



Life Connected.

**CITY COUNCIL SPECIAL MEETING
CELINA COUNCIL CHAMBERS
112 N. COLORADO ST.
WEDNESDAY, AUGUST 26, 2020
5:00 PM**

AGENDA

I. CALL TO ORDER:

II. CONSENT AGENDA: Items are considered self-explanatory and will be enacted with one motion. No separate discussion of these items will occur unless so requested by at least one member of the City Council.

1. Consider and act upon an Ordinance of the City of Celina, Texas, amending Ordinance No. 2014-21 by amending Section 4 of said ordinance concerning the membership of the Board of Directors of Reinvestment Zone Number Two, City of Celina, Texas, to authorize the City Council to serve as the City's appointees to the Board of Directors; providing a severability clause; and providing for an immediate effective date. (Stovall)
2. Consider and act upon an Ordinance of the City of Celina, Texas, amending Ordinance No. 2015-46 by amending Section 4 of said ordinance concerning the membership of the Board of Directors of Reinvestment Zone Number Three, City of Celina, Texas, to authorize the City Council to serve as the City's appointees to the Board of Directors; providing a severability clause; and providing for an immediate effective date. (Stovall)
3. Consider and act upon an Ordinance of the City of Celina, Texas, amending Ordinance No. 2015-52 by amending Section 4 of said ordinance concerning the membership of the Board of Directors of Reinvestment Zone Number Four, City of Celina, Texas, to authorize the City Council to serve as the City's appointees to the Board of Directors; providing a severability clause; and providing for an immediate effective date.(Stovall)
4. Consider and act upon an Ordinance of the City of Celina, Texas, amending Ordinance No. 2016-16 by amending Section 4 of said ordinance concerning the membership of the Board of Directors of Reinvestment Zone Number Five, City of Celina, Texas, to authorize the City Council to serve as the City's appointees to the Board of Directors; providing a severability clause; and providing for an immediate effective date. (Stovall)
5. Consider and act upon an Ordinance of the City of Celina, Texas, amending Ordinance No. 2016-43 by amending Section 4 of said ordinance concerning the membership of the Board of Directors of Reinvestment Zone Number Six, City of Celina, Texas, to authorize the City Council to serve as the City's appointees to the Board of Directors; providing a severability clause; and providing for an immediate effective date. (Stovall)

6. Consider and act upon an Ordinance of the City of Celina, Texas, amending Ordinance No. 2016-64 by amending Section 4 of said ordinance concerning the membership of the Board of Directors of Reinvestment Zone Number Seven, City of Celina, Texas, to authorize the City Council to serve as the City's appointees to the Board of Directors; providing a severability clause; and providing for an immediate effective date. (Stovall)
7. Consider and act upon an Ordinance of the City of Celina, Texas, amending Ordinance No. 2017-70 by amending Section 4 of said ordinance concerning the membership of the Board of Directors of Reinvestment Zone Number Nine, City of Celina, Texas, to authorize the City Council to serve as the City's appointees to the Board of Directors; providing a severability clause; and providing for an immediate effective date. (Stovall)
8. Consider and act upon an Ordinance of the City of Celina, Texas, amending Ordinance No. 2017-49 by amending Section 4 of said ordinance concerning the membership of the Board of Directors of Reinvestment Zone Number Eight, City of Celina, Texas, to authorize the City Council to serve as the City's appointees to the Board of Directors; providing a severability clause; and providing for an immediate effective date. (Stovall)
9. Consider and act upon an Ordinance of the City of Celina, Texas, amending Ordinance No. 2017-71 by amending Section 4 of said ordinance concerning the membership of the Board of Directors of Reinvestment Zone Number Ten, City of Celina, Texas, to authorize the City Council to serve as the City's appointees to the Board of Directors; providing a severability clause; and providing for an immediate effective date. (Stovall)
10. Consider and act to ratify the appointment of Allwin Barrow as Interim Police Chief.

III. PUBLIC HEARING:

1. The Celina City Council will conduct a public hearing, in accordance with Section 43.0751(d) of the Texas Local Government Code, to provide members of the public the opportunity to present testimony or evidence and act upon a proposed Strategic Partnership Agreement between the City and the Collin County Municipal Utility District, No. 1 (the "District"), which agreement provides for the City's full purpose annexation of all land within the District and conversion of the District into a limited district, with such annexation and conversion not to occur before December 31, 2027. ON THE FULL-PURPOSE ANNEXATION CONVERSION DATE, THE LAND INCLUDED WITHIN THE BOUNDARIES OF THE DISTRICT SHALL BE DEEMED TO BE WITHIN THE FULL-PURPOSE BOUNDARY LIMITS OF THE CITY WITHOUT THE NEED FOR FURTHER ACTION BY THE CITY COUNCIL OF THE CITY, INCLUDING ISSUING NOTICE OR CONDUCTING PUBLIC HEARINGS OR AN ELECTION WITHIN THE DISTRICT ON THE QUESTION OF ANNEXATION. (Stovall)

IV. ACTION:

- A. Consider and act upon a Tenth Amendment to Amended and Restated Development Agreement between the City of Celina, Collin County Municipal Utility District No. 1 ("MUD 1") and multiple developer parties owning land within MUD 1 (Light Farms)(Stovall)

- B. Consider and act on a Settlement Agreement for Petition by Outside Ratepayers Appealing the Water Rates Established by the City of Celina in the Texas Public Utility Commission, Docket No. 49225 and City of Celina vs. Collin County Municipal Utility District No. 1; Keller Webster, Gordon Greeson, Kenneth Prater, Andy Harvey, Lissa Shephard in the 471st Judicial District Court of Collin County, Texas, Cause No. 471-02643-2020 (Light Farms)(Stovall)
- C. Consider and act upon a Resolution of the City Council of the City of Celina, Texas, hereby authorizing the City Manager of the City of Celina, Texas, to execute an Interlocal Cooperation Agreement with Denton County for Corona Virus Relief funds to address and respond to COVID-19; and providing for an effective date. (Stovall)
- D. Consider and act upon a request for an amendment to The Cottages development agreement; generally located west of Louisiana Drive and north of J. Fred Smith Parkway. (The Cottages DA Amendment) (Mohan)

V. ADJOURN:

City Council Chambers is wheelchair accessible. Persons with disabilities who plan to attend this meeting and who may need auxiliary aids or services such as interpreters for persons who are deaf, or hearing impaired, or readers of large print, are requested to contact the City Secretary's Office at 972-382-2682, or fax 972-382-3736 at least two (2) working days prior to the meeting so that appropriate arrangements can be made.

The City Council reserves the right to adjourn into executive session at any time during the course of this meeting to discuss any of the matters listed above, as authorized by the Texas Government Code, Chapter 551. "I, the undersigned authority do hereby certify that the Notice of Meeting was posted on the bulletin board at City Hall of the City of Celina, Texas, a place convenient and readily accessible to the general public at all times and said Notice was posted on the following date and time: _____ at _____ p.m. and remained so posted continuously for at least 72 hours prior to the scheduled time of said meeting."



Vicki Tarrant, TRMC

City Secretary, City of Celina, TX

Date Notice Removed



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Administration
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
 From: Karla Stovall, Assistant City Manager
 CC: Jason Laumer, City Manager
 Date: August 26, 2020
 Re: TIRZ 2 Board of Directors Amendment

Action Requested:

Consider and act upon an Ordinance of the City of Celina, Texas, amending Ordinance No. 2014-21 by amending Section 4 of said ordinance concerning the membership of the Board of Directors of Reinvestment Zone Number Two, City of Celina, Texas, to authorize the City Council to serve as the City's appointees to the Board of Directors; providing a severability clause; and providing for an immediate effective date. (Stovall)

Background Information:

Creeks of Legacy / TIRZ #2

The proposed ordinance addresses the membership of the Board and designates the seven members to be filled by City Council. It also establishes in the event the City Council member is not reelected or fails to run for re-election, the successor shall serve on the Board. The City Council appoints the Mayor to serve as the chairman of the Board. The Board is authorized to elect a vice-chairman and other officers as determined by the Board.

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Financial Considerations:

N/A

Legal Review:

Completed

Supporting Documents:

Ordinance

Staff Recommendation:
Approval

CITY OF CELINA, TEXAS

ORDINANCE NO. XXXX

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS, AMENDING ORDINANCE NO. 2014-21 BY AMENDING SECTION 4 OF SAID ORDINANCE CONCERNING THE MEMBERSHIP OF THE BOARD OF DIRECTORS OF REINVESTMENT ZONE NUMBER TWO, CITY OF CELINA, TEXAS, TO AUTHORIZE THE CITY COUNCIL TO SERVE AS THE CITY'S APPOINTEES TO THE BOARD OF DIRECTORS; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING FOR AN IMMEDIATE EFFECTIVE DATE.

WHEREAS, the City of Celina, Texas (the "City"), pursuant to Chapter 311 of the Texas Tax Code, as amended (the "Act"), may designate a geographic area within the extraterritorial jurisdiction of the City as a tax increment reinvestment zone if the area satisfies the requirements of the Act; and

WHEREAS, on May 22, 2014, the City Council for the City, (the "City Council") created Reinvestment Zone Number Two, City of Celina (the "Zone") by Ordinance No. 2014-21 (the "Creation Ordinance"); and

WHEREAS, Section 311.009 of the Act provides the authority for membership on the Board of Directors of the Zone; and

WHEREAS, the City Council of the City of Celina, Texas, now desires to amend Section 4 of the Creation Ordinance to address the membership of the Board of Directors of the Zone.

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

SECTION 1. FINDINGS.

That the facts and recitations contained in the preamble of this Ordinance are hereby found and declared to be true and correct legislative findings and are adopted as part of this Ordinance for all purposes.

SECTION 2. AMENDMENT TO ORDINANCE NO. 2014-21.

- (a) **Amendment to Ordinance.** That Section 4 of Ordinance No. 2014-21, approved by the City Council of the City of Celina, Texas, on May 22, 2014, is hereby amended to read as follows:

“SECTION 4.**BOARD OF DIRECTORS.**

(a) The City Council hereby creates a board of directors for the Zone (hereinafter referred to as the “Board”) consisting of seven (7) members all appointed by City Council.

(b) The City Council hereby appoints the City Council to serve as the Board. The City Council appoints the Mayor to serve as the chairman of the Board. The Board is authorized to elect a vice-chairman and other officers as determined by the Board. City Council members shall serve on the Board during their term on City Council. In the event, a City Council member is not reelected or fails to run for re-election, the successor shall serve on the Board.

(c) The Board shall make recommendations to the City Council concerning the administration, management, and operation of the Zone. The Board shall prepare or cause to be prepared and adopted a project plan and a reinvestment zone financing plan for the Zone (hereinafter referred to as the “Project and Finance Plan”) as required by the Act, and shall submit the Project and Finance Plan to the City Council for approval. The City Council hereby delegates to the Board all powers necessary to implement the Project and Finance Plan as approved by the City Council, including the power to employ consultants and enter into agreements that the Board considers necessary or convenient to implement the Project and Finance Plan and to administer, operate, and manage the Zone including, but not limited to, the power to enter into reimbursement agreements and other obligations secured by the Tax Increment Fund established pursuant to Section 6 of the creation Ordinance.

(d) Pursuant to Section 311.010(h) of the Act and Article III, Section 52-a of the Texas Constitution, the City Council hereby authorizes the Board, as necessary or convenient to implement the Project and Finance Plan and achieve its purposes, to establish and provide for the administration of one or more programs for the public purposes of developing and diversifying the economy of the Zone, eliminating unemployment and underemployment in the Zone, and developing or expanding transportation, business, and commercial activity in the Zone, including programs to make grants of land and buildings and make grants from the Tax Increment Fund for activities that benefit the Zone and stimulate business and commercial activity in the Zone. In addition, the City Council hereby authorizes the Board to exercise all of the powers of the City under Chapter 380, Texas Local Government Code, as amended.

(e) Directors shall not receive any salary or other compensation for their services as directors.”

SECTION 3.**MISCELLANEOUS PROVISIONS.**

That the following miscellaneous provisions are a part of this Ordinance:

- (a) Ordinance Number 2014-21 shall continue in full force and effect except as amended herein.
- (b) It is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs and sections of this Ordinance are severable, and if any phrase,

clause, sentence, paragraph or section of this Ordinance shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this Ordinance, since the same would have been enacted by the City Council without the incorporation of this Ordinance of any such unconstitutional phrase, clause, sentence, paragraph or section.

- (c) This Ordinance shall become effective immediately upon its passage.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS THIS THE 26TH DAY OF AUGUST, 2020.

Sean Terry, Mayor

ATTEST:

Vicki Tarrant, City Secretary

APPROVED AS TO FORM:

City Attorney



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Administration
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
 From: Karla Stovall, Assistant City Manager
 CC: Jason Laumer, City Manager
 Date: August 26, 2020
 Re: TIRZ 3 Board of Directors Amendment

Action Requested:

Consider and act upon an Ordinance of the City of Celina, Texas, amending Ordinance No. 2015-46 by amending Section 4 of said ordinance concerning the membership of the Board of Directors of Reinvestment Zone Number Three, City of Celina, Texas, to authorize the City Council to serve as the City's appointees to the Board of Directors; providing a severability clause; and providing for an immediate effective date. (Stovall)

Background Information:

Wells South/ TIRZ #3

The proposed ordinance addresses the membership of the Board and designates the seven members to be filled by City Council. It also establishes in the event the City Council member is not reelected or fails to run for re-election, the successor shall serve on the Board. The City Council appoints the Mayor to serve as the chairman of the Board. The Board is authorized to elect a vice-chairman and other officers as determined by the Board.

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Financial Considerations:

N/A

Legal Review:

Completed

Supporting Documents:

Ordinance

Staff Recommendation:

Approval

CITY OF CELINA, TEXAS

ORDINANCE NO. XXXX

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS, AMENDING ORDINANCE NO. 2015-46 BY AMENDING SECTION 4 OF SAID ORDINANCE CONCERNING THE MEMBERSHIP OF THE BOARD OF DIRECTORS OF REINVESTMENT ZONE NUMBER THREE, CITY OF CELINA, TEXAS, TO AUTHORIZE THE CITY COUNCIL TO SERVE AS THE CITY'S APPOINTEES TO THE BOARD OF DIRECTORS; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING FOR AN IMMEDIATE EFFECTIVE DATE.

WHEREAS, the City of Celina, Texas (the "City"), pursuant to Chapter 311 of the Texas Tax Code, as amended (the "Act"), may designate a geographic area within the extraterritorial jurisdiction of the City as a tax increment reinvestment zone if the area satisfies the requirements of the Act; and

WHEREAS, on September 17, 2015, the City Council for the City, (the "City Council") created Reinvestment Zone Number Three, City of Celina (the "Zone") by Ordinance No. 2015-46 (the "Creation Ordinance"); and

WHEREAS, Section 311.009 of the Act provides the authority for membership on the Board of Directors of the Zone; and

WHEREAS, the City Council of the City of Celina, Texas, now desires to amend Section 4 of the Creation Ordinance to address the membership of the Board of Directors of the Zone.

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

SECTION 1. FINDINGS.

That the facts and recitations contained in the preamble of this Ordinance are hereby found and declared to be true and correct legislative findings and are adopted as part of this Ordinance for all purposes.

SECTION 2. AMENDMENT TO ORDINANCE NO. 2015-46.

- (a) **Amendment to Ordinance.** That Section 4 of Ordinance No. 2015-46, approved by the City Council of the City of Celina, Texas, on September 17, 2015, is hereby amended to read as follows:

“SECTION 4. BOARD OF DIRECTORS.

(a) The City Council hereby creates a board of directors for the Zone (hereinafter referred to as the “Board”) consisting of seven (7) members all appointed by City Council.

(b) The City Council hereby appoints the City Council to serve as the Board. The City Council appoints the Mayor to serve as the chairman of the Board. The Board is authorized to elect a vice-chairman and other officers as determined by the Board. City Council members shall serve on the Board during their term on City Council. In the event, a City Council member is not reelected or fails to run for re-election, the successor shall serve on the Board.

(c) The Board shall make recommendations to the City Council concerning the administration, management, and operation of the Zone. The Board shall prepare or cause to be prepared and adopted a project plan and a reinvestment zone financing plan for the Zone (hereinafter referred to as the “Project and Finance Plan”) as required by the Act, and shall submit the Project and Finance Plan to the City Council for approval. The City Council hereby delegates to the Board all powers necessary to implement the Project and Finance Plan as approved by the City Council, including the power to employ consultants and enter into agreements that the Board considers necessary or convenient to implement the Project and Finance Plan and to administer, operate, and manage the Zone including, but not limited to, the power to enter into reimbursement agreements and other obligations secured by the Tax Increment Fund established pursuant to Section 6 of the creation Ordinance.

(d) Pursuant to Section 311.010(h) of the Act and Article III, Section 52-a of the Texas Constitution, the City Council hereby authorizes the Board, as necessary or convenient to implement the Project and Finance Plan and achieve its purposes, to establish and provide for the administration of one or more programs for the public purposes of developing and diversifying the economy of the Zone, eliminating unemployment and underemployment in the Zone, and developing or expanding transportation, business, and commercial activity in the Zone, including programs to make grants of land and buildings and make grants from the Tax Increment Fund for activities that benefit the Zone and stimulate business and commercial activity in the Zone. In addition, the City Council hereby authorizes the Board to exercise all of the powers of the City under Chapter 380, Texas Local Government Code, as amended.

(e) Directors shall not receive any salary or other compensation for their services as directors.”

SECTION 3. MISCELLANEOUS PROVISIONS.

That the following miscellaneous provisions are a part of this Ordinance:

- (a) Ordinance Number 2015-46 shall continue in full force and effect except as amended herein.
- (b) It is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs and sections of this Ordinance are severable, and if any phrase,

clause, sentence, paragraph or section of this Ordinance shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this Ordinance, since the same would have been enacted by the City Council without the incorporation of this Ordinance of any such unconstitutional phrase, clause, sentence, paragraph or section.

- (c) This Ordinance shall become effective immediately upon its passage.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS, THIS THE 26TH DAY OF AUGUST, 2020.

Sean Terry, Mayor

ATTEST:

Vicki Tarrant, City Secretary

APPROVED AS TO FORM:

City Attorney



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Administration
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
 From: Karla Stovall, Assistant City Manager
 CC: Jason Laumer, City Manager
 Date: August 26, 2020
 Re: TIRZ 4 Board of Directors Amendment

Action Requested:

Consider and act upon an Ordinance of the City of Celina, Texas, amending Ordinance No. 2015-52 by amending Section 4 of said ordinance concerning the membership of the Board of Directors of Reinvestment Zone Number Four, City of Celina, Texas, to authorize the City Council to serve as the City's appointees to the Board of Directors; providing a severability clause; and providing for an immediate effective date.(Stovall)

Background Information:

Sutton Fields/ TIRZ #4

The proposed ordinance addresses the membership of the Board and designates the seven members to be filled by City Council. It also establishes in the event the City Council member is not reelected or fails to run for re-election, the successor shall serve on the Board. The City Council appoints the Mayor to serve as the chairman of the Board. The Board is authorized to elect a vice-chairman and other officers as determined by the Board.

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Financial Considerations:

N/A

Legal Review:

Completed

Supporting Documents:

Ordinance

Staff Recommendation:

Approval

CITY OF CELINA, TEXAS

ORDINANCE NO. XXXX

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS, AMENDING ORDINANCE NO. 2015-52 BY AMENDING SECTION 4 OF SAID ORDINANCE CONCERNING THE MEMBERSHIP OF THE BOARD OF DIRECTORS OF REINVESTMENT ZONE NUMBER FOUR, CITY OF CELINA, TEXAS, TO AUTHORIZE THE CITY COUNCIL TO SERVE AS THE CITY'S APPOINTEES TO THE BOARD OF DIRECTORS; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING FOR AN IMMEDIATE EFFECTIVE DATE.

WHEREAS, the City of Celina, Texas (the "City"), pursuant to Chapter 311 of the Texas Tax Code, as amended (the "Act"), may designate a geographic area within the extraterritorial jurisdiction of the City as a tax increment reinvestment zone if the area satisfies the requirements of the Act; and

WHEREAS, on November 5, 2015, the City Council for the City, (the "City Council") created Reinvestment Zone Number Four, City of Celina (the "Zone") by Ordinance No. 2015-52 (the "Creation Ordinance"); and

WHEREAS, Section 311.009 of the Act provides the authority for membership on the Board of Directors of the Zone; and

WHEREAS, the City Council of the City of Celina, Texas, now desires to amend Section 4 of the Creation Ordinance to address the membership of the Board of Directors of the Zone.

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

SECTION 1. FINDINGS.

That the facts and recitations contained in the preamble of this Ordinance are hereby found and declared to be true and correct legislative findings and are adopted as part of this Ordinance for all purposes.

SECTION 2. AMENDMENT TO ORDINANCE NO. 2015-52.

- (a) **Amendment to Ordinance.** That Section 4 of Ordinance No. 2015-52, approved by the City Council of the City of Celina, Texas, on November 5, 2015, is hereby amended to read as follows:

“SECTION 4.**BOARD OF DIRECTORS.**

(a) The City Council hereby creates a board of directors for the Zone (hereinafter referred to as the “Board”) consisting of seven (7) members all appointed by City Council.

(b) The City Council hereby appoints the City Council to serve as the Board. The City Council appoints the Mayor to serve as the chairman of the Board. The Board is authorized to elect a vice-chairman and other officers as determined by the Board. City Council members shall serve on the Board during their term on City Council. In the event, a City Council member is not reelected or fails to run for re-election, the successor shall serve on the Board.

(c) The Board shall make recommendations to the City Council concerning the administration, management, and operation of the Zone. The Board shall prepare or cause to be prepared and adopted a project plan and a reinvestment zone financing plan for the Zone (hereinafter referred to as the “Project and Finance Plan”) as required by the Act, and shall submit the Project and Finance Plan to the City Council for approval. The City Council hereby delegates to the Board all powers necessary to implement the Project and Finance Plan as approved by the City Council, including the power to employ consultants and enter into agreements that the Board considers necessary or convenient to implement the Project and Finance Plan and to administer, operate, and manage the Zone including, but not limited to, the power to enter into reimbursement agreements and other obligations secured by the Tax Increment Fund established pursuant to Section 6 of the creation Ordinance.

(d) Pursuant to Section 311.010(h) of the Act and Article III, Section 52-a of the Texas Constitution, the City Council hereby authorizes the Board, as necessary or convenient to implement the Project and Finance Plan and achieve its purposes, to establish and provide for the administration of one or more programs for the public purposes of developing and diversifying the economy of the Zone, eliminating unemployment and underemployment in the Zone, and developing or expanding transportation, business, and commercial activity in the Zone, including programs to make grants of land and buildings and make grants from the Tax Increment Fund for activities that benefit the Zone and stimulate business and commercial activity in the Zone. In addition, the City Council hereby authorizes the Board to exercise all of the powers of the City under Chapter 380, Texas Local Government Code, as amended.

(e) Directors shall not receive any salary or other compensation for their services as directors.”

SECTION 3.**MISCELLANEOUS PROVISIONS.**

That the following miscellaneous provisions are a part of this Ordinance:

- (a) Ordinance Number 2015-52 shall continue in full force and effect except as amended herein.
- (b) It is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs and sections of this Ordinance are severable, and if any phrase,

clause, sentence, paragraph or section of this Ordinance shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this Ordinance, since the same would have been enacted by the City Council without the incorporation of this Ordinance of any such unconstitutional phrase, clause, sentence, paragraph or section.

- (c) This Ordinance shall become effective immediately upon its passage.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS, THIS THE 26TH DAY OF AUGUST, 2020.

Sean Terry, Mayor

ATTEST:

Vicki Tarrant, City Secretary

APPROVED AS TO FORM:

City Attorney



Life Connected.

Administration
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
 From: Karla Stovall, Assistant City Manager
 CC: Jason Laumer, City Manager
 Date: August 26, 2020
 Re: TIRZ 5 Board of Directors Amendment

Action Requested:

Consider and act upon an Ordinance of the City of Celina, Texas, amending Ordinance No. 2016-16 by amending Section 4 of said ordinance concerning the membership of the Board of Directors of Reinvestment Zone Number Five, City of Celina, Texas, to authorize the City Council to serve as the City's appointees to the Board of Directors; providing a severability clause; and providing for an immediate effective date. (Stovall)

Background Information:

Old Celina Limited/ TIRZ #5

The proposed ordinance addresses the membership of the Board and designates the seven members to be filled by City Council. It also establishes in the event the City Council member is not reelected or fails to run for re-election, the successor shall serve on the Board. The City Council appoints the Mayor to serve as the chairman of the Board. The Board is authorized to elect a vice-chairman and other officers as determined by the Board.

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Financial Considerations:

N/A

Legal Review:

Completed

Supporting Documents:

Ordinance

Staff Recommendation:

Approval

CITY OF CELINA, TEXAS

ORDINANCE NO. XXXX

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS, AMENDING ORDINANCE NO. 2016-16 BY AMENDING SECTION 4 OF SAID ORDINANCE CONCERNING THE MEMBERSHIP OF THE BOARD OF DIRECTORS OF REINVESTMENT ZONE NUMBER FIVE, CITY OF CELINA, TEXAS, TO AUTHORIZE THE CITY COUNCIL TO SERVE AS THE CITY'S APPOINTEES TO THE BOARD OF DIRECTORS; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING FOR AN IMMEDIATE EFFECTIVE DATE.

WHEREAS, the City of Celina, Texas (the "City"), pursuant to Chapter 311 of the Texas Tax Code, as amended (the "Act"), may designate a geographic area within the extraterritorial jurisdiction of the City as a tax increment reinvestment zone if the area satisfies the requirements of the Act; and

WHEREAS, on March 8, 2016, the City Council for the City, (the "City Council") created Reinvestment Zone Number Five, City of Celina (the "Zone") by Ordinance No. 2016-16 (the "Creation Ordinance"); and

WHEREAS, Section 311.009 of the Act provides the authority for membership on the Board of Directors of the Zone; and

WHEREAS, the City Council of the City of Celina, Texas, now desires to amend Section 4 of the Creation Ordinance to address the membership of the Board of Directors of the Zone.

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

SECTION 1. FINDINGS.

That the facts and recitations contained in the preamble of this Ordinance are hereby found and declared to be true and correct legislative findings and are adopted as part of this Ordinance for all purposes.

SECTION 2. AMENDMENT TO ORDINANCE NO. 2016-16.

- (a) **Amendment to Ordinance.** That Section 4 of Ordinance No. 2016-16, approved by the City Council of the City of Celina, Texas, on March 8, 2016, is hereby amended to read as follows:

“SECTION 4.**BOARD OF DIRECTORS.**

(a) The City Council hereby creates a board of directors for the Zone (hereinafter referred to as the “Board”) consisting of seven (7) members all appointed by City Council.

(b) The City Council hereby appoints the City Council to serve as the Board. The City Council appoints the Mayor to serve as the chairman of the Board. The Board is authorized to elect a vice-chairman and other officers as determined by the Board. City Council members shall serve on the Board during their term on City Council. In the event, a City Council member is not reelected or fails to run for re-election, the successor shall serve on the Board.

(c) The Board shall make recommendations to the City Council concerning the administration, management, and operation of the Zone. The Board shall prepare or cause to be prepared and adopted a project plan and a reinvestment zone financing plan for the Zone (hereinafter referred to as the “Project and Finance Plan”) as required by the Act, and shall submit the Project and Finance Plan to the City Council for approval. The City Council hereby delegates to the Board all powers necessary to implement the Project and Finance Plan as approved by the City Council, including the power to employ consultants and enter into agreements that the Board considers necessary or convenient to implement the Project and Finance Plan and to administer, operate, and manage the Zone including, but not limited to, the power to enter into reimbursement agreements and other obligations secured by the Tax Increment Fund established pursuant to Section 6 of the creation Ordinance.

(d) Pursuant to Section 311.010(h) of the Act and Article III, Section 52-a of the Texas Constitution, the City Council hereby authorizes the Board, as necessary or convenient to implement the Project and Finance Plan and achieve its purposes, to establish and provide for the administration of one or more programs for the public purposes of developing and diversifying the economy of the Zone, eliminating unemployment and underemployment in the Zone, and developing or expanding transportation, business, and commercial activity in the Zone, including programs to make grants of land and buildings and make grants from the Tax Increment Fund for activities that benefit the Zone and stimulate business and commercial activity in the Zone. In addition, the City Council hereby authorizes the Board to exercise all of the powers of the City under Chapter 380, Texas Local Government Code, as amended.

(e) Directors shall not receive any salary or other compensation for their services as directors.”

SECTION 3.**MISCELLANEOUS PROVISIONS.**

That the following miscellaneous provisions are a part of this Ordinance:

- (a) Ordinance Number 2016-16 shall continue in full force and effect except as amended herein.
- (b) It is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs and sections of this Ordinance are severable, and if any phrase,

clause, sentence, paragraph or section of this Ordinance shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this Ordinance, since the same would have been enacted by the City Council without the incorporation of this Ordinance of any such unconstitutional phrase, clause, sentence, paragraph or section.

- (c) This Ordinance shall become effective immediately upon its passage.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS, THIS THE 26TH DAY OF AUGUST, 2020.

Sean Terry, Mayor

ATTEST:

Vicki Tarrant, City Secretary

APPROVED AS TO FORM:

City Attorney



Life Connected.

Administration
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
 From: Karla Stovall, Assistant City Manager
 CC: Jason Laumer, City Manager
 Date: August 26, 2020
 Re: TIRZ 6 Board of Directors Amendment

Action Requested:

Consider and act upon an Ordinance of the City of Celina, Texas, amending Ordinance No. 2016-43 by amending Section 4 of said ordinance concerning the membership of the Board of Directors of Reinvestment Zone Number Six, City of Celina, Texas, to authorize the City Council to serve as the City's appointees to the Board of Directors; providing a severability clause; and providing for an immediate effective date. (Stovall)

Background Information:

Glen Crossing/ TIRZ #6

The proposed ordinance addresses the membership of the Board and designates the seven members to be filled by City Council. It also establishes in the event the City Council member is not reelected or fails to run for re-election, the successor shall serve on the Board. The City Council appoints the Mayor to serve as the chairman of the Board. The Board is authorized to elect a vice-chairman and other officers as determined by the Board.

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Financial Considerations:

N/A

Legal Review:

Completed

Supporting Documents:

Ordinance

Staff Recommendation:

Approval

CITY OF CELINA, TEXAS

ORDINANCE NO. XXXX

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS, AMENDING ORDINANCE NO. 2016-43 BY AMENDING SECTION 4 OF SAID ORDINANCE CONCERNING THE MEMBERSHIP OF THE BOARD OF DIRECTORS OF REINVESTMENT ZONE NUMBER SIX, CITY OF CELINA, TEXAS, TO AUTHORIZE THE CITY COUNCIL TO SERVE AS THE CITY'S APPOINTEES TO THE BOARD OF DIRECTORS; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING FOR AN IMMEDIATE EFFECTIVE DATE.

