



Amendment No. 5
To
Contract No. NA120000022
For
Springwood Landscaping Services
Between
Texascapes, Inc.
and the
City of Austin

- 1.0 The City hereby exercises this extension option for the subject contract. This extension option will be September 1, 2020 through August 31, 2021, no options remain.
- 2.0 The total contract amount is increased by \$52,500.00 by this extension period. The total contract authorization is recapped below:

Action	Action Amount	Total Contract Amount
Initial Term: 09/01/2011 – 08/31/2016	\$750,000.00	\$750,000.00
Amendment No. 1: Option 1 – Extension 09/01/2016 – 08/31/2017	\$150,000.00	\$900,000.00
Amendment No. 2: Option 2 – Extension 09/01/2017 – 08/31/2018 Note: Extension only applies to Watershed.	\$52,500.00	\$952,500.00
Amendment No. 3: Option 3 – Extension 09/01/2018 – 08/31/2019 Note: Extension only applies to Watershed.	\$52,500.00	\$1,005,000.00
Amendment No. 4: Option 4 – Extension 09/01/2019 – 08/31/2020 Note: Extension only applies to Watershed.	\$52,500.00	\$1,057,500.00
Amendment No. 5: Option 5 – Extension 09/01/2020 – 08/31/2021 Note: Extension only applies to Watershed.	\$52,500.00	\$1,110,000.00

- 3.0 MBE/WBE goals do not apply to this contract.
- 4.0 By signing this Amendment the Contractor certifies that the vendor and its principals are not currently suspended or debarred from doing business with the Federal Government, as indicated by the GSA List of Parties Excluded from Federal Procurement and Non-Procurement Programs, the State of Texas, or the City of Austin.
- 5.0 All other terms and conditions remain the same.

BY THE SIGNATURES affixed below, this amendment is hereby incorporated into and made a part of the above-referenced contract.

Sign/Date: Doug Grissom, CEO 6/15/2020

Printed Name: DOUG GRISSOM
Authorized Representative

Texascapes, Inc.
13740 Research Boulevard, Suite J-7
Austin, Texas 78750
(512) 472-0207
grissom@texascapes.com

Matthew
Sign/Date: Duree

Digitally signed by
Matthew Duree
Date: 2020.08.11
14:00:27 -05'00'

Matthew Duree
Procurement Manager
City of Austin
Purchasing Office
124 W. 8th Street, Ste. 310
Austin, Texas 78701



Amendment No. 4
To
Contract No. NA120000022
For
Springwood Landscaping Services
Between
Texascapes, Inc.
and the
City of Austin

- 1.0 The City hereby exercises this extension option for the subject contract. This extension option will be September 1, 2019 through August 31, 2020, One option will remain.
- 2.0 The total contract amount is increased by \$52,500.00 by this extension period. The total contract authorization is recapped below:

Action	Action Amount	Total Contract Amount
Initial Term: 09/01/2011 – 08/31/2016	\$750,000.00	\$750,000.00
Amendment No. 1: Option 1 – Extension 09/01/2016 – 08/31/2017	\$150,000.00	\$900,000.00
Amendment No. 2: Option 2 – Extension 09/01/2017 – 08/31/2018 Note: Extension only applies to Watershed.	\$52,500.00	\$952,500.00
Amendment No. 3: Option 3 – Extension 09/01/2018 – 08/31/2019 Note: Extension only applies to Watershed.	\$52,500.00	\$1,005,000.00
Amendment No. 4: Option 4 – Extension 09/01/2019 – 08/31/2020 Note: Extension only applies to Watershed.	\$52,000.00	\$1,057,000.00

- 3.0 MBE/WBE goals do not apply to this contract.
- 4.0 By signing this Amendment the Contractor certifies that the vendor and its principals are not currently suspended or debarred from doing business with the Federal Government, as indicated by the GSA List of Parties Excluded from Federal Procurement and Non-Procurement Programs, the State of Texas, or the City of Austin.
- 5.0 All other terms and conditions remain the same.

BY THE SIGNATURES affixed below, this amendment is hereby incorporated into and made a part of the above-referenced contract.

Sign/Date: Doug Grissom, CEO 8/5/2019

Printed Name: DOUG GRISSOM, CEO
Authorized Representative

Texascapes, Inc.
13740 Research Boulevard, Suite J-7
Austin, Texas 78750
(512) 472-0207
grissom@texascapes.com

Sign/Date: Matthew Duree 8-9-19

Matthew Duree
Procurement Manager

City of Austin
Purchasing Office
124 W. 8th Street, Ste. 310
Austin, Texas 78701




Amendment No. 3
of
Contract No. NA120000022
for
Springwoods Landscape Maintenance
between
Texascapes, Inc.
and the
City of Austin

- 1.0 The City hereby exercises this extension option for the subject contract. This extension option will be effective September 1, 2018 to August 31, 2019. Two options remain.
- 2.0 The total contract amount is increased by \$52,500.00 for the extension option period. The total Contract authorization is recapped below:

Term	Action Amount	Contract Amount
Basic Term: 09/01/2011 – 08/31/2016	\$750,000.00	\$750,000.00
Amendment No. 1: Extension 1 09/01/2016 – 08/31/2017	\$150,000.00	\$900,000.00
Amendment No. 2: Extension 2 09/01/2017 – 08/31/2018	\$52,500.00	\$952,500.00
Amendment No. 3: Extension 3 09/01/2018 – 08/31/2019	\$52,500.00	\$1,005,000.00

- 3.0 MBE/WBE goals do not apply to this contract.
- 4.0 By signing this Amendment, the Contractor certifies that the Contractor and its principals are not currently suspended or debarred from doing business with the Federal Government, as indicated by the General Services Administration (GSA) List of Parties Excluded from Federal Procurement and Non-Procurement Programs, the State of Texas, or the City of Austin.
- 5.0 All other terms and conditions remain the same.

BY THE SIGNATURES affixed below, this amendment is hereby incorporated into and made a part of the above-referenced contract.

 CEO
Printed Name: DOUG GRISSOM
Authorized Representative

 8-3-18
Matthew Duree, Procurement Manager
City of Austin
Purchasing Office

Texascapes, Inc.
1603 Manor Road
Austin, TX 78722
Doug Grissom

grissom@texascapes.com

512-560-0655




Amendment No. 2
of
Contract No. NA120000022
for
Springwoods Landscape Maintenance
between
Texascapes, Inc.
and the
City of Austin

- 1.0 The City hereby exercises this extension option for the subject contract. This extension option will be effective September 1, 2017 to August 31, 2018. Three options remain.
- 2.0 This extension option is for the City of Austin's Watershed Department only.
- 3.0 The total contract amount is increased by \$52,500.00 for the extension option period. The total Contract authorization is recapped below:


Term	Action Amount	Contract Amount
Basic Term: 09/01/2011 – 08/31/2016	\$750,000.00	\$750,000.00
Amendment No. 1: Extension 1 09/01/2016 – 08/31/2017	\$150,000.00	\$900,000.00
Amendment No. 2: Extension 2 09/01/2017 – 08/31/2018	\$52,500.00	\$952,500.00

- 4.0 MBE/WBE goals do not apply to this contract.
- 5.0 By signing this Amendment the Contractor certifies that the Contractor and its principals are not currently suspended or debarred from doing business with the Federal Government, as indicated by the General Services Administration (GSA) List of Parties Excluded from Federal Procurement and Non-Procurement Programs, the State of Texas, or the City of Austin.
- 6.0 All other terms and conditions remain the same.

BY THE SIGNATURES affixed below, this amendment is hereby incorporated into and made a part of the above-referenced contract.


Printed Name: DOUG GRISSOM
Authorized Representative

Texascapes, Inc.
1603 Manor Road
Austin, TX 78722
Doug Grissom
grissom@texascapes.com
512-560-0655


Linell Goodin-Brown
Contract Management Supervisor II
City of Austin
Purchasing Office
8-29-17




Amendment No. 1
of
Contract No. NA120000022
for
Springwoods Landscape Maintenance
between
Texascapes, Inc.
and the
City of Austin

- 1.0 The City hereby exercises this extension option for the subject contract. This extension option will be effective September 1, 2016 to August 31, 2017. Four options remain.
- 2.0 The total contract amount is increased by \$150,000.00 for the extension option period. The total Contract authorization is recapped below:

Term	Action Amount	Contract Amount
Basic Term: 09/01/2011 – 08/31/2016	\$750,000.00	\$750,000.00
Amendment No. 1: Option 1 09/01/2016 – 08/31/2017	\$150,000.00	\$900,000.00

- 3.0 MBE/WBE goals do not apply to this contract.
- 4.0 By signing this Amendment the Contractor certifies that the Contractor and its principals are not currently suspended or debarred from doing business with the Federal Government, as indicated by the General Services Administration (GSA) List of Parties Excluded from Federal Procurement and Non-Procurement Programs, the State of Texas, or the City of Austin.
- 5.0 All other terms and conditions remain the same.

BY THE SIGNATURES affixed below, this amendment is hereby incorporated into and made a part of the above-referenced contract.


Printed Name: Doug GRISSOM
Authorized Representative


Linell Goodin-Brown, Contract Compliance Supervisor
City of Austin
Purchasing Office

8-11-16

Texascapes, Inc.
1603 Manor Road
Austin, TX 78722



**Financial and Administrative Service Department
Purchasing Office**

PO Box 1088, Austin, Texas, 78767

November 9, 2011

Texasclapes, Inc.
Doug Grissom, CEO
1603 Manor Road
Austin, TX 78722

Dear Ms. Grissom:

The City of Austin has approved the execution of a contract with your company for Springwoods Landscape Maintenance in accordance with the Strategic Partnership Agreement between the City of Austin and The Springwoods Municipal Utility District.

Responsible Department:	Parks and Recreation Department
Department Contact Person:	Troy Houtman
Department Contact Email:	Troy.Houtman@austintexas.gov
Department Contact Telephone:	(512) 974-9481
Project Name:	Springwoods Landscape Maintenance
Contractor Name:	Texasclapes, Inc.
Contract Number:	NA120000022
Contract Period Amount:	\$750,000.00
Contract Period:	09/01/11 – 08/31/16
Extension Options:	Five 12-month options at \$150,000 each
Requisition Number:	8600-11102100037
City of Austin Ordinance:	20101118-028 and 20110623-038
Ordinance Agenda Item No.:	28
Council Approval Date:	November 10, 2010

Sincerely,

Sharon Patterson
Senior Buyer
512-972-4014

Approve,

MASTER LANDSCAPE SERVICES AGREEMENT

COPY

THE STATE OF TEXAS §
 §
COUNTY OF WILLIAMSON §

This Master Landscape Services Agreement ("Agreement") is made and entered into as of the 1st day of September, 2011, by and between SPRINGWOODS LIMITED DISTRICT (the "District"), a political subdivision of the State of Texas and TEXASCAPES, INC. (the "Contractor"), a Texas corporation, and is as follows:

I. Purpose of Agreement.

The purpose of this Agreement is to state the terms and conditions under which the Contractor will provide professional landscape maintenance services for:

(i) the District's original park (the "Original Park") and the District's park expansion area (the "Woodlands Park") as outlined on Exhibit "A", attached hereto and incorporated herein by reference, (the Original Park and the Woodlands Park are sometimes collectively referred to as the "Park"),

(ii) the District's pool and tennis court facilities located on Parliament House Drive (the "Pool Facilities") as outlined on Exhibit "A-1" attached hereto, and

(iii) the District's drainage channel areas (the "Drainage Facilities"), as outlined on Exhibit "B", attached hereto and incorporated herein by reference.

The District desires to obtain quality landscape maintenance services for the Park, Pool Facilities and Drainage Facilities, and to maximize the appearance and utility of the Park, Pool Facilities and Drainage Facilities while minimizing negative environmental impacts, including impacts of chemicals, fertilizers and pesticides.

II. Pesticides and Fertilizers.

The Board of Directors has approved the pesticides and fertilizers proposed for use in the Park which are set forth on Exhibit "C", attached hereto and incorporated herein by reference.

Contractor may also use pesticides and fertilizers that have been approved for use in parks by the City of Austin Parks and Recreation Department ("PARD").

III. Services to be Performed.

The services specified in this Article III below shall be provided to the District for the compensation specified in Article IV below.

A. GENERAL

1. REPORTS:

- a. Submit monthly maintenance reports on the report form attached hereto as Exhibit "D" to the attention of the District's attorney with a copy to the District's general manager within five (5) days after the expiration of each calendar month.
- b. Upon request of the District, attend one regular Board of Directors (sometimes referred to as the "Board") meeting of each calendar month, or, in lieu thereof, one meeting of District staff per calendar month.

B. PARK AND POOL FACILITIES MAINTENANCE

1. APPLICATION OF LANDSCAPE CHEMICALS:

- a. Application of pesticides shall be made only under supervision of a Texas Department of Agriculture Licensed Pesticide Applicator or Technician or a Texas Structural Pest Control Board certified pesticide applicator or by a Structural Pest Control Board technician holding a current license in lawn, garden and weed control. Insurance coverage must meet current Texas Department of Agriculture or Structural Pest Control Board requirements. Chemicals shall only be used when absolutely necessary and then only the least toxic chemicals that will do the job. Restricted-Use and State Limited-Use pesticides shall not be used under any circumstance.
- b. All pesticides and fertilizers shall be applied strictly in accordance with manufacturer's written directions.

2. PROFESSIONAL SERVICES:

- a. The Contractor shall provide the Board of Directors, at no additional cost to the District, the services of a Texas registered landscape architect to aid in the planning and implementation of park improvements.
- b. Adequate supervision from a landscape architect or horticulture graduate shall be provided to assure that all work will be done in accordance with these specifications and generally accepted good horticultural

practices. The Park and Pool Facilities will be inspected by the Contractor's professional personnel at least weekly.

3. **EQUIPMENT:** All equipment must be maintained in excellent operating and visual condition at all times. All OSHA safety devices shall be in place and in operating condition. Gas cans shall be OSHA approved safety cans. Trucks, tractors, mowers, trimmers, blowers and other equipment shall be free of oil and fuel leaks.
4. **MATERIALS:**
 - a. Water. A reliable source of water shall be furnished by the District.
 - b. Fertilizer. Fertilizer for turf and beds shall be Organic, Organic Based, Natural, Elemental, or equal as approved by the Board of Directors. Additional fertilizer and micro nutrient needs shall be determined by annual soil tests or routine visual inspections of soil and plant health.
 - c. Mulch. Mulch shall be shredded hardwood or equal as approved by the Board of Directors.
 - d. Plant Materials. All plant materials shall be #1 quality in size, health and appearance as defined by the American Nurserymen's Standards. Plant material shall be dense and uniform in appearance and free from insects and disease.
5. **GRASS AREAS:**
 - a. Fertilize and Maintain. Fertilize three (3) times per year, early Spring, mid-Summer and Fall, with organic or other environmentally safe fertilizer. All turf areas shall be maintained in a manner which will prevent erosion.
 - b. Mow & Edge. Mow and edge all turf areas at least once per week, March through November. Mow and edge as necessary to maintain a manicured look December through February. Mowing shall not remove more than one-third (1/3) of the above ground grass. Areas which cannot be mowed or edged by machine, including creek bed areas, shall be mowed or edged by hand as necessary to maintain such

areas in conformity with other turf areas. Keep all mower blades sharp, balanced and level. Notwithstanding the foregoing non-turf areas of the Woodlands Park will receive the services set forth in this Section III.B.5.b once a month for 10 months per calendar year. Such months of maintenance will be for the months of February through November.

- c. Spray. Spray with organic or other environmentally safe insecticides and fungicides as necessary to control insect infestations and disease.
- d. Weed. Maintain all turf areas relatively weed-free.
- e. Fire Ant Control. Treat with organic or other environmentally sensitive insecticides approved by the Board of Directors to control fire ant infestation. This control shall include, but not be limited to, applications of Fire Ant bait like "Award" in the Spring and Fall of each year, followed by mound spot treatments in high-use pedestrian areas.
- f. Litter Control. Pick up and remove trash and debris, and remove all fallen tree limbs, branches and dead trees.

6. SHRUBS AND GROUND COVER BEDS:

- a. Fertilize. Fertilize three times per year, early Spring, mid-Summer and Fall, with appropriate organic or other environmentally safe fertilizer which is appropriate for the species of plant material involved.
- b. Prune. Prune hedges as necessary to maintain a manicured appearance. All other shrubs and ground cover to be pruned as necessary in accordance with good horticultural practice. Keep ground cover within borders. Remove dead limbs and shrubs, and report all dead shrubs to the Board.
- c. Spray. Spray with appropriate organic or environmentally safe insecticides and fungicides as necessary to control insect infestation and disease. Apply dormant oil spray once a year in January to all crepe

myrtles, mountain laurels, yaupon holly and other shrubs as required.

- d. Weed. Maintain beds weed-free using appropriate manual weeding methods on a weekly basis and using selective organic or environmentally safe herbicides. Notwithstanding the foregoing the Woodlands Park beds will receive the weeding services contemplated by this Section III.B.6.d once a month for no more than 10 months per year during the months the Woodlands Park receives mowing services as specified in Section III.B.5.b above.
- e. Mulch. Maintain and replace as necessary a one-to two-inch (1"-2") layer of organic shredded hardwood mulch in all beds.
- f. Cultivation. Cultivate beds as necessary to keep soil loose and mulch from crusting.
- g. New Plantings. Monitor newly planted shrubs and ground cover and adjust care as necessary to maximize root development and vitality.

7. LANDSCAPE PLANTING PROGRAM:

- a. Plantings. All trees, shrubs, perennials, and groundcover landscaped areas shall be inspected and monitored on a seasonal basis. Any plant materials that have deteriorated or died due to natural or man made causes shall be reported to the District along with a proposal of recommended replacement plant types and the cost to perform the replanting (referred to as "Replantings"). New plantings shall be native or adapted plants as selected from the City Grow Green list. Replacement plantings shall be monitored and their care adjusted as necessary to maximize root development and vitality.
- b. Fertilize. Fertilize once prior to planting and once mid-growing season with approved flower fertilizer at adequate rates to ensure long-term blooming and plant health.
- c. Weed. Manually remove weeds as required to maintain a manicured appearance. In cases of extraordinary weed problems, spot treat weeds with appropriate herbicides. The Contractor is responsible for replanting any flowers

lost due to improper or inadequate weed control at no additional cost to the District.

- d. Mulch. Maintain and replace as necessary a one-to two-inch (1"-2") layer of organic shredded hardwood mulch in all beds.
- e. Pests and Disease. Inspect weekly for pests or disease and treat with insecticide and fungicide as necessary for control. Notwithstanding the foregoing the Woodlands Park beds will receive the pests and disease inspection services as contemplated by this Section III.B.7.e once a month for no more than 10 months per year during the months the Woodlands Park receives mowing services as specified in Section III.B.5.b above.
- f. Cultivation. Cultivate beds as necessary to keep soil loose.
- g. Irrigation and Watering. Apply water as needed to promote healthy deep rooted plant materials, without causing excessive runoff.

8. LANDSCAPE TREES:

- a. Prune. Prune 10" caliper and smaller trees annually during dormant periods to remove dead, diseased and broken limbs, sucker growth, improve visibility, maintain pedestrian safety, and reduce traffic hazards. Chip all trimmings in connection with the District's composting program. Oak trees shall not be pruned during the months of March, April, May or June. All tree pruning shall follow current arborical and horticultural practices. Trees should not be top pruned under any circumstance.
- b. Fertilize. Fertilize using organic or other environmentally safe fertilizer once each year. Maintain trees relatively free of vines, weeds, moss and parasitic plant material.
- c. Spray. Spray with appropriate organic or other environmentally safe insecticides as necessary.

- d. Irrigation and Watering. Deep root water newly planted trees once per week during growing season. Monitor newly planted trees and adjust care as necessary to maximize root development and vitality.

Maintain and replace as necessary a one-to two-inch (1"-2") layer of organic shredded hardwood mulch around rings of planted trees. Manually keep tree rings free of weeds at all times.

- e. Insect and Disease Infestations. Any insect or disease infestations, as well as other tree damage such as damage caused by lightning or vehicles, shall be reported to the Board of Directors immediately. Dead limbs and dead trees resulting from ordinary causes shall be removed as part of the Basic Services provided hereunder and such removal shall be reported to the Board. In the event of widespread dead limbs or dead trees resulting due to extraordinary causes such as fire, severe windstorms, tornado or flood, the Contractor shall be entitled to additional compensation for the necessary tree limb and tree removal; however, such compensation, other than compensation for any necessary work to clear drainage channels which work shall be considered pre-approved due to its emergency nature, shall be subject to prior approval by the Board before any work is performed(referred to as "Casualty Tree/Limb Removal").

9. REPLACEMENT OF DEAD OR STOLEN PLANT MATERIAL:

- a. Report. The Contractor shall notify the Board of Directors of any dead or stolen plant materials. The report shall be accompanied by a written estimate of the cost of replacement of such plant materials.
- b. Cost. The cost of any approved Replantings will be charged to the District in addition to the basic compensation specified herein; however, such cost shall be subject to prior approval of the Board.

10. WATERING; IRRIGATION SYSTEM:

- a. Watering. Watering will be provided as needed to assure healthy plant material, turf

and trees. Turf shall receive one inch (1") of water per week and other landscape areas two-thirds inch (2/3") of water per week.

- b. Monitor. Monitor and adjust controllers, valves and heads at least weekly to ensure a proper watering irrigation system, keep valve boxes covered and in a safe condition, and report on the condition of equipment, including controllers, in monthly report to the Board.
- c. Damage. Repair immediately, at no additional cost to the District, any damage caused to the irrigation system by landscape maintenance crews. Report any damage, deficiencies or problems caused by others to the District's general manager immediately, and to the Board of Directors at the next Board meeting. Irrigation system shall be turned off during freezing weather.
- d. City Mandated Rationing Guidelines. Meet all applicable City of Austin guidelines with respect to water rationing requirements and paying any fees required by the City of Austin. The Contractor will not be held responsible for plant loss due to water restrictions.

11. TRASH AND LITTER REMOVAL:

- a. Remove. Prior to mowing remove all trash and litter from all turf and landscaped areas during each maintenance visit. After each mowing, all trails and walks shall be swept clean of all debris.
- b. Debris. Immediately clean up all debris resulting from any landscape maintenance work and remove it from the Park.
- c. Trash. Remove trash from trash cans situated in the Park, replace trash can liners and remove the trash from the Park, on scheduled mowing days.

12. WALKS, PARKING LOTS AND TRAILS: Manually control weeds at parking lot perimeters, sidewalks, curb and gutter joints, pavement cracks and trail surfaces. In extreme periods of weed growth, use selective herbicide. All work performed around buildings, play areas, ball fields, picnic areas, parking

lots and other pedestrian areas shall be done with minimal interruption to people and with extreme care.

13. PERIODIC MAINTENANCE ITEMS: Provide the following services periodically as set forth below (collectively Periodic Maintenance Items"):

- a. Annual Mulching. During the month of October of each year mulch all beds in the Park with 1 inch of new mulch and provide 1 inch of mulch for tree rings for all planted trees in the Park ("Annual Mulching").
- b. Fall Overseeding. Scalp mow all irrigated turf areas in the Park, broadcast an organic based starter fertilizer, broadcast overseed with perennial rye and/or fescue during the month of October. Irrigate thoroughly, monitor and adjust irrigation in the Park accordingly to ensure germination ("Fall Overseeding").
- c. Park and Sport Field Top Dressing. Top dress all of the irrigated turfgrass areas in the Park with $\frac{1}{4}$ inch of composted topdressing mix during the month of June ("Top Dressing").
- d. Irrigation System Repairs. Make repairs to the irrigation system serving the Park as necessary from time to time as discovered during schedule irrigation system inspection ("Irrigation Repairs").
- e. Plant Replacement. Replace perennial and native plants in the Park as reasonably determined by Contractor ("Plant Replacement"). Provide the District with a proposal of recommend plant types along with the cost of replanting.
- f. Trail Repairs. Monitor trails seasonally and report any erosion or repair needs to the District along with a proposal of recommended service and the cost of services.
- g. Tree Pruning & Removal. Annually monitor all park trees and report any damage, pruning, or removal needs to the District along with a proposal of recommended service and the cost of services.

- h. Park Daily Restroom Service. Monitor, clean, and stock paper products in the Park restrooms on a once per day basis. Report any needs or damage to the District.
- i. Park Daily Trash Receptacle and Litter Policing Service. Monitor, empty, replace the liner for the park trash receptacles and bags for Mutt Mitt locations and monitor and pickup general litter on a once per day basis. Report any needs or damage to the District.
- j. Basic park, landscape and irrigation services. Provide basic maintenance, repair, and light construction services as requested and approved on a lump sum or a time and material basis.

14. TERMINATION OF POOL FACILITIES SERVICE: In the event that the District (or the City of Austin as successor to the District) ceases to own the Pool Facilities, all services for the Pool Facilities hereunder may be terminated by written notice to the Contractor.

C. DRAINAGE FACILITIES

1. GENERAL:

- a. Maintenance Standards. The Drainage Facilities shall be maintained in such a manner as to promote the proper conveyance of stormwater through the Drainage Facilities, as designed. The quality of the maintenance shall be at the highest level achievable using current horticultural and landscape methods. The Drainage Facilities shall be mowed and manually trimmed as necessary to present a neat and manicured condition. Small trees and undergrowth shall be removed. Care shall be taken at all times to avoid damage to properties of adjoining residents and homeowners, and any damage to the turf areas of adjoining residents and homeowners shall be promptly repaired at the expense of the Contractor.
- b. Applications of chemicals. Except as may be provided in this Agreement, no chemicals, such as herbicides or defoliants, shall be used in the maintenance of the Drainage

Facilities without the prior approval of the Board of Directors.

- c. Equipment. All equipment utilized by the Contractor in the performance of maintenance of the Drainage Facilities shall be maintained in good operating condition at all times. All safety devices required by OSHA guidelines shall be in place and in proper operating condition. All gasoline cans shall be OSHA approved safety cans.

2. PERFORMANCE

- a. Channel Maintenance. 1. Mow and trim all Drainage Facilities within the limits of the easements containing such channels, or within the boundaries of existing fences, including concrete culverts and headwalls, on an "as-needed" basis seven times annually (referred to as "Full Drainage Channel Maintenance Service"). Contractor will appropriately space out Full Drainage Channel Maintenance Services during the months of April through November. 2. String trimming on an "as needed" basis in areas of the Drainage Facilities within the limits of the easements containing such channels, or within the boundaries of existing fences, including concrete culverts and headwalls, on an "as-needed" basis two times annually (referred to as "Limited Drainage Channel Maintenance Service"). Contractor will appropriately space out Limited Drainage Channel Maintenance Services during the months of December and January - March..
- b. Saddlebrook Channel Area Maintenance. The Saddlebrook Channel Area described on Exhibit "B-1" attached hereto and incorporated herein will receive maintenance including litter pickup from the general area, tractor mowing of the accessible open space areas, and string trimming of the accessible areas along the fence line and walls. These services are referred to as the "Saddlebrook Channel Area Maintenance." The Saddlebrook Channel Area Maintenance will be performed twice per calendar year. One maintenance will be performed in the month of May and one maintenance will be performed in the month of September.

c. Removal of Trash and Debris.

- (1) Prior to mowing for Full Channel Maintenance or string trimming for a Limited Channel Maintenance, the Contractor shall remove all trash and large debris which could potentially cause blockage of the downstream culverts from all Drainage Facilities. This shall include removing rocks and debris from all culverts.
- (2) One time each year, prior to the beginning of the growing season, the Contractor shall remove and haul away from the site all silt material deposited in the Drainage Facilities.

3. FIRE ANT CONTROL:

- a. The Contractor shall treat grass areas within all Drainage Facilities with Fire Ant bait such as "Award" or "Logic" to control fire ant infestation contemporaneously with fire ant control in the Park.

