



City of Hutto

Agenda

City Council Meeting

Thursday, October 21, 2021 at 7:00 PM

City Council Chambers

In accordance with the Texas Open Meetings Act this meeting agenda is posted for public information, continuously, for at least 72 hours prior to the scheduled time of the meeting on the bulletin board located on the exterior wall of the City Hall building at 500 West Live Oak, Hutto, Texas. This meeting agenda is also accessible via the Internet at huttotx.gov

1. CALL SESSION TO ORDER

2. ROLL CALL

3. INVOCATION

4. PLEDGE OF ALLEGIANCE

5. CITY COUNCIL COMMENTS

Pursuant to Texas Government Code Sec. 551.0415, a member of the governing body may make an announcement about items of community interest during a meeting of the governing body without given notice of the subject of the announcement. Items of Community Interests include: (1) expressions of thanks, congratulations, or condolence; (2) information regarding holiday schedule; (3) an honorary or salutary recognition of public official, public employee, or other citizen, except that a discussion regarding a change in the status of a person's public office or public employment is not an honorary or salutary recognition of the subdivision; (4) a reminder regarding social, ceremonial, or community event organized or sponsored by an entity other than the governing body that was attended or is scheduled to be attended by a member of the governing body or an official or employee of the political subdivision; and (5) announcements involving imminent threat to the public health and safety of people in the political subdivision that has arisen after the posting of the agenda.

5.1. General Comments from City Council

5.2. City Council Liaison Reports

6. PUBLIC COMMENT

Any citizen wishing to speak during public comment may do so after completing the required registration form. The purpose of this item is to allow the residents of Hutto and other interested persons an opportunity to address the City Council on agenda issues and on non-agenda issues that are a matter of the jurisdiction of the City Council (i.e., City policy or legislative issues). Non-agenda issues regarding daily operational or administrative matters should be first dealt with at the administrative level by calling City Hall at (512) 759-4839 during business hours. Each person providing public comment will be limited to 3 minutes. Any citizen wishing to speak during public comment may do so after completing the required registration form. Written comments for this meeting may also be sent to comments@huttotx.gov PRIOR to 4:00 pm on October 21, 2021. The email must include name, address, phone # and email to be recognized properly. Written comments will be provided to Council.

7. CITY MANAGER COMMENTS

7.1. General City Manager Comments

7.2. Introduction of Jim Stuart, Interim Police Chief

8. PROCLAMATIONS

- 8.1. Proclamation No. 2021-014: Proclaiming November 1, 2021, as National Family Literacy Day.
- 8.2. Proclamation No. 2021-015: Proclaiming October 2021 as Cyber Security Awareness Month.
- 8.3. Proclamation No. 2021-016: Proclaiming October 2021 as Chiropractic Health Month.

9. CONSENT AGENDA ITEMS

- 9.1. Consideration and possible action on approving the October 7, 2021, City Council meeting minutes.
- 9.2. Consideration and possible action on Resolution No. R-2021-152 a Resolution accepting the infrastructure improvements for the subdivision known as Durango Farms Phase 1. (Wade Benton)
- 9.3. Consideration and possible action on Ordinance No. O-2021-062 amending the budget for the fiscal year of October 1, 2020, through September 30, 2021, in accordance with existing statutory requirements, appropriating and setting aside the necessary funds for additional expenditures. (Second Reading) (Angie Rios)

10. OTHER BUSINESS

- 10.1. Consideration and possible action regarding possible appointments, re-appointments and/or removals to City Boards, Commissions, Task Forces, Economic Development Corporations, Local Government Corporations, Tax Increment Reinvestment Zone Boards, City Council Liaisons, Area Government appointments, and Advisory Committees.
- 10.2. Consideration and possible action on the charge, goals, and objectives of the Diversity and Inclusion Commission, including possible suspension or dissolution of the Commission.
- 10.3. Consideration and possible action on Sound Study update.
- 10.4. Roads and Transportation Update- 1660 Projects. (Wade Benton)
- 10.5. Update on Live Oak gas line relocation.
- 10.6. Consideration and possible action on a recommendation to form a City of Hutto Internal Audit Committee.(Warren Hutmacher)
- 10.7. Discussion and possible action to waive attorney-client privilege and release to the public the memo from the City Attorney dated 31 August 2021 regarding the 2019 annexations as discussed in Executive Session on 7 October 2021. (Councilmember Gordon)
- 10.8. Discussion and possible action related to award of a construction contract to Cash Construction Company, Inc. in the amount of \$4,875,512.00 for construction of improvements associated with the City of Hutto Transmission and Distribution Waterline Improvements project.

11. ORDINANCES

- 11.1. Consideration of a public hearing and possible action on Ordinance No. O-2021-066 approving the proposed annexation of the Thomison Tracts, 53.12 acres, more or less, of land, and to establish the base zoning for the property as SF-1 (Single-Family Residential). (First Reading)(Ashley Lumpkin).
- 11.2. Consideration and possible action on Ordinance No. O-2021-063 opening a public hearing on the levy of assessments on property within the Durango Farms Public

Improvement District and Approving Levying Special Assessments For, And Apportioning The Costs Of, Certain Improvements To Property In And For The Durango Farms Public Improvement District; Fixing A Charge And Lien Against All Properties Within The District, And The Owners Thereof; Providing For The Manner And Method Of Collection Of Such Assessments; Making A Finding Of Special Benefit To Property In The District And The Real And True Owners Thereof; Approving A Service And Assessment Plan; Providing A Severability Clause; And Providing An Effective Date. (First Reading)(City Attorney)

- 11.3. Consideration and possible action on Ordinance No. O-2021-063 to dispense with second reading pursuant to Hutto City Charter Article 3, Section 3.13.
- 11.4. Consideration and possible action on Ordinance No. O-2021-064 Authorizing The Issuance Of The "City Of Hutto, Texas Special Assessment Revenue Bonds, Series 2021 (Durango Farms Public Improvement District Project)"; Approving And Authorizing An Indenture Of Trust, A Bond Purchase Agreement, An Offering Memorandum, A Continuing Disclosure Agreement, And Other Agreements And Documents In Connection Therewith; Making Findings With Respect To The Issuance Of Such Bonds; And Providing An Effective Date. (First Reading)(City Attorney)
- 11.5. Consideration and possible action on Ordinance No. O-2021-064 to dispense with second reading pursuant to Hutto City Charter Article 3, Section 3.13.
- 11.6. Consideration and possible action on Ordinance No. O-2021-065 Authorizing The Issuance Of The "City Of Hutto, Texas Special Assessment Revenue Bonds, Series 2021 (Cottonwood Creek Public Improvement District Improvement Area #1 Project)"; Approving And Authorizing An Indenture Of Trust, A Bond Purchase Agreement, An Offering Memorandum, A Continuing Disclosure Agreement And Other Agreements And Documents In Connection Therewith; Making Findings With Respect To The Issuance Of Such Bonds; And Providing An Effective Date. (First Reading)(City Attorney)
- 11.7. Consideration and possible action on Ordinance No. O-2021-065 to dispense with second reading pursuant to Hutto City Charter Article 3, Section 3.13.

12. RESOLUTIONS

- 12.1. Consideration and possible action on Resolution R-2021-159 selecting DCS Engineering as the engineering firm for the design of an Aquifer Storage and Recovery Well project. (Wade Benton)

13. EXECUTIVE SESSION

The City Council for the City of Hutto 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 Sections 551.071 (Litigation/Consultation with Attorney), 551.072 (Deliberations regarding real property), 551.073 (Deliberations regarding gifts and donations), 551.074 (Deliberations regarding personnel matters) or 551.076 (Deliberations regarding deployment/implementation of security personnel or devices) and 551.087 (Deliberations regarding Economic Development negotiations).

- 13.1. Receive legal advice pursuant to Texas Government Code Sec. 551.071 related to Pending Legal Requests, Potential Claims and City Council Legal Requests.
- 13.2. Executive session in accordance with Texas Open Meetings Act Section 551.074, PERSONNEL MATTERS: CLOSED MEETING to deliberate the employment and evaluation of a public officer or employee - City Manager.

- 13.3. Receive legal advice pursuant to Texas Government Code Sections 551.071, 551.087, and 551.072 to deliberate and seek legal advice regarding economic development negotiations and real property in connection with project Darwin.

14. ACTION RELATIVE TO EXECUTIVE SESSION

- 14.1. Consideration and possible action related to legal advice received pursuant to Texas Government Code Sec. 551.071 related to Pending Legal Requests, Potential Claims and City Council Legal Requests.
- 14.2. Consideration and possible action on Executive Session in accordance with Texas Open Meetings Act Section 551.074, PERSONNEL MATTERS: CLOSED MEETING to deliberate the employment and evaluation of a public officer or employee - City Manager.
- 14.3. Consideration and possible action on legal advice received pursuant to Texas Government Code Sections 551.071, 551.087, and 551.072 to deliberate and seek legal advice regarding economic development negotiations and real property in connection with project Darwin.

15. ADJOURNMENT

16. CERTIFICATION

I certify that this notice of the October 21, 2021 Hutto City Council meeting was posted on the City of Hutto website and the City Hall bulletin board of the City of Hutto on October 18, 2021 at 5:00 P.M.



Holly Nagy

The City of Hutto is committed to comply with the Americans Disability Act. The Hutto City Council Chamber is wheelchair accessible. Request for reasonable special accommodations must be made 48 hours prior to the meeting. Please email the City Secretary's office at City.Secretary@huttox.gov or call (512) 759-4033 for assistance.

Proclamation

WHEREAS, National Family Literacy Day, established by the 103rd Congress in 1994, and now marking its 27th anniversary on November 1, 2021, highlights the importance of reading and learning for the entire family and emphasizes the impact that parents have on their child's learning; and

WHEREAS, this day is celebrated across America each year, and focuses on special activities and events that showcase the importance of family literacy programs that empower families and build a nation of readers; and

WHEREAS, literacy programs across the United States will observe National Family Literacy Day by holding read-a-thons, book drives, workshops and family activities at schools, libraries and community centers to encourage literacy; and

WHEREAS, *as many as one in six adults struggle with reading and writing*, and by learning to read, individuals can gain self-respect and confidence and strive toward goals that otherwise would not be achievable; and

WHEREAS, the National Society of the Daughters of the American Revolution is a nonprofit, nonpolitical volunteer women's service organization dedicated to promoting patriotism, preserving American history, and securing America's future through better education for children and adults; and

WHEREAS, education being one of the cornerstones of the National Society of the Daughters of the American Revolution, the Daniel Coleman Chapter is committed to increasing literacy by promoting and supporting literacy programs.

NOW, THEREFORE, I, Mike Snyder, by virtue of the authority vested in me as Mayor of Hutto, do hereby proclaim November 1st as National Family Literacy Day in Hutto, Williamson County, Texas.

NATIONAL FAMILY LITERACY DAY

To underscore the importance of literacy, celebrate the joy of reading, encourage residents to promote literacy by reading together as a family, and to extend deep appreciation to our local librarians, educators, and literacy service providers for their tireless efforts to strengthen the literacy of our children and our community.

Done this day in October, 2021, in Hutto, Williamson County, Texas.

Mike Snyder, Mayor

STATE OF TEXAS

COUNTY OF WILLIAMSON

CITY OF HUTTO



PROCLAMATION NO. 2021-015

Whereas, we recognize the vital role that technology has in our daily lives and in the future of the Hutto community, whereby our employees and most residents, schools, libraries, businesses, and other organizations use the Internet for a variety of tasks; and

Whereas, critical infrastructure sectors including cities like Hutto are increasingly reliant on information systems to support emergency response systems, financial services, utilities and energy, telecommunications, and transportation; and

Whereas, Internet users and information infrastructure face an increasing threat of malicious cyber attacks, prompting the U.S. Department of Homeland Security to establish the Office of Cybersecurity and Communications, which is devoted to strengthening and securing of the country's cyber infrastructure at all levels; and

Whereas, awareness of computer security best practices will improve the security of the City of Hutto information infrastructure and the local economy, with each of us having a critical role to play; and

NOW, THEREFORE, I, MIKE SNYDER, MAYOR, of the City of Hutto hereby proclaim the month of October 2021, as

CYBER SECURITY AWARENESS MONTH

in Hutto and encourage all citizens to learn about cyber security; and put that knowledge into practice in their homes, schools, workplaces, and businesses.

Proclaimed this 21st day of October 2021.

ATTEST:

Holly Nagy, City Secretary



Mike Snyder, Mayor

STATE OF TEXAS

COUNTY OF WILLIAMSON

CITY OF HUTTO



PROCLAMATION NO. 2021-016

PROCLAIMING THE MONTH OF OCTOBER AS NATIONAL CHIROPRACTIC HEALTH MONTH 2021

WHEREAS, there has been a general increase in the prevalence of sedentary lifestyles over the years due to advances in technology and transportation, and further exacerbated over the past year by the COVID-19 pandemic and the increase in remote work, leading to an increase in musculoskeletal conditions such as low back pain and joint pain;

WHEREAS, the public health crisis has also led to an increase in stress and mental health problems nationwide. A March 2021 survey by the Centers for Disease Control and Prevention found that the prevalence of adults with anxiety or a depressive disorder increased from 36.4% to 41.5% between August 2020 and February 2021;

WHEREAS, Research shows that physical activity provides several important health benefits, including helping to manage weight, increase bone and muscle strength, lower blood pressure and cholesterol, and decrease risk of heart disease and stroke;

WHEREAS, Research shows that physical activity also provides valuable benefits to our mental health by reducing the risk of anxiety and depression and enhancing sleep and quality of life;

WHEREAS, Doctors of chiropractic are physician-level healthcare providers who focus on the whole person as part of their hands-on, nondrug approach to pain management and health promotion, and who have special expertise in the prevention, treatment and rehabilitation of musculoskeletal conditions that may inhibit movement and physical activity;

WHEREAS, in addition to expertise in spinal manipulation, chiropractors are trained to recommend therapeutic and rehabilitative exercises, and to provide nutritional, dietary and lifestyle advice to help people enhance their physical fitness and overall wellness.

WHEREAS, Chiropractors, who have been listed as part of the essential healthcare workforce by the U.S. Department of Homeland Security, are also trained to diagnose conditions and to refer patients to other healthcare providers and specialties when necessary;

WHEREAS, National Chiropractic Health Month 2021 serves as a reminder to all citizens that doctors of chiropractic can be key partners in helping them to keep moving by treating pain and improving function with noninvasive, nondrug approaches that are safe and effective;

THEREFORE, BE IT RESOLVED that the City of Hutto officially joins with the American Chiropractic Association as it promotes the physical and mental health benefits of physical activity with its "Keep Moving!" campaign by proclaiming October 2021 National Chiropractic Health Month.

IN WITNESS THEREOF, I have hereunto subscribed my name to be affixed this 21st day of October, 2021.

PASSED AND APPROVED by the Hutto City Council on October 21, 2021.

ATTEST:

Holly Nagy, City Secretary



Mike Snyder, Mayor



City of Hutto

MINUTES

City Council Meeting

Thursday, October 7, 2021 at 7:00 PM

City Council Chambers

In accordance with the Texas Open Meetings Act this meeting agenda is posted for public information, continuously, for at least 72 hours prior to the scheduled time of the meeting on the bulletin board located on the exterior wall of the City Hall building at 500 West Live Oak, Hutto, Texas. This meeting agenda is also accessible via the Internet at huttotx.gov

1. CALL SESSION TO ORDER- 7:00 PM

2. ROLL CALL

Members of the Council present: Mayor Mike Snyder, Councilmember Robin Sutton, Councilmember Dan Thornton, Councilmember Mandi Villarreal Salvo, Councilmember Peter Gordon, Councilmember Krystal Kinsey

Absent - MPT Tanner Rose

3. INVOCATION- Led by Piet Van Waarde – Shoreline Church

4. PLEDGE OF ALLEGIANCE

5. CITY COUNCIL COMMENTS

5.1. General Comments from City Council

Councilmember Robin Sutton: Extended her heartfelt condolences to the families of Aaliyah Martinez and Justin Hayes.

Councilmember Mandi Villarreal Salvo: Invited any member of the public that would like to comment on the topic of the credit card convenience fee that was approved and prescribed by the previous City Council. Councilmember Salvo asked that the item be added to the agenda two meetings from the October 7th meeting. This will allow residents an opportunity to reach out to their councilmembers if they are interested in sharing their input.

Councilmember Krystal Kinsey: Extended her appreciation to all attendees of the National Night Out Event including the members of the Police and Fire Departments. She also reminded everyone that OldeTyme Days Event was coming up on October 16th and encouraged everyone to shop and support locally.

5.2. City Council Liaison Reports

Councilmember Mandi Villarreal Salvo: Invited members of the community to attend the Parks Advisory Board meeting. The members of the community can share their ideas with the board. The next meeting will be Wednesday, October 13, 2021.

Councilmember Krystal Kinsey: Gave an update regarding the Diversity and Inclusion Commission. In the last meeting, they set objectives; specific to upcoming events, assessments and training. They have been doing some research and found that there are ten free online courses available to them. In an effort to arrange training

opportunities to the commission or council as a whole, Councilmember Kinsey has reached out to the Equity Office at the City of Austin. She is waiting to hear back from them. Also, there were two resignations. The commission is in receipt of new applications. The committee will need to meet before any appointments can be made.

6. PUBLIC COMMENT

Jimmy Pierce

7. CITY MANAGER COMMENTS

City Manager Hutmacher discussed the filming of an HBO mini-series that was hosted by the City of Hutto. The show is produced by Nicole Kidman. It brought a lot of people to the city. He stated that there should be more information available to us on the mini-series special in the upcoming future.

He also commended staff for a job well done at National Night Out. He felt that it was a great community event and thanked everyone that participated.

Lastly, City Manager Hutmacher briefly revisited the subject of the credit card fees. The city has antiquated technology on the utility billing system. The city is working with a third party company to improve the process. The company will be able to encrypt banking information so that customers can pay online with their bank information and avoid having to pay credit card fees. Both options will be available to customers.

8. PROCLAMATIONS

- 8.1. Proclamation No. 2021-013: Proclaiming October 23, 2021, Keep Hutto Beautiful Day.

9. CONSENT AGENDA ITEMS

- 9.1. Consideration and possible action on approving the September 2, 2021, City Council meeting minutes.
- 9.2. Consideration and possible action on approving the September 9, 2021, Special Called City Council meeting minutes.
- 9.3. Consideration and possible action on approving the September 16, 2021, City Council meeting minutes.
- 9.5. Consideration and possible action on Resolution No. R-2021-153 a Resolution accepting the infrastructure improvements for the subdivision known as Mustang Creek Phase 4.(Wade Benton)
- 9.6. Consideration and possible action on Resolution No. R-2021-154 a Resolution accepting the infrastructure improvements for the subdivision known as Mustang Creek CR 118 Arterial Phase 2. (Wade Benton)
- 9.7. Consideration and possible action on Ordinance No. O-2021-059 the proposed Unified Development Code (2020 Edition, as amended), Chapter 4 Section 10.410 Signs, to add and clarify language for temporary signage. (Second Reading) (Ashley Lumpkin)
- 9.8. Consideration and possible action on Ordinance No. O-2021-060 approving the proposed annexation of the Lidell-Walker Tracts, 263.008 acres, more or less, of land, and to establish the base zoning for the property as SF-1 (Single-Family Residential). (Second Reading) (Ashley Lumpkin).

Councilmember Gordon requested to withdraw 9.9, Councilmember Sutton requested to withdraw 9.4. There were no objections to those removals. A motion to approve consent agenda items 9.1., 9.2., 9.3., 9.5., 9.6., 9.7. and Item 9.8. as presented was made by Councilmember Villarreal Salvo. Councilmember Gordon seconded the motion. The motion passed unanimously. (6:0)

- 9.4. Consideration and possible action on Resolution No. R-2021-152 a Resolution accepting the infrastructure improvements for the subdivision known as Durango Farms Phase 1. (Wade Benton)

Item 9.4. was tabled to allow additional time to review to ensure compliance with ADA guidelines.

- 9.9. Consideration and possible action on Resolution No. R-2021-156 authorizing the City Manager to execute a Settlement and Release Agreement with AmaTerra Environmental, Inc. (Dorothy Palumbo)

Councilmember Villarreal Salvo made a motion to approve Item 9.9. as presented. Councilmember Gordon seconded the motion. The motion passed unanimously. (6:0)

10. OTHER BUSINESS

- 10.1. Consideration and possible action regarding possible appointments, re-appointments, and/or removals to City Boards, Commissions, Task Forces, Economic Development Corporations, Local Government Corporations, and Tax Increment Reinvestment Zone Boards, City Council Liaisons, Area Government appointments, and Advisory Committees.

Discussion ensued. Councilmember Gordon asked that city staff provide appointment applications and include them in the meeting packet to allow them an opportunity to review them prior to the council meetings.

After discussion of item 10.1., proceeded to Resolutions - Item 12.2.

- 12.2. Consideration and possible action on Resolution No. R-2021-151 approving a fee waiver for the Library to forgive fines during the month of November in support of the Hutto Community Food Pantry. (Colleen Tierney)

Councilmember Sutton made a motion to approve Item 12.2. as presented. Councilmember Villarreal Salvo seconded the motion. The motion passed unanimously. (6:0)

After the vote on item 12.2., the meeting proceeded with Other Business, Item 10.4.

- 10.4. Consideration and possible action on a request from the Diversity & Inclusion Commission for potential funding for the Treats on East event.

Commissioner Spoon and Commissioner Prieto of the Diversity and Inclusion Commission went before the City Council to request funding for the Treats on East event. Councilmember Villarreal Salvo made a motion to approve up to \$700.00 in funding. Councilmember Kinsey seconded the motion. The motion passed unanimously. (6:0)

Following the vote, the meeting proceeded to Other Business, Item 10.2.

- 10.2. Quarterly Update regarding On-Demand Engineering. (Ashley Lumpkin)
- 10.3. Presentation of Phase 1 Water Project Update. (Wade Benton)
- 10.5. Consideration and possible action on executing a professional services agreement with DCS Engineering, LLC to update the Water and Wastewater Impact Fee Study. (Ashley Lumpkin)
- Councilmember Villarreal Salvo made a motion to approve Item 10.5. as presented. Councilmember Sutton seconded the motion. The motion passed unanimously. (6:0)
- 10.6. Discussion regarding drainage ditches within the city. (Wade Benton)
- Discussion ensued. Another drainage ditch update to be provided in one month (11/4).
- 10.7. Consideration and possible action regarding amending the personnel policy.(Mayor Snyder)
- Discussion ensued. Following the discussion, City Manager, Warren Hutmacher, recapped the four policy items that will be added to the 11/4 agenda; Use of Force, Promotion/Transfer, Discipline and Hiring. A draft will be presented to the City Council for review or changes. Following the presentation, an opportunity for discussion will extend to the HPOA, PD or any other member of the community wishing to comment.
- 11.1. Consideration and possible action on Ordinance No. O-2021-062 amending the budget for the fiscal year of October 1, 2020, through September 30, 2021, in accordance with existing statutory requirements, appropriating and setting aside the necessary funds for additional expenditures. (First Reading) (Angie Rios)
- Added as a consent item for 10/21/21 meeting. Councilmember Villarreal Salvo made a motion to approve Item 11.1. as presented. Councilmember Gordon seconded the motion. The motion passed unanimously. (6:0)
- 12.3. Consideration and possible action on Resolution No. R-2021-152 directing the Economic Development Corporation to reimburse the city for expenditures paid for on behalf of the Economic Development Corporation. (Angie Rios)
- Councilmember Villarreal Salvo made a motion to approve Item 12.3. as presented. Councilmember Sutton seconded the motion. The motion passed unanimously. (6:0)
- 12.4. Consideration and possible action on Resolution R-2021-147A repealing Resolution R-2021-147; approving the Development Agreement for the Lidell-Walker Tracts, 263.008 acres, more or less of land; authorizing the City Manager to execute the Development Agreement; and providing an effective date. (Ashley Lumpkin).
- Councilmember Sutton made a motion to approve Item 12.4. as presented. Councilmember Villarreal Salvo seconded the motion. The motion passed unanimously. (6:0)
- Following item 12.4., the meeting proceeded to item 11.2.
- 11.2. Consideration and possible action on Ordinance No. O-2021-058 opening a public hearing on the levy of assessments on property within Durango Farms Public Improvement District and approving levying special assessments for, and apportioning the costs of, certain improvements to property in and for the Durango Farms Public Improvement District; fixing a charge and lien against all properties within the district and the owners thereof; providing for the manner and method of collection of such assessments; making a finding of special benefit to property in the district and the real and true owners thereof; approving a service and assessment plan; providing a severability clause; and providing an effective date.(First Reading)(Dorothy Palumbo)

Public Hearing closed at 10:15 PM.

Following item 11.2., meeting proceeded to item 12.1.

- 12.1. Consideration and possible action on Resolution No. R-2021-157 determining costs of authorized improvements for the Durango Farms Public Improvement District and ordering the filing of an assessment roll with the City Secretary to make available to the public in compliance with Texas Local Government Code Chapter 372; calling a public hearing on the levy of assessments on property located within the Durango Farms Public Improvement District to pay such costs and directing the City Secretary to publish and mail notice of the public hearing in accordance with Texas Local Government Code Chapter 372; and related matters; and providing an effective date. (Dorothy Palumbo)

Councilmember Villarreal Salvo made a motion to approve Item 12.1. as presented.

Councilmember Kinsey seconded the motion. The motion passed unanimously. (6:0)

Following item 12.1., meeting proceeded to item 12.5.

- 12.5. Consideration and possible action on Resolution No. R-2021-131 authorizing the City of Hutto's execution and entering into the Durango Farms Public Improvement District Financing and Reimbursement Agreement; ordering other matters in connection with the foregoing and providing an effective date. (Dorothy Palumbo)

Councilmember Villarreal Salvo made a motion to approve Item 12.5. as presented.

Councilmember Gordon seconded the motion. The motion passed unanimously. (6:0)

- 12.6. Consideration and possible action on Resolution No. R-2021-144 approving the form and authorizing the distribution of a Preliminary Limited Offering Memorandum for City of Hutto, Texas Special Assessment Revenue Bonds, Series 2021 (Durango Farms Public Improvement District Project).

Councilmember Gordon made a motion to approve Item 12.6. as presented.

Councilmember Villarreal Salvo seconded the motion. The motion passed unanimously. (6:0)

- 12.7. Consideration and possible action on Resolution No. R-2021-146 approving the form and authorizing the distribution of a Preliminary Limited Offering Memorandum for "City of Hutto, Texas Special Assessment Revenue Bonds, Series 2021 (Cottonwood Creek Public Improvement District Improvement Area #1 Project).

Councilmember Villarreal Salvo made a motion to approve Item 12.7. as presented.

Councilmember Gordon seconded the motion. The motion passed unanimously. (6:0)

13. EXECUTIVE SESSION – Entered 10:37

The City Council for the City of Hutto 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 Sections 551.071 (Litigation/Consultation with Attorney), 551.072 (Deliberations regarding real property), 551.073 (Deliberations regarding gifts and donations), 551.074 (Deliberations regarding personnel matters) or 551.076 (Deliberations regarding deployment/implementation of security personnel or devices) and 551.087 (Deliberations regarding Economic Development negotiations).

- 13.1. Receive legal advice pursuant to Texas Government Code Sec. 551.071 related to Pending Legal Requests, Potential Claims, Pending Litigation and City Council Legal Requests.
- 13.2. Receive legal advice pursuant to Texas Government Code Sec. 551.071 related to the 2019 annexations.
- 13.3. Receive legal advice pursuant to Texas Government Code Sec. 551.071 related to the 2019 contract amendment with ACDI Clawson Disposal, Inc. for collection and disposal of solid waste and recycling services, and solid waste collection fees.
- 13.4. Receive legal advice pursuant to Texas Government Code Sec. 551.071 related to Charge of Discrimination filed with the Equal Employment Opportunity Commission on July 30, 2021, by Chief Hall.
- 13.5. Receive legal advice pursuant to Texas Government Code Sections 551.071, 551.087, and 551.072 to deliberate and seek legal advice regarding economic development negotiations and real property in connection with project Darwin.

14. ACTION RELATIVE TO EXECUTIVE SESSION

- 14.1. Consideration and possible action related to legal advice received pursuant to Texas Government Code Sec. 551.071 related to Pending Legal Requests, Potential Claims, Pending Litigation and City Council Legal Requests.
No action taken.
- 14.2. Consideration and possible action on legal advice received pursuant to Texas Government Code Sec. 551.071 related to the 2019 annexations.
No action taken.
- 14.3. Consideration and possible action on legal advice received pursuant to Texas Government Code Sec. 551.071 related to the 2019 contract amendment with ACDI Clawson Disposal, Inc. for collection and disposal of solid waste and recycling services, and solid waste collection fees.
No action taken.
- 14.4. Consideration and possible action on legal advice received pursuant to Texas Government Code Sec. 551.071 related to Charge of Discrimination filed with the Equal Employment Opportunity Commission on July 30, 2021, by Chief Hall.
Councilmember Villarreal Salvo made a motion to approve Item 12.7. as presented. Councilmember Salvo seconded the motion. The motion passed unanimously. (6:0)
- 14.5. Consideration and possible action on legal advice received pursuant to Texas Government Code Sections 551.071, 551.087, and 551.072 to deliberate and seek legal advice regarding economic development negotiations and real property in connection with project Darwin.
No action taken.

15. ADJOURNMENT – 11:30PM

PASSED AND APPROVED this 21st day of October, 2021.

ATTEST:

Mike Snyder, Mayor

Gracie Perez, Assistant City Secretary

AGENDA ITEM REPORT



To: City Council
Subject: Consideration and possible action on Resolution No. R-2021-152 a Resolution accepting the infrastructure improvements for the subdivision known as Durango Farms Phase 1. (Wade Benton)
Meeting: Thursday, October 21, 2021
Department: Community Services
Staff Contact:

BACKGROUND INFORMATION:

SUMMARY OF REQUEST:

STAFF REVIEW:

FINANCIAL IMPACT:

POLICY IMPLICATIONS:

ATTACHMENTS:

1. Durango Farms Phase 1_Concurrence Letter City of Hutto
2. Durango Farms Phase 1_PROJECT CONSTRUCTION SUMMARY
3. Durango Farms Phase 1_Maintenance Bond
4. Durango Farms Phase 1_TAS Inspection Report 20-152
5. Durango Farms Phase 1_Final Cost and Quantities
6. R-2021-152 Durango Farms Phase 1 acceptance resolution
7. DurangoFarms_Phase 1_RearLot_Drainage Easement.recorded



August 12, 2021

City of Hutto
Engineering and Public Works
Attn: Mr. Todd Meaker

RE: Durango Farms Phase 1 – Engineer's Concurrence Letter

I, Keith Parkan, P.E., registered professional engineer, and/or members of our staff made a visual inspection of the above referenced project and periodically visited the site to observe the construction activities. Based on our observation, I represent, to the best of my knowledge, that the improvements within the Durango Farms Phase 1 Construction Plans have been completed in general conformance with the approved subdivision construction plans.

Based on our construction observation and site visit, I have observed that the grading, water, wastewater, drainage, paving, and dry utility infrastructure was constructed per the approved plans with insignificant deviations by the general contractor. I, therefore, verify the adequate completion of this project.

If you should have any questions, please contact me at 512-872-6696.

Sincerely,

A handwritten signature in blue ink, reading "Keith Parkan", is located to the left of the professional seal.

Keith Parkan, P.E.
LDC
TBPE Firm #16384





PROJECT CONSTRUCTION SUMMARY

PROJECT NAME: DURANGO FARMS PHASE 1

FINAL ACCEPTANCE DATE: _____

INSPECTOR: TODD MEAKER

CONTRACTOR: PRO DIRT SERVICES, LLC.

Maintained By:	
COH	Other
Boxes checked by COH	

CONSTRUCTION COSTS

STREET IMPROVEMENT COST: \$1,441,684.90

EXCAVATION AND EMBANKMENT IMPROVEMENT COST: \$289,577.50

SLEEVEING & MISC ONSITE CHANGES IMPROVEMENT COST: \$23,736.00

CONSTRUCTION MATERIALS TESTING IMPROVEMENT COST: \$65,000.00

OLD TOWN TIE IN & MERITAGE/CoH IMPROVEMENT COST: \$64,799.50

DRAINAGE IMPROVEMENT COST: \$1,347,925.82

WATER IMPROVEMENT COST: \$585,116.28

WASTEWATER IMPROVEMENT COST: \$437,718.28

EROSION CONTROLS / RESTORATION COST: \$114,175.30

TOTAL IMPROVEMENT COST: \$4,369,733.58

PREPARED FOR (DESIGN ENGINEER): 

CHECKED BY (CITY INSPECTOR): _____

CONSTRUCTION SUMMARY FOR WATER

VALVES INSTALLED			PIPE			FIRE HYDRANTS		
SIZE	DESCRIPTION	NO.	SIZE	TYPE	LENGTH	SIZE	TYPE	NO.
8"	GATE	20	8"	C-900 DR-14	5,870'	5 1/4"	CLOW MEDALLION	20
12"	"	12	12"	"	2,098'			
1"	COMBO VALVE	6						
AIR RELEASE								
SIZE	TYPE	NO.						
8"	AUTO FLUSH ASSEM.	2						
			SERVICES INSTALLED					
			NO.	TYPE				
			61	DOUBLE				
			26	SINGLE				

REMARKS: 2 – 1" Irrigation meters with backflow preventors installed.

CONSTRUCTION SUMMARY FOR WASTEWATER 1 OF 3

PIPE			MANHOLES					
SIZE	TYPE	LENGTH	DEPTH	MAKE	STA. NO.	BOLTED COVER	STUB-OUTS	STREET
8"	SDR-26	7,986'		WW-LINE B				
			12.5'	PRE-CAST	STA. 1+90.85	YES	2	NO
			11.2'	"	STA. 3+40.11	"	2	"
			10.6'	"	STA. 4+99.77	"	2	"
			9.5'	"	STA. 9+10.41	"	2	"
			8.5'	"	STA. 13+65.08	"	3	"
			10.1'	"	STA. 13+97.32	NO	3	MAGER LANE
				WW-LINE C				
			11.9'	PRE-CAST	STA. 2+13.97	NO	2	MAGER LANE
			12.3'	"	STA. 3+22.20	"	2	"
			12.2'	"	STA. 4+20.22	"	2	"
			12.1'	"	STA. 4+81.07	"	3	"
			11.8'	"	STA. 6+92.80	"	2	"
			11.2'	"	STA. 8+17.73	"	2	"
			11.5'	"	STA. 9+13.70	"	2	"
			11.4'	"	STA. 10+67.83	"	3	"
			11.3'	"	STA. 11+39.84	"	2	"
			11.3'	"	STA. 12+68.53	"	2	"
			11.2'	"	STA. 13+61.94	"	2	"
			8.9'	"	STA. 14+71.52	"	2	MAIN STREET
			8.8'	"	STA. 15+82.67	"	2	"
			8.6'	"	STA. 16+86.87	"	2	"
SERVICES INSTALLED								
NO.	TYPE – S / D		TYPE OF MANHOLE COATING: SPRAYWALL					
12	SINGLE							
67	DOUBLE							

CONSTRUCTION SUMMARY FOR WASTEWATER 2 OF 3

PIPE			MANHOLES					
SIZE	TYPE	LENGTH	DEPTH	MAKE	STA. NO.	BOLTED COVER	STUB-OUTS	STREET
					WW-LINE C			
			8.6'	PRE-CAST	STA. 17+66.78	NO	2	MAIN STREET
			8.4'	"	STA. 20+82.40	"	2	"
			8.3'	"	STA. 23+97.40	"	3	"
					WW-LINE D			
			10.7'	PRE-CAST	STA. 1+73.62	NO	2	DURANGO DOWNS
			11.4'	"	STA. 2+48.18	"	2	"
			12.0'	"	STA. 4+23.62	"	3	"
			12.0'	"	STA. 7+13.62	"	3	"
			11.7'	"	STA. 10+03.62	"	2	"
			11.0'	"	STA. 12+73.02	"	2	"
			7.3'	"	STA. 15+43.76	"	1	"
					WW-LINE E			
			11.6'	PRE-CAST	STA. 1+12.95	NO	2	EAST STREET
			11.6'	"	STA. 2+51.71	"	2	"
			11.6'	"	STA. 4+44.28	"	3	"
			11.5'	"	STA. 7+34.28	"	3	"
			7.8'	"	STA. 10+24.28	"	3	FALLS BRANCH
			9.0'	"	STA. 13+49.28	"	3	"
			7.9'	"	STA. 14+41.60	"	2	MAIN STREET
			6.7'	"	STA. 15+54.48	"	1	"
SERVICES INSTALLED								
NO.	TYPE – S / D		TYPE OF MANHOLE COATING: SPRAYWALL					
	SINGLE							
	DOUBLE							

CONSTRUCTION SUMMARY FOR WASTEWATER 3 OF 3

PIPE			MANHOLES					
SIZE	TYPE	LENGTH	DEPTH	MAKE	STA. NO.	BOLTED COVER	STUB-OUTS	STREET
					WW-LINE F			
			6.0'	PRE-CAST	STA. 3+55.59	NO	2	MAIN STREET
					WW-LINE G			
			6.7'	PRE-CAST	STA. 3+84.95	NO	1	MAGNOLIA RANCH
					WW-LINE H			
			5.6'	PRE-CAST	STA. 4+60.55	NO	1	OAKLAND MEADOWS
					WW-LINE J			
			6.8'	PRE-CAST	STA. 3+79.59	NO	1	MAGNOLIA RANCH
					WW-LINE K			
			8.2'	PRE-CAST	STA. 2+89.68	NO	1	OAKLAND MEADOWS
					WW-LINE L			
			6.7'	PRE-CAST	STA. 1+08.72	NO	1	EAST STREET
					WW-LINE M			
			10.3'	PRE-CAST	STA. 5+29.46	NO	1	MAGER LANE
SERVICES INSTALLED								
NO.	TYPE – S / D		TYPE OF MANHOLE COATING: SPRAYWALL					
	SINGLE							
	DOUBLE							

CONSTRUCTION SUMMARY FOR DRAINAGE

STORM DRAIN			MANHOLES			INLETS		
SIZE (IN)	MATERIAL TYPE	L (FT)	QTY	SIZE (Dia-FT)	MATERIAL TYPE	QTY	SIZE (L – FT)	TYPE ₁
18"	CL-III RCP	2,839'	2	5'	PRE-CAST	46	10'	CURB
24"	"	1,493'				13	3'x3'	GRATE
30"	"	894'				2	4'x4'	AREA
36"	"	1,550'				1	5'x5'	"
48"	"	427'				1	20'	CURB
54"	"	660'				1	4'x4'	GRATE
60"	"	689'						

JUNCTION BOXES			STRUCTURES		
QTY	SIZE (FT x FT x FT)	MATERIAL TYPE ₂	QTY	SIZE ₃	DESCRIPTION ₄
4	4'x4'	PRE-CAST	1	72"	HEADWALL
3	5'x5'	"	1	36"	HEADWALL
2	6'x6'	"	1	36"	HEADWALL W/SET
3	7'x7'	"	179'	5'x5'	BOX CULVERT
4	8'x8'	"	701'	6'x5'	"

CHANNEL			
LENGTH (FT)	BOTTOM WIDTH (FT)	SIDE SLOPE (FT/FT)	LINING MATERIAL TYPE

- 1) Grate, Area, Curb, Recessed Curb, Combination, Slotted Drain
- 2) Cast in-Place, Precast
- 3) Pipe size / Culvert Size
- 4) Headwall, Wing Walls, Gabions

CONSTRUCTION SUMMARY FOR STREETS & SIDEWALKS

STREET PAVING							
STREET NAME	Address From	Address To	Pavement Design (Thickness) Asphalt / Base	Pavement Width (FT) (foc-foc)	L (FT)	PRIVATE	ETJ
MAGER LANE	STA. 1+00	STA. 18+00	2" ASPH. 14" BASE	33'	1,800'	NO	NO
MAIN STREET	STA. 1+00	STA. 18+65.34	2" ASPH 9" BASE	33'	1,865'	"	"
DURANGO DOWNS	STA. 1+00	STA. 16+38.49	2" ASPH 9" BASE	33'	1,638'	"	"
FALLS BRANCH DR.	STA. 16+38.49	STA. 19+63.49	2" ASPH 9" BASE	33'	325'	"	"
EAST STREET	STA. 1+00	STA. 12+11.71	2" ASPH 9" BASE	33'	1,212'	"	"
MAGNOLIA RANCH	STA. 1+00	STA. 7+39.77	2" ASPH 9" BASE	33'	739'	"	"
OAKLAND MEADOWS	STA. 1+00	STA. 7+39.77	2" ASPH 9" BASE	33	739'	"	"
FAIRMEADOW	STA. 1+00	STA. 3+00.51	2" ASPH 9" BASE	33'	300'	"	"

SIDEWALKS / SIDEWALK RAMPS						
STREET NAME	Address From	Address To	W (FT)	L (FT)	SIDES ₁	CURB RAMP ₂
MAGER LANE			5'	1,810'	N, S	6
MAIN STREET			5'	500'	E, W	4
DURANGO DOWNS			5'	160'	W	8
FALLS BRANCH DR.			N/A			4
EAST STREET			5'	520'	Cult-a-sac E	10
MAGNOLIA RANCH			5'	40'	N	4
OAKLAND MEADOWS			N/A			4
FAIRMEADOW			N/A			2

1 – Designates location of existing sidewalk (E, W, S, N, SE, SW, NE, NW of designated street)

