

Southeast Travis County MUD No. 1  
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{W0533539.3}

## EXHIBIT A

187.720  
JOSE ANTONIO NAVARRO SURVEY, ABS. NO. 18  
TRAVIS COUNTY, TEXAS  
SOUTHEAST TRAVIS COUNTY MUD #1

### FIELD NOTES

BEING ALL THAT CERTAIN TRACT OR PARCEL OF LAND OUT OF AND A PART OF THE JOSE ANTONIO NAVARRO SURVEY, ABSTRACT 18, SITUATED IN TRAVIS COUNTY, TEXAS, SAID TRACT OF LAND BEING MORE PARTICULARLY DESCRIBED AS BEING ALL OF THAT CERTAIN 54.350 ACRE TRACT OF LAND CONVEYED TO QUALICO CR, LP IN DOCUMENT NUMBER 2007154327, ALL OF THAT CERTAIN 110.263 ACRE TRACT OF LAND CONVEYED TO QUALICO CR, LP IN DOCUMENT NUMBER 2008139826 AND ALL OF THAT CERTAIN 23.106 ACRE TRACT OF LAND CONVEYED TO QUALICO CR, LP IN DOCUMENT NUMBER 2009141317, ALL OF THE OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS, SAID 187.720 ACRE TRACT OF LAND BEING MORE FULLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

**BEGINNING**, at an iron rod found at the northeast corner of said 54.350 acre Qualico CR, LP tract, also being the northwest corner of Timber Hills Subdivision, a subdivision recorded in Book 72, Page 21 of the Plat Records of Travis County, Texas (P.R.T.C.TX.), also being a point located in the southern right-of-way line of Pearce Lane, a public roadway, for the northeast corner and **POINT OF BEGINNING** of the herein described tract,

**THENCE**, with the common boundary line of said Timber Hills Subdivision and said Qualico CR, LP tracts, the following six (6) courses and distances, numbered 1 through 6,

1. S27°56'54"W, a distance of 259.21 feet to an iron rod found ,
2. S27°34'16"W, a distance of 1900.84 feet to an iron rod found,
3. S27°39'26"W, a distance of 763.63 feet to an iron rod found,
4. S27°48'23"W, a distance of 644.68 feet to an iron rod found,
5. S27°43'28"W, a distance of 242.58 feet to an iron rod found and
6. S27°15'41"W, a distance of 252.18 feet to an iron rod found at the southeast corner of said 23.106 acre Qualico CR, LP tract for the southeast corner of the herein described tract,

**THENCE**, with the southern boundary line of said 23.106 acre Qualico CR, LP tract, and the northern boundary lines of that certain 67.70 acre tract of land conveyed to Billy J. Cannady, et. ux. in Volume 8080, Page 452 of the Deed Records of Travis County, Texas and that certain 25 acre tract of land conveyed to Bernard E. Stratman, Jr. in Volume 4488, Page 1362 of the Deed Records of Travis County, Texas, the following four (4) courses and distances, numbered 1 through 4,

1. N63°04'01"W, a distance of 214.78 feet to an iron rod found,
2. N62°26'16"W, a distance of 814.31 feet to an iron rod found,
3. N62°23'58"W, a distance of 121.87 feet to an iron rod found and
4. N62°25'02"W, a distance of 876.13 feet to an iron rod found at the southwest corner of said 23.106 acre Qualico CR, LP tract, for the southwest corner of the herein described tract,

**THENCE**, with the western boundary line of said all Qualico CR, LP tracts and that certain 46.041 acre tract of land conveyed to Son Dau Trust in Volume 12274, Page 200 in the Real Property Records of Travis County, Texas, N27°42'19"E, a distance of 4000.33 feet to an iron rod found at the northwest corner of said 54.350 acre Qualico CR, LP tract, for the northwest corner of the herein described tract,

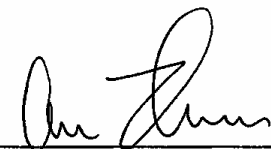
J: 4390\SURVEY\FIELD NOTES\MUD TRACT 1.doc

**THENCE**, with the northern boundary line of said 54.350 acre Qualico CR, LP tract, S64°40'51"E, a distance of 1000.59 feet to an iron rod found, also being a point on the southern right-of-way of said Pearce Lane,

**THENCE**, continuing with the northern boundary line of said 54.350 acre Qualico CR, LP tract and the southern right-of-way of said Pearce Lane, the following two (2) courses and distances, numbered 1 and 2,

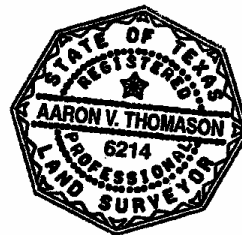
1. S64°40'52"E, a distance of 571.91 feet to an iron rod found at a point of curvature to the right,
2. with said curve to the right having a radius of 6411.14 feet, an arc length of 451.33 feet and whose chord bears, S62°50'33"E, a distance of 451.24 feet to the **POINT OF BEGINNING**, and containing 187.720 acres of land.

Surveyed by:



03 Feb 2011

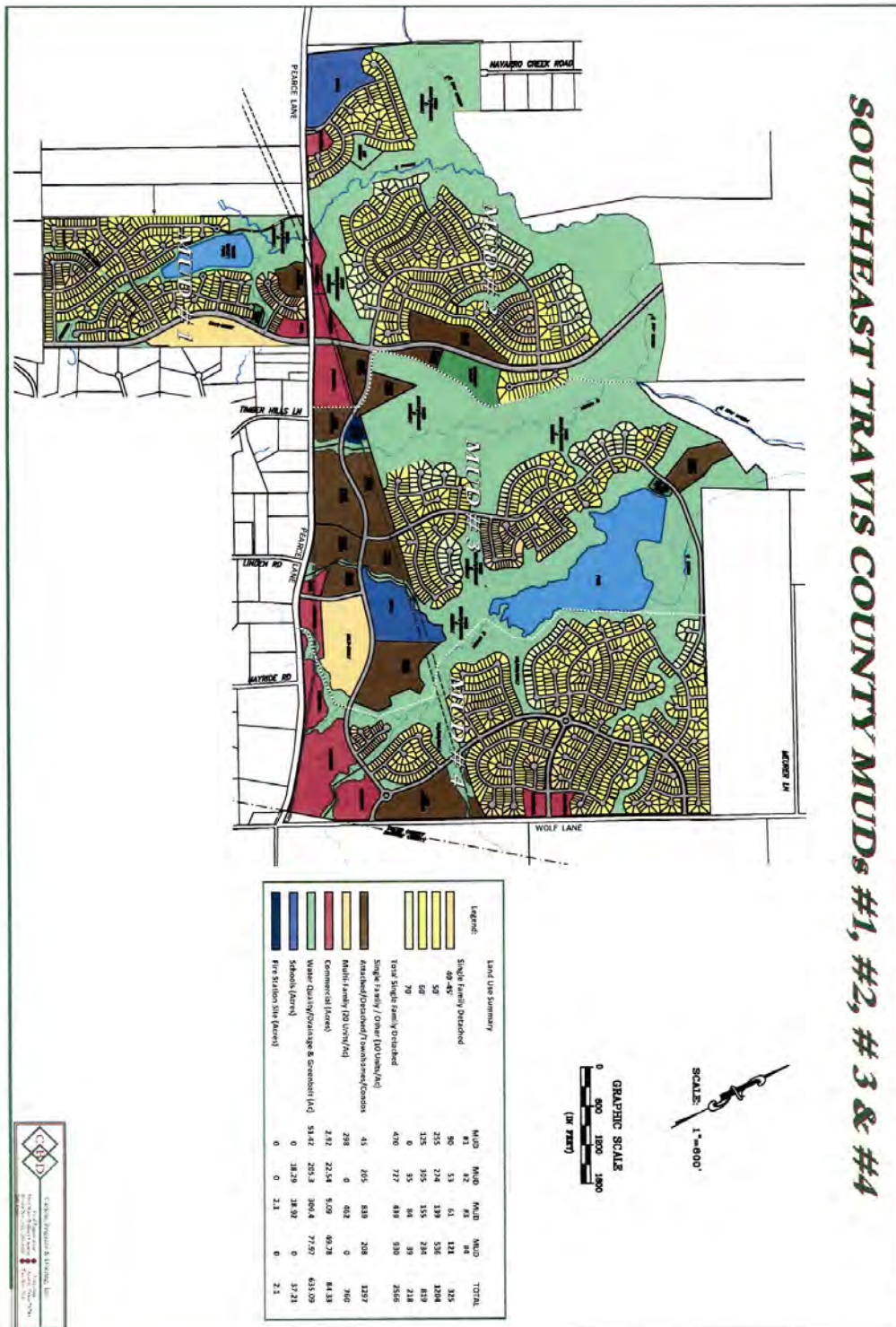
AARON V. THOMASON, R.P.L.S. NO. 6214  
**SETSTONE SURVEYING**  
5501 West William Cannon  
Austin, TX 78749  
Ph: 512-282-0170 Fax: 512-280-5165  
aaron@setstone.net



BEARING BASIS: TEXAS COORDINATE SYSTEM, NAD83, CENTRAL ZONE (4203)

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# EXHIBIT B



## **EXHIBIT C**

### **Post Annexation Surcharge Formula**

The following calculation is intended to allow the City to collect sufficient funds for payment of the debt service remaining on the District's Bonds at the time of annexation, as authorized by Section 54.016(h), Texas Water Code. After annexation, the water and wastewater rates charged to customers receiving water and sewer services at properties that were within the territorial boundary of the District at the time of annexation may vary from the water and wastewater rates charged to customers receiving services at other properties within the City in order to compensate the City for the assumption of the debt on the District's Bonds. These water and wastewater rates will be reflected as a post annexation surcharge on the customers' monthly utility bills and will be stated as a percentage of the water and sewer rates of the City. The amount of the post-annexation surcharge and the percentage of the City's water and wastewater rates will vary as the City's rates are amended, but in no event will the rates of customers charged the post annexation surcharge exceed 125% of the water and wastewater rates charged to other customers within the City who are not otherwise subject to a post-annexation surcharge.

#### FORMULA FOR SURCHARGE CALCULATION:

1.	A	=	$\frac{P \times I}{1 - [(1 + I)^{-n}]}$
2.	S	=	$\frac{A}{12 \times \text{ESFCs}}$

where:

A =	total annual post annexation surcharge
P =	principal outstanding on the District's Bonds, less any reduction provided for by Note 1, below
I =	average annual effective interest rate on the District's outstanding Bonds
n =	years remaining in debt retirement period
ESFCs =	total number of equivalent single family customer connections within the territorial boundary of the District
S =	monthly post annexation surcharge per equivalent single family connection, but in no event will S exceed 125% of the water and sewer rates charged to other customers within the City

**Note 1:** P will be reduced by the amount of District funds transferred to the City at the time of annexation or received by the City after annexation, including any debt service taxes paid to the City for the year of annexation as provided in this Agreement.

