

**AMENDMENT NO. 1 TO
STRATEGIC PARTNERSHIP AGREEMENT BETWEEN THE CITY OF AUSTIN AND
SOUTHEAST TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 3**

THE STATE OF TEXAS §
 § KNOWN ALL MEN BY THESE PRESENTES:
COUNTY OF TRAVIS §

This Amendment No. 1 to Strategic Partnership Agreement (this “Amendment”) is entered into by the **City of Austin, Texas**, a home-rule municipality located in Travis, Hays and Williamson Counties, Texas (the “City”), and **Southeast Travis County Municipal Utility District No. 3**, a political subdivision of the State of Texas created under Chapter 8384, Subtitle F, Title 6, Texas Special District Local Laws Code and Chapters 49 and 54 of the Texas Water Code (the “District”), and is as follows:

RECITALS:

A. The City and the District previously negotiated and entered into a Strategic Partnership Agreement dated as of June 4, 2012 (the “SPA”), as authorized by Section 43.0751, Texas Local Government Code.

B. Due to a scrivener’s error, the first sentence of Section 3.08 of the SPA specifies an incorrect date as the earliest date upon which the District may be converted to full purpose annexation status. This results in an inconsistency with the correct date specified in the second sentence of Amendment Section 3.08.

C. In order to correct this error, the City and the District have agreed to amend the SPA as set forth in this Amendment.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are acknowledged, the City and the District agree that the SPA is amended as follows:

1. Amendment to Section 3.08. Section 3.08 of the SPA, “Conversion of Remaining Land to Full Purpose Annexation”, is amended to read as follows:

**“Section 3.08 Conversion of Remaining Land to Full Purpose
Annexation Status.**

The City may convert all of the remaining land within the District to full purpose annexation status at such time as it determines such conversion to be appropriate, subject to the terms of the Consent Agreement and this SPA, but, except as otherwise provided in the Consent Agreement, in no event sooner than December 31, 2029. In accordance with Sections 43.0751(f)(5) and 43.0751(h), Texas Local Government Code, the District and the City agree that any land within the District which has not been previously annexed by the City for full purposes may be converted to full purpose annexation status on or after December 31, 2029, at the City’s sole discretion. This full purpose annexation

conversion may be effected by City Council adoption of an ordinance including the area of the District within the full purpose City limits. Except as set out in this SPA, no additional procedural or substantive requirements of State or local annexation law will apply to such annexation or to the annexation ordinance.”

2. Effect of Amendment. Except as specifically provided in this Amendment, the terms of the SPA continue to govern the rights and obligations of the parties, and all terms of the SPA remain in full force and effect. If there is any conflict or inconsistency between this Amendment and the SPA, this Amendment will control and modify the SPA.

IN WITNESS WHEREOF, the undersigned parties have executed this Agreement on the dates indicated below.

DISTRICT:

**SOUTHEAST TRAVIS COUNTY
MUNICIPAL UTILITY DISTRICT NO. 3**

By: _____
Mark Schindler, President
Board of Directors

Date: _____

ATTEST:

By: _____
Terri Talley Nassour, Secretary
Board of Directors

Date: _____

CITY:

CITY OF AUSTIN, TEXAS

By: _____

Name: _____

Title: City Manager

Date: _____

APPROVED AS TO FORM:

By: _____

Name: _____

Title: Assistant City Attorney

Date: _____