2 – Number of Ramps



Durango Farms PH1 Final Cost and Quantities

Submitted by: Zach Cason

PART A: EROSION CONTROLS & MISCELLANEOUS ITEMS PHASE 1							
A1	Furnish and install inlet	EA	63	\$ 100.00	\$ 6,300.00	63	\$ 6,300.00
A2	Furnish and Install temporary silt fence within limits of construction-complete in place. Maintain.	LF	4,489	-	-	4489	-
A3	Furnish and Install Rock Berm	LF	30	-	-	30	-
A4	Furnish and Install topsoil (6" depth) within landscaped tract areas and within ROW	SY	32,138	1.00	32,138.00	32138	32,138.00
A5	Furnish and Install permanent erosion control by hydromulch planting in all disturbed areas and within ROW	SY	32,138	0.85	27,317.30	32138	27,317.30
A7	Furnish and Install mailbox unit included but not limited to cluster box unit per plan, foundation, sidewalk to curb connection, pedestal, side panels for end units and coordination with USPS	EA	10	4,500.00	45,000.00	10	45,000.00
TOTAL PART A: EROSION CONTROLS & MISC. (Items A1 - A7)					\$ 110,755.30		\$ 110,755.30
PART B: WASTEWATER IMPROVEMENTS PHASE 1							
B1	Furnish and Install 8-inch SDR-26 PVC gravity wastewater pipe(all depths)	LF	7,986	23.73	\$ 189,507.78	7986	\$ 189,507.78
B2	Furnish and Install 4-ft diameter wastewater manhole	EA	46	3,500.00	161,000.00	46	161,000.00
B3	Trench safety system for wastewater line	LF	7,986	1.00	7,986.00	7986	7,986.00
B4	CCTV Wastewater Lines	LF	7986	1.25	9,982.50	7986	9,982.50
B5	Furnish and Install double service connection, per detail	EA	67	750.00	50,250.00	67	50,250.00
B6	Furnish and Install single service connection, per detail	EA	12	700.00	8,400.00	12	8,400.00
B7	Connect to wastewater stub or existing wastewater manhole	EA	1	250.00	250.00	1	250.00
B8	Furnish and Install Stub for future connection	EA	3	350.00	1,050.00	3	1,050.00
TOTAL PART B: WASTEWATER IMPROVEMENTS (Items B1 - B8)					\$ 428,426.28		\$ 428,426.28
PART C: DRAINAGE IMPROVEMENTS PHASE 1							
C1	Furnish and Install 18-inch Class III RCP storm sewer(all depths)	LF	2,839	41.00	\$ 116,399.00	2839	\$ 116,399.00
C2	Furnish and Install 24-inch Class III RCP storm sewer(all depths)	LF	1,425	47.75	\$ 68,043.75	1425	\$ 68,043.75
C3	Furnish and Install 30-inch Class III RCP storm sewer(all depths)	LF	894	60.00	\$ 53,640.00	894	\$ 53,640.00

C4	Furnish and Install 36-inch Class III RCP storm sewer(all depths)	LF	1,125	78.52	\$ 88,335.00	1125	\$ 88,335.00
C5	Furnish and Install 48-inch Class III RCP storm sewer(all depths)	LF	427	117.52	\$ 50,181.04	427	\$ 50,181.04
C6	Furnish and Install 54-inch Class III RCP storm sewer(all depths)	LF	660	172.52	\$ 113,863.20	660	\$ 113,863.20
C7	Furnish and Install 60-inch Class III RCP storm sewer(all depths)	LF	451	200.52	\$ 90,434.52	451	\$ 90,434.52
C8	Furnish and Install (5'dia) storm sewer manhole	EA	2	2,250.00	\$ 4,500.00	2	\$ 4,500.00
C9	Furnish and Install (4'X4') storm sewer junction box (all depths)	EA	4	2,100.00	\$ 8,400.00	4	\$ 8,400.00
C10	Furnish and Install (5'X5') storm sewer junction box (all depths)	EA	3	2,500.00	\$ 7,500.00	3	\$ 7,500.00
C11	Furnish and Install (6'X6') storm sewer junction box (all depths)	EA	2	5,000.00	\$ 10,000.00	2	\$ 10,000.00
C12	Furnish and Install (7'X7') storm sewer junction box (all depths)	EA	3	10,000.00	\$ 30,000.00	3	\$ 30,000.00
C13	Furnish and Install (8'X8') storm sewer junction box (all depths)	EA	4	12,000.00	\$ 48,000.00	4	\$ 48,000.00
C14	Furnish and Install 10' curb inlet (5'-10' depths), Type I, per City of Round Rock standard detail	EA	46	4,500.00	\$ 207,000.00	46	\$ 207,000.00
C15	Furnish and Install 3'X3' grate inlet	EA	13	2,000.00	\$ 26,000.00	13	\$ 26,000.00
C16	Furnish and Install 4'X4' area inlet	EA	2	2,000.00	\$ 4,000.00	2	\$ 4,000.00
C17	Furnish and Install 5'X5' area inlet	EA	1	2,250.00	\$ 2,250.00	1	\$ 2,250.00
C18	Furnish and Install 72" headwall outlet structure	EA	1	25,000.00	\$ 25,000.00	1	\$ 25,000.00
C19	Furnish and Install 5'X5' reinforced concrete box culvert storm sewer	LF	179	310.00	\$ 55,490.00	179	\$ 55,490.00
C20	Furnish and Install 6'X5' reinforced concrete box culvert storm sewer	LF	701	370.85	\$ 259,965.85	701	\$ 259,965.85
C21	Rock Rip Rap	SF	2,250	2.50	\$ 5,625.00	2250	\$ 5,625.00
C22	Trench Safety systems for storm sewers	LF	8,701	1.00	\$ 8,701.00	8701	\$ 8,701.00
C23	Furnish and Install 36" headwall outlet structure	EA	1	10,000.00	\$ 10,000.00	1	\$ 10,000.00
C24	Furnish and Install 36" concrete headwall, mitered to slope, with safety end treatment	EA	1	9,000.00	\$ 9,000.00	1	\$ 9,000.00
C25	Furnish and Install temporary outlet protection	EA	1	500.00	\$ 500.00	1	\$ 500.00
C26	Furnish and Install 20' curb inlet (5'-10' depths), Type I, per City of Round Rock standard	EA	1	6,500.00	\$ 6,500.00	1	\$ 6,500.00
C27	Furnish and Install 4'X4' grate inlet	EA	1	2,500.00	\$ 2,500.00	1	\$ 2,500.00

TOTAL PART C: DRAINAGE IMPROVEMENTS (Item C1-C27)					\$1,311,828.36		\$ 1,311,828.36
PART D: POTABLE WATER IMPROVEMENTS PHASE 1							
D1	Furnish and Install 8-inch C-900 PVC DR-14 water line(all depths)	LF	5,870	23.01	\$ 135,068.70	5870	\$ 135,068.70
D2	Furnish and Install 12-inch C-900 PVC DR-14 water line(all depths)	LF	2,098	32.09	\$ 67,324.82	2098	\$ 67,324.82
D3	Ductile Iron Fittings	LF	7,968	4.60	\$ 36,652.80	7968	\$ 36,652.80
D4	Furnish and Install 8" Gate valve	EA	17	1,200.00	\$ 20,400.00	17	\$ 20,400.00
D5	Furnish and Install 12" Gate valve	EA	12	2,000.00	\$ 24,000.00	12	\$ 24,000.00
D6	8" Auto flush valve assembly	EA	2	3,500.00	\$ 7,000.00	2	\$ 7,000.00
D7	Furnish and Install standard fire hydrant assembly	EA	20	3,500.00	\$ 70,000.00	20	\$ 70,000.00
D8	1" Irrigation Meters with backflow preventors	EA	2	1,000.00	\$ 2,000.00	2	\$ 2,000.00
D9	1" Combination Valve	EA	6	3,500.00	\$ 21,000.00	6	\$ 21,000.00
D10	Furnish and Install standard potable water double service connection with meter boxes	EA	61	800.00	\$ 48,800.00	61	\$ 48,800.00
D11	Furnish and Install standard potable water single service connection with meter box	EA	23	750.00	\$ 17,250.00	23	\$ 17,250.00
D12	Trench safety sytems for water line	LF	7,968	1.00	\$ 7,968.00	7968	\$ 7,968.00
D13	Furnish and Install 8-inch plug	EA	3	250.00	\$ 750.00	3	\$ 750.00
D14	Furnish and Install 12-inch plug	EA	4	250.00	\$ 1,000.00	4	\$ 1,000.00
D15	Pressure pipe hydrostatic testing	LF	7,968	2.00	\$ 15,936.00	7968	\$ 15,936.00
TOTAL PART D: POTABLE WATER IMPROVEMENTS (Items D1 - D15)					\$ 475,150.32		\$ 475,150.32
PART F: STREET IMPROVEMENTS PHASE 1							
F1	8" of Lime stabilized subgrade (to 3' behind curb)	SY	35,560	\$ 5.80	\$ 206,248.00	35,560	\$ 206,248.00
F2	8" of Lime stabilized subgrade (to 3' behind curb) (alleys)	SY	5,582	5.80	\$ 32,375.60	5,582	\$ 32,375.60
F3	9" Crushed limestone base (to 3' behind curb) (residential local)	SY	35,560	8.90	\$ 316,484.00	35,560	\$ 316,484.00
F4	9" Crushed limestone base (to 3' behind curb) (alleys)	SY	5,582	8.90	\$ 49,679.80	5582	\$ 49,679.80
F5	Furnish and Install CoRR item 340 Type D HMAc, 2.0" depth	SY	26,305	9.95	\$ 261,734.75	26305	\$ 261,734.75
F6	Furnish and Install CoRR item 340 Type D HMAc, 2.0" depth (alleys)	SY	2,845	9.95	\$ 28,307.75	2845	\$ 28,307.75
F7	Furnish and Install Standard 18" ribbon curb	LF	4,758	10.00	\$ 47,580.00	4758	\$ 47,580.00
F8	Furnish and Install Standard 6" concrete curb and gutter	LF	14,434	12.00	\$ 173,208.00	14434	\$ 173,208.00
F9	Furnish and Install concrete sidewalks, 5' wide	LF	3,030	28.00	\$ 84,840.00	3030	\$ 84,840.00
F10	Furnish and Install curb ramp (all types)	EA	42	1,250.00	\$ 52,500.00	42	\$ 52,500.00
F11	Furnish and Install pavement marking and signage	LS	1	15,000.00	\$ 15,000.00	1	\$ 15,000.00
F12	Provide Temporary traffic controll during construction	LS	1	20,000.00	\$ 20,000.00	1	\$ 20,000.00
F13	Furnish and Install street end barricades	LS	1	750.00	\$ 750.00	1	\$ 750.00

F14	Furnish and Install concrete valley gutter	EA	6	5,600.00	\$ 33,600.00	6	\$ 33,600.00
F15	Furnish and Install Type II driveway for alleys and pond access	EA	13	6,700.00	\$ 87,100.00	13	\$ 87,100.00
TOTAL PART F: STREET IMPROVEMENTS. (Items F1 - F15)					\$1,409,407.90		\$ 1,409,407.90
PART G: EXCAVATION AND EMBANKMENT PHASE 1							
G1	Clear and grub (Row)	AC	10.01	\$ 750.00	\$ 7,507.50	10.01	\$ 7,507.50
G2	Clear and grub (Alleys)	AC	1.13	\$ 750.00	\$ 847.50	1.13	\$ 847.50
G3	Clear and grub (Lots)	AC	21.63	\$ 750.00	\$ 16,222.50	21.63	\$ 16,222.50
G4	Earthwork (inclusive of excavation, embankment, import, or haul-off, as required to deliver finished site)	LS	1	\$ 265,000.00	\$ 265,000.00	1	\$ 265,000.00
TOTAL PART G: EXCAVATION AND EMBANKMENT (Items G1 - G4)					\$ 289,577.50		\$ 289,577.50
PART H: SLEEVING PHASE 1							
H1	Sleeving	LS	1	10,000.00	\$ 10,000.00	1	\$ 10,000.00
TOTAL PART H: SLEEVING (Item H1)					\$ 10,000.00		\$ 10,000.00
PART A: EROSION CONTROLS & MISCELLANEOUS ITEMS PHASE 1 OFFSITE IMPROVEMENTS							
A1	Furnish and Install stabilized construction entrance - complete in place. Maintain.	EA	1	\$ -	\$ -		\$ -
A2	Furnish and Install temporary silt fence within limits of construction-complete in place. Maintain.	LF	2200	-	-		-
A4	Furnish and Install topsoil (6" depth) within landscaped tract areas and within ROW	SY	1200	2.00	2,400.00	1200	2,400.00
A5	Furnish and Install permanent erosion control by hydromulch planting in all disturbed areas and within ROW	SY	1,200	0.85	1,020.00	1200	1,020.00
TOTAL PART A: EROSION CONTROLS & MISC. (Items A1 - A5)					\$ 3,420.00		\$ 3,420.00
PART B: CONSTRUCTION MATERIALS TESTING (BOTH FOR MASS GRADING & PH1)							
B1	Construction Materials Testing	LS	1	65,000.00	\$ 65,000.00	1.00	\$ 65,000.00
TOTAL PART B: CONSTRUCTION MATERIALS TESTING (Item B1)					\$ 65,000.00		\$ 65,000.00
PART C: POTABLE WATER IMPROVEMENTS PHASE 1 OFFSITE IMPROVEMENTS							
C1	Furnish and Install 8-inch C-900 PVC DR-14 water line(all depths)	LF	862	45.00	\$ 38,790.00	862	\$ 38,790.00
C2	Furnish and Install 12-inch C-900 PVC DR-14 water line(all depths)	LF	988	34.92	\$ 34,500.96	988	\$ 34,500.96
C3	Ductile Iron Fittings (\$3.08 per LF)	LF	1,850	3.00	\$ 5,550.00	1850	\$ 5,550.00
C4	Trench safety sytems for water line	LF	1,850	1.00	\$ 1,850.00	1850	\$ 1,850.00
C5	Connect to existing water line	EA	3	500.00	\$ 1,500.00	3	\$ 1,500.00
C6	FM 1660 Bore	LS	1	25,000.00	\$ 25,000.00	1	\$ 25,000.00
C7	Pressure pipe hydrostatic testing	LF	1,850	1.50	\$ 2,775.00	1850	\$ 2,775.00
TOTAL PART C: POTABLE WATER IMPROVEMENTS (Items C1 - C7)					\$ 109,965.96		\$ 109,965.96
CHANGE ORDER #002: WW MANHOLE BASES							
1	Increased WW base thickness on reflected in plans	EA	46	202.00	\$ 9,292.00	46	\$ 9,292.00
TOTAL CHANGE ORDER #002: WW MANHOLE BASES					\$ 9,292.00		\$ 9,292.00

CHANGE ORDER #003: MISC. ON SITE CHANGES							
1	Misc. on site changes	EA	1	13,736.00	\$ 13,736.00	1	\$ 13,736.00
TOTAL CHANGE ORDER #003: MISC. ON SITE CHANGES					\$ 13,736.00		\$ 13,736.00
CHANGE ORDER #005: Upgraded RCP							
1	36" Class IV RCP	LF	425	18.00	\$ 7,650.00	425	\$ 7,650.00
2	60" Class IV RCP	LF	238	115.00	\$ 27,370.00	238	\$ 27,370.00
3	24" Class IV RCP	LF	68	8.00	\$ 544.00	68	\$ 544.00
4	Bond Premium	LS	1	533.46	\$ 533.46	1	\$ 533.46
TOTAL CHANGE ORDER #005: UPGRADED RCP					\$ 36,097.46		\$ 36,097.46
CHANGE ORDER #010: Old Town Tie In Changes per City of Hutto							
1	Demo existing asphalt	SF	7,200	2.50	\$ 18,000.00	7200	\$ 18,000.00
3	Single Services	EA	3	1,250.00	\$ 3,750.00	3	\$ 3,750.00
4	Flowable Fill	CY	8	200.00	\$ 1,600.00	8	\$ 1,600.00
5	8" Gate Valve	EA	3	1,200.00	\$ 3,600.00	3	\$ 3,600.00
6	Concrete RIP RAP	CY	7	250.00	\$ 1,750.00	7	\$ 1,750.00
7	Curb Repair	LF	60	25.00	\$ 1,500.00	60	\$ 1,500.00
8	Traffic Control	MO	1	3,500.00	\$ 3,500.00	1	\$ 3,500.00
9	Bond Premium	EA	1	649.50	\$ 649.50	1	\$ 649.50
TOTAL CHANGE ORDER #010: OLD TOWN TIE IN CHANGES PER COH					\$ 34,349.50		\$ 34,349.50
CHANGE ORDER #011: Increased Street Sections							
1	Increased Base Thickness(Mager) by 1"	SY	5,000	2.00	\$ 10,000.00	5000	\$ 10,000.00
2	Increased Asphalt Thickness(Mager/1660) by .5"	SY	1,900	2.00	\$ 3,800.00	1900	\$ 3,800.00
3	Increased Base Thickness(Mager/1660) by 3"	SY	2,400	3.50	\$ 8,400.00	2400	\$ 8,400.00
4	TX5 Geogrid	SY	2,400	4.00	\$ 9,600.00	2400	\$ 9,600.00
5	Bond Premium	EA	1	477.00	\$ 477.00	1	\$ 477.00
TOTAL CHANGE ORDER #011: INCREASED STREET SECTIONS					\$ 32,277.00		\$ 32,277.00
CHANGE ORDER #014A: Meritage and CoH Adjustments							
1	Relocate area inlet	EA	1	5,500.00	\$ 5,500.00	1	\$ 5,500.00
2	Knuckle valley gutter	LS	1	5,500.00	\$ 5,500.00	1	\$ 5,500.00
3	Sawcut existing asphalt/haul off	LS	1	3,500.00	\$ 3,500.00	1	\$ 3,500.00
4	Asphalt patching for valley gutter	LS	1	10,000.00	\$ 10,000.00	1	\$ 10,000.00
5	Sawcut more joints in driveways per CoH	EA	11	500.00	\$ 5,500.00	11	\$ 5,500.00
6	Bond Premium	EA	1	450.00	\$ 450.00	1	\$ 450.00
TOTAL CHANGE ORDER #014: MERITAGE & COH ADJUSTMENTS					\$ 30,450.00		\$ 30,450.00
							Cost Amounts
PART A: EROSION CONTROLS & MISCELLANEOUS ITEMS PHASE 1							\$ 110,755.30
PART B: WASTEWATER IMPROVEMENTS PHASE 1							\$ 428,426.28
PART C: DRAINAGE IMPROVEMENTS PHASE 1							\$ 1,311,828.36
PART D: POTABLE WATER IMPROVEMENTS PHASE 1							\$ 475,150.32
PART F: STREET IMPROVEMENTS PHASE 1							\$ 1,409,407.90
PART G: EXCAVATION AND EMBANKMENT PHASE 1							\$ 289,577.50
PART H: SLEEVEING PHASE 1							\$ 10,000.00
PART A: EROSION CONTROLS & MISCELLANEOUS ITEMS PHASE 1 OFFSITE IMPROVEMENTS							\$ 3,420.00
PART B: CONSTRUCTION MATERIALS TESTING (BOTH FOR MASS GRADING & PH1)							\$ 65,000.00
PART C: POTABLE WATER IMPROVEMENTS PHASE 1 OFFSITE IMPROVEMENTS							\$ 109,965.96
CHANGE ORDER #002: WW MANHOLE BASES							\$ 9,292.00
CHANGE ORDER #003: MISC. ON SITE CHANGES							\$ 13,736.00
CHANGE ORDER #005: Upgraded RCP							\$ 36,097.46
CHANGE ORDER #010: Old Town Tie In Changes per City of Hutto							\$ 34,349.50
CHANGE ORDER #011: Increased Street Sections							\$ 32,277.00
CHANGE ORDER #014A: Meritage and CoH Adjustments							\$ 30,450.00
							\$ 4,369,733.58

Philadelphia Indemnity Insurance Company

One Bala Plaza, Suite 100
Bala Cynwyd, PA 19004
877-438-7459

Bond No. PB03016800667M

MAINTENANCE BOND

KNOW ALL MEN BY THESE PRESENTS, that we ProDirt Services, LLC as Principal, and Philadelphia Indemnity Insurance Company, a corporation organized under the laws of the State of Pennsylvania, and duly authorized to do business in the State of Texas as Surety, are held and firmly bound unto City of Hutto as Obligee, in the penal sum of Four Million Eight Hundred Six Thousand Seven Hundred Six and 94/100 (\$4,806,706.94) to which payment well and truly to be made we do bind ourselves, and each of our heirs, executors, administrators, successors and assigns jointly and severally, firmly by these presents.

WHEREAS, the said Principal has entered into a contract with City of Hutto dated July 30, 2020 for Durango Farms Phase 1, which contract is hereinafter referred to as the "Contract."

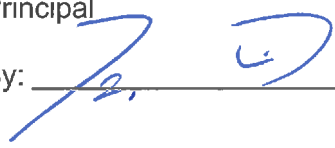
WHEREAS, said Obligee requires that the Principal furnish a bond conditioned to guarantee for the period of Three year (s) from date of acceptance of the work performed under the Contract against all defects in workmanship and materials which would have been the responsibility under the Contract for which written notice is made to Surety during said period

NOW THEREFORE, THE CONDITIONS OF THIS OBLIGATION IS SUCH that, if the Principal shall indemnify the Obligee for all loss that the Obligee may sustain by reason of any defective materials or workmanship which may become apparent and with respect to which notice is delivered to Surety in writing during the period of Two year (s) from and after date of acceptance of the work under the Contract, then this obligation shall be void, otherwise to remain in full force and effect.

No right of action shall accrue hereunder to or for the benefit of any person or entity other the Obligee named herein, nor shall any suit be filed or action maintained on this bond more than thirty seven (37) months after the date of the earliest timely notice of defect by Obligee to Surety.

SIGNED, SEALED AND DATED THIS 25th day of August, 2021.

ProDirt Services, LLC
Principal

By:  _____

Philadelphia Indemnity Insurance Company

By:  _____

Tom Mulanax, Attorney-in-Fact

PHILADELPHIA INDEMNITY INSURANCE COMPANY

One Bala Plaza, Suite 100
Bala Cynwyd, PA 19004-0950

Power of Attorney

KNOW ALL PERSONS BY THESE PRESENTS: That **PHILADELPHIA INDEMNITY INSURANCE COMPANY** (the Company), a corporation organized and existing under the laws of the Commonwealth of Pennsylvania, does hereby constitute and appoint **Tom Mulanax, Michael Whorton, David Whorton, Rachel Martinez, Rosemarie Lopez, Jeremy Farque and/or Noe Moreno of Whorton Insurance Services**, its true and lawful Attorney-in-fact with full authority to execute on its behalf bonds, undertakings, recognizances and other contracts of indemnity and writings obligatory in the nature thereof, issued in the course of its business and to bind the Company thereby, in an amount not to exceed **\$50,000,000**.

This Power of Attorney is granted and is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of PHILADELPHIA INDEMNITY INSURANCE COMPANY on the 14th of November, 2016.

RESOLVED: That the Board of Directors hereby authorizes the President or any Vice President of the Company: (1) Appoint Attorney(s) in Fact and authorize the Attorney(s) in Fact to execute on behalf of the Company bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof and to attach the seal of the Company thereto; and (2) to remove, at any time, any such Attorney-in-Fact and revoke the authority given. And, be it

FURTHER RESOLVED: That the signatures of such officers and the seal of the Company may be affixed to any such Power of Attorney or certificate relating thereto by facsimile, and any such Power of Attorney so executed and certified by facsimile signatures and facsimile seal shall be valid and binding upon the Company in the future with respect to any bond or undertaking to which it is attached.

IN TESTIMONY WHEREOF, PHILADELPHIA INDEMNITY INSURANCE COMPANY HAS CAUSED THIS INSTRUMENT TO BE SIGNED AND ITS CORPORATE SEAL TO BE AFFIXED BY ITS AUTHORIZED OFFICE THIS 5TH DAY OF MARCH, 2021.

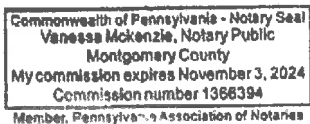
(Seal)



John Glomb, President & CEO
Philadelphia Indemnity Insurance Company

On this 5th day of March, 2021 before me came the individual who executed the preceding instrument, to me personally known, and being by me duly sworn said that he is the therein described and authorized officer of the **PHILADELPHIA INDEMNITY INSURANCE COMPANY**; that the seal affixed to said instrument is the Corporate seal of said Company; that the said Corporate Seal and his signature were duly affixed.

Notary Public:



residing at:

Bala Cynwyd, PA

My commission expires:

November 3, 2024

I, Edward Sayago, Corporate Secretary of PHILADELPHIA INDEMNITY INSURANCE COMPANY, do hereby certify that the foregoing resolution of the Board of Directors and the Power of Attorney issued pursuant thereto on the 5th day March, 2021 are true and correct and are still in full force and effect. I do further certify that John Glomb, who executed the Power of Attorney as President, was on the date of execution of the attached Power of Attorney the duly elected President of PHILADELPHIA INDEMNITY INSURANCE COMPANY.

In Testimony Whereof I have subscribed my name and affixed the facsimile seal of each Company this 25th day of August, 2021.



Edward Sayago, Corporate Secretary
PHILADELPHIA INDEMNITY INSURANCE COMPANY

IMPORTANT NOTICE

To obtain information or make a complaint: You may call the Surety's toll free telephone number for information or to make a complaint at:

1-877-438-7459

You may also write Philadelphia Indemnity Insurance Company at:

**One Bala Plaza, Suite 100
Bala Cynwyd, PA 19004
Attention: Senior Vice President and
Director of Surety**

You may contact the Texas Department of Insurance to obtain information on companies, coverage, rights or complaints at:

1-800-252-3439

You may write the Texas Department of Insurance at:

**P.O. Box 149104
Austin, TX 78714-9104
Web: <http://www.tdi.texas.gov>**

PREMIUM OR CLAIM DISPUTES: Should you have a dispute concerning your premium or about a claim, you should contact the Surety first. If the dispute is not resolved, you may contact the Texas Department of Insurance.

ATTACH THIS NOTICE TO YOUR BOND: This notice is for information only and does not become a part or condition of the attached document.

ADVISO IMPORTANTE

Para obtener informacion o para someter una queja: Usted puede llamar al numero de telefono gratis de para informacion o para someter una queja al:

1-877-438-7459

Usted tambien puede escribir a Philadelphia Indemnity Insurance Company:

**One Bala Plaza, Suite 100
Bala Cynwyd, PA 19004
Attention: Senior Vice President and
Director of Surety**

Puede comunicarse con el Departamento de Seguros de Texas para obtener informacion acerca de companias, coberturas, derechos o quejas al:

1-800-252-3439

Puede escribir al Departamento de Seguros de Texas:

**P.O. Box 149104
Austin, TX 78714-9104
Web: <http://www.tdi.texas.gov>**

DISPUTAS SOBRE PRIMAS O RECLAMOS: Si tiene una disputa concerniente a su prima o a un reclamo, debe comunicarse con el Surety primero. Si no se resuelve la disputa, puede entonces comunicarse con el departamento (TDI).

UNA ESTE AVISO A SU FIANZA DE GARANTIA: Este aviso es solo para proposito de informacion y no se convierte en parte o condicion del documento adjunto.

July 15, 2021

Jerry Wayne Roznovak
3051 County Road 101
Hutto, Texas 78634

TDLR Project Number: TABS2021000357

PROJECT:

Durango Farms Phase 1
700 FM 1660 North
Hutto, TX 78634

INSPECTION COMPLETED – NO VIOLATIONS

Dear Jerry:

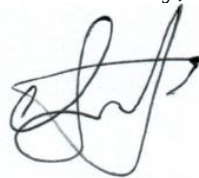
We are pleased to inform you that the referenced facility has been inspected and found to be in substantial compliance with provisions of the Texas Government Code, Chapter 469.

The inspection results will be forwarded to the Texas Department of Licensing and Regulation for issuance of the final approval letter. For newly constructed buildings and facilities, the Department will provide a Notice of Substantial Compliance (Certificate and Decal) to the owner up on receipt of a completed Notice of Substantial Compliance Request Form.

Please note, this determination does not address the requirements of the Americans with Disabilities Act (ADA), (P.L/ 101-336), or any other state, local, or federal requirements. For information on the ADA, please contact the United States Department of Justice, Civil Rights Division at (202) 514-0301.

Please reference the TABS number in all future correspondence pertaining to this project.

Sincerely,

A handwritten signature in black ink, appearing to read 'Arturo Pinero', with a stylized flourish at the end.

Arturo Pinero, RAS #1551

cc: LandDev Consulting, LLC



Inspection Report

Article 9102, T.C.S.

Texas Accessibility Standards (TAS)

Inspection Date: July 14, 2021

TDLR Project Number: TABS2021000357

RAS: Arturo Pinero (License #1551)

Altura Project No: 20-152

PROJECT INFORMATION

Durango Farms Phase 1

700 FM 1660 North

Hutto, TX 78634

Description: Single Family Residential, Right-of-way, drainage, utilities, and sidewalks

Scope: The scope of the project includes the requirements for TAS 201.1 and Elimination of Architectural Barriers Administrative Rules 68.102

OWNER INFORMATION

Jerry Wayne Roznovak

3051 County Road 101

Hutto, Texas 78634

The following report identifies violations with the Texas Accessibility Standards (TAS).

No violations of the TAS were found.

Inspection Report

Article 9102, T.C.S.
Texas Accessibility Standards (TAS)

TDLR Project No: TABS2021000357
Altura Project No: 20-152

REPORT COMMENTS

1. The scope of this report is limited to an inspection for compliance with the 2012 Texas Accessibility Standards (TAS). This report excludes a review for compliance with other accessibility requirements such as the Americans with Disabilities Act Accessibility Guidelines (ADAAG) and the 2010 Standards for Accessible Design.
2. The scope of the report excludes an inspection for compliance with building code requirements such as the International Building Code (IBC).
3. The report does not cover any elements or spaces which are not subject to the TAS. The report does not cover any elements or spaces that are outside of the scope of work of this project or outside of the property line as indicated by the construction documents.
4. Contact Arturo Pinero at (512) 410-7059 or at arturo@alturalp.com with any questions or comments.

-END OF REPORT

PRO DIRT SERVICES, LLC



Durango Farms PH1 Final Cost and Quantities

Submitted by: Zach Cason



PART A: EROSION CONTROLS & MISCELLANEOUS ITEMS PHASE 1							
A1	Furnish and install inlet	EA	63	\$ 100.00	\$ 6,300.00	63	\$ 6,300.00
A2	Furnish and Install temporary silt fence within limits of construction-complete in place. Maintain.	LF	4,489	-	-	4489	-
A3	Furnish and Install Rock Berm	LF	30	-	-	30	-
A4	Furnish and Install topsoil (6" depth) within landscaped tract areas and within ROW	SY	32,138	1.00	32,138.00	32138	32,138.00
A5	Furnish and Install permanent erosion control by hydromulch planting in all disturbed areas and within ROW	SY	32,138	0.85	27,317.30	32138	27,317.30
A7	Furnish and Install mailbox unit included but not limited to cluster box unit per plan, foundation, sidewalk to curb connection, pedestal, side panels for end units and coordination with USPS	EA	10	4,500.00	45,000.00	10	45,000.00
TOTAL PART A: EROSION CONTROLS & MISC. (Items A1 - A7)				\$ 110,755.30			\$ 110,755.30
PART B: WASTEWATER IMPROVEMENTS PHASE 1							
B1	Furnish and Install 8-inch SDR-26 PVC gravity wastewater pipe(all depths)	LF	7,986	23.73	\$ 189,507.78	7986	\$ 189,507.78
B2	Furnish and Install 4-ft diameter wastewater manhole	EA	46	3,500.00	161,000.00	46	161,000.00
B3	Trench safety system for wastewater line	LF	7,986	1.00	7,986.00	7986	7,986.00
B4	CCTV Wastewater Lines	LF	7986	1.25	9,982.50	7986	9,982.50
B5	Furnish and Install double service connection, per detail	EA	67	750.00	50,250.00	67	50,250.00
B6	Furnish and Install single service connection, per detail	EA	12	700.00	8,400.00	12	8,400.00
B7	Connect to wastewater stub or existing wastewater manhole	EA	1	250.00	250.00	1	250.00
B8	Furnish and Install Stub for future connection	EA	3	350.00	1,050.00	3	1,050.00
TOTAL PART B: WASTEWATER IMPROVEMENTS (Items B1 - B8)				\$ 428,426.28			\$ 428,426.28
PART C: DRAINAGE IMPROVEMENTS PHASE 1							
C1	Furnish and Install 18-inch Class III RCP storm sewer(all depths)	LF	2,839	41.00	\$ 116,399.00	2839	\$ 116,399.00
C2	Furnish and Install 24-inch Class III RCP storm sewer(all depths)	LF	1,425	47.75	\$ 68,043.75	1425	\$ 68,043.75
C3	Furnish and Install 30-inch Class III RCP storm sewer(all depths)	LF	894	60.00	\$ 53,640.00	894	\$ 53,640.00

C4	Furnish and Install 36-inch Class III RCP storm sewer(all depths)	LF	1,125	78.52	\$ 88,335.00	1125	\$ 88,335.00
C5	Furnish and Install 48-inch Class III RCP storm sewer(all depths)	LF	427	117.52	\$ 50,181.04	427	\$ 50,181.04
C6	Furnish and Install 54-inch Class III RCP storm sewer(all depths)	LF	660	172.52	\$ 113,863.20	660	\$ 113,863.20
C7	Furnish and Install 60-inch Class III RCP storm sewer(all depths)	LF	451	200.52	\$ 90,434.52	451	\$ 90,434.52
C8	Furnish and Install (5'dia) storm sewer manhole	EA	2	2,250.00	\$ 4,500.00	2	\$ 4,500.00
C9	Furnish and Install (4'X4') storm sewer junction box (all depths)	EA	4	2,100.00	\$ 8,400.00	4	\$ 8,400.00
C10	Furnish and Install (5'X5') storm sewer junction box (all depths)	EA	3	2,500.00	\$ 7,500.00	3	\$ 7,500.00
C11	Furnish and Install (6'X6') storm sewer junction box (all depths)	EA	2	5,000.00	\$ 10,000.00	2	\$ 10,000.00
C12	Furnish and Install (7'X7') storm sewer junction box (all depths)	EA	3	10,000.00	\$ 30,000.00	3	\$ 30,000.00
C13	Furnish and Install (8'X8') storm sewer junction box (all depths)	EA	4	12,000.00	\$ 48,000.00	4	\$ 48,000.00
C14	Furnish and Install 10' curb inlet (5'-10' depths), Type I, per City of Round Rock standard detail	EA	46	4,500.00	\$ 207,000.00	46	\$ 207,000.00
C15	Furnish and Install 3'X3' grate inlet	EA	13	2,000.00	\$ 26,000.00	13	\$ 26,000.00
C16	Furnish and Install 4'X4' area inlet	EA	2	2,000.00	\$ 4,000.00	2	\$ 4,000.00
C17	Furnish and Install 5'X5' area inlet	EA	1	2,250.00	\$ 2,250.00	1	\$ 2,250.00
C18	Furnish and Install 72" headwall outlet structure	EA	1	25,000.00	\$ 25,000.00	1	\$ 25,000.00
C19	Furnish and Install 5'X5' reinforced concrete box culvert storm sewer	LF	179	310.00	\$ 55,490.00	179	\$ 55,490.00
C20	Furnish and Install 6'X5' reinforced concrete box culvert storm sewer	LF	701	370.85	\$ 259,965.85	701	\$ 259,965.85
C21	Rock Rip Rap	SF	2,250	2.50	\$ 5,625.00	2250	\$ 5,625.00
C22	Trench Safety systems for storm sewers	LF	8,701	1.00	\$ 8,701.00	8701	\$ 8,701.00
C23	Furnish and Install 36" headwall outlet structure	EA	1	10,000.00	\$ 10,000.00	1	\$ 10,000.00
C24	Furnish and Install 36" concrete headwall, mitered to slope, with safety end treatment	EA	1	9,000.00	\$ 9,000.00	1	\$ 9,000.00
C25	Furnish and Install temporary outlet protection	EA	1	500.00	\$ 500.00	1	\$ 500.00
C26	Furnish and Install 20' curb inlet (5'-10' depths), Type I, per City of Round Rock standard	EA	1	6,500.00	\$ 6,500.00	1	\$ 6,500.00
C27	Furnish and Install 4'X4' grate inlet	EA	1	2,500.00	\$ 2,500.00	1	\$ 2,500.00



TOTAL PART C: DRAINAGE IMPROVEMENTS (Item C1-C27)					\$1,311,828.36		\$ 1,311,828.36
PART D: POTABLE WATER IMPROVEMENTS PHASE I							
D1	Furnish and Install 8-inch C-900 PVC DR-14 water line(all depths)	LF	5,870	23.01	\$ 135,068.70	5870	\$ 135,068.70
D2	Furnish and Install 12-inch C-900 PVC DR-14 water line(all depths)	LF	2,098	32.09	\$ 67,324.82	2098	\$ 67,324.82
D3	Ductile Iron Fittings	LF	7,968	4.60	\$ 36,652.80	7968	\$ 36,652.80
D4	Furnish and Install 8" Gate valve	EA	17	1,200.00	\$ 20,400.00	17	\$ 20,400.00
D5	Furnish and Install 12" Gate valve	EA	12	2,000.00	\$ 24,000.00	12	\$ 24,000.00
D6	8" Auto flush valve assembly	EA	2	3,500.00	\$ 7,000.00	2	\$ 7,000.00
D7	Furnish and Install standard fire hydrant assembly	EA	20	3,500.00	\$ 70,000.00	20	\$ 70,000.00
D8	1" Irrigation Meters with backflow preventors	EA	2	1,000.00	\$ 2,000.00	2	\$ 2,000.00
D9	1" Combination Valve	EA	6	3,500.00	\$ 21,000.00	6	\$ 21,000.00
D10	Furnish and Install standard potable water double service connection with meter boxes	EA	61	800.00	\$ 48,800.00	61	\$ 48,800.00
D11	Furnish and Install standard potable water single service connection with meter box	EA	23	750.00	\$ 17,250.00	23	\$ 17,250.00
D12	Trench safety sytems for water line	LF	7,968	1.00	\$ 7,968.00	7968	\$ 7,968.00
D13	Furnish and Install 8-inch plug	EA	3	250.00	\$ 750.00	3	\$ 750.00
D14	Furnish and Install 12-inch plug	EA	4	250.00	\$ 1,000.00	4	\$ 1,000.00
D15	Pressure pipe hydrostatic testing	LF	7,968	2.00	\$ 15,936.00	7968	\$ 15,936.00
TOTAL PART D: POTABLE WATER IMPROVEMENTS (Items D1 - D15)					\$ 475,150.32		\$ 475,150.32
PART F: STREET IMPROVEMENTS PHASE I							
F1	8" of Lime stabilized subgrade (to 3' behind curb)	SY	35,560	\$ 5.80	\$ 206,248.00	35,560	\$ 206,248.00
F2	8" of Lime stabilized subgrade (to 3' behind curb) (alleys)	SY	5,582	5.80	\$ 32,375.60	5,582	\$ 32,375.60
F3	9" Crushed limestone base (to 3' behind curb) (residential local)	SY	35,560	8.90	\$ 316,484.00	35,560	\$ 316,484.00
F4	9" Crushed limestone base (to 3' behind curb) (alleys)	SY	5,582	8.90	\$ 49,679.80	5582	\$ 49,679.80
F5	Furnish and Install CoRR item 340 Type D HMA, 2.0" depth	SY	26,305	9.95	\$ 261,734.75	26305	\$ 261,734.75
F6	Furnish and Install CoRR item 340 Type D HMA, 2.0" depth (alleys)	SY	2,845	9.95	\$ 28,307.75	2845	\$ 28,307.75
F7	Furnish and Install Standard 18" ribbon curb	LF	4,758	10.00	\$ 47,580.00	4758	\$ 47,580.00
F8	Furnish and Install Standard 6" concrete curb and gutter	LF	14,434	12.00	\$ 173,208.00	14434	\$ 173,208.00
F9	Furnish and Install concrete sidewalks, 5' wide	LF	3,030	28.00	\$ 84,840.00	3030	\$ 84,840.00
F10	Furnish and Install curb ramp (all types)	EA	42	1,250.00	\$ 52,500.00	42	\$ 52,500.00
F11	Furnish and Install pavement marking and signage	LS	1	15,000.00	\$ 15,000.00	1	\$ 15,000.00
F12	Provide Temporary traffic controll during construction	LS	1	20,000.00	\$ 20,000.00	1	\$ 20,000.00
F13	Furnish and Install street end barricades	LS	1	750.00	\$ 750.00	1	\$ 750.00





F14	Furnish and Install concrete valley gutter	EA	6	5,600.00	\$ 33,600.00	6	\$ 33,600.00
F15	Furnish and Install Type II driveway for alleys and pond access	EA	13	6,700.00	\$ 87,100.00	13	\$ 87,100.00
TOTAL PART F: STREET IMPROVEMENTS. (Items F1 - F15)					\$1,409,407.90		\$ 1,409,407.90
PART G: EXCAVATION AND EMBANKMENT PHASE I							
G1	Clear and grub (Row)	AC	10.01	\$ 750.00	\$ 7,507.50	10.01	\$ 7,507.50
G2	Clear and grub (Alleys)	AC	1.13	\$ 750.00	\$ 847.50	1.13	\$ 847.50
G3	Clear and grub (Lots)	AC	21.63	\$ 750.00	\$ 16,222.50	21.63	\$ 16,222.50
G4	Earthwork (inclusive of excavation, embankment, import, or haul-off, as required to deliver finished site)	LS	1	\$ 265,000.00	\$ 265,000.00	1	\$ 265,000.00
TOTAL PART G: EXCAVATION AND EMBANKMENT (Items G1 - G4)					\$ 289,577.50		\$ 289,577.50
PART H: SLEEVING PHASE I							
H1	Sleeving	LS	1	10,000.00	\$ 10,000.00	1	\$ 10,000.00
TOTAL PART H: SLEEVING (Item H1)					\$ 10,000.00		\$ 10,000.00
PART A: EROSION CONTROLS & MISCELLANEOUS ITEMS PHASE 1 OFFSITE IMPROVEMENTS							
A1	Furnish and Install stabilized construction entrance - complete in place. Maintain.	EA	1	\$ -	\$ -		\$ -
A2	Furnish and Install temporary silt fence within limits of construction-complete in place. Maintain.	LF	2200	-	-		-
A4	Furnish and Install topsoil (6" depth) within landscaped tract areas and within ROW	SY	1200	2.00	2,400.00	1200	2,400.00
A5	Furnish and Install permanent erosion control by hydromulch planting in all disturbed areas and within ROW	SY	1,200	0.85	1,020.00	1200	1,020.00
TOTAL PART A: EROSION CONTROLS & MISC. (Items A1 - A5)					\$ 3,420.00		\$ 3,420.00
PART B: CONSTRUCTION MATERIALS TESTING (BOTH FOR MASS GRADING & PHI)							
B1	Construction Materials Testing	LS	1	65,000.00	\$ 65,000.00	1.00	\$ 65,000.00
TOTAL PART B: CONSTRUCTION MATERIALS TESTING (Item B1)					\$ 65,000.00		\$ 65,000.00
PART C: POTABLE WATER IMPROVEMENTS PHASE 1 OFFSITE IMPROVEMENTS							
C1	Furnish and Install 8-inch C-900 PVC DR-14 water line(all depths)	LF	862	45.00	\$ 38,790.00	862	\$ 38,790.00
C2	Furnish and Install 12-inch C-900 PVC DR-14 water line(all depths)	LF	988	34.92	\$ 34,500.96	988	\$ 34,500.96
C3	Ductile Iron Fittings (\$3.08 per LF)	LF	1,850	3.00	\$ 5,550.00	1850	\$ 5,550.00
C4	Trench safety systems for water line	LF	1,850	1.00	\$ 1,850.00	1850	\$ 1,850.00
C5	Connect to existing water line	EA	3	500.00	\$ 1,500.00	3	\$ 1,500.00
C6	FM 1660 Bore	LS	1	25,000.00	\$ 25,000.00	1	\$ 25,000.00
C7	Pressure pipe hydrostatic testing	LF	1,850	1.50	\$ 2,775.00	1850	\$ 2,775.00
TOTAL PART C: POTABLE WATER IMPROVEMENTS (Items C1 - C7)					\$ 109,965.96		\$ 109,965.96
CHANGE ORDER #002: WW MANHOLE BASES							
1	Increased WW base thickness on reflected in plans	EA	46	202.00	\$ 9,292.00	46	\$ 9,292.00
TOTAL CHANGE ORDER #002: WW MANHOLE BASES					\$ 9,292.00		\$ 9,292.00