**Note 2:** For purposes of illustration, the following are examples of the application of the formula set forth above and the calculation of the post annexation surcharge under this Exhibit based on certain assumptions:

Example 1:

Principal Remaining: \$3,000,000

Interest Rate: 4.5 %

Remaining Term of bonds: 15 years

Equivalent Single Family Connections: 1,183

Monthly Surcharge: \$19.68

Example 2:

Principal Remaining: \$5,000,000

Interest Rate: 6.25 %

Remaining Term of bonds: 15 years

Equivalent Single Family Connections: 2,500

Monthly Surcharge: \$17.44

Example 3:

Principal Remaining: \$1,000,000

Interest Rate: 6.25 %

Remaining Term of bonds: 5 years

Equivalent Single Family Connections: 3,168

Monthly Surcharge: \$6.29

**SOUTHEAST TRAVIS COUNTY MUD #1  
INTERIM ZONING EXHIBIT**



## **EXHIBIT E**

### **Civic Uses**

1. The Developer agrees to donate two sites within the Project to the Del Valle Independent School District (the “*School District*”), at the locations shown on the Approved Preliminary Plans, for school uses mutually agreed to between the Developer and the School District, upon the following terms:
  - (a) Each site will be donated to the School District at such time as the School District has funding available and is ready, willing and able to construct school facilities on the site in question.
  - (b) Each site will consist of at least 18 buildable acres.
  - (c) Any changes to the location of a school site will be subject to approval by the Developer, the School District, and the City.
  - (d) The Developer will extend water, wastewater and streets to each school site at no cost to the School District.
2. The Developer agrees to dedicate the fire station site shown on the Land Plan to the City at no cost to the City.
3. See **Exhibit H** for Developer’s agreement regarding reservation of a ten-acre transit center site.



## **EXHIBIT F**

### **Stormwater, Drainage and Water Quality and Environmental Protection Requirements**

1. The District will own, operate, and maintain the District's drainage infrastructure until full-purpose annexation of the District by the City.
2. Each water quality or detention pond which contains all or a portion of runoff water from industrial, commercial, or mixed-use development (as defined by the City) will be owned, operated, and maintained by the District or the owner of the property on which the pond is located.
3. The Developer and the District each agree to fully comply with the City's ordinances, regulations, and procedures related to drainage, as defined by the City Code. The Developer's construction plans will be consistent with this commitment.
4. The District and the Developer each agree to be good stewards of the environment relating to air quality, water quality, trees, buffer zones and greenbelt areas, critical environmental features, soils, waterways, topography, and the natural and traditional character of the land located within the District.
5. Unless otherwise specified herein or as modified by the PUD, the District and Developer each agree to fully comply with the City's ordinances, regulations, and procedures related to water quality and environmental preservation and protection, as defined by the City Code, as to the portion of the Land owned by it.
6. In all phases of development, the Developer agrees to:
  - a. except for Land contained within the Sun Chase South Preliminary Plan (C8J-2008-0176), design modified channels based on geomorphic stability for full build-out hydrology. This design requires a series of nested channels as shown on **Exhibit F-1** that includes a bankfull (1 yr. return interval) channel within the floodplain (100 yr) channel with distinct connections to an inset floodplain terrace. The top width to depth ratio of the bankfull channel shall be designed per accepted geomorphic principles (e.g., Osterkamp et al. 1983 or Osborn and Stypula 1987). The channel longitudinal profile (slope) shall be designed and demonstrated by calculation to be non-erosive via permissible shear or velocity calculations that consider the particle size of the native soil comprising the channel. If topographic and/or development constraints make the design of a non-erosive natural channel infeasible, the use of armoring (such as with geotextiles) will be allowed.
  - b. restore floodplain, including through the use of native prairie grass species and riparian trees species, in order to provide an enhanced public amenity, minimize impacts of urbanization, and reduce costs of future, long-term maintenance of the floodplain;
  - c. provide water quality controls superior to those otherwise required by Austin City Code for those areas set forth on the attached **Exhibit F-2** (Proposed Bio-Filtration Ponds) and **Exhibit F-3** (Headwater Buffer Plan);
  - d. provide volumetric flood control detention in accordance with the volumetric detention analysis prepared by Carlson Brigrance & Doering, Inc. dated October 24, 2011, which has been reviewed and approved by the City;

d. provide protection of headwaters of unclassified waterways for those areas depicted on the attached **Exhibit F-3** (Headwater Buffer Plan);

e. prohibit, through Restrictive Covenants, the uses listed on **Exhibit F-4** which the City and the Developer agree may contribute to air or water quality pollutants; and

f. cluster impervious and disturbed areas in an environmentally sensitive manner as approved by the City in conjunction with its review and approval of the Preliminary Plans.

7. The District (as to the portion of the Land owned by the District) and the Developer (as to the portion of the Land owned by the Developer) each agrees to comply with the integrated pest management plan approved by the City in conjunction with the Approved Preliminary Plans.

8. The Developer agrees to provide pervious paving for all pedestrian sidewalks, trails and walkways included in the OA Amenities.

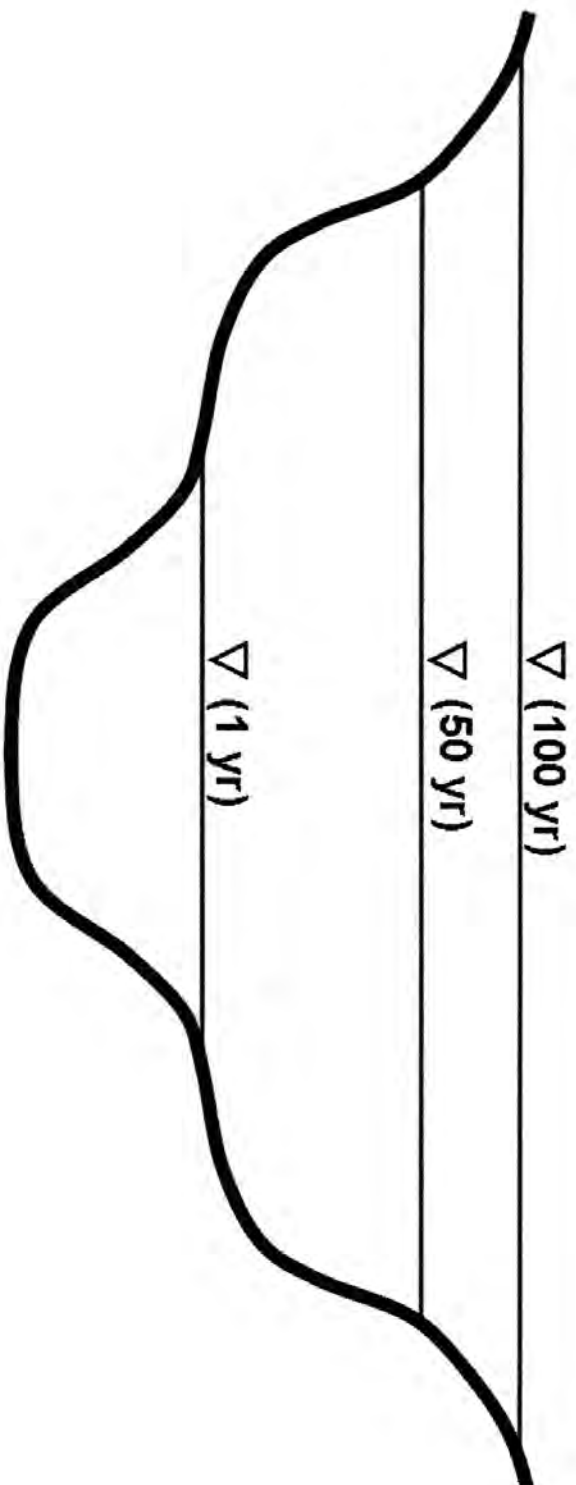
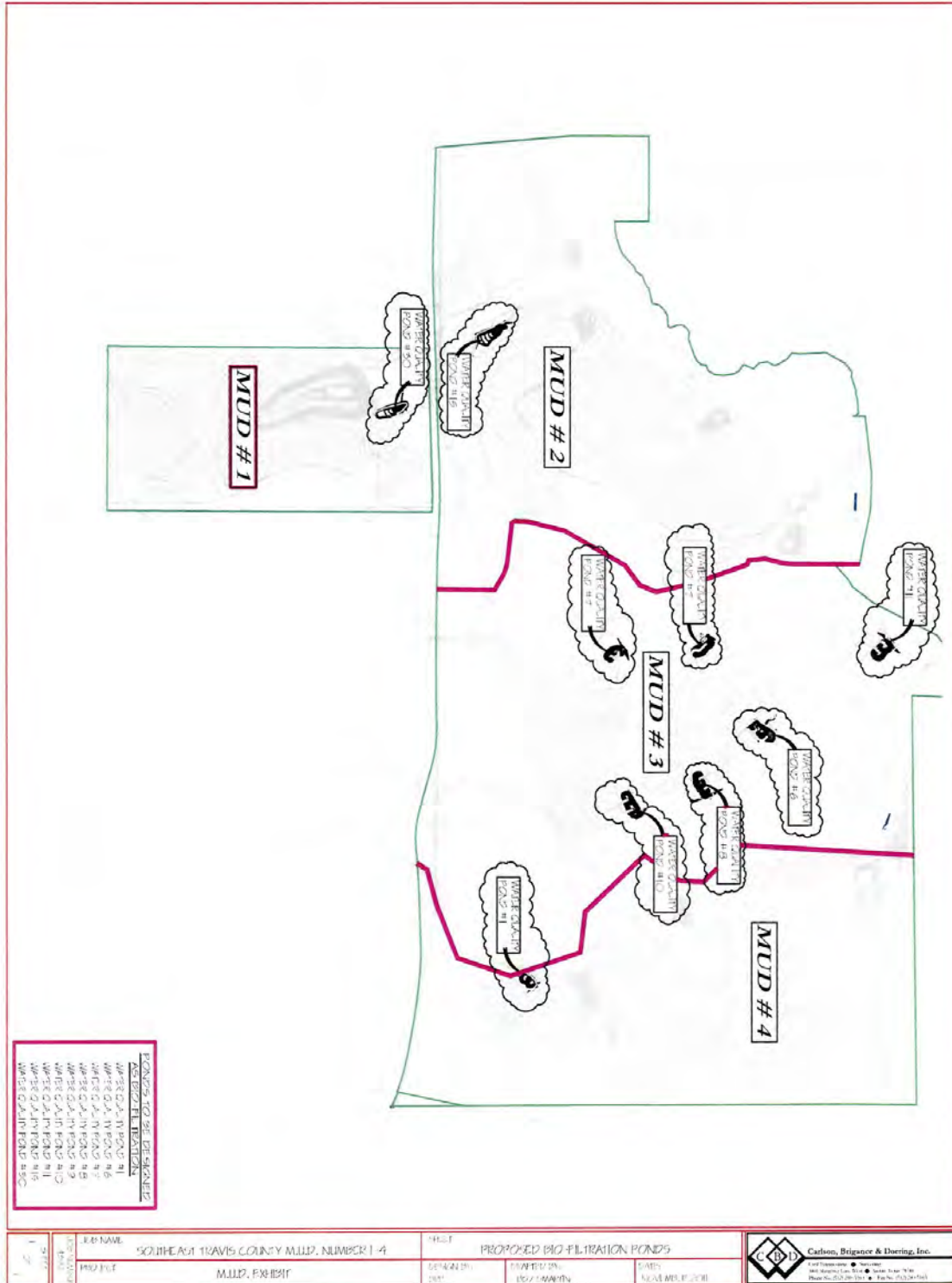
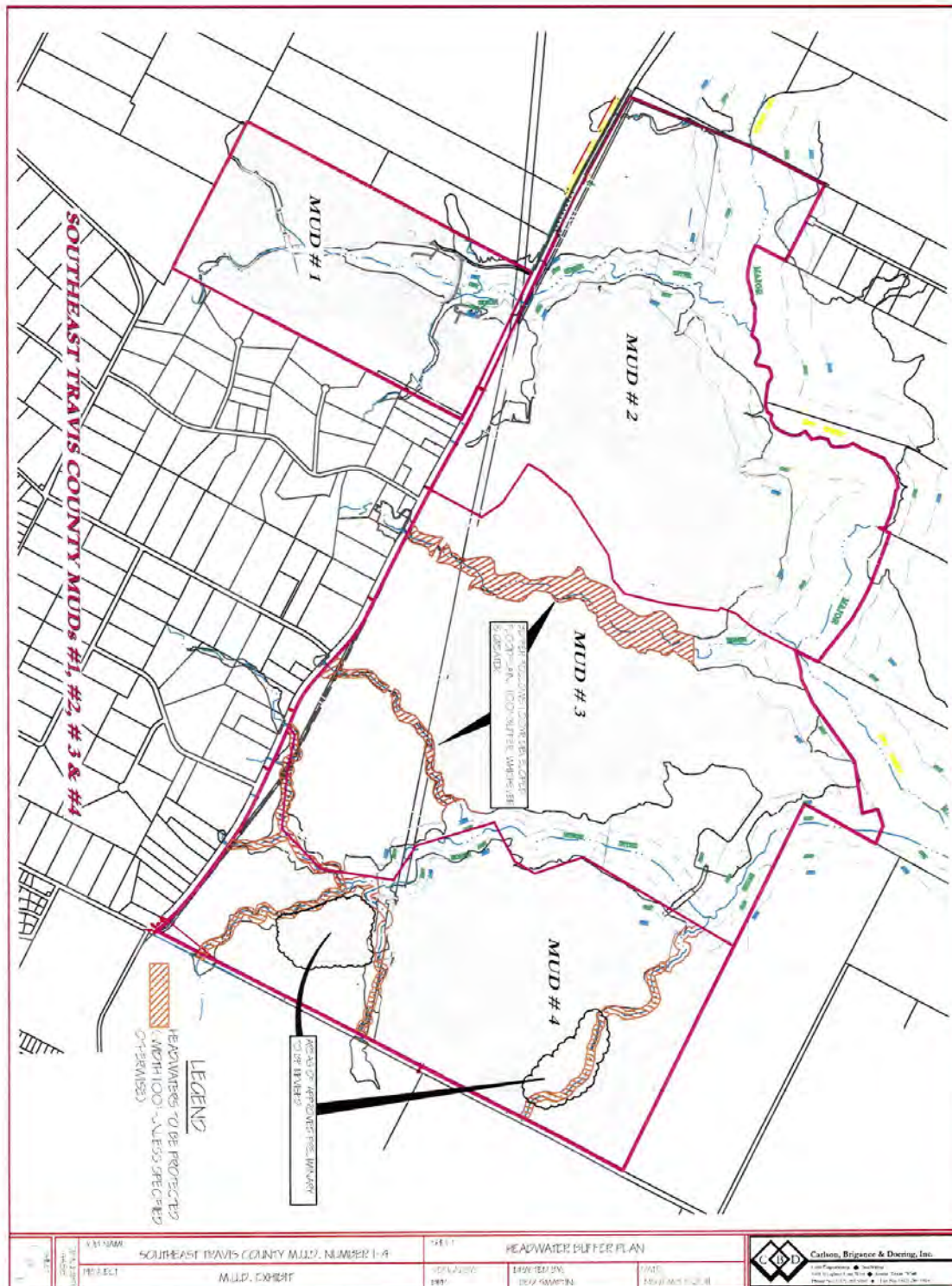


