W 284.81 feet;
10. N13°02’37”W 140.01 feet;

THENCE heading in a Northwesterly direction, N35°17’57”W 80.00 feet
to the PLACE OF BEGINNING and containing 65.91 Acres,
more or less.

EXHIBIT "A"

PROPOSED ETJ RELEASE
CITY OF JONESTOWN, TX.

ENGINEER
SABRIEL M. KIGER, P.E.

DATE
04-13-11

DRAWN BY
JJD

PROJECT NO
104-900-10

DRAWING NO
202
Exhibit B
Jonestown / Volente
ETJ Release Requests

Proposed ETJ Release Area
- Jonestown
- Volente
- Jonestown ETJ
- Austin ETJ

Tract A: Austin ETJ to Jonestown
Tract B: Austin ETJ to Volente