IV. Compensation.

- A. The District shall, as compensation for the provision of the services described in Article III to be provided by the Contractor hereunder, pay the Contractor the following:

1. For the services described in Sections A and B (other than Periodic Maintenance Items, Replantings, Casualty Limb/Tree Removal and any other item that specifies additional compensation): the sum of \$4,450.00 per month for Park Maintenance and the sum of \$ 377.00 per month for Pool Facilities Maintenance. For the Periodic Maintenance Items, Replantings, Casualty Limb/Tree Removal and other additional services, the following sums:

- a. Annual Mulching - \$3,250.00 per service.
- b. Fall Overseeding - \$6,500.00 per service.
- c. Top Dressing - \$4,000.00 per service.
- d. Irrigation Repairs - T&M - \$65/hr & mtls
- e. Plant Replacement - T&M - \$45/hr & mtls
- f. Trail Repair - T&M - \$45/hr & mtls & equipt
- g. Tree Pruning & Removal - T&M - \$65/hr & mtls
- h. Park Daily Restroom Service - T&M \$45/hr & mtls.

- i. Park Daily Trash & Litter Service - T&M \$45/hr & Mtls
- j. Basic Park repair, maintenance and construction available on an approved lump sum proposal or T&M basis.

* The term "T&M" means time (labor costs) and materials (material and equipment costs). References to cost per hour refer to the labor costs for an item.

- 2. For the services described in Sections A and C: the sum of \$5,974.00 for each Full Channel Maintenance Service, \$2,897.00 for each Limited Channel Maintenance Service and \$2,250.00 for each Saddlebrook Channel Maintenance Service.

- B. All of the levels of compensation set forth in Section IV.A above (lump sum levels and cost per hour levels) shall remain in effect for twenty-four months (24) months, commencing September 1, 2011 and terminating August 31, 2013. Thereafter, the levels of compensation for each of the specified services shall be adjusted based on the consumer price index, as follows:

The following terms have the following meanings:

"Bureau" means the United States Department of Labor, Bureau of Labor Statistics, or any other agency succeeding to the Bureau's function of computing the CPI.

"CPI" means the Consumer Price Index for All Urban Consumers (CPI-U) for the U.S. City Average as computed by the Bureau for a given month.

"Base CPI" means the CPI computed by the Bureau for the month of June, 2011.

"Year in Question" means the twelve-month period commencing on September 1 of each year for which the price for landscape maintenance service to be provided to the District pursuant to this Agreement is to be determined as provided in this subparagraph B.

The price for service specified in subparagraph A shall remain in effect until August 31, 2013. This price will be adjusted for the twelve-month period beginning September 1, 2013, and ending August 31, 2014, and annually thereafter (subject however to the expiration of this Agreement in accordance with its Term), all in accordance with the procedures and formula set forth below. Each such adjustment shall be in an amount

corresponding to the percentage difference between the Base CPI and the CPI computed by the Bureau for the month of June for the year preceding the Year in Question, but such adjustment shall in no event exceed ten percent (10%) for any Year in Question. The Contractor shall calculate the revised price for service annually and shall submit the calculation thereof to the District no later than September 1 of each year, and the adjustment shall be made effective September 1 of each year beginning September 1, 2013.

The price for service for each Year in Question shall be determined in accordance with the following formula and shall become effective as of September 1 of the Year in Question beginning in 2013:

$a - b = c$; and

$(1 + c/b) \times d = \text{adjusted price for service, where}$

a is the CPI computed by the Bureau for the month of July of the year preceding the Year in Question

b is the Base CPI

c is the index point change

d is the price for service specified in subparagraph A, above

In the event the CPI is has not been published for any period provided hereunder, the parties shall negotiate in good faith to determine an alternative index.

- C. Services other than those described in this Agreement and services herein that specifically specify that they must be preapproved must be approved by the Board of Directors in accordance with this Agreement prior to the time that any expense is incurred by Contractor. Upon dissolution of the District all references to approval by the Board of Directors means approval by the appropriate person at PARD.
- D. Contractor will submit monthly invoices for services performed hereunder for a calendar month within five (5) days after the expiration of the applicable calendar month.

E. Notwithstanding the provisions of Section IVB, above, in the event the Contractor is able to demonstrate, through credible data, that, as a result of extraordinary circumstances or local conditions, an adjustment in the cost of service which is greater than that afforded under Section IVB is justified, the District shall not unreasonably withhold its consent to the adjustment which is so justified. Similarly, in the event the District is able to demonstrate, through credible data, that, as a result of extraordinary circumstances or local conditions, an adjustment in the cost of service which is less than that afforded under Section IVB is justified, the Contractor shall not unreasonably withhold its consent to the adjustment which is so justified. In the event the parties are unable to agree, despite good faith negotiations, on the amount of any adjustment which may be justified under this Section IVE, then, at the request of either party, the matter of the adjustment shall be submitted to binding arbitration in accordance with Section VII hereof.

V. Compliance with Applicable Laws.

The Contractor will comply with all applicable federal, state, county and city ordinances and regulations in performing all services to be rendered by the Contractor pursuant to this Agreement.

VI. Insurance.

Upon the full execution of this Agreement and prior to providing any services hereunder, the Contractor must furnish the District certificates of insurance and policies, including all endorsements, on forms acceptable to the District, confirming the following insurance coverage in at least the amounts set forth below:

A.	Workers Compensation/ Employer's Liability	Statutory Amounts as prescribed by law
B.	Commercial General Liability occurrence basis), which policy must be on a current edition of ISO form CG 00 01 12 07 or equivalent, must not include an endorsement excluding the sole negligence of the District from the definition of "insured contract", but must include coverage for products/completed operations.	\$1,000,000 per occurrence \$2,000,000 aggregate

- C. Vehicle Liability (occurrence basis), which policy must include \$1,000,000 per liability arising out of operation accident of owned, hired, and non-owned vehicles
- D. Excess/Umbrella Liability (above the actual amounts carried by the Contractor for \$3,000,000 per the policies described in occurrence (1) (with respect to Employer's Liability), (2), and (3) above)

Policy endorsements and certificates of insurance, naming the District as an additional insured under all insurance policies other than the Workers Compensation policy, must be furnished to the District contemporaneously with the Contractor's execution of this Agreement and, thereafter, promptly upon annual renewal and/or the District's request. Each policy of insurance must provide, in the body of the policy or in an endorsement, that the District will be notified in writing (i) at least 30 days prior to any cancellation/termination (other than for non-payment of premium), change, or non-renewal; and (ii) at least ten days prior to any cancellation/termination for non-payment of premium. Each policy must be maintained in force throughout the term of this Agreement, must be written by insurance companies that are authorized to sell insurance where work is being performed and have an A.M. Best's rating of **B++ VII** or better, and must provide that they are primary and noncontributory over any insurance that may be carried by the District.

VII. City of Austin Standard Purchase Terms and Conditions.

Upon the dissolution of the District, this Agreement will continue as a contract between the City of Austin, as successor to the District, provided, however, that (i) the terms and provisions applicable to the provision of services in City of Austin Purchasing Office Standard Purchase Terms and Conditions, a copy of which is attached hereto as Exhibit "E", will automatically be applicable to and incorporated in this Agreement, and (ii) all references to Board or Board of Directors herein, will mean the Director of the PARD. It is understood and agreed that Contractor is not required to comply with the MBE/WBE Program Compliance Plan.

VIII. Term of Agreement.

The term of this Agreement shall be five (5) years, commencing September 1, 2011, and terminating August 31, 2016 (the "Term"). The District has five (5) options to renew the Term by one year each (each is referred to as an "Extension Term"). The District may exercise an option to extend the Term by an Extension by written notice to Contractor on or before the expiration of the Term, as it may have been extended by prior Extension Term(s). Each Extension Term will be on the same terms and conditions set forth herein.

IX. Miscellaneous.

- A. The Contractor shall provide adequate supervision to assure that all work will be done in accordance with these specifications and generally accepted good horticultural practice. The site will be inspected by Contractor's supervisory personnel at least weekly during the contract period. The District's general manager shall review all monthly maintenance reports submitted by the Contractor, and shall verify performance of all required maintenance services.
- B. All pesticides and fertilizers shall be applied strictly in accordance with the manufacturer's instructions and by licensed personnel if required.
- C. All work outside the express terms of these specifications must have prior written approval by the Board of Directors. Charges for extra work will be submitted to the Board of Directors for approval prior to commencement of the work.
- D. Ditches between the Park property lines and streets shall be maintained in the same manner as the balance of the Park.
- E. This Agreement may not be assigned by Contractor without the prior, written approval of the District.
- F. This Agreement shall be construed under and in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Travis County, Texas.
- G. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, legal representatives, successors and assigns where permitted by this Agreement.

- H. In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision thereof and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.
- I. This Agreement constitutes the sole and only agreement of the parties hereto and supersedes any prior understandings or written or oral agreements between the parties respecting the within subject matter.

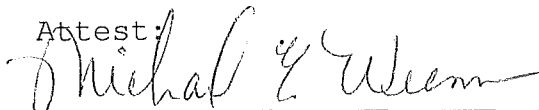
Executed to be effective as of the date set forth above.

SPRINGWOODS LIMITED DISTRICT

By: 
James Buchanan, President
Board of Directors

Address: c/o Armbrust & Brown,
PLLC
100 Congress Avenue
Suite 1300
Austin, Texas 78701

Attest:


Michael Weems, Secretary
Board of Directors

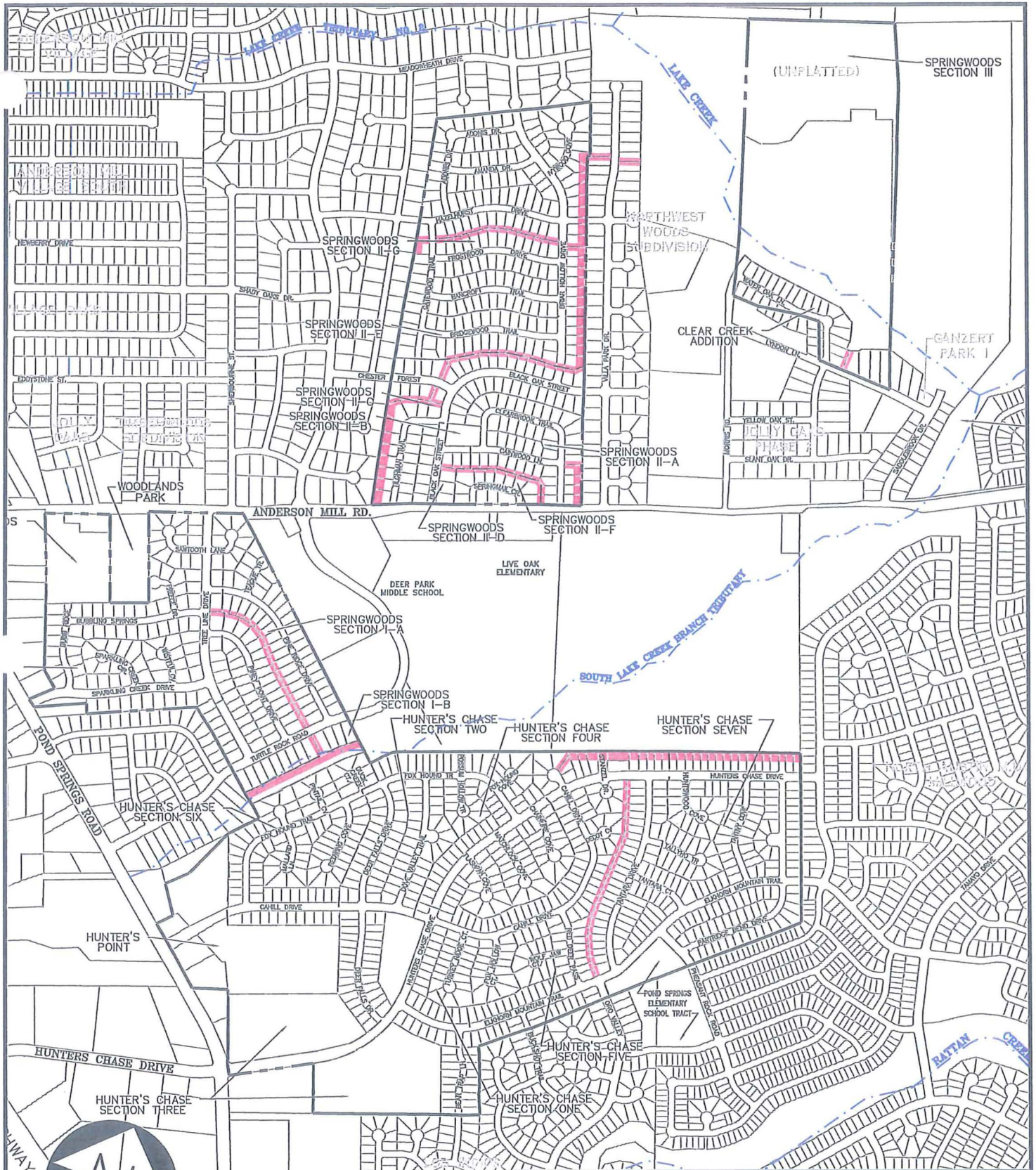
TEXASCAPES, INC.

By: 
Richard D. Fadal, President

Address: 1603 Manor Road
Austin, Texas 78722







SPRINGWOODS M.U.D.
LANDSCAPE MAINTENANCE MAP
EXHIBIT 'B'

FILE(LAYOUT): O:\921092\10\92-092.10-EXHIBITS.dwg (EXH-B)

DATE: 8/11/2011

DRAWN: RWB

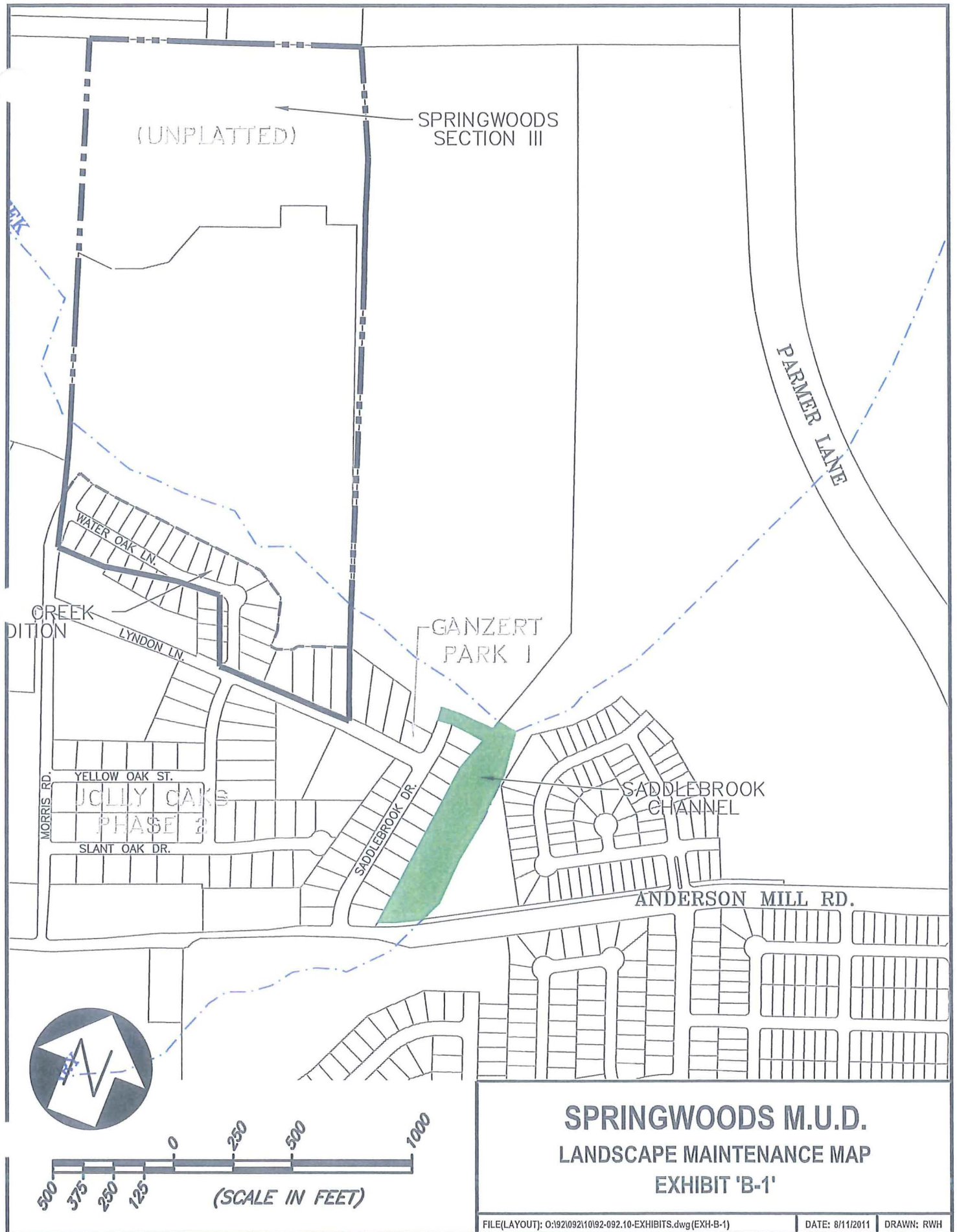


Exhibit 'C'

District Approved List

08/01/2011

Pesticides, Fertilizers, and Nutrients

Fertilizers & Nutrients

Milorganite
K-MAG
Dispersul
Turf N Mix
Bat Guano
Bone Meal
Rock Phosphate
Zinc Sulfate
TexaScapes Custom Blends
Organic Based Mix

Flora-Stim
Fish Emulsion
Sea Weed
Molasses
Hydrogen Peroxide
Iron Chelates
Magnesium Sulfate
Blood Meal
Color Star
Osmocote

Pest Control

Award
Neem
Kocide 101
Logic
Roundup
Rodeo

Pryethrum/Rotenone
B/T Berliner
Wettable Sulfur
Orthene
Revolver
Ag Sulfur

Horticultural

Compost
Rose Mix
Terra Sorb
Landscape Soil Mix

Dillo Dirt
Mulch
Soil Moist
Topdressing Mix



M O N T H L Y R E P O R T

TO: Springwoods M.U.D. Board of Directors

FROM: TexaScapes, Inc.

DATE: August 1, 2011

REPORT PERIOD: *July 1, 2011 to July 31, 2011*

1. PARK MAINTENANCE:

The park areas received regular maintenance (including weed control, litter control, mowing, stringtrimming, and tree/shrub trimming) on the following dates:

7/5	7/12	7/19	7/26	
-----	------	------	------	--

Highlights of services performed during regular maintenance:

Task/Observation/Area:

Mowing and string-trimming of all Class "A" turf areas throughout the District have been completed. Crews also finished turning the mulch in all beds and tree rings located within the District's boundaries too. In addition, both the playscape and

sand volleyball areas have been raked out to allow for a neat and even appearance. Also, crews finished the top-dressing of the Springwoods Park & Pool areas. Finally, all landscape beds within the District have been hand-watered.

2. IRRIGATION SYSTEM MAINTENANCE:

Irrigation checks were performed on the following dates:

7/9	7/12	7/19	7/26	
-----	------	------	------	--

Additional services or observations pertaining to the irrigation system:

Task/Observation/Area:

A comprehensive irrigation system analysis has been completed by our Licensed Irrigator and any subsequent repairs needed totaling no more than \$300 were performed while he was still on the property.

3. CHANNEL MAINTENANCE:

Channel maintenance occurred during the week(s) of:	N/A
---	-----

Additional services or observations pertaining to the channels:

Task/Observation/Area:

N/A
N/A
N/A
N/A

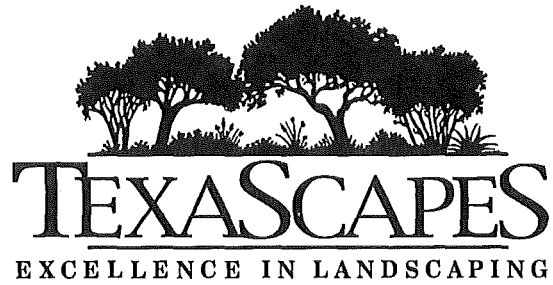
4. TRAIL MAINTENANCE:

7/5	7/12	7/19	7/26	
-----	------	------	------	--

Additional services or observations pertaining to the trails:

Task/Observation/Area:

Crews raked out any rough areas observed throughout the entire trail system for a neat and even appearance. Crews also performed weed control throughout the trail system. In addition, crews also collected and removed any trash and debris found throughout the trails. Lastly, crews made minor repairs & top-dressed the trail system, per approved Proposal #7996.



5. STATUS OF PROPOSAL WORK:

Proposal #7995 - Park & Sportsfield Top-dressing and Fertilizer Blitz	- Completed 07/07/2011
Proposal #7996 - Trail Repairs & Topdressing	- Completed 07/22/2011

6. ADDITIONAL ITEMS OF NOTE:

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PURCHASING OFFICE
STANDARD PURCHASE TERMS AND CONDITIONS**

By submitting an Offer in response to the Solicitation, the Contractor agrees that the Contract shall be governed by the following terms and conditions. Unless otherwise specified in the Contract, Sections 3, 4, 5, 6, 7, 8, 20, 21, and 36 shall apply only to a Solicitation to purchase Goods, and Sections 9, 10, 11 and 22 shall apply only to a Solicitation to purchase Services to be performed principally at the City's premises or on public rights-of-way.

1. **CONTRACTOR'S OBLIGATIONS.** The Contractor shall fully and timely provide all deliverables described in the Solicitation and in the Contractor's Offer in strict accordance with the terms, covenants, and conditions of the Contract and all applicable Federal, State, and local laws, rules, and regulations.
2. **EFFECTIVE DATE/TERM.** Unless otherwise specified in the Solicitation, this Contract shall be effective as of the date the contract is signed by the City, and shall continue in effect until all obligations are performed in accordance with the Contract.
3. **CONTRACTOR TO PACKAGE DELIVERABLES:** The Contractor will package deliverables in accordance with good commercial practice and shall include a packing list showing the description of each item, the quantity and unit price. Unless otherwise provided in the Specifications or Supplemental Terms and Conditions, each shipping container shall be clearly and permanently marked as follows: (a) The Contractor's name and address, (b) the City's name, address and purchase order or purchase release number and the price agreement number if applicable, (c) Container number and total number of containers, e.g. box 1 of 4 boxes, and (d) the number of the container bearing the packing list. The Contractor shall bear cost of packaging. Deliverables shall be suitably packed to secure lowest transportation costs and to conform with requirements of common carriers and any applicable specifications. The City's count or weight shall be final and conclusive on shipments not accompanied by packing lists.
4. **SHIPMENT UNDER RESERVATION PROHIBITED:** The Contractor is not authorized to ship the deliverables under reservation and no tender of a bill of lading will operate as a tender of deliverables.
5. **TITLE & RISK OF LOSS:** Title to and risk of loss of the deliverables shall pass to the City only when the City actually receives and accepts the deliverables.
6. **DELIVERY TERMS AND TRANSPORTATION CHARGES:** Deliverables shall be shipped F.O.B. point of delivery unless otherwise specified in the Supplemental Terms and Conditions. Unless otherwise stated in the Offer, the Contractor's price shall be deemed to include all delivery and transportation charges. The City shall have the right to designate what method of transportation shall be used to ship the deliverables. The place of delivery shall be that set forth in the block of the purchase order or purchase release entitled "Receiving Agency".
7. **RIGHT OF INSPECTION AND REJECTION:** The City expressly reserves all rights under law, including, but not limited to the Uniform Commercial Code, to inspect the deliverables at delivery before accepting them, and to reject defective or non-conforming deliverables. If the City has the right to inspect the Contractor's, or the Contractor's Subcontractor's, facilities, or the deliverables at the Contractor's, or the Contractor's Subcontractor's, premises, the Contractor shall furnish, or cause to be furnished, without additional charge, all reasonable facilities and assistance to the City to facilitate such inspection.
8. **NO REPLACEMENT OF DEFECTIVE TENDER:** Every tender or delivery of deliverables must fully comply with all provisions of the Contract as to time of delivery, quality, and quantity. Any non-complying tender shall constitute a breach and the Contractor shall not have the right to substitute a conforming tender; provided, where the time for performance has not yet expired, the Contractor may notify the City of the intention to cure and may then make a conforming tender within the time allotted in the contract.
9. **PLACE AND CONDITION OF WORK:** The City shall provide the Contractor access to the sites where the Contractor is to perform the services as required in order for the Contractor to perform the services in a timely and efficient manner, in accordance with and subject to the applicable security laws, rules, and regulations. The Contractor acknowledges that it has satisfied itself as to the nature of the City's service requirements and specifications, the location and essential characteristics of the work sites, the quality and quantity of materials, equipment, labor and facilities necessary to perform the services, and any other condition or state of fact which

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could in any way affect performance of the Contractor's obligations under the contract. The Contractor hereby releases and holds the City harmless from and against any liability or claim for damages of any kind or nature if the actual site or service conditions differ from expected conditions.

10. WORKFORCE

- A. The Contractor shall employ only orderly and competent workers, skilled in the performance of the services which they will perform under the Contract.
- B. The Contractor, its employees, subcontractors, and subcontractor's employees may not while engaged in participating or responding to a solicitation or while in the course and scope of delivering goods or services under a City of Austin contract or on the City's property .
 - i. use or possess a firearm, including a concealed handgun that is licensed under state law, except as required by the terms of the contract; or
 - ii. use or possess alcoholic or other intoxicating beverages, illegal drugs or controlled substances, nor may such workers be intoxicated, or under the influence of alcohol or drugs, on the job.
- C. If the City or the City's representative notifies the Contractor that any worker is incompetent, disorderly or disobedient, has knowingly or repeatedly violated safety regulations, has possessed any firearms, or has possessed or was under the influence of alcohol or drugs on the job, the Contractor shall immediately remove such worker from Contract services, and may not employ such worker again on Contract services without the City's prior written consent.

11. COMPLIANCE WITH HEALTH, SAFETY, AND ENVIRONMENTAL REGULATIONS: The Contractor, its Subcontractors, and their respective employees, shall comply fully with all applicable federal, state, and local health, safety, and environmental laws, ordinances, rules and regulations in the performance of the services, including but not limited to those promulgated by the City and by the Occupational Safety and Health Administration (OSHA). In case of conflict, the most stringent safety requirement shall govern. The Contractor shall indemnify and hold the City harmless from and against all claims, demands, suits, actions, judgments, fines, penalties and liability of every kind arising from the breach of the Contractor's obligations under this paragraph.

12. INVOICES:

- A. The Contractor shall submit separate invoices in duplicate on each purchase order or purchase release after each delivery. If partial shipments or deliveries are authorized by the City, a separate invoice must be sent for each shipment or delivery made.
- B. **Proper Invoices must include a unique invoice number, the purchase order or delivery order number and the master agreement number if applicable, the Department's Name, and the name of the point of contact for the Department.** Invoices shall be itemized and transportation charges, if any, shall be listed separately. A copy of the bill of lading and the freight waybill, when applicable, shall be attached to the invoice. The Contractor's name and, if applicable, the tax identification number on the invoice must exactly match the information in the Vendor's registration with the City. Unless otherwise instructed in writing, the City may rely on the remittance address specified on the Contractor's invoice.
- C. Invoices for labor shall include a copy of all time-sheets with trade labor rate and deliverables order number clearly identified. Invoices shall also include a tabulation of work-hours at the appropriate rates and grouped by work order number. Time billed for labor shall be limited to hours actually worked at the work site.
- D. Unless otherwise expressly authorized in the Contract, the Contractor shall pass through all Subcontract and other authorized expenses at actual cost without markup.
- E. Federal excise taxes, State taxes, or City sales taxes must not be included in the invoiced amount. The City will furnish a tax exemption certificate upon request.