Figure \_\_. Typical modified channel cross-section. Designer shall ensure channel longitudinal slope meets non-erosive permissible shear requirements.

# EXHIBIT F-2



**EXHIBIT F-3**



## **EXHIBIT F-4**

### **Southeast Travis County MUDs 1-4 PROPOSED - Prohibited Land Uses:**

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**Basic Industry** – Prohibited Land Uses limited to:  
Concrete batch plants  
Poultry Processing

**Laundry Services** – Prohibited Land Uses limited to:  
Diaper services

**Resource Extraction** – Prohibited Land Uses limited to:  
Quarries  
Sand or gravel operations  
Mining Operations

**Scrap and Salvage Services** – Prohibited Land Uses limited to:  
Automotive wrecking yards  
Junkyards  
Auction yards

**Stockyards** – Prohibited land uses limited to:  
Stockyards  
Animal sales  
Auction yards

SETC MUDs Proposed Prohibited Land Uses 11.11.2011.docx

## **EXHIBIT G**

### **Tree and Landscaping Requirements**

A. Developer Agreements. The Developer (with respect to the portion of the Land owned by the Developer) agrees to comply with the City's tree preservation ordinance, Protected and Heritage Tree, and the minimum landscaping requirements in Chapter 25 of the Land Development Code and to exceed those requirements by doing the following:

1. A tree preservation plan will be developed with the City's arborist during the PUD process that, at a minimum, will satisfy the requirements of the City's tree preservation ordinance, Protected and Heritage Tree, with additional emphasis given to trees less than 19" in diameter (where feasible) counting towards or fulfilling the tree planting/preservation requirements;
2. All preserved or planted trees for landscape requirements will come from the Environmental Criteria Manual, Appendix F; and
3. A tree care plan, prepared by a certified arborist, will be provided for construction-related impacts within the critical root zone of all trees which are required to be preserved.

B. District Agreements. The District (with respect to the portion of the Land owned by the District) agrees to exceed the minimum landscaping requirements of the City Code by doing the following:

1. Properly maintaining its property, subject to any applicable water use or other restrictions imposed by the City; and
2. Upon Reclaimed Water being brought to the Project, to use Reclaimed Water for irrigation in open space areas where such use is economically feasible, subject to any applicable water use restrictions imposed by the City.

## **EXHIBIT H**

### **Transportation Requirements**

1. The Developer agrees to provide for appropriate connectivity to areas adjacent to the Project as shown on the attached **Exhibit H-1** (Connectivity).

2. The Developer also agrees to do the following:

a. dedicate right-of-way for Pearce Lane, Wolf Lane and Sun Chase Parkway (Arterial C/Four Daughters under the CAMPO 2030 Plan) in accordance with the Phasing Agreement between the Developer and Travis County approved in conjunction with the approval of the Preliminary Plans;

b. fund the construction of improvements to Sun Chase Parkway (Arterial C/Four Daughters under the CAMPO 2030 Plan) and improvements to intersections of internal roadways with Pearce and Wolf Lanes in accordance with the Phasing Agreement between the Developer and Travis County, Texas recorded under Document No. 2010040073, Official Public Records of Travis County, Texas, approved in conjunction with the approval of the Preliminary Plans;

c. provide bicycle facilities and access for pedestrians and bicyclists to schools, parks and other destinations as shown on the attached **Exhibit H-2** (Trail & Accessibility);

d. include sidewalks and bike lanes (i) generally meeting the design specifications established for typical arterial and collector street cross-sections under the City's Transportation Criteria Manual and (ii) generally complying with National Association of City Transportation Officials ("NACTO") and American Association of State Highway and Transportation Officials ("AASHTO") standards, including signage and markings, but not including signalization, as follows:

1. for arterial streets, five-foot bike lanes and six-foot sidewalks;

2. for residential collector roads (60/40), five-foot designated bike lanes on either side of the two 13-15 foot driving lanes, for a total of 40-44 feet of pavement, and five-foot sidewalks;

3. for neighborhood collector roads (64/44), five-foot bike lanes segregated by pavement striping located two feet from the two 13-15 foot driving lanes, for a total of 40-44 feet of pavement, and five-foot sidewalks;

4. for commercial collector roads (70/44), five-foot bike lanes on either side of the three 11-foot driving lanes (consisting of two traffic lanes with a continuous left-turn lane), for a total of 43-44 feet of pavement, and sidewalks as designated by the Commercial Design Standards, Subchapter E;

5. for local streets, four foot sidewalks only.

All applicable requirements will be shown on the construction plans, which are subject to the City's and the County's approval under Title 30.