F-16384



CHANGE ORDER #003: MISC. ON SITE CHANGES							
1	Misc. on site changes	EA	1	13,736.00	\$ 13,736.00	1	\$ 13,736.00
TOTAL CHANGE ORDER #003: MISC. ON SITE CHANGES					\$ 13,736.00		\$ 13,736.00
CHANGE ORDER #005: Upgraded RCP							
1	36" Class IV RCP	LF	425	18.00	\$ 7,650.00	425	\$ 7,650.00
2	60" Class IV RCP	LF	238	115.00	\$ 27,370.00	238	\$ 27,370.00
3	24" Class IV RCP	LF	68	8.00	\$ 544.00	68	\$ 544.00
4	Bond Premium	LS	1	533.46	\$ 533.46	1	\$ 533.46
TOTAL CHANGE ORDER #005: UPGRADED RCP					\$ 36,097.46		\$ 36,097.46
CHANGE ORDER #010: Old Town Tie In Changes per City of Hutto							
1	Demo existing asphalt	SF	7,200	2.50	\$ 18,000.00	7200	\$ 18,000.00
3	Single Services	EA	3	1,250.00	\$ 3,750.00	3	\$ 3,750.00
4	Flowable Fill	CY	8	200.00	\$ 1,600.00	8	\$ 1,600.00
5	8" Gate Valve	EA	3	1,200.00	\$ 3,600.00	3	\$ 3,600.00
6	Concrete RIP RAP	CY	7	250.00	\$ 1,750.00	7	\$ 1,750.00
7	Curb Repair	LF	60	25.00	\$ 1,500.00	60	\$ 1,500.00
8	Traffic Control	MO	1	3,500.00	\$ 3,500.00	1	\$ 3,500.00
9	Bond Premium	EA	1	649.50	\$ 649.50	1	\$ 649.50
TOTAL CHANGE ORDER #010: OLD TOWN TIE IN CHANGES PER COH					\$ 34,349.50		\$ 34,349.50
CHANGE ORDER #011: Increased Street Sections							
1	Increased Base Thickness(Mager) by 1"	SY	5,000	2.00	\$ 10,000.00	5000	\$ 10,000.00
2	Increased Asphalt Thickness(Mager/1660) by .5"	SY	1,900	2.00	\$ 3,800.00	1900	\$ 3,800.00
3	Increased Base Thickness(Mager/1660) by 3"	SY	2,400	3.50	\$ 8,400.00	2400	\$ 8,400.00
4	TX5 Geogrid	SY	2,400	4.00	\$ 9,600.00	2400	\$ 9,600.00
5	Bond Premium	EA	1	477.00	\$ 477.00	1	\$ 477.00
TOTAL CHANGE ORDER #011: INCREASED STREET SECTIONS					\$ 32,277.00		\$ 32,277.00
CHANGE ORDER #014A: Meritage and CoH Adjustments							
1	Relocate area inlet	EA	1	5,500.00	\$ 5,500.00	1	\$ 5,500.00
2	Knuckle valley gutter	LS	1	5,500.00	\$ 5,500.00	1	\$ 5,500.00
3	Sawcut existing asphalt/haul off	LS	1	3,500.00	\$ 3,500.00	1	\$ 3,500.00
4	Asphalt patching for valley gutter	LS	1	10,000.00	\$ 10,000.00	1	\$ 10,000.00
5	Sawcut more joints in driveways per CoH	EA	11	500.00	\$ 5,500.00	11	\$ 5,500.00
6	Bond Premium	EA	1	450.00	\$ 450.00	1	\$ 450.00
TOTAL CHANGE ORDER #014: MERITAGE & COH ADJUSTMENTS					\$ 30,450.00		\$ 30,450.00
						Cost Amounts	
PART A: EROSION CONTROLS & MISCELLANEOUS ITEMS PHASE 1						\$ 110,755.30	
PART B: WASTEWATER IMPROVEMENTS PHASE 1						\$ 428,426.28	
PART C: DRAINAGE IMPROVEMENTS PHASE 1						\$ 1,311,828.36	
PART D: POTABLE WATER IMPROVEMENTS PHASE 1						\$ 475,150.32	
PART F: STREET IMPROVEMENTS PHASE 1						\$ 1,409,407.90	
PART G: EXCAVATION AND EMBANKMENT PHASE 1						\$ 289,577.50	
PART H: SLEEVING PHASE 1						\$ 10,000.00	
PART A: EROSION CONTROLS & MISCELLANEOUS ITEMS PHASE 1 OFFSITE IMPROVEMENTS						\$ 3,420.00	
PART B: CONSTRUCTION MATERIALS TESTING (BOTH FOR MASS GRADING & PH1)						\$ 65,000.00	
PART C: POTABLE WATER IMPROVEMENTS PHASE 1 OFFSITE IMPROVEMENTS						\$ 109,965.96	
CHANGE ORDER #002: WW MANHOLE BASES						\$ 9,292.00	
CHANGE ORDER #003: MISC. ON SITE CHANGES						\$ 13,736.00	
CHANGE ORDER #005: Upgraded RCP						\$ 36,097.46	
CHANGE ORDER #010: Old Town Tie In Changes per City of Hutto						\$ 34,349.50	
CHANGE ORDER #011: Increased Street Sections						\$ 32,277.00	
CHANGE ORDER #014A: Meritage and CoH Adjustments						\$ 30,450.00	
						\$ 4,369,733.58	

RESOLUTION NO. R-2021-152

A RESOLUTION ACCEPTING THE INFRASTRUCTURE IMPROVEMENTS FOR THE SUBDIVISION KNOWN AS DURANGO FARMS PHASE 1; IN THE CITY OF HUTTO, WILLIAMSON COUNTY, TEXAS.

WHEREAS, the infrastructure improvements for the Durango Farms Phase 1 Residential subdivision have been constructed and are ready for acceptance, and;

WHEREAS, a final inspection was conducted by the City's Construction and Public Works staff of all roads, drainage, sidewalks, ADA ramps, water and wastewater improvements, and;

WHEREAS, all items have been constructed according to engineering plans and City codes and standards, and;

WHEREAS, Pro Dirt Services, LLC, submitted a warranty bond to cover the material and workmanship for two years,

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF
HUTTO, TEXAS, hereby** accepts the infrastructure improvements for Durango Farms Phase 1

The City Council hereby finds and declares that written notice of the date, hour, place and subject of the meeting at which this resolution was adopted was posted and that such meeting was open to the public as required by law at all times during which this Resolution and the subject matter hereof were discussed, considered and formally acted upon, all as required by the Open Meetings Act, Chapter 551, Texas Government Code, as amended.

CONSIDERED and RESOLVED by the City Council of the City of Hutto on this the **7th** day of **October, 2021**.

THE CITY OF HUTTO, TEXAS

Mike Snyder, Mayor Pro Tem

ATTESTED:

Holly Nagy, City Secretary

EASEMENT AGREEMENT (Drainage)

THE STATE OF TEXAS \$
 \$
COUNTY OF WILLIAMSON \$

DATE: SEPTEMBER 9th, 2021

GRANTOR: **Meritage Homes of Texas, LLC,**
an Arizona limited liability company

GRANTOR'S MAILING ADDRESS:
MERITAGE HOMES
8920 BUSINESS PARK DR, SUITE 350
AUSTIN TX 78759

**GRANTEE: Durango Farms Owners Association, Inc.,
a Texas nonprofit corporation**

GRANTEE'S MAILING ADDRESS:
15443 Knoll Trail Drive, Ste. 130, Dallas, Texas 75248

CONSIDERATION: \$10.00, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged

EASEMENT AREA:

A 10 foot wide strip of land, along the back property line(s) of Lots 12, 13, 14, 15, and 16, Block A, Durango Farms Phase 1, a subdivision located in Williamson County, Texas, according to map or plat recorded under Document No. 2020131845, in the Plat Records of Williamson County, Texas and as described and depicted on Exhibit A and Exhibit B attached hereto. (Note that because of the shape of the herein described Lot 12, that Lot 12 consists of two (2) back property lines, being a back property line running east and west, and a property line running north and south.)

GRANTOR, for the consideration, does hereby GRANT and CONVEY unto GRANTEE, a permanent, non-exclusive, drainage Easement for the purposes of constructing, maintaining, repairing, replacing and upgrading drainage facilities (the "**Facilities**"), including without limitation, swales, ditches, channels, pipes, and related facilities, upon, across, and beneath the Easement Area.

This Easement is subject to the following:

1. This Easement shall be a covenant against the land, and shall be binding on Grantor and Grantor's successor owners of the Easement Area and shall be binding on each successive Owner of a lot and their heirs, executors, legal representatives, successors, agents, assignees, lessees and other occupiers (the then owner of the Easement Area being referred to as "Owner").

2. As of the Effective Date hereof, the Facilities have been constructed. Owner will not use the Easement Area in any manner that interferes with, or is inconsistent with, or prevents, the use of the Easement Area for allowing the free-flow of surface water. Without limiting the preceding sentence, Owner will not obstruct or fill in the Facilities with any permanent or temporary object or matter (including plants and trees) that prevents the free-flow of surface water. Owner will keep the area mowed and free from unreasonable vegetation.

3. Grantee shall have the authority to enforce the provisions of this Easement. If Owner fails to comply with any provision hereof, then Grantee shall first deliver written notice thereof. If Owner fails to cure same within thirty (30) days from the date of such notice, then Grantee shall have the right (but not the obligation) to go upon any portion of the Easement Area to cure the deficiency, and then seek reimbursement of such expense from Owner.

4. This Easement is granted and accepted subject to any and all easements, covenants, rights of way, conditions, restrictions, encumbrances, reservations, if any, to the extent that are shown in the Official Records of Williamson County, Texas, or are apparent on the ground.

5. Temporary Access Easement. Grantor also grants to Grantee a temporary nonexclusive access easement being immediately adjacent to the Easement Area, for temporary access to the Easement Area for the purpose of enforcing, repairing, maintaining, or replacing the Facilities once installed. However, the use of this temporary access easement shall be kept to a minimum to the extent commercially reasonable.

TO HAVE AND TO HOLD the same perpetually unto Grantee and Grantee's successors and assigns. Grantor hereby covenants and binds such Grantor and its successors and assigns to WARRANT and FOREVER DEFEND all and singular the Easement unto Grantee and Grantee's successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof, by, through or under such Grantor, but not otherwise.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK; SIGNATURES TO FOLLOW ON NEXT PAGE]

GRANTOR:

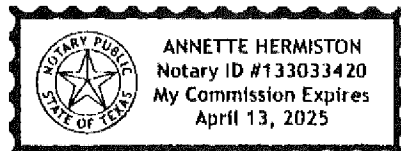
MERITAGE HOMES OF TEXAS, LLC,
an Arizona limited liability company

By: 
Name: ELLIOT JONES
Title: DIVISION VICE PRESIDENT

******* NOTARY ACKNOWLEDGMENT *******

The foregoing instrument was executed before me by
ELLIOT JONES as DIVISION VICE PRESIDENT of the **Meritage Homes**
of Texas, LLC, an Arizona limited liability company on this the 10TH day of
SEPTEMBER, 2021, on behalf of said entity.

(Seal and Expiration)




Notary Public, State of Texas

**ACCEPTANCE BY
GRANTEE:**

DURANGO FARMS OWNERS ASSOCIATION, INC.,
a Texas non-profit corporation

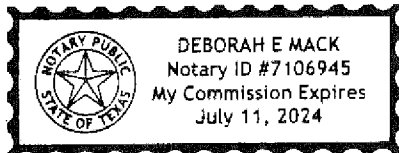
By: [Signature]
Name: Robert Wunsch
Title: V.P.

9/18/21
Date

***** NOTARY ACKNOWLEDGMENT *****

The foregoing instrument was executed before me by
Robert Wunsch as Vice President of the **Durango Farms**
Owners Association, Inc., on this the 10th day of September, 2021, on
behalf of said entity.

(Seal and Expiration)



[Signature]
Notary Public, State of Texas

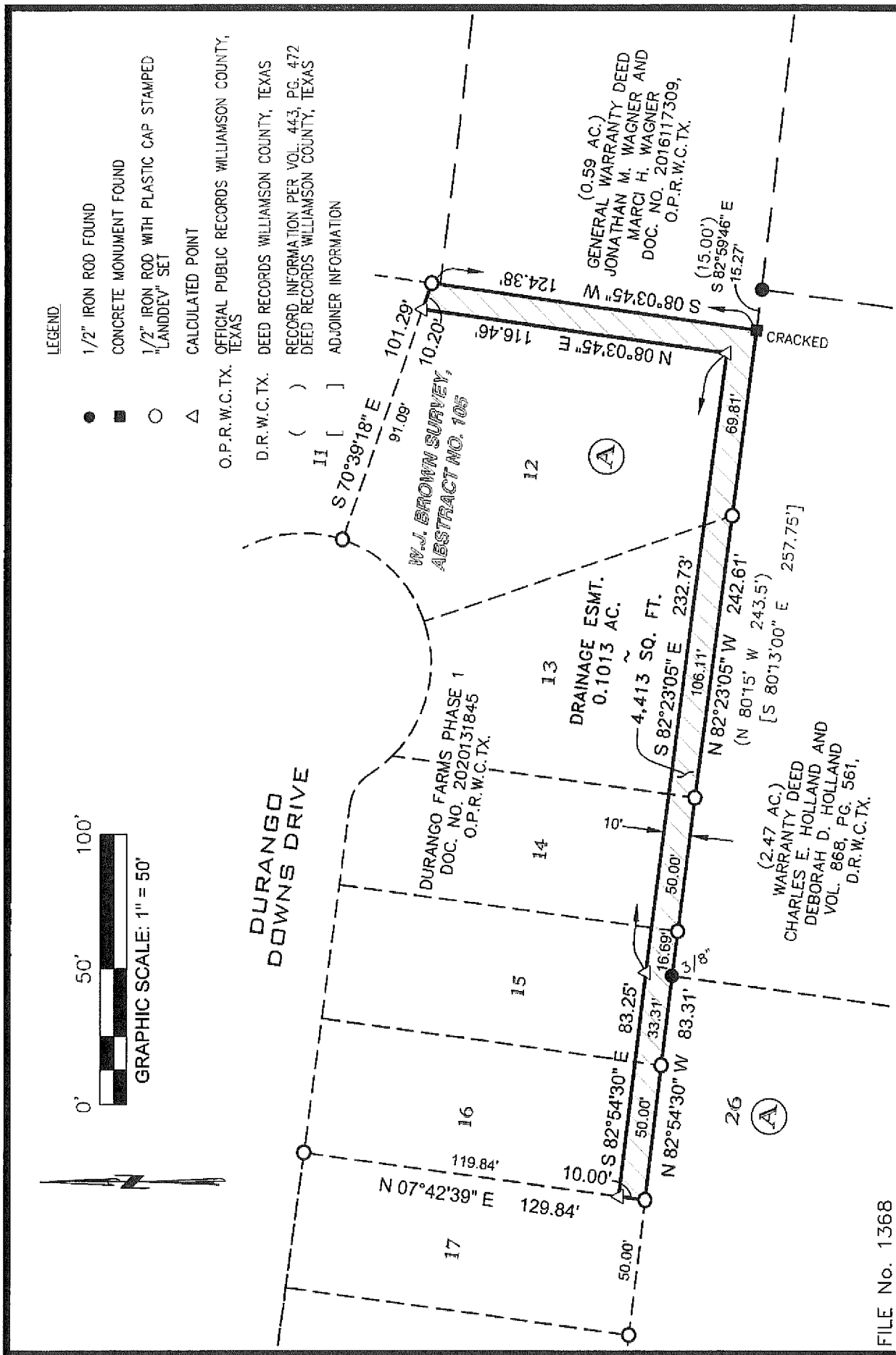
Williamson County, Texas
W.J. Brown Survey, A-105

Exhibit A

0.1013 Acre
(4,413 Sq. Ft.)
Page 1 of 1

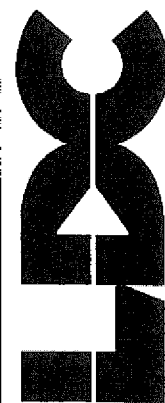
LEGAL DESCRIPTION

BEING 0.1013 OF ONE ACRE (4,413 SQUARE FEET) OF LAND IN THE W. J. BROWN SURVEY, ABSTRACT NO. 105, WILLIAMSON COUNTY, TEXAS; SAID 0.1013 OF ONE ACRE OF LAND BEING A TEN (10) FOOT WIDE STRIP OF LAND RUNNING WITH AND ADJACENT TO THE REAR LOT LINES OF LOT'S 12, 13, 14, 15 AND 16, BLOCK "A", DURANGO FARMS PHASE I, A SUBDIVISION ACCORDING TO THE PLAT OF RECORD IN DOCUMENT NO. 2020131845, OFFICIAL PUBLIC RECORDS OF WILLIAMSON COUNTY, TEXAS.



SURVEY SKETCH to Accompany Description:

0.1013 OF ONE ACRES (4,413 SQ. FT.)
W. J. BROWN SURVEY, ABSTRACT No. 105
WILLIAMSON COUNTY, TEXAS



TBPE NO: 16384 • TBPLS NO: 10194101
5508 HIGHWAY 290 WEST, SUITE 150
AUSTIN, TX 78735
512.872.6696
LDCTEAMS.COM

**ELECTRONICALLY RECORDED
OFFICIAL PUBLIC RECORDS**

2021139814

Pages: 8 Fee: \$45.00

09/14/2021 11:07 AM

PKINNE



Nancy E. Rister

Nancy E. Rister, County Clerk
Williamson County, Texas

AGENDA ITEM REPORT



To: City Council
Subject: Consideration and possible action on Ordinance No. O-2021-062 amending the budget for the fiscal year of October 1, 2020, through September 30, 2021, in accordance with existing statutory requirements, appropriating and setting aside the necessary funds for additional expenditures. (Second Reading) (Angie Rios)
Meeting: Thursday, October 21, 2021
Department: City Secretary
Staff Contact:

BACKGROUND INFORMATION:

SUMMARY OF REQUEST:

STAFF REVIEW:

FINANCIAL IMPACT:

POLICY IMPLICATIONS:

ATTACHMENTS:

1. Budget amendment ordinance O-2021-062

ORDINANCE NO. O-2021-062

AN ORDINANCE OF THE CITY OF HUTTO, TEXAS, AMENDING THE BUDGET FOR THE FISCAL YEAR OF OCTOBER 1, 2020 THROUGH SEPTEMBER 30, 2021, BY APPROPRIATING AND SETTING ASIDE THE NECESSARY FUNDS FOR ADDITIONAL EXPENDITURES IN ACCORDANCE WITH EXISTING STATUTORY REQUIREMENTS; FINDING MUNICIPAL PURPOSES; PROVIDING FOR A SEVERABILITY CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City Council for the City of Hutto adopted the City's Fiscal Year 2020-2021 Budget in September of 2020; and

WHEREAS, pursuant to Texas Local Government Code, Section 102.010, the City Council has determined that it is necessary to amend the City's FY 2020-2021 Budget, and that the budget amendment serves a municipal purpose.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL FOR THE CITY OF HUTTO, TEXAS, THAT:

SECTION 1. That the appropriations for the fiscal year beginning October 1, 2020, and ending September 30, 2021, for the support of the general government of the City of Hutto, Texas, be amended as shown in Exhibit A.

SECTION 2. That the amendment, as shown in words and figures in Exhibit "A", is hereby approved in all aspects and adopted as an amendment to the City budget for the fiscal year October 1, 2020 through September 30, 2021.

SECTION 3. The City Secretary of the City of Hutto is hereby authorized and directed to publish the caption of this Ordinance in the manner and for the length of time prescribed by law and the City Charter.

SECTION 4. A copy of the amended budget shall be placed in the office of the Williamson County Clerk as required by Tex. Loc. Gov't. Section 102.011.

SECTION 5. It is hereby declared to be the intention of the City Council that the sections, paragraphs, sentences, clauses and phrases of this Ordinance are severable and, if any phrase, sentence, paragraph or section of this Ordinance should be declared invalid by the final judgment or decree of any court of competent jurisdiction, such invalidity 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 invalid phrase, clause, sentence, paragraph or section. If a court of competent jurisdiction to be invalid shall adjudge any provision of this Ordinance, the invalidity shall not affect other provisions or applications of this Ordinance that can be given effect without the invalid provision, and to this end the provisions of this Ordinance are declared to be severable.

SECTION 6. All ordinances or parts of ordinances and sections of the City Code of Ordinances in conflict with this ordinance are hereby repealed to the extent of such conflict.

SECTION 7. This ordinance shall take effect immediately from and after its passage and publication in accordance with the provisions of the Tex. Loc. Gov't. Code and the City Charter.

SECTION 8. It is hereby officially found and determined that the meeting at which this ordinance is passed was open to the public as required and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act, Chapter. 551, Tex. Gov't. Code

READ and APPROVED on the first reading this the 7th day of **October 2021**.

THE CITY OF HUTTO, TEXAS

Mike Snyder, Mayor

ATTEST:

Holly Nagy, City Secretary

EXHIBIT A
Budget Amendment
9/30/2021

General Services - Operating Fund (Fund 10)

Division	Original Budget	Proposed Budget Amendment	Revised Budget
City Attorney			
Attorney Services	500,000	(150,000)	350,000
Subtotal - City Attorney	500,000	(150,000)	350,000
Finance			
Bank & Finance Charges	103,128	150,000	253,128
Subtotal - Finance	103,128	150,000	253,128
To cover increased credit card fees from developers paying with credit cards			

Hutto Police Seizure Fund (Fund 25)

Division	Original Budget	Proposed Budget Amendment	Revised Budget
Police			
Technology Equipment & Supplies	-	2,963	2,963
Building Repair and Maintenance	-	6,364	6,364
Fund Balance	5,000	9,327	14,327
Subtotal - Police	5,000	18,654	23,654
To cover software purchase and new security door installation.			

EXHIBIT A
Budget Amendment
9/30/2021

Utility Services Operating Fund (Fund 50)

Division	Original Budget	Proposed Budget Amendment	Revised Budget
Revenue			
Interlocal Agreement	-	1,155,200	1,155,200
Subtotal - Revenue	-	1,155,200	1,155,200
Utility Billing			
Bank & Finance Charges	200,000	100,000	300,000
Subtotal - Utility Billing	200,000	100,000	300,000
Non-departmental			
Attorney Services	187,082	(100,000)	87,082
Wastewater Contract	-	1,150,000	1,150,000
Subtotal - Non-departmental	187,082	1,050,000	1,237,082
To cover increased credit card fees and a pass through reimbursement			

Solid Waste Fund (Fund 70)

Division	Original Budget	Proposed Budget Amendment	Revised Budget
Utility Billing			
Waste Management Services	1,650,000	141,500	1,791,500
Subtotal - Utility Billing	1,650,000	141,500	1,791,500
Non-departmental			
Transfer to Fund 50	141,500	(141,500)	-
Subtotal - Utility Billing	141,500	(141,500)	-
To cover increased waste management fees due to growth in customers			

AGENDA ITEM REPORT



To: City Council
Subject: Consideration and possible action regarding possible appointments, re-appointments and/or removals to City Boards, Commissions, Task Forces, Economic Development Corporations, Local Government Corporations, Tax Increment Reinvestment Zone Boards, City Council Liaisons, Area Government appointments, and Advisory Committees.
Meeting: Thursday, October 21, 2021
Department: City Secretary
Staff Contact:

BACKGROUND INFORMATION:

SUMMARY OF REQUEST:

STAFF REVIEW:

FINANCIAL IMPACT:

POLICY IMPLICATIONS:

ATTACHMENTS:

1. Boards Commissions List 10-15-21

BOARDS AND COMMISSIONS MASTER LIST as of 10/15/21					
			Term Ends		
Council Member Place 1		Robin Sutton	May-23		
Council Member Place 2		Dan Thornton	May-24		
Council Member Place 3		Mandi Villarreal Salvo	May-22		
Council Member Place 4		Peter Gordon	May-23		
Council Member Place 5		Krystal Kinsey	May-24		
Council Member Place 6		Tanner Rose	May-22		
Mayor		Mike Snyder	May-22		
Planning & Zoning Commission					
Meets: 1st Tuesday @ 7:00 p.m. of each month in City Council Chambers					
2 year terms per Charter					
Staff Liasion: Ashley Lumpkin					
Council Liasion: Peter Gordon					
				Appointed	Term Ends
Place 1	Rick	Hudson	Chair	6/18/20	6/30/22
Place 2	Randal	Clark	Commissioner	6/18/20	6/30/22
Place 3	Brian	Lee	Commissioner	6/10/21	6/30/22
Place 4	Kurt	Schwerdtfeger	Commissioner	7/1/21	6/30/23
Place 5	Jerica	Lawyer	Commissioner	7/2/20	6/30/22
Place 6	David	Meyer	Commissioner	7/15/21	6/30/22
Place 7	Susanna	Boyer	Commissioner	6/3/21	6/30/22
After June 30, 2021, the Commissioners for Place 6 and Place 7 (Mayor) shall be appointed to a one-year term, and the Commissioner for Place 4 shall be appointed to a two-year term. After June 30, 2022, the Commissioner for Place 1 shall be appointed to a one-year term, the Commissioners for Place 2 and Place 5 shall be appointed to two-year terms, and the Commissioners for Place 3, Place 6, and Place 7 (Mayor) shall be appointed to three-year terms.					
Parks Advisory Board					
Meets: 2nd Wednesday @ 7:00 p.m. of each month in City Council Chambers					
3 year terms					
Staff Liasion: Tony Host					
Council Liasion:					
				Appointed	Term Ends
Place 1	Katie	Weiss	Vice Chair	7/15/21	6/20/24
Place 2	Vacant		Member	1/23/20	6/30/24
Place 3	David	Meyer	Member	9/17/20	6/30/22
Place 4	Deborah	McPherson	Member	8/19/21	6/30/23
Place 5	Sharon	Dyer	Member	6/17/21	6/30/24
Place 6	Rose	McMillin	Member	6/20/19	6/30/22
Place 7	Perry	Savard	Chair	6/20/19	6/30/22

Library Advisory Board					
Meets: Quarterly @ 6:00 p.m. in City Council Chambers					
3 year terms					
Staff Liasion: Kristi Robich					
Council Liasion: Tanner Rose					
				Appointed	Term Ends
Place 1	Vacant		Member		6/30/23
Place 2	Nelida	Ortiz	Member	7/15/21	6/30/24
Place 3	Tara	Chappell	Vice Chair	7/3/19	6/30/22
Place 4	Scott	Rose	Member	9/17/20	6/30/23
Place 5	Havala	Merit	Member	6/17/21	6/30/24
Place 6	David	Westbrook	Member	11/7/19	6/30/22
Place 7	Brian	Thompson	Member	2/27/20	6/30/22
Zoning Board of Adjustment					
Meets: 4th Weds @ 7:00 p.m. of each month in City Council Chambers					
2 year terms per LGC Sect. 211.008(b)					
Staff Liasion: Ashley Lumpkin					
Council Liasion:					
				Appointed	Term Ends
Place 1	John	Marines	Member	6/3/21	6/30/22
Place 2	Brian	Lee	Member	6/7/21	6/30/24
Place 3	Robert	Balcer	Member	8/19/21	6/30/22
Place 4	Vacant		Member	5/20/21	6/30/23
Place 5	Ray	Alba	Member	6/17/21	6/30/23
Place 6	Maureen	Rooker	Member	6/20/19	6/30/22
Place 7	Randal	Clark	Member	9/19/19	6/30/22
Historic Preservation Commission					
Meets: 4th Tuesday @ 6:30 p.m. of each month in City Council Chambers					
3 year terms					
Staff Liasion:					
Council Liasion: Robin Sutton					
				Appointed	Term Ends
Place 1	DeAnne	Worley	Commissioner	7/3/19	6/30/22
Place 2	Jon	Stephenson	Commissioner	5/20/21	6/30/24
Place 3	Curtis	Orton	Commissioner	9/20/18	6/30/22
Place 4	Robert	Lykins	Commissioner	5/20/21	6/30/23
Place 5	Kathy	Hoover	Commissioner	9/16/21	6/30/24
Place 6	Travis	Allen	Commissioner	6/20/19	6/30/22
Place 7	Vacant		Commissioner		

Building and Standards Commission					
Meets: As Needed in City Council Chambers (at least once a year)					
2 year terms per LGC Sect. 54.033					
Staff Liasion: Ashley Lumpkin					
Council Liasion: None					
				Appointed	Term Ends
*Place 1	Vacant		Commissioner	1/3/19	6/30/21
Place 2	Vacant		Commissioner	9/20/18	6/30/21
Pending Registration	Place 3	Kendrick Whittington	Commissioner	8/2/18	6/30/22
Place 4	Kurt	Schwerdtfeger	Commissioner	7/1/21	6/30/23
Place 5	Vacant		Commissioner	9/20/18	6/30/21
Place 6	Maureen	Rooker	Commissioner	6/20/19	6/30/22
Place 7	Richard	Hudson	Commissioner	6/20/19	6/30/22
* Filled unexpired term					
Ethics Review Commission					
Meets: As needed in City Council Chambers (at least once a year)					
3 year terms					
Staff Liasion: City Secretary					
Council Liasion: None					
				Appointed	Term Ends
* Place 1	Jane	Wrinkle	Member	2/4/21	6/30/23
** Place 2	Lori	Brown-Duncan	Vice Chair	9/20/18	6/30/21
Place 3	Bill	Kohl	Member	7/11/19	6/30/22
Place 4	Christina	Garza	Member	12/17/20	6/30/23
Place 5	Abel	Landin	Member	6/17/21	6/30/24
Place 6	April	Willis	Member	8/15/19	6/30/22
Place 7	Kelly	Lewis	Member	8/19/21	6/30/22
Economic Development Corporation					
Meets: 1st Monday at 6:30 p.m. of each month in City Council Chambers					
Staff Liasion: Stacy Schmitt					
Council Liasion:					
				Appointed	Term Ends
Place 1	Cheney	Gamboa	Member	8/19/21	6/30/23
Place 2	Mike	Arismendez	Chair	6/3/21	6/30/23
Place 3	Shawn	Lucas	Member	6/10/21	6/30/23
Place 4	Don	Carlson	Vice Chair	7/1/21	6/30/23
Place 5	Randal	Clark	Member	6/17/21	6/30/23
Place 6	Victor	Henry	Member	9/16/21	6/30/23
Place 7	Mike	Snyder	Member	7/1/21	6/30/23

Communications/Technology Task Force					
Meets once a month.					
1 year term- appts in Feb.					
Council Liasion: Peter Gordon					
				Appointed	Term Ends
Place 1	Jane	Wrinkle	Member	2/4/21	2/1/22
Place 2	Vacant				2/1/22
Place 3	Vacant		Member		2/1/22
Place 4	Andrew	Ingrassia	Member	6/10/21	2/1/22
Place 5	Vacant				
Place 6	Jerica	Lawyer	Member	7/15/21	2/1/22
Place 7	Dana	Wilcott	Member	7/15/21	2/1/22
ADA/Electronic and Information Resource Task Force					
Meets once a month					
1 year term-Appts in Feb					
Council Liasion: Dan Thornton					
				Appointed	Term Ends
Place 1	Jane	Wrinkle	Member	2/4/21	2/4/22
Place 2	Laurie	Stockman	Member	2/25/21	2/4/22
Place 3	Vacant		Member		
Place 4	Vacant		Member		2/6/22
Place 5	Vacant		Member		
Place 6	Vacant		Member		
Place 7	Vacant		Member		
Diversity and Inclusion Commission					
Meets monthly					
3 yr terms					
Council Liasion:				Appointed	Term Ends
Place 1	Ana	Gonzales	Member	11/19/21	6/30/24
Place 2	Tara	Spoons	Member	9/17/20	6/30/23
Place 3	Vacant		Member		6/30/24
Place 4	Brian	Thompson	Member	8/27/20	6/30/23
Place 5	Vacant		Member		6/30/23
Place 6	Vacant		Member		6/30/24
Place 7	Marliese	Prieto	Member	8/5/21	6/30/24
Tax Increment Reinvestment Zone (TIRZ) #1					
3 appts from City					
2 appts from County *+					
2 yr terms				Appointed	Term Ends
	Russ	Boles	Member	2/14/20	2/14/22
*+	Scott	Heselmeyer	Member	3/2/21	3/2/23
	VACANT		Chair		2/1/22
	Rick Hudson		Member	2/10/20	2/10/22
	Mandi Villarreal Salvo		Member	4/1/21	2/1/22
Emergency Preparedness Task Force					
Meets					
3 year terms					
Council Liasion: Mike Snyder				Appointed	Term Ends
Place 1	Vacant		Member		6/30/23
Place 2	Matthew	Selby	Member	7/15/21	6/30/23
Place 3	Donna	Jones	Member	6/17/21	6/30/23
Place 4	Thomas	Quoma	Member	6/3/21	6/30/24
Place 5	Stevie	Jones	Member	6/17/21	6/30/24
Place 6	Vacant		Member		6/30/24
Place 7	Vacant		Member		6/30/24

AGENDA ITEM REPORT



To: City Council
Subject: Consideration and possible action on the charge, goals, and objectives of the Diversity and Inclusion Commission, including possible suspension or dissolution of the Commission.
Meeting: Thursday, October 21, 2021
Department: City Secretary
Staff Contact:

BACKGROUND INFORMATION:

No supporting documentation.

SUMMARY OF REQUEST:

STAFF REVIEW:

FINANCIAL IMPACT:

POLICY IMPLICATIONS:

ATTACHMENTS:

None

AGENDA ITEM REPORT



To: City Council
Subject: Consideration and possible action on Sound Study update.
Meeting: Thursday, October 21, 2021
Department: City Secretary
Staff Contact:

BACKGROUND INFORMATION:

SUMMARY OF REQUEST:

STAFF REVIEW:

FINANCIAL IMPACT:

POLICY IMPLICATIONS:

ATTACHMENTS:

1. 2021-09-30 BCA noise abatement (21-008) Final Report (002)

**Brushy Creek Amphitheater
Noise Abatement Study
RFP 21-001
Hutto, Texas**

For

City of Hutto

By

Roland, Woolworth & Associates

September 30, 2021

Project No. 21-008

Roland, Woolworth & Associates, LLC

356 CR 102
Oxford, MS 38655
www.rwaconsultants.net
662.513.0665



September 30, 2021

City of Hutto
500 W. Live Oak
Hutto, TX 78634

Attention: Kristi Robich

Report: Brushy Creek Amphitheater
Noise Abatement Study RFP 21-001
Hutto, Texas
RWA 21-008

Kristi Robich:

This report covers the noise abatement investigation made of Brushy Creek Amphitheater in Hutto, Texas. The work was performed in accordance with our Proposal dated March 8, 2021 and accompanying Agreement, which were accepted by the City of Hutto on June 8, 2021.

Thank you for the opportunity of working with you on this project. Please call me if we can help you further.

Very truly yours,



David S. Woolworth
Principal
Roland, Woolworth & Associates, LLC

Brushy Creek Amphitheater Noise Abatement Study (RWA 21-008)

Executive Summary:

- The Brushy Creek Amphitheater (BCA) has been shut down due to producing excessive sound levels that have garnered complaints since its opening. The last show was January 8, 2021; this show had excessive sound levels, especially at low frequencies, and weather aided in the propagation of sound to solicit complaints from up to 15 miles away.
- The best option is to relocate the amphitheater away from residential areas and provide appropriate planning for sound and crowd impacts. Optionally a temporary stage can be erected when needed. This will require the involvement of a qualified acoustics/noise control engineer.
 - The venue can be repurposed as a baseball diamond or other public facility, with the understanding that any organized activity will need to be evaluated for noise and light pollution as well as other concerns.
- A secondary option is to contain the venue in a building, constructed to contain the anticipated sound levels and ensuring there is a sufficient buffer to minimize impact on nearby neighborhoods. This will require the involvement of a qualified acoustics/noise control engineer.
- This report provides analysis and recommendations if the City of Hutto wishes to try to continue to use the venue for music. The recommendations in this report are intended to minimize the impact of the venue but will not eliminate impact or complaints, and most of the architectural noise control measures include approximations of sound reduction along with information on community impact. Partial adoption or partial consideration of the recommendations in this report is not advised.
 - Implementation of some of the recommendations in this report will require the involvement of a qualified acoustics/noise control engineer.
- The full set of recommendations can be found in Section 5.

This study was undertaken to investigate the conditions from the two shows that garnered significant complaints and evaluate the facility for noise abatement measures to allow for the return of programming of BCA. The City of Hutto is interested in programming a mix of local, regional, and national acts on a regular schedule.

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PROJECT DESCRIPTION

LOCATION

Brushy Creek Amphitheater is located at 1001 CR 137 in Hutto, Texas. See **Figure 1.0**.

PROPOSED INVESTIGATION (from proposal)

We understand that the project is an investigation into determining the most cost effective method(s) to reduce the impact of concert sound from the Brushy Creek Amphitheater to acceptable levels in the surrounding cities while ensuring a quality concert experience for the artists and patrons. The solution to the noise impact problem will require consideration for architectural noise control, sound system directivity and sound level limits, and potentially other approaches including topographical and layout.

DESIGN DATA PROVIDED BY CITY OF HUTTO

1. Drawings of the Facility in pdf format
2. Local ordinances for sound.
3. Complaint history for January 8, 2021 event.
4. Response to all RFI's

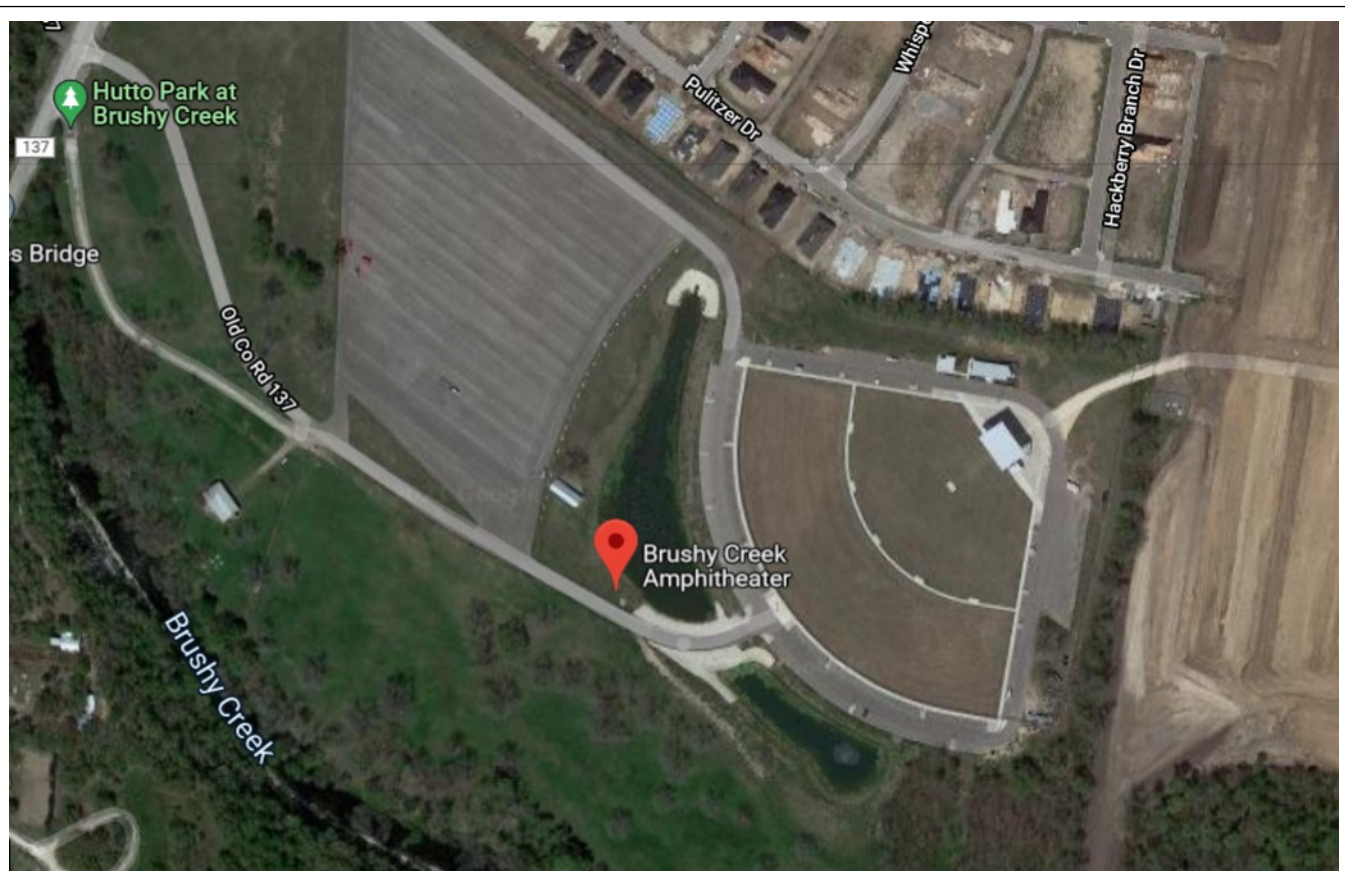


Figure 1.0 Location of Brushy Creek Amphitheater

PURPOSES AND SCOPE OF STUDY

The purposes of this investigation were to determine and evaluate acoustic conditions within and surrounding the project area, and to provide preliminary recommendations for design and additional construction of the facilities as influenced by the acoustical conditions. As this investigation is an overview of a multifaceted project, the conclusions and recommendations reached are general and intended to inform feasibility, general costing, and sound impact on community; additional investigation will be required when development or construction plans are firmly established.