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13. PAYMENT:

- A. All proper invoices received by the City will be paid within thirty (30) calendar days of the City's receipt of the deliverables or of the invoice, whichever is later.
- B. **If payment is not timely made, (per paragraph A), interest shall accrue on the unpaid balance at the lesser of the rate specified in Texas Government Code Section 2251.025 or the maximum lawful rate; except, if payment is not timely made for a reason for which the City may withhold payment hereunder, interest shall not accrue until ten (10) calendar days after the grounds for withholding payment have been resolved.**
- C. If partial shipments or deliveries are authorized by the City, the Contractor will be paid for the partial shipment or delivery, as stated above, provided that the invoice matches the shipment or delivery.
- D. The City may withhold or set off the entire payment or part of any payment otherwise due the Contractor to such extent as may be necessary on account of:
 - i. delivery of defective or non-conforming deliverables by the Contractor;
 - ii. third party claims, which are not covered by the insurance which the Contractor is required to provide, are filed or reasonable evidence indicating probable filing of such claims;
 - iii. failure of the Contractor to pay Subcontractors, or for labor, materials or equipment;
 - iv. damage to the property of the City or the City's agents, employees or contractors, which is not covered by insurance required to be provided by the Contractor;
 - v. reasonable evidence that the Contractor's obligations will not be completed within the time specified in the Contract, and that the unpaid balance would not be adequate to cover actual or liquidated damages for the anticipated delay;
 - vi. failure of the Contractor to submit proper invoices with all required attachments and supporting documentation; or
 - vii. failure of the Contractor to comply with any material provision of the Contract Documents.
- E. Notice is hereby given of Article VIII, Section 1 of the Austin City Charter which prohibits the payment of any money to any person, firm or corporation who is in arrears to the City for taxes, and of §2-8-3 of the Austin City Code concerning the right of the City to offset indebtedness owed the City.
- F. Payment will be made bycheck unless the parties mutually agree to payment by credit card or electronic transfer of funds. The Contractor agrees that there shall be no additional charges, surcharges, or penalties to the City for payments made by credit card or electronic funds transfer.
- G. The awarding or continuation of this contract is dependent upon the availability of funding. The City's payment obligations are payable only and solely from funds Appropriated and available for this contract. The absence of Appropriated or other lawfully available funds shall render the Contract null and void to the extent funds are not Appropriated or available and any deliverables delivered but unpaid shall be returned to the Contractor. The City shall provide the Contractor written notice of the failure of the City to make an adequate Appropriation for any fiscal year to pay the amounts due under the Contract, or the reduction of any Appropriation to an amount insufficient to permit the City to pay its obligations under the Contract. In the event of non or inadequate appropriation of funds, there will be no penalty nor removal fees charged to the City.

14. **TRAVEL EXPENSES:** All travel, lodging and per diem expenses in connection with the Contract for which reimbursement may be claimed by the Contractor under the terms of the Solicitation will be reviewed against the City's Travel Policy as published and maintained by the City's Controller's Office and the Current United States General Services Administration Domestic Per Diem Rates (the "Rates") as published and maintained on the Internet at:

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<http://www.gsa.gov/portal/category/21287>

No amounts in excess of the Travel Policy or Rates shall be paid. All invoices must be accompanied by copies of detailed itemized receipts (e.g. hotel bills, airline tickets). No reimbursement will be made for expenses not actually incurred. Airline fares in excess of coach or economy will not be reimbursed. Mileage charges may not exceed the amount permitted as a deduction in any year under the Internal Revenue Code or Regulations.

15. FINAL PAYMENT AND CLOSE-OUT:

- A. If an MBE/WBE Program Compliance Plan is required by the Solicitation, and the Contractor has identified Subcontractors, the Contractor is required to submit a Contract Close-Out MBE/WBE Compliance Report to the Project manager or Contract manager no later than the 15th calendar day after completion of all work under the contract. Final payment, retainage, or both may be withheld if the Contractor is not in compliance with the requirements of the Compliance Plan as accepted by the City.
- B. The making and acceptance of final payment will constitute:
 - i. a waiver of all claims by the City against the Contractor, except claims (1) which have been previously asserted in writing and not yet settled, (2) arising from defective work appearing after final inspection, (3) arising from failure of the Contractor to comply with the Contract or the terms of any warranty specified herein, (4) arising from the Contractor's continuing obligations under the Contract, including but not limited to indemnity and warranty obligations, or (5) arising under the City's right to audit; and
 - ii. a waiver of all claims by the Contractor against the City other than those previously asserted in writing and not yet settled.

16. SPECIAL TOOLS & TEST EQUIPMENT: If the price stated on the Offer includes the cost of any special tooling or special test equipment fabricated or required by the Contractor for the purpose of filling this order, such special tooling equipment and any process sheets related thereto shall become the property of the City and shall be identified by the Contractor as such.

17. RIGHT TO AUDIT:

- A. The Contractor agrees that the representatives of the Office of the City Auditor or other authorized representatives of the City shall have access to, and the right to audit, examine, or reproduce, any and all records of the Contractor related to the performance under this Contract. The Contractor shall retain all such records for a period of three (3) years after final payment on this Contract or until all audit and litigation matters that the City has brought to the attention of the Contractor are resolved, whichever is longer. The Contractor agrees to refund to the City any overpayments disclosed by any such audit.
- B. The Contractor shall include section a. above in all subcontractor agreements entered into in connection with this Contract.

18. SUBCONTRACTORS:

- A. If the Contractor identified Subcontractors in an MBE/WBE Program Compliance Plan or a No Goals Utilization Plan the Contractor shall comply with the provisions of Chapters 2-9A, 2-9B, 2-9C, and 2-9D, as applicable, of the Austin City Code and the terms of the Compliance Plan or Utilization Plan as approved by the City (the "Plan"). The Contractor shall not initially employ any Subcontractor except as provided in the Contractor's Plan. The Contractor shall not substitute any Subcontractor identified in the Plan, unless the substitute has been accepted by the City in writing in accordance with the provisions of Chapters 2-9A, 2-9B, 2-9C and 2-9D, as applicable. No acceptance by the City of any Subcontractor shall constitute a waiver of any rights or remedies of the City with respect to defective deliverables provided by a Subcontractor. If a Plan has been approved, the Contractor is additionally required to submit a monthly Subcontract Awards and

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Expenditures Report to the Contract Manager and the Purchasing Office Contract Compliance Manager no later than the tenth calendar day of each month.

- B. Work performed for the Contractor by a Subcontractor shall be pursuant to a written contract between the Contractor and Subcontractor. The terms of the subcontract may not conflict with the terms of the Contract, and shall contain provisions that:
- i. require that all deliverables to be provided by the Subcontractor be provided in strict accordance with the provisions, specifications and terms of the Contract;
 - ii. prohibit the Subcontractor from further subcontracting any portion of the Contract without the prior written consent of the City and the Contractor. The City may require, as a condition to such further subcontracting, that the Subcontractor post a payment bond in form, substance and amount acceptable to the City;
 - iii. require Subcontractors to submit all invoices and applications for payments, including any claims for additional payments, damages or otherwise, to the Contractor in sufficient time to enable the Contractor to include same with its invoice or application for payment to the City in accordance with the terms of the Contract;
 - iv. require that all Subcontractors obtain and maintain, throughout the term of their contract, insurance in the type and amounts specified for the Contractor, with the City being a named insured as its interest shall appear; and
 - v. require that the Subcontractor indemnify and hold the City harmless to the same extent as the Contractor is required to indemnify the City.
- C. The Contractor shall be fully responsible to the City for all acts and omissions of the Subcontractors just as the Contractor is responsible for the Contractor's own acts and omissions. Nothing in the Contract shall create for the benefit of any such Subcontractor any contractual relationship between the City and any such Subcontractor, nor shall it create any obligation on the part of the City to pay or to see to the payment of any moneys due any such Subcontractor except as may otherwise be required by law.
- D. The Contractor shall pay each Subcontractor its appropriate share of payments made to the Contractor not later than ten (10) calendar days after receipt of payment from the City.

19. WARRANTY-PRICE:

- A. The Contractor warrants the prices quoted in the Offer are no higher than the Contractor's current prices on orders by others for like deliverables under similar terms of purchase.
- B. The Contractor certifies that the prices in the Offer have been arrived at independently without consultation, communication, or agreement for the purpose of restricting competition, as to any matter relating to such fees with any other firm or with any competitor.
- C. In addition to any other remedy available, the City may deduct from any amounts owed to the Contractor, or otherwise recover, any amounts paid for items in excess of the Contractor's current prices on orders by others for like deliverables under similar terms of purchase.

20. WARRANTY – TITLE: The Contractor warrants that it has good and indefeasible title to all deliverables furnished under the Contract, and that the deliverables are free and clear of all liens, claims, security interests and encumbrances. The Contractor shall indemnify and hold the City harmless from and against all adverse title claims to the deliverables.

21. WARRANTY – DELIVERABLES: The Contractor warrants and represents that all deliverables sold the City under the Contract shall be free from defects in design, workmanship or manufacture, and conform in all material respects to the specifications, drawings, and descriptions in the Solicitation, to any samples furnished by the Contractor, to the terms, covenants and conditions of the Contract, and to all applicable State, Federal or local laws, rules, and

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regulations, and industry codes and standards. Unless otherwise stated in the Solicitation, the deliverables shall be new or recycled merchandise, and not used or reconditioned.

- A. Recycled deliverables shall be clearly identified as such.
- B. The Contractor may not limit, exclude or disclaim the foregoing warranty or any warranty implied by law; and any attempt to do so shall be without force or effect.
- C. Unless otherwise specified in the Contract, the warranty period shall be at least one year from the date of acceptance of the deliverables or from the date of acceptance of any replacement deliverables. If during the warranty period, one or more of the above warranties are breached, the Contractor shall promptly upon receipt of demand either repair the non-conforming deliverables, or replace the non-conforming deliverables with fully conforming deliverables, at the City's option and at no additional cost to the City. All costs incidental to such repair or replacement, including but not limited to, any packaging and shipping costs, shall be borne exclusively by the Contractor. The City shall endeavor to give the Contractor written notice of the breach of warranty within thirty (30) calendar days of discovery of the breach of warranty, but failure to give timely notice shall not impair the City's rights under this section.
- D. If the Contractor is unable or unwilling to repair or replace defective or non-conforming deliverables as required by the City, then in addition to any other available remedy, the City may reduce the quantity of deliverables it may be required to purchase under the Contract from the Contractor, and purchase conforming deliverables from other sources. In such event, the Contractor shall pay to the City upon demand the increased cost, if any, incurred by the City to procure such deliverables from another source.
- E. If the Contractor is not the manufacturer, and the deliverables are covered by a separate manufacturer's warranty, the Contractor shall transfer and assign such manufacturer's warranty to the City. If for any reason the manufacturer's warranty cannot be fully transferred to the City, the Contractor shall assist and cooperate with the City to the fullest extent to enforce such manufacturer's warranty for the benefit of the City.

22. **WARRANTY – SERVICES:** The Contractor warrants and represents that all services to be provided the City under the Contract will be fully and timely performed in a good and workmanlike manner in accordance with generally accepted industry standards and practices, the terms, conditions, and covenants of the Contract, and all applicable Federal, State and local laws, rules or regulations.

- A. The Contractor may not limit, exclude or disclaim the foregoing warranty or any warranty implied by law, and any attempt to do so shall be without force or effect.
- B. Unless otherwise specified in the Contract, the warranty period shall be at least one year from the Acceptance Date. If during the warranty period, one or more of the above warranties are breached, the Contractor shall promptly upon receipt of demand perform the services again in accordance with above standard at no additional cost to the City. All costs incidental to such additional performance shall be borne by the Contractor. The City shall endeavor to give the Contractor written notice of the breach of warranty within thirty (30) calendar days of discovery of the breach warranty, but failure to give timely notice shall not impair the City's rights under this section.
- C. If the Contractor is unable or unwilling to perform its services in accordance with the above standard as required by the City, then in addition to any other available remedy, the City may reduce the amount of services it may be required to purchase under the Contract from the Contractor, and purchase conforming services from other sources. In such event, the Contractor shall pay to the City upon demand the increased cost, if any, incurred by the City to procure such services from another source.

23. **ACCEPTANCE OF INCOMPLETE OR NON-CONFORMING DELIVERABLES:** If, instead of requiring immediate correction or removal and replacement of defective or non-conforming deliverables, the City prefers to accept it, the City may do so. The Contractor shall pay all claims, costs, losses and damages attributable to the City's evaluation of and determination to accept such defective or non-conforming deliverables. If any such acceptance occurs prior

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to final payment, the City may deduct such amounts as are necessary to compensate the City for the diminished value of the defective or non-conforming deliverables. If the acceptance occurs after final payment, such amount will be refunded to the City by the Contractor.

24. **RIGHT TO ASSURANCE:** Whenever one party to the Contract in good faith has reason to question the other party's intent to perform, demand may be made to the other party for written assurance of the intent to perform. In the event that no assurance is given within the time specified after demand is made, the demanding party may treat this failure as an anticipatory repudiation of the Contract.
25. **STOP WORK NOTICE:** The City may issue an immediate Stop Work Notice in the event the Contractor is observed performing in a manner that is in violation of Federal, State, or local guidelines, or in a manner that is determined by the City to be unsafe to either life or property. Upon notification, the Contractor will cease all work until notified by the City that the violation or unsafe condition has been corrected. The Contractor shall be liable for all costs incurred by the City as a result of the issuance of such Stop Work Notice.
26. **DEFAULT:** The Contractor shall be in default under the Contract if the Contractor (a) fails to fully, timely and faithfully perform any of its material obligations under the Contract, (b) fails to provide adequate assurance of performance under Paragraph 24, (c) becomes insolvent or seeks relief under the bankruptcy laws of the United States or (d) makes a material misrepresentation in Contractor's Offer, or in any report or deliverable required to be submitted by the Contractor to the City.
27. **TERMINATION FOR CAUSE:** In the event of a default by the Contractor, the City shall have the right to terminate the Contract for cause, by written notice effective ten (10) calendar days, unless otherwise specified, after the date of such notice, unless the Contractor, within such ten (10) day period, cures such default, or provides evidence sufficient to prove to the City's reasonable satisfaction that such default does not, in fact, exist. The City may place Contractor on probation for a specified period of time within which the Contractor must correct any non-compliance issues. Probation shall not normally be for a period of more than nine (9) months, however, it may be for a longer period, not to exceed one (1) year depending on the circumstances. If the City determines the Contractor has failed to perform satisfactorily during the probation period, the City may proceed with suspension. In the event of a default by the Contractor, the City may suspend or debar the Contractor in accordance with the "City of Austin Purchasing Office Probation, Suspension and Debarment Rules for Vendors" and remove the Contractor from the City's vendor list for up to five (5) years and any Offer submitted by the Contractor may be disqualified for up to five (5) years. In addition to any other remedy available under law or in equity, the City shall be entitled to recover all actual damages, costs, losses and expenses, incurred by the City as a result of the Contractor's default, including, without limitation, cost of cover, reasonable attorneys' fees, court costs, and prejudgment and post-judgment interest at the maximum lawful rate. All rights and remedies under the Contract are cumulative and are not exclusive of any other right or remedy provided by law.
28. **TERMINATION WITHOUT CAUSE:** The City shall have the right to terminate the Contract, in whole or in part, without cause any time upon thirty (30) calendar days' prior written notice. Upon receipt of a notice of termination, the Contractor shall promptly cease all further work pursuant to the Contract, with such exceptions, if any, specified in the notice of termination. The City shall pay the Contractor, to the extent of funds Appropriated or otherwise legally available for such purposes, for all goods delivered and services performed and obligations incurred prior to the date of termination in accordance with the terms hereof.
29. **FRAUD:** Fraudulent statements by the Contractor on any Offer or in any report or deliverable required to be submitted by the Contractor to the City shall be grounds for the termination of the Contract for cause by the City and may result in legal action.
30. **DELAYS:**
- A. The City may delay scheduled delivery or other due dates by written notice to the Contractor if the City deems it is in its best interest. If such delay causes an increase in the cost of the work under the Contract, the City and the Contractor shall negotiate an equitable adjustment for costs incurred by the Contractor in the Contract price and execute an amendment to the Contract. The Contractor must assert its right to an

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adjustment within thirty (30) calendar days from the date of receipt of the notice of delay. Failure to agree on any adjusted price shall be handled under the Dispute Resolution process specified in paragraph 49. However, nothing in this provision shall excuse the Contractor from delaying the delivery as notified.

- B. Neither party shall be liable for any default or delay in the performance of its obligations under this Contract if, while and to the extent such default or delay is caused by acts of God, fire, riots, civil commotion, labor disruptions, sabotage, sovereign conduct, or any other cause beyond the reasonable control of such Party. In the event of default or delay in contract performance due to any of the foregoing causes, then the time for completion of the services will be extended; provided, however, in such an event, a conference will be held within three (3) business days to establish a mutually agreeable period of time reasonably necessary to overcome the effect of such failure to perform.

31. INDEMNITY:

A. Definitions:

- i. "Indemnified Claims" shall include any and all claims, demands, suits, causes of action, judgments and liability of every character, type or description, including all reasonable costs and expenses of litigation, mediation or other alternate dispute resolution mechanism, including attorney and other professional fees for:
- (1) damage to or loss of the property of any person (including, but not limited to the City, the Contractor, their respective agents, officers, employees and subcontractors; the officers, agents, and employees of such subcontractors; and third parties); and/or
 - (2) death, bodily injury, illness, disease, worker's compensation, loss of services, or loss of income or wages to any person (including but not limited to the agents, officers and employees of the City, the Contractor, the Contractor's subcontractors, and third parties),
- ii. "Fault" shall include the sale of defective or non-conforming deliverables, negligence, willful misconduct, or a breach of any legally imposed strict liability standard.

- B. **THE CONTRACTOR SHALL DEFEND (AT THE OPTION OF THE CITY), INDEMNIFY, AND HOLD THE CITY, ITS SUCCESSORS, ASSIGNS, OFFICERS, EMPLOYEES AND ELECTED OFFICIALS HARMLESS FROM AND AGAINST ALL INDEMNIFIED CLAIMS DIRECTLY ARISING OUT OF, INCIDENT TO, CONCERNING OR RESULTING FROM THE FAULT OF THE CONTRACTOR, OR THE CONTRACTOR'S AGENTS, EMPLOYEES OR SUBCONTRACTORS, IN THE PERFORMANCE OF THE CONTRACTOR'S OBLIGATIONS UNDER THE CONTRACT. NOTHING HEREIN SHALL BE DEEMED TO LIMIT THE RIGHTS OF THE CITY OR THE CONTRACTOR (INCLUDING, BUT NOT LIMITED TO, THE RIGHT TO SEEK CONTRIBUTION) AGAINST ANY THIRD PARTY WHO MAY BE LIABLE FOR AN INDEMNIFIED CLAIM.**

32. INSURANCE: (reference Section 0400 for specific coverage requirements). The following insurance requirement applies. (Revised 6/01/98).

A. General Requirements.

- i. The Contractor shall at a minimum carry insurance in the types and amounts indicated in Section 0400, Supplemental Purchase Provisions, for the duration of the Contract, including extension options and hold over periods, and during any warranty period.
- ii. The Contractor shall provide Certificates of Insurance with the coverages and endorsements required in Section 0400, Supplemental Purchase Provisions, to the City as verification of coverage prior to contract execution and within fourteen (14) calendar days after written request from the City. Failure to provide the required Certificate of Insurance may subject the Offer to disqualification from consideration for award. The Contractor must also forward a Certificate of Insurance to the City whenever a previously identified policy period has expired, or an extension option or hold over period is exercised, as verification of continuing coverage.

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- iii. The Contractor shall not commence work until the required insurance is obtained and until such insurance has been reviewed by the City. Approval of insurance by the City shall not relieve or decrease the liability of the Contractor hereunder and shall not be construed to be a limitation of liability on the part of the Contractor.
- iv. The Contractor must submit certificates of insurance to the City for all subcontractors prior to the subcontractors commencing work on the project.
- v. The Contractor's and all subcontractors' insurance coverage shall be written by companies licensed to do business in the State of Texas at the time the policies are issued and shall be written by companies with A.M. Best ratings of B+VII or better. The City will accept workers' compensation coverage written by the Texas Workers' Compensation Insurance Fund.
- vi. The "other" insurance clause shall not apply to the City where the City is an additional insured shown on any policy. It is intended that policies required in the Contract, covering both the City and the Contractor, shall be considered primary coverage as applicable.
- vii. If insurance policies are not written for amounts specified in Section 0400, Supplemental Purchase Provisions, the Contractor shall carry Umbrella or Excess Liability Insurance for any differences in amounts specified. If Excess Liability Insurance is provided, it shall follow the form of the primary coverage.
- viii. The City shall be entitled, upon request, at an agreed upon location, and without expense, to review certified copies of policies and endorsements thereto and may make any reasonable requests for deletion or revision or modification of particular policy terms, conditions, limitations, or exclusions except where policy provisions are established by law or regulations binding upon either of the parties hereto or the underwriter on any such policies.
- ix. The City reserves the right to review the insurance requirements set forth during the effective period of the Contract and to make reasonable adjustments to insurance coverage, limits, and exclusions when deemed necessary and prudent by the City based upon changes in statutory law, court decisions, the claims history of the industry or financial condition of the insurance company as well as the Contractor.
- x. The Contractor shall not cause any insurance to be canceled nor permit any insurance to lapse during the term of the Contract or as required in the Contract.
- xi. The Contractor shall be responsible for premiums, deductibles and self-insured retentions, if any, stated in policies. All deductibles or self-insured retentions shall be disclosed on the Certificate of Insurance.
- xii. The Contractor shall endeavor to provide the City thirty (30) calendar days' written notice of erosion of the aggregate limits below occurrence limits for all applicable coverages indicated within the Contract.
- xiii. The insurance coverages specified in Section 0400, Supplemental Purchase Provisions, are required minimums and are not intended to limit the responsibility or liability of the Contractor.

B. Specific Coverage Requirements: Specific insurance requirements are contained in Section 0400, Supplemental Purchase Provisions

33. **CLAIMS:** If any claim, demand, suit, or other action is asserted against the Contractor which arises under or concerns the Contract, or which could have a material adverse affect on the Contractor's ability to perform thereunder, the Contractor shall give written notice thereof to the City within ten (10) calendar days after receipt of notice by the Contractor. Such notice to the City shall state the date of notification of any such claim, demand, suit,

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or other action; the names and addresses of the claimant(s); the basis thereof; and the name of each person against whom such claim is being asserted. Such notice shall be delivered personally or by mail and shall be sent to the City and to the Austin City Attorney. Personal delivery to the City Attorney shall be to City Hall, 301 West 2nd Street, 4th Floor, Austin, Texas 78701, and mail delivery shall be to P.O. Box 1088, Austin, Texas 78767.

34. **NOTICES:** Unless otherwise specified, all notices, requests, or other communications required or appropriate to be given under the Contract shall be in writing and shall be deemed delivered three (3) business days after postmarked if sent by U.S. Postal Service Certified or Registered Mail, Return Receipt Requested. Notices delivered by other means shall be deemed delivered upon receipt by the addressee. Routine communications may be made by first class mail, telefax, or other commercially accepted means. Notices to the Contractor shall be sent to the address specified in the Contractor's Offer, or at such other address as a party may notify the other in writing. Notices to the City shall be addressed to the City at P.O. Box 1088, Austin, Texas 78767 and marked to the attention of the Contract Administrator.
35. **RIGHTS TO BID, PROPOSAL AND CONTRACTUAL MATERIAL:** All material submitted by the Contractor to the City shall become property of the City upon receipt. Any portions of such material claimed by the Contractor to be proprietary must be clearly marked as such. Determination of the public nature of the material is subject to the Texas Public Information Act, Chapter 552, Texas Government Code.
36. **NO WARRANTY BY CITY AGAINST INFRINGEMENTS:** The Contractor represents and warrants to the City that: (i) the Contractor shall provide the City good and indefeasible title to the deliverables and (ii) the deliverables supplied by the Contractor in accordance with the specifications in the Contract will not infringe, directly or contributorily, any patent, trademark, copyright, trade secret, or any other intellectual property right of any kind of any third party; that no claims have been made by any person or entity with respect to the ownership or operation of the deliverables and the Contractor does not know of any valid basis for any such claims. The Contractor shall, at its sole expense, defend, indemnify, and hold the City harmless from and against all liability, damages, and costs (including court costs and reasonable fees of attorneys and other professionals) arising out of or resulting from: (i) any claim that the City's exercise anywhere in the world of the rights associated with the City's ownership, and if applicable, license rights, and its use of the deliverables infringes the intellectual property rights of any third party; or (ii) the Contractor's breach of any of Contractor's representations or warranties stated in this Contract. In the event of any such claim, the City shall have the right to monitor such claim or at its option engage its own separate counsel to act as co-counsel on the City's behalf. Further, Contractor agrees that the City's specifications regarding the deliverables shall in no way diminish Contractor's warranties or obligations under this paragraph and the City makes no warranty that the production, development, or delivery of such deliverables will not impact such warranties of Contractor.
37. **CONFIDENTIALITY:** In order to provide the deliverables to the City, Contractor may require access to certain of the City's and/or its licensors' confidential information (including inventions, employee information, trade secrets, confidential know-how, confidential business information, and other information which the City or its licensors consider confidential) (collectively, "Confidential Information"). Contractor acknowledges and agrees that the Confidential Information is the valuable property of the City and/or its licensors and any unauthorized use, disclosure, dissemination, or other release of the Confidential Information will substantially injure the City and/or its licensors. The Contractor (including its employees, subcontractors, agents, or representatives) agrees that it will maintain the Confidential Information in strict confidence and shall not disclose, disseminate, copy, divulge, recreate, or otherwise use the Confidential Information without the prior written consent of the City or in a manner not expressly permitted under this Agreement, unless the Confidential Information is required to be disclosed by law or an order of any court or other governmental authority with proper jurisdiction, provided the Contractor promptly notifies the City before disclosing such information so as to permit the City reasonable time to seek an appropriate protective order. The Contractor agrees to use protective measures no less stringent than the Contractor uses within its own business to protect its own most valuable information, which protective measures shall under all circumstances be at least reasonable measures to ensure the continued confidentiality of the Confidential Information.
38. **OWNERSHIP AND USE OF DELIVERABLES:** The City shall own all rights, titles, and interests throughout the world in and to the deliverables.

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- A. **Patents.** As to any patentable subject matter contained in the deliverables, the Contractor agrees to disclose such patentable subject matter to the City. Further, if requested by the City, the Contractor agrees to assign and, if necessary, cause each of its employees to assign the entire right, title, and interest to specific inventions under such patentable subject matter to the City and to execute, acknowledge, and deliver and, if necessary, cause each of its employees to execute, acknowledge, and deliver an assignment of letters patent, in a form to be reasonably approved by the City, to the City upon request by the City.
- B. **Copyrights.** As to any deliverables containing copyrightable subject matter, the Contractor agrees that upon their creation, such deliverables shall be considered as work made-for-hire by the Contractor for the City and the City shall own all copyrights in and to such deliverables, provided however, that nothing in this Paragraph 38 shall negate the City's sole or joint ownership of any such deliverables arising by virtue of the City's sole or joint authorship of such deliverables. Should by operation of law, such deliverables not be considered works made-for-hire, the Contractor hereby assigns to the City (and agrees to cause each of its employees providing services to the City hereunder to execute, acknowledge, and deliver an assignment to the City of) all worldwide right, title, and interest in and to such deliverables. With respect to such work made-for-hire, the Contractor agrees to execute, acknowledge, and deliver and cause each of its employees providing services to the City hereunder to execute, acknowledge, and deliver a work-made-for-hire agreement, in a form to be reasonably approved by the City, to the City upon delivery of such deliverables to the City or at such other time as the City may request.
- C. **Additional Assignments.** The Contractor further agrees to, and if applicable, cause each of its employees to, execute, acknowledge, and deliver all applications, specifications, oaths, assignments, and all other instruments which the City might reasonably deem necessary in order to apply for and obtain copyright protection, mask work registration, trademark registration and/or protection, letters patent, or any similar rights in any and all countries and in order to assign and convey to the City, its successors, assigns and nominees, the sole and exclusive right, title, and interest in and to the deliverables. The Contractor's obligation to execute, acknowledge, and deliver (or cause to be executed, acknowledged, and delivered) instruments or papers such as those described in this Paragraph 38 a., b., and c. shall continue after the termination of this Contract with respect to such deliverables. In the event the City should not seek to obtain copyright protection, mask work registration or patent protection for any of the deliverables, but should desire to keep the same secret, the Contractor agrees to treat the same as Confidential Information under the terms of Paragraph 37 above.
39. **PUBLICATIONS:** All published material and written reports submitted under the Contract must be originally developed material unless otherwise specifically provided in the Contract. When material not originally developed is included in a report in any form, the source shall be identified.
40. **ADVERTISING:** The Contractor shall not advertise or publish, without the City's prior consent, the fact that the City has entered into the Contract, except to the extent required by law.
41. **NO CONTINGENT FEES:** The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure the Contract upon any agreement or understanding for commission, percentage, brokerage, or contingent fee, excepting bona fide employees of bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business. For breach or violation of this warranty, the City shall have the right, in addition to any other remedy available, to cancel the Contract without liability and to deduct from any amounts owed to the Contractor, or otherwise recover, the full amount of such commission, percentage, brokerage or contingent fee.
42. **GRATUITIES:** The City may, by written notice to the Contractor, cancel the Contract without liability if it is determined by the City that gratuities were offered or given by the Contractor or any agent or representative of the Contractor to any officer or employee of the City of Austin with a view toward securing the Contract or securing favorable treatment with respect to the awarding or amending or the making of any determinations with respect to the performing of such contract. In the event the Contract is canceled by the City pursuant to this provision, the City

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shall be entitled, in addition to any other rights and remedies, to recover or withhold the amount of the cost incurred by the Contractor in providing such gratuities.