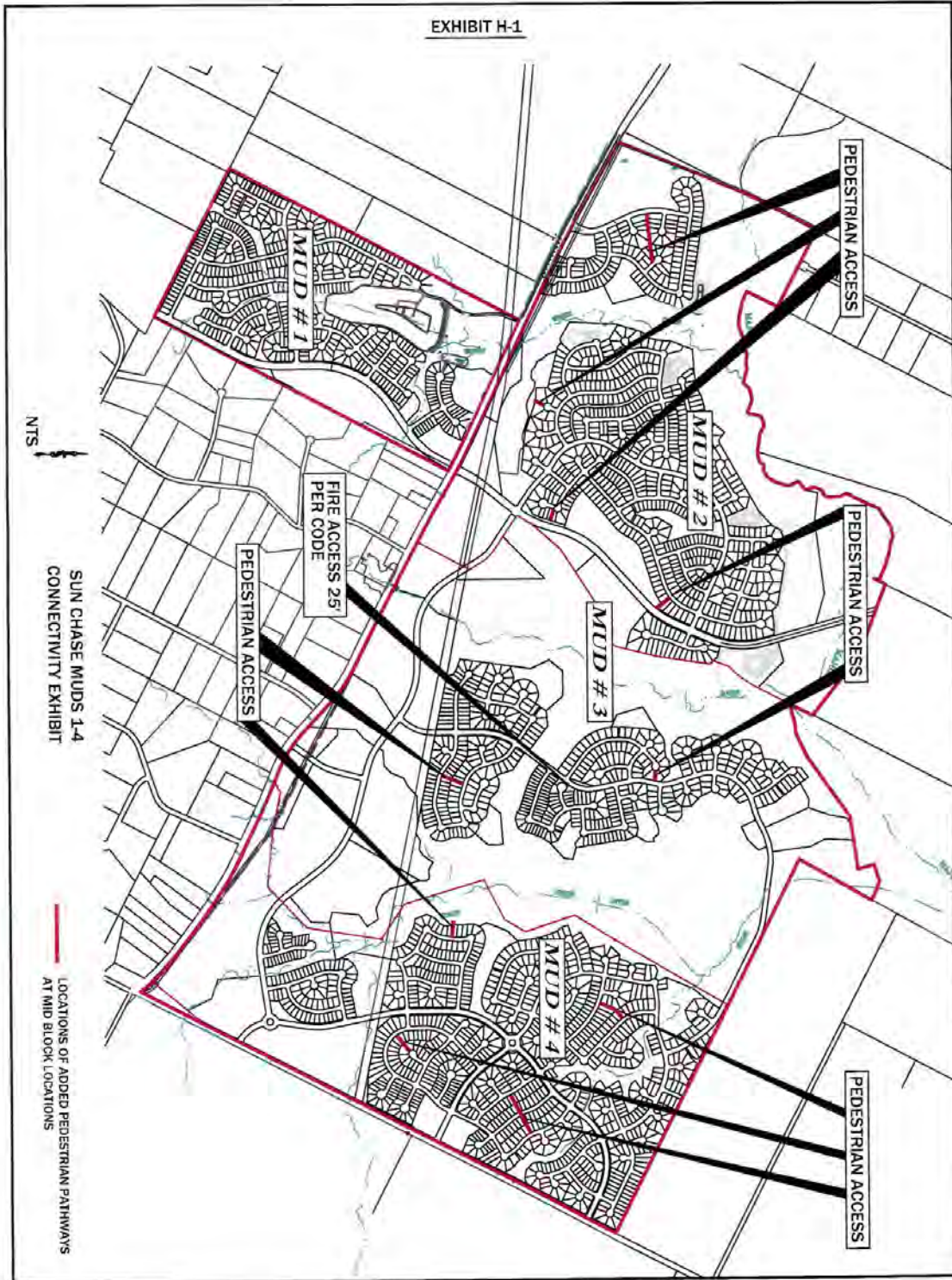
3. To reserve a ten-acre transit center site at a location to be mutually agreed upon by the Developer and the City during the PUD process. This site may be purchased by the City or, at the City's option, another governmental entity designated by the City by written notice to the



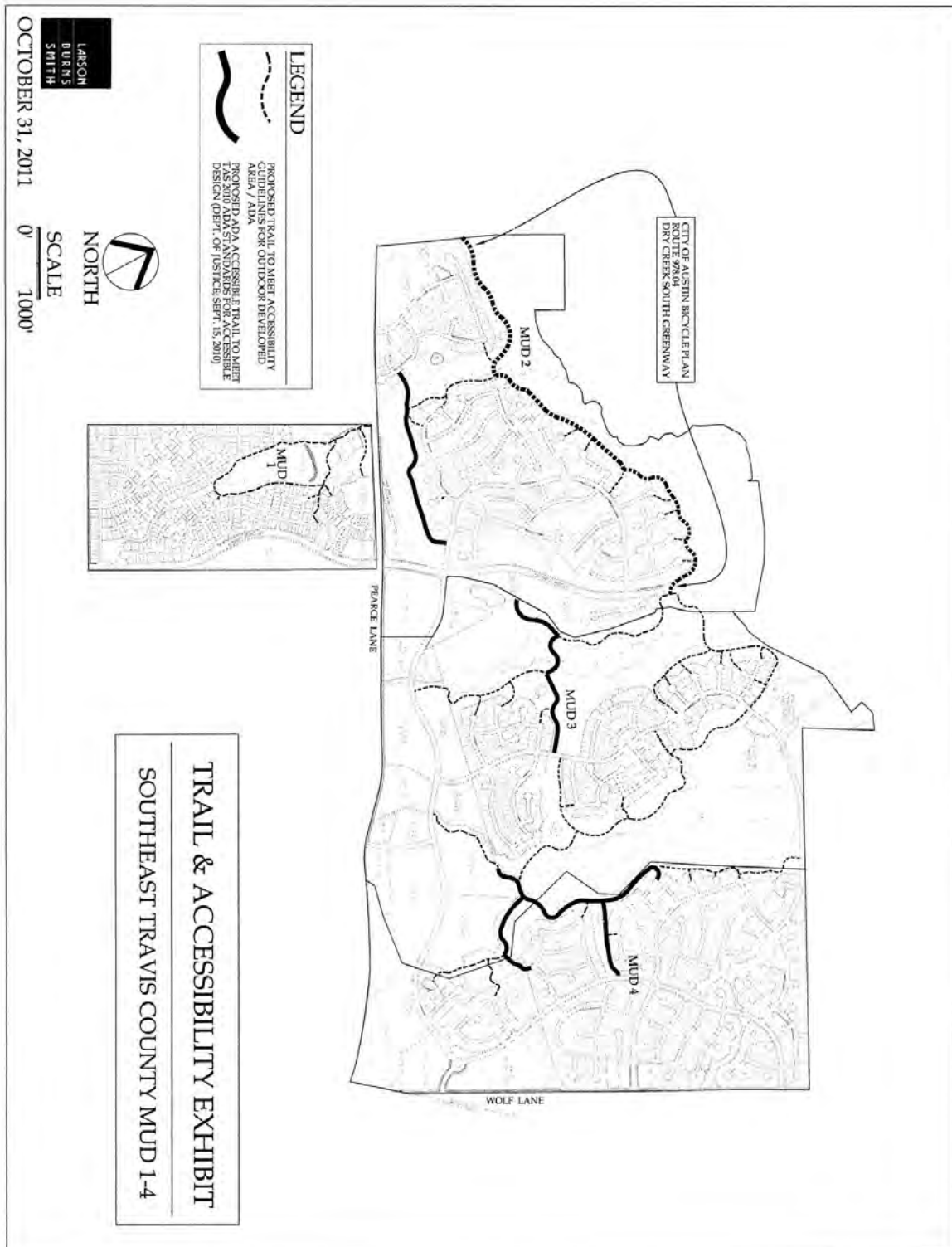
Developer at any time prior to the date the first of the District or one of the Other Southeast Travis County Districts is annexed for full purposes by the City.

4. During the development of the Project, to maintain an on-going dialogue with Capital Metropolitan Transit Authority and any other mass transit service provider regarding mass transit service options and transportation issues.

# EXHIBIT H-1



## EXHIBIT H-2



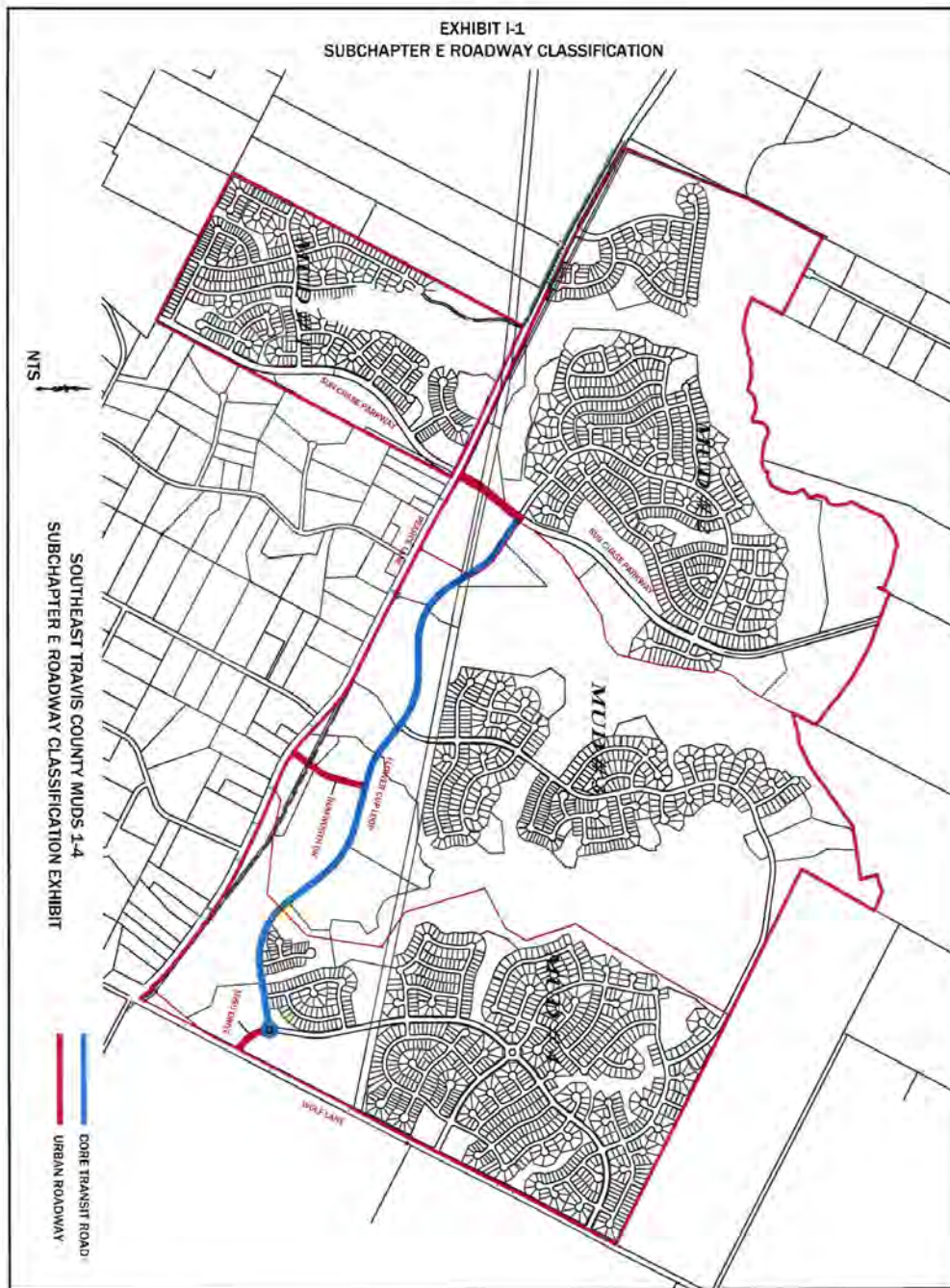
## **EXHIBIT I**

### **Building and Urban Design Standards**

1. The Developer will meet all PUD Tier I Additional Requirements, with the goal of creating a pedestrian-friendly development, focusing on sidewalks, building placement and frontage.
2. The Developer will meet Subchapter E Core Transit Corridor standards for sidewalks and building placement for 50% of the commercial, multi-family and village cluster development on Flower Cup Loop between Sun Chase Parkway and Misu Drive, as shown on the attached **Exhibit I-1** (Subchapter E Roadway Reclassification).
3. The Developer will meet Subchapter E Urban Roadway standards for sidewalks and building placement for 50% of the commercial, multi-family and village cluster development along Sun Chase Parkway from Pearce Lane to Flower Cup Loop; along Rumworth Drive from Pearce Lane to Flower Cup Loop and along Misu Drive from Wolf Lane to Flower Cup Loop, as shown on the attached **Exhibit I-1** (Subchapter E Roadway Reclassification).
4. The Developer will adhere to a maximum block size of five acres for commercial, multi-family and village cluster development.
5. Additional pedestrian, bicycle and fire access will be provided to improve connectivity as set forth on **Exhibit H-1**