SCOPE

The following services were performed:

1. Collected and reviewed project data available to us and prepared an investigation program.
2. Site investigation and testing program was performed at the Site Location.
3. Evaluation of the information/data obtained, and prepared this report of our conclusions and recommendations.
4. An interim status report was provided for the August 5, 2021 City Council meeting. RWA attended the meeting electronically.

Section 1 Informative

1.1.0 Sound and Sound Levels

In order to get a good understanding of the content of this report, we will start with some relevant introductory information on sound. In this report sound pressure level is reported at a location with a decibel (dB) magnitude, such as “95 dBA at FOH” (front of house, meaning at the soundboard in front of the stage). From this point we might look at the farthest point in the amphitheater, or at a nearby house, or a house miles away.

The decibel rating is important to us because:

- Concerts operate in a range of decibels, and this is our sound source of concern.
- When we look at locations farther away it can help us understand how it might affect people.

In this report we will use primarily dBA (A-weighted) and dBC (C weighted) single number metrics to keep things simple. These metrics are often found in noise ordinances.

The A weighted sound level is mostly middle and high frequency sound, and filters out most of the low frequency sound.

The C weighted sound level is the middle and high frequencies plus the low frequencies. When there is more low frequency content than middle and high (like a rock concert), the C weighted sound level is a good indicator of low frequency sound.

The way the level is calculated when it is measured is called “equivalent level” or “Leq”, which is a measure of energy. This is not terribly important to understand, except that when we compare numbers, they should be the same metric (Leq), and the same weighting (A or C), and you should know where the measurement is taken.

Some music has more low frequency content (it is louder in the bass) than other music. Take a look at **Table 1.1**:

Music	dBA	dBC	dBC-dBA
Bass drop (just bass)	87	114	27
Rock	87	103	16
Dance/Club	86	106	20
Electronic Dance Music (EDM)	86	106	20

Table 1.1: dBA and dBC sound levels at FOH during test

What is interesting to note is the difference between C and A (C-A): the club and EDM music both have more bass (dBC for us) than the rock music relative to the dBA (5 more dB). So if you were listening to it, it might sound like a lot more bass. The bass drop has no middle and high frequency information, so the difference is bigger, and it sounds like only bass. So some genres of music have more bass than others relative to the middle and high frequencies.

If we want to look at the frequency content of a sound, easy ways to break apart the single number dBA/dBC are octave or third octave sound levels. In sound systems, third octaves are commonly used to control the sound of music. **Figure 1.1** shows a third octave sound of some of our test signals. Each division is a third octave band identified by a frequency (Hz or Hertz).

In this report we will provide dBA and dBC, but the focus is on dBC. Why are we using dBC? Won't dBA work as well for sound levels?

As seen above, A weighting cuts out the low frequencies, and entertainment sound contains more (louder) low frequency information than anything else (see **Figure 1.1**). We will see through the following sections more reasons why low frequencies are important (summarized in **1.6.0**). The dBC metric is one of the easiest methods for cities and enforcement to get a handle on entertainment sound.

One other thing that we will touch on later is wavelength- lower frequencies have longer wavelengths (**Figure 1.1**).

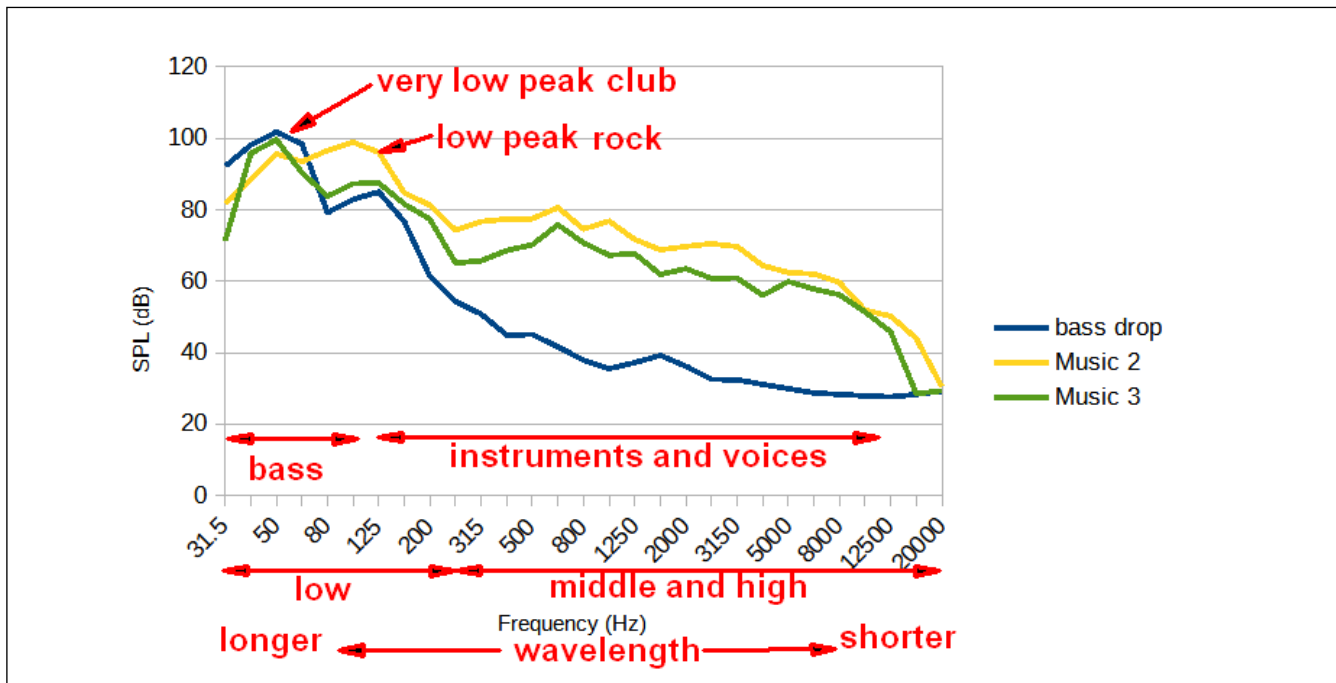


Figure 1.1 Third octave band graph of music and bass drop signals measured at FOH. The yellow is 87dBA/103dBC, the green is 80dBA/101dBC. Notice that the two styles of music have a different sonic shape: the dance has more of the lowest frequencies, and sounds deeper. In both cases, you can see that there is a higher level in the low region, so dBC ends up giving us a clue about this when we are looking at entertainment sound when we compare it to dBA.

Since the 1980's, the technology has improved considerably in regard to low frequency reproduction in loudspeakers. What used to take a lot of amplifiers and big speakers now comes in small, portable packages, and is much more efficient, and make louder sounds at lower frequencies. All of this has changed the music is written, mixed and produced – with more low frequencies, across all genres (pop, country, EDM, everything). So the state of the art sound systems can make very low sounds very loud and people expect to “feel” the low frequency sound at a concert. This has been a work in progress over 40 years, and is still evolving.

1.2.0 Sound systems and stages

This section will provide a brief overview of sound systems and the language used in this report. This is intended to get the reader familiar with sound systems but is by no means comprehensive.

1.2.1 Stage sound vs. front end sound

It is important to delineate between the reinforcement sound system or “front end” and the stage sound system which for our purposes includes monitor loudspeakers for the performers to hear themselves and their personal amplifiers as well as instruments such as drums/drum kits. The front end is usually significantly more powerful than the stage sound for this application, however some performers may bring bigger/more powerful back line loudspeakers which may generate significant sound. The sound engineer has control over the front end and the monitor loudspeakers on stage, but does not have control over the performers’ back line loudspeakers except to ask them to turn down. Some of the readers may have experienced a situation at smaller venues where the stage was so loud, the front end sound system was not used much, and the sound operator had little control over the sound level-- the stage can get rather loud depending on the performer, the type of music, and what equipment they use on stage.

Front end sound is meant to be directed at the audience, and stage sound is mostly projected or to the sides where it is needed to for the band to hear themselves, so the stage sound and the front end sound are separate considerations. While in a venue of this size the front end is significantly more powerful (and directional, see 2.2), the stage can get rather loud to be able to hear across it the and the sound travels in all directions. See **Figure 1.2**.

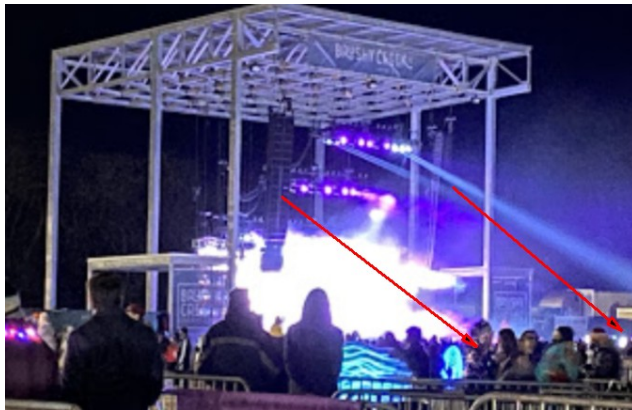


Figure 1.2 Front End and Stage Sound. Left Front end system aimed at audience, Right, stage loudspeakers and drums broadcasting sound in all directions.

1.2.2 Conventional loudspeakers and directionality of sound

A single box loudspeaker such as a home stereo loudspeaker or a “speaker on a stick” you might see at small indoor/outdoor events are directional at high frequencies and gradually become omnidirectional (equal in all directions) as you go from high to low frequencies. A simple method to hear this for yourself is to walk all the way around this type of loudspeaker and hear the change in the quality of the sound from front to back; around the back the sound loses the high frequencies and loses clarity. **Figure 1.3** shows the polar plots of the sound projected from this type of loudspeaker looking from above. A polar plot shows the sound pressure in different directions with the loudspeaker at the center of the plot; you can see the differences from being in front of the loudspeaker to the back. We will see polar plots later in the report, so it may of interest to get familiar with them here.

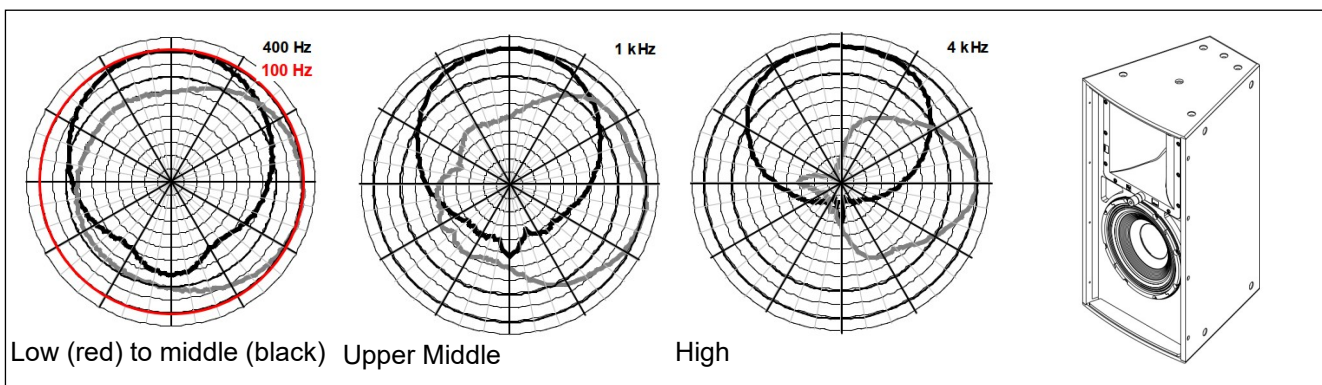


Figure 1.3: Polar plots of the sound from single box loudspeaker shown on the far right. Sound patterns from low to high frequencies seen from left to right, the plot grid represents 5dB/division, with the loudspeaker pointed to the top of the sheet. As the frequency increases, less sound is projected backward and to the sides. The black lines represent the sound leaving the loudspeaker looking from the top, and the grey lines represent sound leaving the loudspeaker looking from the side (pointed right). The red line is for both looking at the side and top, showing the low frequency travels equally in all directions. Loudspeaker data from Electrovoice speaker model EVF-1122D/126.

1.2.3 Front End Sound

The front end of the sound system in a venue of this size is intended to provide the full program of sound for the performance, and is not simply “reinforcement” of the stage. Modern sound system technology allows the sound engineer to have over control sound system coverage and avoid putting sound where it is not wanted within some limits. It is best to break the system in to the middle and high frequencies (typically employing a line array of loudspeakers) and low frequencies (subwoofers, typically in an array). Sound systems can get much larger and smaller than this.

1.2.3.1 Middle and High Frequency Sound (Front End)

In the BCA application, middle and high frequencies (and some low) are broadcast through a set of loudspeakers, typically in the form of a line array of multiple loudspeakers hung on either side of the stage. An array of loudspeakers is any combination of two or more loudspeakers put together, and a line array consists of a stack of loudspeakers in a single box or multiple boxes.

Some characteristics and benefits of the (vertical) line array:

- Sound is controlled in the vertical direction so looking from the side it appears highly directed.
- Line arrays generally distribute sound left to right at about 120 degrees (60 degrees from the centerline each side), and some array loudspeakers can offer better control horizontally to 80-90 degrees.
- The array can be tilted so the sound goes downward toward the audience rather than straight out where it may not be wanted or needed.
- The longer/taller the line array, the lower the frequency of control; as we get to lower frequencies, the line array is less effective.
 - The length of line array must be roughly 4x the wavelength of the lowest frequency controlled. So as an example if we want to control down to 250 Hz (4 ft wavelength), we would need a stack of loudspeakers 16 ft tall.

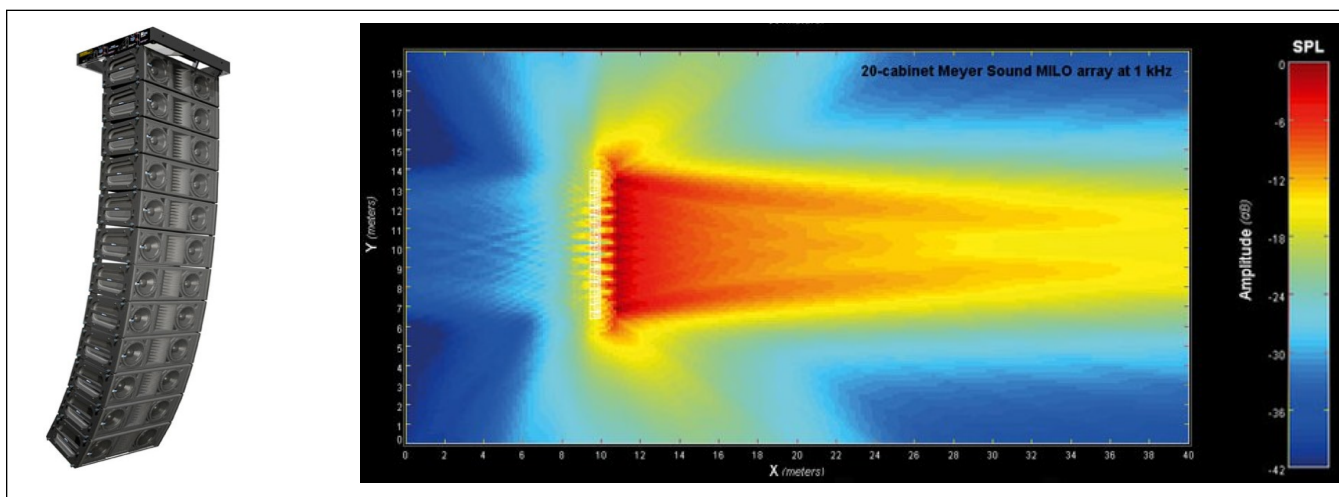


Figure 1.4: A line array of loudspeakers (left) and a heat map at 100Hz of sound projected looking from the side (right). Such an array can be tilted downward to put the majority of the sound on the audience. Note that the sound left to right is around a 120 degree spread, and there are small spurious lobes of sound at the top and bottom. Images from Sound on Sound, “Line Arrays Explained” David Mellor, March 2006

1.2.3.2 Array Processing

The coverage, aiming, and frequency shading of the sound from the line array can be further manipulated using array processing. This requires that each loudspeaker box has a dedicated amplifier, so that each box gets a unique filtered signal that when the boxes are combined the desired effect is achieved. Array processing is typically used to ensure the sound system has an even sound coverage the entire audience area. The same tool can be used to make sure that sound does not end up where it is not desired. Array processing is available for particular models of loudspeakers, and the operator must be trained to use the particular software interface.

1.2.3.3 Low Frequency Sound (Front End)

Low frequency sound for this size venue is typically routed through a dedicated set of larger loudspeakers called subwoofers.

- A traditional subwoofer broadcasts equally in all directions, similar to the red polar plot shown in **Figure 1.3**. While they are not truly omnidirectional, for the purposes of this report we can consider them to be.
- A cardioid subwoofer is a subwoofer with three loudspeakers in it with one speaker turned to radiate to the rear. The result is the loudspeaker radiates in a cardioid pattern, which is to say that much less energy is projected behind the subwoofer. This is a three loudspeaker array in one cabinet that functions differently than the line array; see **Figure 1.5** for the cardioid subwoofer polar plot.

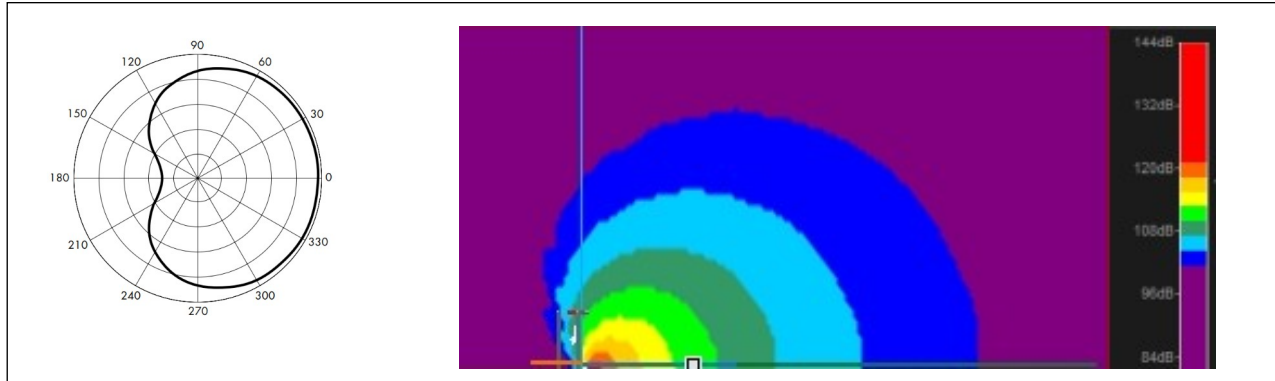


Figure 1.5: (left) Cardioid subwoofer polar pattern. Each concentric line is 5dB difference. Source: d&b Audio (right) Heat map of cardioid subwoofer used for BCA sound test as seen from the side at 32Hz from d&b Arraycalc model. For a sense of scale, the diagram is 328' tall.

Modern commercial subwoofer systems can produce sound down to ~35Hz (-3dB) and a little less effectively to 30Hz (-5 to -10dB) (Examples: L-acoustics KS28 25Hz @ -10 dB, D&b SL Sub 33Hz @ -5dB). While the technical performance specifications may vary, the common modern front end subwoofer performs at lower frequencies and is louder than a decade (or two) ago. Subwoofers are rated at ~140dB maximum sound pressure level.

1.3.0 Outdoor Sound Propagation

Outdoor sound propagation has several components that should be considered:

A few factors to consider with outdoor sound:

- Sound is absorbed as it propagates through the atmosphere; air attenuates higher frequency sound much more than low frequency sound.
- Sound is affected by the temperature of the air based on the height above the ground (temperature gradient). These effects can carry sound a long distance, and have it land at the surface periodically with quiet zones in between.
- Sound is affected by the speed and direction of the wind, both of which change as you move upward above the ground. The windspeed at the ground is generally the lowest.
- Sound propagation is affected by the sound absorptive properties of the ground for receivers on the ground and for reflections of sound.
- Sound can be reflected or blocked by large surfaces such as buildings or cliffs.

1.3.1 Atmospheric Propagation – Attenuation of Sound by Air

The attenuation of direct sound over distance in air is affected by humidity. As sound travels through the air, higher frequencies are attenuated over large distances. As can be seen in **Figure 1.6**, 10%-30% humidity is a condition that produces the most atmospheric sound absorption.

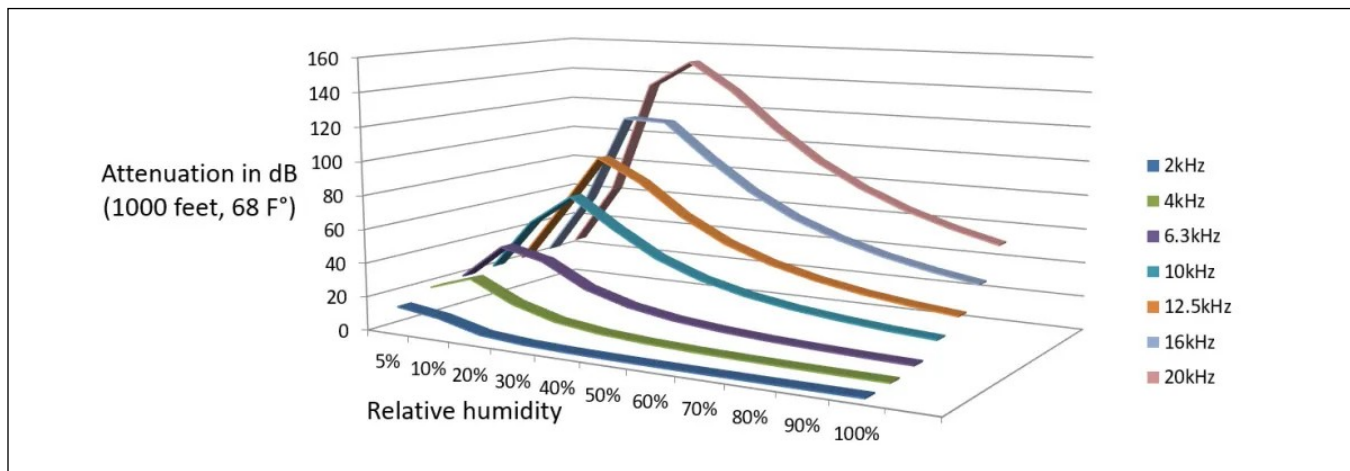


Figure 1.6 Sound attenuation due to atmospheric humidity based on frequency. Figure from Metropolitan Acoustics June 2019 Newsletter (<https://metro-acoustics.com>)

A good example to demonstrate the effects of atmospheric absorption is thunder; if lightning is local, you will hear a crack (high frequency sound) and the rumble (low frequency sound). If the lightning is distant you only hear the rumble as the high frequency sound is attenuated as it travels through the air; low frequencies are less attenuated than middle and high frequencies over the same distance. The same holds for low frequency amplified sound from subwoofers as thunder.

1.3.2 Atmospheric Propagation- Wind and Temperature

Wind can add/subtract to the speed of sound over the ground and change its direction based on the speed and height above ground (wind speed gradient). If wind is blowing toward a source, it can lift the sound upward so it cannot be heard at ground level from the direction of the wind. Downwind from the source some of the sound going upward can return to the ground to make it louder in that direction. Note that wind direction can change as the height above ground increases.

Temperature changes with the height above ground, called the temperature gradient. Since the speed of sound is faster in warmer air, during a sunny day once the ground heats up, sound will travel upwards and be hard to hear at a distance. At night sometimes a condition exists called a temperature inversion, where a layer of warm air is trapped above the ground; when the sound enters the layer, some of the sound enters at an angle where the increase in sound speed higher up forces the sound back toward the ground in a curve (**Figure 1.7**).

A couple examples of these effects might be familiar:

- If you live near a highway ($\frac{1}{4}$ mile or so), you may hear the highway well in the morning, and once the ground heats up around 10am, the sound becomes less.
- You may be leaving a sports event or an outdoor concert, or be halfway across town, and suddenly you can hear the event plainly.

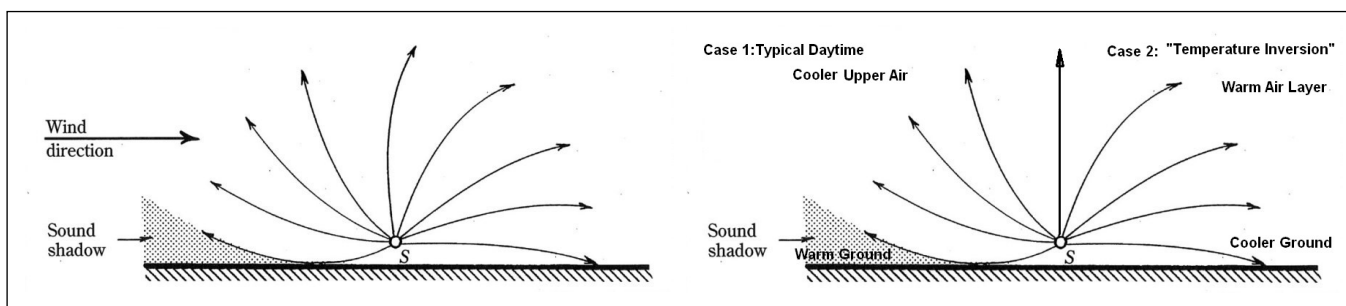


Figure 1.7 Wind and temperature effects on sound. Left: Effect of wind on atmospheric propagation. Figures from Metropolitan Acoustics June 2019 Newsletter (<https://metro-acoustics.com>)

The total speed and vertical direction of sound in each direction (north, south...) is based on the sound source and the combined effects of wind and temperature. The effects of wind and temperature can work together, against one another, or one can dominate.

Either wind or temperature gradient or both can force the sound back toward the ground at a distance or several distances/locations from the source, up to miles away. The conditions that typically create this effect (wind and/or temperature inversion) occur under 100meters/328ft above ground, and when sound is channeled in this manner, the channel is referred to as a “duct” (or the phenomenon “ducting”). Roughly speaking, sound needs to enter the duct at an angle of 20 degrees or less from the horizontal to be ducted back to the ground. Sound entering the duct above that angle will pass through to the upper atmosphere. (ref NCPA)

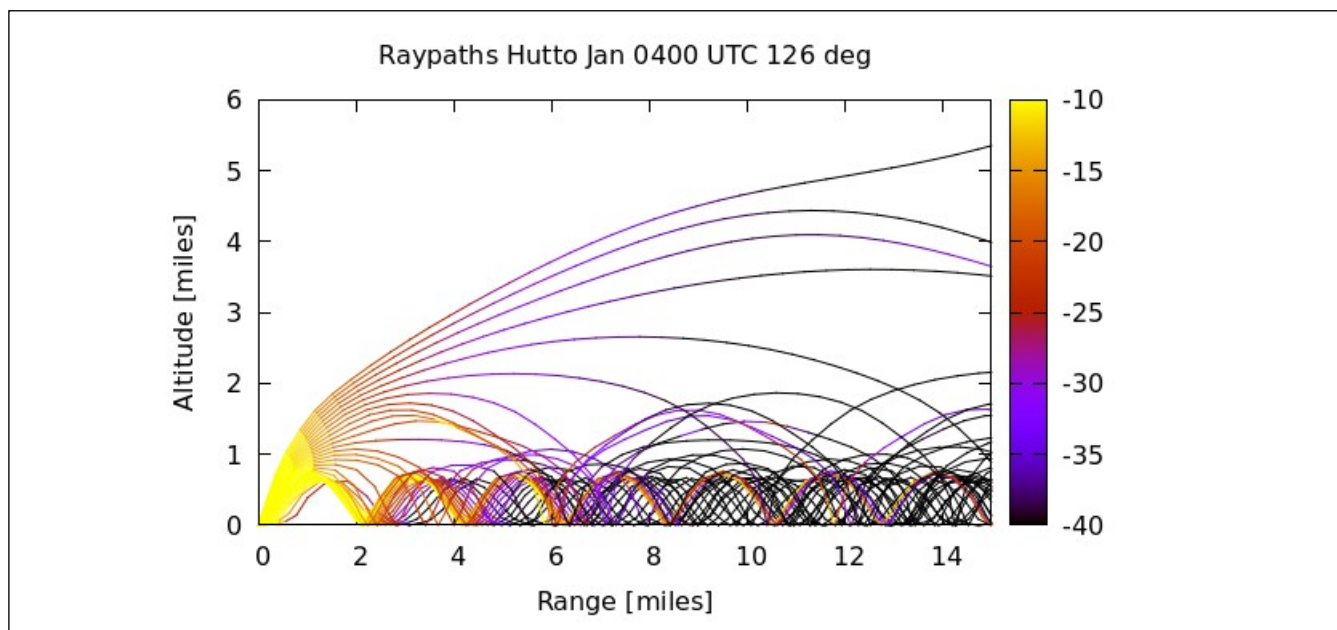


Figure 1.8 Simple ray propagation model to the Southeast for Hutto BCA Amphitheater January 8, 2021 10pm CST. Note that along the bottom of the graph we can see a duct where sound keeps re-arriving at the ground every 2 miles with only modest attenuation. This model is based on actual atmospheric conditions, but is only an approximation. On this particular evening wind was the dominant factor. Simulation courtesy of Atmospheric Research Group at National Center for Physical Acoustics.

Atmospheric propagation of sound influenced by wind and temperature is rather complex and cannot be controlled, however the sound source can be controlled (somewhat) to react to this type of propagation using techniques such as array processing (see 1.2.3.2). Commercial and standards models to predict atmospheric effects are based on a set assumptions that are useful for shorter distances but even this can be disrupted by wind and temperature conditions that occur commonly. These models are very useful for predicting re-occurring industrial and traffic noise. Entertainment noise is a little more complicated as a sound source in content, directionality, and detectability.

1.3.3 Ground Attenuation

Ground attenuation is significant for (a) sound traveling along the ground and a listener at ground level, and (b) reflections of sound from a sound source higher up or from sound that may be directed downward from a duct. Water, concrete, or asphalt are considered hard and reflective, and some materials can be very sound absorptive such as ploughed earth or snow. Farmland and suburban areas are in the middle, used for much of this project in models and calculations. The amphitheater grounds are discussed in **Section 3.1.2**.

1.4.0 Approaches to Reduce Sound – Architectural Noise Control Methods

Measures to reduce sound are typically looked at as Source→ Path→ Receiver.

- **Source:** In this case it is our sound system and stage sound.
 - Sound level of the front end sound can be reduced. (**Section 3.3.2**)
 - The front end sound system can be directionalized to reduce unwanted sound coverage.
 - Sound level of the stage can be reduced, but is harder to control due to individual source directionality, and individual sound controls.
- **Path:** This is the path of sound between the source and receiver. Some path considerations for this project:
 - Attenuation due to air absorption (See **1.3.1**)
 - Attenuation of sound due to the ground conditions and people. (see **3.1.2**). Some sound will reflect off of the ground and be directed upward, however, from the sound system there is a fair amount of sound that is projected to the left, right, forward, and upward that never reaches the audience, particularly low frequency sound (see **3.3.1**).
 - Barriers can be employed to block sound to a receiver.
 - Barriers can consist of a wall or berm, a partial enclosure, or a full enclosure.
 - A full enclosure of the venue is recommended (See **Section 5 Recommendations**), but this is beyond what might be practical at this time.
 - **Section 3.2** covers the analysis of barriers and berms for the project.
 - Sound absorptive materials can be used to line a barrier enclosure to reduce the buildup of sound within the walls. This reduces (a) the sound leaving through the opening and (b) the sound that passes through the enclosure wall. This reduction of sound is ~6dB-9dB if the walls and ceiling are treated vs. untreated, based on position of the source.
- **Receiver:** In some applications, the receiver can be protected, such as a sound insulating office in the middle of a busy warehouse, or to give a person hearing protection. In this case the receivers are the houses and properties of the residents.
 - It is not practical to for the City of Hutto to improve the building envelopes of all the receiver buildings to reduce sound impact, nor is it reasonable to ask the residents to do it either.

1.4.1 Barriers and Berms

The fundamental element of a sound barrier is to block the line of sight between the source and the receiver. In short distance applications, a tall barrier is very effective, especially if the sound source and the receiver are close to the barrier. As you move the source and/or the receiver farther from the barrier, and/or you lower the barrier, it becomes less effective.

Barriers are more effective at higher frequencies, and less effective at low frequencies due to diffraction of sound around the barrier; longer wavelengths/lower frequencies can bend around objects more. A visual approximation of diffraction would be if a bedroom door at night was cracked and a light was turned on in the next room; you would see a strong slice of light coming through the crack (direct), but some dimmer light can be seen as you fan out from the door opening when you look on the floor.

Barriers must also be solid/airtight and have some density to be effective over the whole frequency range of interest. Highway barriers are typically a minimum of 4#/sqft surface density, which is ~0.5" of lightweight concrete.

A berm can be thought of as a barrier (see **Figure 1.9**). Berms have the advantage of not requiring much maintenance once they are built, and in our case can be used as part of the amphitheater architecture if desired.

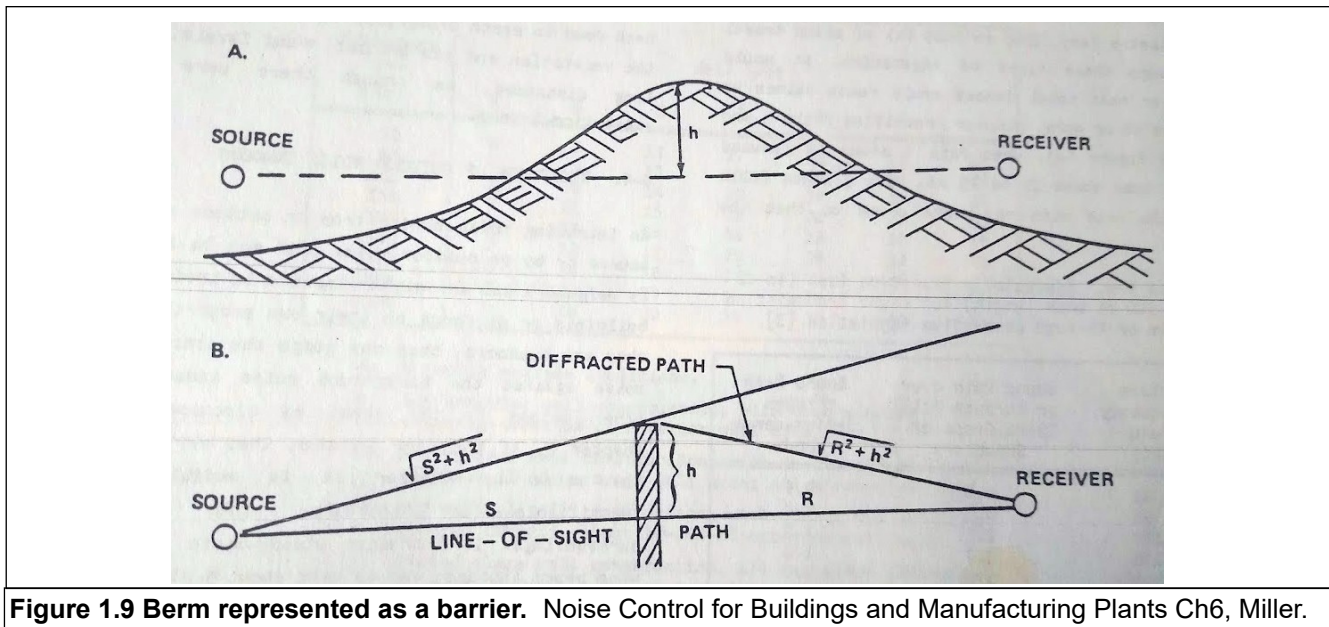


Figure 1.9 Berm represented as a barrier. Noise Control for Buildings and Manufacturing Plants Ch6, Miller.

Are trees or hedges good sound barriers?

The short answer is no, a row of evergreens make a good visual barrier, but sound travels readily through it.

- 100ft of medium dense woods provides an additional 5dB of attenuation at higher frequencies, and 1-2dB of attenuation at low frequencies.
- Thick high meadowgrass or shrubbery may provide slightly better performance at high frequencies, but lower performance at low frequencies.
- At our frequencies of interest (bass frequencies) there is limited return, and sound can pass over trees to receivers at higher elevation, or the sound may return to the ground with wind and temperature effects (1.3.2).

1.5.0 Receivers of Sound (Residents)

Receivers of sound are the main concern for this project and how to minimize the impact of sound from amphitheater events on the residents, both immediately next to the amphitheater and at greater distances, up to 15 miles. Since it is not practical to modify the receiver buildings, and the receivers also will express the right to use their outdoor property, it is critical to attenuate sound from BCA at the source and path.

The interior of the home can be negatively affected by sound passing through the shell (mostly low frequencies) and either setting up a resonance in a room or resonating part of the structure such as a window or wall. Given

that the building shell can block more of the middle and high frequencies that are arriving, on the inside of the building the low frequency (pulsing) sound becomes emphasized and can dominate what is heard inside the home.

A study of the homes within the surrounding 3-10 mile radius was not in the scope of this project, but it can be assumed that the homes vary in quality and materials, such that different houses may behave differently with the same sound incident upon it. Studies of traffic noise and wind turbine impact on homes give a range of resonant behaviors of building envelope elements (walls, windows, etc) from 20Hz to ~125Hz, and several studies indicate a potential resonance of outer walls in the 20-30Hz range. Lighter weight construction will typically yield higher resonant frequencies and lower sound attenuation by the building shell. (see references end of **Section 1**)

Figure 1.10 shows the sound levels that are the thresholds to set windows and other building elements to vibrate. The figure comes from a NASA study to study the impact of rocket launches on homes, and the proximity of the venue to residences makes this relevant. **Section 3.2** provides analysis of operational sound levels on the homes that are under construction next to the venue.

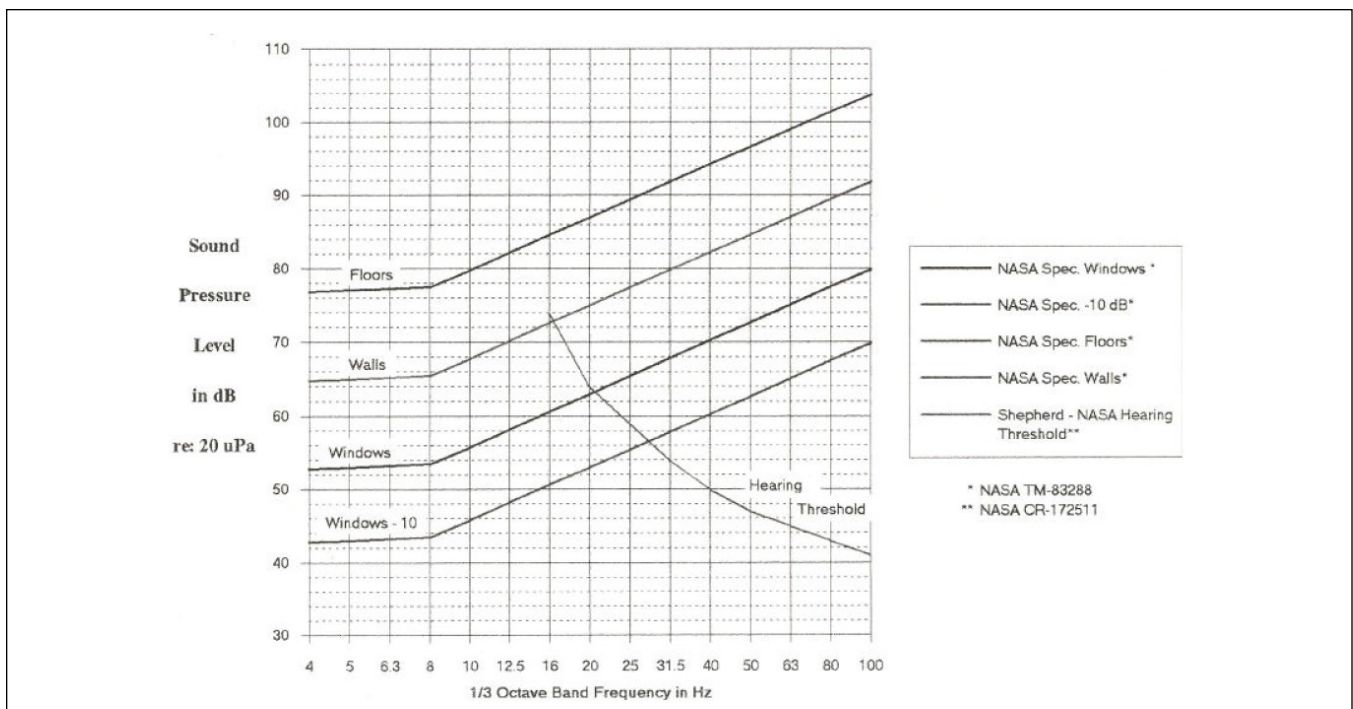


Figure 1.10: “Criterion for perceptibility of vibrations in housing structural elements and hearing threshold”. NASA shows a target of “windows -10” as the not to exceed threshold for sound incident upon houses. Taken from “Low Frequency Noise Induced Vibration of Housing Structures”, Bennett Brooks, ASA 126th meeting Oct 1993.

1.5.1 Perception of Sound, Annoyance, and Health Effects

This section has been directly taken from our work for the City of New Orleans and is relevant to the City of Hutto’s awareness of the negative effects of sound on residents. The reference with all additional references is available on request (digital format).