WHEREAS, the City of Celina, Texas (the "City"), pursuant to Chapter 311 of the Texas Tax Code, as amended (the "Act"), may designate a geographic area within the extraterritorial jurisdiction of the City as a tax increment reinvestment zone if the area satisfies the requirements of the Act; and

WHEREAS, on June 14, 2016, the City Council for the City, (the "City Council") created Reinvestment Zone Number Six, City of Celina (the "Zone") by Ordinance No. 2016-43 (the "Creation Ordinance"); and

WHEREAS, Section 311.009 of the Act provides the authority for membership on the Board of Directors of the Zone; and

WHEREAS, the City Council of the City of Celina, Texas, now desires to amend Section 4 of the Creation Ordinance to address the membership of the Board of Directors of the Zone.

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

SECTION 1. FINDINGS.

That the facts and recitations contained in the preamble of this Ordinance are hereby found and declared to be true and correct legislative findings and are adopted as part of this Ordinance for all purposes.

SECTION 2. AMENDMENT TO ORDINANCE NO. 2016-43.

- (a) **Amendment to Ordinance.** That Section 4 of Ordinance No. 2016-43, approved by the City Council of the City of Celina, Texas, on June 14, 2016, is hereby amended to read as follows:

“SECTION 4.**BOARD OF DIRECTORS.**

(a) The City Council hereby creates a board of directors for the Zone (hereinafter referred to as the “Board”) consisting of seven (7) members all appointed by City Council.

(b) The City Council hereby appoints the City Council to serve as the Board. The City Council appoints the Mayor to serve as the chairman of the Board. The Board is authorized to elect a vice-chairman and other officers as determined by the Board. City Council members shall serve on the Board during their term on City Council. In the event, a City Council member is not reelected or fails to run for re-election, the successor shall serve on the Board.

(c) The Board shall make recommendations to the City Council concerning the administration, management, and operation of the Zone. The Board shall prepare or cause to be prepared and adopted a project plan and a reinvestment zone financing plan for the Zone (hereinafter referred to as the “Project and Finance Plan”) as required by the Act, and shall submit the Project and Finance Plan to the City Council for approval. The City Council hereby delegates to the Board all powers necessary to implement the Project and Finance Plan as approved by the City Council, including the power to employ consultants and enter into agreements that the Board considers necessary or convenient to implement the Project and Finance Plan and to administer, operate, and manage the Zone including, but not limited to, the power to enter into reimbursement agreements and other obligations secured by the Tax Increment Fund established pursuant to Section 6 of the creation Ordinance.

(d) Pursuant to Section 311.010(h) of the Act and Article III, Section 52-a of the Texas Constitution, the City Council hereby authorizes the Board, as necessary or convenient to implement the Project and Finance Plan and achieve its purposes, to establish and provide for the administration of one or more programs for the public purposes of developing and diversifying the economy of the Zone, eliminating unemployment and underemployment in the Zone, and developing or expanding transportation, business, and commercial activity in the Zone, including programs to make grants of land and buildings and make grants from the Tax Increment Fund for activities that benefit the Zone and stimulate business and commercial activity in the Zone. In addition, the City Council hereby authorizes the Board to exercise all of the powers of the City under Chapter 380, Texas Local Government Code, as amended.

(e) Directors shall not receive any salary or other compensation for their services as directors.”

SECTION 3.**MISCELLANEOUS PROVISIONS.**

That the following miscellaneous provisions are a part of this Ordinance:

- (a) Ordinance Number 2016-43 shall continue in full force and effect except as amended herein.
- (b) It is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs and sections of this Ordinance are severable, and if any phrase,

clause, sentence, paragraph or section of this Ordinance shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this Ordinance, since the same would have been enacted by the City Council without the incorporation of this Ordinance of any such unconstitutional phrase, clause, sentence, paragraph or section.

- (c) This Ordinance shall become effective immediately upon its passage.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS, THIS THE 26TH DAY OF AUGUST, 2020.

Sean Terry, Mayor

ATTEST:

Vicki Tarrant, City Secretary

APPROVED AS TO FORM:

City Attorney



Life Connected.

Administration
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
 From: Karla Stovall, Assistant City Manager
 CC: Jason Laumer, City Manager
 Date: August 26, 2020
 Re: TIRZ 7 Board of Directors Amendment

Action Requested:

Consider and act upon an Ordinance of the City of Celina, Texas, amending Ordinance No. 2016-64 by amending Section 4 of said ordinance concerning the membership of the Board of Directors of Reinvestment Zone Number Seven, City of Celina, Texas, to authorize the City Council to serve as the City's appointees to the Board of Directors; providing a severability clause; and providing for an immediate effective date. (Stovall)

Background Information:

Owensby Farms/ TIRZ #7

The proposed ordinance addresses the membership of the Board and designates the seven members to be filled by City Council. It also establishes in the event the City Council member is not reelected or fails to run for re-election, the successor shall serve on the Board. The City Council appoints the Mayor to serve as the chairman of the Board. The Board is authorized to elect a vice-chairman and other officers as determined by the Board.

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Financial Considerations:

N/A

Legal Review:

N/A

Supporting Documents:

Ordinance

Staff Recommendation:

Approval

CITY OF CELINA, TEXAS

ORDINANCE NO. XXXX

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS, AMENDING ORDINANCE NO. 2016-64 BY AMENDING SECTION 4 OF SAID ORDINANCE CONCERNING THE MEMBERSHIP OF THE BOARD OF DIRECTORS OF REINVESTMENT ZONE NUMBER SEVEN, CITY OF CELINA, TEXAS, TO AUTHORIZE THE CITY COUNCIL TO SERVE AS THE CITY'S APPOINTEES TO THE BOARD OF DIRECTORS; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING FOR AN IMMEDIATE EFFECTIVE DATE.

WHEREAS, the City of Celina, Texas (the "City"), pursuant to Chapter 311 of the Texas Tax Code, as amended (the "Act"), may designate a geographic area within the extraterritorial jurisdiction of the City as a tax increment reinvestment zone if the area satisfies the requirements of the Act; and

WHEREAS, on September 13, 2016, the City Council for the City, (the "City Council") created Reinvestment Zone Number Seven, City of Celina (the "Zone") by Ordinance No. 2016-64 (the "Creation Ordinance"); and

WHEREAS, Section 311.009 of the Act provides the authority for membership on the Board of Directors of the Zone; and

WHEREAS, the City Council of the City of Celina, Texas, now desires to amend Section 4 of the Creation Ordinance to address the membership of the Board of Directors of the Zone.

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

SECTION 1. FINDINGS.

That the facts and recitations contained in the preamble of this Ordinance are hereby found and declared to be true and correct legislative findings and are adopted as part of this Ordinance for all purposes.

SECTION 2. AMENDMENT TO ORDINANCE NO. 2016-64.

- (a) **Amendment to Ordinance.** That Section 4 of Ordinance No. 2016-64, approved by the City Council of the City of Celina, Texas, on September 13, 2016, is hereby amended to read as follows:

“SECTION 4. BOARD OF DIRECTORS.

(a) The City Council hereby creates a board of directors for the Zone (hereinafter referred to as the “Board”) consisting of seven (7) members all appointed by City Council.

(b) The City Council hereby appoints the City Council to serve as the Board. The City Council appoints the Mayor to serve as the chairman of the Board. The Board is authorized to elect a vice-chairman and other officers as determined by the Board. City Council members shall serve on the Board during their term on City Council. In the event, a City Council member is not reelected or fails to run for re-election, the successor shall serve on the Board.

(c) The Board shall make recommendations to the City Council concerning the administration, management, and operation of the Zone. The Board shall prepare or cause to be prepared and adopted a project plan and a reinvestment zone financing plan for the Zone (hereinafter referred to as the “Project and Finance Plan”) as required by the Act, and shall submit the Project and Finance Plan to the City Council for approval. The City Council hereby delegates to the Board all powers necessary to implement the Project and Finance Plan as approved by the City Council, including the power to employ consultants and enter into agreements that the Board considers necessary or convenient to implement the Project and Finance Plan and to administer, operate, and manage the Zone including, but not limited to, the power to enter into reimbursement agreements and other obligations secured by the Tax Increment Fund established pursuant to Section 6 of the creation Ordinance.

(d) Pursuant to Section 311.010(h) of the Act and Article III, Section 52-a of the Texas Constitution, the City Council hereby authorizes the Board, as necessary or convenient to implement the Project and Finance Plan and achieve its purposes, to establish and provide for the administration of one or more programs for the public purposes of developing and diversifying the economy of the Zone, eliminating unemployment and underemployment in the Zone, and developing or expanding transportation, business, and commercial activity in the Zone, including programs to make grants of land and buildings and make grants from the Tax Increment Fund for activities that benefit the Zone and stimulate business and commercial activity in the Zone. In addition, the City Council hereby authorizes the Board to exercise all of the powers of the City under Chapter 380, Texas Local Government Code, as amended.

(e) Directors shall not receive any salary or other compensation for their services as directors.”

SECTION 3. MISCELLANEOUS PROVISIONS.

That the following miscellaneous provisions are a part of this Ordinance:

- (a) Ordinance Number 2016-64 shall continue in full force and effect except as amended herein.
- (b) It is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs and sections of this Ordinance are severable, and if any phrase,

clause, sentence, paragraph or section of this Ordinance shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this Ordinance, since the same would have been enacted by the City Council without the incorporation of this Ordinance of any such unconstitutional phrase, clause, sentence, paragraph or section.

- (c) This Ordinance shall become effective immediately upon its passage.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS, THIS THE 26TH DAY OF AUGUST, 2020.

Sean Terry, Mayor

ATTEST:

Vicki Tarrant, City Secretary

APPROVED AS TO FORM:

City Attorney



Life Connected.

Administration
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
 From: Karla Stovall, Assistant City Manager
 CC: Jason Laumer, City Manager
 Date: August 26, 2020
 Re: TIRZ 9 Board of Directors Amendment

Action Requested:

Consider and act upon an Ordinance of the City of Celina, Texas, amending Ordinance No. 2017-70 by amending Section 4 of said ordinance concerning the membership of the Board of Directors of Reinvestment Zone Number Nine, City of Celina, Texas, to authorize the City Council to serve as the City's appointees to the Board of Directors; providing a severability clause; and providing for an immediate effective date. (Stovall)

Background Information:

The Columns/ TIRZ #9

The proposed ordinance addresses the membership of the Board and designates the seven members to be filled by City Council. It also establishes in the event the City Council member is not reelected or fails to run for re-election, the successor shall serve on the Board. The City Council appoints the Mayor to serve as the chairman of the Board. The Board is authorized to elect a vice-chairman and other officers as determined by the Board.

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Financial Considerations:

N/A

Legal Review:

Completed

Supporting Documents:

Ordinance

Staff Recommendation:

Approval

CITY OF CELINA, TEXAS

ORDINANCE NO. XXXX

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS, AMENDING ORDINANCE NO. 2017-70 BY AMENDING SECTION 4 OF SAID ORDINANCE CONCERNING THE MEMBERSHIP OF THE BOARD OF DIRECTORS OF REINVESTMENT ZONE NUMBER NINE, CITY OF CELINA, TEXAS, TO AUTHORIZE THE CITY COUNCIL TO SERVE AS THE CITY'S APPOINTEES TO THE BOARD OF DIRECTORS; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING FOR AN IMMEDIATE EFFECTIVE DATE.

WHEREAS, the City of Celina, Texas (the "City"), pursuant to Chapter 311 of the Texas Tax Code, as amended (the "Act"), may designate a geographic area within the extraterritorial jurisdiction of the City as a tax increment reinvestment zone if the area satisfies the requirements of the Act; and

WHEREAS, on November 14, 2017, the City Council for the City, (the "City Council") created Reinvestment Zone Number Nine, City of Celina (the "Zone") by Ordinance No. 2017-70 (the "Creation Ordinance"); and

WHEREAS, Section 311.009 of the Act provides the authority for membership on the Board of Directors of the Zone; and

WHEREAS, the City Council of the City of Celina, Texas, now desires to amend Section 4 of the Creation Ordinance to address the membership of the Board of Directors of the Zone.

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

SECTION 1. FINDINGS.

That the facts and recitations contained in the preamble of this Ordinance are hereby found and declared to be true and correct legislative findings and are adopted as part of this Ordinance for all purposes.

SECTION 2. AMENDMENT TO ORDINANCE NO. 2017-70.

- (a) **Amendment to Ordinance.** That Section 4 of Ordinance No. 2017-70, approved by the City Council of the City of Celina, Texas, on November 14, 2017, is hereby amended to read as follows:

“SECTION 4. BOARD OF DIRECTORS.

(a) The City Council hereby creates a board of directors for the Zone (hereinafter referred to as the “Board”) consisting of seven (7) members all appointed by City Council.

(b) The City Council hereby appoints the City Council to serve as the Board. The City Council appoints the Mayor to serve as the chairman of the Board. The Board is authorized to elect a vice-chairman and other officers as determined by the Board. City Council members shall serve on the Board during their term on City Council. In the event, a City Council member is not reelected or fails to run for re-election, the successor shall serve on the Board.

(c) The Board shall make recommendations to the City Council concerning the administration, management, and operation of the Zone. The Board shall prepare or cause to be prepared and adopted a project plan and a reinvestment zone financing plan for the Zone (hereinafter referred to as the “Project and Finance Plan”) as required by the Act, and shall submit the Project and Finance Plan to the City Council for approval. The City Council hereby delegates to the Board all powers necessary to implement the Project and Finance Plan as approved by the City Council, including the power to employ consultants and enter into agreements that the Board considers necessary or convenient to implement the Project and Finance Plan and to administer, operate, and manage the Zone including, but not limited to, the power to enter into reimbursement agreements and other obligations secured by the Tax Increment Fund established pursuant to Section 6 of the creation Ordinance.

(d) Pursuant to Section 311.010(h) of the Act and Article III, Section 52-a of the Texas Constitution, the City Council hereby authorizes the Board, as necessary or convenient to implement the Project and Finance Plan and achieve its purposes, to establish and provide for the administration of one or more programs for the public purposes of developing and diversifying the economy of the Zone, eliminating unemployment and underemployment in the Zone, and developing or expanding transportation, business, and commercial activity in the Zone, including programs to make grants of land and buildings and make grants from the Tax Increment Fund for activities that benefit the Zone and stimulate business and commercial activity in the Zone. In addition, the City Council hereby authorizes the Board to exercise all of the powers of the City under Chapter 380, Texas Local Government Code, as amended.

(e) Directors shall not receive any salary or other compensation for their services as directors.”

SECTION 3. MISCELLANEOUS PROVISIONS.

That the following miscellaneous provisions are a part of this Ordinance:

- (a) Ordinance Number 2017-70 shall continue in full force and effect except as amended herein.
- (b) It is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs and sections of this Ordinance are severable, and if any phrase,

clause, sentence, paragraph or section of this Ordinance shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this Ordinance, since the same would have been enacted by the City Council without the incorporation of this Ordinance of any such unconstitutional phrase, clause, sentence, paragraph or section.

- (c) This Ordinance shall become effective immediately upon its passage.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS, THIS THE 26TH DAY OF AUGUST, 2020.

Sean Terry, Mayor

ATTEST:

Vicki Tarrant, City Secretary

APPROVED AS TO FORM:

City Attorney



Life Connected.

Administration
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
 From: Drew Jenks, Assistant
 CC: Jason Laumer, City Manager
 Date: August 26, 2020
 Re: TIRZ 8 Board of Directors Amendment

Action Requested:

Consider and act upon an Ordinance of the City of Celina, Texas, amending Ordinance No. 2017-49 by amending Section 4 of said ordinance concerning the membership of the Board of Directors of Reinvestment Zone Number Eight, City of Celina, Texas, to authorize the City Council to serve as the City's appointees to the Board of Directors; providing a severability clause; and providing for an immediate effective date. (Stovall)

Background Information:

Sutton Fields II/ TIRZ #8

The proposed ordinance addresses the membership of the Board and designates the seven members to be filled by City Council. It also establishes in the event the City Council member is not reelected or fails to run for re-election, the successor shall serve on the Board. The City Council appoints the Mayor to serve as the chairman of the Board. The Board is authorized to elect a vice-chairman and other officers as determined by the Board.

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Financial Considerations:

N/A

Legal Review:

Completed

Supporting Documents:

Ordinance

Staff Recommendation:

Approval

CITY OF CELINA, TEXAS

ORDINANCE NO. XXXX

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS, AMENDING ORDINANCE NO. 2017-49 BY AMENDING SECTION 4 OF SAID ORDINANCE CONCERNING THE MEMBERSHIP OF THE BOARD OF DIRECTORS OF REINVESTMENT ZONE NUMBER EIGHT, CITY OF CELINA, TEXAS, TO AUTHORIZE THE CITY COUNCIL TO SERVE AS THE CITY'S APPOINTEES TO THE BOARD OF DIRECTORS; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING FOR AN IMMEDIATE EFFECTIVE DATE.

WHEREAS, the City of Celina, Texas (the "City"), pursuant to Chapter 311 of the Texas Tax Code, as amended (the "Act"), may designate a geographic area within the extraterritorial jurisdiction of the City as a tax increment reinvestment zone if the area satisfies the requirements of the Act; and

WHEREAS, on September 12, 2017, the City Council for the City, (the "City Council") created Reinvestment Zone Number Eight, City of Celina (the "Zone") by Ordinance No. 2017-49 (the "Creation Ordinance"); and

WHEREAS, Section 311.009 of the Act provides the authority for membership on the Board of Directors of the Zone; and

WHEREAS, the City Council of the City of Celina, Texas, now desires to amend Section 4 of the Creation Ordinance to address the membership of the Board of Directors of the Zone.

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

SECTION 1. FINDINGS.

That the facts and recitations contained in the preamble of this Ordinance are hereby found and declared to be true and correct legislative findings and are adopted as part of this Ordinance for all purposes.

SECTION 2. AMENDMENT TO ORDINANCE NO. 2017-49.

- (a) **Amendment to Ordinance.** That Section 4 of Ordinance No. 2017-49, approved by the City Council of the City of Celina, Texas, on September 12, 2017, is hereby amended to read as follows:

“SECTION 4.**BOARD OF DIRECTORS.**

(a) The City Council hereby creates a board of directors for the Zone (hereinafter referred to as the “Board”) consisting of seven (7) members all appointed by City Council.

(b) The City Council hereby appoints the City Council to serve as the Board. The City Council appoints the Mayor to serve as the chairman of the Board. The Board is authorized to elect a vice-chairman and other officers as determined by the Board. City Council members shall serve on the Board during their term on City Council. In the event, a City Council member is not reelected or fails to run for re-election, the successor shall serve on the Board.

(c) The Board shall make recommendations to the City Council concerning the administration, management, and operation of the Zone. The Board shall prepare or cause to be prepared and adopted a project plan and a reinvestment zone financing plan for the Zone (hereinafter referred to as the “Project and Finance Plan”) as required by the Act, and shall submit the Project and Finance Plan to the City Council for approval. The City Council hereby delegates to the Board all powers necessary to implement the Project and Finance Plan as approved by the City Council, including the power to employ consultants and enter into agreements that the Board considers necessary or convenient to implement the Project and Finance Plan and to administer, operate, and manage the Zone including, but not limited to, the power to enter into reimbursement agreements and other obligations secured by the Tax Increment Fund established pursuant to Section 6 of the creation Ordinance.

(d) Pursuant to Section 311.010(h) of the Act and Article III, Section 52-a of the Texas Constitution, the City Council hereby authorizes the Board, as necessary or convenient to implement the Project and Finance Plan and achieve its purposes, to establish and provide for the administration of one or more programs for the public purposes of developing and diversifying the economy of the Zone, eliminating unemployment and underemployment in the Zone, and developing or expanding transportation, business, and commercial activity in the Zone, including programs to make grants of land and buildings and make grants from the Tax Increment Fund for activities that benefit the Zone and stimulate business and commercial activity in the Zone. In addition, the City Council hereby authorizes the Board to exercise all of the powers of the City under Chapter 380, Texas Local Government Code, as amended.

(e) Directors shall not receive any salary or other compensation for their services as directors.”

SECTION 3.**MISCELLANEOUS PROVISIONS.**

That the following miscellaneous provisions are a part of this Ordinance:

- (a) Ordinance Number 2017-49 shall continue in full force and effect except as amended herein.
- (b) It is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs and sections of this Ordinance are severable, and if any phrase,

clause, sentence, paragraph or section of this Ordinance shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this Ordinance, since the same would have been enacted by the City Council without the incorporation of this Ordinance of any such unconstitutional phrase, clause, sentence, paragraph or section.

- (c) This Ordinance shall become effective immediately upon its passage.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS, THIS THE 26TH DAY OF AUGUST, 2020.

Sean Terry, Mayor

ATTEST:

Vicki Tarrant, City Secretary

APPROVED AS TO FORM:

City Attorney



Life Connected.

Administration
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
 From: Drew Jenks, Assistant
 CC: Jason Laumer, City Manager
 Date: August 26, 2020
 Re: TIRZ 10 Board of Directors Amendment

Action Requested:

Consider and act upon an Ordinance of the City of Celina, Texas, amending Ordinance No. 2017-71 by amending Section 4 of said ordinance concerning the membership of the Board of Directors of Reinvestment Zone Number Ten, City of Celina, Texas, to authorize the City Council to serve as the City's appointees to the Board of Directors; providing a severability clause; and providing for an immediate effective date. (Stovall)

Background Information:

Chalk Hill/ TIRZ #10

The proposed ordinance addresses the membership of the Board and designates the seven members to be filled by City Council. It also establishes in the event the City Council member is not reelected or fails to run for re-election, the successor shall serve on the Board. The City Council appoints the Mayor to serve as the chairman of the Board. The Board is authorized to elect a vice-chairman and other officers as determined by the Board.

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Financial Considerations:

N/A

Legal Review:

Completed

Supporting Documents:

Ordinance

Staff Recommendation:

Approval

CITY OF CELINA, TEXAS

ORDINANCE NO. XXXX

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS, AMENDING ORDINANCE NO. 2017-71 BY AMENDING SECTION 4 OF SAID ORDINANCE CONCERNING THE MEMBERSHIP OF THE BOARD OF DIRECTORS OF REINVESTMENT ZONE NUMBER TEN, CITY OF CELINA, TEXAS, TO AUTHORIZE THE CITY COUNCIL TO SERVE AS THE CITY'S APPOINTEES TO THE BOARD OF DIRECTORS; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING FOR AN IMMEDIATE EFFECTIVE DATE.

WHEREAS, the City of Celina, Texas (the "City"), pursuant to Chapter 311 of the Texas Tax Code, as amended (the "Act"), may designate a geographic area within the extraterritorial jurisdiction of the City as a tax increment reinvestment zone if the area satisfies the requirements of the Act; and

WHEREAS, on November 14, 2017, the City Council for the City, (the "City Council") created Reinvestment Zone Number Ten, City of Celina (the "Zone") by Ordinance No. 2017-71 (the "Creation Ordinance"); and

WHEREAS, Section 311.009 of the Act provides the authority for membership on the Board of Directors of the Zone; and

WHEREAS, the City Council of the City of Celina, Texas, now desires to amend Section 4 of the Creation Ordinance to address the membership of the Board of Directors of the Zone.

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

SECTION 1. FINDINGS.

That the facts and recitations contained in the preamble of this Ordinance are hereby found and declared to be true and correct legislative findings and are adopted as part of this Ordinance for all purposes.

SECTION 2. AMENDMENT TO ORDINANCE NO. 2017-71.

- (a) **Amendment to Ordinance.** That Section 4 of Ordinance No. 2017-71, approved by the City Council of the City of Celina, Texas, on November 14, 2017, is hereby amended to read as follows:

“SECTION 4. BOARD OF DIRECTORS.

(a) The City Council hereby creates a board of directors for the Zone (hereinafter referred to as the “Board”) consisting of seven (7) members all appointed by City Council.

(b) The City Council hereby appoints the City Council to serve as the Board. The City Council appoints the Mayor to serve as the chairman of the Board. The Board is authorized to elect a vice-chairman and other officers as determined by the Board. City Council members shall serve on the Board during their term on City Council. In the event, a City Council member is not reelected or fails to run for re-election, the successor shall serve on the Board.

(c) The Board shall make recommendations to the City Council concerning the administration, management, and operation of the Zone. The Board shall prepare or cause to be prepared and adopted a project plan and a reinvestment zone financing plan for the Zone (hereinafter referred to as the “Project and Finance Plan”) as required by the Act, and shall submit the Project and Finance Plan to the City Council for approval. The City Council hereby delegates to the Board all powers necessary to implement the Project and Finance Plan as approved by the City Council, including the power to employ consultants and enter into agreements that the Board considers necessary or convenient to implement the Project and Finance Plan and to administer, operate, and manage the Zone including, but not limited to, the power to enter into reimbursement agreements and other obligations secured by the Tax Increment Fund established pursuant to Section 6 of the creation Ordinance.

(d) Pursuant to Section 311.010(h) of the Act and Article III, Section 52-a of the Texas Constitution, the City Council hereby authorizes the Board, as necessary or convenient to implement the Project and Finance Plan and achieve its purposes, to establish and provide for the administration of one or more programs for the public purposes of developing and diversifying the economy of the Zone, eliminating unemployment and underemployment in the Zone, and developing or expanding transportation, business, and commercial activity in the Zone, including programs to make grants of land and buildings and make grants from the Tax Increment Fund for activities that benefit the Zone and stimulate business and commercial activity in the Zone. In addition, the City Council hereby authorizes the Board to exercise all of the powers of the City under Chapter 380, Texas Local Government Code, as amended.

(e) Directors shall not receive any salary or other compensation for their services as directors.”

SECTION 3. MISCELLANEOUS PROVISIONS.

That the following miscellaneous provisions are a part of this Ordinance:

- (a) Ordinance Number 2017-71 shall continue in full force and effect except as amended herein.
- (b) It is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs and sections of this Ordinance are severable, and if any phrase,

clause, sentence, paragraph or section of this Ordinance shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this Ordinance, since the same would have been enacted by the City Council without the incorporation of this Ordinance of any such unconstitutional phrase, clause, sentence, paragraph or section.

- (c) This Ordinance shall become effective immediately upon its passage.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS, THIS THE 26TH DAY OF AUGUST, 2020.

Sean Terry, Mayor

ATTEST:

Vicki Tarrant, City Secretary

APPROVED AS TO FORM:

City Attorney



Life Connected.

Administration
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Karla Stovall, Assistant City Manager
Date: August 26, 2020
Re: Strategic Partnership Agreement

Action Requested:

The Celina City Council will conduct a public hearing, in accordance with Section 43.0751(d) of the Texas Local Government Code, to provide members of the public the opportunity to present testimony or evidence and act upon a proposed Strategic Partnership Agreement between the City and the Collin County Municipal Utility District, No. 1 (the "District"), which agreement provides for the City's full purpose annexation of all land within the District and conversion of the District into a limited district, with such annexation and conversion not to occur before December 31, 2027. ON THE FULL-PURPOSE ANNEXATION CONVERSION DATE, THE LAND INCLUDED WITHIN THE BOUNDARIES OF THE DISTRICT SHALL BE DEEMED TO BE WITHIN THE FULL-PURPOSE BOUNDARY LIMITS OF THE CITY WITHOUT THE NEED FOR FURTHER ACTION BY THE CITY COUNCIL OF THE CITY, INCLUDING ISSUING NOTICE OR CONDUCTING PUBLIC HEARINGS OR AN ELECTION WITHIN THE DISTRICT ON THE QUESTION OF ANNEXATION. (Stovall)

Background Information:

The City of Celina, and Collin County Municipal Utility District No. 1 propose to enter into a Strategic Partnership Agreement. The Agreement requires two public hearings. The first public hearing was held on August 11th. The second public hearing will be held on Wednesday, August 26, 2020.

Board Review/Citizen Input:

Alternatives:

Financial Considerations:

Legal Review:

Supporting Documents:

Staff Recommendation:

**STRATEGIC PARTNERSHIP AGREEMENT
BETWEEN THE CITY OF CELINA, TEXAS,
AND COLLIN COUNTY MUNICIPAL UTILITY DISTRICT NO. 1**

This **STRATEGIC PARTNERSHIP AGREEMENT** (this "Agreement") is made and entered into by and between the **CITY OF CELINA, TEXAS**, a municipal corporation principally situated in Collin County, Texas, acting by and through its governing body, the City Council of the City of Celina, Texas (the "City"), and **COLLIN COUNTY MUNICIPAL UTILITY DISTRICT NO. 1** (the "District"), a conservation and reclamation district and political subdivision of the State of Texas created pursuant to Article XVI, Section 59 of the Texas Constitution, and operating under Chapters 49 and 54 of the Water Code, as amended, and Chapter 8164, Special District Local Laws Code . Pursuant to Section 43.0751(c) of the Texas Local Government Code, this Agreement shall become effective on the effective date described in Section 5.18 of this Agreement (the "Effective Date").

**ARTICLE I
RECITALS**

WHEREAS, capitalized terms used but not defined in these recitals are defined in Article II, Definitions, of this Agreement; and

WHEREAS, the Act authorizes the City and the District to negotiate and enter into a strategic partnership agreement by mutual consent, and the City and the District wish to enter into such an agreement; and

WHEREAS, the City and the District negotiated this Agreement by mutual consent; and

WHEREAS, this Agreement provides for the City's full purpose annexation of all of the land within the District, as more specifically described on the attached **Exhibit A**, in accordance with the terms of this Agreement; and

WHEREAS, this Agreement does not authorize the City's partial annexation of the District; and

WHEREAS, this Agreement provides the terms and conditions pursuant to which the District will convert into a limited district at the time of full purpose annexation of the District by the City; and

WHEREAS, as required by the Act, the City held public hearings on August 11, 2020 and August 26, 2020, at 112 North Colorado, Celina, Texas 75009, and the District held public hearings on August 10, 2020 and August 17, 2020 at 1234 Homestead Court, Celina, Texas 75009, which location is located in the District, at which members of the public were given the opportunity to present testimony or evidence regarding the proposed Agreement; and

WHEREAS, the City and the District made copies of the proposed Agreement available to members of the public and gave notice of such hearings in accordance with the terms of the Act; and

WHEREAS, the City and the District wish to enter into a strategic partnership agreement to provide the terms and conditions under which the District will be annexed for full purposes and converted into a limited district at the time of full purpose annexation of the District by the City; and

WHEREAS, the Act authorizes the City and the District to enter into this Agreement to define the terms and conditions under which services will be provided by the City and the District; and provide for a full-purpose annexation of the District and conversion of the District to a “limited district” on the effective date of such full-purpose annexation; and

WHEREAS, in accordance with the requirements of Subsection (p)(1) of the Act, this Agreement does not require the District to provide revenue to the City solely for the purpose of an agreement with the City to forgo annexation of the District; and

WHEREAS, in accordance with the requirements of Subsection (p)(2) of the Act, this Agreement provides benefits to the City and the District, including revenue, services, and/or regulations which are reasonable and equitable with regard to the benefits provided to the other Party; and

WHEREAS, the District is a municipal utility district organized for the primary purpose of providing municipal functions; and

WHEREAS, all the terms and conditions contained in this Agreement are lawful and appropriate to provide for the provision of municipal services; and

WHEREAS, the Parties acknowledge that the City's full purpose annexation of the District will preclude or impair the ability of the District to issue bonds, and that the City is required, prior to the effective date of full purpose annexation, to pay in cash to the Developer a sum equal to all actual costs and expenses incurred by the Developer in connection with the District that the District has, in writing, agreed to pay and that would otherwise have been eligible for reimbursement from bond proceeds under the rules and requirements of the Texas Commission on Environmental Quality (the “TCEQ”) as such rules and requirements exist on the date of annexation; and

WHEREAS, the City, the District, the Developer, and the City retail water and sewer customers who are either owners or residents of property within the District entered into that certain Settlement Agreement dated August 26, 2020 (the “Settlement Agreement”) settling the lawsuit styled *Petition by Outside Ratepayers Appealing the Water Rates Established by the City of Celina*, Texas Public Utility Commission Docket No. 49225 (the “Ratepayer Appeal”) and the lawsuit filed by the City styled *City of Celina vs. Collin County Municipal Utility District No. 1; Keller Webster, Gordon Greeson, Kenneth Prater, Andy Harvey, Lissa Shepard* in the 471st Judicial District Court of Collin County, Texas, Cause No. 471-02643-2020; and

WHEREAS, the Settlement Agreement requires LFC Land Company, LLC to make certain payments to the City starting on the effective date thereof and ending on December 31, 2027 (the "Developer Payments"); and

WHEREAS, the District acknowledges that the full purpose annexation, as set forth herein and agreed to by the Parties, is a material term of inducement for the City entering the Settlement Agreement and this Agreement, and but for the Full Purpose Annexation Conversion Date and the full purpose annexation as set forth herein, the City would not have entered into this Agreement.