## EXHIBIT I-1



## **EXHIBIT J**

### **Art in Public Places Participation**

The Developer will prepare a Public Art Master Plan, which will identify opportunities, guiding principles and locations within the Project for outdoor art installations to be implemented by the Developer. Following installation, all subsequent management, operation and/or maintenance of the artwork will be the responsibility of the Developer or the Owners Association.

## **EXHIBIT K**

### **Affordable Housing Participation**

In order to meet the City's affordable housing goals, the Developer agrees as follows:

1. Ten percent of the rental units within the Project will be set aside for households with an income level of 60% or less of the median family income in the Austin metropolitan statistical area for a period of 40 years from the Effective Date of this Agreement.
2. Ten percent of the owner-occupied units within the Project will be priced, at the time of their initial offering for sale, at a price that is affordable to a household with an income level of 80% of the median family income in the Austin metropolitan statistical area.
3. The Developer will make a financial contribution to the City's affordable housing program equal to two percent of the total "hard" construction cost reimbursements actually received by the Developer out of the proceeds of bonds issued by the District and the Other Southeast Travis County Districts, up to a maximum total contribution of \$1.8 Million. This contribution will be calculated as follows:

Total District Bond Issue Amount: \$ \_\_\_\_\_

Less:

Non-Construction Costs, including:

Legal and Financial Advisory Fees:	\$ _____
Interest Costs, including Capitalized and Developer Interest	\$ _____
Bond Discount	\$ _____
Administrative and Organizational (including creation costs and operating advances)	\$ _____
Bond Application Engineering Report, Market Study	\$ _____
Bond Issuance Expenses, including TCEQ Bond Issuance Fee, Attorney General Review Fee, Rating Agency Fees, Bond Insurance	\$ _____
Application, Review and Inspection Fees	\$ _____
Site Costs	\$ _____
Offsite Costs	\$ _____
Engineering and Geotechnical:	\$ _____
Total Non-construction Costs:	\$ _____

NET ELIGIBLE MUD BOND ISSUE AMOUNT \$ \_\_\_\_\_ \*

AFFORDABLE HOUSING CONTRIBUTION  
PERCENTAGE:

X 2%

AFFORDABLE HOUSING CONTRIBUTION: \$ \_\_\_\_\_

4. Each contribution will be calculated based upon costs approved for reimbursement under applicable Commission rules and a report on reimbursable costs prepared by a certified professional accountant on behalf of the District at the time of each Bond issue. Each contribution, along with a copy of the report on reimbursable costs, will be delivered to the City Controller until the maximum contribution of \$1.8 Million has been paid. A copy of each report on reimbursable costs will be submitted to the Finance Director concurrently with the delivery of the contribution and report to the Controller.



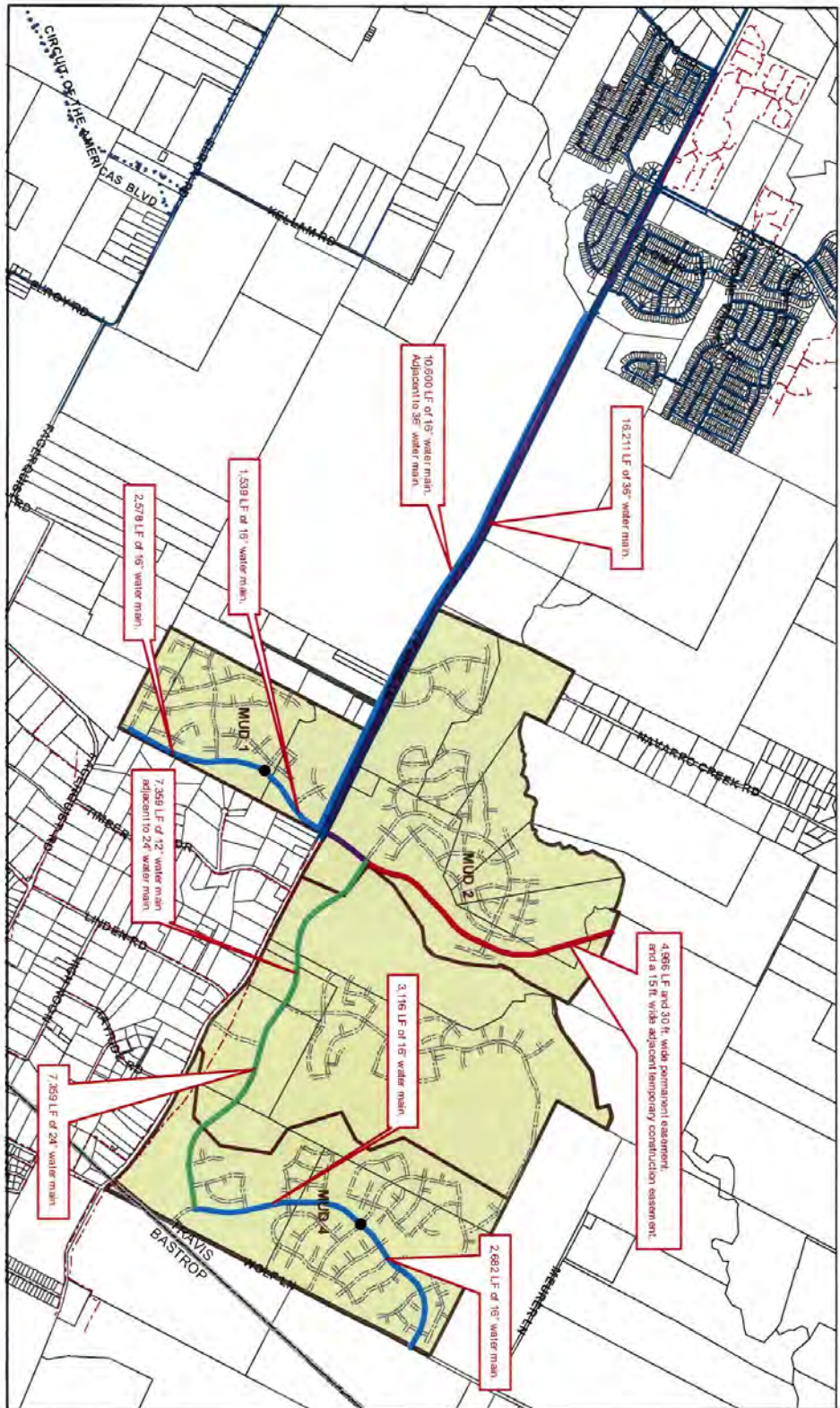
## **EXHIBIT L**

### **Conceptual Water and Wastewater Plans and Easements**

Exhibit L includes the attached **Exhibit L-1**: Conceptual Major Water Facilities; **Exhibit L-2**: Conceptual Major Wastewater Facilities; and **Exhibit L-3**: Planned Wastewater Easement Locations. These are conceptual in nature. The Major Water and Wastewater Facilities identified in **Exhibits L-1 and L-2** are based upon the report by Carlson, Brigrance & Doering, Inc. dated September 14, 2011 and September 19, 2011 and the updated Master Wastewater Plan dated October 17, 2011. The facilities' sizing required for the Project and the City's oversizing are based upon that report and plan.

The size and capacity of the Major Water and Wastewater Facilities depicted on **Exhibit L-1 and L-2** may be decreased, at the City's sole discretion, if it is determined later that demands within the Project or City's service area on particular facilities will be less than originally estimated.

# EXHIBIT L-1

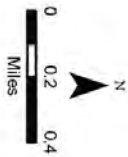


## Conceptual Streets

Southwest Travis County MUDs 1, 2, 3 and 4

**DRAFT**

This project is for informational purposes and may not have been prepared for its intended use. It does not represent an engineering or architectural drawing. It is not to be used for any purpose other than the purpose of the project. No warranty is made by the City of Austin regarding the accuracy or completeness of the information.