43. **PROHIBITION AGAINST PERSONAL INTEREST IN CONTRACTS:** No officer, employee, independent consultant, or elected official of the City who is involved in the development, evaluation, or decision-making process of the performance of any solicitation shall have a financial interest, direct or indirect, in the Contract resulting from that solicitation. Any willful violation of this section shall constitute impropriety in office, and any officer or employee guilty thereof shall be subject to disciplinary action up to and including dismissal. Any violation of this provision, with the knowledge, expressed or implied, of the Contractor shall render the Contract voidable by the City.
44. **INDEPENDENT CONTRACTOR:** The Contract shall not be construed as creating an employer/employee relationship, a partnership, or a joint venture. The Contractor's services shall be those of an independent contractor. The Contractor agrees and understands that the Contract does not grant any rights or privileges established for employees of the City.
45. **ASSIGNMENT-DELEGATION:** The Contract shall be binding upon and enure to the benefit of the City and the Contractor and their respective successors and assigns, provided however, that no right or interest in the Contract shall be assigned and no obligation shall be delegated by the Contractor without the prior written consent of the City. Any attempted assignment or delegation by the Contractor shall be void unless made in conformity with this paragraph. The Contract is not intended to confer rights or benefits on any person, firm or entity not a party hereto; it being the intention of the parties that there be no third party beneficiaries to the Contract.
46. **WAIVER:** No claim or right arising out of a breach of the Contract can be discharged in whole or in part by a waiver or renunciation of the claim or right unless the waiver or renunciation is supported by consideration and is in writing signed by the aggrieved party. No waiver by either the Contractor or the City of any one or more events of default by the other party shall operate as, or be construed to be, a permanent waiver of any rights or obligations under the Contract, or an express or implied acceptance of any other existing or future default or defaults, whether of a similar or different character.
47. **MODIFICATIONS:** The Contract can be modified or amended only by a writing signed by both parties. No pre-printed or similar terms on any the Contractor invoice, order or other document shall have any force or effect to change the terms, covenants, and conditions of the Contract.
48. **INTERPRETATION:** The Contract is intended by the parties as a final, complete and exclusive statement of the terms of their agreement. No course of prior dealing between the parties or course of performance or usage of the trade shall be relevant to supplement or explain any term used in the Contract. Although the Contract may have been substantially drafted by one party, it is the intent of the parties that all provisions be construed in a manner to be fair to both parties, reading no provisions more strictly against one party or the other. Whenever a term defined by the Uniform Commercial Code, as enacted by the State of Texas, is used in the Contract, the UCC definition shall control, unless otherwise defined in the Contract.
49. **DISPUTE RESOLUTION:**
- A. If a dispute arises out of or relates to the Contract, or the breach thereof, the parties agree to negotiate prior to prosecuting a suit for damages. However, this section does not prohibit the filing of a lawsuit to toll the running of a statute of limitations or to seek injunctive relief. Either party may make a written request for a meeting between representatives of each party within fourteen (14) calendar days after receipt of the request or such later period as agreed by the parties. Each party shall include, at a minimum, one (1) senior level individual with decision-making authority regarding the dispute. The purpose of this and any subsequent meeting is to attempt in good faith to negotiate a resolution of the dispute. If, within thirty (30) calendar days after such meeting, the parties have not succeeded in negotiating a resolution of the dispute, they will proceed directly to mediation as described below. Negotiation may be waived by a written agreement signed by both parties, in which event the parties may proceed directly to mediation as described below.

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B. If the efforts to resolve the dispute through negotiation fail, or the parties waive the negotiation process, the parties may select, within thirty (30) calendar days, a mediator trained in mediation skills to assist with resolution of the dispute. Should they choose this option, the City and the Contractor agree to act in good faith in the selection of the mediator and to give consideration to qualified individuals nominated to act as mediator. Nothing in the Contract prevents the parties from relying on the skills of a person who is trained in the subject matter of the dispute or a contract interpretation expert. If the parties fail to agree on a mediator within thirty (30) calendar days of initiation of the mediation process, the mediator shall be selected by the Travis County Dispute Resolution Center (DRC). The parties agree to participate in mediation in good faith for up to thirty (30) calendar days from the date of the first mediation session. The City and the Contractor will share the mediator's fees equally and the parties will bear their own costs of participation such as fees for any consultants or attorneys they may utilize to represent them or otherwise assist them in the mediation.

50. **JURISDICTION AND VENUE:** The Contract is made under and shall be governed by the laws of the State of Texas, including, when applicable, the Uniform Commercial Code as adopted in Texas, V.T.C.A., Bus. & Comm. Code, Chapter 1, excluding any rule or principle that would refer to and apply the substantive law of another state or jurisdiction. All issues arising from this Contract shall be resolved in the courts of Travis County, Texas and the parties agree to submit to the exclusive personal jurisdiction of such courts. The foregoing, however, shall not be construed or interpreted to limit or restrict the right or ability of the City to seek and secure injunctive relief from any competent authority as contemplated herein.

51. **INVALIDITY:** The invalidity, illegality, or unenforceability of any provision of the Contract shall in no way affect the validity or enforceability of any other portion or provision of the Contract. Any void provision shall be deemed severed from the Contract and the balance of the Contract shall be construed and enforced as if the Contract did not contain the particular portion or provision held to be void. The parties further agree to reform the Contract to replace any stricken provision with a valid provision that comes as close as possible to the intent of the stricken provision. The provisions of this section shall not prevent this entire Contract from being void should a provision which is the essence of the Contract be determined to be void.

52. **HOLIDAYS:** The following holidays are observed by the City:

<u>Holiday</u>	<u>Date Observed</u>
New Year's Day	January 1
Martin Luther King, Jr.'s Birthday	Third Monday in January
President's Day	Third Monday in February
Memorial Day	Last Monday in May
Independence Day	July 4
Labor Day	First Monday in September
Veteran's Day	November 11
Thanksgiving Day	Fourth Thursday in November
Friday after Thanksgiving	Friday after Thanksgiving
Christmas Eve	December 24
Christmas Day	December 25

If a Legal Holiday falls on Saturday, it will be observed on the preceding Friday. If a Legal Holiday falls on Sunday, it will be observed on the following Monday.

53. **SURVIVABILITY OF OBLIGATIONS:** All provisions of the Contract that impose continuing obligations on the parties, including but not limited to the warranty, indemnity, and confidentiality obligations of the parties, shall survive the expiration or termination of the Contract.

54. **NON-SUSPENSION OR DEBARMENT CERTIFICATION:**

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The City of Austin is prohibited from contracting with or making prime or sub-awards to parties that are suspended or debarred or whose principals are suspended or debarred from Federal, State, or City of Austin Contracts. By accepting a Contract with the City, the Vendor certifies that its firm and its principals are not currently suspended or debarred from doing business with the Federal Government, as indicated by the General Services Administration List of Parties Excluded from Federal Procurement and Non-Procurement Programs, the State of Texas, or the City of Austin.

55. EQUAL OPPORTUNITY

- A. **Equal Employment Opportunity:** No Offeror, or Offeror's agent, shall engage in any discriminatory employment practice as defined in Chapter 5-4 of the City Code. No Offer submitted to the City shall be considered, nor any Purchase Order issued, or any Contract awarded by the City unless the Offeror has executed and filed with the City Purchasing Office a current Non-Discrimination Certification. Non-compliance with Chapter 5-4 of the City Code may result in sanctions, including termination of the contract and the Contractor's suspension or debarment from participation on future City contracts until deemed compliant with Chapter 5-4.
- B. **Americans with Disabilities Act (ADA) Compliance:** No Offeror, or Offeror's agent, shall engage in any discriminatory employment practice against individuals with disabilities as defined in the ADA.

56. BUY AMERICAN ACT-SUPPLIES (Applicable to certain Federally funded requirements)

- A. Definitions. As used in this paragraph –
- i. "Component" means an article, material, or supply incorporated directly into an end product.
 - ii. "Cost of components" means -
 - (1) For components purchased by the Contractor, the acquisition cost, including transportation costs to the place of incorporation into the end product (whether or not such costs are paid to a domestic firm), and any applicable duty (whether or not a duty-free entry certificate is issued); or
 - (2) For components manufactured by the Contractor, all costs associated with the manufacture of the component, including transportation costs as described in paragraph (1) of this definition, plus allocable overhead costs, but excluding profit. Cost of components does not include any costs associated with the manufacture of the end product.
 - iii. "Domestic end product" means-
 - (1) An unmanufactured end product mined or produced in the United States; or
 - (2) An end product manufactured in the United States, if the cost of its components mined, produced, or manufactured in the United States exceeds 50 percent of the cost of all its components. Components of foreign origin of the same class or kind as those that the agency determines are not mined, produced, or manufactured in sufficient and reasonably available commercial quantities of a satisfactory quality are treated as domestic. Scrap generated, collected, and prepared for processing in the United States is considered domestic.
 - iv. "End product" means those articles, materials, and supplies to be acquired under the contract for public use.
 - v. "Foreign end product" means an end product other than a domestic end product.
 - vi. "United States" means the 50 States, the District of Columbia, and outlying areas.

**CITY OF AUSTIN
PURCHASING OFFICE
STANDARD PURCHASE TERMS AND CONDITIONS**

- B. The Buy American Act (41 U.S.C. 10a - 10d) provides a preference for domestic end products for supplies acquired for use in the United States.
- C. The City does not maintain a list of foreign articles that will be treated as domestic for this Contract; but will consider for approval foreign articles as domestic for this product if the articles are on a list approved by another Governmental Agency. The Offeror shall submit documentation with their Offer demonstrating that the article is on an approved Governmental list.
- D. The Contractor shall deliver only domestic end products except to the extent that it specified delivery of foreign end products in the provision of the Solicitation entitled "Buy American Act Certificate".

EXHIBIT A

**STRATEGIC PARTNERSHIP AGREEMENT BETWEEN
THE CITY OF AUSTIN AND
THE SPRINGWOODS MUNICIPAL UTILITY DISTRICT**

THE STATE OF TEXAS §
 § KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF TRAVIS §

This Strategic Partnership Agreement Between the City of Austin, Texas and the Springwoods Municipal Utility District, Williamson County, Texas ("Agreement") is made and entered into by and among the City of Austin, a municipal corporation, acting by and through its duly authorized City Manager ("City"); and Springwoods Municipal Utility District ("District"), acting by and through its duly authorized Board of Directors under the authority of Section 43.0751 of the Texas Local Government Code ("Local Government Code").

RECITALS

1. The District is a municipal utility district created under Chapter 54 of the Texas Water Code. All of the territory within the District is located within the city limits and the extraterritorial jurisdiction of the City in Williamson County, Texas. The District encompasses approximately 468 acres, more or less. Its boundaries are described in Exhibit "A" and depicted on Exhibit "F" attached to this Agreement.
2. The City is a municipal corporation established by and chartered under Chapter 90, Page 634, of the Special Laws of Texas, 1909, 31st Legislature.
3. The City desires to annex all of the District which would result in the abolition of the District and the City succeeding to all of the District's powers, duties, assets, and obligations.
4. The District and its residents and property owners desire to postpone the City's annexation of the District and desire that the District continue to exist and to provide for a Limited District after annexation to perform some of the functions currently performed by the District.
5. The intent of this Agreement is to enter into a strategic partnership agreement between the City and the District regarding the terms and conditions of annexation of the District by the City in accordance with Section 43.0751 of the Local Government Code and the terms and conditions for the continuation of the District after conversion to a Limited District no sooner than December 31, 2007.

6. The City interprets the objective of Section 43.0751 of the Local Government Code to permit, but not to mandate, municipal negotiation and participation in strategic partnership agreements such as this Agreement. In light of this construction, this provision of the Local Government Code is beneficial to the exercise of the home rule power and authority of the City.
7. The City understands that Section 43.0751 of the Local Government Code may require limited purpose annexation prior to full purpose annexation in connection with strategic partnership agreements such as this Agreement. The District construes Section 43.0751 as requiring limited purpose annexation with conversion to full purpose annexation. The City desires to accommodate the District in this regard.
8. Under Section 43.0751 of the Local Government Code the City adopted a resolution on March 21, 2002 and the District adopted a resolution on February 12, 2002 that evidenced the Parties' intention to negotiate with each other regarding the terms and conditions for the City's annexation of the District. Copies of both of these resolutions are attached to this Agreement as Exhibits "B" and "C" respectively.
9. The District provided notice of public hearings concerning the adoption of this Agreement in accordance with the procedural requirements of Section 43.0751 of the Local Government Code.
10. The District conducted public hearings regarding this Agreement in accordance with procedural requirements of Section 43.0751 of the Local Government Code on October 8, 2002, November 11, 2002, and December 2, 2002, at the District Office.
11. The City provided notice of public hearings concerning the adoption of this Agreement in accordance with the procedural requirements of Section 43.0751 of the Local Government Code.
12. The City conducted public hearings regarding this Agreement in accordance with procedural requirements of Section 43.0751 of the Local Government Code on November 7, 2002, and November 21, 2002 at the Lower Colorado River Authority Hancock Building in Austin.
13. The District has, by formal action, after public hearings approved this Agreement on December 2, 2002, in open session at a meeting held in accordance with the Open Meetings Act.
14. The City has, by formal action, after public hearings approved this Agreement on December 5, 2002, in open session at a meeting held in accordance with the Open Meetings Act.
15. All procedural requirements imposed by state law for the adoption of this Agreement have been met.

NOW, THEREFORE, for and in consideration of the mutual agreements, covenants, and conditions contained in this Agreement, and other good and valuable consideration, the City and the District agree as follows:

ARTICLE I
DEFINITIONS, PURPOSE, AND LEGAL AUTHORITY

Section 1.01 Terms Defined in this Agreement.

In this Agreement, each of the following terms shall have the meaning indicated:

- a. "Agreement" means this Strategic Partnership Agreement Between the City of Austin and the Springwoods Municipal Utility District.
- b. "Amenities" means the community recreation facilities, including parks and swimming pool facilities, and other land and associated buildings and structures owned by the District or the Limited District, as such amenities are located and more particularly described on Exhibit "D" attached hereto.
- c. "City" means the City of Austin, Texas.
- d. "Consent Agreement" means the agreement between the City and the original developers of the District, namely Raymond E. Mitchell, Trustee, Springwoods Joint Venture, C.G.C. Development, Ltd., entitled "Agreement Concerning Springwoods Municipal Utility District," executed May 1, 1981 which was supplemented and amended by that certain "First Supplement to Revised Agreement Concerning Springwoods Municipal Utility District" executed on May 25, 1981 (the "First Supplement"), by that certain "Second Supplement to Revised Agreement Concerning Springwoods Municipal Utility District" executed on or about March 18, 1982 (the "Second Supplement"), by that certain "Third Amendment to Revised Agreement Concerning Springwoods Municipal Utility District" executed on August 21, 1990 (the "Third Supplement"), by that certain "Fourth Supplement to Revised Agreement Concerning Springwoods Municipal Utility District" executed to be effective as of December 18, 1997 (the "Fourth Supplement"), and by that certain "Fifth Supplement to Revised Agreement Concerning Springwoods Municipal Utility District" executed as of even date herewith (the "Fifth Supplement") (the Original Consent Agreement, as amended by the First Supplement, the Second Supplement, the Third Supplement, the Fourth Supplement, and the Fifth Supplement is referred to as the "Consent Agreement"), a copy of which Consent Agreement and all supplements is attached hereto as Exhibit "E".
- e. "District" means the Springwoods Municipal Utility District, Williamson County, Texas.
- f. "District Boundaries" means the boundaries of the District as they now exist, including property heretofore annexed or that may hereafter be annexed by the City for full or limited purposes, as such boundaries are more particularly described in Exhibit "A" and depicted on Exhibit "F" attached to this Agreement, which boundaries shall also be the boundaries of the Limited District.

- g. "Limited District" means the Springwoods Limited District resulting from the conversion of the Springwoods Municipal Utility District under Section 43.0751 of the Local Government Code.
- h. "Notice" means any formal notice or communication required or authorized to be given by one Party to another by this Agreement.
- i. "Parties" means the City and the District, or the Limited District, as the case may be.
- j. "Party" means the City, the District, or the Limited District, as the case may be.
- k. "Period of Limited Purpose Annexation" means that period commencing on the effective date of the limited purpose annexation of the Property and ending upon the effective date of the conversion of the District to the Limited District.
- l. "Property" means all of the property in the District as depicted in Exhibit "F" attached to this Agreement to be annexed initially by the City for limited purposes pursuant to this Agreement.
- m. "Security" means additional security patrols of Amenities and related areas (over and above normal police services) pursuant to an agreement between the District and a security patrol provider (this service is currently provided by the Williamson County Sheriff's Department pursuant to an interlocal agreement between the District and Williamson County, Texas) and may also include security systems.

Section 1.02 Purpose of the Agreement.

The purpose of this Agreement is to define and clarify, through contractual agreement, the terms and conditions of annexation of property in the District by the City and the relationship between the City and the Limited District upon conversion of the District to the Limited District at the time full purpose annexation of the entire District is completed, all in accordance with Section 43.0751 of the Local Government Code.

Section 1.03 General Location and Description of the District.

The District is a municipal utility district created under Chapter 54 of the Texas Water Code. All of the territory within the District is located within the extraterritorial jurisdiction of the City in Williamson County, Texas. The District encompasses approximately 468 acres, more or less. Its boundaries are described in Exhibit "A" and depicted in Exhibit "F" attached to this Agreement.

ARTICLE II **ADOPTION OF THE AGREEMENT AND ANNEXATION OF THE DISTRICT**

Section 2.01 Conduct of Public Hearings.

The District and the City acknowledge and agree that prior to the execution of this Agreement and prior to both limited and full purpose annexation pursuant to this Agreement, the District and

the City have conducted public hearings for the purpose of considering the adoption of this Agreement and annexation of the District in accordance with the terms of this Agreement.

Section 2.02 Effective Date of Agreement.

Under the provisions of Section 43.075.1(c) of the Local Government Code, this Agreement shall become effective on December 16, 2002, the date of adoption of this Agreement by the City. Upon adoption, the Agreement shall be filed by the City in the Real Property Records of Williamson County, Texas.

Section 2.03 Annexation of the Property Within the District.

- a. The District and the City agree that the City may proceed to annex the Property as depicted in Exhibit "F" for limited purposes no sooner than during the year 2007 under Section 43.0751 of the Local Government Code in accordance with the terms and conditions of this Agreement and in accordance with Article I, Section 7 of the City's Charter for the purpose of planning, zoning, health, and safety. The Parties further agree that the limited purpose annexation of the Property will proceed on a schedule that permits the annexation to be effective no sooner than November 30, 2007. The District and the Limited District may continue to levy an ad valorem tax in all of the areas within the District Boundaries as long as the District or the Limited District continues to exist, irrespective of annexations for limited or full purposes by the City of any areas within the District Boundaries.
- b. The Period of Limited Purpose Annexation for the Property shall end no sooner than December 31, 2007 in accordance with the provisions of this Agreement.
- c. The District on behalf of all present and future owners of land within the District Boundaries hereby consents to the City's annexation of the Property as provided in this Agreement. It is the intent of the Parties that the consent granted in this Agreement shall bind the District and each owner and future owner of land within the District Boundaries.
- d. The City will prepare an inventory of services and facilities for the Property as described in Section 43.053 of the Local Government Code (the "Inventory") on or before January 1, 2007. The Inventory will be based on the level of services in the District during the calendar year 2004. The District will provide information held by the District which is reasonably necessary for the City to compile the Inventory on or before October 1, 2006. The City will develop a service plan for the Property as described in Section 43.056 of the Local Government Code (the "Service Plan") and provide it to the Board of Directors of the District no later than February 1, 2007. The Service Plan will provide a description of services to be provided to the District and its successor Limited District by the City upon conversion of the District to the Limited District. The description of services shall be in accordance with the description of services provided under the terms of Section 43.056 of the Local Government Code. In preparing the Service Plan pursuant to this paragraph, the City will confer with the Board of Directors and residents of the District regarding the provisions of the Service Plan. The District and the City agree to negotiate the services to be provided under the Service Plan pursuant to the provisions of Section

43.0562 of the Local Government Code between February 2, 2007 and July 1, 2007 in order to agree to the contents of the Service Plan by July 1, 2007.

- e. The District agrees that the City may take any and all steps required by the Local Government Code to assure that full purpose annexation of all of the land within the District may be completed no sooner than December 31, 2007 as provided in Section 2.07 of this Agreement.

Section 2.04 Regulatory and Taxation Authority of the City in the District During Limited Purpose Annexation.

Upon limited purpose annexation of the Property, the City shall have the authority (except as specially provided in this Agreement) within the territory annexed for limited purposes, during the Period of Limited Purpose Annexation, to:

- a. control and regulate the use of property and the density of structures;
- b. require compliance with reasonable zoning regulations;
- c. control and regulate the subdivision of property;
- d. adopt all reasonable regulations pertaining to health and safety as provided by law, and require compliance with such regulations; and
- e. collect sales tax as provided in subsection (k) of Section 43.0751 of the Local Government Code (if applicable); except that the City shall have no authority to levy any other taxes within the territory annexed for limited purposes during the Period of Limited Purpose Annexation.

Section 2.05 District Residents as Citizens of the City During Limited Purpose Annexation.

- a. As provided by Article 1, Section 7 of the City's Charter, upon limited purpose annexation any resident of that portion of the District annexed for limited purposes shall be deemed to be a citizen of the City and shall be entitled to vote in City elections on every issue where the question before the electorate is the election or recall of a City Council member, or the amendment of the City's Charter.
- b. As provided by Article 1, Section 7 of the City's Charter, no resident of that portion of the District annexed for limited purposes is eligible to run for office in the City during the Period of Limited Purpose Annexation.
- c. As provided by Article 1, Section 7 of the City's Charter, upon limited purpose annexation any resident of that portion of the District annexed for limited purposes shall be deemed to be a citizen of the City in connection with ordinances, rules or regulations which are applicable to the citizen by virtue of the limited purpose annexation.

Section 2.06 Automatic Conversion to Full Purpose Annexation of Limited Purpose Annexed Areas.

- a. The District and the City agree that Section 43.0751(f)(5)(A) of the Local Government Code may require that the District be annexed for limited purposes for the automatic conversion provisions of this Agreement to apply. Accordingly, the City and the District have agreed to the limited purpose annexation of the Property not heretofore annexed as provided in Section 2.03 of this Agreement.
- b. The District and the City agree that the limited purpose annexation of the Property under this Agreement shall be automatically converted to full purpose annexation no sooner than December 31, 2007 as provided in Section 43.0751 (f)(5)(A) of the Local Government Code (the "Full Purpose Annexation Date"). This full purpose annexation conversion may be completed under Section 43.0751(h) of the Local Government Code without any further action required of the governing body of the City. The City may, however, elect to follow the procedures contained in the Local Government Code for full purpose annexation of the Property provided that the full purpose annexation is consistent with the terms of this Agreement.
- c. The District on behalf of all present and future owners of land within the District hereby consents to the conversion of the limited purpose annexation of the Property to annexation for full purposes at the time specified in this Agreement; it being the intent of the Parties that the consent granted in this Agreement shall bind the District and each owner and future owner of land within the District.

Section 2.07 District Residents as Citizens of the City Upon Full Purpose Annexation of an Area of the District.

A resident of an area of the District annexed for full purposes becomes a citizen of the City for all purposes and shall have all the rights, privileges, and responsibilities accorded to the citizens residing in all other areas that the City has annexed for full purposes. However, such citizens shall continue to also be citizens of the District or the Limited District until it is dissolved.

Section 2.08 Notice to Landowners of Full Purpose and Limited Purpose Annexation of Land Within the District.

The District agrees to file the following notice concerning this Agreement in the Real Property Records of Williamson County for the property within the District:

All of the property within the boundaries of Springwoods Municipal Utility District of Williamson County, Texas (the "District"), as depicted on the map attached hereto, is subject to the terms and conditions of a Strategic Partnership Agreement ("Agreement") between the District and the City of Austin, dated December 16, 2002. The Agreement establishes a timetable for the annexation by the City of Austin of the property in the District, which will be annexed initially for limited purposes and subsequently for full purposes. These areas and the specific annexation plan for each are shown on the attached map. The Agreement also provides for the conversion and the timing for conversion of the District to a Limited District and establishes the governmental and operational relationship between the City and the District while the District or the Limited District

continues in existence, all as authorized by Section 43.0751, Texas Local Government Code. A copy of the Agreement may be obtained by contacting the offices of the District, and questions concerning the Agreement may be directed to the District or the City of Austin Planning, Environmental and Conservation Services Department.

This notice with appropriate modifications shall also be included in the notice to purchasers of real property in the District in each future edition of the District's Information Form required to be recorded in the Real Property Records of Williamson County, Texas, pursuant to Section 49.455 of the Texas Water Code.

Section 2.09 Regulatory and Taxation Authority of the City and the District Upon Full Purpose Annexation of an Area of the District.

Upon full purpose annexation of an area of the District not heretofore annexed by the City for full purposes, the City shall have all the authority and power, including taxation authority, within the full-purpose annexed area that the City enjoys in all other areas that the City has annexed or does annex for full purposes. During the period of Limited Purpose Annexation, the District shall continue to have and thereafter the Limited District shall have within the District Boundaries all of the authority and power, including taxation authority, of a municipal utility district, except as modified by the terms and provisions of this Agreement and applicable law, so long as the District or Limited District exists.

ARTICLE III **SERVICES TO THE DISTRICT AND OTHER TRANSITIONAL MATTERS**

Section 3.01 Municipal Services During the Period of Limited Purpose Annexation

- a. The Parties understand and agree that no City services, other than those currently being provided such as but not limited to retail water and wastewater services, will be provided in any area within the District Boundaries prior to the conversion of the District to the Limited District except as may be provided in the Service Plan prepared pursuant to Section 2.03e and other provisions of this Agreement or as may be provided in accordance with transition agreements between the Parties contemplated by Section 3.02.
- b. Except as otherwise provided in this Agreement with respect to services that will be provided by the Limited District after its conversion from the District, City services not now being provided within the District Boundaries shall commence upon conversion of the District to the Limited District and in accordance with the Service Plan adopted by the City pursuant to Section 2.03e. The Parties understand and agree that the portion of the Service Plan addressing services to be provided in the event of the dissolution or termination of the District or the Limited District for any reason shall be performed by the City upon dissolution or termination as provided by Section 43.0751(f)(8) of the Local Government Code and Section 7.02 of this Agreement.
- c. The Limited Purpose Annexation Planning Study and Regulatory Plan for the Property, which is to be annexed initially for limited purposes, shall be prepared in accordance with

Section 43.123 of the Local Government Code prior to the annexation of the Property for limited purposes, but no later than September 1, 2007.

Section 3.02 Separate Transition Agreements.

- a. The Parties contemplate that they may negotiate and execute separate transition agreements concerning their relationship during the term of this Agreement or any extension. Those transition agreements shall automatically be incorporated in this Agreement for the purposes set forth in this Agreement.

Section 3.03 Capital Improvements During the Period of Limited Purpose Annexation.

- a. During the Period of Limited Purpose Annexation and until the District is converted to the Limited District, the District shall continue to be responsible for making capital improvements to its parks and storm water drainage facilities, and for drainage, prevention of erosion, remediation of storm damage and channel dredging, and for any other municipal services which the District is now providing and shall continue to provide to its inhabitants within the District Boundaries. The District shall make these capital improvements only under the same terms and conditions in effect under the Consent Agreement.

Section 3.04 District Tax Rate.