NOW THEREFORE, for and in consideration of the mutual covenants of the Parties set forth in this Agreement, and for other good and valuable consideration the receipt and adequacy of which are acknowledged and agreed by the Parties, the Parties agree as follows:

ARTICLE II DEFINITIONS

Unless the context requires otherwise, and in addition to the terms defined above, the following terms and phrases used in this Agreement shall have, solely for the purposes of this Agreement, the meanings set out below:

"Act" means Texas Local Government Code, §43.0751 (Vernon Supp. 2002) and any amendments thereto.

"Agreement" means this Strategic Partnership Agreement by and between the City and the District.

"Board" means the Board of Directors of the District.

"City" means the City of Celina, Texas, a municipal corporation principally situated in Collin County, Texas.

"City Council" means the City Council of the City.

"Developer" means LFC Land Company, LLC and LFC Land Company II, LLC.

"Developer Payments" shall have the meaning ascribed in Article I, Recitals, above.

"Development Agreement" means that certain Amended and Restated Development Agreement approved by the City of Celina City Council on March 12, 2007 and dated effective as of March 12, 2007 and filed in the deed records of Collin County, Texas as Instrument No. 20071101001489980 by and between the City, Forestar/RPG Land Company, LLC, Lucas Celina 209, Ltd., Central Frisco, Ltd., as modified by the following: (a) that certain Addendum to Amended and Restated Development Agreement approved by the City Council on May 14, 2007 and dated effective as of March 12, 2007 and filed in the deed records of Collin County, Texas as Instrument No. 20071101001489990; (b) that certain First Amendment to Amended and Restated Development Agreement approved by the City Council on August 13, 2007 and dated effective as of March 12, 2007 and filed in the deed records of Collin County, Texas as

Instrument No. 20071114001544520; (c) that certain Second Amendment to Amended and Restated Development Agreement approved by the City Council on December 14, 2009 and dated effective as of March 12, 2007 and filed in the deed records of Collin County, Texas as Instrument No. 20100105000007540; (d) that certain Third Amendment to Amended and Restated Development Agreement approved by the City Council on, and dated effective as of, May 9, 2011 and filed in the deed records of Collin County, Texas as Instrument No. 20120423000464760; (e) that certain Fourth Amendment to Amended and Restated Development Agreement approved by the City Council on October 8, 2012 and dated effective as of October 12, 2012 and filed in the deed records of Collin County, Texas as Instrument No. 20121114001454530; (f) that certain Fifth Amendment to Amended and Restated Development Agreement approved by the City Council on May 13, 2014 and filed in the deed records of Collin County, Texas as Instrument No. 20140711000715400; (g) that certain Memorandum of Amendment to Development Agreement executed September 16, 2014 and filed in the deed records of Collin County, Texas as Instrument No. 20140916001001050; (h) that certain Sixth Amendment to Amended and Restated Development Agreement approved by the City Council on September 8, 2015 and filed in the deed records of Collin County, Texas as Instrument No. 20151022001338070; (i) that certain Seventh Amendment to Amended and Restated Development Agreement approved by the City Council on November 10, 2015 and filed in the deed records of Collin County, Texas as Instrument No. 20151228001609150; (j) that certain Eighth Amendment to Amended and Restated Development Agreement approved by the City Council on January 19, 2016 and filed in the deed records of Collin County, Texas as Instrument No. 20160307000271300; and (k) that certain Ninth Amendment to Amended and Restated Development Agreement approved by the City Council on or about December 12, 2016 and filed in the deed records of Collin county, Texas as Instrument No. 20170112000053780. The term "Development Agreement" also includes any future amendments to the Development Agreement described in this definition, including the Development Agreement Amendment.

"Development Agreement Amendment" means the tenth amendment to the Development Agreement approved by the City Council on August 26, 2020, and approved by the District on August 26, 2020, with an effective date as provided therein.

"District" means Collin County Municipal Utility District No. 1, a conservation and reclamation district created pursuant to Article XVI, Section 59, Texas Constitution and operating pursuant to Chapters 49 and 54, Texas Water Code, and the District Act.

"District Act" means Chapter 8164, Special District Local Laws Code.

"Effective Date" means the date this Agreement becomes effective in accordance with Section 5.18 of this Agreement.

"Final Notice of Unreimbursed Developer Costs and Expenses" is defined in Section 3.01(E) of this Agreement.

"Full Purpose Annexation Conversion Date" means the "full-purpose annexation conversion date" referenced in Section 43.0751(h) of the Act, which shall be established by the City Council by ordinance, shall be a date after December 31, 2027 and shall constitute the date

all land within the District shall be deemed to be within the full-purpose boundary limits of the City and annexed for full purposes and part of the City's corporate limits.

"Limited District" means the "Light Farms Limited District" resulting from the conversion of the Collin County Municipal Utility District No. 1 under Section 43.0751(f)(6) of the Act.

"Open Space Property" means the open space, green space, trails, easements, and other areas that, as of the Full Purpose Annexation Conversion Date, will be owned, operated, maintained and controlled by the Limited District consistent with the limitations in Section 3.03 (A) of this Agreement, including the landscape and hardscape within all street right-of-way within the District, but excluding the actual street rights-of-way which shall be owned by the City. The Open Space Property as of the Effective Date is described on the attached Exhibit C. The District will issue written notice to the City from time to time as it acquires additions to the Open Space Property described on Exhibit C.

"Maintenance Funds" is defined in Section 3.03A of this Agreement.

"Party" or "Parties" means a party or the parties to this Agreement, being the City and the District.

"Property" means all of the real property within the boundaries of the District as described on the attached Exhibit A.

"Ratepayer Appeal" shall have the meaning ascribed in Article I, Recitals, above.

"Settlement Agreement" shall have the meaning ascribed in Article I, Recitals, above.

"Tax Proposition" shall have the meaning ascribed in Section 3.04B.

"TCEQ" shall have the meaning ascribed in Article I, Recitals, above.

"Unreimbursed Developer Costs and Expenses" is defined in Section 3.01E of this Agreement.

ARTICLE III FULL-PURPOSE ANNEXATION; CONVERSION TO LIMITED DISTRICT

Section 3.01 Full Purpose Annexation

A. Authority and Procedure for Annexation

After December 31, 2027, the City may annex the Property for full purposes in accordance with the terms of this Agreement. The City agrees that it will not annex any portion of the Property on or before December 31, 2027. If the City annexes the Property, the City must annex all of the Property within the District. At least 120 days prior to the date the City intends to annex the District, the City shall provide the District and the Developer with a written notice of intent to annex the District and the date planned for annexation, which shall be after December

31, 2027 and shall constitute the Full Purpose Annexation Conversion Date. The Full Purpose Annexation Conversion Date may only be altered by mutual written agreement of the City and District. However, nothing herein shall prevent the City from terminating this Agreement and instituting proceedings to annex the District, on request by the Board of the District, on any date prior to the Full Purpose Annexation Conversion Date in accordance with the procedures prescribed by Subchapter C-1, Chapter 43, Texas Local Government Code, provided such annexation fully complies with the terms of the Development Agreement. All land within the District shall be automatically deemed to be within the full-purpose boundary limits of the City annexed by the City for full purposes effective on the Full-Purpose Annexation Conversion Date, without further procedural action of any kind by either Party, in accordance with Sections 43.0751(f)(5) and 43.0751(h) of the Act. The Annexation Service Plan attached as **Exhibit B** is approved as the service plan for this area and shall be effective for a period of ten years from the Full Purpose Annexation Conversion Date.

B. Waiver of Claims

Each Party waives any and all claims against the other Party regarding the validity or enforceability of this Agreement and any full purpose annexation of the District completed in accordance with the terms of this Agreement.

C. Notice to Landowners of Full Purpose Annexation of Land Within the District

Within 60 days after the Effective Date, the District shall file the following notice concerning this Agreement in the Real Property Records of Collin County, Texas, for the property within the District:

All of the property within the boundaries of Collin County Municipal Utility District No. 1 (the “District”), as described in the legal description and depicted on the map attached hereto, is subject to the terms and conditions of a Strategic Partnership Agreement (“SPA”) between the District and the City of Celina, effective September __, 2020. The SPA establishes a timetable for the annexation by the City of Celina of property in the District for full purposes. The SPA 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 Limited District while the Limited District continues in existence, all as authorized by Section 43.0751, Texas Local Government Code. A copy of the SPA may be obtained by contacting the offices of the District, and questions concerning the SPA may be directed to the District or City of Celina Planning and Zoning Department.

This notice with appropriate modifications shall also be included in the notice to purchaser 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 Collin County, Texas, pursuant to Section 49.455 of the Texas Water Code.

The City shall record this Agreement in its entirety as required by Section 5.16 below.

D. Assumption of District Duties and Obligations Upon Full Purpose Annexation Conversion Date

Prior to the Full Purpose Annexation Conversion Date, the District remains authorized to exercise all powers and functions of a municipal utility district provided by existing law or any amendments or additions thereto, including the District Act. The District's assets, liabilities, indebtedness, and obligations will remain the responsibility of the District during the period preceding full-purpose annexation and conversion. The District agrees that beginning on the Effective Date and until the Full Purpose Annexation Conversion Date, the District shall maintain all of its roadway, property and utility infrastructure in good condition and repair. Upon the Full Purpose Annexation Conversion Date Sections 43.075(c) and (d) of the Texas Local Government Code shall apply and, (i) the City shall succeed to the powers, duties, assets, and obligations of the District; and (ii) the City shall take over all the property and other assets of the District, except for the Open Space Property and Maintenance Funds, assume all the debts (including assumption of the District debt service payments and the Developer reimbursements), liabilities, and obligations of the District, and perform all the functions of the District, except as otherwise provided in Section 3.03 below, including the provision of services. The City agrees to fully comply with all requirements in Section 43.075 of the Texas Local Government Code. Upon receipt of written notice from the City of its intent to annex the District pursuant to this Agreement, the District shall cooperate in good faith with the City to provide for the orderly and timely transfer of the District property and assets to the City, and assumption of the District's debts and obligations by the City.

E. Developer Reimbursement Prior to Full Purpose Annexation

Pursuant to Section 43.0715(b) of the Texas Local Government Code, the City shall, prior to the Full Purpose Annexation Conversion Date, pay in cash to the Developer a sum equal to the actual costs and expenses incurred by the Developer in connection with the District that the District has, in writing, agreed to pay Developer, so long as such costs would otherwise have been eligible for reimbursement from bond proceeds under the rules and requirements of the TCEQ as such rules and requirements exist on the date of annexation reduced by the amount of Developer Payments not paid to the City in accordance with the terms of the Settlement Agreement or otherwise recovered by the City through the increased capital recovery fees allowed under the Development Agreement Amendment in the event of nonpayment (the "Unreimbursed Developer Costs and Expenses"). The Unreimbursed Developer Costs and Expenses will include, but not be limited to, costs related to utility and road infrastructure. The District agrees to provide an accounting of the Unreimbursed Developer Costs and Expenses, including the then current dollar amount of the Unreimbursed Developer Costs and Expenses, in an annual agreed-upon procedures report (the "Annual AUP") prepared by the District, which shall be in the format approved by the TCEQ for such reports and consistent with the terms of the District's reimbursement agreement with the Developer. The District shall provide a copy of each Annual AUP to the City. At least 120 days prior to the date the City intends to annex the District, the City shall provide the District and the Developer with a written notice of intent to annex the District and the date planned for annexation, which shall be the Full Purpose Annexation Conversion Date. In response to such written notice, the District shall have 60 days from the date of receipt of such notice to provide the City with a written notice summarizing all then current Unreimbursed Developer Costs and Expenses ("Final Notice of Unreimbursed

Developer Costs and Expenses"). The District's obligation to provide an Annual AUP or the Final Notice of Unreimbursed Costs and Expenses shall be subject to the District's receipt from the Developer of all documentation necessary to prepare such reports in accordance with the rules and requirements of the TCEQ. Notwithstanding anything to the contrary in this Agreement, the City acknowledges and agrees that no annexation of the District shall be valid or effective unless the City has fully paid, or made arrangements with the Developer in writing signed by the Developer and the City to fully pay, the Unreimbursed Developer Costs and Expenses, as reflected in the Final Notice of Unreimbursed Developer Costs and Expenses, in cash to the Developer prior to such annexation.

Section 3.02 Continuation as a Limited District

A. Conversion of District to Limited District.

Pursuant to Section 43.0751(f)(6) of the Act, the District shall automatically convert into a limited district on the Full Purpose Annexation Conversion Date and shall thereafter be known as the "Light Farms Limited District". The Limited District shall be a conservation and reclamation district under the provisions of Article XVI, Section 59 of the Texas Constitution. For purposes of the administration and general operation, of the Limited District, the provisions of Chapters 49 and 54 of the Texas Water Code shall control. However, the powers of the limited District shall be expressly limited to those necessary to effectuate its functions and responsibilities as provided in Section 3.03 of this Agreement. Further, those persons serving as directors of the District on the Full Purpose Annexation Conversion Date shall continue to serve as directors for the Limited District.

B. Boundaries of Limited District

The boundaries of the Limited District shall be coextensive with the District boundaries as described on **Exhibit A** hereto.

C. Ownership of Open Space Property

The Limited District shall retain full ownership of the Open Space Property, except for rights-of-way. To the extent any portion of the Open Space Property is located within rights-of-way, the Limited District shall have the right to own, operate, and maintain such property pursuant to an easement or license agreement in a form to be approved by the City, which approval will not be unreasonably withheld.

D. Term of Limited District

The Limited District shall exist for an initial term of ten years from the Full Purpose Annexation Conversion Date. The term of the Limited District may be renewed successively by mutual written agreement of the governing bodies of the City and the Limited District.

Section 3.03 Functions and Responsibilities of the Limited District.

A. Maintenance Only

(i) The functions and responsibilities of the Limited District shall be limited to ownership, operation, maintenance and control of the Open Space Property. The City will not provide, or charge or bill the Limited District or its residents for services the Limited District provides, however taxes and fees assessed or imposed by the City shall not be reduced for costs incurred by the Limited District.

(ii) The Limited District shall (a) have and may exercise only those functions, powers, and authority vested in the District necessary to carry out its functions and responsibilities set forth herein, and (b) not exercise any other function, power, or authority, including but not limited to issuance of bonds, notes, or other obligations for any purpose.

(iii) The Limited District shall retain an amount of money (the "Maintenance Funds") from the District's General Operating Fund to pay costs of its functions and responsibilities as set forth herein. The amount of the Maintenance Funds shall equal the average annual operation and maintenance expenses reasonably incurred with respect to the Open Space Property for the three (3) years preceding the Full Purpose Annexation Conversion Date as evidenced by the District's audited financial statements and shall exclude payments to directors for services and administrative costs not specifically related to the Open Space Property.

B. Limitations on City Obligations

The Parties agree that the City shall have no obligation during the existence of the Limited District to perform the functions and responsibilities of the Limited District established in this Agreement. However, the City agrees to grant to the Limited District all easements or license agreements necessary for the operation, maintenance, repair, and replacement of any Open Space Property located in street right of way within the Limited District.

C. Limitation on Actions by Limited District

(i) The Limited District may not sell, convey, lease, mortgage, transfer, assign, or otherwise alienate any of the Open Space Property to a third party. The Limited District may not approve a program or project that requires the use or taking of the Open Space Property or that would otherwise require the findings under Section 26.001 of the Texas Parks and Wildlife Code. However, this subsection C shall not prohibit the Limited District from contracting with management and operating firms to manage and operate any of the Open Space Property.

(ii) The Limited District may not sell, convey, lease, mortgage, transfer, assign, or otherwise alienate any surplus Open Space Property to a third party without the prior approval of the City, unless the third party is a homeowner's association within which the Open Space Property is located.

(iii) The Limited District may acquire, purchase, or lease additional park land, trails, open space or green space and expand any existing Open Space Property and may purchase equipment materials and facilities to maintain, replace or upgrade Open Space Property.

(iv) The Limited District may hire employees, agents, representatives, and consultants to manage, operate and maintain the Open Space Property and perform services related to the Limited District's operations and activities.

Section 3.04 Limited District Approval and Election

A. Action by Board

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 a 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 Limited District or the City, and all assets, obligations, indebtedness, and liabilities of the Limited 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 its assets, obligations, indebtedness, and liabilities to the City. Upon the completion of the transfer of its assets, obligations, indebtedness, and liabilities to the City, the Limited District shall cease to exist.

B. Ratification and Election

If the Board of Directors of the Limited District adopts and ratifies this Agreement pursuant to the Section 3.04.A 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 for authorization of an ad valorem tax for operation and maintenance of the Limited District (the "Tax Proposition"). 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 Tax Proposition shall be at the discretion of the Board of Directors of the Limited District provided that it is not greater than \$0.25 per \$100 of assessed valuation. The Tax Proposition shall also provide that any District maintenance tax authorization in existence before the tax election provided for in this subsection shall be rescinded upon approval of the Tax Proposition by the voters.

(ii) If a majority of the qualified voters of the Limited District voting at this election do not approve the Tax Proposition, the Limited District shall automatically be dissolved sixty days after the date of the election without the necessity of any further action by the Limited District

or the City, and all assets, obligations, indebtedness, and liabilities of the Limited District shall be assumed by the City.

(iii) If the Tax Proposition election fails, the Limited District shall continue to exist after such failure for the sole purpose of doing any and all acts or other things necessary to transfer its assets, obligations, indebtedness, and liabilities to the City.

ARTICLE IV PROVISION OF MUNICIPAL SERVICES

Section 4.01 Services Prior to Full Purpose Annexation Conversion Date

Beginning within 30 days after the Ratepayer Appeal is withdrawn and until the Full Purpose Annexation Conversion Date (a) the City shall charge all residential, residential and open space irrigation, and homeowners association retail water and sewer customers within the District the same amounts as are charged to in-city ratepayers; and (b) the District shall continue to develop, own, operate and maintain District assets and provide services for the benefit of the District. Following payment to the Developer by the City of all Unreimbursed Developer Costs and Expenses and upon the Full Purpose Annexation Conversion Date, the City will develop, own, operate and maintain water, wastewater, roadway, and drainage systems serving the Property.

Section 4.02 Annexation Service Plan

Upon the Full Purpose Annexation Conversion Date, the City shall provide municipal services to the Property in accordance with the Annexation Service Plan attached as Exhibit B. The District hereby consents to the City's full purpose annexation of all the Property in the District in accordance with this Agreement. The District agrees to and accepts the Annexation Service Plan. The terms of this Agreement are binding on the City, the District and each owner and future owner of land within the District's boundaries in accordance with the Act, and the consent to annexation granted herein.

ARTICLE V ADDITIONAL PROVISIONS

Section 5.01 Recitals

The recitals contained in this Agreement: (a) are true and correct as of the Effective Date; (b) form the basis upon which the Parties negotiated and entered into this Agreement; (c) are legislative findings of the City Council and the Board, and (d) reflect the final intent of the Parties with regard to the subject matter of this Agreement. In the event it becomes necessary to interpret any provision of this Agreement, the intent of the Parties, as evidenced by the recitals, shall be taken into consideration and, to the maximum extent possible, given full effect. The Parties have relied upon the recitals as part of the consideration for entering into this Agreement and, but for the intent of the Parties reflected by the recitals, would not have entered into this Agreement.

Section 5.02 Term

This Agreement shall continue in effect until such time as (1) the City completes full purpose annexation and conversion of the District to the Limited District in accordance with the terms of this Agreement following payment to the Developer by the City of all Unreimbursed Developer Costs and Expenses; and (2) until the date of dissolution of the Limited District in accordance with the terms of this Agreement.

Section 5.03 Notices

All notices required or contemplated by this Agreement (or otherwise given in connection with this Agreement) shall be in writing, shall be signed by or on behalf of the Party giving the Notice, and shall be effective as follows: (a) on or after the 10th business day after being deposited with the United States mail service, Certified Mail, Return Receipt Requested with a confirming copy sent by E-mail; (b) on the day delivered by a private delivery or private messenger service (such as FedEx or UPS) as evidenced by a receipt signed by any person at the delivery address (whether or not such person is the person to whom the notice is addressed); or (c) otherwise on the day actually received by the person to whom the notice is addressed, including, but not limited to, delivery in person and delivery by regular mail (with a confirming copy sent by E-mail). Notices given pursuant to this section shall be addressed as follows:

To the City:	Attn: City Manager City of Celina 142 North Ohio Celina, Texas 75009 E-mail: jlaumer@celina-tx.gov
With a copy to:	Attn: Julie Fort Messer Fort & McDonald, PLLC 6371 Preston Road, Suite 200 Frisco, Texas 75034 E-mail: julie@txmunicipallaw.com
To the District:	Attn: President, Board of Directors c/o Crawford & Jordan LLP 19 Briar Hollow Lane, Suite 245 Houston, Texas 77027 E-mail: ccrawford@crawlaw.net
With a copy to:	Attn: Clay Crawford Crawford & Jordan LLP 3100 McKinnon Street, Suite 1100 Dallas, Texas 75201 E-mail: ccrawford@crawlaw.net
To the Developer:	Attn: Jake Wagner

Republic Property Group
 400 S. Record Street, Suite 1200
 Dallas, Texas 75202
 E-mail: jwagner@republicpropertygroup.com

With a copy to:

Attn: Misty Ventura
 Shupe Ventura, PLLC
 9406 Biscayne Blvd.
 Dallas, TX 75218
 E-mail: misty.ventura@svlandlaw.com

Section 5.04 Events of Default

No Party shall be in default under this Agreement until notice of the alleged failure of such Party to perform has been given (which notice shall set forth in reasonable detail the nature of the alleged failure) and until such Party has been given a reasonable time to cure the alleged failure (such reasonable time determined based on the nature of the alleged failure, but in no event more than 30 days after written notice of the alleged failure has been given). In addition, no Party shall be in default under this Agreement if, within the applicable cure period, the Party to whom the notice was given begins performance and thereafter diligently and continuously pursues performance until the alleged failure has been cured. The time to cure may be extended beyond 30 days by the Party giving notice of default, if the receiving Party, within such 30 days provides a written explanation of the steps being taken to cure the default and a detailed explanation of why more than 30 days is reasonably necessary to cure. Notwithstanding the foregoing, however, a Party shall be in default of its obligation to make any payment required under this Agreement if such payment is not made on the date that it is due.

Section 5.05 Remedies

IF A PARTY IS IN DEFAULT, THE AGGRIEVED PARTY MAY, AT ITS OPTION AND WITHOUT PREJUDICE TO ANY OTHER RIGHT OR REMEDY UNDER THIS AGREEMENT, SEEK ANY RELIEF AVAILABLE AT LAW OR IN EQUITY, INCLUDING, BUT NOT LIMITED TO, AN ACTION UNDER THE UNIFORM DECLARATORY JUDGEMENT ACT, SPECIFIC PERFORMANCE, MANDAMUS, AND INJUNCTIVE RELIEF. NOTWITHSTANDING THE FOREGOING, HOWEVER, NO DEFAULT UNDER THIS AGREEMENT SHALL: ENTITLE THE AGGRIEVED PARTY TO TERMINATE THIS AGREEMENT; OR ADVERSELY AFFECT OR IMPAIR THE CURRENT OR FUTURE OBLIGATIONS OF THE CITY TO PROVIDE WATER OR SEWER SERVICE OR ANY OTHER SERVICE TO ANY PORTION OF THE DISTRICT; OR ADVERSELY IMPACT OR IMPAIR THE FULL PURPOSE ANNEXATION CONVERSION DATE OR THE CITY'S ABILITY TO ANNEX THE DISTRICT FOR FULL PURPOSES PROVIDED THE CITY IS IN FULL COMPLIANCE WITH THIS AGREEMENT; OR ENTITLE THE AGGRIEVED PARTY TO SEEK OR RECOVER EXEMPLARY DAMAGES; OR ALLOW THE CITY TO ANNEX THE DISTRICT OR ANY PORTION THEREOF PRIOR TO DECEMBER 31, 2027.

Section 5.06 Waiver of Immunity

Neither Party waives or surrenders any of its respective governmental powers, immunities or rights, except as specifically waived in this Section 5.06. The City acknowledges an express waiver of its governmental immunity from suit and immunity from liability as to any

action brought by the District, the Limited District, or a third party beneficiary to pursue the remedies available under this Agreement, but only to the extent necessary to pursue such remedies. The District acknowledges an express waiver of its governmental immunity from suit and immunity from liability as to any action brought by the City or a third party beneficiary to pursue the remedies available under this Agreement, but only to the extent necessary to pursue such remedies. By adoption and ratification of this Agreement by the Board of Directors of the Limited District pursuant to Section 3.04 above, the Limited District acknowledges an express waiver of its governmental immunity from suit and immunity from liability as to any action brought by the City or a third party beneficiary to pursue the remedies available under this Agreement, but only to the extent necessary to pursue such remedies. Nothing in this Section 5.06 shall waive any claims, defenses or immunities that either Party has with respect to suits against them by persons or entities not a party to this Agreement or specifically enumerated as a third party beneficiary in Section 5.13 hereof.

Section 5.07 Assignment

No Party may assign this Agreement in whole or in part without the prior written consent of all of the other Parties.

Section 5.08 Interpretation

The Parties and the Developer acknowledge that each of them has been actively involved in negotiating this Agreement. Accordingly, the rule of construction that any ambiguities are to be resolved against the drafting Party will not apply to interpreting this Agreement. In the event of any dispute over the meaning or application of any provision of this Agreement, the provision will be interpreted fairly and reasonably and neither more strongly for or against any Party or the Developer, regardless of which Party originally drafted the provision.

Section 5.09 Authority to Execute

The City represents and warrants that this Agreement has been approved by ordinance duly adopted by the City Council in accordance with all applicable public notice requirements (including, but not limited to, notices required by the Texas Open Meetings Act) and that the individual executing this Agreement on behalf of the City has been duly authorized to do so. The District represents and warrants that this Agreement has been approved by order duly adopted by the Board of Directors of the District in accordance with all applicable public notice requirements (including, but not limited to, notices required by the Texas Open Meetings Act) and that the individual executing this Agreement on behalf of the District has been duly authorized to do so.

Section 5.10 Entire Agreement; Severability; Changes in State or Federal Laws

This Agreement, together with the Development Agreement, the Development Agreement Amendment, and the Settlement Agreement constitute all of the agreements between the Parties and supersedes all prior agreements, whether oral or written, covering the subject matter of this Agreement. This Agreement shall not be modified or amended except in writing

signed by the Parties whose rights and obligations are being amended, which amendment shall require the prior written approval of the Developer if the Developer's rights will be impacted by such modification or amendment. If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable for any reason, then (a) such unenforceable provision shall be deleted from this Agreement; (b) the unenforceable provision shall, to the extent possible, be rewritten to be enforceable and to give effect to the intent of the Parties; (c) the amount of money to be received or paid by any Party or third party beneficiary shall not be reduced; and (d) the remainder of this Agreement shall remain in full force and effect and shall be interpreted to give effect to the intent of the Parties provided the Full Purpose Annexation Conversion Date remains in effect. If any State or federal law changes so as to make it impossible for the City or District to perform its obligations under this Agreement, the Parties will cooperate to amend this Agreement in such a manner that is most consistent with the original intent of this Agreement as legally possible, including maintenance of the Full Purpose Annexation Conversion Date, provided such amendment shall require the prior written approval of the Developer if the Developer's rights will be impacted by such modification or amendment. This Agreement relies on the statutory authority provided by Texas Local Government Code Sections 43.0715, 43.075 and 43.0751. If there is a conflict, such conflict shall be resolved in a manner that harmonizes the reading of these statutes in a manner that results in the terms of this Agreement being enforceable.

Section 5.11 Applicable Law; Venue

This Agreement is entered into under and pursuant to, and is to be construed and enforceable in accordance with, the laws of the State of Texas, and all obligations of the Parties are performable in Collin County, Texas. Venue for any action to enforce or construe this Agreement shall be in Collin County, Texas.

Section 5.12 Non Waiver

Any failure by a Party to insist upon strict performance by another Party of any material provision of this Agreement shall not be deemed a waiver thereof, and the Party shall have the right at any time thereafter to insist upon strict performance of any and all provisions of this Agreement. No provision of this Agreement may be waived except by writing signed by the Party waiving such provision. Any waiver shall be limited to the specific purposes for which it is given. No waiver by any Party of any term or condition of this Agreement shall be deemed or construed to be a waiver of any other term or condition or subsequent waiver of the same term or condition.

Section 5.13 Third Party Beneficiaries

Except as otherwise provided in this Section 5.13, this Agreement only inures to the benefit of, and may only be enforced by, the Parties. Developer shall be a third party beneficiary of this Agreement benefited by and entitled to enforce this Agreement. No other person or entity shall have any right, title, or interest under this Agreement or otherwise be deemed to be a third-party beneficiary of this Agreement.

Section 5.14 Counterparts

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and constitute one and the same instrument.

Section 5.15 Further Documents

Each Party shall, upon request of the other Party, execute and deliver such further documents and perform such further acts as may reasonably be requested to effectuate the terms of this Agreement and achieve the intent of the Parties.

Section 5.16 Document to be Recorded; Binding Effect

Pursuant to Section 43.0751(c) of the Act, this Agreement, upon adoption, shall be filed in the real property records of Collin County, Texas, and shall bind each owner and each future owner of land included within the District's boundaries on the Effective Date. The City shall take all necessary steps to cause this Agreement to be recorded in the real property records of Collin County, Texas, no later than September 4, 2020.