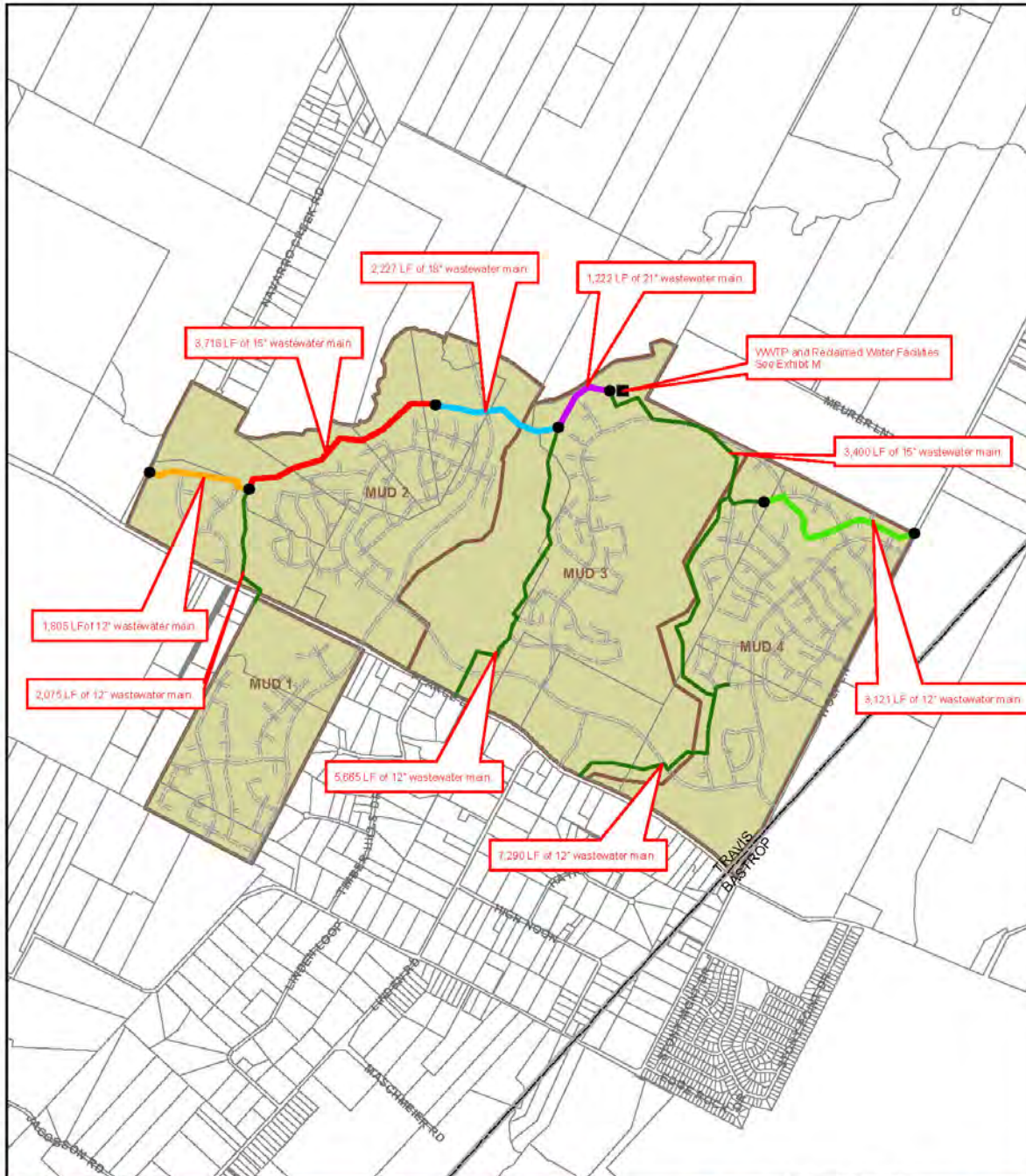
City of Austin  
Austin Water Utility

2/2/2012

**Exhibit L-1**  
**Southeast Travis County MUDs 1, 2, 3 and 4**  
**Conceptual Major Water Facilities**  
Produced by GIS Services



## EXHIBIT L-2



Conceptual Streets  
 Southeast Travis County MUDs 1, 2, 3 and 4

**DRAFT**

The City of Austin is for informational purposes and may not have been prepared for or be used for legal, engineering, or planning purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries. This product has been produced by the Austin Water Utility for the sole purpose of geographic reference. No warranty is made by the City of Austin regarding specific accuracy or completeness. 3438

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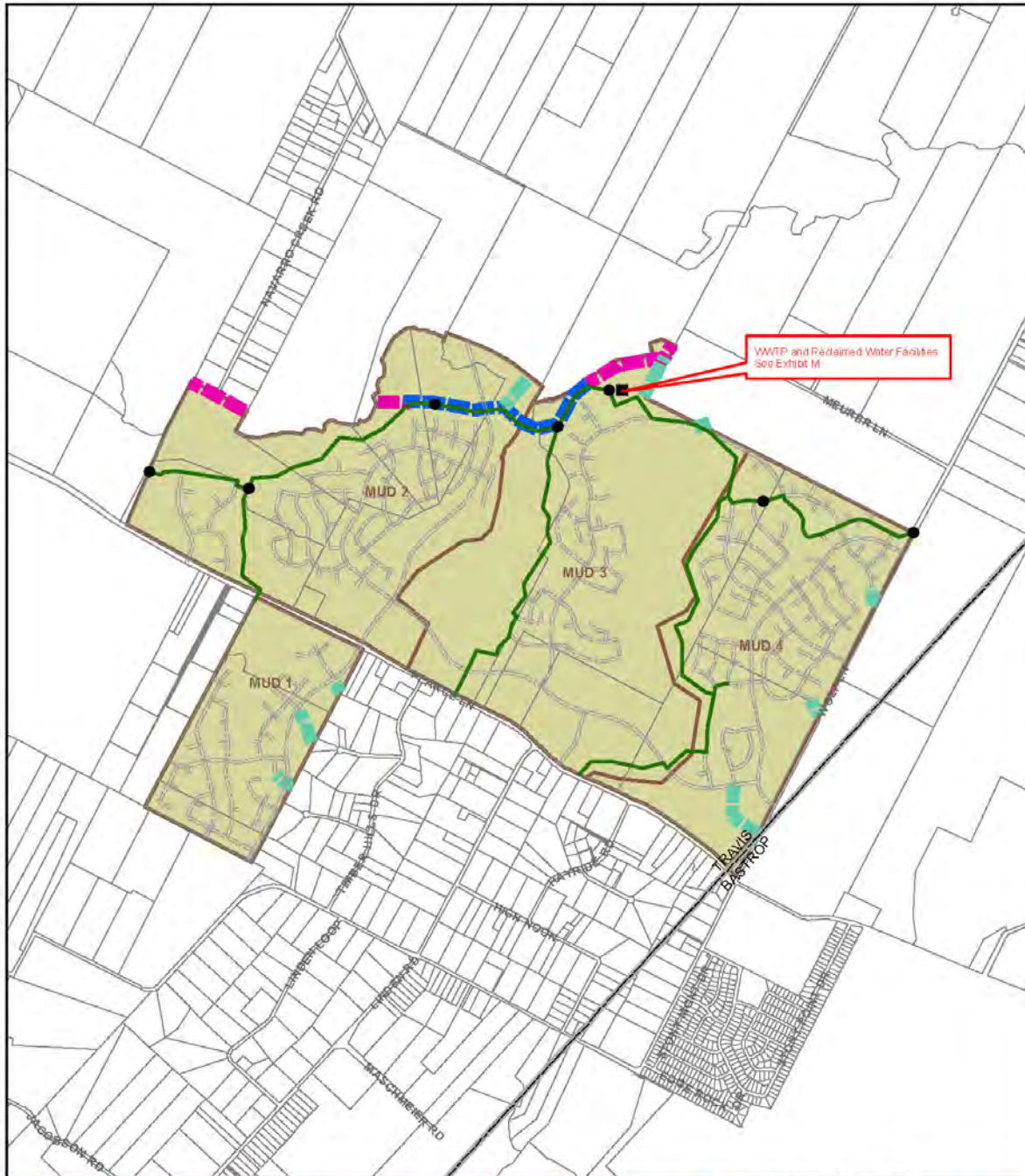
City of Austin  
 Austin Water Utility  
 2/23/2012



**Exhibit L-2**  
**Southeast Travis County MUDs 1, 2, 3 and 4**  
**Conceptual Major Wastewater Facilities**

Produced by GIS Services

# EXHIBIT L-3



- Major Wastewater Facilities (Mains)
- Conceptual Streets
- Easement for Future Parallel Interceptor
- Easement for Future Interceptor Extension
- Easement for Out-of-District Connections
- Southeast Travis County MUDs 1, 2, 3 and 4

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City of Austin  
Austin Water Utility  
2/23/2012



## Exhibit L-3

### Southeast Travis County MUDs 1, 2, 3 and 4 Planned Wastewater Pipeline Easement Locations

Produced by GIS Services



**EXHIBIT M-1**

**Cost Reimbursements, Waivers and Participation**

<b>Description</b>	<b>Terms of Cost Reimbursement, Waivers and Participation</b>
<p>1. Impact Fees: The waivers described in this Exhibit have been granted in consideration of the Developer's oversizing, cost participation, construction of Wastewater and Reclaimed Water facilities and waiver of reimbursements described in this Agreement.</p>	<p>1. The City waives all wastewater Impact Fees for development within the Project.</p> <p>2. The City waives a total of \$1,499,400 of water Impact Fees for development within the Project. The Developer will receive a water Impact Fee credit in the original amount of \$1,499,400, which will be applied and managed as provided in this Exhibit. The City will manage the accounting for the credit's balance, and will provide a reconciliation to the Developer upon request, but no more frequently than once each calendar quarter. The Developer will manage the transfer of portions of the credit as development occurs through credit transfers in the form attached as <b><u>Exhibit M-2 (Credit Form)</u></b>. This water Impact Fee credit may be applied by the Developer beginning with the first water tap purchased for development within the Project.</p> <p>3. The Developer will complete a water Impact Fee credit transfer, in the form attached as <b><u>Exhibit M-2</u></b>, and provide it to each developer or builder who is to receive a water Impact Fee credit under this Agreement. The completed form, which must include the legal description and street address of the property to which the credit has been assigned, must be signed and notarized by the Developer and presented to the City at the time of tap purchase in order to authorize the City to apply a portion of the Developer's water Impact Fee credit to the water Impact Fees which would otherwise be payable for the development of the property in question.</p> <p>4. If a developer or builder pays a water Impact Fee for a property within the Project to the City and later presents a notarized and completed credit transfer form, the City will not be required to refund any water Impact Fees previously paid for the property. In that case, the credit in question will be void and of no effect, and may be applied by the Developer to another property within the Project.</p> <p>5. The City will deduct the amount of each water Impact Fee to which a credit is applied from the Developer's water Impact Fee credit's balance. Upon the depletion of the credit,</p>