- a. To the extent permitted by law, the District agrees upon the effective date of this Agreement to increase its property tax rate per \$100 assessed valuation on an annual incremental basis such that upon conversion of the Property to full purpose annexation, the District's property tax rate will approximate the City's property tax rate per \$100 assessed valuation in effect on December 31 of the year prior to the year in which the City elects to annex the Property for full purposes.
- b. The District shall be entitled to retain all monies collected in taxes under the District's operations and maintenance tax for payment of the District's operations and maintenance expenses and to pay for the operation and maintenance expenses of the Limited District after its conversion from the District. In addition, the tax proceeds of the operations and maintenance tax may also be used for capital improvements as permitted hereby and/or by the Consent Agreement. The District currently has those certain \$1,995,000 Springwoods Municipal Utility District Unlimited Tax and Revenue Bonds Series 2000 (as they may be refinanced pursuant to the Fourth Supplement or otherwise with City approval, the "District's Bonds") outstanding. The District is levying a debt service tax to provide debt service to the District's Bonds in accordance with the terms thereof and will continue to do so pending full purpose annexation of the District. Upon full purpose annexation of the District by the City, the City will assume the outstanding District's Bonds. Any surplus debt service taxes shall be used to pay toward the District's Bonds. With regard to these funds, the District shall:
 - i. maintain separate accounts for its debt service fund and for its general fund reflecting the source of these funds; and

- ii. provide the City with an annual accounting at the close of the District's fiscal year for each year of this Agreement for the debt service fund account and the general fund account reflecting the status of each such account.
- c. The District agrees to report the annual debt tax rate and operations and maintenance tax rate set by the District to the District's tax collector in Williamson County, and to do and perform all acts required by law for the tax rates to be effective.

Section 3.05 Employment Contractual Obligations of the District.

The District agrees that as of the effective date of this Agreement, it will not enter into any contracts for employment that will result in the creation or continuation of a contractual obligation for the City after the date of conversion of the District to the Limited District. In addition, all future employment contracts shall provide that if the Limited District is dissolved for any reason, the employment contracts shall automatically expire on the date of dissolution.

ARTICLE IV **DISTRICT ASSETS, LIABILITIES, OBLIGATIONS, DEBT** **AND DEBT SERVICE AND THE CONSENT AGREEMENT**

Section 4.01 Assets, Liabilities, Indebtedness, and Obligations During the Period of Limited Purpose Annexation.

- a. The Consent Agreement, to the extent that it is not inconsistent with the provisions of this Agreement or the transition agreements contemplated by Section 3.02 of this Agreement, shall remain in full force and effect until, and shall expire upon, conversion of the District to the Limited District.
- b. If there is a conflict between either the Consent Agreement or the transition agreements contemplated by Section 3.02 of this Agreement and this Agreement, this Agreement shall control.
- c. The District's contracts, assets, liabilities, indebtedness, and obligations will all remain the responsibility of the District until conversion of the District to the Limited District. Prior to conversion of the District to the Limited District, disposition or acquisition of additional contracts, assets, liabilities, indebtedness and obligations shall be governed by the Consent Agreement to the extent the Consent Agreement is not inconsistent with this Agreement or the transition agreements contemplated by Section 3.02 of this Agreement.

Section 4.02 Assumption of the District's Outstanding Obligations, Assets, Debts, and Liabilities by the City.

- a. The City shall assume none of the District's obligations or assets during the period preceding conversion of the District to the Limited District, except as specifically provided in this Agreement or the transition agreements contemplated by Section 3.02 of this Agreement.

- b. Upon conversion of the District to the Limited District, all of the obligations, liabilities, indebtedness, and assets of the District, including but not limited to the District's Bonds, shall be assumed by the City except those obligations, liabilities, indebtedness, and assets specifically designated by this Agreement to remain the responsibility of the Limited District and those obligations, liabilities, assets and indebtedness incurred or acquired by the District in violation of the Consent Agreement. The obligations, liabilities, indebtedness, and assets of the District not assumed by the City pursuant to this paragraph shall remain the responsibility of the District and the Limited District.

Section 4.03 No City Liability for Limited District Operations.

- a. The Parties agree that the City shall not be liable for any or all claims or causes of action arising out of, or resulting from the maintenance or operations, or ownership of the facilities owned by the Limited District in the performance of its functions as described in this Agreement.
- b. In addition, the Parties agree the City shall not be liable for any or all claims or causes of actions arising out of or resulting from the maintenance, operations, or other activities of the Limited District on any property owned by the City.
- c. To the extent authorized by law, the Limited District shall indemnify, defend, and hold harmless the City from any claims, demands, actions, and causes of action whatsoever arising out of or resulting from the maintenance, operations, or ownership of any facilities owned by the Limited District in the performance of its functions as described in this Agreement, or the maintenance, operations, or other activities of the Limited District on any property owned by the City.
- d. The Limited District shall add the City of Austin as an added insured on its general liability insurance which the Limited District shall carry each year for the duration of the existence of the Limited District.

Section 4.04 Additional Bonds and Indebtedness by Limited District.

- a. Except as contemplated in the Fourth Supplement, the Limited District shall not issue bonds for any purpose without the prior written consent of the City.
- b. The Limited District may not issue notes, incur indebtedness or enter into lease agreements other than for normal operation and maintenance of the Limited District and for the purposes authorized in Section 5.03f of this Agreement. Any such obligations or debts incurred by the Limited District may not extend beyond the term of the Limited District then in effect.

ARTICLE V
DISTRICT CONTINUATION AS A LIMITED DISTRICT
FOR MAINTENANCE AND OPERATION OF
PARKS AND RECREATION FACILITIES AND OTHER SERVICES

Section 5.01 Continuation as a Limited District.

- a. Upon the effective date of the full purpose annexation by the City of all property within the District Boundaries, the District shall automatically convert to a limited district under Section 43.0751(f)(6) of the Local Government Code and shall be known as the "Springwoods Limited District."
- b. The boundaries of the Limited District shall be coextensive with the District Boundaries.
- c. The Limited District shall exist for an initial term of 10 years. The term of the Limited District may be renewed successively by mutual agreement of the governing bodies of the City and the Limited District.

Section 5.02 Functions and Responsibilities of the Limited District

The functions and responsibilities of the Limited District shall be limited to the following, which may be changed from time to time by transition agreements pursuant to Section 3.02:

- a. owning, maintaining, operating, controlling, and assuming responsibility and providing additional Security for the Amenities;
- b. providing residential and commercial solid waste pick-up and disposal, recycling services and composting services; and
- c. enforcement of deed restrictions pursuant to Section 54.237, Texas Water Code.

The City will not provide, or charge or bill the Limited District or its residents for, services the Limited District provides.

Section 5.03 Amenities.

- a. All Amenities described in Exhibit "D" shall be owned by the Limited District and shall be available for the benefit, use and enjoyment of all of the residents of the Springwoods Limited District and all City residents. The Limited District will be responsible for the operations and maintenance costs of the Amenities. Any outstanding District contracts related to such operation and maintenance will be assumed by the Limited District. All funds in the District's general fund together with all operations and maintenance tax receivables will be transferred to the Limited District.
- b. The Parties agree that if the Limited District assesses fees and charges for the use of the Amenities by the residents of the Limited District, the Limited District may also assess the residents of the City not residing in the Limited District for the use of those Amenities. Residents of the City who do not reside in the Limited District may not be

assessed for the use of these Amenities if the residents of the Limited District are not assessed for the use of the Amenities. However, residents of the City who do not reside in the Limited District may be charged no more than the City summer pass rate for use of the Limited District's swimming pool. The Limited District may set a daily rate fee for use of the Limited District's pool at a uniform level for all residents of the City, including residents of the Limited District.

- c. The Parties agree that the City shall have no obligation during the existence of the Limited District to perform the functions undertaken by the Limited District, provided, however, the Limited District's rights to provide Security for the Amenities shall not diminish the City's obligations to provide adequate police protection in accordance with the requirements of State law.
- d. The Limited District may not sell, convey, lease, mortgage, transfer, assign, or otherwise alienate any of its Amenities to a third party except as permitted by subsection e below. The Limited District may not approve a program or project that requires the taking of its Amenities or that would otherwise require findings under Section 26.001 of the Texas Parks and Wildlife Code. However, this subsection d shall not prohibit the Limited District from contracting with management and operating firms to manage and operate any of the District's Amenities.
- e. The Limited District may not sell, convey, lease, mortgage, transfer, assign, or otherwise alienate any of its surplus assets to a third party, other than assets with a de minimis value, without the prior approval of the City Manager or her designee, which approval shall not be unreasonably withheld or delayed.
- f. The Limited District may not (i) acquire, purchase, or lease additional Amenities or expand any existing Amenities, or (ii) apply for a grant for the acquisition, purchase, lease of additional Amenities or the expansion of existing Amenities, without the written approval of the City Manager or her designee, which approval will not be unreasonably withheld or delayed. However, the Limited District may purchase and/or construct necessary equipment, materials and facilities to improve, maintain, replace or upgrade the level of Amenities available at the time of this Agreement.
- g. The Limited District may hire employees, agents, representatives, and consultants to manage, operate and maintain the Amenities and perform services related to the Limited District's operations and activities.

Section 5.04 Easement and Fee Simple Dedication of District Facilities to City.

- a. The District shall grant to the City fee simple title or public utility easements (to the extent the City does not already hold an easement to such facilities) to all real property containing facilities presently owned by the District that are to be transferred to the City on the date of conversion of the District to the Limited District. The dedication shall be by appropriate instrument and the District shall perform all acts necessary prior to the effective date of the conversion to accomplish the transfer of title or easement effective on the date of conversion. However, should the transfer of title to all such properties not

be accomplished for any reason by the effective date of the conversion of the District to the Limited District, the Limited District shall proceed promptly to conclude the transfer following conversion. In addition, any funds in the District's debt service account which have not been applied toward the District's Bonds will be transferred to the City to be applied toward debt service of the District's Bonds being assumed by the City upon full annexation of the District. A description of the facilities to which this paragraph applies is attached as Exhibit "G".

- b. So that the District and the Limited District may identify people who are residents of the District or the Limited District, as applicable, for purposes of determining the charge to be made for certain facilities and services, the City will use its best efforts to provide the District or the Limited District, as applicable, monthly an accurate computerized listing of all of the City's water and wastewater customers in the District/Limited District, which shall be delivered not later than the 20th day of the month following the month to which the list pertains.

Section 5.05 Funding for Amenities and Other Limited District Functions.

- a. It is the responsibility of the Limited District to provide all necessary funding for capital and operations and maintenance expenses associated with the Amenities and other duties described in Section 5.02 of this Agreement.
- b. The funds held by the District in the general fund account referred to in Sections 3.04 and 3.05 of this Agreement as well as all accounts receivable of the District at the date of full annexation shall be funds of the Limited District upon conversion of the District to a Limited District as contemplated by those sections.

Section 5.06 Remedies for Failure of Limited District to Discharge its Responsibilities to Maintain, Operate, Control, or Provide Adequate Security for the Amenities.

- a. If it is determined as provided in paragraph b of this Section 5.06 that the Limited District has failed or ceased to discharge its responsibility to maintain, operate, or control the Amenities, or if registered voters of the Limited District seek such a determination, the City or the Limited District may proceed as provided in this Section 5.06.
- b. Either the City or the Limited District, by formal action of its governing body, may initiate a determination as to whether the Limited District has failed or ceased to discharge its duties and obligations to maintain, operate, or control the Amenities and shall give reasonable notice of and conduct a public hearing thereon within sixty days after such formal action. Unless the City or the Limited District has a determination proceeding underway, the residents of the Limited District may initiate such a determination by a petition addressed to the City or to the Board of Directors of the Limited District signed by 10 percent of the registered voters living in the Limited District. The petition shall be processed as provided below before it may be acted on by a Party. The first Party to initiate such a determination proceeding or to which a petition for a determination is addressed, as determined by the date and time of the receipt of the

petition by the City Clerk, shall have exclusive jurisdiction over all determination proceedings until such Party loses or terminates jurisdiction as provided below.

- i. A petition for determination initiated by registered voters of the Limited District must be submitted to the Clerk of the City.
- ii. The Clerk of the City shall verify the signatures on the petition within sixty days of receipt. The Clerk shall notify the Party to whom the petition was addressed of the receipt of the petition and the results of the verification by certified mail within 10 days of receipt of the petition and within 10 days of the verification, respectively.
- iii. If the City Clerk verifies the petition based on the criteria specified in part ii above, the City Council, if the petition is addressed to the City and it has jurisdiction, or the Board of Directors, if the petition is addressed to the Limited District and it has jurisdiction, shall within sixty days of the verification of the petition by the City Clerk give reasonable notice of and conduct a public hearing to consider the request of the residents of the Limited District. The Party that has jurisdiction may accept further petitions and consolidate them with the petition or petitions already received; provided, however, acceptance of further petitions shall not operate to extend the date established for the public hearing beyond sixty days following the date of verification of the first petition verified by the City Clerk.
- iv. The City Council may, upon the conclusion of a public hearing required pursuant to this Section 5.06, elect to pursue any remedy available to it under Article VII of this Agreement. The Board of Directors of the Limited District may, upon conclusion of such a public hearing, elect to voluntarily dissolve the Limited District with sixty days Notice to the City prior to the effective date of dissolution, or the Board may elect to pursue any other remedy to resolve the issues raised by the residents of the Limited District so long as that remedy is not prohibited by this Agreement.
- v. Action in a proceeding for a determination initiated pursuant to this Section 5.06 must be taken by the Party having jurisdiction within six months following the conclusion of the public hearing, or initiated within that period of time and pursued to a conclusion with reasonable diligence, failing which, jurisdiction to act shall terminate.
- vi. Once a Party has acquired jurisdiction by formal action of its governing body initiating a determination or pursuant to a petition under this Section 5.06, the other Party may not proceed under this Section 5.06, whether on the same or different grounds, until the first Party has lost or terminated its jurisdiction. Once jurisdiction has been lost or terminated, another determination may be initiated in accordance with the same procedure as above, whether on the same or different grounds.

Section 5.07 Limitations on Limited District Functions.

The Limited District shall have only those functions, purposes, and authorities specifically enumerated in this Article V. If the Limited District takes any formal action to discharge a function or to exercise authority that is not directly related to those functions and purposes specifically enumerated in Article V, the City may proceed as provided in Article VII of this Agreement.

Section 5.08 Audit; Review of Limited District Records.

The Limited District shall conduct an annual audit each year, at its sole expense, to be performed by an independent certified public accountant. The Limited District shall file a copy of the completed audit with the City's Director of Financial Services. The Limited District shall make its financial records available to the City for inspection during normal business hours.

ARTICLE VI **MISCELLANEOUS PROVISIONS**

Section 6.01 Effective Date and Duplicate Counterparts.

This Agreement may be executed in duplicate counterparts but shall not be effective unless executed by the City and the District on or before December 16, 2002. The District agrees that, upon its execution of this Agreement, the District shall be bound by this Agreement; however, the obligations of the District under this Agreement are subject to the condition that the City will take the action necessary to authorize this Agreement and will execute and deliver the Agreement on or before December 16, 2002, failing which the District may withdraw from this Agreement.

Section 6.02 Limited District Approval and Election.

- a. The Board of Directors for the Limited District shall place the adoption and ratification of this Agreement on the agenda of its first meeting following the conversion of the District into the Limited District.
 - i. If the Board of Directors of the Limited District fails to adopt and ratify this Agreement within sixty days of the conversion of the District into the Limited District, the Limited District shall be automatically dissolved sixty days after the date of conversion without the necessity of any further action by the City, whether through litigation or otherwise, and all assets, obligations, indebtedness, and liabilities of the District shall be assumed by the City.
 - ii. The Limited District shall continue to exist after the failure to adopt or ratify this Agreement for the sole purpose of doing any and all acts or things necessary to transfer the assets, obligations, indebtedness, and liabilities to the City. Upon the completion of the transfer of all assets, obligations, indebtedness, and liabilities to the City, the Limited District shall cease to exist.

- b. If the Board of Directors of the Limited District adopts and ratifies this Agreement pursuant to Section 6.02a of this Agreement, the Board of Directors of the Limited District shall call an election no later than the first practicable uniform election date, as determined in the reasonable judgment of the Board of Directors, after such adoption and ratification at which time the Limited District shall place a proposition before the qualified voters of the Limited District to consider ratification of the creation of the Limited District and to authorize an ad valorem tax for operation and maintenance of the Limited District. The Board of Directors at its option may call the election at the same meeting at which it acts on the adoption and ratification of this Agreement or at a subsequent meeting, provided that the election date is no later than the first practicable election date after adoption and ratification of this Agreement, as determined in the reasonable judgment of the Board of Directors.
 - i. The maximum tax rate to be included within the proposition shall be at the discretion of the Board of Directors of the Limited District, but shall not be less than \$0.10 per \$100 of assessed valuation nor greater than \$0.50 per \$100 of assessed valuation. The proposition shall also provide that any District maintenance tax authorization in existence before the tax election provided for in this subsection b shall be rescinded upon approval of the proposition by the voters.
 - ii. If a majority of the qualified voters voting at this election do not approve the proposition, the Limited District shall be automatically dissolved sixty days after the date of the election without the necessity of any further action by the City, whether litigation or otherwise, and all assets, obligations, indebtedness, and liabilities of the District shall be assumed by the City.
 - iii. If the election fails, the Limited District shall continue to exist after the failure for the sole purpose of doing any and all acts or things necessary to transfer the assets, obligations, indebtedness, and liabilities to the City.

Section 6.03 Entire Agreement/Conflicting Provisions.

- a. Except as expressly set forth in this Agreement, this Agreement is not intended to waive or limit the applicability of laws, regulations and ordinances applicable to the District or the City, nor does it waive the jurisdiction or sovereignty of any governmental body with respect to the District or the City.
- b. As of this date there are no agreements, oral or written, between the Parties which are in conflict with this Agreement. Except as expressly provided by this Agreement and the transition agreements contemplated by Section 3.02 of this Agreement, this Agreement, together with all of the attachments to this Agreement, constitutes the entire agreement between the Parties with respect to the terms and conditions governing the annexation of the District. Except as expressly provided by this Agreement and the transition agreements contemplated by Section 3.02 of this Agreement, no representations or agreements other than those specifically included in this Agreement shall be binding on either the City or the District.

- a. It is contemplated that the Parties will contact each other concerning the subject matter of this Agreement. However, any Notice shall be given at the addresses below for each of the Parties.
- b. Notice may be given by:
 - i. delivering the Notice to the Party to be notified;
 - ii. by depositing the Notice in the United States Mail, certified or registered, return receipt requested, postage prepaid, addressed to the Party to be notified; or
 - iii. by sending the Notice by telefax with confirming copy sent by mail to the Party to be notified.
- c. Notice deposited in the United States mail in the manner hereinabove described shall be deemed effective from and after the earlier of the date of actual receipt or three days after the date of such deposit. Notice given in any other manner shall be effective only if and when received by the Party to be notified.
- d. For purposes of Notice, the addresses of the Parties shall, until changed as provided in this Section, be as follows:

with required copy to
District Attorney: Gregg C. Krumme
Armbrust & Brown, L.L.P.
100 Congress, Suite 1300
Austin, TX 78701

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- f. If any date or period provided in this Agreement ends on a Saturday, Sunday, or legal holiday, the applicable period for calculating Notice is extended to the first business day following the Saturday, Sunday, or legal holiday.

Section 6.05 Time.

Time is of the essence in all matters pertaining to the performance of this Agreement.

Section 6.06 Severability or Modification of Agreement as a Result of Modification of the State Code and Statutory Authority for the Agreement.

- a. If any word, phrase, clause, sentence, paragraph, section, or other part of this Agreement, or the application of the word, phrase, clause, sentence, paragraph, section or other part of this Agreement to any person or circumstance is held by a court of competent jurisdiction to be invalid or unconstitutional for any reason, the Parties agree that they will amend or revise this Agreement to accomplish to the greatest degree practical the same purpose and objective of the part determined to be invalid or unconstitutional, including without limitation amendments or revisions to the terms and conditions of this Agreement pertaining to or affecting the rights and authority of the Parties in areas of the District annexed by the City pursuant to this Agreement, whether for limited or full purposes, prior to conversion of the District to the Limited District. If the Parties cannot agree on any such amendment or revision within ninety days of the final judgment of the trial court or any state appellate court that reviews the matter, then either Party may proceed in accordance with the procedures specified in Article VII of this Agreement.
- b. If any word, phrase, clause, sentence, paragraph, section, or other part of this Agreement is modified in whole or in part as a result of modifications to the underlying state code and statutory authority for this Agreement, the Parties agree and understand that such modification may frustrate the purpose of this Agreement. The parties agree that they will attempt to amend or revise this Agreement to accomplish to the greatest degree practical (i) the same purpose and objective of the part of this Agreement affected by the modification of the underlying state code and statutory authority and (ii) the original intent and purpose of this Agreement. If the Parties cannot agree on any such amendment or revision within ninety days from the effective date of modification of the state code and statutory authority for this Agreement, then this Agreement shall terminate unless the Parties agree to an extension of time for negotiation of the modification.
- c. If this Agreement is terminated as a result of the operation of this Section, the City shall have the right to immediately annex the District for full purposes or, if the Limited District has succeeded the District, to immediately dissolve the Limited District.

Section 6.07 Waiver.

Any failure by a Party to the Agreement to insist upon strict performance by the other Party of any provision of this Agreement shall not be deemed a waiver of the provision or of any other provision of the Agreement. The Party has the right at any time to insist upon strict performance of any of the provisions of the Agreement.

Section 6.08 Applicable Law and Venue.

The construction and validity of the Agreement shall be governed by the laws of the State of Texas (without regard to conflict of laws principles). Venue shall be in Travis County, Texas.

Section 6.09 Reservation of Rights.

To the extent not inconsistent with this Agreement, each Party reserves all rights, privileges and immunities under applicable law.

Section 6.10 Further Agreement and Documents.

Both Parties agree that at any time after execution of this Agreement, they will, upon request of the other Party, exchange those transition agreements completed as contemplated by Section 3.02 of this Agreement or any other documents necessary to effectuate the terms of this Agreement. Both Parties also agree that they will do any further acts or things as the other Party may reasonably request to effectuate the terms of this Agreement.

Section 6.11 Incorporation of Exhibits and Other Documents by Reference.

All Exhibits and other Documents attached to or referred to in this Agreement are incorporated into this Agreement by reference for the purposes set forth in this Agreement. All of the transition agreements executed in accordance with Section 3.02 are incorporated into this Agreement by reference for the purposes set forth in this Agreement and in the transition agreements.

Section 6.12 Assignability, Successors, and Assigns.

Subject to the provisions of Section 6.02, this Agreement is applicable to and binding on the Limited District as the successor to the District, effective at the time of conversion of the District to the Limited District, and the Parties recognize and agree that this is the effect of the conversion. The Directors of the District shall continue in office as the Directors of the Limited District for the balance of the terms of office for which they were elected or appointed to the Board of Directors of the District. As the successor to the District, the Limited District automatically succeeds to, assumes, shall be responsible for and takes obligations and assets of the District which are not otherwise conveyed to or assumed by the City hereunder upon full annexation of the District. Except as provided in Section 3.06 of this Agreement, the District employees shall continue as employees of the Limited District, and all orders, rules, policies, procedures, practices, resolutions and other actions of the District shall remain in effect for the Limited District, except as the same are modified by the effect and terms of this Agreement. The Parties recognize and agree that the Limited District stands in the place and stead of the District for all purposes under this Agreement.

This Agreement shall not be assignable by the District or the Limited District without the prior written consent of the City Council of the City.

This Agreement shall be binding upon and inure to the benefit of the Parties and their respective representatives, successors and assigns.

Section 6.13 Amendment.

This Agreement may only be amended in writing upon the approval of the governing bodies of the City and the District, or the Limited District as the successor to the District.

ARTICLE VII **DEFAULT AND REMEDIES FOR DEFAULT**

Section 7.01 Default.

- a. Upon the occurrence, or alleged occurrence, of an event of default under or violation of this Agreement, the non-defaulting Party shall send the defaulting Party Notice of its default or violation or alleged default or violation. Except as otherwise specifically provided in this Agreement, the defaulting Party must cure its default or violation within seventy-five days following receipt of the Notice of default or violation.
- b. If the default or violation is not cured within the seventy-five day period, the non-defaulting Party may sue for enforcement or cancellation of this Agreement. However, prior to bringing any proceeding in a court of law or before a court of competent jurisdiction, the Parties may resolve the issue through mediation. The Parties may, but are not obligated to, agree in writing to the mediation and/or arbitration of a dispute hereunder. If the Parties agree to seek mediation or arbitration, they must participate in good faith. However, none of the Parties shall be obligated to pursue mediation or arbitration that does not resolve the issue in dispute within seven days after the mediation is initiated or within fourteen days after the mediation is requested. Further the parties are not obligated to pursue arbitration that does not resolve the issue within twenty-eight days after the arbitration is requested. The Parties shall share the costs of the mediation or arbitration equally. The Parties further agree that the City is not obligated to resolve any dispute based on an arbitration decision under this Agreement if the arbitration decision compromises the City's sovereign immunity as a home rule city.
- c. If the Parties are unable to resolve their dispute through mediation or arbitration, if any, the non-defaulting Party shall have the right to enforce the terms and provisions of this Agreement by specific performance or by such other legal or equitable relief to which the non-defaulting Party maybe entitled. If the defaulting Party is the Limited District, the City may sue for termination of this Agreement and the dissolution of the District or Limited District. Any remedy or relief described in this Agreement shall be cumulative of, and in addition to, any other remedies and relief available at law or in equity.
- d. If the defaulting Party fails to abide by these deadlines, the non-defaulting Party shall have all rights and remedies available in law and equity and all rights and remedies provided in this Agreement.
- e. All of these rights and remedies shall be cumulative.

Section 7.02 Dissolution of the District or the Limited District.

- a. If the District or Limited District is dissolved, this Agreement shall automatically terminate and the City shall have the right to annex all of the territory within the District or the Limited District for full purposes without restriction.
- b. If the District or Limited District is dissolved, the Board of Directors for the District or the Limited District, as the case may be, shall continue to exist after the dissolution for the sole purpose of doing any and all acts or things necessary to transfer the assets, obligations, indebtedness, and liabilities to the City. Upon completion of the transfer of all assets, obligations, indebtedness, and liabilities to the City, the District or the Limited District, as the case may be, shall cease to exist.

IN WITNESS WHEREOF, this Agreement consisting of 24 pages and Exhibits A-G is executed in duplicate counterparts.

CITY OF AUSTIN, TEXAS

Attest: Shirley A. Brown
City Clerk

By: Toby Hammett Futrell
Toby Hammett Futrell
City Manager

SPRINGWOODS
MUNICIPAL UTILITY DISTRICT

Attest:

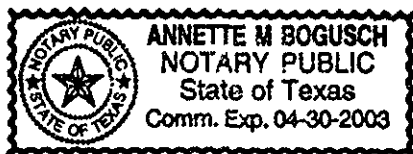
Kelly Campbell
Kelly Campbell
Secretary

James Buchanan
James Buchanan
President

THE STATE OF TEXAS

COUNTY OF TRAVIS

This instrument was acknowledged before me on the 12th day of December, 2002, by Toby Hammett Futrell, City Manager for the City of Austin, Texas, for and on behalf of the City of Austin, Texas.

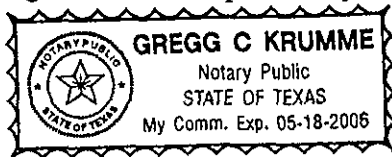


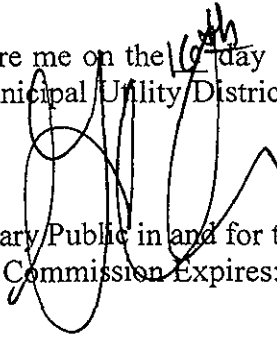
Annette M. Bogusch
Notary Public in and for the State of Texas
My Commission Expires: 04-30-03

THE STATE OF TEXAS

COUNTY OF WILLIAMSON

This instrument was acknowledged before me on the 16th day of December, 2002, by James Buchanan, President of Springwoods Municipal Utility District, for and on behalf of the Springwoods Municipal Utility District.