Section 5.17 Exhibits

The following Exhibits are attached to this Agreement and are incorporated herein for all purposes:

Exhibit A	Description of the Property
Exhibit B	Annexation Service Plan
Exhibit C	Open Space Property

Section 5.18 Effective Date

This Agreement becomes effective and binding upon the Parties at such time as all of the following events have occurred:

A. The Development Agreement Amendment has been duly executed by all Parties thereto and recorded in the Real Property Records of Collin County, Texas;

B. The dismissal of the lawsuit filed by the City styled City of Celina vs. Collin County Municipal Utility District No. 1; Keller Webster, Gordon Greeson, Kenneth Prater, Andy Harvey, Lissa Shepard in the 471st Judicial District Court of Collin County, Texas, Cause No. 471-02643-2020; and

C. The withdrawal of the appeal filed by certain City water ratepayers within the District and styled Petition by Outside Ratepayers Appealing the Water Rates Established in the City of Celina in the Public Utility Commission, Docket No. 49225.

IN WITNESS WHEREOF, the Parties have executed this Agreement in multiple copies, each of which shall be an original.

City of Celina, Texas

By: _____
 Name: _____
 Title: _____
 Date: _____

STATE OF TEXAS

§
§
§

COUNTY OF COLLIN

BEFORE ME, the undersigned authority, on this day personally appeared _____, known to me to be one of the persons whose names are subscribed to the foregoing instrument; he acknowledged to me he is the duly authorized representative for the City of Celina, Texas, and he executed said instrument for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this ____ day of _____, 2020.

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

Collin County Municipal Utility District No. 1

By: _____
 Name: _____
 Title: President
 Date: _____

STATE OF TEXAS §
 §
COUNTY OF _____ §

BEFORE ME, the undersigned authority, on this day personally appeared Keller W. Webster, known to me to be one of the persons whose names are subscribed to the foregoing instrument; he acknowledged to me he is the duly authorized representative for Collin County Municipal Utility District No. 1, and he executed said instrument for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this ____ day of _____, 2020.

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

Attachment: LEGAL-#89789-v23 Strategic Partnership Agreement for 8.26.20 agenda packet (Strategic Partnership Agreement)

Exhibit A
Description of the Property

TRACT A

Being a 597.17 acre tract of land situated in the John Ragsdale Survey, Abstract No. 734, and the Collin County School Land Survey No. 14, Abstract No. 167, and being all of Tract A, a 597.17 acre tract of land as described in instrument to LFC Land Company, LLC, as recorded in Document Number 20120423000464780, Land Records, Collin County, Texas, all of a 1.00 acre tract of land as described in instrument to Frederick L Albrecht, as recorded in Document Number 20070510000634680, Land Records, Collin County, Texas, all of a 1.00 acre tract of land as described in instrument to Keller Webster, as recorded in Document Number 20070510000634710, Land Records, Collin County, Texas, all of a 1.00 acre tract of land as described in instrument to Andy Harvey, as recorded in Document Number 20070510000724440, Land Records, Collin County, Texas, all of a 1.00 acre tract of land as described in instrument to Gordon Greeson, as recorded in Document Number 20070510000634740, Land Records, Collin County, Texas, all of a tract of 1.00 acre tract of land as described in instrument to Kenneth Prater, as recorded in Document Number 20070510000634770, Land Records, Collin County, Texas, and a portion of Collin County Road 51. Said 597.17 acre tract, with reference bearing of grid north, Texas State Plane Coordinates, North Central Zone, HARN NAD 83 (93) datum, being more particularly described by metes and bounds as follows:

Commencing at ½ inch iron rod found for the northwest corner of a called 161.4193 acre tract of land conveyed by deed to the Board of Regents of the Texas A&M University System recorded in Volume 2513, Page 274, Land Records, Collin County, Texas, and being on the west line of aforesaid John Ragsdale Survey, and being on the east line of the F.D. Gary Survey, Abstract No. 361;

THENCE, North 89 degrees 56 minutes 06 seconds East, along the North line of aforesaid 161.4193 acre tract of land, a distance of 950.04 feet to the POINT OF BEGINNING and being the most southerly southwest corner of said Lucas Celina tract;

THENCE, North 00 degrees 36 minutes 37 seconds West, along a west line of said Lucas Celina tract a distance of 1,513.85 feet to a 5/8 inch iron rod found;

THENCE, North 30 degrees 59 minutes 39 seconds East, continuing along a northwesterly line of said Lucas Celina tract a distance of 867.40 feet to a 1/2 inch iron rod found at an inner ell corner of said Lucas Celina tract;

THENCE, South 59 degrees 00 minutes 21 seconds East, departing the northwesterly line of said Lucas Celina tract a distance of 50.00 feet to a 5/8 inch iron rod found with cap stamped "Huitt-Zollars" on a northwesterly line of said 408.510 acre tract;

THENCE, North 30 degrees 59 minutes 39 seconds East, along a northwesterly line of said 408.510 acre tract a distance of 575.60 feet to a 5/8 inch iron rod found with cap stamped “Huitt-Zollars”;

THENCE, North 59 degrees 00 minutes 21 seconds West, departing the northwesterly line of said 408.510 acre tract a distance of 260.21 feet to a 5/8 inch iron rod found with cap stamped “Huitt-Zollars” and being the beginning of a non-tangent curve to the left having a radius of 3,644.79 feet;

THENCE, in a northerly direction along said curve to the left through a central angle of 36 degrees 57 minutes 20 seconds, an arc distance of 2,350.88 feet and being subtended by a chord bearing North 09 degrees 52 minutes 14 seconds East, a distance of 2,310.34 feet;

THENCE, North 08 degrees 36 minutes 26 seconds West, a distance of 1,585.77 feet to a 5/8 inch iron rod found with cap stamped “Huitt-Zollars”;

THENCE, North 89 degrees 27 minutes 32 seconds East, passing at 322.72 feet a 5/8 inch iron rod found at the most northerly southwest corner of said 408.510 acre tract, passing at 1,521.70 feet a 5/8 inch iron rod found at an inner ell corner of said 408.510 acre tract, continuing for a total distance of 1,571.93 feet to a 5/8 inch iron rod found with cap stamped “Huitt-Zollars”;

THENCE, North 04 degrees 53 minutes 56 seconds East, a distance of 1,990.49 feet to a 5/8 inch iron rod found with cap stamped “Huitt-Zollars”;

THENCE, North 03 degrees 20 minutes 56 seconds East, a distance of 52.00 feet to a 5/8 inch iron rod found with cap stamped “Huitt-Zollars” on the north line of said 408.510 acre tract;

THENCE, North 89 degrees 32 minutes 06 seconds East, along the north line of said 408.510 acre tract a distance of 657.83 feet to a 5/8 inch iron rod with a yellow plastic cap stamped “Carter Burgess” found for corner at the northeast corner of said 408.51 acre tract and the common northeast corner of said John Ragsdale Survey and the southwest corner of the M.D. Bullion Survey, Abstract No. 137 and being on the west line of Collin County School Land Survey No. 14, Abstract No. 167 and the west line of a tract of land conveyed to Richard C. Smith and wife, Janet L. Smith by deed recorded in County Clerk’s File No. 97-0086916, Land Records, Collin County, Texas.

THENCE, South 01 degrees 06 minutes 02 seconds East, along the east line of said 408.510 acre tract and the west line of said Collin County School Land Survey No. 14, Abstract No. 167 and the common west line of said Smith Tract, and the common west line of a 100.593 acre tract conveyed by deed to the Walton Bradford Family Partnerships, L.P. recorded in Volume 5050, Page 00784, Land Records, Collin County, Texas, and the west line of tract of land conveyed by deed to Albert Mokhtar, trustee, recorded in Volume 2722, Page 333, Land Records, Collin County, Texas, a distance of 3,004.05 feet to a point for corner;

THENCE, North 89 degrees 28 minutes 05 seconds East, passing at a distance of 35.43 feet a 1” iron pipe found for the northwest corner of aforesaid 151.289 acre tract and continuing along the north line of said 151.289 acre tract and the common south line of aforesaid Albert Mokhtar Tract, a total distance of 1,948.01 feet to a ½ inch iron rod found for the northeast corner of said

151.289 acre tract and the southeast corner of said Albert Mokhtar Tract and being on the west right-of-way of the Red River Texas & Southern Railway Company, Tract No. 54, by deed recorded in Volume 121, Page 20, Land Records, Collin County, Texas.

THENCE, South 11 degrees 20 minutes 28 seconds West, along the east line of aforesaid 151.289 acre tract and the common west line of aforesaid Red River Texas & Southern Railway Company Tract No. 54, a distance of 4,816.17 feet to a ½ inch iron rod found for the southeast corner of said 151.289 acre tract and point on the north line of a called 81.68 acre tract of land, conveyed to Graham S. Stelzer and wife, Doris Stelzer by deed recorded in Volume 587, Page 146, Land Records, Collin County, Texas;

THENCE, South 89 degrees 32 minutes 42 seconds West, along the south line of aforesaid 151.289 acre tract and the common north line of aforesaid 81.68 acre tract, passing at a distance of 884.15 feet a 3/8 inch iron rod found for the southeast corner of said 151.289 acre tract and continuing a total distance of 910.34 feet to a point for corner on the east line of aforesaid 408.510 acre tract;

THENCE, South 01 degrees 06 minutes 02 seconds East, along the east line of said 408.510 acre tract, a distance of 1,090.95 feet to a 5/8 inch iron rod with a yellow plastic cap stamped “Carter Burgess” set for corner at the southeast corner of said 408.510 acre tract and the northeast corner of aforesaid 161.4193 acre tract;

THENCE, along the south line of said 408.510 acre tract and the common north line of said 161.4193 acre tract, the following courses and distances:

NORTH 89 degrees 44 minutes 17 seconds West, a distance of 138.60 feet to a point for corner;

NORTH 82 degrees 40 minutes 54 seconds West, a distance of 632.77 feet to a point for corner;

SOUTH 89 degrees 19 minutes 08 seconds West, a distance of 1,314.05 feet to a point for corner;

SOUTH 87 degrees 52 minutes 29 seconds West, a distance of 475.03 feet to a point for corner;

SOUTH 89 degrees 56 minutes 06 seconds West, a distance of 722.47 feet to the POINT OF BEGINNING and containing 597.17 acres of land, more or less.

TRACT B

Being a 209.022 acre tract of land situated in the Collin County School Land Survey No. 14, Abstract No. 167, Collin County, Texas, and being all of Tract B, a 209.022 acre tract of land as described in instrument to LFC Land Company, LLC, recorded in Document No. 20120423000464780, Land Records, Collin County, Texas, said 209.022 acre tract, with bearing basis of grid north, Texas State Plane Coordinates, north central zone, harn nad 83 (93) datum, being more particularly described by metes and bounds as follows:

Beginning at ½ inch iron rod found for the northeast corner of aforesaid 209.022 acre tract and being the southeast corner of a called Tract 4, conveyed to Ownsby 1880 Farms, LTD. by deed recorded in County Clerk's File No. 99-0005737, Land Records, Collin County, Texas and being on the west line of a called Tract 1, conveyed to Ownsby 1880 Farms, LTD. by deed recorded in County Clerk's File No. 99-0005737, Land Records, Collin County, Texas;

THENCE, South 00 degrees 28 minutes 05 seconds east, along the east line of aforesaid 209.022 acre tract, and the west line of aforesaid Tract 1 and a called Tract 2 & Tract 3, conveyed to Ownsby 1880 Farms, LTD. by deed recorded in County Clerk's File No. 99-0005737, Land Records, Collin County, Texas, a distance of 4058.21 feet to a 60D Nail found for the southwest corner of aforesaid Tract 3;

THENCE, continuing along the east line of aforesaid 209.022 acre tract and the west line of a called 139.708 acre tract of land, conveyed to Keeran Family Partnership, LTD., recorded in County Clerk's File No. 2001-0083876, Land Records, Collin County, Texas, the following courses and distances:

SOUTH 00 degrees 28 minutes 43 seconds East, a distance of 658.85 feet to a ½ inch iron rod found for corner;

SOUTH 00 degrees 26 minutes 50 seconds East, a distance of 2675.40 feet to a 3/8 inch iron rod found for corner in the approximate centerline of Business Highway No. 289 (A variable prescriptive width right-of-way) and being the southeast corner of aforesaid 209.022 acre tract and the southwest corner of aforesaid 139.708 acre tract, from said corner a 60D nail bears north 00 degrees 52 minutes 30 seconds West, a distance of 33.68 feet found for witness;

THENCE, South 89 degrees 29 minutes 44 seconds West, along the south line of aforesaid 209.022 acre tract and with the approximate centerline of aforesaid Business Highway No. 289, a distance of 1322.70 feet to a 3/8 inch iron rod found for the southwest corner of said 209.022 acre tract and the southeast corner of a called 7.438 acre tract of land, conveyed to Lotti Loraine Couch by deed recorded in County Clerk's File No. 97-0002825, Land Records, Collin County, Texas, from said corner a 60D nail bears north 01 degrees 13 minutes 49 seconds west, a distance of 37.84 feet found for witness;

THENCE, North 00 degrees 42 minutes 12 seconds West, along a west line of aforesaid 209.022 acre tract and the common east line of aforesaid 7.438 acre tract, a distance of 605.95 feet to a ½ inch iron rod found for the northeast corner of said 7.438 acre tract;

THENCE, North 00 degrees 18 minutes 06 seconds West, continuing along a west line of aforesaid 209.022 acre tract and the common east line of a called 81.68 acre tract of land, conveyed to Graham S. Stelzer and wife, Doris Stelzer by deed recorded in Volume 587, Page 146, Land Records. Collin County, Texas, a distance of 2067.07 feet to a ½ inch iron rod found for the insider ell corner of said 209.022 acre tract and the northeast corner of said 81.68 acre tract;

THENCE, South 89 degrees 31 minutes 56 seconds West, along a south line of aforesaid 209.022 acre tract and the common north line of aforesaid 81.68 acre tract, a distance of 353.59 feet to a 5/8 inch iron rod with a yellow plastic cap stamped “Carter Burgess” set for corner on the east right-of-way of the Red River Texas & Southern Railway Company Tract No. 54 by deed recorded in Volume 121, Page 20, Land Records, Collin County, Texas;

THENCE, North 11 degrees 20 minutes 28 seconds East, along the west line of aforesaid 209.022 acre tract and the west line of aforesaid 69.81 acre tract and the common east line of aforesaid Red River Texas & Southern Railway Company Tract No. 54, a distance of 4816.78 feet to a 5/8 inch iron rod with a yellow plastic cap stamped “Carter Burgess” set for the northwest corner of said 209.022 acre tract and the southwest corner of aforesaid Tract 4;

THENCE, North 89 degrees 04 minutes 39 seconds East, along the north line of aforesaid 209.022 acre tract and the common south line of aforesaid Tract 4, a distance of 687.89 feet to the POINT OF BEGINNING and containing 209.022 acres of land, more or less.

Tract C - Keeran Tract

BEING all that certain lot, tract or parcel of land situated in the City of Celina, Collin County, Texas, out of the Collin County School Land No. 14 Survey, Abstract 167, and being a part of the 134.88 acres of Land described in Deeds to Keeran Family Partnership, Ltd., as recorded in County Clerk’s file Number 2001-0083874 and 2001-0083876 of the Real Property Records of Collin County, Texas, and being more particular described by metes and bounds as follows:

BEGINNING AT A ½" IRON ROD FOUND FOR THE Northwest corner of said 134.88 acre tract, said point also being in the East line of a 209.022 acre tract of land conveyed to LFC Land Company as recorded in County Clerk’s file No. 2012-0423000464780 of the Real Property Records of Collin County, Texas, said point also being the Southwest corner of tract of land conveyed to Ownsby Farms, Ltd., as recorded in Volume 4332, Page 1047, Deed Records, Collin County, Texas;

THENCE North 89 degrees 35 minutes 26 seconds East (North 89 degrees 58 minutes West Deed), (Basis of Bearings per North Central Texas Zone 4203 State Plane Coordinates) South line of said Ownsby Farms Ltd. Tract for distance of 1334.62 feet (1335.30 feet Deed) to a 1/2” iron rod found for the Northeast corner of said 134.88 acre tract , said point also being the Northwest corner of a called 15.211 acre tract of land conveyed to J. Altus Inc. Profit Sharing Trust & Metroplex Properties LLC & Dall Developments, Inc. as recorded in Volume 5870 at Page 5025 of the Deed Records of Collin County, Texas;

THENCE South 00 degrees 15 minutes 00 seconds East (South 00 degrees 00 minutes 38 seconds West Deed), and following along the East line of said 134.88 acre tract, and the West line of said 15.211 acre J. Altus tract and also along the West line of a 15.28 acre tract of land conveyed to John Feizy by Deed and recorded in County Clerk's file No. 93-0056727, for a distance of 1045.61 feet to a 1/2" iron rod found for corner, said point being the Southwest corner of a 3.99 acre tract of land conveyed to Terry Barnes by Deed as recorded in Volume 2006, Page 93180, of the Deed Records of Collin County, Texas;

THENCE South 00 degrees 54 minutes 17 seconds East and continuing along the East line of the Keeran Family 134.88 acre tract and the West line of said 3.99 acre Terry Barnes Tract, for a distance of 527.61 feet to a point for the Southwest corner of said 3.99 acre Terry Barnes Tract, same being the Northwest corner of 12.0734 acre tract of land conveyed to J. Altus Inc. Profit Sharing by Deed and Recorded in Volume 5826 at Page 5441 of the Deed Records of Dallas County, Texas;

THENCE South 00 degrees 03 minutes 36 seconds West and following along the West line of said 12.0734 acre J. Altus Inc. Profit Sharing Tract, for a distance of 417.19 feet to a 1/2" iron rod found for the Southwest corner of said 12.0734 acre J. Altus Inc. Profit Sharing Tract;

THENCE South 00 degrees 30 minutes 27 seconds East across said 134.88 acre tract for a distance of 1341.14 feet to a railroad spike set in asphalt for corner in the center of Business Highway No. 289 Also known as County Road No. 5 and also known as North Coleman Street (an undedicated variable width prescriptive right of way);

THENCE South 89 degrees 29 minutes 33 seconds West and following along the center of said roadway and the South line of said 134.88 acre tract, for a distance of 1332.51 feet to a 3/8" iron rod found for the Southwest corner of said 134.88 acre tract, same being the Southeast corner of the aforementioned 209.022 acre tract;

THENCE North 00 degrees 26 minutes 47 seconds West (North 00 degrees 05 minutes West Deed), and following along the West line of said 134.88 acre tract and the East line of said 209.22 acre tract for a distance of 2674.96 feet (2675.16 feet Deed) to a 1/2" iron rod found for corner;

THENCE North 00 degrees 29 minutes 23 seconds West (North 0 degrees 12 minutes West Deed) , and continuing along the West line of said 134.88 acre tract and the East line of said 209.022 acre tract for a distance of 658.83 feet (659.2 feet Deed) to the point of Beginning and Containing 101.9292 acres of Land, more or less of which 0.9177 acres of land lies within the aforesaid Business Highway No. 289, leaving 101.0115 acres of land net of right of way.

Tract D - Texas A&M Tract

BEING a tract of land situated in the John Ragsdale Survey, Abstract No. 734, Collin County, Texas and being all of a tract of land described in instrument to the Board of Regents of the Texas A & M University System as recorded in Volume 2513, Page 274 of the Deed Records, Collin County, Texas and being more particularly described as follows;

BEGINNING at a P.K. Nail found at the southeast corner of said Texas A & M University System tract, said point being at the approximate intersection of CR 5 and CR 51;

THENCE along the approximate centerline of CR 5, South 89 degrees 26 minutes 49 seconds West a distance of 4,240.33 feet (Deed 4,239.94 feet) to a 1/2 inch iron rod found at the southwest corner of said Texas A & M University System tract and being at the approximate intersection of CR 5 and CR 50;

THENCE departing the approximate centerline of CR 5, North 00 degrees 36 minutes 39 seconds West a distance of 1,674.54 feet (Deed 1,673.98 feet) to a 1/2 inch iron rod found at the northwest corner of the aforementioned Texas A & M University System tract;

THENCE along the northerly line of said Texas A & M University System tract and the approximate centerline of a drainage ditch the following;

North 89 degrees 56 minutes 00 seconds East a distance of 1,672.59 feet (Deed 1,669.51 feet) to a point for corner;

North 87 degrees 52 minutes 29 seconds East a distance of 475.03 feet to a point for corner;

North 89 degrees 19 minutes 08 seconds East a distance of 1,314.05 feet to a point for corner;

South 82 degrees 40 minutes 54 seconds East a distance of 632.77 feet to a point for corner;

South 89 degrees 44 minutes 17 seconds East a distance of 138.60 feet (Deed 138.11 feet) to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars" in the approximate centerline of the aforementioned CR51;

THENCE along the approximate centerline of the aforementioned CR51, South 01 degrees 06 minutes 06 seconds East a distance of 1,587.75 feet to the POINT OF BEGINNING and containing 161.51 Acres of land, more or less.

Exhibit B
Annexation Service Plan

ANNEXATION SERVICE PLAN

A) SERVICE PLAN GENERALLY

- 1) This service plan has been prepared in accordance with Chapter 43 of the Texas Local Government Code. Municipal facilities and services to the annexed area will be provided or made available on behalf of the City of Celina in accordance with the following plan. The City of Celina shall provide the annexed tract the levels of service, infrastructure, and infrastructure maintenance that are comparable to the levels of service, infrastructure, and infrastructure maintenance available in other parts of the City of Celina with similar topography, land use, and population density.
- 2) For purposes of this service plan, to “provide” services includes having services provided by any method or means by which the City provides municipal services to any other areas of the City, and may include causing or allowing private utilities, governmental entities and other public service organizations to provide such services by contract or right, in whole or in part, and may include duties on part of the private landowner with regard to such services.

B) EMERGENCY SERVICES

1) POLICE PROTECTION

- a) Police protection from the City of Celina Police Department shall be provided to the annexed area at a level consistent with current methods and procedures presently provided to similar areas on the effective date of the annexation. Some of these services include:
 - i) Normal patrol and responses;
 - ii) Handling of complaints and incident reports;
 - iii) Special units, such as traffic enforcement and investigations; and
 - iv) Coordination with other public safety support agencies.
- b) As development commences in these areas, sufficient police protection, including personnel and equipment will be provided to furnish these areas with the level of police services consistent with the characteristics of topography, land utilization and population density of the areas.**
- c) Upon ultimate development, police protection will be provided at a level consistent with other similarly situated areas within the city limits.

2) FIRE PROTECTION

- a) The Celina Fire Department will provide emergency and fire prevention services to the annexed area. These services include:
 - i) Fire suppression and rescue;
 - ii) Pre-hospital medical services including triage, treatment and transport by Advanced Life Support (ALS) fire engines, trucks and ambulances;
 - iii) Hazardous materials response and mitigation;
 - iv) Emergency prevention and public education efforts;
 - v) Technical rescue response; and
 - vi) Construction Plan Review and required inspections.

- b) Fire protection from the City of Celina shall be provided to the annexed area at a level consistent with current methods and procedures presently provided to similar areas of the City of Celina on the effective date of the annexation.
- c) As development commences in these areas, sufficient fire protection, including personnel and equipment will be provided to furnish these areas with the level of services consistent with the characteristics of topography, land utilization and population density of the areas. It is anticipated that fire stations planned to service areas currently with the City of Celina will be sufficient to serve the annexed area.
- d) Upon ultimate development, fire protection will be provided at a level consistent with similarly situated areas within the city limits.

3) EMERGENCY MEDICAL SERVICES

- a) The Celina Fire Department will provide emergency and safety services to the annexed area. These services include:
 - i) Emergency medical dispatch and pre-arrival First Aid instructions;
 - ii) Pre-hospital emergency Advanced Life Support (ALS) response and transport; and
 - iii) Medical rescue services.
- b) Emergency Medical Services (EMS) from the City of Celina shall be provided to the annexed area at a level consistent with current methods and procedures presently provided to similar areas of the City of Celina on the effective date of the annexation.
- c) As development commences in these areas, sufficient EMS, including personnel and equipment, will be provided to furnish these areas with the level of services consistent with the characteristics of topography, land utilization, and population density of the areas.
- d) Upon ultimate development, EMS will be provided at a level consistent with similarly situated areas within the city limits.

C) SOLID WASTE

- 1) Solid Waste and Recycling Collection Services will be provided to the annexed area immediately upon the effective date of the annexation at a level consistent with current methods and procedures presently provided to similar areas within the City. Private solid waste collection service providers operating in the affected area immediately prior to annexation and currently providing customers with service may continue to provide their existing service for up to two (2) years in accordance with Texas Local Government Code Section 43.056(n).

D) WASTEWATER FACILITIES

- 1) As development commences in these areas, sanitary sewer mains as defined by the Certificate of Convenience and Necessity (CCN) Number 20764, as issued by the Texas Commission on Environmental Quality (TCEQ) will be extended in accordance with the provisions of the City's codes, ordinances, regulations and policies. City participation in the costs of these extensions shall be in accordance with applicable City codes, ordinances, regulations and policies. Capacity and extensions shall be provided consistent with the characteristics of topography, land utilization, and population density of the areas. If the annexed area is in the CCN of another provider, wastewater service shall be provided in accordance with the policies of the CCN holder. In some instances, the City might acquire the CCN rights and become the new wastewater provider, in time.
- 2) Sanitary sewer mains and lift stations installed or improved to City standards, and accepted by the City, within the annexed area which are located within dedicated easement, rights-of-way, or any other acceptable location approved by the City Manager or his designee, shall be maintained

by the City on the effective date of the annexation.

- 3) Operation and maintenance of wastewater facilities in the annexed area that are within the certificated service area of another wastewater utility will be the responsibility of that utility. Operation and maintenance of private wastewater facilities in the annexed area will be the responsibility of the owner.

E) WATER FACILITIES

- 1) Connections to existing City of Celina water distribution mains for water service as defined by Certificate of Convenience and Necessity (CCN) Number 12667, as issued by the Texas Commission on Environmental Quality (TCEQ) will be provided in accordance with existing City codes, ordinances, regulations and policies. Upon connection to existing distribution mains, water service will be provided at rates established by City ordinance. If the annexed area is in the CCN of another provider, water service shall be provided in accordance with the policies of the CCN holder. In some instances, the City might acquire the CCN rights and become the new water provider, in time.
- 2) As development commences in these areas, water distribution mains will be extended in accordance with City of Celina codes, ordinances, regulations and policies. City participation in the costs of these extensions shall be in accordance with the City of Celina's codes, ordinances, regulations and policies. Water service extensions and capacity shall be provided consistent with the characteristics of topography, land utilization, and population density of the area.
- 3) Operation and maintenance of existing water facilities in the annexed area that are within the service area of another water utility will be the responsibility of that utility. Operation and maintenance of private water facilities in the annexed area will be the responsibility of the owner.

F) ROAD AND STREETS

- 1) Emergency street maintenance shall be provided within the annexed area on the effective date of the applicable ordinance of acceptance. Routine maintenance will be provided within the annexed area and will be scheduled as part of the City's annual program and in accordance with the City's current codes, ordinances, regulations, policies and procedures defined therein and/or as established by the City Council.
- 2) Any construction or reconstruction will be considered within the annexed area on a City-wide basis and within the context of the City's Capital Improvement Plan and/or yearly fiscal budgetary allotments by the City Council. As development, improvement or construction of streets to City standards commences within this property, the policies of the City of Celina with regard to participation in the costs thereof, acceptance upon completion and maintenance after completion shall apply.
- 3) Roadway signage and associated posts will be replaced in priority of importance starting with regulatory signs, then warning signs, then informational signs and in conformance with fiscal allotments by the City Council. If a sign remains, it will be reviewed and placed on the City's inventory listed for routine re-placement. All existing signs will be reviewed for applicability and based upon an engineering study. New signs will be installed when necessary and based upon an engineering study.
- 4) Routine maintenance of road/street markings will be placed on a priority listing and scheduled within the yearly budgetary allotments by the City Council.
- 5) The City will coordinate any request for improved road and street lighting with the local electric provider. Any and all road and street lighting will be pursuant to the rules, regulations and fees of such electric utility and shall be maintained by the applicable utility company.

G) ENVIRONMENTAL HEALTH, INSPECTIONS AND CODE ENFORCEMENT SERVICES

- 1) Enforcement of the City's environmental health ordinances and regulations, including but not limited to, weed and brush ordinances, junked and abandoned vehicle ordinances and animal control ordinances, shall be provided within this area sixty (60) days of the effective date of the annexation ordinance. These ordinances and regulations will be enforced through the use of existing personnel.
- 2) Inspection services including the review of building plans, the issuance of permits and the inspection of all buildings, plumbing, mechanical and electrical work to ensure compliance with City codes and ordinances will continue to be provided after the effective date of the annexation ordinance. Existing personnel will be used to provide these services.
- 3) The City's zoning, subdivision, sign and other ordinances shall be enforced in this area beginning upon the effective date of the annexation.
- 4) All inspection services furnished by the City of Celina, but not mentioned above, will be provided to this area beginning within sixty (60) days of the effective date of the annexation.
- 5) As development and construction commence in this area, sufficient personnel will be provided to furnish this area the same level of environmental health, inspection and code enforcement services as are furnished throughout the City.

H) PLANNING AND ZONING SERVICES

- 1) The Planning and zoning jurisdiction of the City will extend to this area upon the effective date of the annexation. City planning will thereafter encompass this property, and it shall be entitled to consideration for zoning in accordance with the City's Zoning Ordinance and Comprehensive Plan.

I) PARKS, PLAYGROUNDS, LIBRARIES, SWIMMING POOLS

- 1) Residents within the annexed area may utilize all existing park and recreation facilities, on the effective date of the annexation. Fees for such usage shall be in accordance with current fees established by ordinance.
- 2) As development commences in the area, additional park and recreation facilities shall be constructed based on park policies defined in the Park Master Plan and as specified in the Park Dedication Ordinance. The general planned locations and classifications of parks will ultimately serve residents from the current City limits and residents from areas being considered for annexation.

J) PUBLICLY OWNED FACILITIES

- 1) Any publicly owned facility, building, or service located within the annexed area, and not otherwise owned or maintained by another governmental entity, shall be maintained by the City of Celina on the effective date of the annexation.

K) OTHER SERVICES

- 1) Other services that may be provided by the City of Celina, such as municipal and general administration will be made available on the effective date of the annexation. The City of Celina shall provide levels of service, infrastructure, and infrastructure maintenance that are comparable to the levels of services, infrastructure, and infrastructure maintenance available in other parts of the City of Celina with similar topography, land use, and population density similar to those reasonably contemplated or projected in the area.

L) UNIFORM LEVEL OF SERVICES IS NOT REQUIRED

- 1) Nothing in this Service Plan shall require the City of Celina to provide a uniform level of full municipal services to each area of the City, including the annexed areas, if different characteristics of topography, land use, and population density are considered a sufficient basis for provided different levels of service. The City Council finds and determines that this Service Plan will not provide any fewer services, and it will not provide a lower level of services, than were in existence in the annexed area at the time immediately preceding the annexation process.
- 2) The City of Celina's codes, ordinances, regulations and policies that apply throughout the City may be reviewed at City Hall and at <http://www.franklinlegal.net/codes.html>.

M) TERM

- 1) This Service Plan shall be valid for a term of ten (10) years. Renewal of the Service Plan shall be at the discretion of the City Council and must be approved by ordinance.