Annoyance to sound is highly subjective, and though it is difficult to define, has very real effects on the quality of life and health of those affected. Two statements below begin to shed some light on the complexity of annoyance due to sound (note that noise is unwanted sound):

1. “Noise induced annoyance eludes succinct definition. It is an attitude: a covert mental process with both acoustic and non-acoustic determinants. Noise induced annoyance is not a behavior such as a complaint (which may or may not be motivated by annoyance), nor is it a simple and immediate sensation like loudness, entirely free of cognitive and emotional influences.”

2. "The annoyance due to a sound can be highly personal. Any sound that is audible is potentially annoying to a given individual."

It is shown that once an annoyance concern about a sound (level) is established, over time the perceived loudness drops, but the annoyance escalates.

1. Long term community annoyance prediction is possible through established metrics, but the prediction of complaints is not as easy to relate to these measures. Annoyance complaints are also affected by the individual's willingness to describe themselves as annoyed.

2. Unwanted sound annoyance also is co-determined by personal and social variables, which must be addressed in tandem to the reduction of noise levels. It is important to recognize these factors such as communication and trust to reduce community annoyance with noise.

1. The enforcement response to noise complaints is not reliable from a public perspective; this must be remedied.

2. Unwanted sound complaints are often coupled with the behavior of bar patrons in neighborhoods. Taking steps to ensure that patrons respect the neighborhood residents is an important part of venue-neighborhood relations.

Sleeplessness and sleep disturbance can result from exposure to sound from transportation or entertainment; this can lead to a number of related effects on the health of the individual, including stress, memory loss, and can lead to other potentially worse problems; this is one of the most deleterious effects of noise.

Health effects for those living with environmental (industrial or transportation) sounds can include:

1. Increased risk of heart attack.
2. Increased likelihood of hypertension.
3. Increased rates of annoyance, mental health problems, headaches, drowsiness, irritation, and speech interference.
4. Delayed speech and reading in children, cognitive impairment, and memory impairment.

20% of the general population is considered to be "sound sensitive" with an emphasis on the women and children.

When sounds are for a brief time ("transient") or if there is an event such as a festival with a defined beginning and end, the relative annoyance and anxiety caused by high sound levels is reduced. It is also noted that if there are financial interests in the noise such as a factory or business one works at, the noise may be perceived more favorably.

1.6.0 A Word about Low Frequencies

Low frequencies are different from middle and high frequencies as we see above; they are the main source of complaint in entertainment applications and are the hardest to control. Consider the following points:

- Unless otherwise controlled, low frequencies are often omnidirectional, which is they are broadcast in all directions.
- As noted in **section 1.0.0**, advances in technology (and changes in music production), sound systems are capable of producing louder and lower frequencies than years past. Modern live shows have more low frequency information than in the past.
- Low frequencies attenuate the least over distance compared to the rest of the audible frequency range. **(1,3,1)**

- Low frequency sounds are capable of exciting windows, walls, and floors of a building if they are at high enough levels and the appropriate frequency(ies). **(1.5.0)**
- Low frequencies more easily penetrate building facades including windows.
 - Once inside a building, certain frequencies will excite the acoustic modes of a room (resonances between wall, ceiling, and floor surfaces). The strongest modes are detectable at the edges and corners of the room, and most people sleep with their head near a wall where some modes are loudest. **(1.5.0)**
- The pulse of the bass drum or bass beat is considered an impulse sound. Impulse sounds are more easily detected and are more annoying than continuous sounds (like a generator hum). Impulse sounds can be detected even when they are lower than the background sound level.
 - To reduce the detectability of impulse sounds, design efforts target 5 to 10dB below the background sound.

The above factors put low frequency sound (and particularly pulsing low frequency sound) as an important consideration when planning and operating entertainment venues

Furthermore, we provide an additional excerpt from the New Orleans Soundscape report as it relates to low frequencies, hearing, and annoyance:

1.6.1 Low Frequency Hearing Sensitivity (audible sound)

1. Low frequency hearing sensitivity has been shown to vary considerably from person to person, so much so that one person's threshold of perception of low frequency sounds can be another person's threshold of annoyance.
2. "Annoyance grows very rapidly with sound pressure level at very low frequencies." Low frequencies require a higher sound level threshold to be perceived initially, but once they are perceived, small increases in sound level have a larger impact than the same increase in the mid-range and high frequencies.
3. A heightening in low frequency sensitivity is shown to occur in aging adults, which is a permanent effect. Also the ability to cope or adjust to this increase in sensitivity or to new sounds reduces with age.
4. Recent studies have shown that people exposed to low frequencies (such as the bass frequencies from music that penetrate into a closed building) can develop a hypersensitivity over time to those frequencies. Some people have actually had to introduce higher frequency noise (i.e. open the windows to introduce higher frequency sounds) to mask the low frequency component that penetrates a closed building.

REFERENCES SECTION 1.5.0

"Subjective and objective rating of the sound insulation of residential building facades against road traffic noise", JASA 144 2018 (Hingisto, Oliva, Rekola)

"Acoustical and Thermal Performance of Exterior residential Walls Doors and Windows", NPS Building Science Series 77, US Dept of Commerce/National Bureau of Standards Sabine, Lacher, Flynn, Quindry, November 1975

"The How to guide to siting wind turbines to prevent health risks from sound", Oct 28, 2008, Kamperman, James

"On the sound insulation of wood stud exterior walls" by J. S. Bradley and J. S. Birta, Institute for Research in Construction, National Research Council, Montreal Road, Ottawa K1A 0R6, Canada, published: J. Acoust. Soc. Am. 110 (6), December 2001

"A cooperative Measurement Survey and Analysis of Low frequency and Infrasound at the Shirley Wind farm in Brown County, Wisconsin". Report #122412-1 Walker, Hessler, Rand. Schomer Dec 24, 2012

"Bruce Mc Pherson Infrasound and Low Frequency Noise Study"- December 14, 2011, Ambrose and Rand

Section 2 Description of the Problem

BCA ceased to program music after complaints received from the Deadmau5 show on January 8, 2021. It was also noted by the City of Hutto that complaints were received from the Hometown Heroes show on September 25, 2020. Both shows received complaints related to bass (pulsing) sounds and in some cases buildings being shaken. We are not clear on complaints from other events.

2.1.0 Sound System

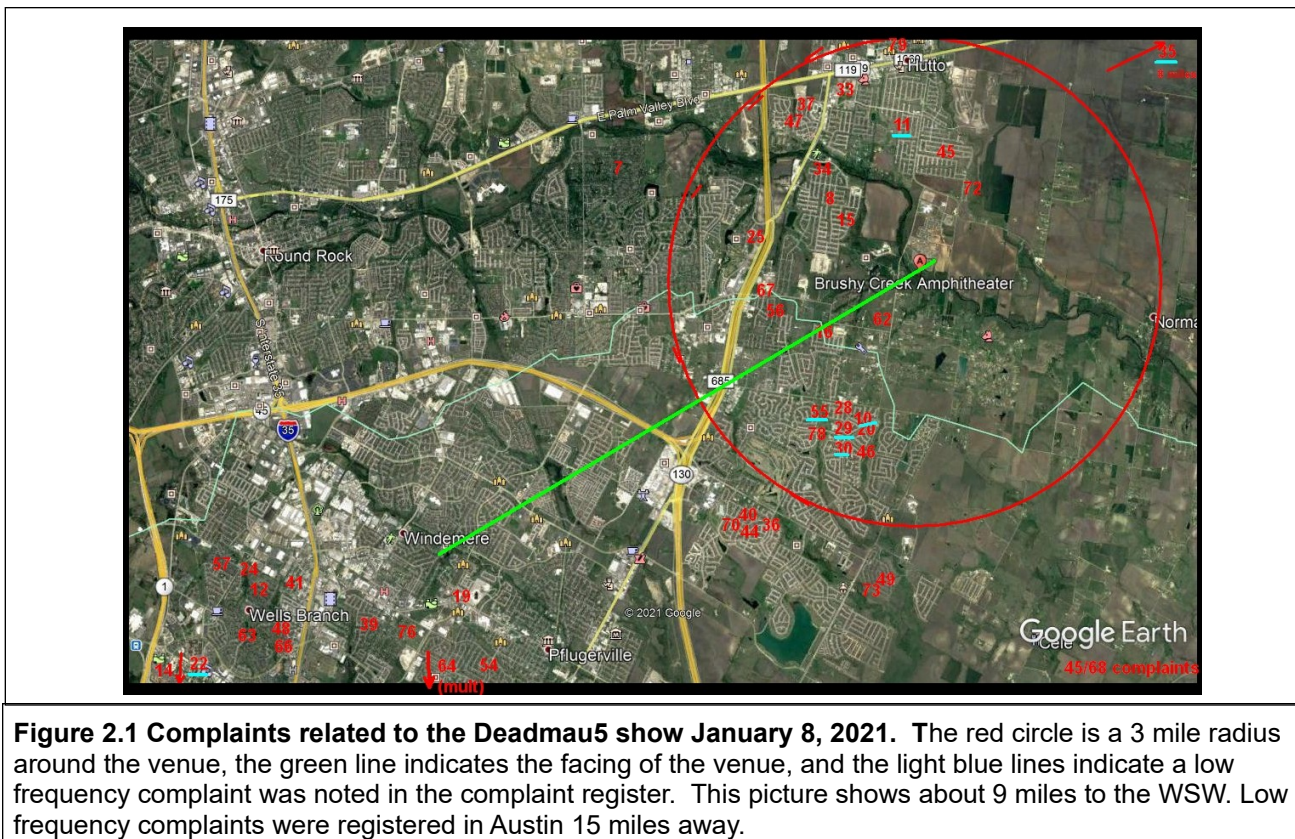
Both of the shows were spaced into pods for Covid over the entire amphitheater and utilized a front end system of a similar style to our test system, along with a set of repeater loudspeakers along the concrete sidewalk pads at 250'-275' from the stage to provide coverage for the 2nd half of BCA. Miller Sound of Oklahoma provided sound for Hometown Heroes, and the sound company that was used for Deadmau5 could not be identified, however sufficient information was gathered from other sound companies and the manufacturer of the system used for that tour. No sound level limits were set for the concerts, and Miller Sound indicated that when the final act came in for Hometown Heroes, the sound engineer for the band turned up the music to excessive sound levels, which the sound company had limited control over. Deadmau5 is an electronic dance music (EDM) act, the genre which is typified by excessive sound levels and excessive low frequency sound.

2.2.0 Complaints

Complaints for the shows included low frequency (pulsing) sound that penetrated and shook homes, and foul language, indicating that some receivers could hear some middle and high frequency information.

70% (45 of 68) of the complaints or comments were charted for Deadmau5 (see **Figure 2.1**), with low frequency complaints up to 15 miles south and 8 miles northeast. Some complaints did not provide an address, and two complaints represented neighborhoods. Complaints were compiled from surrounding jurisdictions. No call record of complaints was provided for Hometown Heroes.

It is also noted that some of the complaints were about the style of music and indicated that country music would be (more) acceptable.



2.3.0 Weather

Wind was excessive on the night of the concert and dominated atmospheric propagation; temperature inversion effects were minimal. **Figure 1.8** (above) and **Figure 2.2** provides the ray based model of propagation of sound additive to the sound that is arriving directly. Figure 2.3 shows the wind speed and direction relative to 0 degrees (North).

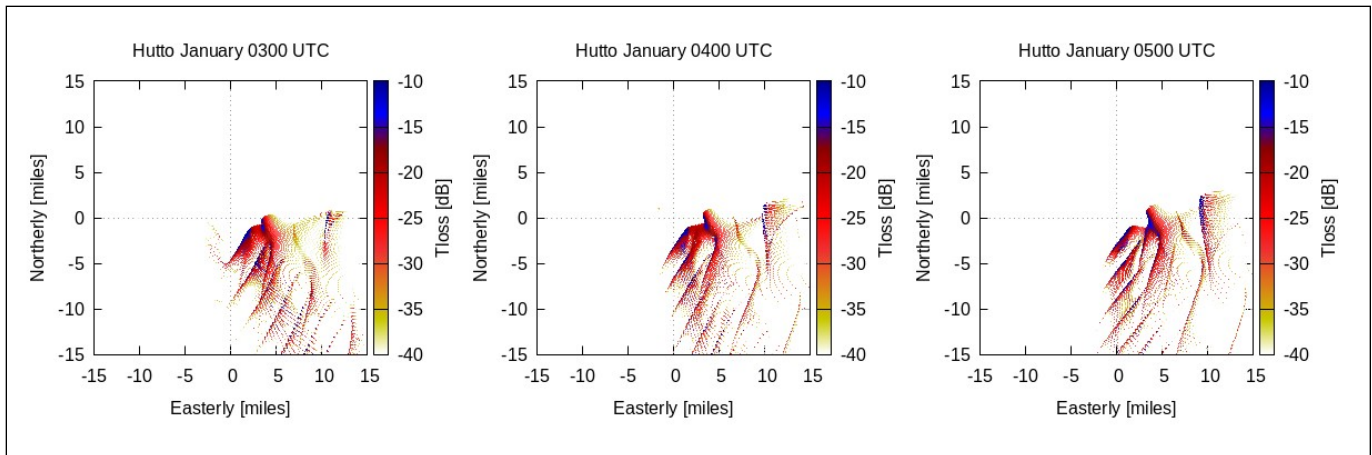


Figure 2.2 Ray based analysis using wind and temperature showing a strong southeasterly wind propagation with multiple “landing points” over 15 miles for Deadmau5. In the first 5 miles (south and southeast) there appears to be several strong landing points for sound that was projected upward. The model does not show the source sound (center) or the direct propagation, only approximate additive effects from the wind. Some other propagation phenomenon related to wind are not accounted for. From left to right, 9pm, 10pm, 11pm, CST. Simulation courtesy of Atmospheric Research Group at National Center for Physical Acoustics.

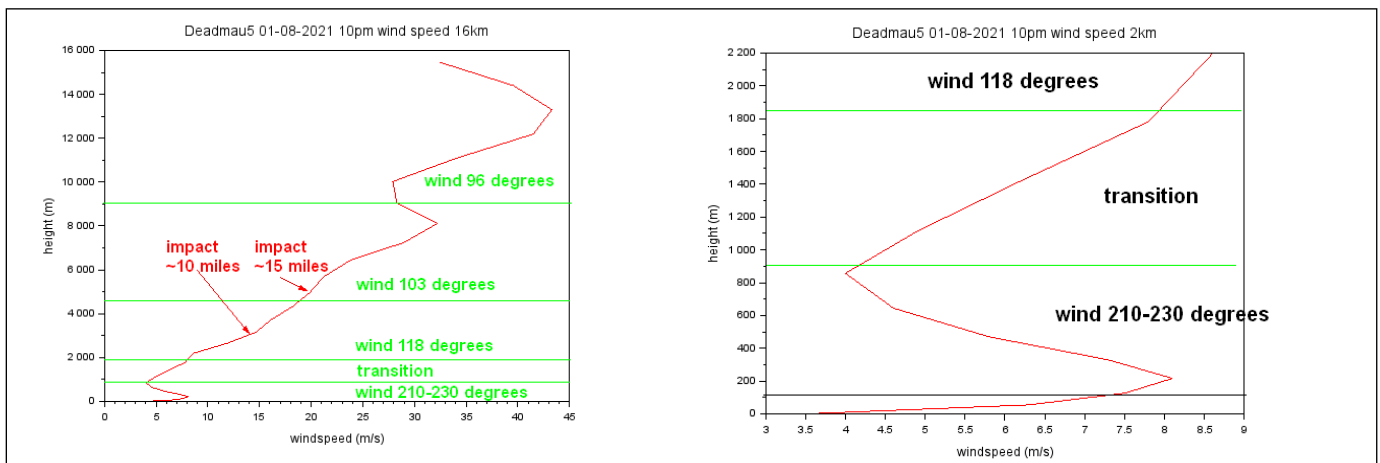


Figure 2.3: Wind speed plots for 10pm 2021-01-08 Deadmau5. Left, up to 16 km (9 miles), and right detail up to 2km showing the typical ducting region delineated by the black line. Note the changing of direction and high windspeeds means that wind will dominate (note temperature gradient is small and warmer toward the ground). The low level ducting is significant, but the above that high windspeeds affect receivers about 5x the distance of the altitude in the given direction, so sound is landing in different directions at different distances.

Section 3 Investigation and Analysis

3.0.0 History

Brushy Creek Amphitheater (BCA) was opened in July 4, 2019. The project was built by the City of Hutto to provide a performance and gathering venue within the 6.5 acre Brushy Creek Park (BCP) facility. The design of the performance pavilion was taken directly from the MAD Amphitheater in El Dorado, Arkansas (see description below). Programming of the facility began in Summer 2019 and ended January 8, 2021. The location and orientation of BCA within BCP was based on available space within BCP and the functional layout of the venue. The original location was on the west end entrance of BCP, facing east, with more land use. The city council made a decision to locate it at its current position. The land was purchased April 2017 and construction approval was granted April 2018. No sound impact study was performed. The Brookland housing development surrounding it with common fence lines has been planned in tandem with the venue. See **Figure 3.1**.

Programming of BCA was a combination of local, regional, and national entertainment. Based on the correspondence with the City of Hutto, the programming of the venue was the following:

Los Lonely Boys-August 2019

KC and the Sunshine Band-November 2019

New Power Generation-January 2020

Hometown Heroes (Snoop Dogg & Nelly)-September 2020

Tailgates & Tunes-Read Southall Band-October 2020

Holidays in Hutto-December 2020

Deadmau5-January 8, 2021



Figure 3.1: Development of the community and the amphitheater marketed as a quality of life incentive.
from Community Impact Newspaper May 11, 2018

MAD Amphitheater in Eldorado, Arkansas is part of a 3 city block arts and entertainment district including restaurants, a 2400 seat indoor concert venue, a waterpark, a bi-monthly farmer's market, a conference center, and other theater and hotel projects that are underway. The area was opened in 2017 after a 10 year effort to plan and build an arts district to switch from a fading oil based economy to revitalize and refocus to an arts and entertainment destination. The city employed tourism and downtown consultant Roger Brooks, organized the

support of local foundations and organizations, solicited grants and donations, and worked with the community to create buy in and get approval for a sales tax to foster economic development.

Some of the details of MAD Amphitheater that are relevant to this study:

- The amphitheater seats 8,000 people, and is programmed for 6 concerts a year (May to October). The programming is national acts generally in the country and rock music genre.
 - In October they have an annual music festival where the downtown is blocked off. The festival has a 30 year history.
- At the largest events, parking is a concern and the city employs buses and trolleys to move people from nearby hotels and other collection points such as the local fairgrounds which is opened for parking.
- The buffer to residential areas is ~1000' to the east (sidestage) and ~1500' to the west (side stage), and is significantly greater to the North (stage facing) and South. One of critical parts of this distance buffer is that it is populated with buildings that act as barriers for sound.
 - Some apartments on the main square and hotels are located closer to the venue.
- The venue does not currently have a sound level limit or mandatory cutoff time, however production indicated that they have employed a 101dBA limit at Front of House. MAD is not aware of sound complaints other than 1 incident that was remedied.
 - Both the amphitheater and the indoor venue have their own sound systems.
- The canopy is at 45' above the stage, the stage is at 5' above ground. The city owns a lift to deal with all rigging concerns, and may need to rent an articulating lift for 1 out of 5 events to handle LED walls or screens.
- Rained out amphitheater events get moved indoors if ticket sales are under 2400, otherwise rescheduled.
 - Policy is to operate unless lighting in 7-10 mile radius, all equipment rain protected.
- The amphitheater area is converted to a skating rink early November to the end of January.

An important distinction between BCA and MAD in regard to sound:

- MAD Amphitheater is located in the middle of the city (commercial district) inside an area designated as the Murphy Arts District (MAD) with 6 venues over 3 city blocks; BCA is located in a park surrounded by suburban residential neighborhood and farmland, so activity with sound such as a concert has a more significant impact on the perceived soundscape.
- The MAD amphitheater has a significant distance buffer to residential areas with large buildings in the blocks that surround it that act as barriers.

<https://eldomad.com/amphitheater>

3.1.0 Architecture, Layout, Capacities, and Functionality

3.1.1 Architecture

BCA stage is a steel post structure with a roof at ~60' and no walls. The downstage is ~4' above the audience front elevation and the main stage without wings is 80' wide x 50' deep, with the upstage even with the access road.

The stage structure does not have hang points for loudspeakers, a man ladder, or safety tie offs for rigging personnel. All operations that involve sound and lighting require the use of a 60' lift for set up and striking.

3.1.2 Grounds-Geography

Layout of the field is a ~90 degree amphitheater with a 5' rise from the front of the stage to the rear of the audience area (~435'), and an arc sidewalk with concrete pads splits the amphitheater into forward/lower and rear/upper (~274' along centerline from front of stage to sidewalk, ~247' along the side), with a slope of 87:1; just past the end of the audience area the slope is steeper downward toward the perimeter parking lot which lessens to the north.

The square footage of the upper area is ~147,000 sq ft, the lower area is ~97800 sq ft for a total of ~244,800 sq ft.

The BCP/BCA grounds were originally cropland (clay). The amphitheater grounds are 12"-16" brown dirt with 4" topsoil, planted with Bermuda Green 419 fairway grass. The remainder of the park utilizes 2" topsoil with Bermuda St Augustine grass. The sound absorption of this type of ground compared to sound absorption of people is shown in **Table 3.1**. The absorption coefficient for the purposes of this report can be thought of as the amount of incident sound absorbed by a surface (0.75=75%). The important thing to observe is that people and grass are reasonably similar people are more effective than grass if they are densely packed, and both are less effective at low frequencies. Also note that our amphitheater grass may be more absorptive than the bluegrass shown due to the newly placed subsoil and topsoil, and the grass occupies the entire venue regardless of the size and distribution of the crowd.

Octave band center Frequency	125	250	500	1000	2000	4000
Marion Bluegrass 2"	.11	.26	.6	.69	.92	.99
Audience Standing 1 person per 4 sq ft	.23	.44	.95	1	1	1

Table 3.1: Sound absorption coefficients of grass and people. Taken from "Architectural Acoustics" David Egan 1988 and "Architectural Acoustics Illustrated" Michael Ermann 2015.

Do people add to the sound absorption of the grounds?

Yes, but not to make a significant difference in this application. People (and grass) do not absorb low frequencies well (this is a big concern for BCA), and they cannot absorb sound that is not aimed at them, such as sound that might travel over them or to the sides or rear.

If we were to take a crowd of people and put them in a room full of hard surfaces, the change due to their sound absorption would be noticeable.

3.1.3 Capacities

The capacity of BCA is 10,000 people for fire and emergency considerations. Based on the entire square footage, this is ~24 sq ft per person. The lower area at capacity is ~9.78 sq ft per person. The average space for (pre-Covid) event planning is ~6 sq ft/person minimum (rock/pop concerts are assumed ~4sq ft/person, see 3.1.2).

The parking lot at BCP has 1189 spaces, with no roadside parking. If each vehicle parked carries 4 people (estimated best case), that amounts to 4756 event attendees, leaving space for 5244 persons to reach capacity. Correspondence with the City of Hutto indicated that additional parking capacity could be found at local schools such as Farley Middle School and Howard Norman Elementary School.

The logistics and vehicles to move 5,244 or more people between these parking lots and BCA in a timely manner without sidewalks and with concert traffic is beyond the scope of this investigation. We will make the assumption that if BCA fills up with concert goers to capacity eager to be as close to the stage as possible and to hear the loudest sound, which means most or all of the attendees can easily fit within arc sidewalk and stage. This helps us by making a smaller target for the concert sound levels.

The above further assumes that there are not restrictions due to Covid-19 or other viruses. Covid-19 restrictions mandate a larger spacing between people/parties, and as a result will require greater coverage for sound. If the entire grounds are populated, there will need to be a compromise such that the patrons in the rear have a lower sound level, however using sound systems with modern technology such as array processing (1.2.3.2) will ensure good sound quality for this seating.

To depend on local residence street parking to improve the vehicle capacity in the immediate area is not advised, however building a commercial lot nearby has some potential to improve nearby parking. The issue with concert goers parking in a residential neighborhood include but are not limited to trash, noise before and after concerts, loss of usual parking

Note that parking in the neighborhood will also disproportionately affect the same nearest residents that will bear the heaviest exposure to sound.

3.1.4 Receivers

The receivers (residents) that are affected by the amphitheater can be broken into the adjacent homes with (roughly) a line of sight to the venue, and those more distant. Since the more distant receivers are those affected by atmospheric effects which are difficult to control, and the adjacent homes will have a more consistent and higher sound level exposure, we will break this down to 2 areas of interest:

- The adjacent homes being built next to the venue at 240' and farther to the center of the stage. We do not know at this writing if they intend to build around the entire backside of the venue.
- The homes that are south, south east, and south west of the venue where the loudspeakers are pointed. These homes are in the range of 1800 ft to 3300 ft or more from the stage, with some at a higher elevation overlooking the amphitheater.

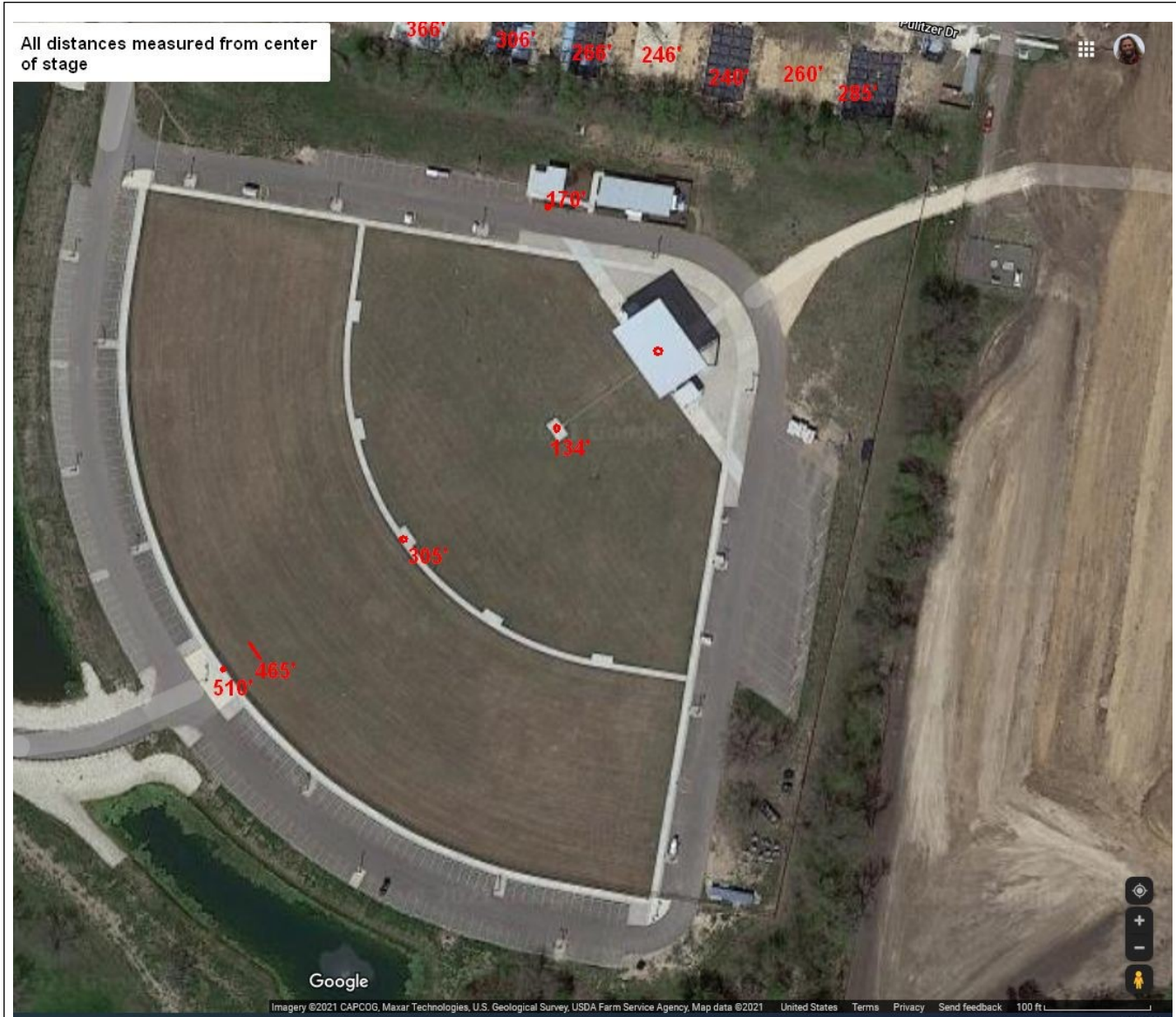


Figure 3.2 Homes being completed to the North of the Amphitheater, and the amphitheater layout with distances for reference. Distances in feet.



Figure 3.3: Homes/houses on the ridge facing BCA. The nearest home is ~1874 ft from the venue. The receivers labeled in green are used for the barrier calculation, red circles are houses to the best estimate using a digital map, the remainder of the buildings appear to be barns or other facilities.

3.1.5 Noise Laws

The law for the local jurisdiction Section 14.03.001 reads:

(a) No person shall cause, allow, or permit the making of noise, in the city limits or within 500 ft outside the city limits, which exceeds 85 dBA during the daytime or 70 dBA during the nighttime as measured....(at the property line).

If the venue operates “as is” with the recommended sound system (see **5.1.1**), the sound level limit will be violated at the venues nearest BCA (**Figure 3.2**) and then some distance past that. Typical sound levels at FOH would preclude playing at nighttime without sound abatement measures:

Level FOH	Near property Line
95 dBA	76 dBA
100 dBA	81 dBA
105 dBA	86 dBA

See **section 3.2.3.1** on barriers

3.2.0 Modeling

Several methods were made to model the amphitheater and conditions.

- A model of the test sound system, venue, and distance propagation model was developed in coordination with Big House Sound (BHS) and d&b audio (DBA).
- Weather based sound propagation models were developed in coordination with the Atmospheric Research Group at the National Center for Physical Acoustics (NCPA) at University of Mississippi.

- Barrier and berm modeling and calculations were made by RWA, utilizing standard barrier calculation methods and data from the above models and resources, along with sound test data.

3.2.1 Sound system modeling

The sound system model utilized DBA's sound system model program "Array calc" and sound propagation modeling program "Noizcalc". The sound system model was based on input from BHS based on practical experience with the venue, locally available sound equipment, and the goal of the project. DBA provided the sound system and amphitheater model in Array Calc to look at audience sound coverage, and inserted that model into the Noizcalc model of the surrounding area to look at sound propagation (impact).

The Array calc model was utilized for developing the sound tests and later utilized data from the sound test programming (**Section 4**) to look at the way sound leaves the amphitheater the long distance propagation model and direct sound at nearby locations. Sound system heat plots shown in **3.3.1** and the barrier calculations utilized this data were developed using the array model in Arraycalc..

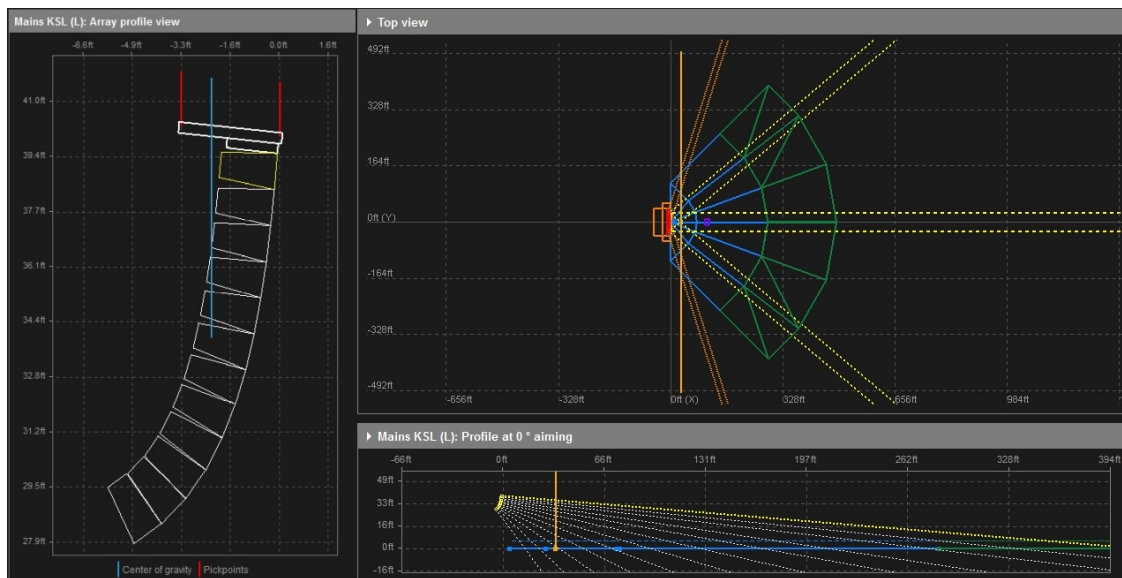


Figure 3.4 Sample information from d&b Arraycalc. Left, the details of the line array, top right venue model with loudspeakers, lower right, loudspeaker aiming.

RWA utilized the Noizcalc model to look at worst case weather conditions propagation models, and refine the model (weather and reference point sound) to match the Sound Test (**Section 4**) to compare the results. See **4.4.0**.

The DBA sound system models provide an approximation of the coverage of sound in the venue and the propagation of sound from the venue to the local area. These modeling programs are considered the current "state of the art" and are used worldwide for sound operators; other major sound manufacturers provide similar venue design programs to Arraycalc, but not the propagation program such as Noizcalc.

3.2.2 Weather modeling

The weather based (wind and temperature) sound propagation ray based model was developed by a member of NCPA Atmospheric Research Group and is being further developed at Los Alamos National Laboratory. The models derive input data from the NCAR Weather Research and Forecasting Model (WRF), which can provide reasonable accurate hourly models of windspeed and temperature up to 20Km above the earth. The ray based propagation models shown in this report are effectively "first pass" estimations without terrain and ground conditions.

It is noted that the Nord 2000 weather-sound propagation model used in the Noizcalc model mentioned above utilizes data taken on the ground for windspeed and assumes a wind profile, and also utilizes a fixed temperature gradient provided by the end user. These assumptions are applied to up to a certain height above ground (~100 meters) to determine any potential ducting that may occur and apply it to the sound propagation. This model is most effective nearest the venue.

As noted above (1.3.2), the temperature and wind gradient (and direction) can easily be different from the assumptions in the Nord 2000 model, and this is a moving target over an evening, but this model can provide helpful propagation estimates up to 3 miles. The Noizcalc software can also generate potential worst case propagation conditions for all directions for the same radius.

Both models have shortcomings, and more advanced modeling is available but beyond the scope of this project. The main takeaway from examining the weather propagation models and the venue is that once the sound leaves the venue and is subject to the weather, there is little that can be done to control its propagation.

The atmospheric propagation models give us an understanding of the potential issues related to propagation:

- Once sound enters the atmosphere above the venue, weather conditions must be considered. Sound is best controlled at the source.
- Sound can be carried over great distances, and the direction of the sound can change based on the weather.
 - Sound can also travel in many or multiple directions based on the atmospheric conditions.
- High sound levels can arrive at great distances from the source and at multiple points. This means that in a given direction from the source (such as BCA), one neighborhood may hear very little and others may find it unbearable.

3.2.3 Barriers and Berms

Barriers and berms (1.4.1) have been evaluated as a means to reduce impact on the immediate receivers identified in 3.1.4. The sound source used in the calculations is “Music 2” from the 7/21/21 Sound test performed on site that represents a rock or country band live and represents the test system used. Both test cycles 1 and 2 had comparable sound forward and to the sides where these receivers are located.

3.2.3.1 Barriers

The proximity of the stage sound sources to residences (200'+) leads to the use of a stage enclosure to control sound to the sides and rear with an apron (barrier) on the sides and top that extend past the front end loudspeakers by 5' to 10'. This is the only practical method to significantly reduce the impact of live music events on the

- The walls should be of a heavy material such as grout filled heavy concrete block.
 - Walls provide the added benefit of reducing the effect of weather on the performance and stage equipment.
- The roof will need to be lowered to better control the upward sound of instruments on the stage and the stage walls and ceiling should be treated with sound absorptive material to provide the sound engineer more control over the stage sound. Putting sound absorptive material will maintain the current stage sound; if the walls are left hard, the stage will become difficult to use due to reflective sound buildup.
 - The line array speaker hang used for the test goes to ~36' above the stage. If hangpoints are created for the loudspeakers at the roof level, the roof could be lowered to 40'-41', and the

loudspeakers can be hung in between the roof trusses. The final height should be confirmed with sound reinforcement companies to ensure most loudspeaker hangs will fit.

- Sound absorptive material will have to be selected for outdoor use and cleanability, with absorption performance that extends to low frequencies (**5.3.3**).
- A structural engineer will be needed to evaluate the modifications to the current structure for feasibility and wind loading.

The effect of such a barrier will be a significant reduction of sound to the rear of all frequencies (20-25dB), also dependent on better than equal performance of the barrier. Assuming a robust barrier, insertion loss calculations have been made for several houses shown in **Figure 3.5** under the Music 2 Cycle 2 conditions of the sound test (87dBA/103dBC @FOH). The two nearest houses RN-1 and RN-2 exceed the NASA window vibration criteria (**Figure 1.10**) without the barrier, and still exceed the “windows 10” criteria with a barrier that extends 10’ beyond the loudspeakers. Keeping the barrier at 10’ past the loudspeaker faces shows noticeable reduction at receiver RN3. The graphs (**Figures 3.6 to 3.8**) provide a good visual reference; the bass is excessive and clearly above the background noise for all receivers analyzed. These sound levels will be heard inside multiple homes, and exceeding the NASA “windows -10” criteria is not recommended.

The line array loudspeakers and the end speaker of the bass array across the front is assumed to be 5’ or less from the side of the barrier, and the barrier requires absorptive material to the side of the line array to reduce problems with reflections from the barrier surface. A line sketch approximating the barrier is in **Figure 5.2**.



Figure 3.5 Houses adjacent to BCA (north side) chosen for analysis of a stage enclosure with distances. Sound levels with no barrier shown for 87dBA/103dBC @ FOH. For comparison, the background levels at night are 45-55dBA, and 50-60dBC.

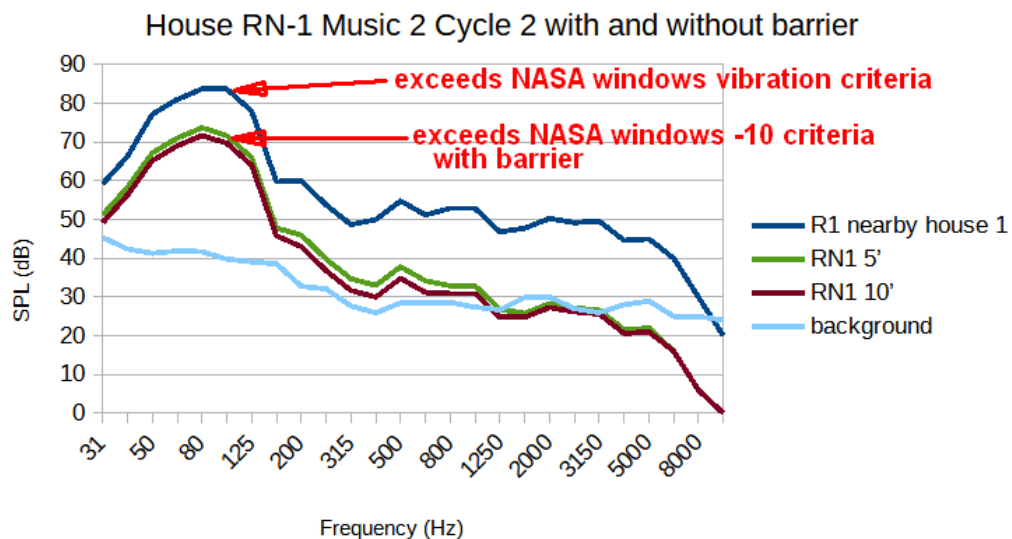


Figure 3.6: Music from venue arriving at RN-1 with and without stage barrier, significantly over the background sound levels. This indicates the need for a barrier, but that will not stop the perception of low frequencies indoors.

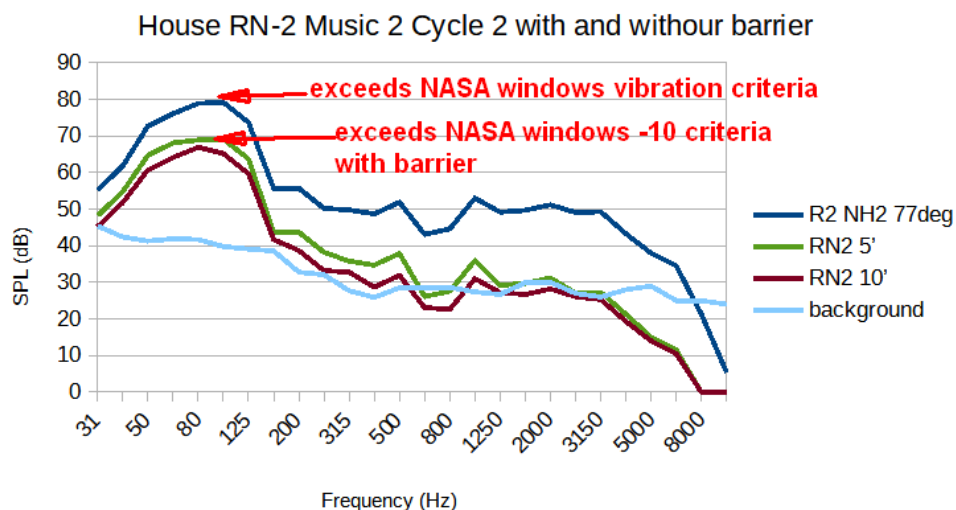


Figure 3.7: Music from venue arriving at RN-2 with and without stage barrier, significantly over the background sound levels. This indicates the need for a barrier, but that will not stop the perception of low frequencies indoors.