	<p>the City's standard water Impact Fees will be payable in full for any future development within the Project.</p> <p>No credit form will be required to be presented for the waiver of wastewater Impact Fees as provided in this Agreement.</p>
2. Easements or land required for additional oversizing of Major Water and Wastewater Facilities	<p>If the City requests oversizing for Major Water and Wastewater Facilities beyond that identified in <b><u>Exhibit L-1 (Water Facilities)</u></b> or <b><u>Exhibit L-2 (Wastewater Facilities)</u></b>, the City will pay its proportionate share of additional land and easements costs, if any, based upon any increase in the size of the easements or any additional land necessary to accommodate the City's additional oversizing and the Developer's cost of such land. The width and length of all required easements or land will be determined by the City in accordance with City design criteria, specifications, and policies.</p>
3. Additional easements required for future Major Water and Wastewater Facilities extensions	<p>The City anticipates that it will require additional easements in the future in order to extend the Major Water and Wastewater Facilities, as set forth on <b><u>Exhibit L-3 (Easements)</u></b>. The width and length of these additional easements will be determined by the City in accordance with City design criteria, specifications, and policies. Because the size and depth of the future infrastructure cannot be determined at this time, the Developer agrees that the easements required within each portion of the Land will be conveyed to the City, at no cost, prior to City's approval of a construction plan or a final plat for that portion of the Land.</p>
4. Internal Water and Wastewater Facilities and Major Water and Wastewater Facilities reimbursements	<p>The City's cost reimbursement ordinances and policies, under which the City would pay more than its proportional share of costs for oversizing, will not be applied or used in any manner for any water, Reclaimed Water, and wastewater infrastructure (Austin City Code Chapter 25-9).</p> <p>For those Major Water and Wastewater Facilities identified on <b><u>Exhibit L-1</u></b> and <b><u>Exhibit L-2</u></b> which have been oversized at the request of the City, excluding the WWTP, the Developer will pay 100% of all costs associated with the oversizing without reimbursement by the City. This provision will not apply to the WWTP, which is subject to the specific provisions set forth below in this Exhibit.</p> <p>The Developer may seek reimbursement from the District for all infrastructure required to provide utility service to the development within the District in accordance with the rules</p>

	of the Commission.
5. Additional oversizing of Major Water and Wastewater Facilities reimbursements	Exclusive of the costs of the Major Water and Wastewater Facilities identified on <b><u>Exhibit L-1</u></b> and <b><u>Exhibit L-2</u></b> and the costs of the WWTP, which will be paid as provided in this Agreement and this Exhibit, the City will pay its proportionate share of costs for any additional oversizing of Major Water and Wastewater Facilities beyond that identified in <b><u>Exhibit L-1</u></b> or <b><u>Exhibit L-2</u></b> , based upon the difference in the cost of the size of the pipe in accordance with City ordinances.
6. WWTP	<ol style="list-style-type: none"> <li>1. The Developer will convey the WWTP Site described on the attached <b><u>Exhibit L-2</u></b> and <b><u>Exhibit L-3</u></b> to the City, at no cost to the City, for the WWTP. The WWTP Site will be sized to include land area sufficient for a WWTP with an ultimate treatment capacity of 2.25 million gallons per day (MGD) and Reclaimed Water facilities with an ultimate capacity of 2.25 million gallons per day. The WWTP Site will be conveyed to the City, by deed in a form and content reasonably acceptable to the City concurrently with the City's approval of the WWTP design plan to be provided by the Developer under Subsection 3, below, and prior to any construction or site work on the WWTP.</li> <li>2. The City has obtained wastewater discharge permit TPDES No. WQ0010543015 (the "Permit") for the WWTP to be constructed with a treatment capacity of 300,000 gallons per day (GPD). The City will be responsible for processing all renewals, modifications and amendments to the Permit, at its sole cost, as required to allow expansions of the WWTP to be constructed in a timely manner and to assure the continued availability of service to the Project.</li> <li>3. The Developer will cause the WWTP to be designed with an ultimate treatment capacity of 2.25 MGD and ultimate Reclaimed Water capacity of 2.25 MGD and will provide the design and engineering plans to the City for its review and approval, which approval will not be unreasonably withheld, conditioned or delayed.</li> <li>4. The first 300,000 GPD phase of the WWTP (the "First Phase") will be constructed by the Developer, at no cost to the City, on the WWTP Site. The Developer will only be required to post fiscal security based upon the construction of the First Phase (300,000 GPD). Only the site area for the First Phase will be required to be fenced as part of the First Phase. In consideration of the Developer's construction of the First Phase, the City</li> </ol>

	<p>agrees to provide 1,244 LUEs (determined based on the City's utility design criteria) of wastewater service to the Project. The City will be responsible for providing 1,244 LUEs of wastewater service to the Project, as and when required for development within the Project, regardless of whether other properties outside of the Project are provided wastewater service by the City through the First Phase. All future expansions of the WWTP will be constructed by the City, as provided in this Exhibit.</p> <p>5. By September 31<sup>st</sup> of each year, the Developer will provide an annual report to the Austin Water utility which includes a projection of estimated development in LUES by land use categories, based on the City's utility design criteria, for the next five years in order to assist the City in projecting future wastewater flows for the Project.</p> <p>6. The City will calculate the number of LUEs of wastewater service required for the Project based on each submitted site plan or final plat. When the number of LUEs so calculated by the City exceeds 1,244, the City, at the City's discretion, will not be required to approve any further construction plans or final plats of property within the Project until the Developer makes a one-time, lump sum payment ("WWTP Capacity Payment") to the City for each site plan or final plat. The WWTP Capacity Payment will be calculated by the City by taking the total existing treatment capacity of the WWTP and dividing that amount of capacity by the capacity of wastewater service required for one LUE (using the City's most recent utility design criteria) to obtain the total number of LUEs of wastewater service available through the WWTP. The actual hard and soft costs from all previous construction phases of the WWTP, exclusive of engineering and design fees previously paid by the Developer associated with the WWTP's ultimate treatment capacity of 2.25 MGD, will be divided by the total number of LUEs of wastewater service determined under the preceding sentence. The resulting cost per LUE will be multiplied by the number of LUEs required by the Developer for service to the property within the submitted site plan or final plat to calculate the WWTP Capacity Payment for that plan or plat. The City will determine a reasonable amount of LUEs to be purchased by the Developer based on the site plan or final plat in question. The City's determination will be consistent with the 2.25 MGD design for the WWTP and other related City criteria. The Developer will pay the WWTP Capacity Payment to the City's Austin Water utility prior to the City's approval of the construction plan or final plat for which additional LUES of service are required. This WWTP Capacity Payment will be in lieu of, and not in addition to, the City's</p>
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	<p>wastewater Impact Fees for such additional LUEs of service.</p> <p>7. The Developer may request additional LUEs of wastewater service at any time, but the request must be submitted at least 18 months prior to the time the additional wastewater service is required if the City will be required to construct the next phase of the WWTP in order to provide such service. If the request for additional LUEs will not require an expansion of the WWTP, as determined by the Commission's rules and the City, then the additional LUES of wastewater service will be provided immediately.</p> <p>8. The Developer, at no cost to the City, will construct the base WWTP facilities described below, which will be required not only for service through the First Phase, but also for the second expansion of the WWTP to 1.2 MGD, in order to minimize the costs of subsequent expansions. These facilities must be completed concurrently with the construction of the First Phase. These base facilities are as follows: an all-weather access road to the WWTP, electrical components, telephone service, influent wet well and appurtenances (including a splitter box), outfall/discharge structure, piping, chemical feeds, and the operations building shell.</p> <p>9. The Developer may, at its discretion, provide mowing services, at its cost, for that portion of the WWTP Site that is located outside of the fencing for the First Phase. The City is not required to provide mowing services for the portion of the WWTP Site located outside of the fencing for the First Phase. The City will provide mowing services to the area inside the fencing for the First Phase and, as the WWTP and the area enclosed by fencing is expanded, the City will be responsible for providing mowing services inside the expanded fenced area. The City may, at its discretion, provide mowing services, at its cost, for that portion of the WWTP Site that is located outside of the fencing beyond the First Phase.</p> <p>10. All WWTP expansions may include capital improvements related to repair and replacement of facilities to allow the expansion to become operational and such improvements will be considered a part of the expansion provided that the repair and replacement does not alter the intent of the original design of the facilities.</p>
7. Reclaimed Water Facilities	<p>1. The Developer agrees to construct, at no cost to the City, Reclaimed Water facilities concurrently with the phased development of the Project to meet the Reclaimed Water</p>

	<p>needs for public open space and parks, and private parks and recreation facilities for each phase of development within the Project. The Reclaimed Water distribution facilities will be sized for the transmission of 2.25 MGD of Reclaimed Water. The Developer will only be required to post fiscal for the construction of Reclaimed Water facilities with a capacity of 1.2 MGD. The City will be responsible for obtaining the Section 210 reuse permit required for the use of the Reclaimed Water at its sole cost.</p> <p>2. Upon the City's acceptance of the Reclaimed Water facilities, the City will be responsible for providing Reclaimed Water to the Project, as and when required for development within the Project, regardless of whether other properties outside of the Project are provided Reclaimed Water service by the City. All future expansions of the Reclaimed Water facilities at the WWTP site will be constructed by the Developer up to a capacity of 1.2 MGD. All future expansions of the Reclaimed Water facilities at the WWTP site beyond the 1.2 MGD treatment capacity will be constructed by the City, as provided in this Exhibit. Notwithstanding the foregoing, the Developer will be responsible for the construction of all Reclaimed Water distribution facilities within the Project, without reimbursement by the City. Reclaimed Water will be provided to users within the Project at the City's standard in-City retail rate. The City's Impact Fees applicable within its extraterritorial jurisdiction will be applicable to the development within the Project.</p> <p>3. If the Developer or the District wishes to obtain additional Reclaimed Water service beyond 1.2 MGD, the Developer or the District will be required to make a one-time, lump sum payment ("Reclaimed Water Capacity Payment") to the City for the additional capacity requested. The actual hard and soft costs from all previous construction phases of the Reclaimed Water facilities, exclusive of engineering and design fees previously paid by the Developer associated with the design for 2.25 MGD of Reclaimed Water capacity, will be divided by the total number of gallons of existing capacity of the Reclaimed Water facilities. The resulting cost per gallon will be used to calculate the Reclaimed Water Capacity Payment for the amount of additional Reclaimed Water capacity requested. If additional Reclaimed Water capacity beyond 1.2 MGD for the Project is requested, the Developer or the District will pay the Reclaimed Water Capacity Payment to the City's Austin Water utility for that portion of the requested Reclaimed Water capacity which the City determines is available.</p>
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<p>8. Water Facilities</p>	<ol style="list-style-type: none"> <li>1. Up to 800 LUEs of water service (subject to the fire flow limitation stated below) will be provided to the Project from the 16" water main along Pearce Lane depicted on <b><u>Exhibit L-1</u></b>. The City will not be required to provide more than 800 LUEs of water service to the Project until the 36" water main described on <b><u>Exhibit L-1</u></b> is constructed and accepted by the City. The City will provide 800 LUEs of water service to the Project regardless of whether the City provides water service to other properties outside of the Project through the 16" water main.</li> <li>2. The City will only be required to provide water service to individual lots or structures for which the required fire flow does not exceed 1,500 gallons per minute (gpm). Any lot or structure that will require a fire flow greater than 1,500 gpm will only be provided water service after the 36" water main shown on <b><u>Exhibit L-1</u></b> is constructed and is accepted by the City.</li> <li>3. The LUEs of water service being provided to the Project will be calculated by the City based upon the total number of LUEs required for service to all approved site plans or final plats for the Project. If the 36" water main is not operational after the City has approved the 800th LUEs of water service for the Project, then the City will not be required to approve any further construction plans or final plats for the Project until 36" water main shown on <b><u>Exhibit L-1</u></b> is constructed and accepted by the City. If the City has not utilized the 16' water main described in Subsection 1 to provide service to areas outside of the Project, the 36" water main will be constructed by the Developer. If, however, the City has provided service to properties outside of the Project through the 16" water main and, as a result, 800 LUEs of water service are not available to the Project through the 16" water main, then the City will construct the 36" water main.</li> <li>4. The Developer or the City, whichever is responsible under Subsection 3, above, agrees to initiate the design of the 36" water main on or before the date on which the Developer files a site plan or final plat which would, in combination with all previously approved site plans or final plats for the Project, require in excess of 600 LUEs of water service be provided to the Project. The Developer or the City, whichever is responsible under Section 3, above, agrees to begin construction of the 36" water main on or before the date on which the Developer files a site plan or final plat which would, in combination with all previously approved site plans or final plats for the Project, require in excess of 700 LUEs of water service</li> </ol>