N) AMENDMENTS

- 1) This Service Plan may be amended if the City Council determines at a public hearing that changed conditions or subsequent occurrences make this Service Plan unworkable or obsolete. The City Council may amend the Service Plan to conform to the changed conditions, subsequent occurrences or any other legally sufficient circumstances exist pursuant to the LGC or other Texas or Federal laws that make this service plan unworkable, obsolete or unlawful.

O) CONFLICTS; NO WAIVER

In the event of a conflict between this Service Plan and any development agreement governing the property annexed (the "Development Agreement"), the Development Agreement shall control. Nothing in this Service Plan shall waive any of the rights or obligations of the parties to the Development Agreement.

Entered into this __ day of _____, 20__.

CITY OF CELINA

By: _____

Name: _____

Title: City Manager

Date: _____

Exhibit C
Description of Open Space Property

Attachment: LEGAL-#89789-v23 Strategic Partnership Agreement for 8.26.20 agenda packet (Strategic Partnership Agreement)



Life Connected.

Administration
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
 From: Karla Stovall, Assistant City Manager
 CC: Jason Laumer, City Manager
 Date: August 26, 2020
 Re: Development Agreement 10th Amendment MUD 1

Action Requested:

Consider and act upon a Tenth Amendment to Amended and Restated Development Agreement between the City of Celina, Collin County Municipal Utility District No. 1 (“MUD 1”) and multiple developer parties owning land within MUD 1 (Light Farms)(Stovall)

Background Information:

The Tenth Amendment to Amended and Restated Development Agreement between the City of Celina, Collin County Municipal Utility District No. 1 and multiple developer parties owning land within MUD 1. The Tenth amendment is an agreement that accompanies the approval of the Strategic Partnership agreement and proposed Settlement agreement.

Board Review/Citizen Input:

Alternatives:

Financial Considerations:

Legal Review:

Supporting Documents:

Agreement

Staff Recommendation:

Approval

**TENTH AMENDMENT TO
AMENDED AND RESTATED DEVELOPMENT AGREEMENT**

This Tenth Amendment to Amended and Restated Development Agreement (this "Tenth Amendment") is made and entered into effective as of August 26, 2020 (the "Effective Date"), by and among the City of Celina, Texas (the "City") and the following owners of land in the City's extraterritorial jurisdiction who execute this Tenth Amendment: Collin County Municipal Utility District No. 1 ("MUD 1" or "District"), the parties listed on Exhibit A (each an "LFC Party" or "Owner" and collectively the "LFC Parties" and "Owner"), each individually referred to as a "Party" and collectively as the "Parties."

RECITALS

WHEREAS, the LFC Parties collectively own the property described by metes and bounds and depicted on the attached Exhibit B excluding platted lots that are within the metes and bounds description on the attached Exhibit B to the extent such lots are not owned by any of the LFC Parties or MUD 1 on the Effective Date (the remaining area owned by the LFC Parties being referred to herein as the "Property"); and

WHEREAS, each LFC Party is an "Owner" for purposes of the Development Agreement with respect to each portion of the Property owned by such LFC Party; and

WHEREAS, the City, Forestar/RPG Land Company, LLC, Lucas Celina 209, Ltd., and Central Frisco, Ltd. executed that certain Amended and Restated Development Agreement approved by the City of Celina City Council on March 12, 2007 and dated effective as of March 12, 2007 and filed in the deed records of Collin County, Texas as Instrument No. 20071101001489980 (the "Original Development Agreement"), as modified by the following: (a) that certain Addendum to Amended and Restated Development Agreement approved by the City Council on May 14, 2007 and dated effective as of March 12, 2007 and filed in the deed records of Collin County, Texas as Instrument No. 200711010011489990 (the "Addendum"); (b) that certain First Amendment to Amended and Restated Development Agreement approved by the City Council on August 13, 2007 and dated effective as of March 12, 2007 and filed in the deed records of Collin County, Texas as Instrument No. 20071114001544520 (the "First Amendment"); (c) that certain Second Amendment to Amended and Restated Development Agreement approved by the City Council on December 14, 2009 and dated effective as of March 12, 2007 and filed in the deed records of Collin County, Texas as Instrument No. 20100105000007540 (the "Second Amendment"); (d) that certain Third Amendment to Amended and Restated Development Agreement approved by the City Council on, and dated effective as of, May 9, 2011 and filed in the deed records of Collin County, Texas as Instrument No. 20120423000464760 (the "Third Amendment"); (e) that certain Fourth Amendment to Amended and Restated Development Agreement approved by the City Council on October 8, 2012 and dated effective as of October 12, 2012 and filed in the deed records of Collin County, Texas as Instrument No. 20121114001454530 (the "Fourth Amendment"); (f) that certain Fifth Amendment to Amended and Restated Development Agreement approved by the City Council on May 13, 2014 and filed in the deed records of Collin County, Texas as Instrument No. 20140711000715400 (the "Fifth Amendment"); (g) that certain Memorandum of Amendment to Development Agreement executed September 16, 2014 and filed in the deed records of Collin

County, Texas as Instrument No.20140916001001050 (the "Memorandum"); (h) that certain Sixth Amendment to Amended and Restated Development Agreement approved by the City Council on September 8, 2015 and filed in the deed records of Collin County, Texas as Instrument No. 20151022001338070 (the "Sixth Amendment"); (i) that certain Seventh Amendment to Amended and Restated Development Agreement approved by the City Council on November 10, 2015 and filed in the deed records of Collin County, Texas as Instrument No. 20151228001609150 (the "Seventh Amendment"); (j) that certain Eighth Amendment to Amended and Restated Development Agreement approved by the City Council on January 19, 2016 and filed in the deed records of Collin County, Texas as Instrument No. 20160307000271300 (the "Eighth Amendment"); and (k) that certain Ninth Amendment to Amended and Restated Development Agreement approved by the City Council on or about December 12, 2016 and filed in the deed records of Collin county, Texas as Instrument No. 20170112000053780 (the "Ninth Amendment") (the Original Development Agreement, the Addendum, the First Amendment, the Second Amendment, the Third Amendment, the Fourth Amendment, the Fifth Amendment, the Memorandum, the Sixth Amendment, the Seventh Amendment, the Eighth Amendment, and the Ninth Amendment are hereafter collectively referred to as the "Development Agreement"); and

WHEREAS, this Tenth Amendment further amends the Development Agreement, as such agreement relates to the portions of the Property governed by such agreement; and

WHEREAS, except as otherwise defined in this Tenth Amendment, capitalized terms used in this Tenth Amendment shall have the same meaning given to such terms in the Development Agreement; and

WHEREAS, the LFC Parties have succeeded to the rights of prior owners of the Property through purchases of portions of the Property, as well as assignments described on Exhibit A; and

WHEREAS, the Property is located within the extraterritorial jurisdiction ("ETJ") of the City and not within the ETJ or corporate limits of any other city or town; and

WHEREAS, the City, MUD 1, LFC Land Company, LLC ("LFC"), LFC Land Company II, LLC ("LFC II"), and the City retail water and sewer customers who are either owners or residents of property within MUD 1 and are plaintiffs in the Petitioner Appeal hereinafter defined (collectively, the "Petitioners") entered into that certain Settlement Agreement dated August 26, 2020 (the "Settlement Agreement"), that provides, in part, for the City to begin charging in-city water and wastewater rates (i.e., the same water and wastewater rates uniformly charged by the City to residential customers within the City's corporate limits) to all residential, residential and open space irrigation, and homeowner association retail water and sewer customers of the City who are either owners or residents of property within MUD 1 immediately following the execution of the Settlement Agreement and filing of the Petitioners' Motion to Withdraw **with Prejudice** the **docket** styled *Petition by Outside Petitioners Appealing the Water Rates Established by the City of Celina*, Docket No. 49225 (the "Petitioner Appeal") and dismissal of the Petitioner Appeal by the Administrative Law judge, and if required, a Public Utility Commission of Texas order of dismissal, either of which becomes final and non-

~~appealable, with prejudice dismissal with prejudice in a final, non-appealable order of that docket by the Public Utility Commission of Texas;~~ and (b) continue charging such rates thereafter; and

WHEREAS, the Settlement Agreement also requires the City to dismiss the lawsuit *City of Celina vs. Collin County Municipal Utility District No. 1; Keller Webster, Gordon Greeson, Kenneth Prater, Andy Harvey, Lissa Shephard*, Cause No. 471-02643-2020 (the "City Lawsuit"); and

WHEREAS, the Settlement Agreement also requires LFC (a) to make certain payments to the City starting on the effective date of the Settlement Agreement and ending on January 1, 2027 (the "Developer Payments"); and (b) to make certain payments to MUD 1 to reimburse it for legal fees in connection with the City Lawsuit and Petitioner Appeal (the "Legal Fee Reimbursements"); and

WHEREAS, capitalized terms not defined herein shall have the same meaning as in the Development Agreement.

NOW THEREFORE, for and in consideration of these premises and of the mutual promises, obligations, covenants and benefits herein contained, the Parties contract and agree as follows:

1. **Recitals.** The recitals contained in this Tenth Amendment: (a) are true and correct as of the Effective Date; (b) form the basis upon which the Parties negotiated and entered into this Tenth Amendment; (c) are legislative findings of the City of Celina City Council and MUD 1's Board of Directors, and (d) reflect the final intent of the Parties with regard to the subject matter of this Tenth Amendment. In the event it becomes necessary to interpret any provision of this Tenth Amendment, the intent of the Parties, as evidenced by the recitals, shall be taken into consideration and, to the maximum extent possible, given full effect. The Parties have relied upon the recitals as part of the consideration for entering into this Tenth Amendment and, but for the intent of the Parties reflected by the recitals, would not have entered into this Tenth Amendment.

2. **Full Purpose Annexation and Conversion To Limited District.**

(a) Section 8.1 of the Development Agreement is hereby amended and replaced in its entirety with the following language:

8.1 **Annexation and Dissolution of MUD 1.**

(i) The Parties recognize that, subject to the requirements of the laws of the State of Texas and this Agreement, the City has the right, by annexation of MUD 1 to abolish and dissolve MUD 1 and to acquire the assets and assume the obligations of MUD 1. MUD 1 will continue to exist until the City decides to dissolve it; however, the

City hereby agrees that it will not annex any of the territory within MUD 1, except as provided in this Section 8.1.

(ii) Following December 31, 2027, the City may annex all of the land within the boundaries of MUD 1 but only after the effective date of and in accordance with the terms of the Strategic Partnership Agreement between the City and MUD 1 as defined in the Settlement Agreement approved by the City and MUD 1 on August 26, 2020 (the "SPA") and Sections 43.0715 and 43.075 of the Texas Local Government Code. No partial full purpose annexation of land within MUD 1's boundaries is authorized. The SPA provides for the full purpose annexation of the land within the MUD and conversion of the MUD to a limited district. The date of such full purpose annexation and conversion is herein referred to as the "Full Purpose Annexation Conversion Date." In the event of a conflict between this Agreement and the SPA concerning the terms for annexation of land within the District, the SPA shall control if such annexation date is after December 31, 2027.

(iii) Pursuant to Section 43.0715(b) of the Texas Local Government Code and the terms of the SPA, the City shall, prior to the Full Purpose Annexation Conversion Date, pay in cash to LFC, LFC II and any of their respective successors or assigns, a sum equal to the actual costs and expenses incurred by LFC and LFC II in connection with MUD 1 that MUD 1 has, in writing, agreed to pay LFC and LFC II, so long as such costs would otherwise have been eligible for reimbursement from bond proceeds under the rules and requirements of the Texas Commission on Environmental Quality (the "TCEQ") as such rules and requirements exist on the date of annexation reduced by the amount of Developer Payments not paid to the City in accordance with the terms of the Settlement Agreement or otherwise recovered by the City through the increased capital recovery fees allowed under this Agreement, in the event of nonpayment (the "Unreimbursed Developer Costs and Expenses"). The Unreimbursed Developer Costs and Expenses will include, but not be limited to, costs related to utility and road infrastructure. MUD 1 agrees to provide an accounting of the Unreimbursed Developer Costs and Expenses, including the then current dollar amount of the Unreimbursed Developer Costs and Expenses, in an annual agreed-upon procedures report (the "Annual AUP") prepared by MUD 1, which shall be in the format approved by the TCEQ for such reports and consistent with the terms of the MUD 1 reimbursement agreement with LFC and LFC II. MUD 1 shall provide a copy of each Annual AUP to the City, LFC, and LFC II. At least 120 days prior to the date the City intends to annex MUD 1, the City shall provide MUD 1, LFC, and LFC II with a written notice of intent to annex MUD 1 and the date planned for annexation, which shall be the Full Purpose Annexation Conversion Date. In response to such written notice, MUD 1 shall have 60 days from the date of receipt of such notice to provide the City, LFC, and LFC II with a written notice summarizing all then current Unreimbursed Developer Costs and Expenses ("Final Notice of Unreimbursed Developer Costs and Expenses"). The District's obligation to provide an Annual AUP and the Final Notice of Unreimbursed Costs and Expenses shall be subject to the District's receipt from the Developer of all documentation necessary to prepare such reports in accordance with the rules and requirements of the TCEQ. Notwithstanding anything to the contrary in this

Agreement, the City acknowledges and agrees that no annexation of MUD 1 shall be valid or effective unless the City has fully paid, or made arrangements with LFC and LFC II in writing signed by LFC, LFC II and the City to fully pay, the Unreimbursed Developer Costs and Expenses as reflected in the Final Notice of Unreimbursed Developer Costs and Expenses, in cash to LFC and LFC II prior to such annexation.

(b) Section 2.1 of the Development Agreement is hereby amended by the addition of the following subsections (m) through (o):

(m) Structures in existence on the date of full purpose annexation shall be deemed to be legal conforming uses and structures notwithstanding any zoning of the land within MUD 1 to the contrary following full purpose annexation. This paragraph shall survive the expiration or termination of this Agreement.

(n) Nothing herein shall be deemed to be a waiver of any vested rights that accrue pursuant to Section 43.002 of the Texas Local Government Code, and the City acknowledges and agrees that the land within MUD 1 may be used consistent with Section 43.002 of the Texas Local Government Code following full purpose annexation, but only if such uses are consistent with this Agreement.

(o) The Parties agree to cooperate to draft a planned development zoning ordinance for all of the land within MUD 1 that is consistent with the development of the land and the development rights under this Agreement, including but not limited to the Land Plan, that can be considered by City Council following full purpose annexation. Nothing herein shall be construed to require the City to adopt such an ordinance.

3. **Water and Wastewater Rates.** Section 6.3 of the Development Agreement is hereby amended to add the following sentence: "Notwithstanding anything to the contrary in this Section 6.3, immediately following execution of the Settlement Agreement and Petitioners filing their Motion to Withdraw With Prejudice and dismissal by the Administrative Law judge, and if required, a Public Utility Commission of Texas order of dismissal, either of which becomes final and non-appealable, with prejudice dismissal with prejudice of Petitioners' Appeal in a final, non-appealable order by the Public Utility Commission of Texas and beginning with the first water and sewer bills issued thereafter for service within MUD 1, the City shall begin charging in-city water and wastewater rates (i.e., the same water and wastewater rates uniformly charged by the City to residential customers within the City's corporate limits) on all subsequent utility bills to all residential, residential and open space irrigation, and homeowner association customers; and (b) continue charging such rates thereafter."

4. **Development Fees.** With respect to the portion of the Property depicted in red on the attached **Exhibit C**, Section 2.2(a) and Section 2.2(b) of the Development Agreement is hereby amended to read as follow:

(a) for each connection, a water capital recovery fee in the amount of \$3,000.00; (b) for each connection, a sanitary sewer capital recovery fee in the amount of \$3,200.

In addition, Section 2.2 of the Development Agreement is hereby amended to add the following sentences and all other references to payment of an "impact fee" in the Development Agreement shall be amended to refer to a "capital recovery fee":

The water and sewer capital recovery fee requirements in this section are subject to the City charging in-city water and wastewater rates in accordance with this Agreement and the Settlement Agreement and the Property being in the ETJ at the time the capital recovery fee is collected. If LFC is in default of any obligations to make Developer Payments pursuant to the terms of the Settlement Agreement, and such default is not timely cured, the City may, increase the capital recovery fees required by this section to recover the Developer Payments that are the subject of the default. Once the Developer Payments that are the subject of the default have been recovered by the City from such capital recovery fees, the amount of the capital recovery fees paid to the City shall return to the amount required by this section.

5. **Estoppel.** Section 12.14(d) of the Development Agreement is hereby amended in its entirety to read as follows:

Estoppel Certificates. From time to time upon written request by any seller or purchaser of property within the Property or by any Party, the City shall execute, to its reasonable knowledge and belief, a written estoppel certificate in a form and substance satisfactory to the City to the person requesting it that, if true, the City has not given or received any written notices alleging any events of default under this Agreement, provided, however, the City may charge \$1,000 per estoppel certificate for each request in excess of one per calendar year.

6. **Term.** The Development Agreement, as amended by this Tenth Amendment, shall remain in effect until the 45th anniversary of the Original Development Agreement.

7. **Proof of Developer Payments.** As a condition to the initiation of activities and preparations for the sale of bonds by MUD 1 to reimburse LFC, LFC II, and any of their respective successors or assigns, and as a condition to the advertising for the sale of bonds, the entity seeking reimbursement must provide MUD 1 with proof of payment of the Developer Payments required by Section 5.1 of the Settlement Agreement that are required to be paid by the date such proof is delivered to MUD 1.

8. **Entire Agreement.** Section 12.8 of the Development Agreement is hereby amended in its entirety to read as follows: "This Agreement, the Settlement Agreement, and the SPA embody the entire understanding between the Parties, and there are no other representations, warranties or agreements between the Parties covering the subject matter of this Agreement."

9. **Immunity.** Section 12.17 of the Development Agreement is hereby amended in its entirety to read as follows: "To the extent permitted by law, the City and MUD 1 waive sovereign immunity from suit for the sole purpose of enforcing this Agreement."

10. **Notices.** The notice provision in Section 12.5 of the Development Agreement shall be replaced in its entirety with the following with respect to notices to the City, MUD 1 and the LFC Parties:

All notices required or contemplated by this Agreement (or otherwise given in connection with this Agreement) shall be in writing, shall be signed by or on behalf of the Party giving the notice, and shall be effective as follows: (a) on or after the 10th business day after being deposited with the United States mail service, Certified Mail, Return Receipt Requested with a confirming copy sent by E-mail; (b) on the day delivered by a private delivery or private messenger service (such as FedEx or UPS) as evidenced by a receipt signed by any person at the delivery address (whether or not such person is the person to whom the notice is addressed); or (c) otherwise on the day actually received by the person to whom the notice is addressed, including, but not limited to, delivery in person and delivery by regular mail (with a confirming copy sent by E-mail). Notices given pursuant to this section shall be addressed as follows:

To the City:	Attn: City Manager City of Celina 142 North Ohio Celina, Texas 75009 E-mail: jlaumer@celina-tx.gov
With a copy to:	Attn: Julie Fort Messer Fort McDonald 6371 Preston Road, Suite 200 Frisco, Texas 75034 E-mail: julie@txmunicipallaw.com
To the LFC Parties:	Attn: Jake Wagner Republic Property Group 400 S. Record Street, Suite 1200 Dallas, Texas 75202 E-mail: jwagner@republicpropertygroup.com
With a copy to:	Attn: Misty Ventura Shupe Ventura, PLLC 9406 Biscayne Blvd. Dallas, TX 75218 E-mail: misty.ventura@svlandlaw.com
To MUD 1:	Attn: President, Board of Directors Crawford & Jordan LLP 19 Briar Hollow Lane, Suite 245 Houston, Texas 77027 E-mail: ccrawford@crawlaw.net

With a copy to:

Attn: Clay Crawford
Crawford & Jordan LLP
3100 McKinnon Street, Suite 1100
Dallas, Texas 75201
E-mail: ccrawford@crawlaw.net

11. **Captions.** The captions of each section of this Tenth Amendment are inserted solely for convenience and shall never be given effect in construing the duties, obligations or liabilities of the Parties or any provisions hereof, or in ascertaining the intent of any Party with respect to the provisions hereof.

12. **Severability.** If any provision of this Tenth Amendment is determined by a court of competent jurisdiction to be unenforceable for any reason, then (a) such unenforceable provision shall be deleted from this Tenth Amendment; (b) the unenforceable provision shall, to the extent possible, be rewritten to be enforceable and to give effect to the intent of the Parties; (c) the amount of money to be received or paid by any Party shall not be reduced; and (d) the remainder of this Tenth Amendment, shall remain in full force and effect and shall be interpreted to give effect to the intent of the Parties. Without limiting the generality of the foregoing, if it is determined that, as of the Effective Date, (x) any Party other than the City does not own any portion of the Property, this Tenth Amendment shall remain in full force and effect with respect to all of the Property that is then owned by a Party to this Tenth Amendment or a successor or assign of one of the Parties, and (y) any portion of the Property is not within the City's ETJ, this Tenth Amendment shall remain in full force and effect with respect to all of the Property that is then within the City's ETJ. If at any time after the Effective Date it is determined that any portion of the Property is no longer within the City's ETJ, this Tenth Amendment shall remain in full force and effect with respect to all of the Property that remains within the City's ETJ.

13. **Binding Obligations; Recordation.** This Tenth Amendment shall bind and inure to the benefit of the Parties, their successors, and their permitted Assignees after it is recorded in the Real Property Records of Collin County, Texas. This Tenth Amendment shall be recorded after the Settlement Agreement is fully executed, and, upon recordation, shall bind and constitute a covenant running with the Property. This Tenth Amendment is binding on the Parties and their respective successors and assigns for the term of the Development Agreement, as amended by this Tenth Amendment. The LFC Parties shall take all necessary steps to cause this Tenth Amendment to be recorded in the Real Property Records of Collin County, Texas, no later than September 4, 2020.

14. **Authority.** By signing this Tenth Amendment, the Parties agree that they have all necessary authority to enter into this Tenth Amendment, including any necessary approval by partners, directors or council members.

15. **Interlocal Agreement.** This Tenth Amendment, as an amendment to the Development Agreement, shall constitute an Interlocal Cooperation Agreement entered into between MUD 1 and the City pursuant to Chapter 791, Texas Government Code, as amended.

16. **Exhibits.** The exhibits attached to this Tenth Amendment are incorporated as part of this Tenth Amendment for all purposes as if set forth in full in the body of this Tenth Amendment.

17. **Effect on Only the Property and the MUD 1 Land.** The Parties acknowledge that this Tenth Amendment governs only the Property and the land within MUD 1, as defined by this Tenth Amendment, and has no effect on the rights or obligations of the "East Commercial Property Owner" or the "West Commercial Property Owner" as described in the Development Agreement.

18. **Development Agreement in Effect.** Except to the extent amended by this Tenth Amendment, the Parties acknowledges and agrees the Development Agreement remains in full force and effect.

19. **Boycott of Israel.** The LFC Parties represent that, to the extent this Tenth Amendment constitutes a contract for goods or services within the meaning of Section 2271.002 of the Texas Government Code, as amended, solely for purposes of compliance with Chapter 2271 of the Texas Government Code, and subject to applicable federal law, neither the LFC Parties, nor any wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of any of the LFC Parties (i) boycotts Israel; or (ii) will boycott Israel during the term of the Development Agreement, as amended by this Tenth Amendment. The terms "boycotts Israel" and "boycott Israel" as used in this paragraph have the meanings assigned to the term "boycott Israel" in Section 808.001 of the Texas Government Code, as amended.

20. **Iran, Sudan and Foreign Terrorist Organizations.** Section 2252.151 of the Texas Government Code defines a "governmental contract" as a contract awarded by a governmental entity for general construction, an improvement, a service, or a public works project or for a purchase of supplies, materials, or equipment, and provides that the term includes a contract to obtain a professional or consulting service subject to Chapter 2254 of the Texas Government Code. The LFC Parties represent that, as of the date of this Tenth Amendment, to the extent the Development Agreement, as amended by this Tenth Amendment, constitutes a governmental contract within the meaning of Section 2252.151 of the Texas Government Code, as amended, solely for purposes of compliance with Chapter 2252 of the Texas Government Code, and except to the extent otherwise required by applicable federal law, neither the LFC Parties, nor any wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of the LFC Parties, is an entity listed by the Texas Comptroller of Public Accounts under Sections 806.051, 807.051, or 2252.153 of the Texas Government Code. The term "foreign terrorist organization" in this paragraph has the meaning assigned to such term in Section 2252.151 of the Texas Government Code.

21. **Form 1295.** Submitted herewith is the LFC Parties' completed Form 1295 generated by the Texas Ethics Commission's (the "TEC") electronic filing application in accordance with the provisions of Section 2252.908 of the Texas Government Code and the rules promulgated by the TEC (the "Form 1295"). The City hereby confirms receipt of the Form 1295 from the LFC Parties, and the City agrees to acknowledge such form with the TEC through its electronic filing application not later than the 30th day after the receipt of such form. The Parties understand and agree that, with the exception of information identifying the City and the contract

identification number, neither the City nor its consultants are responsible for the information contained in the Form 1295; that the information contained in the Form 1295 has been provided solely by the LFC Parties; and, neither the City nor its consultants have verified such information.

22. **Interpretation.** The Parties acknowledge that each has been actively involved in negotiating this Tenth Amendment. Accordingly, the rule of construction that any ambiguities are to be resolved against the drafting Party will not apply to interpreting this Tenth Amendment. In the event of any dispute over the meaning or application of any provision of this Tenth Amendment, the provision will be interpreted fairly and reasonably and neither more strongly for nor against any Party, regardless of which Party originally drafted the provision.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Parties hereto have signed and agreed to this Tenth Amendment in multiple copies, each of equal dignity, as of the dates set forth in the respective acknowledgments below.

Approved by:

City of Celina, Texas

By: _____

Name: _____

Date: _____

Title: Mayor

STATE OF TEXAS §

§

COUNTY OF COLLIN §

This instrument was acknowledged before me on this _____ day of _____, 2020, by _____, Mayor, City of Celina, Texas, a Texas home rule municipality on behalf of said municipality.

Notary Public, State of Texas

Approved by:

LFC DEVCO BIG II, LLC

a Texas limited liability company

By: RJM/Celina III, L.P.
a Texas limited partnership
its manager

By: RJM/Celina III GP, Inc.,
a Texas corporation
its general partner

Name: _____

Title: _____

STATE OF TEXAS §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2020, by _____, _____ of RJM/Celina III GP, Inc., a Texas corporation and general partner of RJM/Celina III, L.P., a Texas limited partnership and manager of LFC Devco BIG II, LLC, a Texas limited liability company on behalf of said limited liability company.

Notary Public, State of Texas

Approved by:

LFC DEVCO BRENHAM, LLC

a Texas limited liability company

By: RJM/Celina III, L.P.
a Texas limited partnership
its manager

By: RJM/Celina III GP, Inc.,
a Texas corporation
its general partner

Name: _____
Title: _____

STATE OF TEXAS §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2020, by _____, _____ of RJM/Celina III GP, Inc., a Texas corporation and general partner of RJM/Celina III, L.P., a Texas limited partnership and manager of LFC Devco Brenham, LLC, a Texas limited liability company on behalf of said limited liability company.

Notary Public, State of Texas

Approved by:

LFC DEVCO CYPRESS, LLC
a Texas limited liability company

By: RJM/Celina III, L.P.
a Texas limited partnership
its manager

By: RJM/Celina III GP, Inc.,
a Texas corporation
its general partner

Name: _____
Title: _____

STATE OF TEXAS §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2020, by _____, _____ of RJM/Celina III GP, Inc., a Texas corporation and general partner of RJM/Celina III, L.P., a Texas limited partnership and manager of LFC Devco Cypress, LLC, a Texas limited liability company on behalf of said limited liability company.

Notary Public, State of Texas

Approved by:

LFC DEVCO EC, LLC

a Texas limited liability company

By: RJM/Celina III, L.P.
a Texas limited partnership
its manager

By: RJM/Celina III GP, Inc.,
a Texas corporation
its general partner

Name: _____
Title: _____

STATE OF TEXAS §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2020, by _____, _____ of RJM/Celina III GP, Inc., a Texas corporation and general partner of RJM/Celina III, L.P., a Texas limited partnership and manager of LFC Devco EC, LLC, a Texas limited liability company on behalf of said limited liability company.

Notary Public, State of Texas

Approved by:

LFC DEVCO GH, LLC

a Texas limited liability company

By: RJM/Celina III, L.P.
a Texas limited partnership
its manager

By: RJM/Celina III GP, Inc.,
a Texas corporation
its general partner

Name: _____
Title: _____

STATE OF TEXAS §

§

COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2020, by _____, _____ of RJM/Celina III GP, Inc., a Texas corporation and general partner of RJM/Celina III, L.P., a Texas limited partnership and manager of LFC Devco GH, LLC, a Texas limited liability company on behalf of said limited liability company.

Notary Public, State of Texas

Approved by:

LFC DEVCO GM, LLC

a Texas limited liability company

By: RJM/Celina III, L.P.
a Texas limited partnership
its manager

By: RJM/Celina III GP, Inc.,
a Texas corporation
its general partner

Name: _____
Title: _____

STATE OF TEXAS §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2020, by _____, _____ of RJM/Celina III GP, Inc., a Texas corporation and general partner of RJM/Celina III, L.P., a Texas limited partnership and manager of LFC Devco GM, LLC, a Texas limited liability company on behalf of said limited liability company.

Notary Public, State of Texas

Approved by:

LFC DEVCO GRAHAM, LLC
a Texas limited liability company

By: RJM/Celina III, L.P.
a Texas limited partnership
its manager

By: RJM/Celina III GP, Inc.,
a Texas corporation
its general partner

Name: _____
Title: _____

STATE OF TEXAS §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2020, by _____, _____ of RJM/Celina III GP, Inc., a Texas corporation and general partner of RJM/Celina III, L.P., a Texas limited partnership and manager of LFC Devco Graham, LLC, a Texas limited liability company on behalf of said limited liability company.

Notary Public, State of Texas

Approved by:

LFC DEVCO GRANGE IV, LLC
a Texas limited liability company

By: RJM/Celina III, L.P.
a Texas limited partnership
its manager

By: RJM/Celina III GP, Inc.,
a Texas corporation
its general partner

Name: _____
Title: _____

STATE OF TEXAS §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2020, by _____, _____ of RJM/Celina III GP, Inc., a Texas corporation and general partner of RJM/Celina III, L.P., a Texas limited partnership and manager of LFC Devco Grange IV, LLC, a Texas limited liability company on behalf of said limited liability company.

Notary Public, State of Texas

Approved by:

LFC DEVCO HLH, LLC

a Texas limited liability company

By: RJM/Celina III, L.P.
a Texas limited partnership
its manager

By: RJM/Celina III GP, Inc.,
a Texas corporation
its general partner

Name: _____

Title: _____

STATE OF TEXAS §

§

COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2020, by _____, _____ of RJM/Celina III GP, Inc., a Texas corporation and general partner of RJM/Celina III, L.P., a Texas limited partnership and manager of LFC Devco HLH, LLC, a Texas limited liability company on behalf of said limited liability company.