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

STRATEGIC PARTNERSHIP AGREEMENT
BETWEEN THE CITY OF AUSTIN AND THE
SPRINGWOODS MUNICIPAL UTILITY DISTRICT

LIST OF EXHIBITS

The following are the exhibits for this Agreement:

Exhibit A	District Boundaries
Exhibit B	City SPA Authorizing Resolution
Exhibit C	District SPA Authorizing Resolution
Exhibit D	District's Amenities
Exhibit E	Consent Agreement
Exhibit F	Map of District
Exhibit G	Assets to be Transferred to the City at Full Annexation

Exhibit A

FIELD NOTES FOR 70.41 ACRES
(SPRINGWOODS I)

EXHIBIT "A"

BEING 70.41 acres in the Henry Rhodes Survey, Abstract No. 522, in Williamson County, Texas, containing a 27.60 acre tract described in a deed to John S. Rudd of record in Vol. 498, Page 524, part of a 42.28 acre tract described in a deed to John S. Rudd in Vol. 466, Page 254, and part of an 0.82 acre tract described in a deed to John S. Rudd of record in Vol. 511, Page 263, Deed Records of Williamson County, Texas. Surveyed on the ground in January of 1977, by Wm. F. Forest, Jr., Registered Public Surveyor No. 1847.

BEGINNING at a 3/4 inch iron stake found in the fence along the North line of a 200 acre tract owned by L.C. Cahil, the East corner of the above referenced 27.60 acre tract.

THENCE with the fenced boundary of the 27.60 acre tract, S 42°35'45" W 59.76 feet, a 60-d nail in the South side of a 24 inch Liveoak, and S 45°03'45" W 902.97 feet to a 5/8 inch iron pin at the East corner of a 20.27 acre tract described in a deed to Storey Steele in Vol. 431, Page 563, D/R.

THENCE N 47°32' W 505.57 feet to an iron pin found at the East corner of a 10 acre tract described in a deed to W. A. Jones in Vol. 446, Page 539, D/R.

THENCE N 47°59'15" W 479.10 feet to a 5/8 inch iron pin set at a bend in the South line of the said 42.28 acre tract and at the North corner of the Jones tract.

THENCE with the fenced boundary of the 42.28 acre tract, S 67°15'15" W 852.35 feet, a chain link fence post at the Southeast corner of a cemetery, N 20°47'45" W 84.01 feet to a chain link fence post at the Northeast corner of the cemetery, and S 67°24'45" W 321.59 feet to a 5/8 inch iron pin at the upper Southwest fence corner of the 42.28 acre tract.

THENCE S 67°00'15" W 81.58 feet to a 5/8 inch iron pin in the East line of Jollyville Road, the Southwest corner of the said 0.82 acre tract.

THENCE N 47°59'30" W 70.00 feet with the East line of Jollyville Road and the West line of the 0.82 acre tract to a 5/8 inch iron pin.

THENCE N 46°03'30" E crossing a fenced boundary of the 42.28 acre tract, continuing in all 216.18 feet to set an iron pin.

THENCE N 47°59'30" W 159.21 feet to a 3/4 inch galvanized iron pipe at the Northeast corner of the 0.82 acre tract in the fenced West line of the 42.28 acre tract.

THENCE with the fenced boundary of the 42.28 acre tract as follows: N 18°33'15" W 165.40 feet, an iron pin at the Southeast corner of a 50 foot wide strip being retained by John Rudd, N 18°28' W 50.14 feet to the Northeast corner of the 50 foot wide strip, N 17°51' W 190.12 feet, an iron pin, and N 17°50'15" W 101.71 feet, an iron pin at the Southwest corner of a tract owned by G. Williamson.

FIELD NOTES FOR 70.41 ACRES
(SPRINGWOODS I)

THENCE N $69^{\circ}12'15''$ E 192.90 feet, a 3/4 inch galvanized iron pipe at the Southwest corner of a 5.035 acre tract owned by Stanley Preece, of record in Vol. 551, Page 627, D/R, N $71^{\circ}00'$ E 296.63 feet, an iron pin at the Southwest corner of a 5.035 acre tract described in a deed to Eugene Preece in Vol. 551, Page 627, D/R, and N $70^{\circ}57'30''$ E 297.04 feet to a 3/4 inch iron pipe at the Southeast corner of the Eugene Preece tract.

THENCE N $19^{\circ}00'$ W 732.09 feet to a 3/4 inch axle in the South line of Anderson Mill Road.

THENCE N $72^{\circ}34'$ E 718.3 feet with the North line of the 42.28 acre tract and the upper North line of the 27.60 acre tract to an iron pin at the Northeast corner of the 27.60 acre tract.

THENCE with the East line of the 27.60 acre tract, S $46^{\circ}04'$ E 1188.53 feet, an iron pin at a fence corner, and S $45^{\circ}49'15''$ E with a line of old fence posts, in all 1010.35 feet to the POINT OF BEGINNING.

FIELD NOTES FOR 98.93 ACRES
(SPRINGWOODS II)

BEING 98.93 acres of land out of and a part of the Elisha Allen 1/4 League, situated in the southwestern part of Williamson County and know as the Montgomery Jollyville farm, that certain tract of land conveyed to Dr. R. I. Montgomery, et ux by deed of record in Volume 477, Page 693 of the Williamson County, Texas Deed Records and including a residence and all other improvements situated thereon;

BEGINNING at a steel pin found at a fence corner in the present north line of Anderson Mill Road, at the southwest corner of said Montgomery tract, for the southwest corner of the 98.93 acre tract herein described, said point also being the southeast corner of Forest North Estates Phase 1, a subdivision in Williamson County, Texas, found of record in Plat Book 6, at Pages 82 and 83 of the Williamson County, Texas Deed Records;

THENCE leaving said road and with the meanders of a very crooked fence along the west line of said Montgomery tract the following ten (10) courses;

1. N 12 deg. 19 min. W 209.22 feet to a steel pin found;
2. N 11 deg. 30 min. W 378.22 feet to a steel pin found;
3. N 10 deg. 47 min. W 240.26 feet to a steel pin found;
4. N 09 deg. 46 min. W 210.64 feet to a steel pin found at the northeast corner of said Forest North Estates Phase 1, same being the most southerly southeast corner of Forest North Estates Phase 2, as recorded in Plat Book 7, at Pages 23-31 of the Williamson County, Texas Plat Records;
5. N 10 deg. 59 min. W 115.14 feet to a steel pin found;
6. N 08 deg. 10 min. W 171.18 feet to a steel pin found;
7. N 11 deg. 51 min. W 192.08 feet to a steel pin found;
8. N 07 deg. 56 min. W 348.12 feet to a steel pin found;
9. N 10 deg. 43 min. W 323.89 feet to a steel pin found;
10. N 09 deg. 45 min. W 848.59 feet to a steel pin found at a fence corner at the northwest corner of said Montgomery tract for the northwest corner of the acre tract herein described, said point also being an interior corner of said Forest North Estates Phase 2;

THENCE with the fence along the north line of said Montgomery tract, same being a south line of said Forest North Estates Phase 2, the following three (3) courses;

1. N 64 deg. 37 min. E 219.88 feet to a steel pin found;
2. N 64 deg. 17 min. E 401.40 feet to a steel pin found in the center of Briar Hollow Drive for the most northerly northeast corner of the 98.93 acre tract herein described;
3. N 63 deg. 50 min. E 583.01 feet to steel pin

THENCE with the fence along the east line of said Montgomery tract, same being the west line of Northwest Woods, a subdivision in Williamson County, Texas, found of record in Plat Book 10, Pages 39 and 40 of the Williamson County, Texas Plat Records, the following six (6) courses;

1. S 18 deg. 38 min. E 405.74 feet to a steel pin found;
2. S 39 deg. 16 min. W 23.23 feet to a steel pin found;
3. S 19 deg. 03 min. E 469.27 feet to a steel pin found;
4. S 19 deg. 02 min. E 682.12 feet to a steel pin found;
5. S 18 deg. 44 min. E 691.85 feet to a steel pin found;
6. S 18 deg. 26 min. E 861.00 feet to a steel pin found at a fence corner in the present north line of the above said Anderson Mill Road, at the south east corner of the 98.93 acre tract herein described, said point also being at the southwest corner of said Northwest Woods;

THENCE with the fence along the present north line of said Anderson Mill road the following five (5) courses;

1. S 70 deg. 14 min. W 938.35 feet to a steel pin set;
2. S 74 deg. 54 min. W 26.54 feet to a steel pin set;
3. S 70 deg. 03 min. W 142.61 feet to a steel pin set;
4. S 70 deg. 09 min. W 217.65 feet to a steel pin set;
5. S 69 deg. 54 min. W 300.80 feet to the place of BEGINNING containing 98.93 acres of land.

FIELD NOTES FOR 66.42 ACRES
(SPRINGWOODS M.U.D. TRACT III)

FIELD NOTES DESCRIBING 66.42 ACRES OF LAND OUT OF AND A PART OF THE M.M. HORNSBY SURVEY, ABSTRACT NO. 280, SITUATED IN WILLIAMSON COUNTY, TEXAS, SAID 66.42 BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING at a concrete monument at a fence corner at the northwest corner of a 35 acre tract conveyed to the Texas Veteran's Land Board by Deed of Record in Volume 435, Page 411 of the Deed Records of Williamson County, Texas, for the northwest corner of the 66.42 acre tract herein described;

THENCE with the fence along the north line of said 35 acre tract and the herein described N 72°04' E, 562.87 feet to an iron pin at the northeast corner of said 35 acre tract;

THENCE with the fence N 72°56' E, 573.74 feet to an iron pin at the northeast corner of a 35.23 acre tract of land conveyed to the Texas Veteran's Land Board by Deed of Record in Volume 435, Page 71 of the Deed Records of Williamson County, Texas;

THENCE with the east line of said 35.23 acre tract and the west line of a 31.59 acre tract of land conveyed to Quality Care, Inc. by Deed of Record in Volume 564, Page 486 of the Deed Records of Williamson County, Texas S 18°25' E, 2826.99 feet to a point for corner;

THENCE N 86°19' W, 335.66 feet to an iron pin in the north line of Lyndon Lane;

THENCE N 86°25' W, with the north line of said Lyndon Lane, a distance of 263.16 feet to a concrete monument at the southwest corner of said 35.23 acre Veteran's Land Board tract;

THENCE with the east line of a 3.0 acre tract conveyed to James M. Jennings, N 18°49' W, 300.00 feet to an iron pin;

THENCE with the north line of said 3.0 acre tract S 88°11' W, 487.17 feet to an iron pin at the northwest corner of said 3.0 acre tract;

THENCE with the west line of said 3.0 acre tract S 13°48' E, 32.54 feet to an iron pin at the northeast corner of a 1.0 acre tract of land conveyed to said James M. Jennings;

THENCE with the north line of said 1.0 acre tract N 86°21' W, 217.90 feet to an iron pin in a fence on the east side of a 30 foot wide roadway, at the northwest corner of said 1.0 acre tract for the southwest corner of the tract herein described;

THENCE with the fence along the east side of said 30 foot roadway N 13°48' W, at 400.87 feet past a concrete monument at a fence corner, continue for a total distance of 445.71 feet to a concrete monument found;

THENCE continue with the west line of the herein described tract, N 16°30' W, 1688.47 feet to the PLACE OF BEGINNING containing 66.42 acres of land.

Project No. 78-021

Being 188.138 acres of the Henry Rhoades Survey, Abstract No. 522, in Williamson County, Texas, part of a tract of 208.47 acres surveyed on the ground in January of 1980, under the direction of W. F. Forest, Registered Public Surveyor No. 101. Said 208.47 acres being all of the land used and claimed by Mrs. Marjorie Cahill, as evidenced by old fences, stakes found in place, etc. The 208.47 acres embraces part of a tract described in a deed of record in Volume 266, Page 287, to L. C. Cahill, inaccurately called 177 acres, more or less. Said description does not close and does not include cedar tracts claimed by Mrs. Marjorie Cahill. The following perimeter description of 188.13 acres being part of the 177 acre tract. Surveyed on the ground in February of 1980 under the direction of W. F. Forest.

BEGINNING at an iron pin set at the Northwest fence corner of the said 177 acre tract, in the South line of a 20.27 acre tract conveyed to Storey Steele in Volume 431, Page 563, D/R.

THENCE with the North line of the 177 acre tract, as fenced;
 N. 43° 59' 55" E. 266.63 feet, an iron pin found at the Southwest corner of a 70.406 acre tract conveyed to Oakgrove Joint Ventures in Vol. 661, Page 597, D/R.
 N. 45° 03' 45" E. 902.97 feet, a nail in a 24 inch Liveoak.
 N. 42° 35' 45" E. 59.76 feet, an iron pin found at the Southeast corner of the 70.406 acre tract,
 N. 42° 37' 45" E. 109.79 feet, a 60 penny nail, and
 N. 49° 07' 10" E. 94.63 feet, a post at the Southeast corner of a 10 acre tract conveyed to Alma Ray Teague in Vol. 534, Page 553, and the Southwest corner of a 7.73 acre tract conveyed in the same deed.

THENCE continuing with the North line of the 177 acre tract, as fenced;
 N. 71° 17' 25" E. 145.69 feet, a 10 inch Liveoak,
 N. 70° 59' 45" E. 69.26 feet, a 60 penny nail,
 N. 71° 13' E. 138.2 feet, a nail at the Southwest corner of a 12.554 acre tract conveyed to Sophia Muchlstein in Vol. 522, Page 621, D/R,
 N. 70° 57' E 407.42 feet, a nail in the South line of a 127.436 acre tract conveyed to Victor & Joe Stanzel in Vol. 516, Page 37, D/R.
 N. 71° 33' 30" E. 277.59 feet, a 60 penny nail,
 N. 71° 28' 55" E. 215.35 feet, a 60 penny nail,
 N. 70° 41' 50" E 364.31 feet, a nail in a fence corner in the South line of the Stanzel tract,
 N. 71° 23' 20" E 533.82 feet, a 60 penny nail,
 N. 72° 21' E 515.15 feet, a 48 inch Liveoak, and
 N. 72° 15' 20" E 480.94 feet to a nail in a fence corner post at the Northeast corner of the 177 acre tract.

THENCE with the fenced East line of the 177 acre tract, S 33° 35' 50" E 16.08 feet, a 12 ince Oak, S 19° 00' 20" E 463.92 feet, a 60 penny nail, and S 18° 41' 50" E 152.98 feet to set an iron pin at the Northeast corner of a 15.332 acre tract surveyed in February of 1980 for Mrs. Marjorie Cahill.

THENCE with the boundary of the 177 acre tract as described in the deed to Mrs. Cahill, S 71° 00' W 391.67 feet, an iron pin set, S 30° 00' W 716.67 feet, an iron pin set, and S 19° 00' E 555.56 feet to set an iron pin in the South fence of the 208.47 acre tract.

THENCE with the fenced South line of the 177 acre tract;
 S. 50° 40' 35" W 204.18 feet, an iron pin found at the Northeast fence corner of a 29.05 acre tract conveyed to Wayne Lippold

RECORDERS MEMORANDUM

All or parts of the text on this page was not clearly legible for satisfactory recordation.

S 53° 38' 45" W 57.64 feet, a 60 penny nail,
 S 49° 23' 10" W 341.0 feet, a nail at a fence
 corner at the Northeast corner of a 50.21 acre tract
 conveyed to Tom F. Priddy in Vol. 397, Page 139,
 S 50° 37' 50" W 24.03 feet, an iron pin found,
 S 49° 03' 35" W 523.69 feet, a nail in a 1: inch Cedar,
 S 51° 13' 55" W 166.87 feet, a nail in a 1: inch Cedar,
 and S 51° 32" W 364.99 feet; to a 3/4 inch Galvanized
 iron pipe found at a corner in the South line of
 the 177 acre tract.

THENCE with a fence along the West line of the Tom Priddy tract,
 S 24° 30' E 47.62 feet, a 12 inch Liveoak,
 S 19° 25' 05" E 285.22 feet, a 6 inch Cedar
 S 00° 02' 20" E 21.02 feet, a nail in a stump,
 and S 22° 23' 10" E 174.61 feet to a nail in
 the lower Southeast fence corner of the 177
 acre tract.

THENCE with the fenced South line of the 177 acre tract,
 S 71° 42' 55" W 1297.41 feet to set an iron pin at the Southeast
 corner of a 5.003 acre tract being retained by Mrs. Cahill.

THENCE N 18° 17' W 384.94 feet to an iron pin set at the
 Northeast corner of the 5.003 acre tract.

THENCE S 62° 58' W 653.26 feet, an iron pin set at the beginning
 of a curve to the left with a radius of 15 feet.

THENCE with the arc of the curve, the chord bears S 19° 07' 50" W
 20.78 feet to an iron pin at the end of the curve, and in the
 East R.O.W. line of U.S. 183 (old 183), also known as Jollyville
 Road. Said point being in the curved R.O.W. line, a point on a
 curve with a radius of 1196.28 feet.

THENCE with the arc of the curve, the chord bears N 25° 02' 20" W 11.7
 feet to a point on the R.C.W.

THENCE with the East line of an old County Road and the West fence
 of the Cahill property, N 18° 30' 30" W at 73.46 feet pass an
 iron pin beside a fence corner post on the North side of an area
 used an entry into the Cahill property, join and follow the fence,
 at 266.83 feet pass a fence corner extending Westerly, at 475.92
 feet pass the corner of a fence extending Westerly, continuing
 in all 631.42 feet to an iron pin set at a fence corner at the
 Southwest corner of a 10 acre First Tract Described in a deed to
 Lillie Toungeate in Vol. 311, Page 574, D/R

THENCE with the fenced South line of the said 10 acre tract and
 the 177 acre tract, N 70° 54' E 844.90 feet to set an iron pin.

THENCE N 17° 06' W 527.90 feet with the fence to set an iron pin
 at the Northeast corner of the 10 acre tract at the Northeast
 corner of a tract conveyed to C. Toungeate in Vol. 441, Page 683,
 D/R

THENCE S 71° 12' 50" W 862.06 feet with a fence that runs along
 North of a rock fence to set an iron pin at a fence corner.

THENCE with the fenced West line of the Cahill property, N 18° 33' 40"
 W 709.90 feet, to the POINT OF BEGINNING.

KK JOINT VENTURE

FIELD NOTES DESCRIBING A
20.28 ACRE TRACT

DESCRIBING 20.28 acres more or less, out of the Henry Rhodes Survey, Abstract No. 522, in Williamson County, Texas, said 20.28 acres being more particularly described by the meets and bounds as follows:

BEGINNING at an iron pin at the most northerly corner of said 20.28 acre tract, same being in the southeast line of that certain tract of land described in a deed to Storey Stelle, at ux, of record in Volume 431, Page 563, Deed Records of Williamson County, Texas;

THENCE, with an east line of said 20.28 acre tract and a west line of that certain tract of land described in a deed to C. G. C. Development, Ltd., of record in Volume 791, Page 160, Deed Records of Williamson County, Texas, S 19 35'30"E 709.92 feet to an iron pin.

THENCE, with a south line of said C. G. C. Development, Ltd. tract N 70 11'48"E 862.87 feet to a point;

THENCE, the following three courses, said courses being an east line of said 20.28 acre tract;

S 18 15'29"E 106.38 feet to a point;
S 18 17'15"E 166.43 feet to a point;
S 17 57'39"E 255.19 feet to a point, said point being the eastern most point in a said 20.28 acre tract;

THENCE, with the southeast line of said 20.28 acre tract S 69 52'26"W 845.23 feet to a point;

THENCE N 24 47'26"W 36.50 feet to a point;

THENCE S 69 52'26"W 264.90 feet to a point, said point being the southwest corner of said 20.28 acre tract;

THENCE, with the southwest line of said 20.28 acre tract, said line being along the northeasterly right-of-way line of Pond Springs Road N 49 05'19"W 584.11 feet to point;

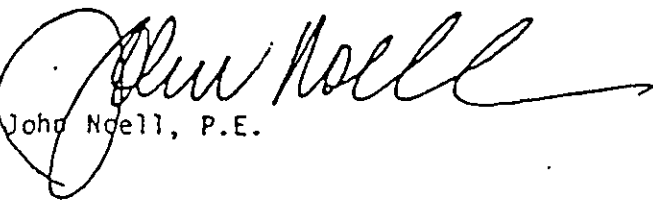
THENCE, N 43 24'59"E 137.61 feet to a point;

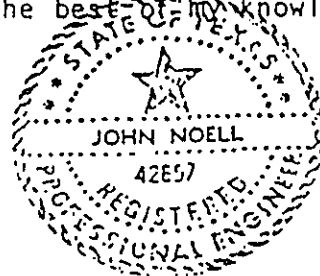
THENCE, N 32 51'32"W 254.44 feet to a point;

THENCE, the following two courses;

N 47 08'23 E 204.21 feet to a point;
N 24 30'35"E 430.83 feet to the POINT OF BEGINNING and containing 20.28 acres of land more or less.

These field notes were prepared from a survey made by McGray and McGray Surveyors, Inc. And are true and correct to the best of my knowledge.


John Noell, P.E.



DESCRIPTION OF 15.332 ACRE TRACT

All that certain tract or parcel of land lying and being situated in Williamson County, Texas, being out of the Henry Rhoades Survey, Abstract No. 522, in Williamson County, Texas, part of a tract of 208.47 acres surveyed on the ground in January of 1980, under the direction of W.F. Forest, Registered Public Surveyor No. 101. Said 208.47 acres embraces part of a tract described in a deed called 177 acres more or less to L. C. Cahill, of record in Volume 266, Page 287, Deed Records of Williamson County, Texas.

BEGINNING at a nail in a fence corner post at the upper southeast corner of the 208.47 acre tract. Also being an inside ell corner of a 507.6 acre tract described in a deed to Austin White Lime Company, of record in Volume 489, Page 193, Deed Records, an iron pin set for the upper southeast corner of the 177 acre tract bears N 18° 41' 50" W 678.0 ft.

THENCE S 49° 28' 50" W 303.81 ft. a 60 penny nail, S 51° 9' 15" W 428.6 ft., a 60 penny nail, and S 50° 40' 35" W 259.08 ft. to an iron pin in the fence south line of the 208.47 acre tract, a fence corner at an outside ell corner in the west line of the 507.6 acre tract stands S 50° 40' 35" W 204.18 ft.

THENCE with the boundary line of the 177 acre tract N 19° W 555.56 ft. to an iron pin N 30° 0' E 716.67 ft. to an iron pin and N 71° E 391.67 ft. to an iron pin in the fenced east line of the 208.47 acre tract, and in the west line of the 507.6 acre tract.

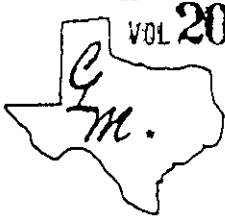
THENCE with the fenced upper east line of the 208.47 acre tract, S 18° 41' 50" E 678.8 ft. to the POINT OF BEGINNING, and containing 15.332 acres of land.

STATE OF TEXAS COUNTY OF WILLIAMSON
I hereby certify that this Instrument was FILED
on the date and at the time stamped hereon
by me; and was duly RECORDED, in the Volume
and Page of the named RECORDS of Williamson
County, Texas, as stamped hereon by me, on

MAR 22 1985



James S. Boydston
COUNTY CLERK
WILLIAMSON COUNTY, TEXAS



STATE OF TEXAS
COUNTY OF WILLIAMSON

FIELD NOTES

FOR AN 8.178 ACRE TRACT OF LAND OUT OF THE HENRY RHODES SURVEY IN WILLIAMSON COUNTY, TEXAS, BEING COMPRISED OF A 4.972 ACRE TRACT OF LAND AS CONVEYED TO SPRINGWOODS MUNICIPAL UTILITY DISTRICT BY WARRANTY DEEDS RECORDED IN VOLUME 1351, PAGE 110 AND VOLUME 1498, PAGE 137 OF THE DEED RECORDS OF WILLIAMSON COUNTY, TEXAS AND TRACT I, TRACT II AND TRACT III AS CONVEYED TO SPRINGWOODS MUNICIPAL UTILITY DISTRICT BY INSTRUMENT OF RECORD IN VOLUME 1108, PAGE 101 OF THE DEED RECORDS OF WILLIAMSON COUNTY, TEXAS. SAID 8.178 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS;

BEGINNING at a fence corner post found on the south ROW line of Anderson Mill Road, same being the northwest corner of said tract III and the northeast corner of a 4.35 acre tract of land as conveyed to Anderson Mill Apartments, LTD. by instrument of record in volume 937, page 329 of the deed records in Williamson County, Texas;

THENCE, S20°36'21"E, 224.52 feet with the fenced west line of said tract III and the east line of said 4.35 acre tract to a $\frac{1}{2}$ " iron rod found in concrete at the southwest corner of said tract III and the northwest corner of said tract II;

THENCE, S20°14'26"E, 212.03 feet with said fenced west line of said tract II and the east line of said 4.35 acre tract to a 1" iron pipe found at the southeast corner of said 4.35 acre tract and the northeast corner of Lot 1 Jollyville Square, a subdivision recorded in Cabinet C, Slides 208-209, in the plat records of Williamson County, Texas;

THENCE, S18°01'00"E, as fenced, at 10.65 feet pass a $\frac{1}{2}$ " iron rod in concrete found for the southwest corner of said tract II and the northwest corner of said tract I, in all a distance of 296.41 feet to a $\frac{1}{2}$ " iron rod found at the southwest corner of said tract I and northwest corner of Lot 108, Block B, Spicewoods, Section One, a subdivision recorded in Cabinet D, Slides 39 and 40, plat records of Williamson County, Texas;

THENCE, N69°09'16"E, 192.66 feet as fenced to a $\frac{3}{4}$ " iron pipe found at the northwest corner of Lot 107, Block C, same being on the east ROW line of Burr Ridge Drive, said Spicewoods subdivision, said $\frac{3}{4}$ " iron pipe also being at the southwest corner of said 4.972 acre tract;

THENCE, N70°59'51"E, 296.61 feet with the fenced south line of said 4.972 acre tract and the north line of said Spicewoods subdivision to a $\frac{1}{2}$ " iron rod found at the southeast corner of said 4.972 acre tract and the southwest corner of 4.991 acre remainder of that certain 5.035 acre tract as conveyed to Stanley Preece and wife, Eunice Preece by instrument of record in Volume 551, Page 627, deed records of Williamson County, Texas;

THENCE, N18°59'47"W, 729.91 feet with the common line between the 4.972 acre tract and the Stanley Preece tract to a $\frac{1}{2}$ " iron rod set in the south ROW line of Anderson Mill Road, said $\frac{1}{2}$ " iron rod set also being the northeast corner of the 4.972 acre tract and the northwest corner of the 4.991 acre remainder of the Stanley Preece tract;

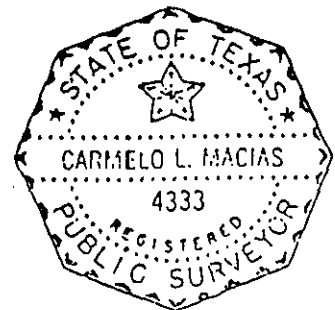
THENCE, S71°09'18"W, 296.60 feet with said south ROW line of Anderson Mill Road to a $\frac{1}{2}$ " iron rod set for the northwest corner of said 4.972 acre tract.

THENCE, S18°59'46"E, 5.56 feet with the west line of said 4.972 acre tract to a $\frac{1}{2}$ " iron rod set for the northeast corner of said tract III;

THENCE, S71°24'31"W, 198.41 feet with the south ROW line of Anderson Mill Road and the north line of said tract III to the POINT OF BEGINNING and containing 8.178 acres of land.

I HEREBY CERTIFY THAT THESE FIELD NOTES REPRESENTS THE RESULTS OF AN ACTUAL ON-THE-GROUND SURVEY CONDUCTED UNDER MY SUPERVISION AND THAT ALL CORNERS ARE MARKED AS SHOWN.

Carmelo L. Macias Jan. 11, 1990
CARMELO L. MACIAS, R.P.S. #4333 DATE:



**FIRST AMENDMENT TO
STRATEGIC PARTNERSHIP AGREEMENT BETWEEN
THE CITY OF AUSTIN AND
THE SPRINGWOODS MUNICIPAL UTILITY DISTRICT**

THE STATE OF TEXAS §
 § KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF TRAVIS §

This First Amendment to Strategic Partnership Agreement Between the City of Austin, Texas and the Springwoods Municipal Utility District, Williamson County, Texas (“**Amendment**”) is made and entered into by and among the City of Austin, a municipal corporation, acting by and through its duly authorized City Manager (“**City**”) and Springwoods Municipal Utility District (“**District**”), acting by and through its duly authorized Board of Directors under the authority of Section 43.0751 of the Texas Local Government Code (“**Local Government Code**”).