	<p>be provided to the Project.</p> <p>5. Neither the Developer nor the Developer's successors or assigns (including the Owners Association) will have any right to reimbursement or cost participation from the City for Reclaimed Water facilities.</p>

**EXHIBIT M-2**

**CREDIT TRANSFER**

1. Qualico CR, L.P., a Texas limited partnership, acting by and through its undersigned, duly authorized representative ("Qualico"), hereby transfers a water Impact Fee credit arising under the Consent Agreements between Qualico CR, L.P and the City of Austin for Southeast Travis County Municipal Utility Districts No. 1-4 as follows:

**Transferee:**\_\_\_\_\_

**Contact Information for Transferee:**\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**Property:**

Street Address:\_\_\_\_\_

Legal Description:\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**Number of service units (according to American Water Works Association criteria) for which this credit is issued:**\_\_\_\_\_

2. Transferee acknowledges that this Credit Transfer must be presented to the City of Austin prior to the payment of the water Impact Fees for the Property. If Transferee pays the water Impact Fees for the Property and later presents this Credit Transfer, no refund will be issued by the City and this Credit Transfer will be void and of no further force and effect, and the water Impact Fee credit provided for in this Credit Transfer will revert to and become the property of Qualico, and may be applied to other property without liability to Transferee.

Executed this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**QUALICO CR, LP**, a Texas limited partnership

By: Qualico CR Management, LLC, a Texas limited liability company, its general partner

By: Qualico Developments (U.S.), Inc., a Delaware corporation, its manager

By: \_\_\_\_\_

By: \_\_\_\_\_

Date: \_\_\_\_\_

THE STATE OF TEXAS   §  
                                  §  
COUNTY OF TRAVIS   §

This instrument was acknowledged before me on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_, by \_\_\_\_\_, \_\_\_\_\_ of Qualico Developments (U.S.), Inc., a Delaware corporation, Manager of Qualico CR Management, LLC, a Texas limited liability company, General Partner of Qualico CR, LP, a Texas limited partnership, on behalf of said corporation, limited liability company and limited partnership.

(SEAL)

\_\_\_\_\_  
Notary Public, State of Texas

THE STATE OF TEXAS   §  
                                  §  
COUNTY OF TRAVIS   §

This instrument was acknowledged before me on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_, by \_\_\_\_\_, \_\_\_\_\_ of Qualico Developments (U.S.), Inc., a Delaware corporation, Manager of Qualico CR Management, LLC, a Texas limited liability company, General Partner of Qualico CR, LP, a Texas limited partnership, on behalf of said corporation, limited liability company and limited partnership.

(SEAL)

\_\_\_\_\_  
Notary Public, State of Texas

**ACCEPTED AND AGREED TO BY:**

\_\_\_\_\_

By:\_\_\_\_\_

By:\_\_\_\_\_

Name:\_\_\_\_\_

Title:\_\_\_\_\_

Date:\_\_\_\_\_

**EXHIBIT M-3**

**RESTRICTIVE COVENANT**

OWNER: \_\_\_\_\_ (the "Owner")

ADDRESS: \_\_\_\_\_

CONSIDERATION: Ten and No/100 Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged

PROPERTY: \_\_\_\_\_ (the "Property")

A. Owner, the City of Austin, Texas (the "City"), and Southeast Travis County Municipal Utility District No. \_\_\_\_ (the "District") previously entered into the Consent Agreement for Southeast Travis County Municipal Utility District No. \_\_\_\_, dated as of \_\_\_\_\_, 2012 (the "Consent Agreement").

B. Section 6.09 of the Consent Agreement requires that, if the easements necessary to extend the Major Water and Wastewater Facilities (as defined in the Consent Agreement) across any portion of the Land (as defined in the Consent Agreement) have not been dedicated or conveyed to the City prior to sale by Owner, that portion of the Land must be impressed with a restrictive covenant requiring the purchaser to donate the easements in question to the City.

C. Owner desires to sell the Property, and all easements across the Property required by Section 6.09 of the Consent Agreement have not yet been dedicated or conveyed to the City.

THEREFORE, for good and valuable consideration, and in compliance with Section 6.09 of the Consent Agreement, Owner hereby declares that the Property will be subject to the following covenants and restrictions, which will run with the land, and be binding upon Owner, and its successors and assigns:

1. Capitalized terms not otherwise defined herein will have the meanings ascribed to them in the Consent Agreement, a copy of which is on file with the City.
2. Land and easements within the Property that are required for the Major Water and Wastewater Facilities must be conveyed to the City, in lengths and widths which are consistent with the City's Utility Design Criteria and the Consent Agreement, on forms approved by the City and at no cost to the City, at the earlier of the City's approval of construction plans or a final plat for the land within which the facilities will be constructed.
3. If any person or entity shall violate or attempt to violate this agreement and covenant, it shall be lawful for the City to prosecute proceedings at law or in equity against such person or entity violating or attempting to violate such agreement or covenant, to prevent the person or entity from such actions, and to collect damages for such actions.
4. If any part of this agreement or covenant is declared invalid, by judgment or court order, the same shall in no way affect any of the other provisions of this agreement, and such remaining portion of this agreement shall remain in full effect.
5. If at any time the City fails to enforce this agreement, whether or not any violations of it are known, such failure shall not constitute a waiver or estoppels of the right to enforce it.



6. This agreement may be modified, amended or terminated only by joint action of both (a) the Director of the Austin Water Utility, or his successor, and (b) the owner(s) of the Property subject to the modification, amendment or termination at the time of such modification, amendment or termination.
7. This agreement will automatically terminate and be of no force or effect as to any of the Property for which the City has approved construction plans or for which a final plat, approved by the City, has been recorded.

EXECUTED this the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

## **EXHIBIT N**

### **Park and Open Space Requirements**

1. Within the Project, the Developer agrees to provide the park and open space land in the approximate amounts set forth below, which approximately ten times the PUD Tier I requirements:

District	Required	Provided	Less Utility Easements	Net Acres
SETC 1	9.70	49.11	(2.340)	46.77
SETC 2	12.43	184.49	(17.0)	167.49
SETC 3	20.09	295.4	(13.53)	281.87
<u>SETC 4</u>	<u>15.68</u>	<u>73.87</u>	<u>(7.34)</u>	<u>66.53</u>
	57.9	602.87	(40.21)	562.66

2. Other than the OA Amenities and any other park improvement owned by the Owners Association which are available for use by reservation through the Owners Association, the park and open space areas in the Project will be open to the public.

3. Parks will be dispersed throughout the Project, located within ¼ mile of each residence within the Project, to the extent feasible and practicable, and accessible by pedestrians and cyclists in all Project neighborhoods.

4. The acreage amounts set forth above are estimates, based on the Land Plan, and the final acreage of park and open space land will be determined during the PUD process and some floodplain areas may be reclaimed for development.

Exhibit O  
Page 1 of 1

FOR PURPOSES OF ILLUSTRATION ONLY

3/1/2012

## **EXHIBIT P**

### **“Plain Speak” Notice Form**

The property that you are about to purchase is located within Southeast Travis County Municipal Utility District No. 1 (the “District”). The District is a governmental entity with taxing powers that was created by the Texas Legislature with the consent of the City of Austin (the “City”). The District and the City have entered into a Consent Agreement (the “Consent Agreement”) that contains provisions that may affect you as a property owner. The following summary describes certain important provisions of the Consent Agreement, but does not include every provision of the Consent Agreement which may affect you or the property you are purchasing. You may obtain a full and complete copy of the Consent Agreement from the District upon your request.

1. **Governance.** The District is governed by a five-member Board of Directors. The City is authorized to appoint one member of the Board. The other four Board members are elected by the residents of the District to serve four-year, staggered terms. No Board member may serve more than two four-year terms of office. No Board member may receive fees of office for more than 16 days of service in any District fiscal year.
2. **City Services.** The City provides retail water and wastewater service and residential solid waste and recycling services within the District. Neither the District nor any other utility or service provider may provide these services. The City will only provide City services provided for by the Consent Agreement, and any other services which the City may agree to provide under a separate contract, to areas within the District prior to the City’s full purpose annexation of the District.
3. **District Tax Rate.** The Consent Agreement requires that the District’s tax rate be no less than the City’s tax rate.
4. **Annexation; Creation of Limited District.** The City has annexed all of the land in the District for the limited purposes of planning and zoning; therefore, development within the District is subject to City regulation, including the City’s zoning ordinances. When the District is annexed by the City for full purposes, the District will be converted to a “limited district” that will continue to own and operate certain park and open space land, and related facilities. This limited district will levy and collect a tax, which will be in addition to the City’s ad valorem tax, to provide the limited district with funds for operation and maintenance.
5. **Restrictive Covenants.** The District does not have the power to enforce restrictive covenants. All restrictive covenants will be enforced by the owners association for the development.
6. **Park Facilities.** The District is not authorized to own, finance, construct, or maintain swimming pools, splash pads, and community centers, or related improvements, land and infrastructure. These improvements may only be owned, operated and maintained by the owners association for the development.
7. **Assessments by Owners Association.** All property owners in the District are required to become members of the owners association, which will levy assessments on the property in the District and has the power to place liens on property to enforce the payment of

the assessments. The owners association's assessments are in addition to the taxes levied and collected by the District (or, after full purpose annexation, limited district and the City).

8. Post Annexation Surcharge. After full purpose annexation of the District, the Consent Agreement authorizes the City to charge and collect water and wastewater rates to customers within the territorial boundary of the District at the time of annexation which vary from the City's standard rates in order to compensate the City for the assumption of the debt on the District's Bonds. These rates will be reflected as a post annexation surcharge on the customers' monthly utility bills and will be stated as a percentage of the water and sewer rates of the City.