Notary Public, State of Texas

Approved by:

LFC DEVCO MAYDELLE, LLC
a Texas limited liability company

By: RJM/Celina III, L.P.
a Texas limited partnership
its manager

By: RJM/Celina III GP, Inc.,
a Texas corporation
its general partner

Name: _____
Title: _____

STATE OF TEXAS §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2020, by _____, _____ of RJM/Celina III GP, Inc., a Texas corporation and general partner of RJM/Celina III, L.P., a Texas limited partnership and manager of LFC Devco Maydelle, LLC, a Texas limited liability company on behalf of said limited liability company.

Notary Public, State of Texas

Approved by:

LFC DEVCO SWEETWATER, LLC
a Texas limited liability company

By: RJM/Celina III, L.P.
a Texas limited partnership
its manager

By: RJM/Celina III GP, Inc.,
a Texas corporation
its general partner

Name: _____

Title: _____

STATE OF TEXAS §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2020, by _____, _____ of RJM/Celina III GP, Inc., a Texas corporation and general partner of RJM/Celina III, L.P., a Texas limited partnership and manager of LFC Devco Sweetwater, LLC, a Texas limited liability company on behalf of said limited liability company.

Notary Public, State of Texas

Approved by:

LFC DEVELOPMENT COMPANY I, LLC
a Texas limited liability company

By: RJM/Celina III, L.P.
a Texas limited partnership
its manager

By: RJM/Celina III GP, Inc.,
a Texas corporation
its general partner

Name: _____
Title: _____

STATE OF TEXAS §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2020, by _____, _____ of RJM/Celina III GP, Inc., a Texas corporation and general partner of RJM/Celina III, L.P., a Texas limited partnership and manager of LFC Development Company I, LLC, a Texas limited liability company on behalf of said limited liability company.

Notary Public, State of Texas

Approved by:

LFC LAND COMPANY, LLC
a Texas limited liability company

By: RJM/Celina III, L.P.
a Texas limited partnership
its manager

By: RJM/Celina III GP, Inc.,
a Texas corporation
its general partner

Name: _____

Title: _____

STATE OF TEXAS §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2020, by _____, _____ of RJM/Celina III GP, Inc., a Texas corporation and general partner of RJM/Celina III, L.P., a Texas limited partnership and manager of LFC Land Company, LLC, a Texas limited liability company on behalf of said limited liability company.

Notary Public, State of Texas

Approved by:

LFC DEVCO SAGE II, LLC
a Texas limited liability company

By: RJM/Celina III, L.P.
a Texas limited partnership
its manager

By: RJM/Celina III GP, Inc.,
a Texas corporation
its general partner

Name: _____
Title: _____

STATE OF TEXAS §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2020, by _____, _____ of RJM/Celina III GP, Inc., a Texas corporation and general partner of RJM/Celina III, L.P., a Texas limited partnership and manager of LFC Devco Sage II, LLC, a Texas limited liability company on behalf of said limited liability company.

Notary Public, State of Texas

Approved by:

LFC DEVCO SAGE III, LLC
a Texas limited liability company

By: RJM/Celina III, L.P.
a Texas limited partnership
its manager

By: RJM/Celina III GP, Inc.,
a Texas corporation
its general partner

Name: _____
Title: _____

STATE OF TEXAS §

§

COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2020, by _____, _____ of RJM/Celina III GP, Inc., a Texas corporation and general partner of RJM/Celina III, L.P., a Texas limited partnership and manager of LFC Devco Sage III, LLC, a Texas limited liability company on behalf of said limited liability company.

Notary Public, State of Texas

Approved by:

LFC DEVCO SAGE, LLC

a Texas limited liability company

By: RJM/Celina III, L.P.
a Texas limited partnership
its manager

By: RJM/Celina III GP, Inc.,
a Texas corporation
its general partner

Name: _____
Title: _____

STATE OF TEXAS §

§

COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2020, by _____, _____ of RJM/Celina III GP, Inc., a Texas corporation and general partner of RJM/Celina III, L.P., a Texas limited partnership and manager of LFC Devco Sage, LLC, a Texas limited liability company on behalf of said limited liability company.

Notary Public, State of Texas

Approved by:

LFC LAND COMPANY II, LLC
a Texas limited liability company

By: RJM/Celina III, L.P.
a Texas limited partnership
its manager

By: RJM/Celina III GP, Inc.,
a Texas corporation
its general partner

Name: _____

Title: _____

STATE OF TEXAS §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2020, by _____, _____ of RJM/Celina III GP, Inc., a Texas corporation and general partner of RJM/Celina III, L.P., a Texas limited partnership and manager of LFC Land Company II, LLC, a Texas limited liability company on behalf of said limited liability company.

Notary Public, State of Texas

Approved by:

TOLL SOUTHWEST, LLC
a Texas limited liability company

By: _____
a _____
its _____

STATE OF TEXAS §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2020, by _____, _____ of Toll Southwest, LLC, a Texas limited liability company, on behalf of said limited liability company.

Notary Public, State of Texas

Approved by:

BR2 PARTNERS, LLC

a Texas limited liability company

By: _____
a _____
its _____

STATE OF TEXAS §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2020, by
_____, _____ of BR2 Partners, LLC, a Texas limited
liability company, on behalf of said limited liability company.

Notary Public, State of Texas

Approved by:

**COLLIN COUNTY MUNICIPAL UTILITY
DISTRICT NO. 1**

By: _____

Name: _____

Title: _____

ATTEST:

By: _____

Name: _____

Title : _____

STATE OF TEXAS §

§

COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2020, by _____ of the Collin County Municipal Utility District No. 1 on behalf of said district.

Notary Public, State of Texas

After recording, return to:

Republic Property Group

Attn: Mark Kiker

400 S. Record Street, Suite 1200

Dallas, Texas 75202

Exhibits:

Exhibit A	List of LFC Parties
Exhibit B	Legal Description of the Property
Exhibit C	Depiction of the Property Subject to Increased Fees

Exhibit A
The LFC Parties

Entity	Name	Assignment
LFC Devco BIG II, LLC ("LFC BIG ")	LFC BIG	LFC
LFC Devco Brenham, LLC ("LFC Brenham")	LFC Brenham	LFC
LFC Devco Cypress, LLC ("LFC Cypress")	LFC Cypress	LFC
LFC Devco EC, LLC ("LFC EC")	LFC EC	LFC
LFC Devco GH, LLC ("LFC GH")	LFC GH	LFC
LFC Devco GM, LLC ("LFC GM")	LFC GM	LFC
LFC Devco Graham, LLC ("LFC Graham")	LFC Graham	LFC
LFC Devco Grange IV, LLC ("LFC Grange IV")	LFC Grange IV	LFC
LFC Devco HLH, LLC ("LFC HLH")	LFC HLH	LFC
LFC Devco Maydelle, LLC ("LFC Maydelle")	LFC Maydelle	LFC
LFC Devco Sweetwater, LLC ("LFC Sweetwater")	LFC Sweetwater	LFC
LFC Development Company I, LLC ("LFC Development I")	LFC Development I	LFC
LFC Land Company, LLC ("LFC")	LFC	LFC

Entity	Name	Assignment
LFC Devco Sage II, LLC ("LFC Sage II")	LFC Sage II	LFC II
LFC Devco Sage III, LLC ("LFC Sage III")	LFC Sage III	LFC II
LFC Devco Sage, LLC ("LFC Sage")	LFC Sage	LFC II
LFC Land Company II, LLC ("LFC II")	LFC II	LFC II
Toll Southwest, LLC	LFC Toll	LFC II
B2R Partners, LLC	BB Living	LFC II

Exhibit B
Legal Description and Depiction of the Property

TRACT A

Being a 597.17 acre tract of land situated in the John Ragsdale Survey, Abstract No. 734, and the Collin County School Land Survey No. 14, Abstract No. 167, and being all of Tract A, a 597.17 acre tract of land as described in instrument to LFC Land Company, LLC, as recorded in Document Number 20120423000464780, Land Records, Collin County, Texas, all of a 1.00 acre tract of land as described in instrument to Frederick L Albrecht, as recorded in Document Number 20070510000634680, Land Records, Collin County, Texas, all of a 1.00 acre tract of land as described in instrument to Keller Webster, as recorded in Document Number 20070510000634710, Land Records, Collin County, Texas, all of a 1.00 acre tract of land as described in instrument to Andy Harvey, as recorded in Document Number 20070510000724440, Land Records, Collin County, Texas, all of a 1.00 acre tract of land as described in instrument to Gordon Greeson, as recorded in Document Number 20070510000634740, Land Records, Collin County, Texas, all of a tract of 1.00 acre tract of land as described in instrument to Kenneth Prater, as recorded in Document Number 20070510000634770, Land Records, Collin County, Texas, and a portion of Collin County Road 51. Said 597.17 acre tract, with reference bearing of grid north, Texas State Plane Coordinates, North Central Zone, HARN NAD 83 (93) datum, being more particularly described by metes and bounds as follows:

Commencing at ½ inch iron rod found for the northwest corner of a called 161.4193 acre tract of land conveyed by deed to the Board of Regents of the Texas A&M University System recorded in Volume 2513, Page 274, Land Records, Collin County, Texas, and being on the west line of aforesaid John Ragsdale Survey, and being on the east line of the F.D. Gary Survey, Abstract No. 361;

THENCE, North 89 degrees 56 minutes 06 seconds East, along the North line of aforesaid 161.4193 acre tract of land, a distance of 950.04 feet to the POINT OF BEGINNING and being the most southerly southwest corner of said Lucas Celina tract;

THENCE, North 00 degrees 36 minutes 37 seconds West, along a west line of said Lucas Celina tract a distance of 1,513.85 feet to a 5/8 inch iron rod found;

THENCE, North 30 degrees 59 minutes 39 seconds East, continuing along a northwesterly line of said Lucas Celina tract a distance of 867.40 feet to a 1/2 inch iron rod found at an inner ell corner of said Lucas Celina tract;

THENCE, South 59 degrees 00 minutes 21 seconds East, departing the northwesterly line of said Lucas Celina tract a distance of 50.00 feet to a 5/8 inch iron rod found with cap stamped "Huitt-Zollars" on a northwesterly line of said 408.510 acre tract;

THENCE, North 30 degrees 59 minutes 39 seconds East, along a northwesterly line of said 408.510 acre tract a distance of 575.60 feet to a 5/8 inch iron rod found with cap stamped “Huitt-Zollars”;

THENCE, North 59 degrees 00 minutes 21 seconds West, departing the northwesterly line of said 408.510 acre tract a distance of 260.21 feet to a 5/8 inch iron rod found with cap stamped “Huitt-Zollars” and being the beginning of a non-tangent curve to the left having a radius of 3,644.79 feet;

THENCE, in a northerly direction along said curve to the left through a central angle of 36 degrees 57 minutes 20 seconds, an arc distance of 2,350.88 feet and being subtended by a chord bearing North 09 degrees 52 minutes 14 seconds East, a distance of 2,310.34 feet;

THENCE, North 08 degrees 36 minutes 26 seconds West, a distance of 1,585.77 feet to a 5/8 inch iron rod found with cap stamped “Huitt-Zollars”;

THENCE, North 89 degrees 27 minutes 32 seconds East, passing at 322.72 feet a 5/8 inch iron rod found at the most northerly southwest corner of said 408.510 acre tract, passing at 1,521.70 feet a 5/8 inch iron rod found at an inner ell corner of said 408.510 acre tract, continuing for a total distance of 1,571.93 feet to a 5/8 inch iron rod found with cap stamped “Huitt-Zollars”;

THENCE, North 04 degrees 53 minutes 56 seconds East, a distance of 1,990.49 feet to a 5/8 inch iron rod found with cap stamped “Huitt-Zollars”;

THENCE, North 03 degrees 20 minutes 56 seconds East, a distance of 52.00 feet to a 5/8 inch iron rod found with cap stamped “Huitt-Zollars” on the north line of said 408.510 acre tract;

THENCE, North 89 degrees 32 minutes 06 seconds East, along the north line of said 408.510 acre tract a distance of 657.83 feet to a 5/8 inch iron rod with a yellow plastic cap stamped “Carter Burgess” found for corner at the northeast corner of said 408.51 acre tract and the common northeast corner of said John Ragsdale Survey and the southwest corner of the M.D. Bullion Survey, Abstract No. 137 and being on the west line of Collin County School Land Survey No. 14, Abstract No. 167 and the west line of a tract of land conveyed to Richard C. Smith and wife, Janet L. Smith by deed recorded in County Clerk’s File No. 97-0086916, Land Records, Collin County, Texas.

THENCE, South 01 degrees 06 minutes 02 seconds East, along the east line of said 408.510 acre tract and the west line of said Collin County School Land Survey No. 14, Abstract No. 167 and the common west line of said Smith Tract, and the common west line of a 100.593 acre tract conveyed by deed to the Walton Bradford Family Partnerships, L.P. recorded in Volume 5050, Page 00784, Land Records, Collin County, Texas, and the west line of tract of land conveyed by deed to Albert Mokhtar, trustee, recorded in Volume 2722, Page 333, Land Records, Collin County, Texas, a distance of 3,004.05 feet to a point for corner;

THENCE, North 89 degrees 28 minutes 05 seconds East, passing at a distance of 35.43 feet a 1” iron pipe found for the northwest corner of aforesaid 151.289 acre tract and continuing along the

north line of said 151.289 acre tract and the common south line of aforesaid Albert Mokhtar Tract, a total distance of 1,948.01 feet to a ½ inch iron rod found for the northeast corner of said 151.289 acre tract and the southeast corner of said Albert Mokhtar Tract and being on the west right-of-way of the Red River Texas & Southern Railway Company, Tract No. 54, by deed recorded in Volume 121, Page 20, Land Records, Collin County, Texas.

THENCE, South 11 degrees 20 minutes 28 seconds West, along the east line of aforesaid 151.289 acre tract and the common west line of aforesaid Red River Texas & Southern Railway Company Tract No. 54, a distance of 4,816.17 feet to a ½ inch iron rod found for the southeast corner of said 151.289 acre tract and point on the north line of a called 81.68 acre tract of land, conveyed to Graham S. Stelzer and wife, Doris Stelzer by deed recorded in Volume 587, Page 146, Land Records, Collin County, Texas;

THENCE, South 89 degrees 32 minutes 42 seconds West, along the south line of aforesaid 151.289 acre tract and the common north line of aforesaid 81.68 acre tract, passing at a distance of 884.15 feet a 3/8 inch iron rod found for the southeast corner of said 151.289 acre tract and continuing a total distance of 910.34 feet to a point for corner on the east line of aforesaid 408.510 acre tract;

THENCE, South 01 degrees 06 minutes 02 seconds East, along the east line of said 408.510 acre tract, a distance of 1,090.95 feet to a 5/8 inch iron rod with a yellow plastic cap stamped “Carter Burgess” set for corner at the southeast corner of said 408.510 acre tract and the northeast corner of aforesaid 161.4193 acre tract;

THENCE, along the south line of said 408.510 acre tract and the common north line of said 161.4193 acre tract, the following courses and distances:

NORTH 89 degrees 44 minutes 17 seconds West, a distance of 138.60 feet to a point for corner;

NORTH 82 degrees 40 minutes 54 seconds West, a distance of 632.77 feet to a point for corner;

SOUTH 89 degrees 19 minutes 08 seconds West, a distance of 1,314.05 feet to a point for corner;

SOUTH 87 degrees 52 minutes 29 seconds West, a distance of 475.03 feet to a point for corner;

SOUTH 89 degrees 56 minutes 06 seconds West, a distance of 722.47 feet to the POINT OF BEGINNING and containing 597.17 acres of land, more or less.

TRACT B

Being a 209.022 acre tract of land situated in the Collin County School Land Survey No. 14, Abstract No. 167, Collin County, Texas, and being all of Tract B, a 209.022 acre tract of land as described in instrument to LFC Land Company, LLC, recorded in Document No. 20120423000464780, Land Records, Collin County, Texas, said 209.022 acre tract, with bearing basis of grid north, Texas State Plane Coordinates, north central zone, harn nad 83 (93) datum, being more particularly described by metes and bounds as follows:

Beginning at ½ inch iron rod found for the northeast corner of aforesaid 209.022 acre tract and being the southeast corner of a called Tract 4, conveyed to Ownsby 1880 Farms, LTD. by deed recorded in County Clerk's File No. 99-0005737, Land Records, Collin County, Texas and being on the west line of a called Tract 1, conveyed to Ownsby 1880 Farms, LTD. by deed recorded in County Clerk's File No. 99-0005737, Land Records, Collin County, Texas;

THENCE, South 00 degrees 28 minutes 05 seconds east, along the east line of aforesaid 209.022 acre tract, and the west line of aforesaid Tract 1 and a called Tract 2 & Tract 3, conveyed to Ownsby 1880 Farms, LTD. by deed recorded in County Clerk's File No. 99-0005737, Land Records, Collin County, Texas, a distance of 4058.21 feet to a 60D Nail found for the southwest corner of aforesaid Tract 3;

THENCE, continuing along the east line of aforesaid 209.022 acre tract and the west line of a called 139.708 acre tract of land, conveyed to Keeran Family Partnership, LTD., recorded in County Clerk's File No. 2001-0083876, Land Records, Collin County, Texas, the following courses and distances:

SOUTH 00 degrees 28 minutes 43 seconds East, a distance of 658.85 feet to a ½ inch iron rod found for corner;

SOUTH 00 degrees 26 minutes 50 seconds East, a distance of 2675.40 feet to a 3/8 inch iron rod found for corner in the approximate centerline of Business Highway No. 289 (A variable prescriptive width right-of-way) and being the southeast corner of aforesaid 209.022 acre tract and the southwest corner of aforesaid 139.708 acre tract, from said corner a 60D nail bears north 00 degrees 52 minutes 30 seconds West, a distance of 33.68 feet found for witness;

THENCE, South 89 degrees 29 minutes 44 seconds West, along the south line of aforesaid 209.022 acre tract and with the approximate centerline of aforesaid Business Highway No. 289, a distance of 1322.70 feet to a 3/8 inch iron rod found for the southwest corner of said 209.022 acre tract and the southeast corner of a called 7.438 acre tract of land, conveyed to Lotti Loraine Couch by deed recorded in County Clerk's File No. 97-0002825, Land Records, Collin County, Texas, from said corner a 60D nail bears north 01 degrees 13 minutes 49 seconds west, a distance of 37.84 feet found for witness;

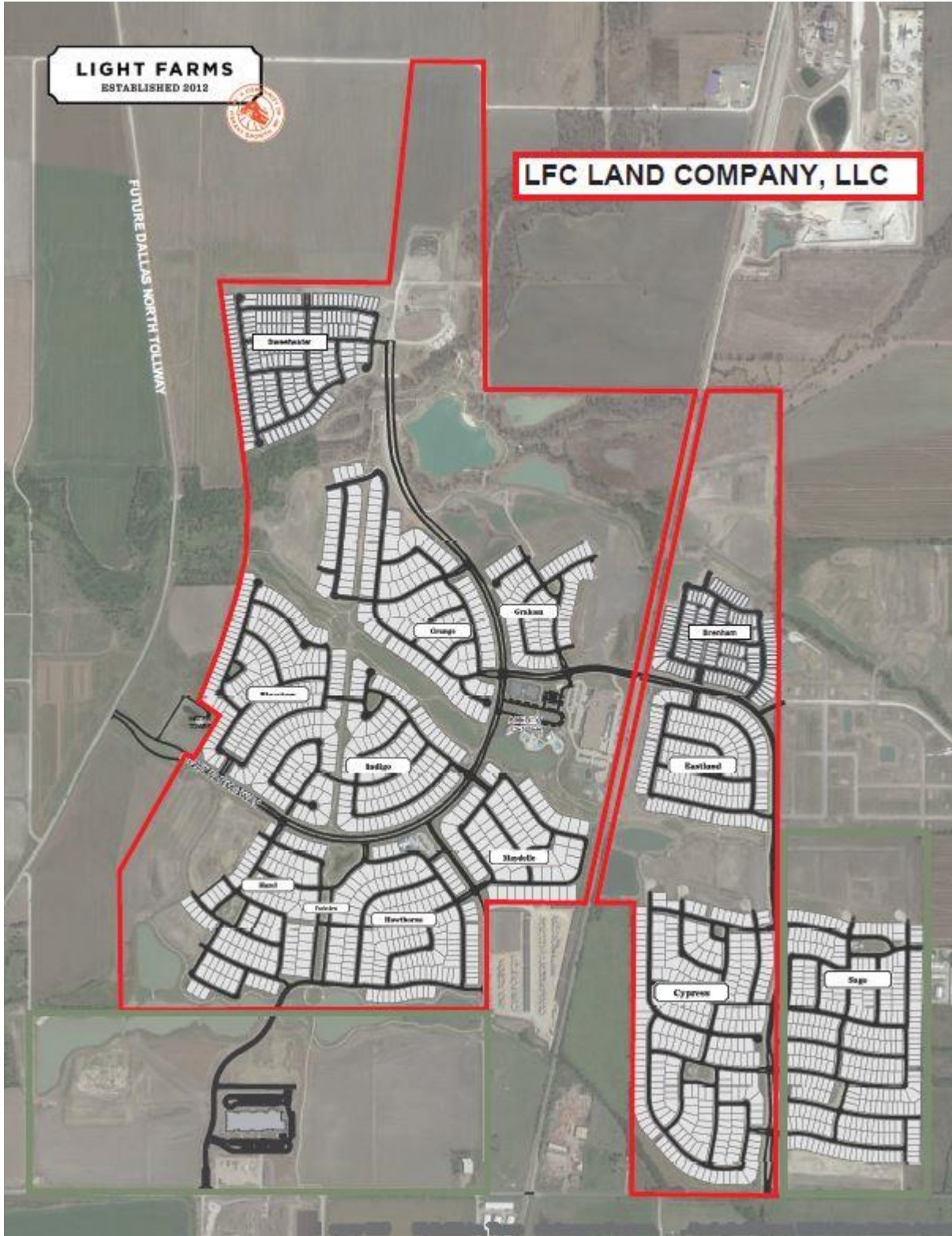
THENCE, North 00 degrees 42 minutes 12 seconds West, along a west line of aforesaid 209.022 acre tract and the common east line of aforesaid 7.438 acre tract, a distance of 605.95 feet to a ½ inch iron rod found for the northeast corner of said 7.438 acre tract;

THENCE, North 00 degrees 18 minutes 06 seconds West, continuing along a west line of aforesaid 209.022 acre tract and the common east line of a called 81.68 acre tract of land, conveyed to Graham S. Stelzer and wife, Doris Stelzer by deed recorded in Volume 587, Page 146, Land Records. Collin County, Texas, a distance of 2067.07 feet to a ½ inch iron rod found for the insider ell corner of said 209.022 acre tract and the northeast corner of said 81.68 acre tract;

THENCE, South 89 degrees 31 minutes 56 seconds West, along a south line of aforesaid 209.022 acre tract and the common north line of aforesaid 81.68 acre tract, a distance of 353.59 feet to a 5/8 inch iron rod with a yellow plastic cap stamped “Carter Burgess” set for corner on the east right-of-way of the Red River Texas & Southern Railway Company Tract No. 54 by deed recorded in Volume 121, Page 20, Land Records, Collin County, Texas;

THENCE, North 11 degrees 20 minutes 28 seconds East, along the west line of aforesaid 209.022 acre tract and the west line of aforesaid 69.81 acre tract and the common east line of aforesaid Red River Texas & Southern Railway Company Tract No. 54, a distance of 4816.78 feet to a 5/8 inch iron rod with a yellow plastic cap stamped “Carter Burgess” set for the northwest corner of said 209.022 acre tract and the southwest corner of aforesaid Tract 4;

THENCE, North 89 degrees 04 minutes 39 seconds East, along the north line of aforesaid 209.022 acre tract and the common south line of aforesaid Tract 4, a distance of 687.89 feet to the POINT OF BEGINNING and containing 209.022 acres of land, more or less.



Keeran Tract

BEING all that certain lot, tract or parcel of land situated in the City of Celina, Collin County, Texas, out of the Collin County School Land No. 14 Survey, Abstract 167, and being a part of the 134.88 acres of Land described in Deeds to Keeran Family Partnership, Ltd., as recorded in County Clerk's file Number 2001-0083874 and 2001-0083876 of the Real Property Records of Collin County, Texas, and being more particular described by metes and bounds as follows:

BEGINNING AT A ½" IRON ROD FOUND FOR THE Northwest corner of said 134.88 acre tract, said point also being in the East line of a 209.022 acre tract of land conveyed to LFC Land Company as recorded in County Clerk's file No. 2012-0423000464780 of the Real Property Records of Collin County, Texas, said point also being the Southwest corner of tract of land conveyed to Ownsby Farms, Ltd., as recorded in Volume 4332, Page 1047, Deed Records, Collin County, Texas;

THENCE North 89 degrees 35 minutes 26 seconds East (North 89 degrees 58 minutes West Deed), (Basis of Bearings per North Central Texas Zone 4203 State Plane Coordinates) South line of said Ownsby Farms Ltd. Tract for distance of 1334.62 feet (1335.30 feet Deed) to a 1/2" iron rod found for the Northeast corner of said 134.88 acre tract, said point also being the Northwest corner of a called 15.211 acre tract of land conveyed to J. Altus Inc. Profit Sharing Trust & Metroplex Properties LLC & Dall Developments, Inc. as recorded in Volume 5870 at Page 5025 of the Deed Records of Collin County, Texas;

THENCE South 00 degrees 15 minutes 00 seconds East (South 00 degrees 00 minutes 38 seconds West Deed), and following along the East line of said 134.88 acre tract, and the West line of said 15.211 acre J. Altus tract and also along the West line of a 15.28 acre tract of land conveyed to John Feizy by Deed and recorded in County Clerk's file No. 93-0056727, for a distance of 1045.61 feet to a 1/2" iron rod found for corner, said point being the Southwest corner of a 3.99 acre tract of land conveyed to Terry Barnes by Deed as recorded in Volume 2006, Page 93180, of the Deed Records of Collin County, Texas;

THENCE South 00 degrees 54 minutes 17 seconds East and continuing along the East line of the Keeran Family 134.88 acre tract and the West line of said 3.99 acre Terry Barnes Tract, for a distance of 527.61 feet to a point for the Southwest corner of said 3.99 acre Terry Barnes Tract, same being the Northwest corner of 12.0734 acre tract of land conveyed to J. Altus Inc. Profit Sharing by Deed and Recorded in Volume 5826 at Page 5441 of the Deed Records of Dallas County, Texas;

THENCE South 00 degrees 03 minutes 36 seconds West and following along the West line of said 12.0734 acre J. Altus Inc. Profit Sharing Tract, for a distance of 417.19 feet to a ½" iron rod found for the Southwest corner of said 12.0734 acre J. Altus Inc. Profit Sharing Tract;

THENCE South 00 degrees 30 minutes 27 seconds East across said 134.88 acre tract for a distance of 1341.14 feet to a railroad spike set in asphalt for corner in the center of Business

Highway No. 289 Also known as County Road No. 5 and also known as North Coleman Street (an undedicated variable width prescriptive right of way);

THENCE South 89 degrees 29 minutes 33 seconds West and following along the center of said roadway and the South line of said 134.88 acre tract, for a distance of 1332.51 feet to a 3/8" iron rod found for the Southwest corner of said 134.88 acre tract, same being the Southeast corner of the aforementioned 209.022 acre tract;

THENCE North 00 degrees 26 minutes 47 seconds West (North 00 degrees 05 minutes West Deed), and following along the West line of said 134.88 acre tract and the East line of said 209.22 acre tract for a distance of 2674.96 feet (2675.16 feet Deed) to a 1/2" iron rod found for corner;

THENCE North 00 degrees 29 minutes 23 seconds West (North 0 degrees 12 minutes West Deed) , and continuing along the West line of said 134.88 acre tract and the East line of said 209.022 acre tract for a distance of 658.83 feet (659.2 feet Deed) to the point of Beginning and Containing 101.9292 acres of Land, more or less of which 0.9177 acres of land lies within the aforesaid Business Highway No. 289, leaving 101.0115 acres of land net of right of way.

Texas A&M Tract

BEING a tract of land situated in the John Ragsdale Survey, Abstract No. 734, Collin County, Texas and being all of a tract of land described in instrument to the Board of Regents of the Texas A & M University System as recorded in Volume 2513, Page 274 of the Deed Records, Collin County, Texas and being more particularly described as follows;

BEGINNING at a P.K. Nail found at the southeast corner of said Texas A & M University System tract, said point being at the approximate intersection of CR 5 and CR 51;

THENCE along the approximate centerline of CR 5, South 89 degrees 26 minutes 49 seconds West a distance of 4,240.33 feet (Deed 4,239.94 feet) to a 1/2 inch iron rod found at the southwest corner of said Texas A & M University System tract and being at the approximate intersection of CR 5 and CR 50;

THENCE departing the approximate centerline of CR 5, North 00 degrees 36 minutes 39 seconds West a distance of 1,674.54 feet (Deed 1,673.98 feet) to a 1/2 inch iron rod found at the northwest corner of the aforementioned Texas A & M University System tract;

THENCE along the northerly line of said Texas A & M University System tract and the approximate centerline of a drainage ditch the following;

North 89 degrees 56 minutes 00 seconds East a distance of 1,672.59 feet (Deed 1,669.51 feet) to a point for corner;

North 87 degrees 52 minutes 29 seconds East a distance of 475.03 feet to a point for corner;

North 89 degrees 19 minutes 08 seconds East a distance of 1,314.05 feet to a point for corner;

South 82 degrees 40 minutes 54 seconds East a distance of 632.77 feet to a point for corner;

South 89 degrees 44 minutes 17 seconds East a distance of 138.60 feet (Deed 138.11 feet) to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars" in the approximate centerline of the aforementioned CR51;

THENCE along the approximate centerline of the aforementioned CR51, South 01 degrees 06 minutes 06 seconds East a distance of 1,587.75 feet to the POINT OF BEGINNING and containing 161.51 Acres of land, more or less.