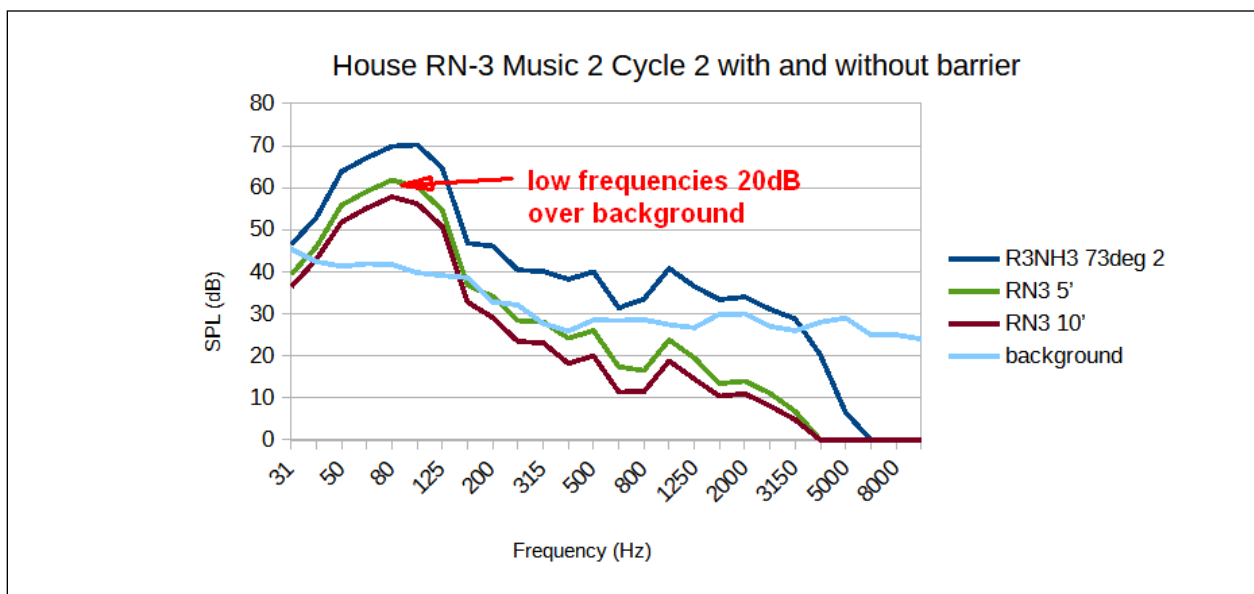


Figure 3.8: Music from venue arriving at RN-3 with and without stage barrier, significantly over the background sound levels.

3.2.3.2 Berms

A berm can function as a barrier (**Figure 1.9**); the rear of the amphitheater was analyzed for the effectiveness of a berm for the receivers on the opposite side of Brushy Creek at a higher elevation. It was determined that some relief from low frequencies can be realized with a berm of 50' above the existing high points in the center section where the receivers are highest up, and the berm elevation can be dropped by 10' to the south where the receivers are at a lower elevation. **Figure 3.3** provides the locations of the receivers analyzed and the results of berm insertion loss (added sound reduction due to barrier) and the actual levels measured at Monitor 1 during the field test with barrier effects. The result is a reduction of sound from BCA, but even with low operating levels, the sound will be audible and has the potential to drive a complaint. Furthermore, if sound that passes over the top of the berm enters a wind and/or temperature duct that directs the sound south/southeast and downward, sound can flank the berm and render it less effective or ineffective.

There is the possibility of building a fence or barrier at the edge the amphitheater, however it would need to be taller due to the rapid elevation change at the fenceline. This means a structural base to handle wind loads, and maintenance of the wall. In addition, sound arriving at the rear wall can be reflected backward toward the stage and residences. A berm can be designed to be part of the amphitheater and improve sightlines toward the rear of the facility, and if constructed properly may not require any significant additional maintenance.

The surface of the berm should be angled such that sound reflected off the surface of the berm is reflected at angle above 20 degrees above flat ground. For the subwoofers, the slope should be 10 degrees minimum. Sound from the line array has an apparent source height of 30' above the ground, so its reflection angle will not be an issue. The rear of the amphitheater is 225' deep so a rake of 22.5 to 30 degrees is achievable. If the berm is moved closer to the stage, there is potential to to lower the height. Given 24 sq ft/person at full capacity, some loss of space at the back may be permitted.

The reason for the reflection angle is that sound at lower angles enter the temperature/wind duct and are turned down, and sound at steeper angles passes though the duct. This reduces the unwanted atmospheric propagation effects of sound at greater distances.

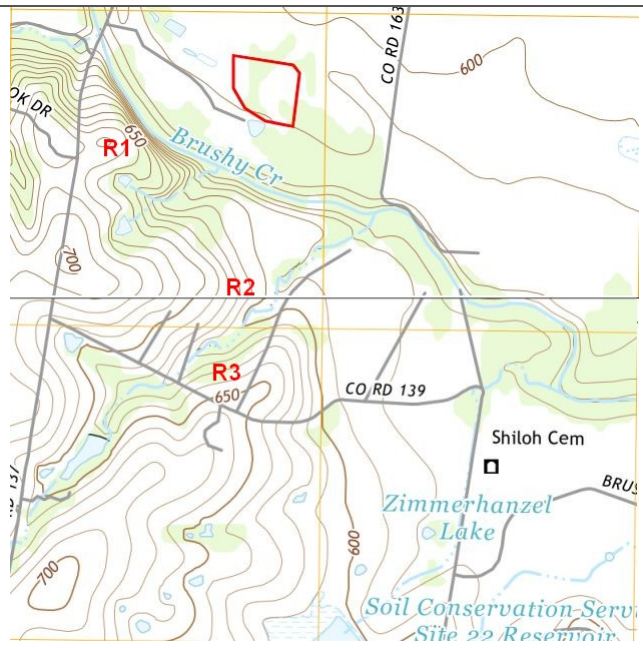
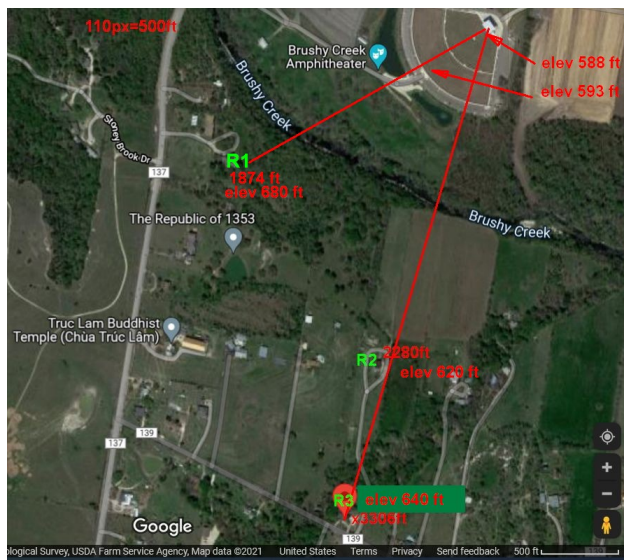


Figure 3.9 Berm calculation information. Left: Receivers for barrier insertion loss in green, R3 is actual field test monitor location M1. Distances are from the stage. Right Excerpt of USGS topographic map. Combines Hutto and Pflugerville Quadrangles. Note the cliff face that the amphitheater faces directly.

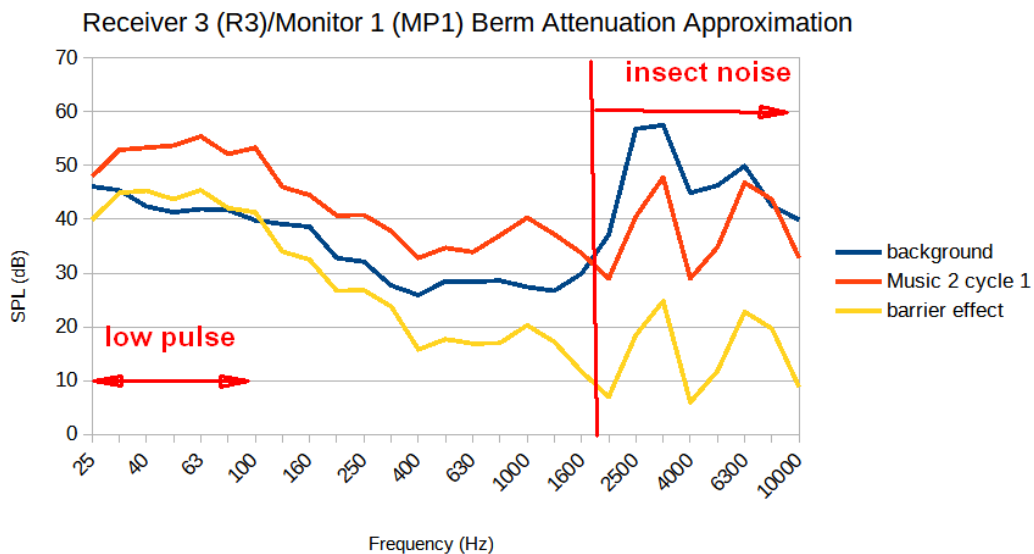


Figure 3.10: Impact of a berm for location R3. The low frequencies start to approach the background sound level. Note that an appropriate target to reduce low frequency pulsing sound is 5 to 10dB below the background.

3.2.3.3 Additional Barrier (North)

The stage enclosure and the proposed berm (see **Figures 5.2 and 5.3**) leave a ~400' gap between the stage and the rear of the audience area. The stage barrier reduces the impact on the nearby homes, but should be improved by blocking this gap. Furthermore, the loudspeaker system broadcasts low frequencies through this gap to neighborhoods beyond.

The amphitheater and the north access road are side by side, leaving no room for a berm, so the best option is a barrier similar to a highway barrier. The apparent source height of the line array used for the calculation is 30'

above the stage; this will need to be adjusted if the source is higher. This is a good reason to lower the roof to prevent the rigging of loudspeakers any higher.

Wall heights modeled are 30' and 35' (Figures 3.11 and 3.12). Receivers RN-1 and RN-2 are considered (Figure 3.2) The 30' barrier moves the receiver RN-1 out of the NASA -10 zone into acceptable zone by that standard, and RN-2 experiences further improvement. The 35' wall provides additional (perceivable) low frequency relief to RN-1. So the early part of the wall near the stage may be 35', and lowered toward the back of the amphitheater if we are considering the nearest neighborhood to the north. Note that we are still nearly 20dB above background sound at low frequencies with pulsing sound, so the house building envelope will need to be robust.

The first consideration is whether a 30' to 35' wall 400' long is feasible (can the site accommodate it, and rough costing), then the barrier attenuation should be verified, and then it is recommended to perform a 1-2 day study of the sound insulation of the building facades for low frequencies (bass drops are appropriate) to determine the threshold where the sound inside the structure is perceivable/unacceptable. If the barrier is feasible and the verified attenuation will produce acceptable sound levels, then this is another needed noise control measure to reduce the impact on the Brookland neighborhood north of the venue.

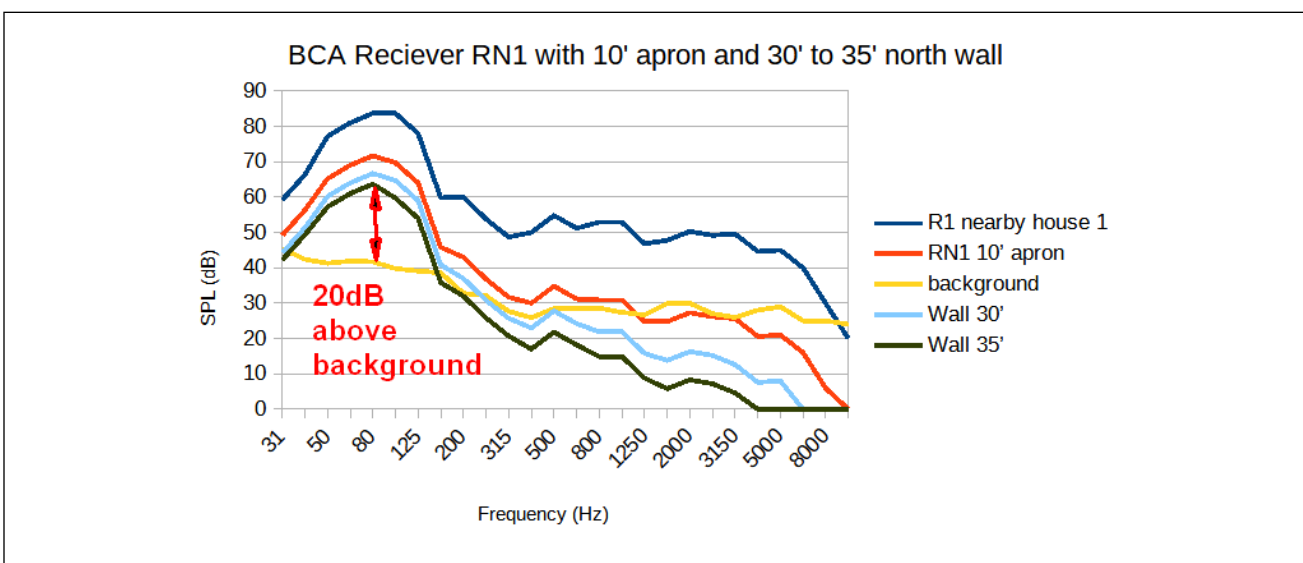


Figure 3.11 Music from venue arriving at RN-1 with and without 10' stage barrier, and additionally with 30'-35' north wall.

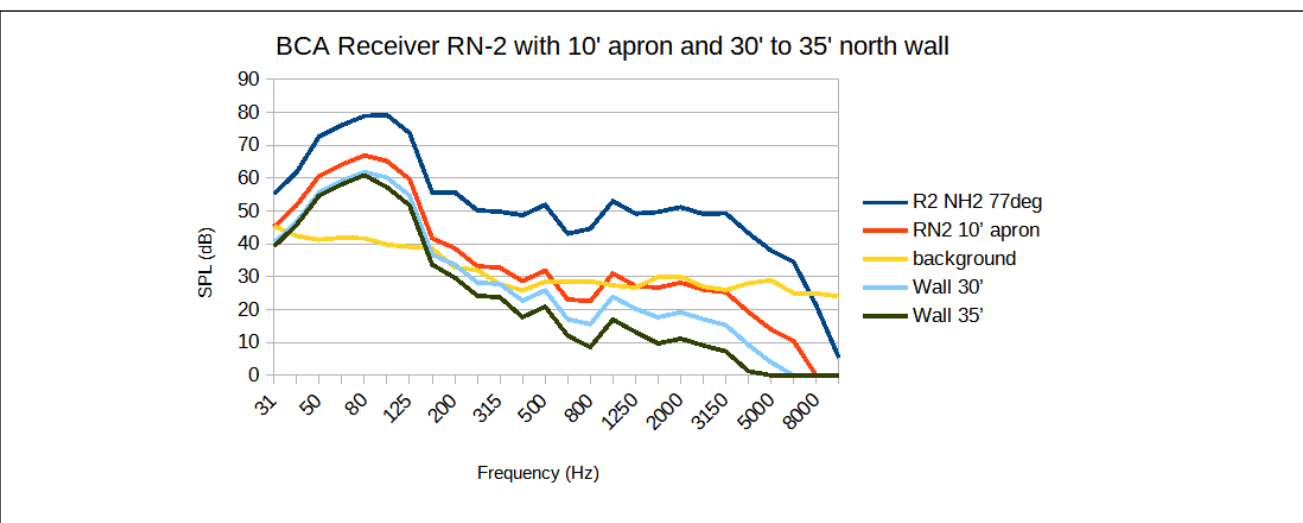


Figure 3.12: Music from venue arriving at RN-2 with and without 10' stage barrier, and additionally with 30'-35' north wall.

3.3.0 Sound Systems

3.3.1 Arrays and Subwoofers

Can we make a line array of subwoofers to control them better? If you tried to control down to 30Hz, you would need an array of loudspeakers $4 \times 32 \text{ ft} = 128 \text{ ft}$ long, over twice the height of the amphitheater to control the vertical pattern. This is impractical. (see 1.2.3.1 for arrays and control)

Other subwoofer array approaches that can utilize traditional subwoofers include end fire array, two element in line array, and inverted stack (do it yourself version of the cardioid sub) (McCarthy, 2007); all of these subwoofer arrays can be made with standard (and cardioid) subwoofers. The main issue is the level of effort, expertise, time, materials, space required and money to reduce the impact of low frequencies. Our most practical approach is to mandate the use of the cardioid subwoofer (readily available and easily employable), although this approach still puts a fair amount of energy to the sides.

However, the line of subwoofers across the stage produces an array of loudspeakers left to right, so there is an array across the stage that controls sound going to the left and right, but not upward. **Figure 3.13** shows the projection pattern of low frequency sound from the (80'wide) subwoofer array (see picture of array **Figure 4.2**).

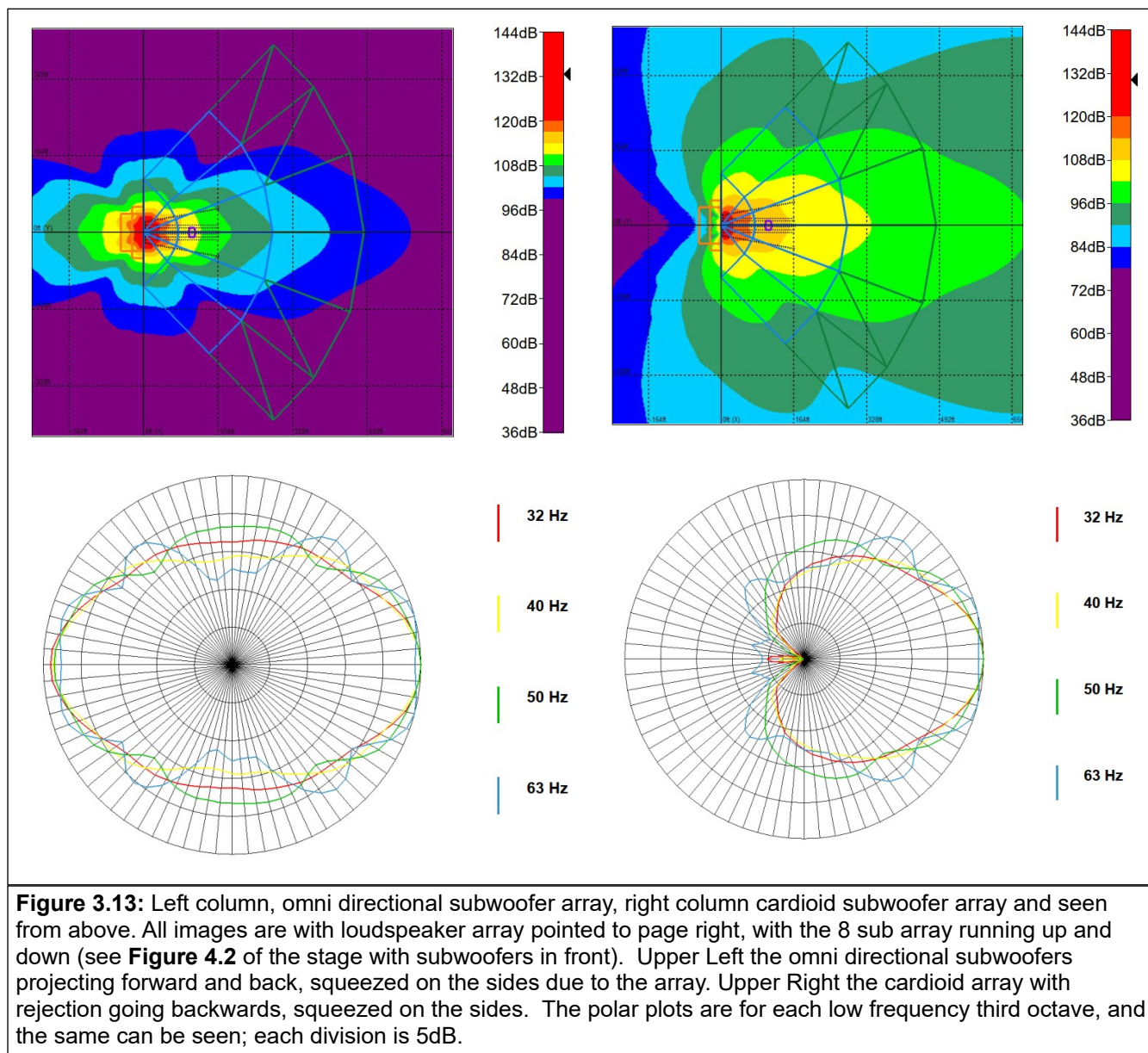


Figure 3.13: Left column, omni directional subwoofer array, right column cardioid subwoofer array and seen from above. All images are with loudspeaker array pointed to page right, with the 8 sub array running up and down (see **Figure 4.2** of the stage with subwoofers in front). Upper Left the omni directional subwoofers projecting forward and back, squeezed on the sides due to the array. Upper Right the cardioid array with rejection going backwards, squeezed on the sides. The polar plots are for each low frequency third octave, and the same can be seen; each division is 5dB.

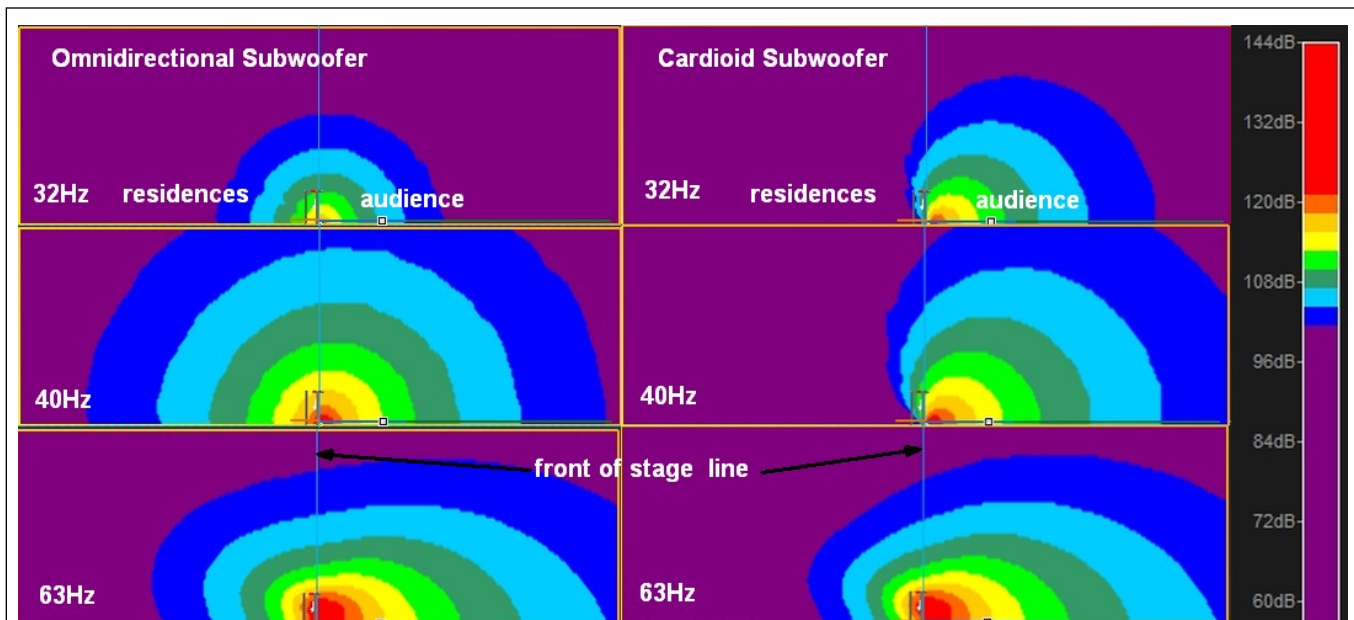


Figure 3.14 Profile of the low frequency sound distribution looking at the stage from the side. Two important things to note: (a) the omni directional subwoofers project sound to the rear (unwanted), and (b) once the sound gets into the range of 63Hz, the line arrays start to take over and the patterns look similar. (see **Figure 3.15** to see the same effect looking from the other direction). The scale is 1000ft across (on the right side to the end of the venue), and 328 ft high. Color gradients are 3dB. Images developed from d&b Arraycalc models of the test systems. The sound pressure shown is not the actual used, but can be scaled based on sound pressure used.

Subwoofers are used for frequencies up to 75Hz or 100Hz, and the line arrays can produce sound down to 54Hz. Since the line arrays send sound out to the sides, we lose this pattern control from the subwoofer array above ~54Hz (see **Figure 13.5**). As seen by the upper images in **Figure 13.5** and the cardioid subwoofer pattern **Figure 1.5**, the lowest frequencies are projected in an “alley” down the center, and project upward, sort of like a Mohawk haircut. Once the line arrays take over, a lot of sound goes to the left and right, and the pattern control is vertical (**Figure 1.4** line array). **Figure 13.5** below shows the control of the line array at different frequencies, and you can see that the 63Hz third octave band projects wide, which “undoes” the control from the subwoofer array; 63Hz is a common part of the kick drum sound.

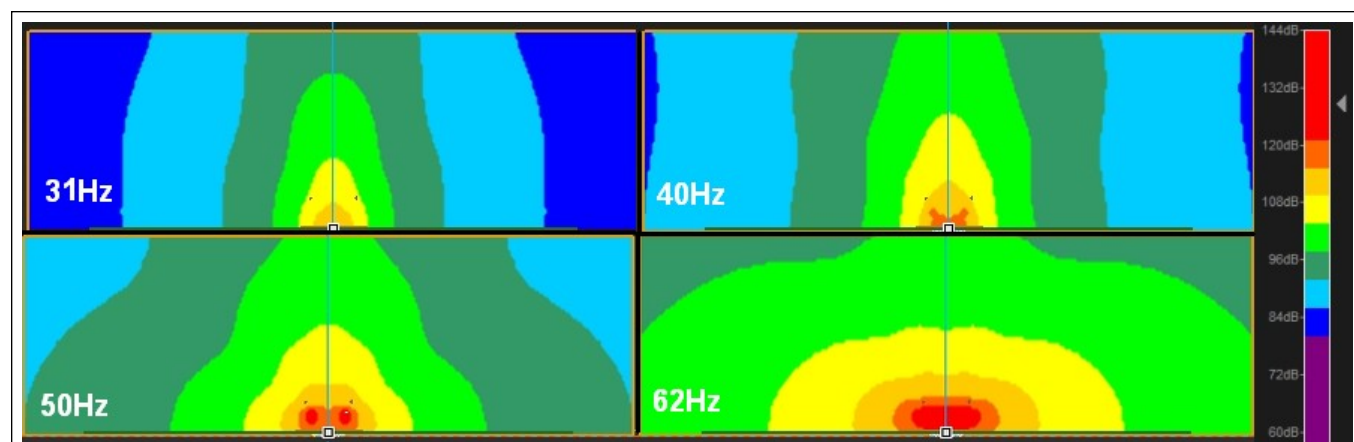


Figure 3.15 Low frequency heat plots facing the stage looking from the audience down the centerline; the plot is the sound pressure distribution along the front of the stage upward and out to the sides. Note at 50 and 60 Hz the line arrays start to widen the coverage significantly, which affects unintended receivers to the left and right. At 50Hz you can see the two line arrays as red dots. The width of the plots are 1000ft (500 ft each side from the center of the stage), and 328 ft tall. (from d&b Arraycalc of the test system, each color = 6dB).

3.3.2 Sound Level Controls

A simple response to the complaints might be, “Why not just turn it down?”. That is a good question and a pretty sensible solution if you want to reduce the impact of the venue. Unfortunately, it is not that simple.

3.3.2.1 Concert Sound Levels

Sound level for a concert is typically referenced to the sound engineer's position (front of house (FOH)). The standard for live nation “shed” concerts is 102dBA @FOH (ref MAD); this would result in ~112-117dBC at FOH for pop-rock programming, and 122dBC for bass heavy programming such as EDM, urban/rap, and some heavy metal acts.

Concerts contracts contain “riders” that provide the artist requirements to the venue. RWA has found riders that specify sound systems that are capable up to 115dBA @FOH. While this does not mean that they will use the “horsepower” provided, these are sound levels that are excessive and are not appropriate for the BCA.

Artists may have expectations for the sound level. Certain genres of music and artists' sounds are built around high sound levels. Generally the larger acts (national and regional) will have requirements or expectations that may be prohibitive for playing at BCA without creating complaints. This requires some negotiation (see 3.2.2) in some cases.

RWA has monitored multiple outdoor concerts; an example of an afternoon concert series is Lafayette Park in New Orleans. Weekly concerts are held after work (~5-8pm) and the sound level was measured as 95 dBA @FOH. This same level has been established for smaller indoor venues as a sweet spot for music quality under some studies, and is louder than any local conversations and dominates the experience of the listener. Furthermore, 95dBA produces less sound at a distance and has less impact on human hearing over the duration of a concert than 102dBA. Some artists (such as Norah Jones and Jon Batiste) produce concerts at deliberately lower sound levels (below 90dBA).

Needless to say, there will be proponents for sound levels higher than 95dBA. BCA does not have an operational sound level limit.

3.3.2.2 Who controls the sound level and focusing?

The sound system provider may be local for the given show or there may be a sound reinforcement company touring with the artist over a leg of the tour or the entire tour. These (larger) companies are experienced at setting up sound for covering the audience area, and many are knowledgeable on controlling the sound to keep it within the venue and controls such as array processing (1.2.3.2). The main focus of these operators is to make sure the sound system covers the audience and performs up to the artists' expectations. Controlling sound that is leaving the venue is a secondary concern at best, except to meet any sound level restriction at FOH.

The performing artist will have their own sound engineer/operator, especially for touring acts, in order to get a consistent sound throughout the tour. The main focus for this engineer is getting the sound to match the experience of each show. If sound level restrictions are imposed, they must follow them as well.

BCA has a particular situation which would benefit from the following:

- Working with a regular (professional) sound operator(s) whose focus will put sound control as a priority, and will limit the coverage area for the sound system, and has the appropriate equipment to do so.
- Working with a regular (professional) sound operator(s) and a dedicated individual from the City of Hutto who monitors sound levels using a properly calibrated sound level meter.
- Venue perimeter automated monitoring to check levels at a distance to ensure the system is not sending excessive sound to receivers beyond the venue.
 - Examples of places to monitor may be at the back of the venue along the centerline, and at the property line of the nearby residences.

- Setting a venue sound level limit at FOH and at at least one designated point along the amphitheater perimeter. If the FOH level is much below 102dBA, there may be pushback from artists or artist engineers.
 - It would be in the interest of BCA to work with artists, promoters, and engineers to get their “approval” based on the show experience to make the case to other artists who may not want to play at a lower sound level.
 - It is not in the interest of BCA to waiver on this point. One concert with higher levels can open the door for other artists to reject the condition or it might be a nail in the coffin for BCA.

3.3.3 Equalization

Can we equalize the system to reduce the low frequency impact? If we look at the complaints (2.2.0) and the resonances of homes (1.5.0), you might try to reduce the level of frequencies below 160Hz. This would fundamentally change the sound of the system and would not be acceptable to the artists (BHS, DBA, MIL).

Looking exclusively at some of the wind turbine studies and their reporting a common building resonance at 20-30Hz, it may be worth investigating the elimination of signal below 40Hz at this venue (filter at 48dB/octave). The reasoning for this proposal:

- If 20-30Hz is a common resonance condition, it will not take too much sound to excite the buildings- it should be evident.
- The amount of bass at 31Hz from our field tests might not be missed if we do not start sound check with it. See **Figure 1.1** the FOH spectra and (5.2.3).
- If BCA switches programming to less "bass intensive" artists, the removal of 31Hz third octave band will likely not be a concern.

Such a test can be considered to determine if there is a common resonance condition, and how it affects the sound if the City of Hutto wants to go ahead with operating the venue.

3.3.4 Monitoring

Monitoring the venue is an important consideration for self policing of sound levels. This is in addition to and to aid the sound operator and any City of Hutto representative that may be onsite to manage the site and sound levels.

- Monitors operate continuously and provide objective measurements.
- Inexpensive sound level monitors are available that are all-weather, can provide continuous data to a remote location, and alert multiple parties when there is an overage.
- Monitors deployed by the City of Hutto can provide a running record of operational levels which can be used to show due diligence on the part of the city and verify the sound operator/artist compliance with any sound level limits imposed.

Section 4 Field Investigation/Sound Test

A sound test was performed at the unoccupied facility using the modeled sound systems (3.2.1) in order to:

- Verify and refine the distance propagation model with measurements and observers.
- Compare and verify the use of directional vs. omnidirectional subwoofers for low frequency sound.
- Evaluate different operational sound levels at the facility and impact on the surrounding area.
- Involve the public for subjective feedback on the tests.

The City of Hutto provided assistance in building public awareness of the sound test and soliciting feedback from the general public (see 4.5.0).

4.0.0 Sound Test

The sound test was performed on July 21, 2021 (Wednesday) 8:30pm to 10:30pm. The programming for the test cycles is shown in **Table 4.1**. The test included a bass drop calibration signal, followed by 4 program selections of music (country, rock, dance-DJ, and electronic dance music (EDM)), played in 6 different 20 minute cycles. In each cycle there was a change in either sound level, the use of omni or directional subwoofers, or the use or array processing. All test signals were calibrated to the test sound system to produce a similar dBC reading at the sound board. **Figure 4.1** shows heat map spectrogram of the test signals for one cycle and two samples of the test signals broken into third octave sound pressure levels at the sound board.

In **Table 4.1** and **Figure 4.1** note is despite the different third octave content, the levels of each dBC Leq or dBC max signal was kept steady through each cycle. This was deliberately done to look for any differences in the test music selections on detectability, public feedback, and sound propagation; also given that it is a low frequency problem, any practical sound level limits established would likely use the dBC metric.

Set 1/Cycle 1	signal	duration (min)	level at FOH (actual dBA/dBC/Cmax))	bass	8:30pm – 8:50pm
calibration	bass drop	2	105dBCmax (76/103/107)	omni	08:30:00 PM
	break	1			08:32:00 PM
Country live	Music 1	3	95dBA/105dBC(87/102/109)	omni	08:33:00 PM
	break	1			08:36:00 PM
Rock live	Music 2	3	95dBA/105dBC(87/103/109)	omni	08:37:00 PM
	break	1			08:40:00 PM
Disco bass	Music 3	3	95dBA/105dBC(80/101/108)	omni	08:41:00 PM
	break	1			08:44:00 PM
EDM	Music 4	3	95dBA/105dBC(80/101/108)	omni	08:45:00 PM
	break	2			08:48:00 PM
	total	20			

Table 4.1: Test cycle content. Cycle 2 directional bass, cycle 3 omni bass + raise level 5dB, cycle 4 directional bass, cycle 5 raise level 5dB, cycle 6 original level + array processing

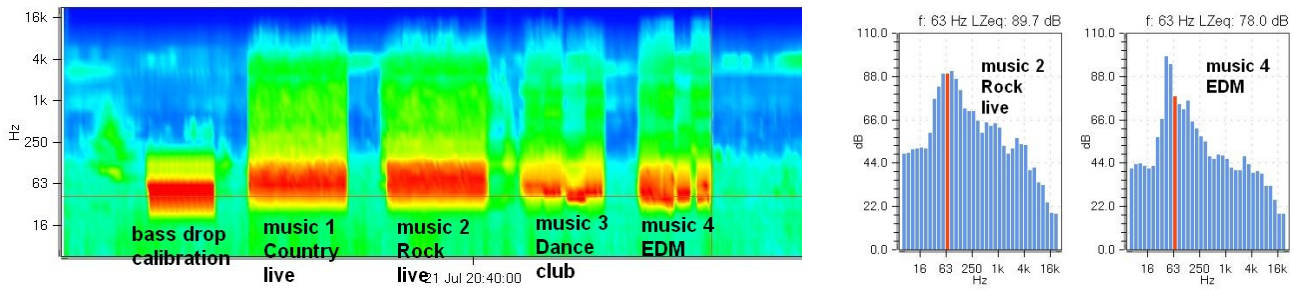


Figure 4.1: Left, a spectrogram of the test signal. Right, third octave samples taken from the spectrogram. The spectrogram is much like looking at a relief map of mountains, with red being the peaks. Lower frequencies are lower on the graph. The third octave samples are effectively a vertical slice of the spectrogram, looking from the side. Note: the horizontal line shows that the bass drop, dance, and EDM have low frequency sound below the rock and country music. If we look at the third octave samples, the red marker is at 63Hz; the EDM sample clearly has more lower frequency energy to the left of the red line than the rock music sample.

4.1.0 Sound Test Sound System

The sound system components are shown in the Appendix A in detail. Pictures of the system are shown in **Figure 4.2**. The system was deployed and operated by Big House Sound of Austin, Texas.



Figure 4.2: Sound System for Field Test. Left, subwoofer array along the front of stage and line arrays suspended. Right, subwoofers stacked: lower system is the cardioid directional subwoofers and upper system is the traditional more omnidirectional subwoofers.

Middle and High array loudspeakers: an array of loudspeakers was used utilizing d&b KSL 12 and 8 loudspeakers with a tighter control to the left and right (80 degrees). The array was tilted to provide full coverage up to the concrete walkway at 279', with diminishing coverage in the 2nd half of the amphitheater (see **Figure 4.3**). The array was set up with an individual amplifier per loudspeaker box to employ array processing (last cycle the array processing was used to improve clarity at the back of the venue).



Figure 4.3 Broadband sound (IEC 60268 spectra) coverage for the amphitheater, stage at center, looking from the side, with the right limit of the picture at the rear of the amphitheater. Left, 3dBC increments, right 6dBC increments. The main coverage is in the first half of the amphitheater, and as you get to the 2nd half the sound level drops off more slowly.

Low frequency Loudspeakers: two different subwoofer configurations were used in the test to compare low frequency projection in the direction behind the stage. Note that the subwoofer loudspeakers were in front of the stage (solid concrete/earth), which may have provided some minor barrier effect, the omni directional subwoofers were stacked on top and had a line of sight over the stage (see **Figure 4.2**). Any barrier effects were ignored, as this is the typical venue set up that is likely for the future. Eight (8) of each subwoofer was placed in a sideways array across the front of the stage.

- d&b B2 omni directional subwoofers were used to represent a more traditional sound system in which bass travels more equally in all directions.
- d&b SL subwoofers are cardioid subwoofers which have directional characteristics.

More information on sound systems and the test system is in sections **1.2** and **3.3**, including heat plots and polar plots of the systems used.

4.2.0 Test Atmospheric Conditions

Atmospheric propagation conditions (via ray based modeling) and wind/sound speed profiles during the sound test are shown in **Figure 4.4 and 4.5** with the sound source at the center; wind was the dominant factor on this evening. Looking at the monitoring positions in **Figure 4.6**, M2 may have received some sound from the south west, and M4 may have been affected to reduce the sound at that location. As stated earlier, the ray model is a “first pass” and does not cover all of the conditions.

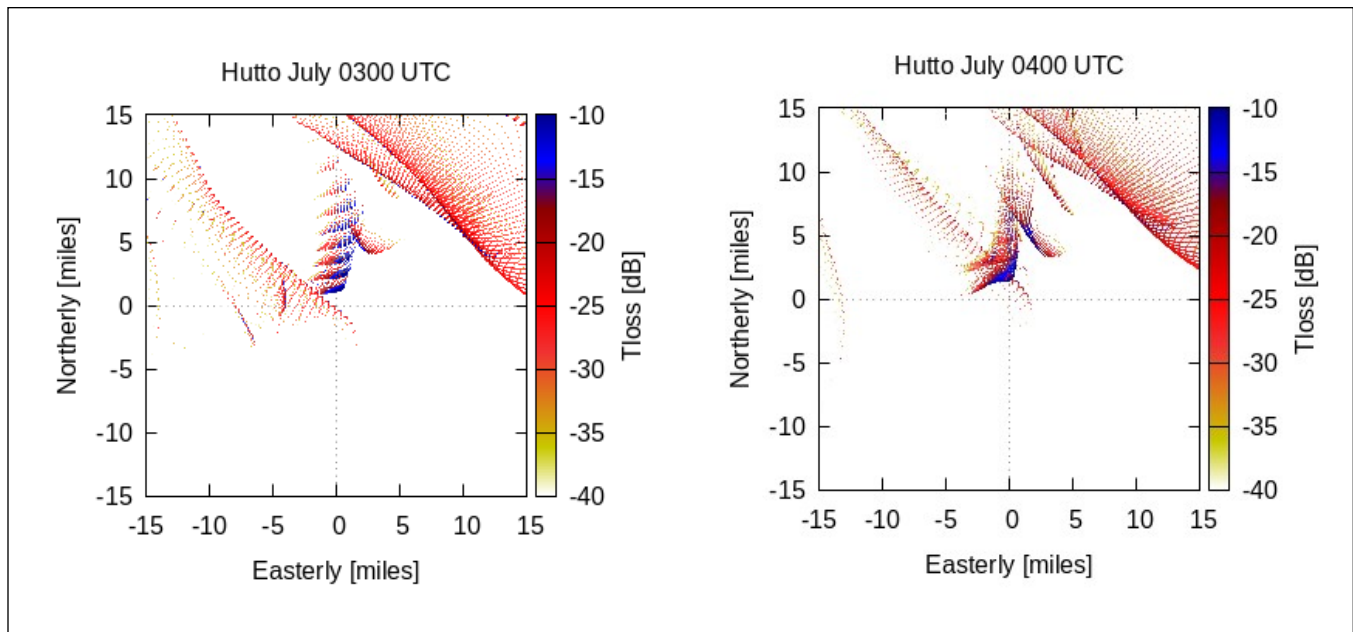


Figure 4.4: 9pm (left) and 10pm (right) Ray propagation models for sound and wind/temperature. This evening is primarily wind based to the north and northeast. Temperature effects can be seen to the north west. Sound was likely evident for the omni directional subwoofers directly to the north at 2 miles.