RECITALS

A. The City and the District entered into that certain Strategic Partnership Agreement Between the City of Austin, Texas and the Springwoods Municipal Utility District, Williamson County, Texas dated effective December 16, 2002 (the “**Agreement**”).

B. Pursuant to Section 43.0751(h) of the Local Government Code, the City and the District desire to amend the full purpose annexation conversion date for the District as well as the Limited District conversion date set forth in the Agreement, and pursuant to Section 6.13 of the Agreement, the City and the District desire to otherwise amend the Agreement as set forth herein.

NOW, THEREFORE, for and in consideration of the mutual agreements, covenants, and conditions contained in the Agreement and this Amendment, and other good and valuable consideration, the City and the District agree as follows:

1. Annexation of the Property Within the District. Section 2.03 of the Agreement is deleted in its entirety and the following is substituted in its place:

Section 2.03 Annexation of the Property Within the District.

- a. The District and the City agree that the City may proceed to annex the Property as depicted in Exhibit “F” for limited purposes no sooner than during the year 2010 under Section 43.0751 of the Local Government Code in accordance with the terms and conditions of this Agreement and in accordance with Article I, Section 7 of the City’s Charter for the purpose of planning, zoning, health, and safety. The Parties further agree that the limited purpose annexation of the Property will proceed on a schedule that permits the annexation to be effective no sooner than November 30, 2010. The District and the Limited District may continue to levy an ad valorem tax in all of the areas within the District Boundaries as long as the District or the Limited District continues to exist, irrespective of annexations for limited or full purposes by the City of any areas within the District Boundaries.

- b. The Period of Limited Purpose Annexation for the Property shall end no sooner than December 31, 2010 in accordance with the provisions of this Agreement.
- c. The District on behalf of all present and future owners of land within the District Boundaries hereby consents to the City's annexation of the Property as provided in this Agreement. It is the intent of the Parties that the consent granted in this Agreement shall bind the District and each owner and future owner of land within the District Boundaries.
- d. The City will prepare an inventory of services and facilities for the Property as described in Section 43.053 of the Local Government Code (the "Inventory") on or before January 1, 2010. The Inventory will be based on the level of services in the District during the calendar year 2006. The District will provide information held by the District which is reasonably necessary for the City to compile the Inventory on or before October 1, 2009. The City will develop a service plan for the Property as described in Section 43.056 of the Local Government Code (the "Service Plan") and provide it to the Board of Directors of the District no later than February 1, 2010. The Service Plan will provide a description of services to be provided to the District and its successor Limited District by the City upon conversion of the District to the Limited District. The description of services shall be in accordance with the description of services provided under the terms of Section 43.056 of the Local Government Code. In preparing the Service Plan pursuant to this paragraph, the City will confer with the Board of Directors and residents of the District regarding the provisions of the Service Plan. The District and the City agree to negotiate the services to be provided under the Service Plan pursuant to the provisions of Section 43.0562 of the Local Government Code between February 2, 2010 and July 1, 2010 in order to agree to the contents of the Service Plan by July 1, 2010.
- e. The District agrees that the City may take any and all steps required by the Local Government Code to assure that full purpose annexation of all of the land within the District may be completed no sooner than December 31, 2010 as provided in Section 2.07 of this Agreement.

2. Automatic Conversion to Full Purpose Annexation of Limited Purpose Annexed Areas. The reference to the date December 31, 2007 in Section 2.06 b of the Agreement is hereby amended to be December 31, 2010 for all purposes.

3. Municipal Services During the Period of Limited Purpose Annexation. The reference to the date September 1, 2007 in Section 3.01 c of the Agreement is hereby amended to be September 1, 2010.

4. Miscellaneous. Any capitalized term used and not otherwise defined herein shall have the meanings set forth in the Agreement. Unless expressly amended by this Amendment, all other terms and provisions of the Agreement remain in full force and effect as written, and are hereby ratified and confirmed.

IN WITNESS WHEREOF, this Amendment consisting of three pages is executed in duplicate counterparts and is dated effective the 25th day of December, 2006.

CITY OF AUSTIN, TEXAS

Attest: Shirley A. Gentry
City Clerk

By: Toby Hammett Futrell
Toby Hammett Futrell
City Manager

**SPRINGWOODS
MUNICIPAL UTILITY DISTRICT**

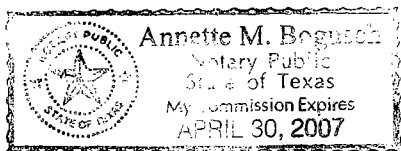
Attest: Michael E. Weems
Mike Weems
Secretary

James Buchanan
James Buchanan
President

THE STATE OF TEXAS

COUNTY OF TRAVIS

This instrument was acknowledged before me on the 23rd day of January, 2007, by Toby Hammett Futrell, City Manager for the City of Austin, Texas, for and on behalf of the City of Austin, Texas.



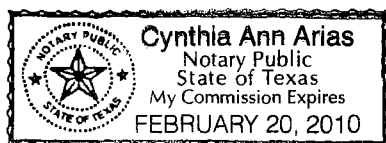
Annette M. Bogusich
Notary Public in and for the State of Texas

My Commission Expires: 04-30-07

THE STATE OF TEXAS

COUNTY OF WILLIAMSON

This instrument was acknowledged before me on the 9th day of January, 2007 by James Buchanan, President of Springwoods Municipal Utility District, for and on behalf of the Springwoods Municipal Utility District.



Cynthia Ann Arias
Notary Public in and for the State of Texas

My Commission Expires: 2/20/10

**SECOND AMENDMENT TO THE
STRATEGIC PARTNERSHIP AGREEMENT BETWEEN
THE CITY OF AUSTIN AND
THE SPRINGWOODS LIMITED DISTRICT
(FORMERLY THE SPRINGWOODS MUNICIPAL UTILITY DISTRICT)**

THE STATE OF TEXAS §
 § KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF TRAVIS §

This Second Amendment to the Strategic Partnership Agreement Between the City of Austin, Texas and the Springwoods Limited District (formerly the Springwoods Municipal Utility District), Williamson County, Texas (“**Amendment**”) is made and entered into by and among the City of Austin, a municipal corporation, acting by and through its duly authorized City Manager (“**City**”) and the Springwoods Limited District, formerly known as Springwoods Municipal Utility District, (“**District**”), acting by and through its duly authorized Board of Directors under the authority of Section 43.0751 of the Texas Local Government Code (“**Local Government Code**”).

RECITALS

A. The City and the District entered into that certain Strategic Partnership Agreement Between the City of Austin, Texas and the Springwoods Municipal Utility District, Williamson County, Texas, dated effective December 16, 2002, as amended by the First Amendment, dated effective December 25, 2006, (together the “**Agreement**”).

B. Pursuant to Section 43.0751(g) of the Local Government Code, the City and the District desire to amend the dissolution date for the District as set forth in the Agreement, and, pursuant to Section 6.13 of the Agreement, the City and the District desire to otherwise amend the Agreement as set forth herein.

NOW, THEREFORE, for and in consideration of the mutual agreements, covenants, and conditions contained in the Agreement and this Amendment, and other good and valuable consideration, the City and the District agree as follows:

1. Dissolution of the District. Subsection 6.02.b.ii. of the Agreement is deleted in its entirety and the following is substituted in its place:

- ii. If a majority of the qualified voters voting at this election do not approve the proposition, the Limited District shall be automatically dissolved on October 1, 2011, without the necessity of any further action by the City, whether litigation or otherwise, and all assets, obligations, indebtedness, and liabilities of the District shall be assumed by the City.

2. Miscellaneous. Any capitalized term used and not otherwise defined herein shall have the meanings set forth in the Agreement. Unless expressly amended by this Amendment,

all other terms and provisions of the Agreement remain in full force and effect as written, and are hereby ratified and confirmed.

IN WITNESS WHEREOF, this Amendment consisting of 3 pages is executed in duplicate counterparts and is dated effective the 29 day of June, 2011.

Attest: Shirley A Gentry
Shirley Gentry
City Clerk

CITY OF AUSTIN, TEXAS
By: Marc Ott
Marc Ott
City Manager

Attest: Michael E. Weems
Michael Weems
Secretary

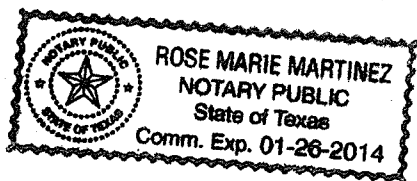
SPRINGWOODS LIMITED DISTRICT
By: James Buchanan
James Buchanan
President

THE STATE OF TEXAS

COUNTY OF TRAVIS

This instrument was acknowledged before me on the 29 day of June, 2011, by Marc Ott, City Manager for the City of Austin, Texas, for and on behalf of the City of Austin, Texas.

Rose Marie Martinez
Notary Public in and for the State of Texas

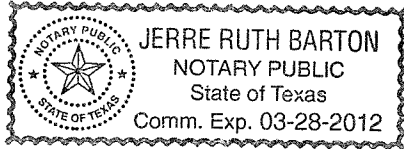


My Commission Expires: 1/26/2014

THE STATE OF TEXAS

COUNTY OF WILLIAMSON

This instrument was acknowledged before me on the 24th day of June, 2011, by James Buchanan, President of Springwoods Limited District, for and on behalf of the Springwoods Limited District.



Jerre Ruth Barton
Notary Public in and for the State of Texas

My Commission Expires: 3-28-2012

ORDINANCE NO. 20101118-028

AN ORDINANCE ANNEXING FOR FULL PURPOSES ADDITIONAL TERRITORY ADJACENT TO THE CITY LIMITS OF THE CITY OF AUSTIN, CONSISTING OF APPROXIMATELY 468 ACRES OF LAND OUT OF THE HENRY RHODES SURVEY, ABSTRACT NO. 522, THE MALCOLM M. HORNSBY SURVEY NO. 4, ABSTRACT NO. 280 AND THE ELISHA ALLEN SURVEY NO. 2, ABSTRACT NO. 18 LOCATED IN WILLIAMSON COUNTY, TEXAS AND REFERRED TO AS THE "SPRINGWOODS MUNICIPAL UTILITY DISTRICT ANNEXATION AREA"; AND APPROVING A REGULATORY AND SERVICE PLAN FOR THE ANNEXED TERRITORY, IN ACCORDANCE WITH THE STRATEGIC PARTNERSHIP AGREEMENT BETWEEN THE CITY OF AUSTIN AND THE SPRINGWOODS MUNICIPAL UTILITY DISTRICT.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

PART 1. The City Council finds that:

- (A) The City and the Springwoods Municipal Utility District ("MUD") entered into a Strategic Partnership Agreement ("SPA") effective December 16, 2002, that provides for the limited purpose annexation and for the conversion to full purpose annexation of the territory described in Exhibit A. In 2006 the City and the MUD agreed to amend the annexation dates set forth in the SPA. The SPA, as amended, allows limited purpose annexation of the territory in the MUD no sooner than November 30, 2010 and conversion to full purpose no sooner than December 31, 2010.
- (B) The area referred to as the Springwoods MUD has been annexed by Ordinance No. 20100923-134, for the limited purposes of planning, zoning, health, and safety.
- (C) A report containing a planning study and regulatory plan for the territory to be annexed was prepared in accordance with the terms of the SPA and Section 43.123 of the Texas Local Government Code and is attached in Exhibit B.
- (D) The SPA provides that the City will prepare and deliver a Service Plan describing services to be provided to the area upon full purpose annexation. The City has conferred with the MUD and residents of the area regarding the service plan which is attached in Exhibit C.

- (E) Notice of the availability of the report and the service plan and of a public hearing concerning the limited purpose and full purpose annexation of the territory described in Exhibit A, referred to as the Springwoods MUD Area, was published in a newspaper of general circulation in the City of Austin, in the area to be annexed, and on the City of Austin internet website.
- (F) The public hearing was held on September 23, 2010 at 4:00 p.m. in Council Chambers and was concluded after providing an opportunity for all persons present to be heard with respect to the proposed annexation.
- (G) The limited purpose annexation and conversion to full purpose annexation of the territory described in Exhibit A serves the interests of the current and future residents of the City of Austin.
- (H) All procedural requirements imposed by state law and the SPA for the limited purpose annexation and conversion to full purpose annexation of territory described in Exhibit A, and the adoption of the Regulatory and Service Plan for this area have been met.

PART 2. The territory described in Exhibit A is automatically converted to full purpose annexation as provided by the SPA and authorized by Section 43.0751 of the Texas Local Government Code effective December 31, 2010.

PART 3. The Regulatory Plan attached as Exhibit B is approved as the Regulatory Plan for the period of limited purpose annexation.

PART 4. The Service Plan attached as Exhibit C is approved as the Service Plan for the full purpose annexed area.

PART 5. As provided by the SPA, the MUD is converted to the Springwoods Limited District on December 31, 2010. In accordance with state law, the City shall assume ownership of property and other assets and shall assume debts, liabilities, and obligations of the MUD as described in the Agreement.

PART 6. The City Council declares that its purpose is to include within the City of Austin each part of the area described in Exhibit A as provided in this ordinance, regardless of whether any other part of the described area is effectively annexed to the City. If this ordinance is held invalid as to any part of the area annexed to the City of Austin, that invalidity does not affect the effectiveness of this ordinance as to the remainder of the area.

If any area or lands included within the description of the area set out in Exhibit A are: (1) presently part of and included within the general limits of the City of Austin; (2) presently part of and included within the limits of any other city, town, or village; or (3)

Exhibit A

C7a-10-002

Area to be annexed.

Approximately 467.68 acres of land out of the Henry Rhodes Survey, Abstract No. 522, the Malcolm M. Hornsby Survey No. 4, Abstract No. 280 and the Elisha Allen Survey No. 2, Abstract No. 18 in Williamson County, Texas.

(Portion of Town and Country Park Addition, Portion of Jefferson Center Subdivision, Clear Creek Addition, Portion of Clear Creek Addition Section Two, Springwoods Park, Springwoods II-A Revised 1981, Springwoods II-B, Springwoods II-C, Springwoods, II-D, Springwoods II-E, Springwoods II-F, Springwoods II-G, Amending Plat of Lots 10 and 11 Block D Springwoods II-A Revised 1981, The Amended Plat of Lots 13 and 14 Block G Springwoods II-G, Springwoods Park, Springwoods Sec. One, Springwoods Sec. 1-A, Springwoods 1-B, Hunter's Chase Section One, Hunter's Chase Section Two, Hunter's Chase Section Three, Hunter's Chase Section Four, Hunter's Chase Section Five Amended, Hunter's Chase Section Six, Hunter's Chase Section Seven Amended, Amended Plat of Hunter's Chase Section Seven Amended Lots 7-21 and 32-65 Block Q Lots 1-26 Block R Lots 1-17 Block T and Lots 7-31 Block U of Hunter's Chase Section Seven Amended, Portion of Hunter's Point, Hunter's Point Section Two and Amended Plat of Lot 4 Block B Hunter's Point)

(Unplatted Land)

(Portions of Hunter's Chase Drive, Beartrap Lane, Buckshot Trail, Oro Valley Trail, Pheasant Rock Road, Elkhorn Mountain Trail, Hunter's Chase Drive, Partridge Bend Drive,

Stanzel Drive, Turtle Rock Road,
Chester Forest Street, Hazelhurst
Drive, Briar Hollow Drive, Water
Oak Lane and Black Oak Street)

LEGAL DESCRIPTION

LEGAL DESCRIPTION FOR FOUR TRACTS OF LAND,
THE TRACT HEREINAFTER DESCRIBED AS TRACT ONE
CONTAINING APPROXIMATELY 66.42 ACRES OF LAND
OUT OF THE MALCOLM M. HORNSBY SURVEY NO. 4,
ABSTRACT NO. 280 IN WILLIAMSON COUNTY, TEXAS,
THE TRACT HEREINAFTER DESCRIBED AS TRACT TWO
CONTAINING APPROXIMATELY 98.93 ACRES OF LAND
OUT OF THE ELISHA ALLEN SURVEY NO. 2,
ABSTRACT NO. 18 IN WILLIAMSON COUNTY, TEXAS,
THE TRACT HEREINAFTER DESCRIBED AS TRACT
THREE CONTAINING APPROXIMATELY 294.16 ACRES
OUT OF THE HENRY RHODES SURVEY, ABSTRACT NO.
522 IN WILLIAMSON COUNTY, TEXAS AND THE TRACT
HEREINAFTER DESCRIBED AS TRACT FOUR
CONTAINING APPROXIMATELY 8.178 ACRES OUT OF
THE HENRY RHODES SURVEY, ABSTRACT NO. 522 IN
WILLIAMSON COUNTY, TEXAS; OF WHICH
APPROXIMATELY 467.68 ACRES OF LAND ARE TO BE
TAKEN INTO AND MADE A PART OF THE CITY OF
AUSTIN.

TRACT ONE

BEING all that tract of land called 66.42 acres annexed by
Springwoods Municipal Utility District and described in Exhibit
"B-3" by Resolution No. 81-0403-1, recorded in Volume 839, Page
250 and Volume 854, Page 433 of the Deed Records of Williamson
County, Texas.

TRACT TWO

BEING all that tract of land called 98.93 acres annexed by
Springwoods Municipal Utility District and described in Exhibit
"B-2" by Resolution No. 81-0403-1, recorded in Volume 839, Page
250 and Volume 854, Page 433 of the Deed Records of Williamson
County, Texas.

TRACT THREE

BEING a tract of land made up of the following four (4) tracts of land: Tract 1 being all of a called 188.138 acre tract of land annexed by Springwoods Municipal Utility District and described in Exhibit "A" and "B-4" by Resolution No. 81-0403-1, recorded in Volume 839, Page 250 and Volume 854, Page 433 of the Deed Records of Williamson County, Texas, Tract 2 being all of a called 70.41 acre tract of land annexed by Springwoods Municipal Utility District and described in Exhibit "B-1" by Resolution No. 81-0403-1, recorded in Volume 839, Page 250 and Volume 854, Page 433 of the Deed Records of Williamson County, Texas, Tract 3 being all of a called 20.28 acre tract of land annexed by Springwoods Municipal Utility District and described in Exhibit "A" by Resolution No. 83-0831-2, recorded in Volume 938, Page 441 of the Deed Records of Williamson County, Texas and Tract 4 being all of a called 15.332 acre tract of land annexed by Springwoods Municipal Utility District and described in Exhibit "A" by Resolution No. 85-0218-1, recorded in Volume 1153, Page 848 of the Official Records of Williamson County, Texas.

TRACT FOUR

BEING a tract of land called 8.178 acres annexed by Springwoods Municipal Utility District and described in Exhibit "A" by Order No. 91-0403-1, recorded in Volume 2010, Page 971 of the Official Records of Williamson County, Texas.

"This document was prepared under 22 TAC 663.21, does not reflect the results of an on the ground survey, and is not to be used to convey or establish interests in real property except those rights and interests implied or established by the creation or reconfiguration of the boundary of the political subdivision for which it was prepared".

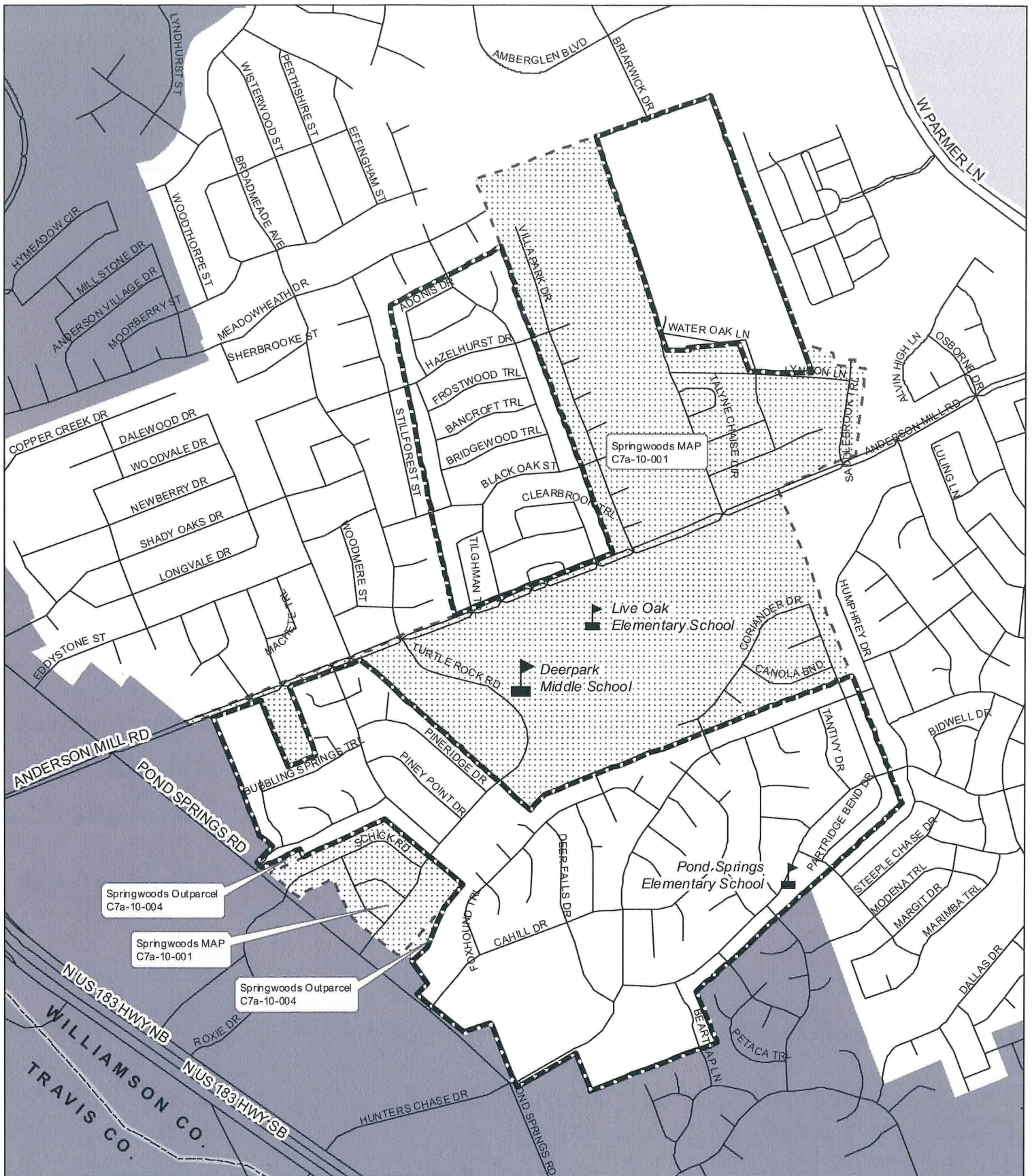
LEGAL DESCRIPTION: Mary P. Hawkins
08/17/2010

Mary P. Hawkins 8/17/10

APPROVED: Mary P. Hawkins, RPLS NO. 4433
Engineering Services Division
Department of Public Works
City of Austin

REFERENCES

WCAD MAP 4-7408, 4-7418, 4-8208 & 4-8218
Austin Grid G-37, G-38, G-39, H-37, H-38 & H-39



Springwoods Municipal Utility District Annexation Area C7a-10-002



City of Austin PDRD
J. Chuter
August 30, 2010



Legend

- Springwoods Municipal Utility District
- Other Planned Annexation
- Street
- County Line

Current Jurisdiction

- Austin Full Purpose
- Austin Limited Purpose
- Austin ETJ

0 500 1,000 2,000 Feet

EXHIBIT B



Springwoods MUD Area Subject to the Strategic Partnership Agreement

Limited Purpose Annexation Planning Study and Regulatory Plan

Planning Study

Background

On December 16, 2002 the Springwoods Municipal Utility District ("MUD") and the City of Austin entered into a Strategic Partnership Agreement ("SPA") establishing a timeline and procedure for annexation and conversion of the MUD to a Limited District. The SPA provides for annexation of the Springwoods MUD for the limited purposes of planning, zoning, health and safety pursuant to Section 43.0751 of the Texas Local Government Code. This Planning Study and Regulatory Plan has been prepared in accordance with the terms of the SPA and Section 43.123 of the Texas Local Government Code.

In the SPA, the MUD waived the requirement of Sec. 43.123 (d) (2) of the Texas Local Government Code that the property be annexed for full purposes within three years of the effective date of its limited purpose annexation and agreed that the City may take any and all steps to assure that full purpose annexation may be completed no sooner than December 31, 2010.

Area Description

The proposed Springwoods MUD annexation area includes approximately 468 acres in Williamson County generally located between Pond Springs Road and Parmer Lane on the north and south sides of Anderson Mill Road. The area is currently located in the City's Extraterritorial Jurisdiction ("ETJ").

The primary land uses in the Springwoods MUD are single and multi-family residential housing. The current estimated population of Springwoods MUD is approximately 6,210 persons.

Projected Ten Year Development With and Without Annexation

The Springwoods MUD area is almost fully developed and it is anticipated that the existing uses in the area will continue irrespective of the annexation status.

Issues Supporting Annexation

The proposed limited purpose annexation facilitates implementation of the SPA between the MUD and the City.

Public Benefit from the Annexation

The proposed limited purpose annexation facilitates implementation of the SPA between the MUD and the City. The SPA provides for full purpose annexation of the MUD which will benefit residents, landowners, and businesses within the MUD and the City.

The Economic, Environmental and other Impacts of the Proposed Annexation on Residents, Landowners, and Businesses in the Proposed Annexation Area

The proposed limited purpose annexation and future conversion to full purpose status will be of economic advantage to residents and landowners within the area through the establishment of land use controls and building standards not otherwise available. The application of City codes will protect property values by ensuring that all new development/redevelopment meets higher standards than might otherwise be adhered to in the absence of City codes. Limited purpose annexation will also prevent the intrusion of incompatible land uses and protect landowners, businesses, and residents from the expansion of incompatible land uses.

The proposed limited purpose annexation will protect the local environment by ensuring that future development will be in compliance with the City's zoning and development standards.

Proposed Zoning for the Area

The area will be zoned in accordance with the procedures required by state law and Title 25 of the Code of the City of Austin (the Land Development Code).

From the effective date of the limited purpose annexation until the property is zoned, the area will be treated for development purposes in accordance with Section 25-2-222 (Designation of Annexed Land) of the Code.

Comments regarding the proposed zoning will be considered at the public hearing for the proposed limited purpose annexation.

Regulatory Plan

Development Regulations

Annexation of the area for the limited purposes of planning, zoning, health, and safety will extend the full range of City regulatory authority regarding development, construction, land use, and environmental quality to the area. This authority includes the application of all regulations pertaining to planning and zoning including but not limited to, regulations within the City's Land Development Code including related technical manuals, and all rules adopted pursuant thereto.

Future Full Purpose Annexation

The proposed limited purpose annexation area will be included within the City's full purpose jurisdiction in accordance with the terms of the SPA.

In the SPA, the District and the City agree that the limited purpose annexation status of the MUD may be converted to full purpose annexation no sooner than December 31, 2010.

EXHIBIT C



CITY OF AUSTIN ANNEXATION SERVICE PLAN

Case Name: Springwoods MUD Area
Subject to the Strategic Partnership Agreement
Case Number: C7a-10-002
Date: September 9, 2010

INTRODUCTION

This Service Plan ("Plan") is made by the City of Austin, Texas ("City") in accordance with a Strategic Partnership Agreement ("SPA") between the City and the Springwoods Municipal Utility District (MUD) pursuant to Texas Local Government Code Section 43.0751. This Plan relates to the annexation to the City of land ("annexation area") known as the Springwoods MUD Area. The Springwoods MUD was created under Chapter 54 of the Texas Water Code. The annexation area includes approximately 459 acres located in Williamson County generally located between Pond Springs Road and Parmer Lane on the north and south sides of Anderson Mill Road. This area currently located in the city's extraterritorial jurisdiction ("ETJ") and is adjacent to the full purpose city limits to the west along Pond Springs Road.

Land uses in this area include both single-family and multi-family residential, commercial, open space, and civic. The annexation area is described by metes and bounds in Exhibit "A", which is attached to the annexation ordinance of which this Plan is a part. The annexation area is also shown on the map in Exhibit "I".