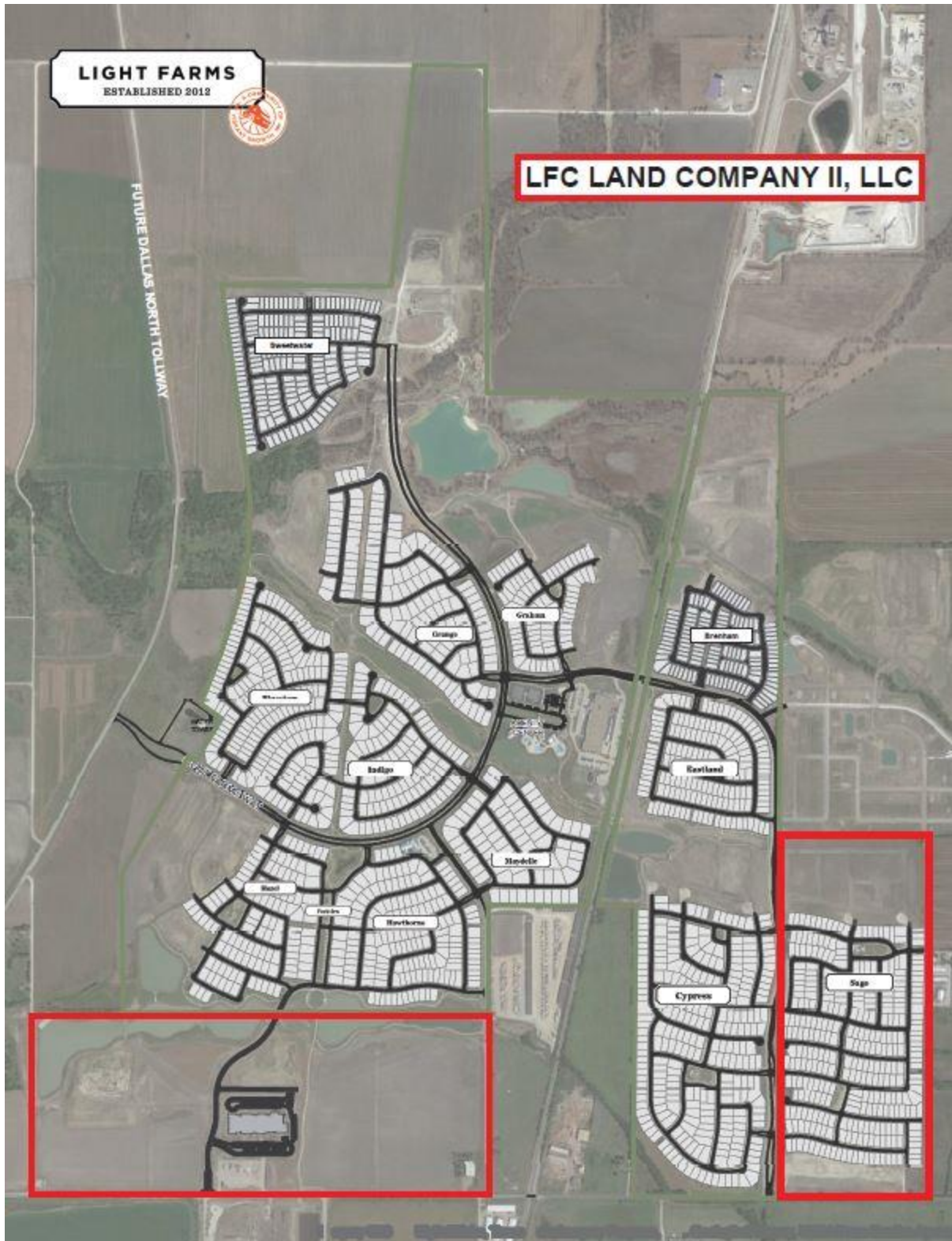
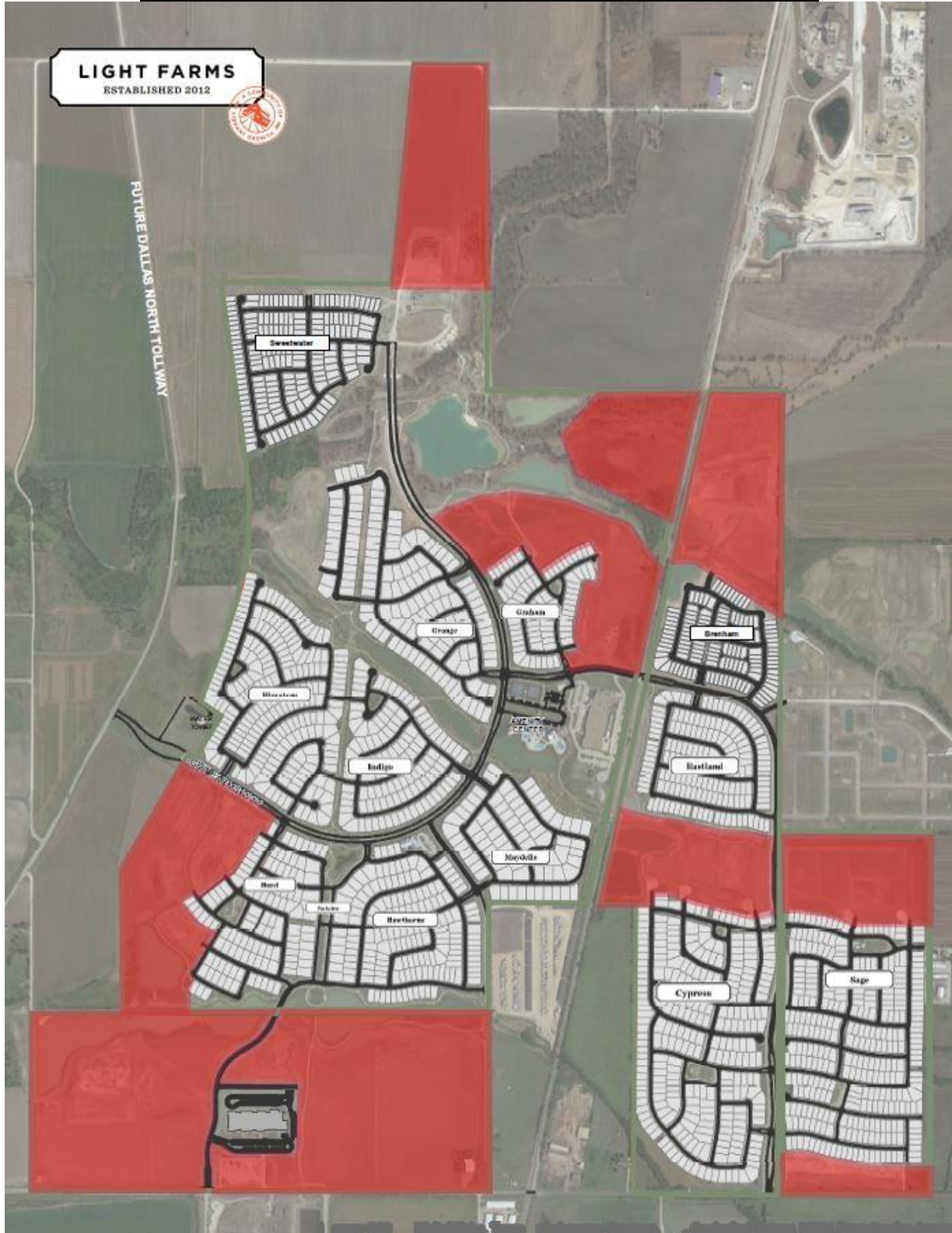


Exhibit C
Depiction of Property Subject to Increased Fees (Shown in Red)





Life Connected.

Administration
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Karla Stovall, Assistant City Manager
CC: Jason Laumer, City Manager
Date: August 26, 2020
Re: Settlement Agreement

Action Requested:

Consider and act on a Settlement Agreement for Petition by Outside Ratepayers Appealing the Water Rates Established by the City of Celina in the Texas Public Utility Commission, Docket No. 49225 and City of Celina vs. Collin County Municipal Utility District No. 1; Keller Webster, Gordon Greeson, Kenneth Prater, Andy Harvey, Lissa Shephard in the 471st Judicial District Court of Collin County, Texas, Cause No. 471-02643-2020 (Light Farms)(Stovall)

Background Information:

The Settlement Agreement accompanies the Strategic Partnership Agreement and the Tenth Amendment to the Amended and Restated Development Agreement.

Board Review/Citizen Input:

Alternatives:

Financial Considerations:

Legal Review:

Supporting Documents:

Agreement

Staff Recommendation:

Approval

SETTLEMENT AGREEMENT

This Settlement Agreement (this "Agreement") is executed between the following parties to be effective on August 26, 2020 (the "Effective Date"): LFC Land Company, LLC ("LFC"); LFC Land Company II, LLC ("LFC II"); the City of Celina, Texas, a home rule municipality (the "City"); Collin County Municipal Utility District No. 1, a conservation and reclamation district operating pursuant to Chapters 49 and 54, Texas Water Code, and Chapter 8164, Texas Special District Local Laws Code (the "District"); and the City retail water and sewer ratepayers who are either owners of property or residents within the District that executed and filed the Petitioner Appeal as herein defined (collectively, the "Petitioners"). LFC and LFC II are also referred to herein as the "Developer." LFC, LFC II, the City, the District, and the Petitioners are each a "Party" and collectively the "Parties".

ARTICLE I RECITALS

WHEREAS, the City, Forestar/RPG Land Company, LLC, Lucas Celina 209, Ltd., Central Frisco, Ltd. executed that certain Amended and Restated Development Agreement approved by the City of Celina City Council on March 12, 2007 and dated effective as of March 12, 2007 and filed in the deed records of Collin County, Texas as Instrument No. 20071101001489980 (the "Original Development Agreement"), as modified by the following: (a) that certain Addendum to Amended and Restated Development Agreement approved by the City Council on May 14, 2007 and dated effective as of March 12, 2007 and filed in the deed records of Collin County, Texas as Instrument No. 200711010011489990 (the "Addendum"); (b) that certain First Amendment to Amended and Restated Development Agreement approved by the City Council on August 13, 2007 and dated effective as of March 12, 2007 and filed in the deed records of Collin County, Texas as Instrument No. 20071114001544520 (the "First Amendment"); (c) that certain Second Amendment to Amended and Restated Development Agreement approved by the City Council on December 14, 2009 and dated effective as of March 12, 2007 and filed in the deed records of Collin County, Texas as Instrument No. 20100105000007540 (the "Second Amendment"); (d) that certain Third Amendment to Amended and Restated Development Agreement approved by the City Council on, and dated effective as of, May 9, 2011 and filed in the deed records of Collin County, Texas as Instrument No. 20120423000464760 (the "Third Amendment"); (e) that certain Fourth Amendment to Amended and Restated Development Agreement approved by the City Council on October 8, 2012 and dated effective as of October 12, 2012 and filed in the deed records of Collin County, Texas as Instrument No. 20121114001454530 (the "Fourth Amendment"); (f) that certain Fifth Amendment to Amended and Restated Development Agreement approved by the City Council on May 13, 2014 and filed in the deed records of Collin County, Texas as Instrument No. 20140711000715400 (the "Fifth Amendment"); (g) that certain Memorandum of Amendment to Development Agreement executed September 16, 2014 and filed in the deed records of Collin County, Texas as Instrument No. 20140916001001050 (the "Memorandum"); (h) that certain Sixth Amendment to Amended and Restated Development Agreement approved by the City Council on September 8, 2015 and filed in the deed records of Collin County, Texas as Instrument No. 20151022001338070 (the "Sixth Amendment"); (i) that certain Seventh Amendment to Amended and Restated Development Agreement approved by the City Council on November 10, 2015 and filed in the deed records of Collin County, Texas as Instrument No. 20151228001609150 (the "Seventh Amendment"); (j) that certain Eighth

Attachment: LEGAL-#89757-v20-Draft_Settlement_Agreement MFM edits 8.20.20 (Settlement Agreement)

Amendment to Amended and Restated Development Agreement approved by the City Council on January 19, 2016 and filed in the deed records of Collin County, Texas as Instrument No. 20160307000271300 (the "Eighth Amendment"); and (k) that certain Ninth Amendment to Amended and Restated Development Agreement approved by the City Council on or about December 12, 2016 and filed in the deed records of Collin county, Texas as Instrument No. 20170112000053780 (the "Ninth Amendment") (the Original Development Agreement, the Addendum, the First Amendment, the Second Amendment, the Third Amendment, the Fourth Amendment, the Fifth Amendment, the Memorandum, the Sixth Amendment, the Seventh Amendment, the Eighth Amendment, and the Ninth Amendment are hereafter collectively referred to as the "Development Agreement"); and

WHEREAS, the Petitioners filed that certain *Petition by Outside Ratepayers Appealing the Water Rates Established by the City of Celina in the Texas Public Utility Commission*, Docket No. 49225 (the "Petitioner Appeal"), which lawsuit is pending on the Effective Date; and

WHEREAS, the Petitioner Appeal challenges the existing City water rates charged to the Petitioners; and

WHEREAS, the City filed a lawsuit styled *City of Celina vs. Collin County Municipal Utility District No. 1; Keller Webster, Gordon Greeson, Kenneth Prater, Andy Harvey, Lissa Shephard in the 471st Judicial District Court of Collin County, Texas*, Cause No. 471-02643-2020 (the "City Lawsuit"), which lawsuit is pending on the Effective Date; and

WHEREAS, the City has provided for the issuance of written notice, dated May 28, 2020, declaring the District is in breach of the Development Agreement alleging funding of the Petitioner Appeal; and

WHEREAS, the Parties are entering into this Agreement to settle the disputes regarding alleged breach of the Development Agreement in the Petitioner Appeal and the City Lawsuit; and

WHEREAS, as consideration for the other Parties' obligations under this Agreement, the City will cause the City Lawsuit to be dismissed and release all claims asserted in the City Lawsuit against the District and all current and former directors of the District; charge in-city water rates to residential, residential and open space irrigation, and homeowner association ratepayers within the District as described in this Agreement; and agree to annex the District only in accordance with the SPA (hereinafter defined); and

WHEREAS, as consideration for the other Parties' obligations under this Agreement, the Petitioners will cause the Petitioner Appeal to be dismissed by the Administrative Law judge, and if required, withdrawn and the Public Utility Commission of Texas order of dismissal, either of which becomes to issue an final, and non-appealable, order dismissing the Appeal with prejudice; and

WHEREAS, as consideration for the City's obligations under this Agreement, the District will enter into the SPA (herein defined) that authorizes the full purpose annexation of all of the

land within the District after December 31, 2027, and the conversion of the District into a "limited district"; and

WHEREAS, as consideration for the other Parties' obligations under this Agreement, LFC will make the Developer Payments (herein defined) and pay the Legal Fee Reimbursements (herein defined); and

WHEREAS, as consideration for the other Parties' obligations under this Agreement, the District, the City, and the owners of the undeveloped property within the District have entered into the Development Agreement Amendment (as defined in Section 4.1).

NOW THEREFORE, for and in consideration of the mutual covenants of the Parties set forth in this Agreement, and for other good and valuable consideration the receipt and adequacy of which are acknowledged and agreed by the Parties, the Parties agree as follows:

ARTICLE II

SPA; FULL PURPOSE ANNEXATION; DISTRICT CONVERSION TO A LIMITED DISTRICT

2.1 Strategic Partnership Agreement.

(a) The City and the District have executed the Strategic Partnership Agreement attached hereto as **Exhibit A** (the "**SPA**"). The SPA becomes effective upon the execution of this Agreement and the Development Agreement Amendment by all of the Parties, the recordation of the Development Agreement Amendment in the Real Property Records of Collin County, Texas, the dismissal of the City Lawsuit, and ~~the withdrawal and final, non-appealable dismissal of the Petitioner Appeal with prejudice~~ dismissal by the Administrative Law judge, and if required, a Public Utility Commission of Texas order of dismissal, either of which becomes final and non-appealable, with prejudice.

(b) The SPA authorizes the City to full purpose annex all of the land within the boundaries of the District after December 31, 2027. The SPA does not authorize partial annexation of the land within the boundaries of the District. The City agrees not to annex any land within the District except in accordance with the terms of the SPA.

(c) Pursuant to Section 43.0751(f)(6) of the Local Government Code and the terms of the SPA, the District shall automatically convert into a limited district (the "**Limited District**") on the date of the full purpose annexation of all land within the boundaries of the District (the "**Full Purpose Annexation Conversion Date**"). The functions and responsibilities of the Limited District shall be limited to those described in the SPA, being the ownership, operation, maintenance and control of the Open Space Property (as defined in Article II of the SPA) owned by the Limited District as of the Full Purpose Annexation Conversion Date. Subject to terms of the SPA, the Limited District may exercise all powers and authority currently vested in the District necessary to perform the functions and responsibilities listed above.

(d) THE PARTIES ACKNOWLEDGE THAT THE SPA WILL DICTATE THE TERMS REGARDING THE CITY'S ASSUMPTION OF ALL DEBTS, LIABILITIES, AND OBLIGATIONS OF THE

DISTRICT AND THE CASH PAYMENT THE CITY MUST MAKE TO LFC AND LFC II AS A CONDITION TO ANNEXATION OF THE LAND WITHIN THE DISTRICT, ALL IN ACCORDANCE WITH TEXAS LOCAL GOVERNMENT CODE SECTIONS 43.0715 AND 43.075 AND THE TERMS OF THE SPA. SPECIFICALLY, THE SPA REQUIRES THAT THE CITY SHALL, PRIOR TO THE EFFECTIVE DATE OF THE FULL PURPOSE ANNEXATION OF THE DISTRICT, PAY IN CASH TO THE DEVELOPER OF THE DISTRICT A SUM EQUAL TO THE ACTUAL COSTS AND EXPENSES INCURRED BY THE DEVELOPER IN CONNECTION WITH THE DISTRICT THAT THE DISTRICT HAS, IN WRITING, AGREED TO PAY DEVELOPER, SO LONG AS SUCH COSTS WOULD OTHERWISE HAVE BEEN ELIGIBLE FOR REIMBURSEMENT FROM BOND PROCEEDS UNDER THE RULES AND REQUIREMENTS OF THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY (THE "TCEQ") AS SUCH RULES AND REQUIREMENTS EXIST ON THE DATE OF ANNEXATION WITH SUCH AMOUNT BEING REDUCED BY THE AMOUNT OF DEVELOPER PAYMENTS (HEREINAFTER DEFINED) NOT PAID TO THE CITY IN ACCORDANCE WITH THE TERMS OF THIS AGREEMENT OR OTHERWISE RECOVERED BY THE CITY THROUGH THE INCREASED CAPITAL RECOVERY FEES ALLOWED UNDER THE DEVELOPMENT AGREEMENT AMENDMENT BY THE DATE THE CITY IS DUE TO MAKE PAYMENT TO LFC AND LFC II PURSUANT TO THE SPA AND SECTION 43.0715(b) OF THE TEXAS LOCAL GOVERNMENT CODE.

2.2 Full Purpose Annexation. The Petitioners (a) waive any and all claims against the City and the District regarding the validity or enforceability of the SPA, and (b) release any claims that the Petitioners may have against the City or the District regarding the City's full purpose annexation of the District if such annexation is completed consistent with the terms of the SPA.

ARTICLE III WATER AND WASTEWATER RATES AND WITHDRAWAL AND DISMISSAL OF APPEAL AND DISMISSAL OF LAWSUIT

3.1 Withdrawal and Dismissal of Petitioner Appeal. The Petitioners agree to file the Motion to Withdraw attached hereto as Exhibit B and take all necessary steps to cause the Petitioner Appeal to be dismissed by the Administrative Law judge, and if required, a Public Utility Commission of Texas order of dismissal, either of which becomes final and non-appealable, with prejudice ~~dismissed with prejudice by the Public Utility Commission of Texas with a final, non-appealable order~~ no later than September 4, 2020.

3.2 Dismissal of City Lawsuit. The City agrees to file the Motion to Dismiss attached hereto as Exhibit C and take all necessary steps to cause the City Lawsuit to be dismissed no later than September 4, 2020.

3.3 In-City Water and Wastewater Rates. Immediately following execution of this Agreement and upon Petitioners filing of their Motion to Withdraw with Prejudice ~~dismissal of the Petitioner Appeal by the Administrative Law judge, and if required, a Public Utility Commission of Texas order of dismissal, either of which becomes final and non-appealable, with prejudice and the Public Utility Commission of Texas issuing a final, non-appealable order dismissing the Petitioners' Appeal with prejudice~~, and beginning with the first water and sewer bills issued thereafter for service within the District, the City shall charge in-city water and wastewater rates on all subsequent utility bills to all residential, residential and open space irrigation, and homeowner association customers within the District and shall continue charging

in-city water and wastewater rates thereafter. For purposes of this section, the term "in-city water and wastewater rates" means the same water and wastewater rates uniformly charged by the City to residential customers within the City's corporate boundary.

3.4 Water Rate Challenge. Nothing herein prevents the Petitioners from filing future challenges to the City's water rates. However, provided the City remains in compliance with the provisions of Section 3.3 above, the District agrees that it will not fund the legal fees of any ratepayers within the District in connection with a future challenge of City water rates between the Effective Date and the Full Purpose Annexation Conversion Date.

3.5 Reimbursement of Legal Fees. Except as otherwise provided in this Section 3.5, each Party is solely responsible for all of its costs and expenses associated with the City Lawsuit and the Petitioner Appeal. LFC agrees to reimburse the District for legal fees funded by the District in connection with the City Lawsuit and Petitioner Appeal as follows (the "Legal Fee Reimbursements"): \$200,000.00 to be paid in four equal installments of \$50,000.00 each on the following dates: (1) December 1, 2020; (2) June 1, 2021; (3) December 1, 2021; and (4) June 1, 2022.

3.6 Future District Challenges to Water and Wastewater Rates. So long as the City charges in-city water and wastewater rates to all residential, residential and open space irrigation, and homeowner association customers within the District in accordance with paragraph 3.3 of this Agreement, the District shall not participate in any challenge of the City's water and wastewater rates charged within the District.

ARTICLE IV **AMENDMENT TO THE DEVELOPMENT AGREEMENT**

4.1 Amended Development Agreement. The City, the District, the owners of the undeveloped property within the District, and any other parties identified in **Exhibit A** to the Development Agreement Amendment have executed the Development Agreement Amendment attached hereto as **Exhibit D** (the "Development Agreement Amendment"). The Development Agreement Amendment becomes effective upon the execution of this Agreement and the Development Agreement Amendment by all of the Parties, the recordation of the Development Agreement Amendment in the Real Property Records of Collin County, Texas, the dismissal of the City Lawsuit, and the ~~withdrawal of the Petitioner Appeal and dismissal of the Petitioner Appeal by the Administrative Law judge, and if required, a Public Utility Commission of Texas order of dismissal, either of which becomes final and non-appealable, with prejudice~~ the final, non-appealable dismissal with prejudice of the Appeal by the Public Utility Commission of Texas.

ARTICLE V **DEVELOPER PAYMENTS TO CITY**

5.1 Developer Payments.

(a) Subject to the City charging in-city water and wastewater rates in accordance with the terms of this Agreement and the Development Agreement Amendment and subject to the Full

Purpose Annexation Conversion Date being after December 31, 2027, LFC agrees to make payments to the City (the "Developer Payments") in the amounts and on the dates as follows:

Due Date	Amount
Within 30 days after the Effective Date	\$350,000
January 1, 2021	\$500,000
January 1, 2022	\$650,000
January 1, 2023	\$650,000
January 1, 2024	\$750,000
January 1, 2025	\$750,000
January 1, 2026	\$775,000
January 1, 2027	\$775,000

The Developer Payments are not subject to reimbursement by the District.

(b) If LFC is in default of any payment obligation under this Section 5.1 and such default is not timely cured, then in addition to all other remedies available to the City under law, the City may, in accordance with the terms of the Development Agreement Amendment, increase the capital recovery fees required to be paid to the City in connection with the undeveloped portion of the District described on the attached Exhibit E to recover the payments that are the subject of the default. If the Developer Payments have not been paid in full or recovered through said increased fees by December 31, 2027, upon the Full Purpose Annexation Conversion Date, the City shall be entitled to deduct the amount of unpaid Developer Payments from the amount the City owes LFC and LFC II pursuant to Texas Local Government Code, Section 43.0715. Notwithstanding anything to the contrary herein, no additional Developer Payments, including any increased capital recovery fees shall be required to be paid to the City if the City annexes the District prior to January 1, 2028. In addition, if the City annexes the District prior to January 1, 2028, then, assuming no default under this Agreement or the Settlement Agreement by LFC, LFC II, the District or the Petitioners, no right of offset of the cash payment required to be paid by the City to LFC and LFC II for the Unreimbursed Developer Costs and Expenses, as defined in the SPA, pursuant to the requirements of Section 43.0715(b) of the Texas Local Government Code, will apply.

(c) As a condition to the initiation of activities and preparations for the sale of bonds by the District to reimburse LFC, LFC II, and any of their respective successors or assigns, and as a condition to the advertising for the sale of bonds, the party seeking reimbursement from such bonds must provide the District with proof of payment of the Developer Payments that are required to be paid by the date such proof is delivered to the District.

(d) In the event of any conflict or inconsistency between this Section 5.1 and any other agreement between the District and the Developer, or any of their respective successors or assigns, relating to reimbursement by the District, the provisions and intent of this Section 5.1 shall control.

ARTICLE VI **RELEASE OF CLAIMS**

6.1 Release of the City. In consideration of the agreements described herein and other good and valuable consideration, as of and after the Effective Date, each Petitioner, for itself its successors and assigns, and the District do hereby unconditionally, fully, and finally compromise, settle, release, and forever discharge the City and its current, former and future elected officials, officers, owners, associates, employees, agents, servants, contractors, indemnitees, successors or assigns, insurers and attorneys from any and all claims, demands, actions, causes of action, suits, lawsuits, sums of money, contracts, agreements, judgments, liabilities, damages, losses, costs, and expenses whatsoever, whether known or unknown, both at law and in equity, which the Petitioners, their successors and assigns, and the District ever had, now has or may hereafter have against the City pertaining to, or arising directly or indirectly from or related in any way to any claims which have been, or could have been asserted in the Petitioner Appeal and PUC Docket 49448 styled *Petition of Collin County Municipal Utility District No. 1 Appealing Water and Wastewater Rates of the City of Celina and Request for Interim Rates*.

6.2 Release of the District, Petitioners, and the Other Released Parties. In consideration of the agreements described herein and other good and valuable consideration, as of and after the Effective Date, the City does hereby unconditionally, fully, and finally compromise, settle, release, and forever discharge the District and its current, former and future directors, officers, owners, associates, employees, agents, servants, contractors, indemnitees, successors or assigns, insurers and attorneys ("District Released Parties"), Petitioners, the Developer and other parties under the Development Agreement (collectively, the "Other Released Parties") from any and all claims, debts, demands, actions, causes of action, lawsuits, sums of money, contracts, agreements, judgments, and/or liabilities, damages, losses, costs, and expenses whatsoever, whether known or unknown, both at law and in equity, which the City ever had, now has or may hereafter have against the District Released Parties, Petitioners or the Other Released Parties pertaining to, or arising directly or indirectly from or related in any way to any claims which have been asserted by the City or which could have been asserted by the City relating to any of the allegations contained in the City Lawsuit.

6.3 Covenant Not to Sue. Each Petitioner and the District agree not to sue, or file a proceeding in the Public Utility Commission, against the City for the Claims released by each Petitioner and the District under this Agreement, and the City agrees not to sue the District or members of the District's Board of Directors or Petitioners for the Claims released by the City under this Agreement.

6.4 No Admission. None of the terms of this Agreement shall be deemed or construed as an admission of liability by any Party or an admission of the truthfulness of any allegations made against that Party; rather said terms have been agreed to in order to avoid the expense and inconvenience of further prosecution or defense of any Claims by any Party.

6.5 No Reliance. **IN ENTERING INTO THIS AGREEMENT, EACH PARTY REPRESENTS TO THE OTHER PARTY THAT: (a) THE PARTY HAS BEEN REPRESENTED BY COUNSEL OF THEIR CHOICE IN CONNECTION WITH THE NEGOTIATION OF THIS AGREEMENT; (b) THE PARTY FULLY UNDERSTANDS AND VOLUNTARILY ACCEPTS THE TERMS OF THIS AGREEMENT; (c) THE PARTY HAS NOT RELIED UPON ANY STATEMENT OR REPRESENTATION PERTAINING TO THE AGREEMENT THAT IS NOT CONTAINED IN THIS AGREEMENT AND ANY SUCH RELIANCE WOULD BE UNINTENDED AND OTHERWISE UNREASONABLE AND UNJUSTIFIABLE; AND (d) THE PARTY KNOWS THE CONTENTS OF THIS AGREEMENT AND SIGNS IT AS THE PARTY'S OWN FREE ACT.**

ARTICLE VII **ADDITIONAL PROVISIONS**

7.1 Recitals. The recitals contained in this Agreement: (a) are true and correct as of the Effective Date; (b) form the basis upon which the Parties negotiated and entered into this Agreement; (c) are legislative findings of the City of Celina City Council and the District's Board of Directors, and (d) reflect the final intent of the Parties with regard to the subject matter of this Agreement. In the event it becomes necessary to interpret any provision of this Agreement, the intent of the Parties, as evidenced by the recitals, shall be taken into consideration and, to the maximum extent possible, given full effect. The Parties have relied upon the recitals as part of the consideration for entering into this Agreement and, but for the intent of the Parties reflected by the recitals, would not have entered into this Agreement.

7.2 Term. This Agreement shall continue in effect until such time as all of the following events have occurred: (a) the Petitioner Appeal has been withdrawn **and the Petitioner Appeal has been dismissed with prejudice by the Administrative Law judge, and if required, a Public Utility Commission of Texas order of dismissal, either of which becomes final and non-appealable, with prejudice with a final, non-appealable order by the Public Utility Commission of Texas**; (b) the City Lawsuit has been dismissed; (c) the Developer Payments have been made; (d) the Legal Fee Reimbursements have been paid; (e) the City annexes the District for full purposes and converts the district to a limited district in accordance with the terms of the SPA; and (f) the City has paid LFC and LFC II for the Unreimbursed Developer Costs and Expenses.

7.3 Notices. All notices required or contemplated by this Agreement (or otherwise given in connection with this Agreement) (a "Notice") shall be in writing, shall be signed by or on behalf of the Party giving the Notice, and shall be effective as follows: (a) on or after the 10th business day after being deposited with the United States mail service, Certified Mail, Return Receipt Requested with a confirming copy sent by E-mail; (b) on the day delivered by a private delivery or private messenger service (such as FedEx or UPS) as evidenced by a receipt signed by any person at the delivery address (whether or not such person is the person to whom the Notice is addressed); or (c) otherwise on the day actually received by the person to whom the Notice is addressed, including, but not limited to, delivery in person and delivery by regular mail (with a confirming copy sent by E-mail). Notices given pursuant to this section shall be addressed as follows:

To the City:	Attn: City Manager City of Celina 142 North Ohio Celina, TX 75009 E-mail: jlaumer@celina-tx.gov
With a copy to:	Attn: Julie Fort Messer Fort & McDonald, PLLC 6371 Preston Road, Suite 200 Frisco, Texas 75034 E-mail: julie@txmunicipallaw.com
To the Developer:	Attn: Jake Wagner Republic Property Group 400 S. Record Street, Suite 1200 Dallas, Texas 75202 E-mail: jwagner@republicpropertygroup.com
With a copy to:	Attn: Misty Ventura Shupe Ventura, PLLC 9406 Biscayne Blvd. Dallas, TX 75218 E-mail: misty.ventura@svlandlaw.com
To the District:	Attn: President, Board of Directors Collin County Municipal Utility District No. 1 c/o Crawford & Jordan LLP 19 Briar Hollow Lane, Suite 245 Houston, Texas 77027 E-mail: ccrawford@crawlaw.net
With a copy to:	Attn: Clay Crawford Crawford & Jordan LLP 3100 McKinnon Street, Suite 1100 Dallas, Texas 75201 E-mail: ccrawford@crawlaw.net
To the Petitioners:	Attn: Ms. Lissa Shepard 4401 Overbrook Drive Celina, Texas 75009 E-mail: lshepard@ccmud1.org
With a copy to:	Attn: Randall B. Wilburn

Gilbert Wilburn, PLLC
 7000 No. MoPac Expwy., Suite 200
 Austin, Texas 78731
 E-mail: rbw@gwtlaw.com

7.4 Events of Default. No Party shall be in default under this Agreement until notice of the alleged failure of such Party to perform has been given (which notice shall set forth in reasonable detail the nature of the alleged failure) and until such Party has been given a reasonable time to cure the alleged failure (such reasonable time determined based on the nature of the alleged failure, but in no event less than 30 days after written notice of the alleged failure has been given). In addition, no Party shall be in default under this Agreement if, within the applicable cure period, the Party to whom the notice was given begins performance and thereafter diligently and continuously pursues performance until the alleged failure has been cured. Notwithstanding the foregoing, however, a Party shall be in default of its obligation to make any payment required under this Agreement if such payment is not made within 15 days after it is due.