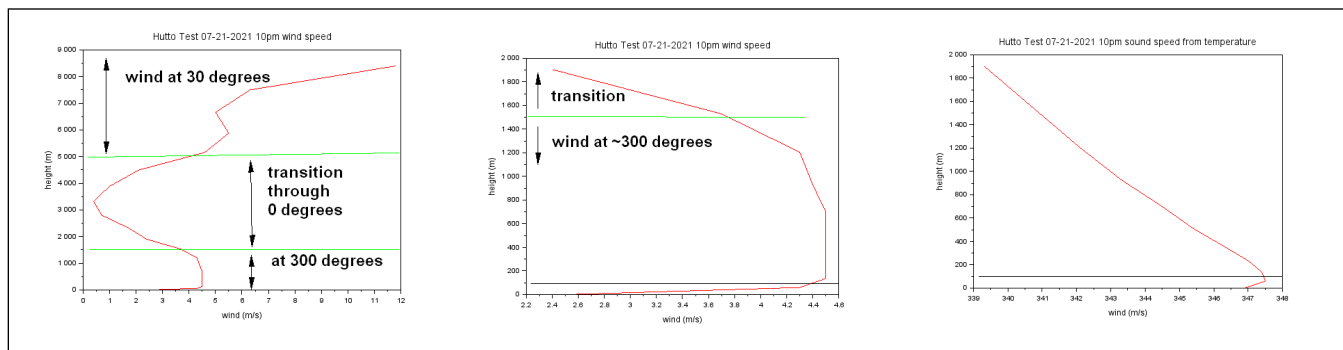


Figure 4.5 Wind and temperature base sound speed profiles for Sound test 10pm. Left plot is wind speed and direction up to 8km, center to 2km, and right wind speed based on temperature. Under the black horizontal line (100m/328ft) is where main ducting effects are considered to occur and is part of the Nord 2000 model.

4.3.0 Field Monitors

Acoustical consultants BAI of Austin, Texas performed the services of field measurements and subjective observations of sound in the residential areas surrounding the amphitheater. The layout of the monitors is shown in **Figure 4.6**. All monitors collected a number of single number metrics including dBA Leq and dBC Leq, and third octave band data (Leq and Max) at one second intervals during the test. Subjective observations of sound during the test were made at each location except for the Pflugerville location at 7.54 miles south east.

Data was taken on Norsonic 140 and 145 sound level meters calibrated before deployment. Summary of dBA and dBC at M1-M4 locations are shown in **Figure 4.7**, followed by a brief summary subjective responses in **Table 4.3** (full notes in **Appendix B**). Location M3 had a fair amount of interfering background sound but occasionally detected distant bass or music, M4 reported not hearing any of the test, M2 could hear the test at different times, and M1 experienced sound closest to the amphitheater experience with some atmospheric and background sound variability. Note in **Figure 4.7** that each segment of the test (test signal/break) is boiled down

to a single number to be compared to the model. The result is the graph is jagged, but is easy to line up tests and breaks and average sound levels for each.

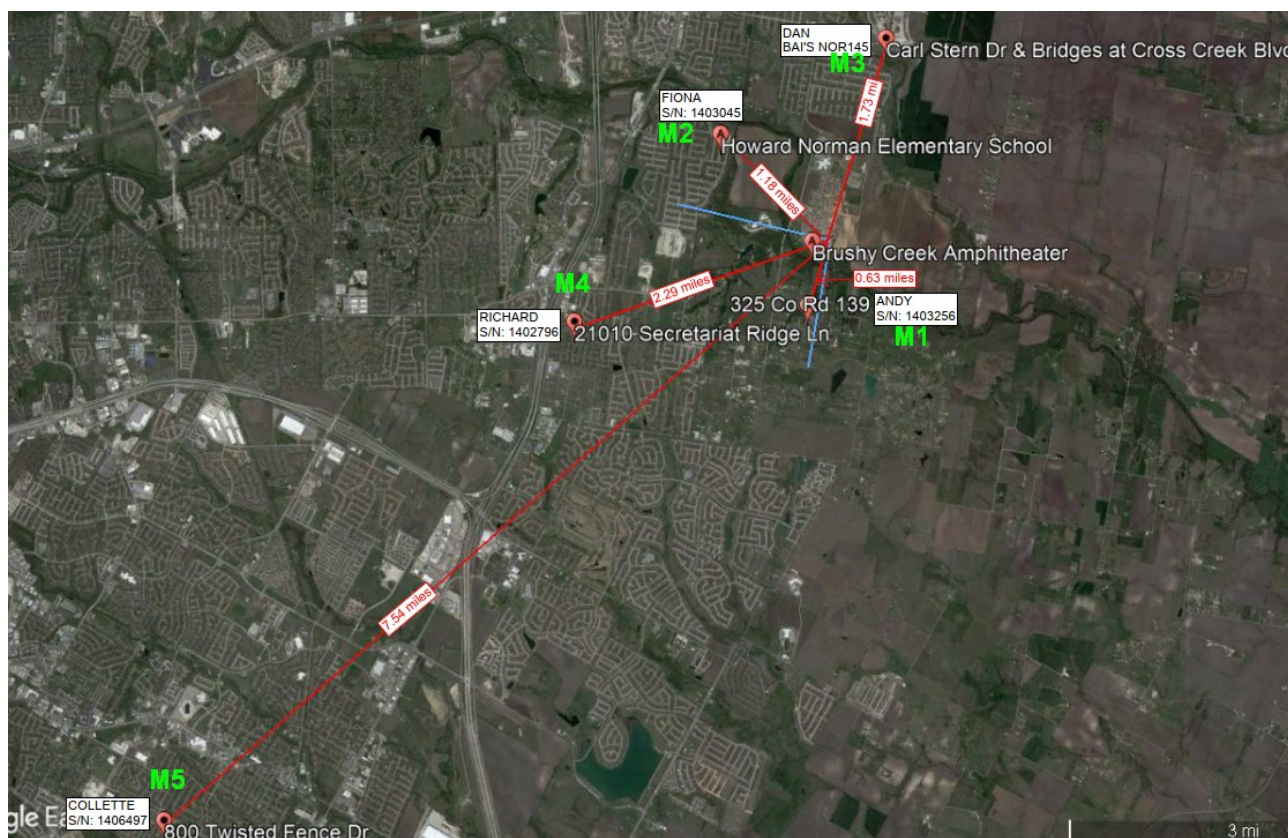


Figure 4.6: Measurement monitor locations and distance to source.

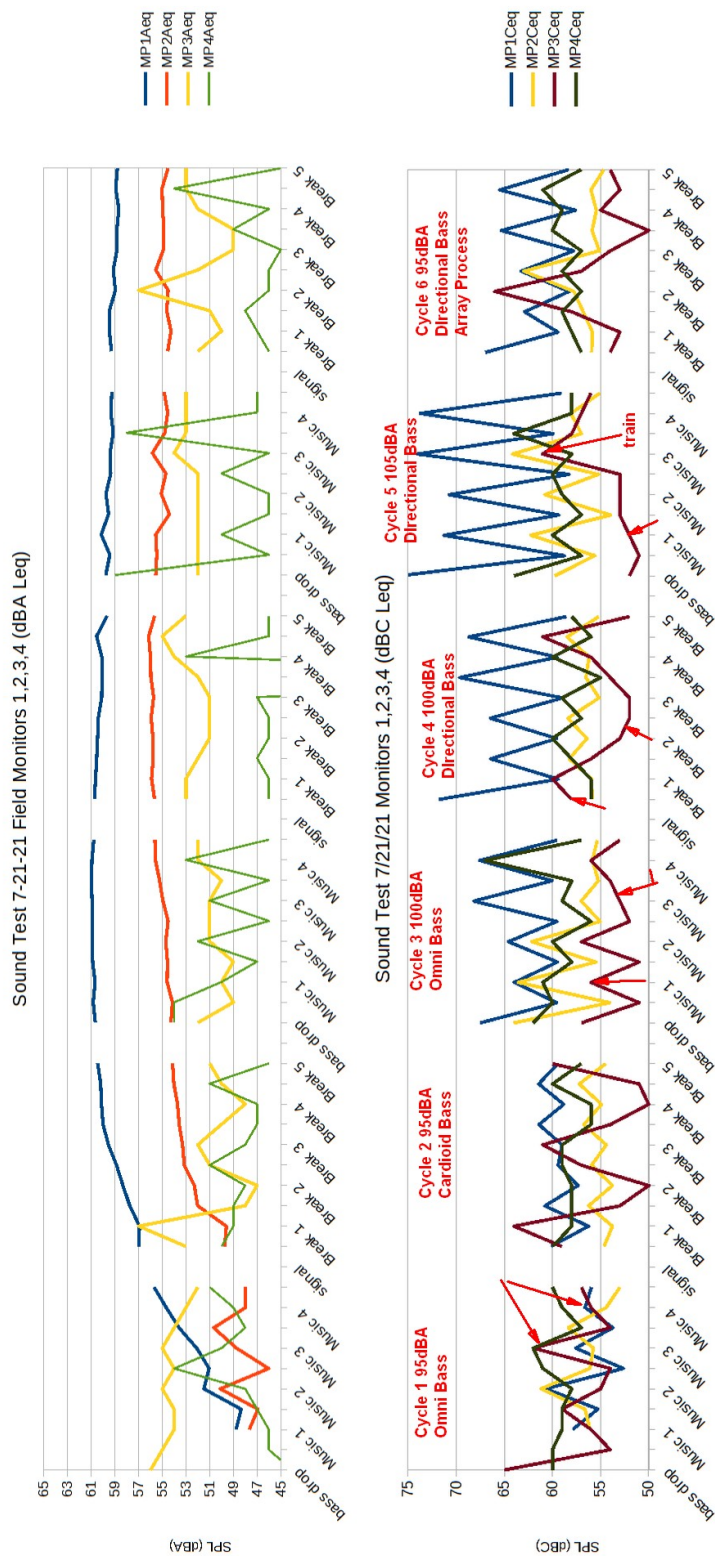


Figure 4.7: Monitor locations M1-M4 logging of dBA and dBC equivalent levels for each music segment and break. Cycles 1,2,6 and cycles 3,4 were the same sound levels at FOH, cycle 5 was the loudest. Red arrows indicate where venue sound (mostly bass) was detected at M3, including under a passing train. Note that each music segment and each break is represented by a single level (point).

Table 4.2 Summary of Subjective Observations at Monitor Positions – Sound Test 7/21/21.

M1 At ~40 degrees CCW to the front of stage (SSW distance 0.63 miles), on top of the hill overlooking the venue, sound was easily perceived at all test levels. Early in the test only low frequency was audible, and gradually through the test sounds become plainly audible to distinguish words and types of music. The final test cycle was noted as quieter, but more middle and high frequency information than test cycles 1 and 2. Observer also walked at least halfway to R2 (Figure 3.9) and noted an increase of 5dB at low frequencies as well as hearing more of the middle frequencies. Traffic noise and insect noise reduced by the end of test cycle 3. M2 At ~80 degrees CW to the front of stage (NW distance 1.18 miles). Low, middle, and high frequencies were audible on several occasions, some occasions just low frequencies, and other times not much. Fluctuations in perceived sound from the venue can be attributed to fluctuations in the wind and background sound. Early in the test significant amount of neighborhood noise including vehicle noise, overall noise from insects in greenbelt. M3 At ~140 degrees CW to the front of stage (NNE distance 1.73 miles) Occasionally perceived the bass sounds, and on one occasion thought to hear music. Fluctuations in sound attributable to atmospheric effects and considerable amount of background sounds. Comments from notes: • Insect noise was constant around 3kHz and above • Traffic noise was very significant particularly early in the evening - TX79, Trucks on FM 1660, local traffic to neighborhood • Steady single engine aircraft traffic until nightfall • Venue noise very occasionally audible over road noise - road noise was generally louder • Dogs, people walking and talking and other typical neighborhood noises nearly constant, particularly early in the evening... new neighborhood under construction (no construction activity during measurements) M4 ~10 degrees CW to the front of stage (WSW distance 2.29 miles). No sound from the venue was perceived during the test. M5 Directly in path of stage (SW distance 7.54 miles). Monitor unattended.

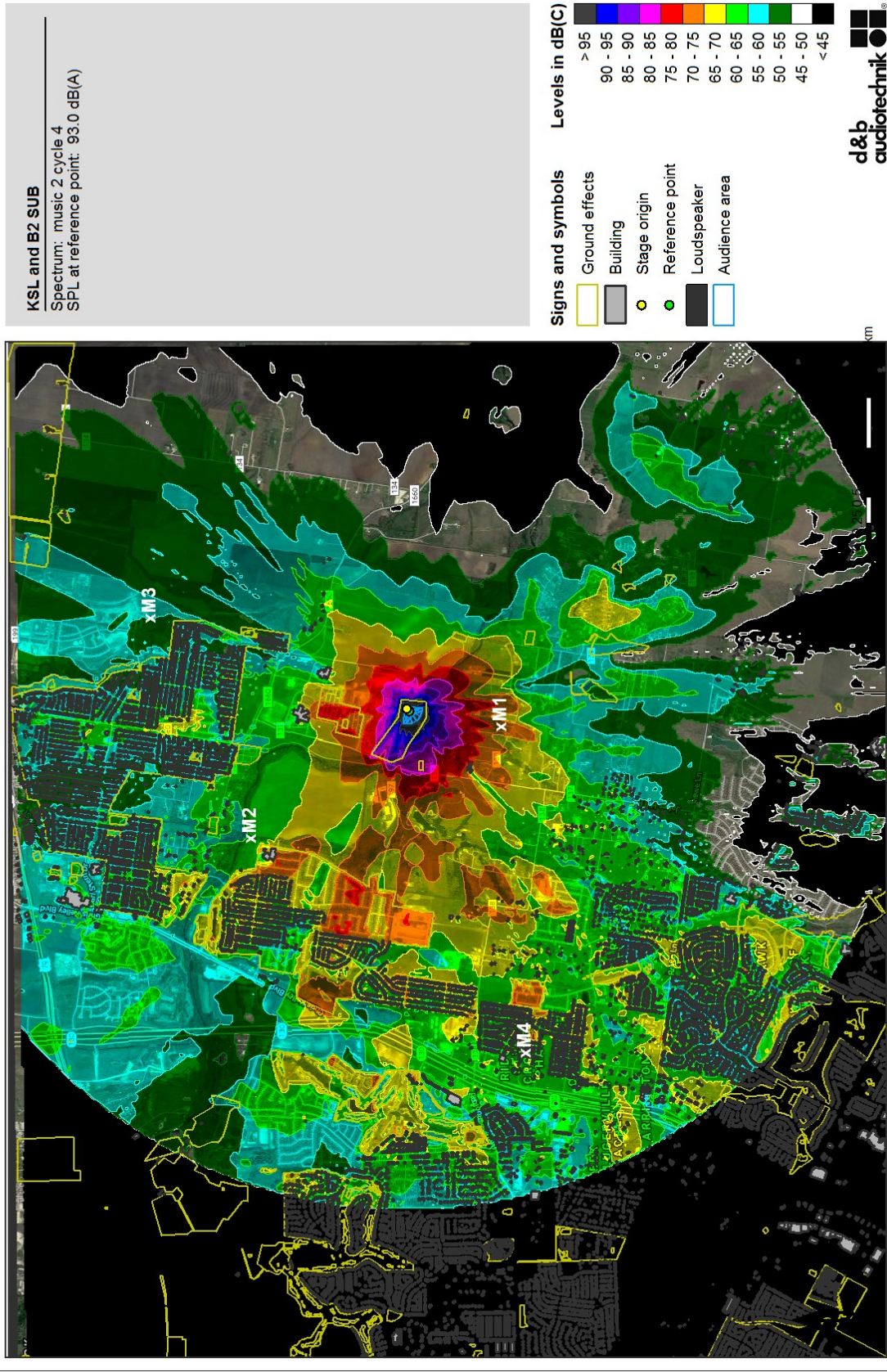
4.4.0 Field Measurements Comparison to Models

The d&b Noizcalc models were adjusted to the actual weather conditions and sound test conditions cycle 3 and 4 using “music 2” FOH as a reference point from the 7/21/21 sound tests. **Figures 4.8 and 4.9** show the difference between the d&b B2 (standard, omnidirectional) subwoofers and the SL (cardioid, directional) subwoofers. The effect can be seen when comparing the sound behind the stage. Looking at the monitor positions, M1, M2, and M4 are all the same for both subwoofer types, and although M3 is in a different heatmap layout, the level is still the same for both subwoofer types.

Table 4.3 provides a comparison of the model predicted sound levels and the field measured models. The model is on target or conservative for M1-M2, M3 is shown and correlates well, and M4 was disregarded. It is possible that wind conditions reduced sound at several receivers. So our model is in good (conservative) agreement with the monitoring points chosen. It should be noted that the wind direction chosen for the Noizcalc model was blowing roughly north east based on surface wind, and the ray based model shows the dominant wind to the north west. This may explain the discrepancy with M4.

Monitor Model		B2 subwoofer	SL subwoofer
M1	70-75 dBC with local fingers 65-70 dBC	65 dBC	67 dBC
M2	60-65 dBC	62.5 dBC	58 dBC
M3	Omni model 50-55 dBC surrounded 55-60 dBC, Cardioid model 45-50 dBC surrounded 50-55 dBC	57 dBC	45 dBC
M4	60-65 dBC	N/A	N/A

Table 4.3: Comparison of field measurements and model adjusted to test conditions.



KSL and SL-SUB

Spectrum: music 2 cycle 4
SPL at reference point: 93.0 dB(A)

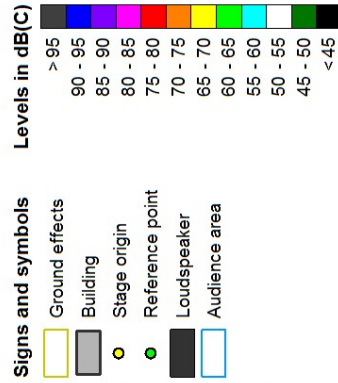
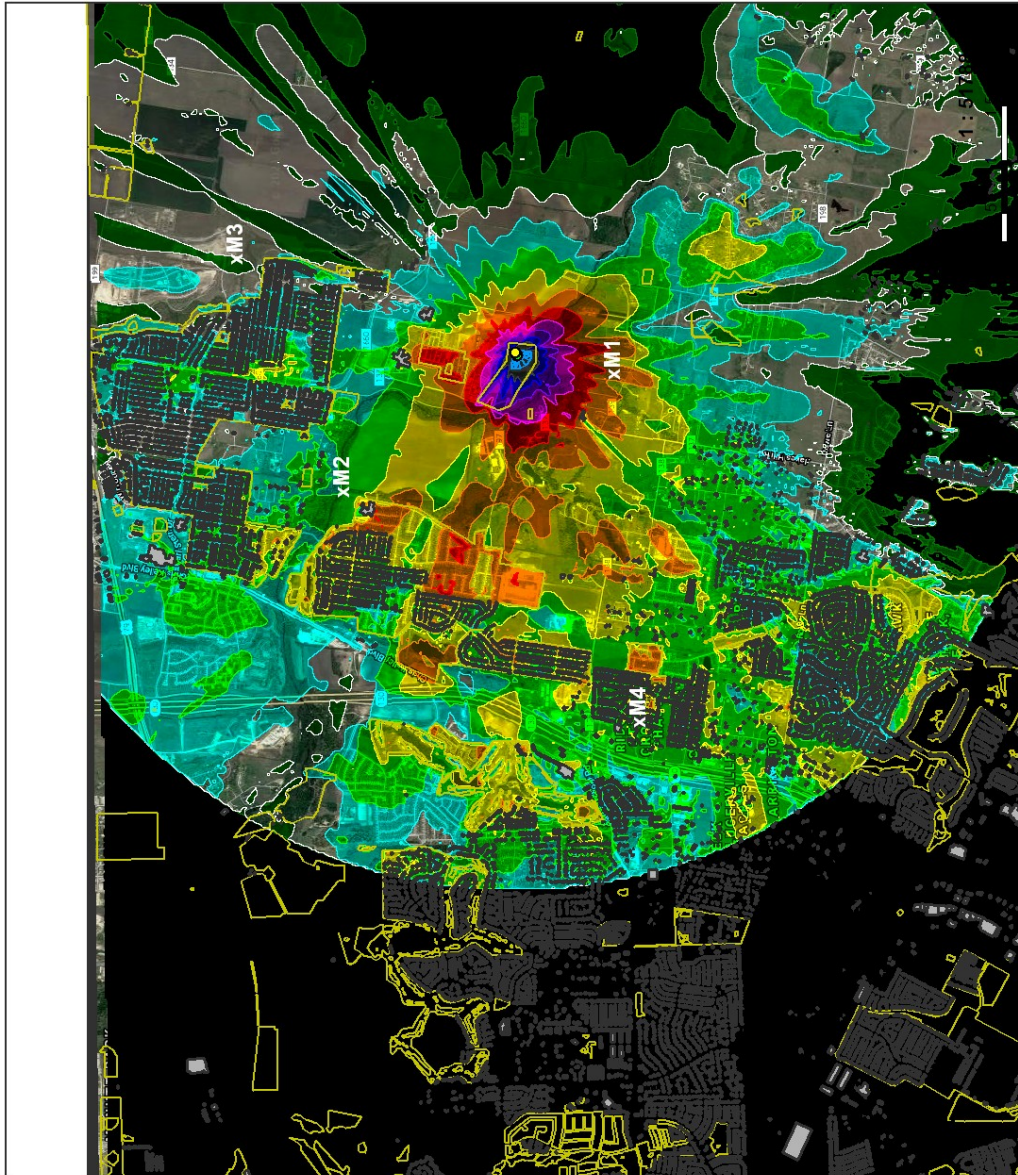


Figure 4.9: Noizcalc model with monitor locations utilizing test weather conditions and FOH levels for Cycles 3&4 “Music 2” and cardioid d&b SL subwoofer array.

4.5.0 Public Participation and Feedback

Public participation in the sound test consisted of feedback in the form of surveys. 11 were received by the City of Hutto, **Figure 4.10** provides a map of the locations where surveys were sent from. The completed surveys with respondents' names omitted can be found in the **Appendix C. Table 4.4** provides a summary of the responses.

Public outreach assistance to build awareness of the tests and to solicit feedback was performed on multiple fronts by the City of Hutto:

- A survey form and alert about the test was featured on the City website.
- All parties that filed a complaint/contacted the City of Hutto in January 2021 was personally contacted regarding awareness and participation in the July 21 sound study.
- Media:
 - City social media posts promoting awareness and participation in the study were seen by 9,500 people by July 15, and 16,000 people by July 19.
 - All local news media were alerted, and Community Impact Newspaper published an article to announce the study and surveys.
- Announcement made at City Council meeting.
- Alert was shared with neighboring city/county officials.
- Roadside signage announcing the test was placed on CR 137 which runs past the entrance to BCA.

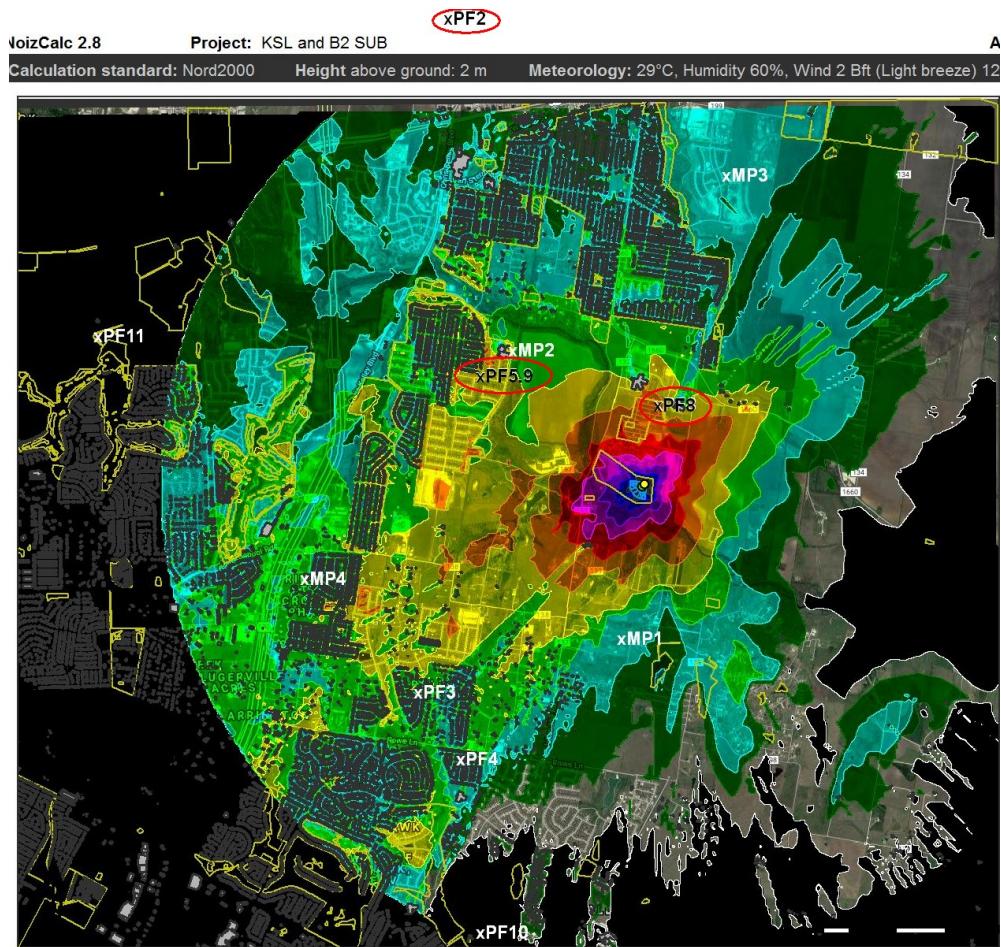


Figure 4.10: Map of public survey locations with monitor locations. PF- public feedback location, MP – monitor position. The background map is sound pressure from a Noizcalc simulation model using the actual weather data from the test evening and standardized live music sound source. Locations PF1, PF6, PF7 not on the map.

Table 4.4 Public Surveys Hutto BCA Sound Test 7/21/21

survey distance	1	2	3	4	5	6	7	8	9	10	11	
direction/angle	7.54 miles SW/22.5 indoor	4.14 miles NNW/135 mostly indoor	1.95 miles SW/22.5 both	2.24 miles SSW/40 outdoors	1.18 miles WNW/67.5 indoors	9 miles WSW/0 indoors	9 miles WSW/0 mixed	0.18 miles N/135 mixed	1.19 miles WNW/67.5 indoors	3.25 miles SSW/40 indoors	3.66 miles ENE/45 mixed	
indoor/out												
summary	heard nothing	end of segment 3 heard bass	did not hear anything	barely segment 5	heard all of it	did not hear anything	did not hear anything	only reported segment 1	heard segment 2-5	did not hear anything	bass	
acceptable?	acceptable	acceptable	acceptable	acceptable	unacceptable	acceptable	acceptable	see comment	unacceptable	acceptable	unacceptable at level 2/3	
		bass barely noticeable			indoors could not hear	segment 1, heard		segment 6			Segment 1-2 acceptable through 9pm	
how late	10:00:00 PM	11 fri-sat, 10 otherwise	11:00:00 PM	11:00:00 PM	10:00:00 PM	10:00:00 PM	11pmFS/10pm other	10:00:00 PM	ok if sound does not penetrate home	10:00:00 PM	9pm not inside house	
quiet late	1030pm							ok if sound does not penetrate home	N/A	11:00:00 PM	yes	
quiet frequency	2weeks	2-3 months	1/month M-F	2 weeks	no	yes	1/month	2/month if "	1/year	1/week F/S	1/month	

Comments

- #2 My house is not well insulated and outdoor sounds can be heard easily while inside. I wish I could afford a nicer home, but that is not possible on a single teacher's income. Because I get up before 6am for work weekday mornings and 7am weekend mornings to volunteer, only having events that last until 10/11pm once every few months is preferable to me. Had I known about the amphitheater going in in the first place I would have raised awareness around the city and voiced concerns at city council meetings. Thank you for conducting sound tests and requesting input from the community!!
- #3 Weekends would be best, but I wouldn't really have a specific frequency. During the week, I'd think about once per month
- #5 Hutto never should have built the theater at its current location. I feel like a prisoner in my own home on the weekend during a concert. This theater is literally why I am selling my house and moving. There is EXTREMELY high home turn over in this neighborhood, especially the houses backed up to the green belt. Dont punish your citizens because you (edit) over spent 9million on a (edit) theater your now trying to get your money back out of.
- #8 Every Two weeks if inside the home was normal (ie no sound or bass shaking your home/body, etc.). If you hear/feel it in your home, once a month or less. Shaking bass is a nightmare you can't escape from. . Some folksy music, lyrics are clear outside but less so inside. Got quieter as the 20 minutes went on (lyrics were harder to hear). Bass is not a problem. Was not living here in January but am terrified of the Deadmau5 horror stories , but this first 20 minute segment wasn't so bad! Heard from neighbors that the sound DID get worse as the test progressed, but I was not at the home to hear it after 9:00.

4.6.0 Fundamental Findings of the Sound Test

- All public survey respondents suggested that the very first test with FOH levels at 87dBA/103dBC was acceptable for occasional concerts. Some respondents did not find the 2nd or final test acceptable which were both effectively a repeat of the first test; this is an indicator that factors other than sound level at the source need to be considered. In this case background noise fluctuates (outdoor vehicular activity may reduce as the evening progresses) which may expose the sound from the venue, and propagation due to atmospheric effects seen in **Figure 4.7** can cause sound to fluctuate at different distant locations. Some respondents expressed annoyance in the survey by the end of the test, so it is possible no sound from the venue would be acceptable.
- Sound levels at the monitor positions fluctuated considerably during the test, and did not directly reflect the conditions at FOH at BCA. This is a strong example of atmospheric propagation effects and also points out the limitations of monitoring sound levels at the event.
 - Monitoring is still a critical element to keep source sound levels in check.
- The sound test as observed by BAi did not find much perceivable sound past a radius of 2 miles, but the public surveys found low frequency sound at 3.7 to 4.1 miles to the north east and north west (in line with atmospheric propagation (**Figures 4.4, 4.5**)). This is another example of atmospheric propagation effects on sound that leaves the amphitheater, suggesting containment of the sound.
- At concert level, directional subwoofers could be heard/perceived at various residences; so while the directional subwoofer improves the conditions by reducing sound to the rear, it does not solve the problem. This points toward the employment of an enclosed building or barriers if they can sufficiently contain the sound source.
- A re-occurring theme in the surveys was “as long as I don’t hear it inside” and “shaking my house is unacceptable”. The analysis of the new adjacent homes (**1.5.0, 3.2.3**) suggests this may be hard to achieve, even with barriers and berms in place.
- 10pm cutoff is probably a good target for amplified events. This is “normal” quiet time or considered night time for residential areas.
- The recommended frequency for events from the survey is mixed, and this type of program decision is about impact on the residents. If you can contain the sound and other community impacts, more programming is possible. Otherwise a large annual event or a handful of small events are probably the limit of what might be tolerated by the community. This is not considering the new Brookland development adjacent to the venue.
- The d&b Noizcalc model was in good agreement with the conditions for the evening of the test. Sound system and venue modeling is extremely useful close to and within the venue, however weather conditions have a profound effect on sound traveling at distances from 300ft to several miles, and these weather conditions are prone to constant changing or shifting. Models are probably best used for worst case propagation conditions, and compared to typical background sound or legal limits to get an idea of impact on the community.

4.7.0 Additional Comments on Outdoor Venues

The project investigation and field work has opened many conversations with sound contractors and noise consultants about outdoor venues and sound. It is a repeated story that a venue will open far from many receivers and become popular, and as the area around it develops, the houses get closer and the complaints grow until a venue is shut down.

In the case of BCA, the houses are being developed alongside the venue with the idea that it is a perk or a commodity to live next to. Based on the sound levels measured in the field study and the use of modeling and calculations to understand the impact on the immediate neighbors, this requires reconsideration.

Section 5 Recommendations

It is important for the City of Hutto to understand the proximity of residents to the stage with typical amplified programming and the current conditions will guarantee complaints during operations, will exceed legal limits at night time, and exceeds sound levels that will set the nearby buildings into vibration. The recommendations shown here are all critical to reducing impact to a minimum if the City of Hutto intends to continue to program the venue. Two options are proposed:

- Ideally for the venue to operate at its current location, it should be fully contained within a building designed to contain the sound, or at least partially contained with tall (massive) walls (as a stadium). Partial containment may still have issues with sound at greater distances similar to any stadium due to atmospheric propagation effects. This should be executed with the help of an acoustical consultant experienced with entertainment sound and community impact.
- Re-site the amphitheater in another location with the appropriate distance buffer to residences and containment of sound with walls/building/shell or other surrounding (commercial) buildings. This should be executed with the help of an acoustical consultant experienced with entertainment sound and community impact.

The following recommendations are presented to provide the City of Hutto with the means to reduce its impact of the amphitheater to a minimum if it chooses to operate the amphitheater with live music and cannot (or does not desire to) fully contain the amphitheater with a single structure. All of the recommendations are intended to be used together and not be considered as choices. Due to some practical limitations in attempting to minimize changes to the current design, these recommendations can only minimize the impact of the venue on the surrounding area (within these assumed limits); the sound level reduction of each measure have been quantified (first pass) in this report in order for the City of Hutto to evaluate costing of these measures. Final design and execution of these sound control measures should be executed with the help of an acoustical consultant experienced with entertainment sound and community impact.

- The recommendations for reducing the impact of sound for live music events at BCA:
 - The use of well directed sound systems and qualified sound operators (5.1)
 - Sound level and sound equalization controls (5.2).
 - Enclosure of the stage and lowering of the roof, with internally surface treated walls. (5.3)
 - The construction of a berm at the rear of the facility. (5.4)
 - A wall along the North side of the facility (5.5)
 - Considerations for a buffer and receiver (5.6)
 - Restrictions on time and frequency of operation (5.6)
 - Programming and contracts (5.7)

5.1.0 Sound System and Operator Recommendations

5.1.1 A sound system similar to the rig used for the sound test is the best practical method for reducing impact with a sound system. This sound system is shown in the Appendix A.

- A cardioid subwoofer array across the front of stage can reduce the left-right sound at the lowest frequencies, and significantly reduce the rear projection of the subwoofers.
 - The sound from the subwoofers reaching the back of the venue need to be limited. It is recommended that the lowest frequency mode of the boxes is not employed. (See 5.2)
- A line array should be employed, the use of array processing is not mandatory but of interest if it can be used to direct sound away from unwanted receivers.

- The array should be tilted (and/or filtered) to cover the first 274' of the venue (up to the center sidewalk) as the primary listening area.
- Servicing the secondary area with additional loudspeakers is not recommended. The City of Hutto can consider this after it can manage the sound for the first half of BCA.
- A smaller system of lower rental cost may be considered for smaller events

5.1.2 Employ a knowledgeable and trustworthy sound contractor/operator who understands your concerns and protects your interests.

- Can provide a sound system as described above (5.1.1) (or with a comparable or better performance in regard to pattern control of sound delivery).
- Has the appropriate sound level monitoring method(s) and can demonstrate consistent control of sound levels at/from FOH.
- Cooperates with your city official on sound level calibration, monitoring and adjustment (5.2.x).
- Experience in managing issues with sound levels and artists (behavior and expectations), and advocates for City of Hutto's protocols.

It should be noted that any effort made to mitigate the sound from the venue and build trust with the community can be sabotaged by an unqualified or uninformed (or absent) operator. Keep in mind the venue has already been shut down.

5.2.0 Recommendations for Sound Level and Equalization Controls

5.2.1 A sound level limit must be established and strictly adhered to.

We propose a limit of 95 dBA/105 dBC at the sound board (FOH).

- It is likely that 105dBC will be the limit that must be observed.
- This sound level has less impact (hearing damage) on the listeners than higher levels
- This sound level has been shown in concert settings to be overall more comfortable for listeners, this is often considered a "sweet spot" in regard to the balance of quality of sound and the concert experience.
- The City of Hutto should invest in a Class 2 sound level meter, a calibrator, and training for an individual to provide front of house calibration/verification of sound operator's system and level monitoring for each event.
 - Verification should take place during sound check
- Automated sound monitoring should be employed at the FOH position, at the furthest point in the facility, and on the side to ensure compliance to sound level limits and the sound system is providing appropriate directionality. **See 4.3.0.**
- It is noted that this will likely suffer a great deal of pushback from artists and their personal sound engineers.

5.2.2 The sound system must be operated with subwoofers in the higher frequency mode if that option exists

- Many modern subwoofer systems have two modes they can be driven at: (a) a standard mode and (b) a lower or "infra" mode to be driven at lower frequencies. The subwoofers should be driven in standard

mode to reduce the lowest frequency content. This should be adequate and produce plenty of bass sound for most genres of music.

- It is understood that some sound engineers will not want to follow this recommendation as it may be perceived as not giving the full performance of the system or not providing the artist with the appropriate low end sound for the music.
- It is understood that some artists will not want to work with this restriction, and it may be that certain genres of music may find this prohibitive (EDM, rap/urban, heavy metal).
- It is in the interest of the City of Hutto to find engineers and programming that can work within these parameters.

5.2.3 Equalization of the Sound System

As noted in **1.2.3.3**, the sound system has capabilities to reproduce low frequencies down to 25-30Hz; in **5.2.2** by switching to standard subwoofer mode, this will move the range up to ~35Hz. It is worth considering moving the lower limit of the system to 40Hz and employing a 48 dB/octave filter below that point. This is to remove more of the frequencies thought to be a resonant point of buildings (**1.5.0**), and also improve the experience of unwanted receivers of sound from BCA.

- The same objections to this may be voiced as described in **5.2.2**. Discussions with the sound contractors confirm this; however, it is worth trying this to reduce the impact on receivers. A short study can be performed on a sampling of local housing to determine the threshold of detectability indoors between two signals (such as a bass drop).
 - A filter can be employed with typical sound equipment to establish this low frequency equalization. It is best employed during set up before sound check, and if the sound is determined to be objectionable by the artist, the filter can be removed.
- There may be an argument that some instruments produce sounds below this. They will need to work within the framework of these protocols. Stringed instruments such as electric guitars and basses put out very little energy in the fundamental frequency, and the first overtone/2nd harmonic dominates the sound. This would address the concern with the very lowest notes (low B string on electric bass).

Verification of this modified equalization is beyond the scope of what could be accomplished with this study, however this may provide relief to residents while still providing an adequate sound for the performance, and deserves consideration. If the home exterior wall resonance is in this frequency range (**1.5.0**), then this could address one of the largest complaints.

It should be noted that systems and bass have developed since the 1980's from very large, expensive, bulky and inefficient devices to inexpensive, highly portable and efficient devices. With this transition over time the sound of all popular music has changed to include more bass, and there is an expectation of greater capacity for bass reproduction for live performances.

Accurately determining the change in impact on both the receivers and the performance would require additional study.

5.2.4 Stage Sound

Stage sound is the combination of the artist's personal instruments and sound equipment, and stage monitor and fill loudspeakers. Since the artist's personal equipment is hard to control, the sound engineer must work with them to reduce the impact of stage sound and reduce their impact on the sound projected from the stage such that the front end system is the dominant factor outside the venue.

The use of in-ear monitors reduce the stage sound by not requiring personal monitors and fill loudspeakers, but may not be usable in all applications.

Architectural stage sound control recommendations are given in **5.3**.

5.3.0 Recommendations on Stage Sound Control and Sound Directed Behind Stage (Architectural)

5.3.1 The roof must be dropped to reduce the projection of sound upward from the stage.

The current roof elevation is significantly above the needed height for a sound system to cover the audience area.

The height of the stage roof and the roofing material does very little to contain the stage sound. With an enclosure of the stage (**5.3.2**) it would be prudent to lower the height to reduce materials required for walls, structural (wind) loading concerns, and construction logistics. In addition, this reduces some of the upward sound from the stage sound sources by bringing the roof (barrier) closer to the sound sources.

The height required for the sound test loudspeaker hang was 36 ft from the stage to the top of the loudspeakers. With rigging points near the roof level, it is expected that the roof can be lowered to 40-41 ft above the stage. See **Figure 5.1**.



Figure 5.1 Needed speaker hang height and venue roof height. Hanging subwoofers may not be an option unless the hang goes lower.

Reduction of venue roof height and additional roof loading (**5.3.2**) will need to be coordinated with a structural engineer. Appropriate sound system and rigging personnel should review the rigging point design and roof height.

Furthermore, the following modifications should be instituted to the roof/fly structure/main columns.

- A man ladder should be created on at least 1 column to allow rigging personnel access to the roof
- Loudspeaker rigging points need to be established to have appropriate and consistent line array anchor points.
- Safety tie-ins should be added to the truss area for rigging personnel.
- A catwalk(s) can be considered to aid in rigging personnel management of lighting, rigging, and loudspeakers.

These recommendations shall be coordinated with appropriate sound system, rigging, and structural engineering personnel to verify design loads, rigging layout design, and safety protocols.

5.3.2 The stage should be enclosed with a massive layer to reduce low frequency transmission, and the front should extend 10' beyond the loudspeaker line.

Figure 5.2 provides a concept sketch of the stage enclosure. Typical materials to provide sufficient low frequency insulation would be:

- Walls: 6" heavy concrete block, grout filled (135#/ft³).
- Roof: 3 layers of ½" concrete board (97#/ft³)

Stage wings can be built out; final design and substitute materials should be approved by a qualified acoustical engineer. The exterior of the structure can be decorated at desired by the City of Hutto.

The design of walls and modification of the current structure for wind loading, any load bearing or structural considerations will need to be coordinated with a structural engineer.