EFFECTIVE TERM

This Plan shall be in effect for a ten-year period commencing on the effective date of the annexation, unless otherwise stated in this Plan. Renewal of the Plan shall be at the option of the City. Such option may be exercised by the adoption of an ordinance by the City Council, which refers to this Plan and specifically renews this Plan for a stated period of time.

INTENT

It is the intent of the City of Austin is that services under this Plan shall provide full municipal services as described in Section 43.056 of the Texas Local Government Code.

The City reserves the right guaranteed to it by the Texas Local Government Code, to amend this Plan if the City Council determines that changed conditions or subsequent occurrence or any other legally sufficient circumstances exist under the Local Government Code, or other Texas laws to make this Plan unworkable or obsolete or unlawful. An amended service plan must provide for

services that are comparable to or better than those established in the service plan before amendment.

SERVICE COMPONENTS

In General. This Plan includes: (1) the Early Action Program, (2) Additional Services, (3) a Capital Improvement Program, (4) Services To Be Provided by Limited District, and (5) Services To Be Provided By City if Limited District is Dissolved.

As used in this Plan, providing services includes having services provided by any method or means by which the City extends municipal services to any other area of the City. This may include causing or allowing private utilities, governmental entities and other public service organizations to provide such services by contract, in whole or in part so long as the service standards of this Service Plan are met. It may also include separate agreements with associations or similar entities.

1. EARLY ACTION PROGRAM

The following services will be provided in the annexation area commencing on the effective date of the annexation, unless otherwise noted.

- a. Police Protection. The Austin Police Department (“APD”) will provide protection and law enforcement services in the annexation area. These services include:
 - normal patrols and responses;
 - handling of complaints and incident reports; and
 - special units, such as, traffic enforcement, criminal investigations, narcotics, gang suppression, and special weapons and tactics team.
- b. Fire Protection. The Austin Fire Department (“AFD”) will provide emergency and fire prevention services in the annexation area. These services include:
 - fire suppression and rescue;
 - emergency medical services first response for Austin/Travis County Emergency Medical Services Department on life threatening medical emergencies;
 - hazardous materials mitigation and regulation;
 - emergency prevention and public education efforts;
 - dive rescue;
 - technical rescue;
 - aircraft/rescue/firefighting;
 - construction plan review;
 - inspections; and
 - rescue/hazardous materials unit.

AFD serves as the first responder on life threatening emergencies for Austin/Travis County EMS. All AFD personnel are certified at an Emergency Medical Technician (“EMT”) level or higher. All engines (pumpers), ladder trucks, and rescue units carry Automatic External Defibrillators for use with heart attack victims.

- c. Emergency Medical Service The City of Austin/Travis County Emergency Medical Services (“EMS”) Department will provide emergency medical services in the annexation area.

Austin/Travis County EMS will provide the following emergency and safety services to the annexation area:

- medical 911 communications including dispatch, pre-arrival first aid instructions and coordination of other public safety support agencies;
- emergency Advanced Life Support (ALS) ambulance response, treatment and transport;
- medical rescue services; and
- medical support during large scale emergency events.

Austin/Travis County EMS is a mobile service provider, with units constantly moving throughout the system area. An ambulance is frequently dispatched from a location outside the station.

The Austin Fire Department will provide emergency medical first response to all patients in a life-threatening situation. All Austin Fire Department personnel are certified at the Emergency Medical Technician (EMT) level or higher and assist EMS personnel providing patient care.

- d. Maintenance of Water and Wastewater Facilities. Water and wastewater service will be provided to areas that are not within the certificated service area of another utility through existing facilities located within or adjacent to the area. The facilities will be maintained and operated by the City's Austin Water Utility as governed by standard policies and procedures, and under the provisions of the attached City service extension policy.
- e. Maintenance of Roads and Streets, Including Street Lighting. The Public Works Department will maintain public streets over which the City has jurisdiction. These services include:
- emergency pavement repair;
 - ice and snow monitoring of major thoroughfares;
 - street maintenance activities including crack seal, sealcoat, slurry seal, and preventative maintenance overlay; and
 - repair maintenance of public streets on an as-needed basis including pothole repair, filling depressions (level up), spot surface replacement, spot full-depth repair, and utility cut repairs.

The area is fully developed with existing residential streets. Any necessary street or bridge rehabilitation or reconstruction will be considered on a City-wide priority basis. The existing streets are performing adequately to serve the area at a comparable level of service to other City of Austin residential areas. Streets that have been dedicated and accepted for maintenance will be included in the City's preventative maintenance program. Preventative maintenance projects are prioritized on a City-wide basis and scheduled based on a variety of factors, including surface condition (distresses), rideability (smoothness), age, traffic volume, functional classification, and available funding.

If necessary, the Transportation Department will also provide regulatory signage services in the annexation area. Traffic signal, stop, and all other regulatory studies are conducted in conjunction with growth of traffic volumes. All regulatory signs and signals are installed when warranted following an engineering study. Faded, vandalized, or missing signs are replaced as needed. "CALL BACK" service provided 24 hours a day, 365 days a year for emergency repair of critical regulatory signs.

Street lighting will be maintained in accordance with the City of Austin ordinances, Austin Energy criteria and state law. The City will maintain the street lights and pay for the electricity for any streetlights located within the public right-of-way that Springwoods MUD maintained under the night watchman light program in place at the time of full purpose annexation.

- f. Maintenance of Parks, Playgrounds, and Swimming Pools. The District owns the Amenities, as defined in the SPA.

Recreational facilities and area amenities, including parks, pools, and medians, that are privately owned, maintained, or operated will be unaffected by the annexation.

- g. Maintenance of Any Other Publicly-Owned Facility, Building, or Service. Should the City acquire any other facilities, buildings, or services necessary for municipal services located within the annexation area, an appropriate City department will provide maintenance services for them.

2. ADDITIONAL SERVICES

Certain services, in addition to the above services, will be provided within the annexation area. They are as follows:

- a. Watershed Protection. The Watershed Protection Department will provide drainage maintenance services in the Annexation area. Drainage planning and maintenance are fee-based services. Services currently provided by the department, in accordance with and as limited by applicable codes, laws, ordinances and special agreements, include:
- water quality protection;
 - watershed protection master planning for flood hazard mitigation, streambank restoration and erosion control, and water quality protection;
 - flood hazard mitigation;
 - streambank restoration and erosion management; and
 - infrastructure and waterway maintenance.

The City will maintain all drainage facilities, including open drainage channels and storm water treatment facilities, including the Saddlebrook floodwall, at their current levels of service described in the Master Landscaping Services Agreement between the Springwoods Municipal Utility District and TexaScapes, Inc. dated April 1, 1994 as amended from time to time through September 1, 2009 and as implemented by the District. These services will include six (6) "Full Channel Maintenances" per year, two (2) "Limited Channel Maintenances" per year, and two (2)

Saddlebrook Channel Area maintenances per year. The map of channels to be maintained in accordance with this Service Plan is attached hereto as Exhibit “2.” Services may be provided by the City or by private service providers under contract with the City.

- b. Planning and Development Review. The Planning and Development Review Department will provide comprehensive planning, land development and building review and inspection services in accordance with and as limited by applicable codes, laws, ordinances and special agreements.
- c. Code Compliance. In order to attain compliance with City codes regarding land use regulations and the maintenance of structures and property, the City’s Code Compliance Department will provide education, cooperation, enforcement and abatement relating to code violations.
- d. Library. Upon annexation residents may utilize all Austin Public Library facilities.
- e. Public Health, Social, and Environmental Health Services. Upon annexation, the following services will be available from the Austin/Travis County Health and Human Services Department:
 - investigation of public health related complaints including foodborne illness, recreational water quality and public swimming pools and spas;
 - enforcement of the City’s smoking in public places ordinance and the minor’s access to tobacco ordinance;
 - inspection of food establishments, child care facilities;
 - investigation of reported elevated blood lead levels in children;
 - animal services including leash law, pet licensing and rabies control and
 - rodent and vector control consultation.
- f. Austin Energy. Austin Energy will continue to provide electric utility service to all areas which the City is authorized to serve by the Public Utility Commission of Texas.
- g. Anti-litter Services. The Austin Solid Waste Services Department will provide anti-litter services in the annexed area. Anti-litter is a fee-based service. Services currently provided in the City include:
 - regularly scheduled bulky item collection – a notice to customers is provided in advance of the pickup date at least 2 times per year.
 - regularly scheduled large brush collection – a notice to customers is provided in advance of the pickup date at least 2 times per year.
 - regularly scheduled street sweeping service – approximately six (6) times, but no less than four (4) times, per year for streets with curb and gutter.
 - dead animal collection – dead animals are removed from roadways upon request.
 - household hazardous waste drop-off facility – use of facility on regularly scheduled days of operation.
 - tall weed and grass and litter abatement programs.

The City may collect anti-litter fees throughout the annexation area consistent with City policy applied uniformly throughout the corporate limits of the City.

- h. Other Services. All other City Departments with jurisdiction in the area will provide services according to City policy and procedure.

3. CAPITAL IMPROVEMENTS PROGRAM

The City will initiate the construction of capital improvements necessary for providing municipal services for the annexation area as necessary.

Each component of the Capital Improvement Program is subject to the City providing the related service directly. In the event that the related service is provided through a contract service provider, the capital improvement may not be constructed or acquired by the City but may be provided by the contract provider. The City may also lease buildings in lieu of construction of any necessary buildings.

- a. Police Protection. No capital improvements are necessary at this time to provide police services.
- b. Fire Protection. No capital improvements are necessary at this time to provide fire services.
- c. Emergency Medical Service. No capital improvements are necessary at this time to provide EMS services.
- d. Solid Waste Collection. No capital improvements are necessary at this time to provide solid waste collection services.
- e. Water and Wastewater Facilities. No capital improvements are necessary at this time to provide water or wastewater service.

Water and wastewater services to any new development and subdivisions will be provided according to the standard policies and procedures of the Austin Water Utility, which may require the developer of a new subdivision or site plan to install water and wastewater lines. The extension of water and sewer service will be provided in accordance with the attached water and wastewater service extension policy.

- f. Roads and Streets. No road or street related capital improvements are necessary at this time. In general, the City will acquire control of all public roads and jurisdiction in, over and under all public roads and public streets within the annexation area upon annexation. Future extensions of roads or streets and future installation of related facilities, such as traffic control devices, will be governed by the City's standard policies and procedures.
- g. Parks, Playgrounds and Swimming Pools. No capital improvements are necessary at this time to provide services.

- h. Watershed Protection. No capital improvements are necessary at this time to provide services.
- i. Street Lighting. No capital improvements are necessary at this time to provide services. Street lighting in new and existing subdivisions will be installed and maintained in accordance with the applicable standard policies and procedures.
- j. Other Publicly Owned Facilities, Building or Services: Additional Services. In general, other City functions and services, and the additional services described above can be provided for the annexation area by using existing capital improvements. Additional capital improvements are not necessary to provide City services.
- k. Capital Improvements Planning. The annexation area will be included with other territory in connection with planning for new or expanded facilities, functions, and services. The City will make the capital improvements in accordance with, but subject to the conditions of, the provisions of Section 6 below.

4. SERVICES TO BE PROVIDED BY LIMITED DISTRICT

The Springwoods Limited District, created under the Strategic Partnership Agreement, will provide the following services.

- a. Solid Waste Collection. Springwoods Limited District shall be responsible for providing solid waste and recycling pick-up and disposal for the single family and duplex customers within the area during the existence of the Limited District. Services may be provided by District employees or by private solid waste service providers under contract with the District.

The Springwoods Municipal Utility District currently provides solid waste collection services under a contract with a private solid waste service provider. After conversion of the Municipal Utility District to the Limited District, the Limited District will continue to provide solid waste services. If the Limited District election is successful solid waste collection will include a provision for the collection of recyclable material by the private solid waste provider as “Single Stream” within 90 days of the election. Single Stream recycling is defined as curbside collection of all recyclable containers and fiber products, from a single cart, emptied into a non-compartmentalized truck and processed at a Material Recovery Facility.

- b. Maintenance and Security for Amenities. The Limited District will retain ownership of the Amenities including community recreation facilities, such as parks, swimming pool facilities, pavilions and Limited District Office, and other land and associated buildings and structures owned by the District or the Limited District, as such amenities are more particularly described in Exhibit “D” of the SPA. The Limited District shall be responsible for providing security, maintenance, and any necessary capital improvements for all such parks and recreation facilities currently owned by Springwoods MUD. Security and maintenance services may be provided by Limited District personnel or by private service providers under contract with the District.

- c. Deed Restriction Enforcement. The Springwoods Limited District shall retain the authority of the Springwoods MUD under Texas law, as it may be amended, to enforce deed restrictions applicable to property within the boundaries of the District and any restrictive covenants to which the MUD is a party.

5. SERVICES TO BE PROVIDED BY CITY IF LIMITED DISTRICT IS DISSOLVED

If the Limited District is dissolved or ceases to exist for any reason prior to the expiration of this Service Plan, the City shall provide the following services within 90 days of dissolution, or the date upon which the District ceases to exist:

- a. Solid Waste Collection. The Austin Solid Waste Services Department will provide services in the area. Services will be provided by City personnel or by solid waste service providers under contract with the City. Services to single family residences, including duplex, triplex, and fourplex dwelling units, will be provided in accordance to the then published program guidelines, frequencies and service levels as provided on a uniform basis throughout the majority of the corporate limits of the City. Upon any transition of solid waste disposal services, the City will ensure that new containers (i.e., carts and recycling bins on good condition, new or properly reconditioned) will be delivered to each customer within the District prior to termination of prior solid waste disposal services.

Commercial garbage collection service for businesses is available on a subscription basis from the City or private service providers.

- b. Maintenance of Parks, Playgrounds, and Swimming Pools. Ownership and title to all parks and recreational facilities owned by the Springwoods Limited District, which includes the Amenities, shall vest in the City. The City will maintain the entire Springwoods Park at the current levels of service described in the Master Landscaping Services Agreement between the Springwoods Municipal Utility District and TexaScapes, Inc. dated April 1, 1994 as amended from time to time through September 1, 2009 and as implemented by the District. Services will include the following “Additional Services” under the Master Landscaping Services Agreement as has been historically provided for the Parks: (i) overseeding the primary lawn and sports fields in Springwoods Park in the late Fall of each year with perennial winter rye and fescue grasses in a manner that ensures thick, green turf areas year round, (ii) the non-turf areas of the Woodlands Park Area will receive a Woodlands Park maintenance once per month for 10 months each year during the growing season, (iii) the turf areas, pavilion and trail areas of the Woodlands Park Area will be maintained under the same terms, conditions and schedule as the main areas of Springwoods Park, (iv) irrigation system repairs from time to time in order to get the irrigation systems in good repair including monthly irrigations system check, (v) annual topdress of all turf areas with compost, (vi) annual mulch for beds and tree rings, and (vii) maintaining a 6 foot mowing strip along all trails and around all pavilions. Services may be provided by the City Parks and Recreation Department or by private service providers under contract with the City. Additional services provided by the Department include:

Playground Equipment and Pavilions

Staff inspects all playground equipment and areas on a daily basis to ensure the equipment is in safe, clean operating condition and surfacing is free and clear of hazards. Staff trained by the National Playground Safety Inspector (NPSI) Program will inspect the playground equipment and area two (2) times per year. Drinking fountains will be inspected daily for operation and cleanliness. Staff will remove debris as needed. Staff will clean and sanitize all drinking fountains on a daily basis.

Staff will clean and inspect pavilions twice per week. Staff will clean Bar-B-Que grills weekly. Staff will empty trashcans, sweep the area, and clean the tables on a daily basis.

Park Restrooms

Daily Cleaning services include:

Clean and disinfect toilets, urinals, sinks, countertops, doors, and doorknobs;

Clean floors, walls, mirrors, and ceilings;

Refill toilet paper, paper towels, and hand soap; and

Inspect all plumbing fixtures, lighting, and hand dryers.

Office at Springwoods Park

The office building in Springwoods Park will be maintained in a good and proper manner and in an equivalent or better condition than the office building is in as of the date of annexation.

Trash and Litter Removal

Parks and facilities are patrolled a minimum of once-per-day, seven days a week. Staff will check, and empty, as needed, all trash receptacles daily.

District Funds and Projects

The City will designate unencumbered funds which remain in the Springwoods Limited District accounts upon dissolution ("District Funds") solely for the following list of maintenance and capital improvement projects for the District's Amenities (the "Projects"). The Projects will be performed in a reasonably prompt manner and with due diligence in accordance with the top to bottom priority set forth below; provided, however, that if remaining funds are not sufficient to perform the next Project on the list, the City may skip to the next Project which may be completed with available District Funds. The entire amount of District Funds will be applied to the Projects set forth below. The City's obligation to perform the Projects, however, is limited to the amount of District Funds remaining as each Project is completed. This is not a commitment to complete the entire list of Projects nor to construct any unfunded improvements but is a commitment to expend the entire amount of District Funds on the Projects.

Remaining Limited District Funds List

- An independent assessment for the pool including things such as: replacement of pool blanket with new blanket of equal or better quality; replacement of pool slide; installation of an approved UV system or filter for cryptosporidium; secondary containment for pool chemicals; redesign of the pool water backcharging system; and other items identified by the assessment.

- Evaluation of playground equipment and repairs to bring into compliance with current playground safety standards and replacement of worn out or aging equipment (regardless of whether it meets current safety standards).
- Maintenance and improvements to Springwoods Park office building.

AMENDMENT: GOVERNING LAW

This Plan may not be amended or repealed except as provided by the Texas Local Government Code or other controlling law. Neither changes in the methods or means of implementing any part of the service programs nor changes in the responsibilities of the various departments of the City shall constitute amendments to this Plan, and the City reserves the right to make such changes so long as these changes do not result in a change in services or level of services provided under this Plan. This Plan is subject to and shall be interpreted in accordance with the Constitution and laws of the United States of America and the State of Texas, the Texas Local Government Code, and the orders, rules and regulations of governmental bodies and officers having jurisdiction.

FORCE MAJEURE

In case of an emergency, such as force majeure as that term is defined in this Plan, in which the City is forced to temporarily divert its personnel and resources away from the annexation area for humanitarian purposes or protection of the general public, the City obligates itself to take all reasonable measures to restore services to the annexation area of the level described in this Plan as soon as possible. Force majeure shall include, but not be limited to, acts of God, acts of the public enemy, war, blockages, insurrection, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, washouts, droughts, tornadoes, hurricanes, arrest and restraint of government, explosions, collisions and other inability of the City, whether similar to those enumerated or otherwise, which is not within the control of the City. Unavailability or shortage of funds shall not constitute force majeure for purposes of this Plan.

SUMMARY OF THE WATER AND WASTEWATER UTILITY SERVICE EXTENSION POLICY

The following information is a summary of the Austin Water Utility Service Extension Policy, Chapters 25-1 through 25-5 and 25-9 of the Austin City Code, in conformance with the Texas Local Government Code requirement that the Plan have a summary of the service extension policy.

Water and wastewater service is only provided to lots that have been properly subdivided and platted or are a legal lot. For property that is required by subdivision regulations to construct water or wastewater facilities connecting to the City system, funding and construction of those facilities will remain the responsibility of the developer. If the specific undeveloped property does not have City water or wastewater service fronting the property, the owner may make an application for an extension of service to the Director of the Austin Water Utility for review. If the Director determines that adequate capacity is available, or will be, and if the project does not include City cost participation or reimbursement, and if the proposed facilities are a logical extension of the City's water and wastewater system and the requested extension otherwise meets the requirements of Chapter 25-9, the extension size, capacity, and routing may be approved by the Director for funding and construction by the developer.

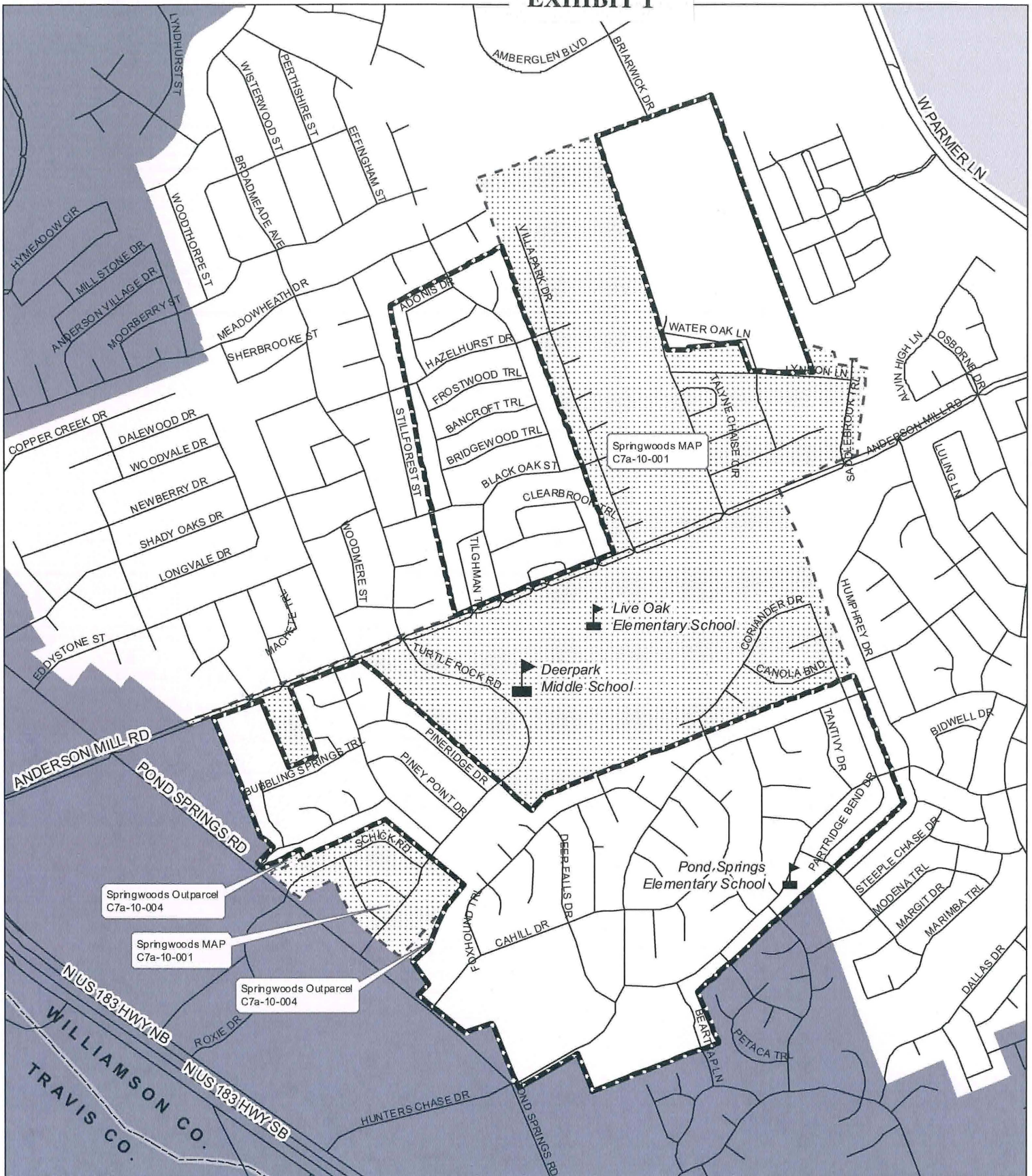
Depending on the size of the new facilities and other conditions, with City Council approval, the City may reimburse the developer for part of the cost of constructing certain facilities. With City Council approval, the City may cost participate by reimbursing costs associated with the oversize capacity of wastewater mains larger than 8 inches but less than 18 inches in diameter, and of water mains greater than 12 inches but less than 24 inches in diameter. With City Council approval, the City may reimburse to the developer the construction cost of the full capacity of wastewater facilities 18 inches in diameter or larger, and water facilities 24 inches in diameter or larger, as well as other facilities such as reservoirs or pumps. The actual calculation of the cost participation and reimbursement amounts, including limits and the schedules for the payments, are included in the Land Development Code.

For lots served by an existing on-site well or septic system that have water or wastewater lines within 100 feet of the lot at the time of annexation, the owner will not be required to pay the impact fees if a tap permit is obtained by the property owner on or before the second anniversary of the date of annexation. For lots served by an existing well or septic system that do not have water or wastewater lines within 100 feet of the lot, the owner will not be required to pay the impact fees of a tap permit is obtained by the property owner on or before the second anniversary of the date of acceptance of the water or sewer line to within 100 feet of their lot. In either case the owner will still be required to pay other applicable connection fees.

As long as a property is using a septic system, the property owner remains responsible for the operation and maintenance of the septic system. If the septic system fails before the City sewer service is extended to the property, the property owner must repair the system. Under certain circumstances the Austin/Travis County Health and Human Services Department may require connection to the City sewer facilities.

This policy is set by the City Council and can be amended in the future by ordinance.

EXHIBIT 1



Springwoods Municipal Utility District Annexation Area C7a-10-002



City of Austin PDRD
J. Chuter
August 30, 2010



Legend

- Springwoods Municipal Utility District
- Other Planned Annexation
- Street
- County Line

Current Jurisdiction

- Austin Full Purpose
- Austin Limited Purpose
- Austin ETJ

0 500 1,000 2,000 Feet

EXHIBIT 2



Springwoods Annexation Area



0 500 1,000 2,000 Feet

Drainage map


Legend

Maintenance Areas

Type

Channel

 Floodwalk Possible Future Maintenance

 Annexation Area

ORDINANCE NO. 20110623-038

**AN ORDINANCE ADOPTING THE SECOND AMENDMENT TO THE
STRATEGIC PARTNERSHIP AGREEMENT BETWEEN THE CITY OF
AUSTIN AND THE SPRINGWOODS LIMITED DISTRICT.**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

PART 1. The City Council approves the Second Amendment to the Strategic Partnership Agreement between the City of Austin and the Springwoods Limited District (formerly the Springwoods Municipal Utility District), in substantially the format attached as Exhibit "A".

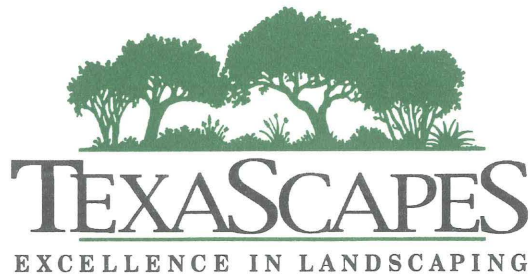
PART 2. This ordinance takes effect on July 5, 2011.

PASSED AND APPROVED

§
§
§
____ June 23 _____, 2011 § _____
Le Leffingwell
Mayor

APPROVED: _____
Karen M. Kennard
City Attorney

ATTEST: _____
Shirley A. Gentry
City Clerk



October 31, 2011

Mr. Troy Houtman
COA-PARD
Division Manager
919 W. 28 1/2 St.
Austin, TX 78705

RE: Sole Source Provider – Springwoods Landscape Maintenance

Dear Mr. Houtman:

TexasScapes, Inc. was contracted by Springwoods Limited District to provide landscape maintenance for Springwoods Parks and greenbelt maintenance for the Springwoods Drainage Channels; the effective date of the contract was September 1, 2011. TexasScapes became a Single Source Provider for the City of Austin by the City's assumption of the existing Springwoods – TexasScapes Contract during the annexation process.

Please do not hesitate to contact me with any questions.

Sincerely,

Doug Grissom, CEO



M E M O R A N D U M TO THE FILE

**City of Austin
Purchasing Office**

DATE: 11/9/11

FROM: Sharon Patterson, Senior Buyer
Phone # 972-4014

RE: NA120000022

This MA is set up in accordance with the strategic partnership agreement and ordinances 20101118-028 and 20110623-038. Lynn Mueller, Contract Compliance Manager, reviewed the strategic partnership agreement, ordinances 20101118-028 and 20110623-038, and the Master Landscape Services Agreement. After review, it was determined that these documents presented the necessary items/clauses to set up the MA – because the agreement was approved previously by Council as item 28 on 11/18/10, the MA did not require Council Approval.

This contract is an inherited obligation of Springwood Limited District for maintenance landscape service agreement for 5 years with 5 12-month extension options. The base period begins October 1, 2011 and ends August 31, 2016. The expiration date is per the Master Landscape Services Agreement between County of Williamson (Springwood MUD) and TexasScapes. In this agreement, the City is unilaterally assigned the Contract.