7.5 REMEDIES. IF A PARTY IS IN DEFAULT, THE AGGRIEVED PARTY MAY, AT ITS OPTION AND WITHOUT PREJUDICE TO ANY OTHER RIGHT OR REMEDY UNDER THIS AGREEMENT, SEEK ANY RELIEF AVAILABLE AT LAW OR IN EQUITY, INCLUDING, BUT NOT LIMITED TO, AN ACTION UNDER THE UNIFORM DECLARATORY JUDGMENT ACT, SPECIFIC PERFORMANCE, MANDAMUS, AND INJUNCTIVE RELIEF. NOTWITHSTANDING THE FOREGOING, HOWEVER, NO DEFAULT UNDER THIS AGREEMENT SHALL:

- (a) entitle the aggrieved Party to terminate this Agreement; or
- (b) adversely affect or impair the current or future obligations of the City to provide water or sewer service or any other service to any portion of the District; or
- (c) entitle the aggrieved Party to seek or recover exemplary damages; or
- (d) allow the City to annex the District or any portion thereof prior to December 31, 2027.

7.6 Waiver of Immunity. To the extent permitted by law, the City acknowledges an express waiver of its governmental immunity from suit and immunity from liability as to any action brought by a Party to pursue the remedies available under this Agreement, but only to the extent necessary to pursue such remedies. To the extent permitted by law, the District acknowledges an express waiver of its governmental immunity from suit and immunity from liability as to any action brought by a Party to pursue the remedies available under this Agreement, but only to the extent necessary to pursue such remedies.

7.7 Assignment. No Party may assign this Agreement in whole or in part without the prior written consent of all of the other Parties.

7.8 Interpretation. The Parties acknowledge that each of them has been actively involved in negotiating this Agreement. Accordingly, the rule of construction that any ambiguities are to be resolved against the drafting Party will not apply to interpreting this Agreement. In the

event of any dispute over the meaning or application of any provision of this Agreement, the provision will be interpreted fairly and reasonably and neither more strongly for or against any Party, regardless of which Party originally drafted the provision.

7.9 Authority and Enforceability. The City represents and warrants that this Agreement has been approved by resolution duly adopted by the City Council in accordance with all applicable public notice requirements (including, but not limited to, notices required by the Texas Open Meetings Act) and that the individual executing this Agreement on behalf of the City has been duly authorized to do so. The District represents and warrants that this Agreement has been approved by order duly adopted by the Board of Directors of the District in accordance with all applicable public notice requirements (including, but not limited to, notices required by the Texas Open Meetings Act) and that the individual executing this Agreement on behalf of the District has been duly authorized to do so. The Developer represents and warrants that this Agreement has been approved by appropriate action of each entity, and that the individual executing this Agreement on behalf of such entity has been duly authorized to do so. The Petitioners represent and warrant that this Agreement has been approved by appropriate action of its authorized representative, and that the individual executing this Agreement on behalf of the Petitioners has been authorized to do so. Each Party acknowledges and agrees that this Agreement is binding upon such Party and enforceable against such Party in accordance with its terms and conditions.

7.10 Entire Agreement; Severability. This Agreement, together with the Development Agreement, the Development Agreement Amendment, Motion to Withdraw **with Prejudice**, Motion to Dismiss, the SPA and each agreement between the District and the Developer, or any of their respective successors or assigns, relating to reimbursement by the District, constitute all of the agreements between the Parties and supersedes all prior agreements, whether oral or written, covering the subject matter of this Agreement. This Agreement shall not be modified or amended except in writing signed by the Parties whose rights and obligations are being amended. If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable for any reason, then (a) such unenforceable provision shall be deleted from this Agreement; (b) the unenforceable provision shall, to the extent possible, be rewritten to be enforceable and to give effect to the intent of the Parties; (c) the amount of money to be received or paid by any Party shall not be reduced; and (d) the remainder of this Agreement shall remain in full force and effect and shall be interpreted to give effect to the intent of the Parties.

7.11 Applicable Law; Venue. This Agreement is entered into under and pursuant to, and is to be construed and enforceable in accordance with, the laws of the State of Texas, and all obligations of the Parties are performable in Collin County, Texas. Venue for any action to enforce or construe this Agreement shall be in Collin County, Texas.

7.12 Non Waiver. Any failure by a Party to insist upon strict performance by another Party of any material provision of this Agreement shall not be deemed a waiver thereof, and the Party shall have the right at any time thereafter to insist upon strict performance of any and all provisions of this Agreement. No provision of this Agreement may be waived except by writing signed by the Party waiving such provision. Any waiver shall be limited to the specific purposes for which it is given. No waiver by any Party of any term or condition of this Agreement shall be deemed or construed to be a waiver of any other term or condition or subsequent waiver of the same term or condition.

7.13 No Third Party Beneficiaries. This Agreement only inures to the benefit of, and may only be enforced by, the Parties. No person or entity shall have any right, title, or interest under this Agreement or otherwise be deemed to be a third-party beneficiary of this Agreement.

7.14 Force Majeure. Each Party shall use good faith, due diligence and reasonable care in the performance of its respective obligations under this Agreement, and time shall be of the essence in such performance; however, in the event a Party is unable, due to force majeure, to perform its obligations under this Agreement, then the obligations affected by the force majeure shall be temporarily suspended. Within three business days after the occurrence of a force majeure, the Party claiming the right to temporarily suspend its performance, shall give Notice to all the Parties, including a detailed explanation of the force majeure and a description of the action that will be taken to remedy the force majeure and resume full performance at the earliest possible time. The term "force majeure" shall include events or circumstances that are not within the reasonable control of the Party whose performance is suspended and that could not have been avoided by such Party with the exercise of good faith, due diligence and reasonable care.

7.15 Boycott of Israel. The Developer represents that, to the extent this Agreement constitutes a contract for goods or services within the meaning of Section 2271.002 of the Texas Government Code, as amended, solely for purposes of compliance with Chapter 2271 of the Texas Government Code, and subject to applicable federal law, neither the Developer, nor any wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of the Developer (i) boycotts Israel; or (ii) will boycott Israel during the term of this Agreement. The terms "boycotts Israel" and "boycott Israel" as used in this paragraph have the meanings assigned to the term "boycott Israel" in Section 808.001 of the Texas Government Code, as amended.

7.16 Iran, Sudan and Foreign Terrorist Organizations. Section 2252.151 of the Texas Government Code defines a "governmental contract" as a contract awarded by a governmental entity for general construction, an improvement, a service, or a public works project or for a purchase of supplies, materials, or equipment, and provides that the term includes a contract to obtain a professional or consulting service subject to Chapter 2254 of the Texas Government Code. The Developer represent that, as of the date of this Agreement, to the extent this Agreement constitutes a governmental contract within the meaning of Section 2252.151 of the Texas Government Code, as amended, solely for purposes of compliance with Chapter 2252 of the Texas Government Code, and except to the extent otherwise required by applicable federal law, the Developer (including any wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of the Developer) is not an entity listed by the Texas Comptroller of Public Accounts under Sections 806.051, 807.051, or 2252.153 of the Texas Government Code. The term "foreign terrorist organization" in this paragraph has the meaning assigned to such term in Section 2252.151 of the Texas Government Code.

7.17 Form 1295.

(a) Submitted herewith is the Developer's completed Form 1295 generated by the Texas Ethics Commission's (the "TEC") electronic filing application in accordance with the provisions of Section 2252.908 of the Texas Government Code and the rules promulgated by the TEC (the "Form 1295"). The City hereby confirms receipt of the Form 1295 from the Developer, and the City agrees to acknowledge such form with the TEC through its electronic filing

application not later than the 30th day after the receipt of such form. The Parties understand and agree that, with the exception of information identifying the City and the contract identification number, neither the City nor its consultants are responsible for the information contained in the Form 1295; that the information contained in the Form 1295 has been provided solely by the Developer; and, neither the City nor its consultants have verified such information.

7.18 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and constitute one and the same instrument.

7.19 Further Documents. Each Party shall, upon request of the other Party, execute and deliver such further documents and perform such further acts as may reasonably be requested to effectuate the terms of this Agreement and achieve the intent of the Parties.

7.20 Exhibits. The following Exhibits are attached to this Agreement and are incorporated herein for all purposes:

Exhibit A	Executed Strategic Partnership Agreement
Exhibit B	Motion to Withdraw With Prejudice Petitioner
Exhibit C	Appeal
Exhibit D	Motion to Dismiss City Lawsuit
Exhibit E	Executed Development Agreement Amendment
	Description of the Undeveloped Portion of the District

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Executed by Parties to be effective on the Effective Date.

ATTEST:

CITY OF CELINA

Name: _____
 Title: City Secretary

By: _____
 Name: _____
 Title: _____

Date: _____

LFC LAND COMPANY, LLC
 a Texas limited liability company

By: RJM/Celina III, L.P.
 a Texas limited partnership
 its manager

By: RJM/Celina III GP, Inc.,
 a Texas corporation
 its general partner

By: _____
 Name: _____
 Title: _____

Attachment: LEGAL-#89757-v20-Draft Settlement Agreement MFM edits 8.20.20 (Settlement Agreement)

LFC LAND COMPANY II, LLC
a Texas limited liability company

By: RJM/Celina III, L.P.
a Texas limited partnership
its manager

By: RJM/Celina III GP, Inc.,
a Texas corporation
its general partner

By: _____
Name: _____
Title: _____

Attachment: LEGAL-#89757-v20-Draft Settlement Agreement MFM edits 8.20.20 (Settlement Agreement)

Approved and executed on behalf of the Collin County Municipal Utility District No. 1.

**COLLIN COUNTY MUNICIPAL UTILITY
DISTRICT NO. 1**

By: _____
Name: _____
Title: _____

ATTEST:

By: _____
Name: _____
Title : _____

Attachment: LEGAL-#89757-v20-Draft Settlement Agreement MFM edits 8.20.20 (Settlement Agreement)

Approved and executed on behalf of the Petitioners.

Lissa Shepard
Petitioner Representative

Attachment: LEGAL-#89757-v20-Draft_Settlement_Agreement MFM edits 8.20.20 (Settlement Agreement)

EXHIBIT A
EXECUTED STRATEGIC PARTNERSHIP AGREEMENT

Attachment: LEGAL-#89757-v20-Draft Settlement Agreement MFM edits 8.20.20 (Settlement Agreement)

EXHIBIT B
MOTION TO WITHDRAW WITH PREJUDICE PETITIONER APPEAL

Attachment: LEGAL-#89757-v20-Draft_Settlement_Agreement MFM edits 8.20.20 (Settlement Agreement)

EXHIBIT C
MOTION TO DISMISS CITY LAWSUIT

Attachment: LEGAL-#89757-v20-Draft_Settlement_Agreement MFM edits 8.20.20 (Settlement Agreement)

EXHIBIT D
EXECUTED DEVELOPMENT AGREEMENT AMENDMENT

Attachment: LEGAL-#89757-v20-Draft_Settlement_Agreement MFM edits 8.20.20 (Settlement Agreement)

EXHIBIT E
DESCRIPTION OF THE UNDEVELOPED PORTION OF THE DISTRICT

Attachment: LEGAL-#89757-v20-Draft Settlement Agreement MFM edits 8.20.20 (Settlement Agreement)



Life Connected.

Administration
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
 From: Karla Stovall, Assistant City Manager
 Date: August 26, 2020
 Re: Denton County Interlocal -Covid Funds

Action Requested:

Consider and act upon a Resolution of the City Council of the City of Celina, Texas, hereby authorizing the City Manager of the City of Celina, Texas, to execute an Interlocal Cooperation Agreement with Denton County for Corona Virus Relief funds to address and respond to COVID-19; and providing for an effective date. (Stovall)

Background Information:

On May 19, 2020, the Denton County Commissioners court took the first steps to distribute the "CARES Act" funds to assist municipalities of the County through the COVID-19 Municipality Funding Program. The City may use these funds to reimburse itself for COVID-19 expenditures.

Board Review/Citizen Input:

Alternatives:

Financial Considerations:

\$19,415

Legal Review:

Supporting Documents:

Denton County ILA for CRF funding - Interlocal Agreement
 Resolution

Staff Recommendation:

06/03/2020

CORONAVIRUS RELIEF FUND INTERLOCAL COOPERATION AGREEMENT

Denton County and the City of Celina

This Interlocal Cooperation Agreement (“Agreement”) is entered into by and between Denton County, Texas (the “County”) and the **City of Celina Texas** (the “Municipality”), pursuant to Chapter 791 of the Texas Local Government Code, to address the impact of the public health emergency with respect to the Coronavirus pandemic (“COVID-19”).

GENERAL

1. Coronavirus Relief Fund. The County has received federal funding under the Coronavirus Aid, Relief, and Economic Security Act (the “CARES Act”) to address and respond to the impact and effects of the COVID-19 emergency.
2. County Authority. The Resolution of the Denton County, Texas Commissioners Court, under Chapter 381 of the Local Government Code, lawfully establishing a COVID-19 municipality funding program (the “Municipality Program”), allowing the County to grant money to your Municipality, is attached hereto as Attachment A and incorporated by reference herein. Funds were received by the County from the US Department of the Treasury (the “Treasury”) under the Coronavirus Relief Fund (“CRF”), as provided for in the CARES Act. The use of these CRF funds to assist a municipality of the County with their expenditures incurred due to the effects of COVID-19 and to potentially fund a local grant program are legitimate and lawful uses of the CRF funds.
3. Municipality Authority. The Orders of the Municipality, establishing a COVID-19 emergency program or programs, allowing it to make grants of its award, is attached hereto and incorporated by reference herein. The Municipality represents and warrants that its programs (if the Municipality decides to distribute the Municipal Funds through its own programs) will be in full compliance with Chapter 380 of the Local Government Code.
4. Inspector General Oversight & Recoupment. Section 601(f) provides that the Inspector General of the Treasury shall conduct monitoring and oversight of the receipt, disbursement, and use of CRF funds. If the Inspector General determines that a unit of local government has failed to comply with the use of funds rules (as described herein in Paragraphs 10-16, “Use of Funds”), the amount of CRF funds in noncompliance shall be “booked as a debt of such entity owed to the federal government.” The conditions and restrictions on the use of the CRF funds follows to all

recipients, from the County, to the Municipality, to businesses and individuals that receive such funds.

GRANT

5. Amount. Subject to the terms and conditions of this Agreement, the County agrees to grant and transfer to the Municipality the sum of \$19,415 of its CRF funds (“Municipal Funds”).

6. Separate Bank Account. The Municipality agrees to deposit these Municipal Funds into a separate, segregated account created solely for holding and disbursing these Municipal Funds. The account must be an interest bearing account and similarly insured and protected in the same manner as the Municipality’s other funds.

7. Calculation of Municipal Funds. The initial calculation of the grant amount of funds is based on the higher of the Municipality’s 2019 NCTCOG estimated population (353) or 2018 ACS estimated population (0), multiplied by \$55.00 per capita (“the Maximum Allocation”). That amount is reduced by:

- a. the excess of the Maximum Allocation minus the budgeted amount of eligible funds (as defined in Paragraph 8(a)), and further reduced by;
 - b. the amount of funds redirected and contributed to the County’s programs (e.g., small business, housing and food programs), at the election of the Municipality, which is included in the Municipality’s proposed budget in Paragraph 8(a).
8. Conditions. Before receiving Municipal Funds, the Municipality must:
- a. provide the County with a proposed budget, which includes your contribution to the County’s programs (e.g., small business, housing, and food programs), and description of eligible uses of Municipal Funds (“Budget of Expenditures and Description of Intended Uses”). The form to complete your Budget of Expenditures and Description of Intended Uses is attached as Attachment B;
 - b. agree to participate in the County’s CRF Compliance Forum (the “Forum”); and
 - c. provide a copy of the appropriate Chapter 380 documentation.

RESPONSIBILITIES OF THE MUNICIPALITY

9. The responsibilities of the Municipality are:
- a. to comply with all terms and conditions of the CARES Act;
 - b. to use Municipal Funds in compliance with the CARES Act;

- c. to promptly return to the County any Municipal Funds not used;
- d. to participate in the Forum;
- e. to maintain proper and adequate records of its own expenses, including monthly uploads to Dropbox, and supporting documentation of the expenditures, and provide copies of, or access to such, at any time as required by the County;
- f. to maintain proper and adequate records of the expenses of any grantees of Municipal Funds, including monthly uploads to Dropbox, and supporting documentation of the expenditures, and provide copies of, or access to such, at any time as required by the County;
- g. to return the Statement of Compliance Certificate by February 1, 2021;
- h. to cooperate and coordinate with other members in the Forum concerning a federal compliance audit; and
- i. to comply with Chapter 381 and Chapter 380, if applicable.

USE OF FUNDS

10. Amounts paid from the Treasury's Coronavirus Relief Fund are subject to the restrictions outlined in the *Guidance for State, Territorial, Local, and Tribal Governments* (dated April 22, 2020) and set forth in section 601(d) of the Social Security Act, as added by section 5001 of the CARES Act. See Attachment C, which is incorporated by reference into this agreement.

11. Section 601(d) allows CRF funds/Municipal Funds to cover only those costs that:

- a. are necessary expenditures incurred due to the public health emergency with respect to the effects COVID-19;
- b. were not accounted for in the most recently approved budget [of the Municipality], including any amendments; and
- c. are incurred between March 1, 2020 and December 30, 2020. See *Coronavirus Relief Fund Frequently Asked Questions (Updated as of May 4, 2020)*. See Attachment C.

12. "Necessary Expenditure" Condition. The use of the money is limited to "necessary expenditures." The Treasury intends for broad interpretation of the word "necessary," meaning "reasonably necessary for its intended use in the reasonable judgment of the government officials responsible for spending the Fund payments." The Treasury's standard, reasonable judgment, adopts a subjective, not objective standard. Examples of eligible expenditures include, but are not limited to, payment for certain types of:

- a. medical expenses;
- b. public health expenses;
- c. payroll expenses;
- d. expenses relating to facilitating compliance;
- e. expenses associated with providing economic support in connection with the COVID-19 public health emergency; and
- f. any other COVID-19-related expense reasonably necessary to the function of government.

13. Funds may not be used to fill shortfalls in governmental revenue to cover expenditures that would not otherwise qualify under section 601(d). REVENUE REPLACEMENT IS STRICTLY PROHIBITED AND IS NOT A PERMISSIBLE USE OF FUNDS.

14. “Due To” Condition. The requirement that expenditures be incurred “due to” the public health emergency created by COVID-19 means that expenditures must be used for actions taken to respond to the public health emergency. These may include expenditures incurred by the Municipality to respond directly to the emergency, as well as expenditures incurred to respond to second-order effects of the emergency (e.g., economic support to those suffering from employment or business interruptions due to COVID-19-related business closures).

15. The Municipality expressly agrees without qualification or exception to adhere and comply with section 601(d) and the accompanying guidelines regarding its spending and uses of the Funds.

16. Return of Unused Funds by Municipality. Any Municipal Funds not spent on eligible expenses before December 30, 2020 must be returned to the County within 30 days after December 30, 2020.

CRF COMPLIANCE FORUM

17. Description. The Forum is a county-wide initiative between the County and all of the Municipalities that have requested upfront funding of the Municipal Funds. It is a single, integrated initiative to mutually benefit all municipalities and the County.

18. Purpose. The Forum shall work for the mutual benefit of the County and the Municipalities, which will promote administrative efficiency, streamline initial compliance measures, and continuing through a potential audit, and foster collaboration between our counties.

19. Benefits. The primary goals of the Forum are to:

- a. provide answers to specific questions (e.g., eligible uses of funds);
- b. provide assistance with documentation guidelines;
- c. reduce noncompliance risk;
- d. reduce administrative burdens;
- e. manage and control the potential federal compliance audit; and
- f. collaborate and integrate grant programs.

REMEDIES

20. Indemnity. To the extent allowable by law, the Municipality shall defend, indemnify, and hold harmless the County and its officers, commissioners, employees, volunteers, and agents, from any and all costs and expenses, damages, liabilities, demands, causes of action, suits, charges, or legal or administrative proceedings, claims and losses, including, without limitation, attorneys' fees and costs, caused by or arising out of any act or omission of the Municipality relating to the terms of this Agreement, including but not limited to any ineligible expenditures.

21. Recoupment. If the County, or its designee, reasonably determines that all or a portion of a Municipality's expenditure of Municipal Funds is an ineligible expenditure, then the Municipality shall immediately reimburse the County in an amount equal to the amount of the ineligible expenditure from funds of the Municipality other than Municipal Funds granted pursuant to this Agreement, and provide to the County evidence of such reimbursement. The Municipality shall have 30 days of receipt of the County's determination of an ineligible expenditure to reimburse the County for such expense. If the Municipality chooses to subsequently grant its Municipal Funds, it shall be responsible for properly tracing and accounting for when, how, why and by whom the expenses were ultimately incurred. This includes the documentation responsibilities listed in Paragraph 9(f-g) above. In the event the County has to enforce this Agreement, it shall be entitled to recover its reasonable attorney's fees and costs incurred in doing so.

22. Offset. To the extent allowable by law, the County reserves the right in its sole discretion to apply any money, damages or costs incurred as a result of a material breach of this agreement by the Municipality against the future distribution of future tax revenues or receipts from the County to the Municipality.

OTHER

23. Attorney's Fees and Costs. The County shall be entitled to recover its reasonable and necessary attorney's fees, costs and expenses, from the Municipality in the event the County must

enforce the terms of this Agreement in any way, including, but not limited to, litigation or mediation to the extent allowed by law.

24. Law and Venue. The laws of the State of Texas shall govern this Agreement, except where clearly superseded by federal law. Venue of any dispute shall be in a court of competent jurisdiction in Denton County, Texas.

25. No Assignment. The Municipality may not assign this Agreement.

26. Entire Agreement. This Agreement supersedes and constitutes a merger of all prior oral and/or written agreements and understandings of the parties on the subject matter of this Agreement and is binding on the parties and their legal representatives, receivers, executors, successors, agents and assigns.

27. Amendment. Any Amendment of this Agreement must be by written instrument dated and signed by both parties.

28. Severability. No partial invalidity of this Agreement shall affect the remainder unless the public purpose to be served hereby is so greatly diminished thereby as to frustrate the object of this Agreement.

29. Survival. All provisions of this Agreement that impose continuing obligations on the parties, including but not limited to payment, agreement purpose, and confidentiality shall survive the expiration or termination of this Agreement.

30. Waiver. No waiver by either party of any provision of this Agreement shall be effective unless in writing, and such waiver shall not be construed as or implied to be a subsequent waiver of that provision or any other provision.

31. Signature Authority. The signatories hereto represent to each other that they have the full right, power, and authority and have been given any approvals necessary to enter into this Agreement to bind the respective parties for which they sign, and to perform their obligations hereunder, and that the consent of no other parties is needed to fully effectuate this Agreement.

ATTACHMENTS

32. This is a list of attachments and is included with this agreement and incorporated herein, as appropriate:

1. Attachment A: Chapter 381 Resolutions of the County;
2. Attachment B: Form Budget of Expenditures and Description of Intended Uses;
3. Attachment C: CRF Guidelines, Regulations (including statute, FAQs, and Guidance).

DENTON COUNTY, TEXAS

By: _____
 Andy Eads, County Judge

 Date

Attest:

 County Clerk

CITY OF CELINA, TEXAS

By: _____
 Mayor or City Manager

 Printed Name

 Printed Title

 Date

Attest:

 City Secretary

**CITY OF CELINA, TEXAS
RESOLUTION NO. 2020-XXR**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS,
HEREBY AUTHORIZING THE CITY MANAGER OF THE CITY OF CELINA,
TEXAS, TO EXECUTE AN INTERLOCAL COOPERATION AGREEMENT
WITH DENTON COUNTY FOR CORONA VIRUS RELIEF FUNDS TO
ADDRESS AND RESPOND TO COVID-19; AND PROVIDING FOR AN
EFFECTIVE DATE.**

WHEREAS, the City of Celina, Texas is a municipality operating under a home-rule charter (“City”); and

WHEREAS, on March 13, 2020, Texas Governor Greg Abbott declared a statewide public health disaster; and

WHEREAS, on March 27, 2020, the Coronavirus Aid, Relief, and Economic Security (CARES) Act was passed by Congress and signed into law by President Trump; and

WHEREAS, on April 22, 2020, the US Treasury enacted the Coronavirus Relief Fund added by section 5001 of the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”); and

WHEREAS, on May 19, 2020, the Denton County Commissioners court took the first steps to distribute the CARES Act funds to assist municipalities of the County through the COVID-19 Municipality Funding Program.

WHEREAS, this recovery plan is memorialized in an Interlocal Agreement between Denton County and the City (the “Agreement”) which is attached here to Exhibit A; and

WHEREAS, the City may use these funds reimbursing itself for COVID-19 expenditures already paid and incurred, and for expenditures to assist it with its ongoing responses to COVID-19 as detailed in the CARES Act, the Direct Costs Program and the Agreement; and

WHEREAS, pursuant to the agreement municipal funds may be used for all expenditures that municipalities are eligible to recover under the CARES Act as described under said Act and the U.S. Department of the Treasury’s Coronavirus Relief Fund Guidance for State, Territorial, Local, and Tribal Governments as it applies to municipalities; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS:

SECTION 1: That the City Manager of the City is hereby authorized to execute on behalf of the City Council of the City the Agreement establishing the acceptance of COVID-19 funding from Denton County for costs expended by municipalities located in Denton County to address and respond to COVID-19.

SECTION 2: That this Resolution shall take effect immediately upon its passage.

PASSED AND APPROVED by the City Council of the City of Celina, Texas, this the 26th day of August 2020.

Sean Terry, Mayor

ATTEST:

Vicki Tarrant
City Secretary

Attachment: Interlocal Resolution CARES 2020-XX(R) (Denton County Interlocal - Covid-19)



Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Madhuri Mohan AICP, Planning Manager
CC: Jason Laumer, City Manager
Date: August 26, 2020
Re: The Cottages DA Amendment

Action Requested:

Consider and act upon a request for an amendment to The Cottages development agreement; generally located west of Louisiana Drive and north of J. Fred Smith Parkway. (The Cottages DA Amendment) (Mohan)

Applicant:

James Land & Development Company
102 E. Broadway Street, Suite 940
Prosper, TX 75078

Background Information:

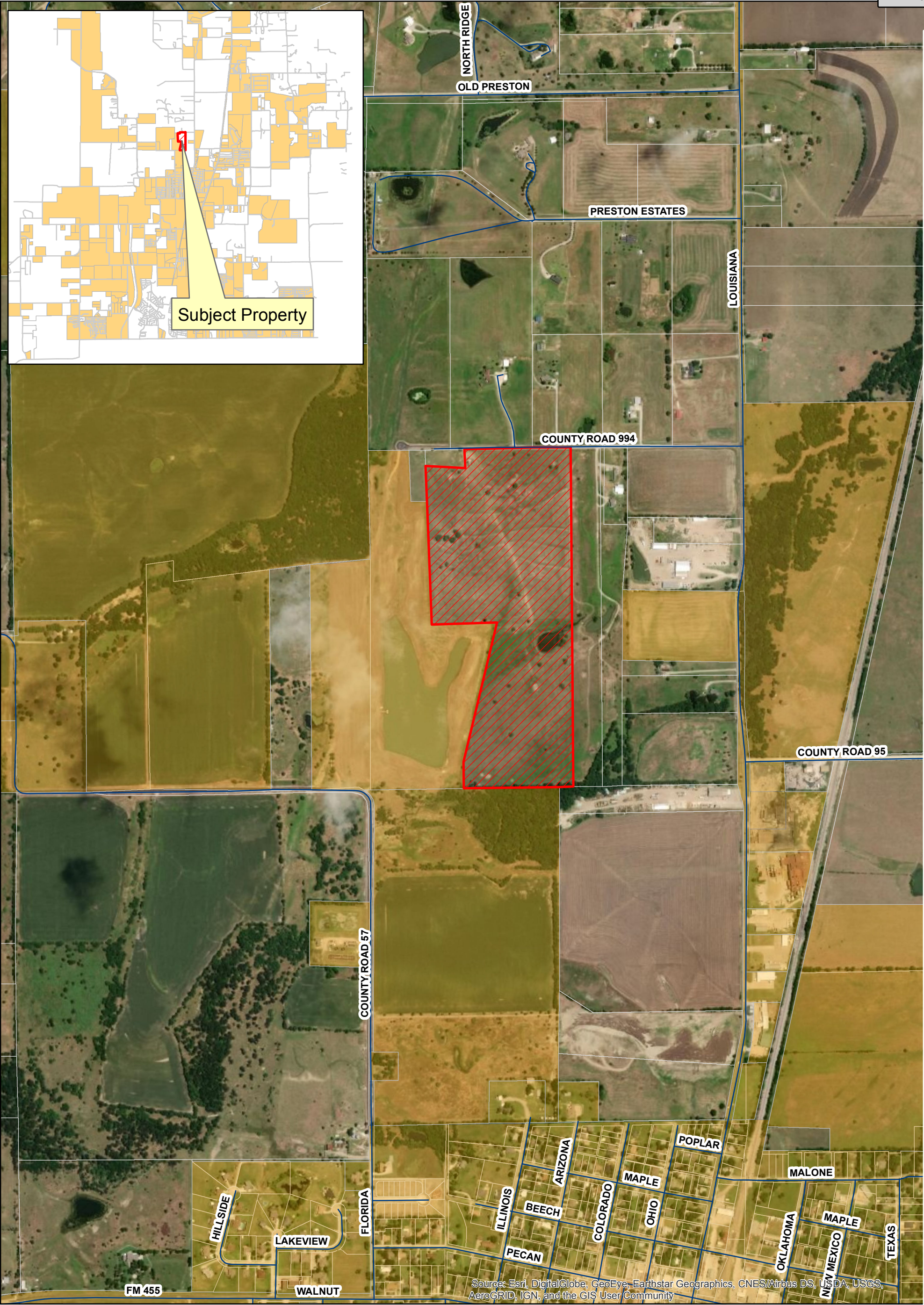
This item is for the revision of the Cottages Development Agreement.

Supporting Documents:

- Location Map

Staff Recommendation:

Staff recommends approval.



Attachment: LocationMap_10222018 (The Cottages DA Amendment)



The Cottages Location Map

Date: 10/22/2018

Legend

- Roads
- The Cottages
- Parcels
- City Limits

North arrow and scale bar (0 to 980 Feet).

Packet Pg. 160