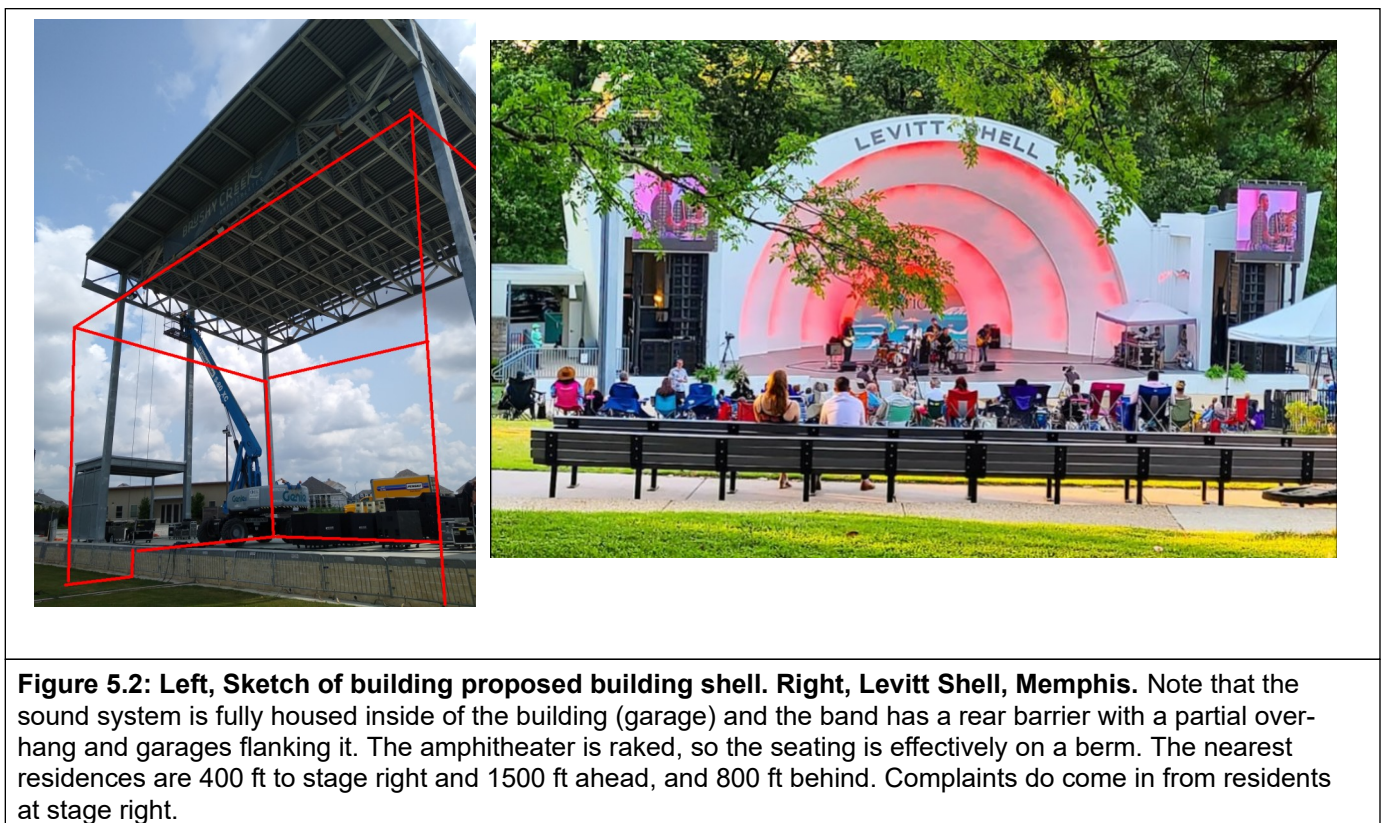


Figure 5.2: Left, Sketch of building proposed building shell. Right, Levitt Shell, Memphis. Note that the sound system is fully housed inside of the building (garage) and the band has a rear barrier with a partial overhang and garages flanking it. The amphitheater is raked, so the seating is effectively on a berm. The nearest residences are 400 ft to stage right and 1500 ft ahead, and 800 ft behind. Complaints do come in from residents at stage right.

5.3.3 The interior walls and roof must be treated with full range sound absorptive material to reduce sound from the stage being projected forward and maintain the current stage acoustics.

The entire roof, walls, and the first 25' of the upstage wall should be treated with sound absorptive material.

- Material or assembly should provide broadband sound absorption equivalent to 2" G&S SAE panel
 - <https://gsacoustics.com/wp-content/uploads/2019/11/Products-Wall-SoundAbsorptionEqualizer-SAE.pdf>
- Material or assembly must be cleanable and aesthetics must be neutral or coordinated with City of Hutto.
- The material must be impact and mold resistant.

- This may require layering of materials to meet the requirements.
- The ceiling may be treated permanently and the wall treatments may be deployable (such as banners or heavy curtains).
- This is ~11,600 sq ft of material.
- Example product:
 - Ceiling 5000WP-2075-S E400 mount, Walls 5000WP-2065-WS (MBI Products).

The materials used should be specified/reviewed by a qualified acoustical engineer.

5.4.0 Recommendations on Control of Sound Directed Toward the Rear of the Facility

The construction of a berm on the west and south end of BCA is recommended to reduce the impact of concert sound on the residents on the opposite side of Brushy Creek and the new housing to the south (see Figure 5.3)

- Note that weather conditions can flank the berm. It is not practical to build a berm high enough to prevent sound from entering a (weather) duct where it is affected by the duct.
- The height of the berm should be 50' in the centerline of the amphitheater and be reduced to 40' (relative to the 50' mark) toward the south, and along the south side. The peak should align with the current highpoint plateau (elevation 593') or closer to the stage
 - Refer to Storm Sewer Plan C-111 in BCA construction change request drawing set CCR 009R (Parkhill Smith Cooper, August 1, 2018)
- The slope of the berm minimum on the inside should be 15 degrees. If the berm extends from the end of the plateau to the sidewalk, the angle is 17 degrees.



Figure 5.3. Conceptual sketch of a berm wrapping the rear of the facility and the south property line.

Earth work of this magnitude will require the assistance of a civil/geotech engineer to evaluate slopes, compaction, drainage, and other considerations.

5.5 Recommendations on Control of Sound Directed toward the Sides of the Facility

Analysis in **3.2.3.3** shows the benefit of placing a 400' wall 35' to 30' high along the north side of the venue at the edge of the access road. In the same section, we suggest a feasibility study, verification of noise reduction calculations, and a field test of buildings on site (in order) would be needed to determine if this would be satisfactory to the receivers before such an investment was made.

The simplest approach would be to use prefabricated highway barrier materials as a starting point.

Putting the wall on the property line will drastically reduce the impact of sound on the neighbors and may reduce the height of the wall, however a 20-30' wall in a back yard is likely objectionable to a resident.

Costing could be extended to close in the east side of the venue as well if a berm there is cost prohibitive.

5.6.0 Recommendations on Buffer and Receivers

5.6.1 Buffer Zone

Restrict all residential development to create a buffer between the amphitheater and the residential zone. Commercial buildings in between can block some of the sound. Such a plan should employ an acoustical consultant on the front end to evaluate impact on a proposed community at different distances and also drive the geometric layout of the commercial buffer before anything is considered. This includes parking adjacent to the venue to create more distance (buffer) and relieve the neighborhoods of concert goers using residential street parking which can create an additional layer of annoyance if not managed.

It is our understanding at this writing the Brookland development is set to surround the rear of the stage. This should be avoided if possible.

5.6.2 Receivers and Building Envelopes

Homes in the immediate vicinity of BCA (1 mile) could be built to a standard to minimize low frequency impact, similar to airports. Based on the fact that the community has already been planned or built, this is an afterthought, and is not practical or realistic to put the burden of soundproofing homes on the builders or owners for a music venue.

However, survey responses in **Table 4.4** and the complaints from Deadmau5 suggest that many structures are shaking from the concerts and/or have low frequencies penetrating the homes. The City of Hutto can consider providing incentives (tax incentive or grants) for homeowners to improve their building envelope for those affected by BCA.

5.7.0 Recommended Restrictions on Time and Frequency of Operation of BCA

Based on the community surveys, impact on the adjacent homes (perceived and legal limits), and standard night time hours a 10pm cutoff is the latest time advised.

The frequency of programming should be based on the operating sound levels of BCA and the impact on the community, as well as community feedback. The proximity of the venue to the adjacent homes is a critical factor.

High impact events should be seldom (once a year); lighter programming may be considered based on community feedback.

At this writing, the sound will be plainly audible outside in the neighborhood north of the venue with all barrier recommendations in place. Low frequency sounds will be able to penetrate windows and be heard inside

5.8.0 Guidance for Programming and Contracts

5.8.1 Programming Guidance

Programming guidance below is by no means comprehensive, but it provides sound and community impact considerations.

Programming of the facility should be restricted to artists, tours, festivals or genres which:

- Are prepared to cooperate with the City's requirements for performance in regard to sound levels and sound systems.
- Do not have excessive low frequency sound requirements.
- May be looked on more favorably or tolerated by the community.

Additionally:

Daytime programming will typically encounter less issue with warmer temperatures near the ground (upward sound propagation) and higher daytime background noise to mask the concert sound.

Community or family based programming may be better tolerated in a residential neighborhood.

Programming that directly funds other community based programming may be better tolerated.

Alert the community to all events on multiple media platforms of all BCA events and their time frame.

5.8.2 Contracts and Riders

As noted in **3.3.2** some contract riders will request a system will be "capable" of 115dB (or similar), but it does not discuss the concert level limit at FOH. You will need to develop language to indicate that to perform at the venue there will be strict compliance with 95dBA/105dBC limit in order for the concert venue to coexist with the community. This will receive pushback from promoters, artists, and engineers; for BCA to exist as a concert venue, the City of Hutto must stand firm on this point. It is possible to build up a set of artists and concerts with positive reviews and feedback (including a social media campaign) to help

Regulations should be put in place in the artist's contract and in the sound operators contract that if the performers cannot reasonably control stage volume, the show can be stopped until the issue is resolved.

Final comments

Should the City of Hutto decide to operate the venue, a phased approach to the recommendations is not recommended. As noted above, many of the recommendations will require the assistance of an acoustical or structural engineer, as well as experienced sound contractors and riggers, among others to finalize designs and execute.

RECOMMENDED SERVICES

It is recommended that we or another acoustical engineer be retained to provide acoustic engineering services during design and construction phases of the work related to these recommendations. This is to observe compliance with the design concepts, specifications or recommendations and to allow design changes in the event that conditions force a design change.

ADDITIONAL STUDIES

1. Additional studies are indicated in this report that have been identified and recommended in order to firmly establish the venue impact on the residential area to the immediate north. RWA or another acoustical consultant should be engaged for these studies to inform final design.

LIMITATIONS

The recommendations contained in this report are our best professional judgment as to the procedures to be followed in the pursuit of the proposed project in accordance with the plans and criteria referred to in this report. There may be additional conditions not disclosed by this investigation, or environmental changes not anticipated. However, in our opinion the investigation is adequate to determine the acoustical conditions for the purpose of this study. This study and report were for design purposes only and may not be sufficient to estimate quantities or to plan procedures for an adequate construction bid; field tests/modeling will be required to provide specific quantities and specs for construction estimates. If changes in location or character of this project are subsequently planned, or if during construction any differences are found between the report of the investigation and the actual conditions, they should be brought to our attention immediately so that the effect on our recommendations can be evaluated.

This report has been prepared in accordance with generally accepted acoustic engineering practices for the exclusive use of City of Hutto for specific application to Brushy Creek Amphitheater. No other warranty, express or limited, is made."

Acknowledgments

The following people have provided support for this project in the form of assistance, subcontracting, consulting, and interviews.

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BAi Andy Miller, Richard Boner, Dan Hemme, Fiona

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Miller Pro Audio (MIL) Chris Warndahl Oklahoma Audio and event producer

L Acoustics (LA) Dave Brooks Applications Manager and Touring Liaison

El Dorado Festivals and Events (EFE) James Pridgen Jr Facilities Manager, and Terry Frisch, Production Manager

Appendix Brushy Creek Amphitheater Noise Abatement Study

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Appendix A

Sound System Components

Audio

- 1 Midas Pro 1 - V3.4.4
- 20 D&B Audiotechnik KSL8 Line Array Speaker
- 4 D&B Audiotechnik KSL12 Line Array Speaker
- Cardioid Subs
- 8 D&B Audiotechnik SL-GSUB Subwoofer
- Omni Subs
- 8 D&B Audiotechnik B2 Subwoofer
- 2 6 Amp KSL D80 Amp Rack
- 1 D&B Audiotechnik D80 Amp Rack
- 1 Drive Rack LM26
- 2 Lake LM26
- 1 Focusrite scarlett 18i20 - 1 rack space
- 1 Dayton Audio RTA Mic
- 1 Dell Optiplex 7050 Mirco w/ SMAART Software
- 1 Dell 22" Touch Monitor - 22"
- 1 Pro Intercomm MS300 Base Station - 1 Rack Space
- 2 D&B KSL Fly Frame
- 2 D&B KSL Compression Kit
- 4 CM Loadstar 1 Ton chain Motor
- 1 Motion Labs 8 Channel Motor Controller
- 1 PD 3 Phase Power Distribution

**Appendix B
BAi Comments
Sound Test 7-21-21**

Set 1	signal bass drop	duration (min) 2	level at board 105dBCmax	bass omni	8:30pm – 8:50pm 08:30:00 PM	Dan 180	Fiona 80	Andy 45
	break	1					Fair amount of neighborhood noise - cars and people around	
Country live	Music 1 break	3 1	95dBA/105dBC	omni	08:32:00 PM 08:33:00 PM 08:36:00 PM		faint music, bounces off building	
Rock live	Music 2 break	3 1	95dBA/105dBC	omni	08:37:00 PM 08:40:00 PM			Walked around house and confirmed bass audible around property line
Disco bass	Music 3 break	3 1	95dBA/105dBC	omni	08:41:00 PM 08:44:00 PM	8:43 Possibly hearing music from venue... low-f sounds like bass line	drum beats, kick & snare	
								Walked down the street - much more prominent at neighbor's house, just on top of the ridge. 325 is a little set back from the creek
EDM	Music 4 break total	3 2 20	95dBA/105dBC	omni	08:45:00 PM 08:48:00 PM	Clearly music, bass line	drum beats	
Set 2	signal bass drop break	duration (min) 2 1	level at board 105dBCmax	bass directional	8:50pm – 9:10pm 08:50:00 PM 08:52:00 PM	Thunder Jet fly over	Less neighborhood noise	
Country live	Music 1 break	3 1	95dBA/105dBC	directional	08:53:00 PM 08:56:00 PM	8:54 could be low-f pulse from venue	can hear more music than before	audible bass, no sound discernible above about 200 Hz
								Walked to neighbor's again, to evaluate increase in bass using Studio Six app. Ambient LF of about 40 dB without program. Program material on at meter LF increases to about 55 - 60 dB. Down the street halfway between measurement location and neighbors, increases to about 60 - 65 dB. MF audibility increases a lot walking from meter location toward neighbors (about halfway between meter and neighbor's house). Ended walk at about 9:10 p.m.
Rock live	Music 2 break	3 1	95dBA/105dBC	directional	08:57:00 PM 09:00:00 PM	motorcycle, car parked nearby with speakerphone on through car audio system	same as 8:55	
Disco bass	Music 3 break	3 1	95dBA/105dBC	directional	09:01:00 PM 09:04:00 PM	possible low-f sound from venue 9:01 motorcycles and dogs	drum beats - kick & snare	
EDM	Music 4 break	3 2	95dBA/105dBC	directional	09:05:00 PM 09:08:00 PM		drums are more clear than before	

Set 3	signal	duration (min)	level at board	bass	9:10pm – 9:30pm	Train	kick/drums loud and clear	I can make out music, LF & MF. Not intelligible, but melody and voice are audible.
	bass drop	2	110dBcmax	omni	09:10:00 PM			
	break	1			09:12:00 PM			
Country live	Music 1	3	100dBA/110dBC	omni	09:13:00 PM	bass audible, likely from venue	music is pretty clear - can hear main melodies & singing but can't make out the words	
	break	1			09:16:00 PM			
Rock live	Music 2	3	100dBA/110dBC	omni	09:17:00 PM			Traffic & insect noise is calming down. Venue sound is almost intelligible. Instrumentation discernible.
	break	1			09:20:00 PM		melodies - bass, mids, some vocals	
Disco bass	Music 3	3	100dBA/110dBC	omni	09:21:00 PM	bass pulses audible	just drums	music ended; period of ambient sound music audible
	break	1			09:24:00 PM			music stopped (maybe just a stop between music tracks)
EDM	Music 4	3	100dBA/110dBC	omni	09:25:00 PM			Sounds like EDM music started. From the meter location, it sounds like a neighbor is having a rave. Ambient from roadways is noticeably down.
	break	2			09:28:00 PM	howl, then other dogs, then more howling		
Set 4	signal	duration (min)	level at board	bass	9:30pm – 9:50pm			
	bass drop	2	110dBcmax	directional	09:30:00 PM	bass pulses	kick?	Bass drops clear
	break	1			09:32:00 PM			
Country live	Music 1	3	100dBA/110dBC	directional	09:33:00 PM		melodies & singing, cant make out words	Country/western? Starting to be able to make out occasional words
	break	1			09:36:00 PM			music stopped.
Rock live	Music 2	3	100dBA/110dBC	directional	09:37:00 PM	music- maybe from venue, sounds like blues	bass lines	Blues/bluegrass music started. I can hear MF and below clearly; I hear words and syllables but can't understand them. If it was rap and I lived here, I wouldn't be too happy about it.
	break	1			09:40:00 PM			
Disco bass	Music 3	3	100dBA/110dBC	directional	09:41:00 PM		drum beat?	Dance music audible. LF not as prominent as in other tracks. Ambient from insects seems to have come back up a little.
	break	1			09:44:00 PM			phone conversation with Dave; set off the chickens in the chicken coup next to me.
EDM	Music 4	3	100dBA/110dBC		09:45:00 PM		undiscernible drum beats, kick drum	all bass, not making out voice, plenty of beat and melody audible, no vocals
	break	2			09:48:00 PM	Owl		quiet, no venue sound

Appendix C
Public Feedback Sound Test 7-21-21

Brushy Creek Amphitheater Sound Study
Wednesday July 21, 2021

Thank you for your interest in participating in a field test of sound systems for the Brushy Creek Amphitheater (BCA). This is a demonstration of different sound systems to compare their performance with measurements and public perception. The test will be performed between the hours of 8:30pm and 10:30pm on Wednesday July 21.

The testing is broken up into six 20 minute segments where sound levels and sound focusing will be changed around for each segment. We are looking for your feedback and comments for as many segments as you wish to observe. You may listen indoors or outdoors, but it is important to indicate where you are on the attached survey. Your feedback will help the City of Hutto improve BCA to reduce its impact on the surrounding areas during operations.

Your survey and information is confidential and will not be shared publically, however to make the survey useful to the analysis we will need your location and a contact email or phone in the event that we need to follow up with you.

Each 20 minute test will be broken up into four 2-3 minute music samples with a 1-2 minute break in between. We welcome you to comment on each selection, or the 20 minute segment as a whole. For each test the music selections will be repeated.

Feel free to add additional comments if you have more information to provide.

Thank you!

Name (optional):

Email or phone:

Address:

Returning the Survey:

You can return the fillable PDF or email a scan or pictures of the survey to:
bcacomments@huttotx.gov

Or please mail/deliver the written survey or comments within three days to:

Hutto City Hall
ATTN: Community Outreach
500 W Live Oak St
Hutto, TX 78634

BCA SOUND STUDY SURVEY

8:30pm to 8:50pm: Segment 1:

Are you ☒ INDOORS or ☐ OUTDOORS

Can you hear any Music, melodies, or singing? ☐ Yes ☒ No

Can you hear a bass beat? ☐ Yes ☒ No

Is this level acceptable for occasional events: ☒ Yes ☐ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like of do not like?

I did not hear anything all night.

8:50pm to 9:10pm: Segment 2:

Are you ☒ INDOORS or ☐ OUTDOORS

Can you hear any Music, melodies, or singing? ☐ Yes ☒ No

Can you hear a bass beat? ☐ Yes ☒ No

Is this level acceptable for occasional events: ☒ Yes ☐ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like of do not like?

Did not hear anything all night.

9:10pm to 9:30pm: Segment 3:

Are you ☐ INDOORS or ☐ OUTDOORS

Can you hear any Music, melodies, or singing? ☐ Yes ☐ No

Can you hear a bass beat? ☐ Yes ☐ No

Is this level acceptable for occasional events: ☐ Yes ☐ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like of do not like?

9:30pm to 9:50pm: Segment 4:

Are you ☐ INDOORS or ☐ OUTDOORS

Can you hear any Music, melodies, or singing? ☐ Yes ☐ No

Can you hear a bass beat? ☐ Yes ☐ No

Is this level acceptable for occasional events: ☐ Yes ☐ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like of do not like?

9:50pm to 10:10pm: Segment 5:

Are you ☐ INDOORS or ☐ OUTDOORS

Can you hear any Music, melodies, or singing? ☐ Yes ☐ No

Can you hear a bass beat? ☐ Yes ☐ No

Is this level acceptable for occasional events: ☐ Yes ☐ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like of do not like?

10:10pm to 10:30pm: Segment 6:

Are you ☐ INDOORS or ☐ OUTDOORS

Can you hear any Music, melodies, or singing? ☐ Yes ☐ No

Can you hear a bass beat? ☐ Yes ☐ No

Is this level acceptable for occasional events: ☐ Yes ☐ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like of do not like?

Final questions:

1) How late should events be allowed to go? 10:00 pm

2) If the events were quiet but could be heard a little outside, could they go later?

Maybe a half hour max past 10pm

3) If events were quiet but still could be heard outside, how often is acceptable? Every week? Two

weeks?

Every two weeks

BCA SOUND STUDY SURVEY

8:30pm to 8:50pm: Segment 1:

Are you ☒ INDOORS or ☐ OUTDOORS

Can you hear any Music, melodies, or singing? ☐ Yes ☒ No

Can you hear a bass beat? ☐ Yes ☒ No

Is this level acceptable for occasional events: ☒ Yes ☐ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like of do not like?

I did not hear anything all night.

8:50pm to 9:10pm: Segment 2:

Are you ☒ INDOORS or ☐ OUTDOORS

Can you hear any Music, melodies, or singing? ☐ Yes ☒ No

Can you hear a bass beat? ☐ Yes ☒ No

Is this level acceptable for occasional events: ☒ Yes ☐ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like of do not like?

Did not hear anything all night.

9:10pm to 9:30pm: Segment 3:

Are you ☐ INDOORS or ☐ OUTDOORS

Can you hear any Music, melodies, or singing? ☐ Yes ☐ No

Can you hear a bass beat? ☐ Yes ☐ No

Is this level acceptable for occasional events: ☐ Yes ☐ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like of do not like?

9:30pm to 9:50pm: Segment 4:

Are you ☐ INDOORS or ☐ OUTDOORS

Can you hear any Music, melodies, or singing? ☐ Yes ☐ No

Can you hear a bass beat? ☐ Yes ☐ No

Is this level acceptable for occasional events: ☐ Yes ☐ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like of do not like?

9:50pm to 10:10pm: Segment 5:

Are you ☐ INDOORS or ☐ OUTDOORS

Can you hear any Music, melodies, or singing? ☐ Yes ☐ No

Can you hear a bass beat? ☐ Yes ☐ No

Is this level acceptable for occasional events: ☐ Yes ☐ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like of do not like?

10:10pm to 10:30pm: Segment 6:

Are you ☐ INDOORS or ☐ OUTDOORS

Can you hear any Music, melodies, or singing? ☐ Yes ☐ No

Can you hear a bass beat? ☐ Yes ☐ No

Is this level acceptable for occasional events: ☐ Yes ☐ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like of do not like?

Final questions:

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Maybe a half hour max past 10pm

3) If events were quiet but still could be heard outside, how often is acceptable? Every week? Two

weeks? Every two weeks

BCA SOUND STUDY SURVEY

8:30pm to 8:50pm: Segment 1:

Are you ☒ INDOORS or ☐ OUTDOORS

Can you hear any Music, melodies, or singing? ☐ Yes ☒ No

Can you hear a bass beat? ☐ Yes ☒ No

Is this level acceptable for occasional events: ☒ Yes ☐ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like of do not like?

I did not hear anything all night.

8:50pm to 9:10pm: Segment 2:

Are you ☒ INDOORS or ☐ OUTDOORS

Can you hear any Music, melodies, or singing? ☐ Yes ☒ No

Can you hear a bass beat? ☐ Yes ☒ No

Is this level acceptable for occasional events: ☒ Yes ☐ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like of do not like?

Did not hear anything all night.

9:10pm to 9:30pm: Segment 3:

Are you ☐ INDOORS or ☐ OUTDOORS

Can you hear any Music, melodies, or singing? ☐ Yes ☐ No

Can you hear a bass beat? ☐ Yes ☐ No

Is this level acceptable for occasional events: ☐ Yes ☐ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like of do not like?

9:30pm to 9:50pm: Segment 4:

Are you ☐ INDOORS or ☐ OUTDOORS

Can you hear any Music, melodies, or singing? ☐ Yes ☐ No

Can you hear a bass beat? ☐ Yes ☐ No

Is this level acceptable for occasional events: ☐ Yes ☐ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like of do not like?

9:50pm to 10:10pm: Segment 5:

Are you ☐ INDOORS or ☐ OUTDOORS

Can you hear any Music, melodies, or singing? ☐ Yes ☐ No

Can you hear a bass beat? ☐ Yes ☐ No

Is this level acceptable for occasional events: ☐ Yes ☐ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like of do not like?

10:10pm to 10:30pm: Segment 6:

Are you ☐ INDOORS or ☐ OUTDOORS

Can you hear any Music, melodies, or singing? ☐ Yes ☐ No

Can you hear a bass beat? ☐ Yes ☐ No

Is this level acceptable for occasional events: ☐ Yes ☐ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like of do not like?

Final questions:

1) How late should events be allowed to go?

2) If the events were quiet but could be heard a little outside, could they go later?

3) If events were quiet but still could be heard outside, how often is acceptable? Every week? Two weeks?

BCA SOUND STUDY SURVEY

8:30pm to 8:50pm: Segment 1:

Are you ☒ INDOORS or ☐ OUTDOORS

Can you hear any Music, melodies, or singing? ☐ Yes ☒ No

Can you hear a bass beat? ☐ Yes ☒ No

Is this level acceptable for occasional events: ☒ Yes ☐ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like of do not like?

I did not hear anything all night.

8:50pm to 9:10pm: Segment 2:

Are you ☒ INDOORS or ☐ OUTDOORS

Can you hear any Music, melodies, or singing? ☐ Yes ☒ No

Can you hear a bass beat? ☐ Yes ☒ No

Is this level acceptable for occasional events: ☒ Yes ☐ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like of do not like?

Did not hear anything all night.

9:10pm to 9:30pm: Segment 3:

Are you ☐ INDOORS or ☐ OUTDOORS

Can you hear any Music, melodies, or singing? ☐ Yes ☐ No

Can you hear a bass beat? ☐ Yes ☐ No

Is this level acceptable for occasional events: ☐ Yes ☐ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like of do not like?

9:30pm to 9:50pm: Segment 4:

Are you ☐ INDOORS or ☐ OUTDOORS

Can you hear any Music, melodies, or singing? ☐ Yes ☐ No

Can you hear a bass beat? ☐ Yes ☐ No

Is this level acceptable for occasional events: ☐ Yes ☐ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like of do not like?

9:50pm to 10:10pm: Segment 5:

Are you ☐ INDOORS or ☐ OUTDOORS

Can you hear any Music, melodies, or singing? ☐ Yes ☐ No

Can you hear a bass beat? ☐ Yes ☐ No

Is this level acceptable for occasional events: ☐ Yes ☐ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like of do not like?

10:10pm to 10:30pm: Segment 6:

Are you ☐ INDOORS or ☐ OUTDOORS

Can you hear any Music, melodies, or singing? ☐ Yes ☐ No

Can you hear a bass beat? ☐ Yes ☐ No

Is this level acceptable for occasional events: ☐ Yes ☐ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like of do not like?

Final questions:

1) How late should events be allowed to go? 10:00 pm

2) If the events were quiet but could be heard a little outside, could they go later?

Maybe a half hour max past 10pm

3) If events were quiet but still could be heard outside, how often is acceptable? Every week? Two weeks? Every two weeks

BCA SOUND STUDY SURVEY

8:30pm to 8:50pm: Segment 1:

Are you ☒ INDOORS or ☐ OUTDOORS

Can you hear any Music, melodies, or singing? ☐ Yes ☒ No

Can you hear a bass beat? ☐ Yes ☒ No

Is this level acceptable for occasional events: ☒ Yes ☐ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like of do not like?

I did not hear anything all night.

8:50pm to 9:10pm: Segment 2:

Are you ☒ INDOORS or ☐ OUTDOORS

Can you hear any Music, melodies, or singing? ☐ Yes ☒ No

Can you hear a bass beat? ☐ Yes ☒ No

Is this level acceptable for occasional events: ☒ Yes ☐ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like of do not like?

Did not hear anything all night.

9:10pm to 9:30pm: Segment 3:

Are you ☐ INDOORS or ☐ OUTDOORS

Can you hear any Music, melodies, or singing? ☐ Yes ☐ No

Can you hear a bass beat? ☐ Yes ☐ No

Is this level acceptable for occasional events: ☐ Yes ☐ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like of do not like?

9:30pm to 9:50pm: Segment 4:

Are you ☐ INDOORS or ☐ OUTDOORS

Can you hear any Music, melodies, or singing? ☐ Yes ☐ No

Can you hear a bass beat? ☐ Yes ☐ No

Is this level acceptable for occasional events: ☐ Yes ☐ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like of do not like?

9:50pm to 10:10pm: Segment 5:

Are you ☐ INDOORS or ☐ OUTDOORS

Can you hear any Music, melodies, or singing? ☐ Yes ☐ No

Can you hear a bass beat? ☐ Yes ☐ No

Is this level acceptable for occasional events: ☐ Yes ☐ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like of do not like?

10:10pm to 10:30pm: Segment 6:

Are you ☐ INDOORS or ☐ OUTDOORS

Can you hear any Music, melodies, or singing? ☐ Yes ☐ No

Can you hear a bass beat? ☐ Yes ☐ No

Is this level acceptable for occasional events: ☐ Yes ☐ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like of do not like?

Final questions:

1) How late should events be allowed to go?

2) If the events were quiet but could be heard a little outside, could they go later?

3) If events were quiet but still could be heard outside, how often is acceptable? Every week? Two

weeks?

BCA SOUND STUDY SURVEY

8:30pm to 8:50pm: Segment 1:

Are you ☒ INDOORS or ☐ OUTDOORS

Can you hear any Music, melodies, or singing? ☐ Yes ☒ No

Can you hear a bass beat? ☐ Yes ☒ No

Is this level acceptable for occasional events: ☒ Yes ☐ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like of do not like?

Did not hear anything. Was going about my normal routine mostly.

8:50pm to 9:10pm: Segment 2:

Are you ☒ INDOORS or ☐ OUTDOORS

Can you hear any Music, melodies, or singing? ☐ Yes ☒ No

Can you hear a bass beat? ☐ Yes ☒ No

Is this level acceptable for occasional events: ☒ Yes ☐ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like of do not like?

Did not hear anything. Was going about my normal routine mostly.

9:10pm to 9:30pm: Segment 3:

Are you ☒ INDOORS or ☐ OUTDOORS

Can you hear any Music, melodies, or singing? ☐ Yes ☒ No

Can you hear a bass beat? ☐ Yes ☒ No

Is this level acceptable for occasional events: ☒ Yes ☐ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like of do not like?

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9:30pm to 9:50pm: Segment 4:

Are you ☒ INDOORS or ☐ OUTDOORS

Can you hear any Music, melodies, or singing? ☐ Yes ☒ No

Can you hear a bass beat? ☐ Yes ☒ No

Is this level acceptable for occasional events: ☒ Yes ☐ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like of do not like?

Did not hear anything. Was going about my normal routine mostly.

9:50pm to 10:10pm: Segment 5:

Are you ☒ INDOORS or ☐ OUTDOORS

Can you hear any Music, melodies, or singing? ☐ Yes ☒ No

Can you hear a bass beat? ☐ Yes ☒ No

Is this level acceptable for occasional events: ☒ Yes ☐ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like of do not like?

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Are you ☒ INDOORS or ☐ OUTDOORS

Can you hear any Music, melodies, or singing? ☐ Yes ☒ No

Can you hear a bass beat? ☐ Yes ☒ No

Is this level acceptable for occasional events: ☒ Yes ☐ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like of do not like?

Did not hear anything. Was going about my normal routine mostly.

Final questions:

1) How late should events be allowed to go? 10:00PM

2) If the events were quiet but could be heard a little outside, could they go later?

Yes

3) If events were quiet but still could be heard outside, how often is acceptable? Every week? Two weeks? Once a month.

BCA SOUND STUDY SURVEY

8:30pm to 8:50pm: Segment 1:

Are you ☒ INDOORS or ☐ OUTDOORS

Can you hear any Music, melodies, or singing? ☐ Yes ☒ No

Can you hear a bass beat? ☐ Yes ☒ No

Is this level acceptable for occasional events: ☒ Yes ☐ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like of do not like?

I did not hear anything all night.

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Can you hear any Music, melodies, or singing? ☐ Yes ☒ No

Can you hear a bass beat? ☐ Yes ☒ No

Is this level acceptable for occasional events: ☒ Yes ☐ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like of do not like?

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Are you ☐ INDOORS or ☐ OUTDOORS

Can you hear any Music, melodies, or singing? ☐ Yes ☐ No

Can you hear a bass beat? ☐ Yes ☐ No

Is this level acceptable for occasional events: ☐ Yes ☐ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like of do not like?

9:30pm to 9:50pm: Segment 4:

Are you ☐ INDOORS or ☐ OUTDOORS

Can you hear any Music, melodies, or singing? ☐ Yes ☐ No

Can you hear a bass beat? ☐ Yes ☐ No

Is this level acceptable for occasional events: ☐ Yes ☐ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like of do not like?

9:50pm to 10:10pm: Segment 5:

Are you ☐ INDOORS or ☐ OUTDOORS

Can you hear any Music, melodies, or singing? ☐ Yes ☐ No

Can you hear a bass beat? ☐ Yes ☐ No

Is this level acceptable for occasional events: ☐ Yes ☐ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like of do not like?

10:10pm to 10:30pm: Segment 6:

Are you ☐ INDOORS or ☐ OUTDOORS

Can you hear any Music, melodies, or singing? ☐ Yes ☐ No

Can you hear a bass beat? ☐ Yes ☐ No

Is this level acceptable for occasional events: ☐ Yes ☐ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like of do not like?

Final questions:

1) How late should events be allowed to go? 10:00 pm

2) If the events were quiet but could be heard a little outside, could they go later?

Maybe a half hour max past 10pm

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Can you hear a bass beat? ☐ Yes ☒ No

Is this level acceptable for occasional events: ☒ Yes ☐ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like of do not like?

I did not hear anything all night.

8:50pm to 9:10pm: Segment 2:

Are you ☒ INDOORS or ☐ OUTDOORS

Can you hear any Music, melodies, or singing? ☐ Yes ☒ No

Can you hear a bass beat? ☐ Yes ☒ No

Is this level acceptable for occasional events: ☒ Yes ☐ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like of do not like?

Did not hear anything all night.

9:10pm to 9:30pm: Segment 3:

Are you ☐ INDOORS or ☐ OUTDOORS

Can you hear any Music, melodies, or singing? ☐ Yes ☐ No

Can you hear a bass beat? ☐ Yes ☐ No

Is this level acceptable for occasional events: ☐ Yes ☐ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like of do not like?

9:30pm to 9:50pm: Segment 4:

Are you ☐ INDOORS or ☐ OUTDOORS

Can you hear any Music, melodies, or singing? ☐ Yes ☐ No

Can you hear a bass beat? ☐ Yes ☐ No

Is this level acceptable for occasional events: ☐ Yes ☐ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like of do not like?

9:50pm to 10:10pm: Segment 5:

Are you ☐ INDOORS or ☐ OUTDOORS

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Can you hear a bass beat? ☐ Yes ☐ No

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Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like of do not like?

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Are you ☐ INDOORS or ☐ OUTDOORS

Can you hear any Music, melodies, or singing? ☐ Yes ☐ No

Can you hear a bass beat? ☐ Yes ☐ No

Is this level acceptable for occasional events: ☐ Yes ☐ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like of do not like?

Final questions:

1) How late should events be allowed to go? 10:00 pm

2) If the events were quiet but could be heard a little outside, could they go later?

Maybe a half hour max past 10pm

3) If events were quiet but still could be heard outside, how often is acceptable? Every week? Two weeks? Every two weeks

BCA SOUND STUDY SURVEY

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Can you hear a bass beat? ☐ Yes ☒ No

Is this level acceptable for occasional events: ☒ Yes ☐ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like of do not like?

I did not hear anything all night.

8:50pm to 9:10pm: Segment 2:

Are you ☒ INDOORS or ☐ OUTDOORS

Can you hear any Music, melodies, or singing? ☐ Yes ☒ No

Can you hear a bass beat? ☐ Yes ☒ No

Is this level acceptable for occasional events: ☒ Yes ☐ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like of do not like?

Did not hear anything all night.

9:10pm to 9:30pm: Segment 3:

Are you ☐ INDOORS or ☐ OUTDOORS

Can you hear any Music, melodies, or singing? ☐ Yes ☐ No

Can you hear a bass beat? ☐ Yes ☐ No

Is this level acceptable for occasional events: ☐ Yes ☐ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like of do not like?

9:30pm to 9:50pm: Segment 4:

Are you ☐ INDOORS or ☐ OUTDOORS

Can you hear any Music, melodies, or singing? ☐ Yes ☐ No

Can you hear a bass beat? ☐ Yes ☐ No

Is this level acceptable for occasional events: ☐ Yes ☐ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like of do not like?

9:50pm to 10:10pm: Segment 5:

Are you ☐ INDOORS or ☐ OUTDOORS

Can you hear any Music, melodies, or singing? ☐ Yes ☐ No

Can you hear a bass beat? ☐ Yes ☐ No

Is this level acceptable for occasional events: ☐ Yes ☐ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like of do not like?

10:10pm to 10:30pm: Segment 6:

Are you ☐ INDOORS or ☐ OUTDOORS

Can you hear any Music, melodies, or singing? ☐ Yes ☐ No

Can you hear a bass beat? ☐ Yes ☐ No

Is this level acceptable for occasional events: ☐ Yes ☐ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like of do not like?

Final questions:

1) How late should events be allowed to go? 10:00 pm

2) If the events were quiet but could be heard a little outside, could they go later?

Maybe a half hour max past 10pm

3) If events were quiet but still could be heard outside, how often is acceptable? Every week? Two weeks? Every two weeks

BCA SOUND STUDY SURVEY

8:30pm to 8:50pm: Segment 1:

Are you ☒ INDOORS or ☐ OUTDOORS

Can you hear any Music, melodies, or singing? ☐ Yes ☒ No

Can you hear a bass beat? ☐ Yes ☒ No

Is this level acceptable for occasional events: ☒ Yes ☐ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like of do not like?

I did not hear anything all night.

8:50pm to 9:10pm: Segment 2:

Are you ☒ INDOORS or ☐ OUTDOORS

Can you hear any Music, melodies, or singing? ☐ Yes ☒ No

Can you hear a bass beat? ☐ Yes ☒ No

Is this level acceptable for occasional events: ☒ Yes ☐ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like of do not like?

Did not hear anything all night.

9:10pm to 9:30pm: Segment 3:

Are you ☐ INDOORS or ☐ OUTDOORS

Can you hear any Music, melodies, or singing? ☐ Yes ☐ No

Can you hear a bass beat? ☐ Yes ☐ No

Is this level acceptable for occasional events: ☐ Yes ☐ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like of do not like?

9:30pm to 9:50pm: Segment 4:

Are you ☐ INDOORS or ☐ OUTDOORS

Can you hear any Music, melodies, or singing? ☐ Yes ☐ No

Can you hear a bass beat? ☐ Yes ☐ No

Is this level acceptable for occasional events: ☐ Yes ☐ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like of do not like?

9:50pm to 10:10pm: Segment 5:

Are you ☐ INDOORS or ☐ OUTDOORS

Can you hear any Music, melodies, or singing? ☐ Yes ☐ No

Can you hear a bass beat? ☐ Yes ☐ No

Is this level acceptable for occasional events: ☐ Yes ☐ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like of do not like?

10:10pm to 10:30pm: Segment 6:

Are you ☐ INDOORS or ☐ OUTDOORS

Can you hear any Music, melodies, or singing? ☐ Yes ☐ No

Can you hear a bass beat? ☐ Yes ☐ No

Is this level acceptable for occasional events: ☐ Yes ☐ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like of do not like?

Final questions:

1) How late should events be allowed to go? 10:00 pm

2) If the events were quiet but could be heard a little outside, could they go later?

Maybe a half hour max past 10pm

3) If events were quiet but still could be heard outside, how often is acceptable? Every week? Two weeks? Every two weeks

BCA SOUND STUDY SURVEY

8:30pm to 8:50pm: Segment 1:

Are you ☐ INDOORS or ☒ OUTDOORS

Can you hear any Music, melodies, or singing? ☐ Yes ☒ No

Can you hear a bass beat? ☒ Yes ☐ No

Is this level acceptable for occasional events: ☒ Yes ☐ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are you like of do not like?

Distant bass and speaker noise

8:50pm to 9:10pm: Segment 2:

Are you ☐ INDOORS or ☐ OUTDOORS

Can you hear any Music, melodies, or singing? ☐ Yes ☒ No

Can you hear a bass beat? ☒ Yes ☐ No

Is this level acceptable for occasional events: ☒ Yes ☐ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are you like of do not like?

9:10pm to 9:30pm: Segment 3:

Are you ☒ INDOORS or ☐ OUTDOORS

Can you hear any Music, melodies, or singing? ☐ Yes ☒ No

Can you hear a bass beat? ☒ Yes ☐ No

Is this level acceptable for occasional events: ☐ Yes ☒ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like or do not like?

Bass inside house is not acceptable it affects my nerves which affects my heart beat.

9:30pm to 9:50pm: Segment 4:

Are you ☒ INDOORS or ☐ OUTDOORS

Can you hear any Music, melodies, or singing? ☐ Yes ☒ No

Can you hear a bass beat? ☒ Yes ☐ No

Is this level acceptable for occasional events: ☐ Yes ☒ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like or do not like?

9:50pm to 10:10pm: Segment 5:

Are you ☒ INDOORS or ☐ OUTDOORS

Can you hear any Music, melodies, or singing? ☐ Yes ☒ No

Can you hear a bass beat? ☒ Yes ☐ No

Is this level acceptable for occasional events: ☐ Yes ☒ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like or do not like?

This was the loudest. It is bass and you can't stop bass from traveling through brick!

10:10pm to 10:30pm: Segment 6:

Are you ☐ INDOORS or ☐ OUTDOORS

Can you hear any Music, melodies, or singing? ☐ Yes ☒ No

Can you hear a bass beat? ☒ Yes ☐ No

Is this level acceptable for occasional events: ☐ Yes ☒ No

Please describe what you hear, and if anything changes over the 20 minute segment. Are there things you like or do not like?

Final questions:

1) How late should events be allowed to go? *9:00 PM - it should not travel inside my house*

2) If the events were quiet but could be heard a little outside, could they go later?

Yes

3) If events were quiet but still could be heard outside, how often is acceptable? Every week? Two weeks? *1 a month!*

AGENDA ITEM REPORT



To: City Council
Subject: Roads and Transportation Update- 1660 Projects. (Wade Benton)
Meeting: Thursday, October 21, 2021
Department: Engineering
Staff Contact:

BACKGROUND INFORMATION:

Updated status for the FM 1660 improvement projects at Limmer Loop, US 79 at FM 1660 North, and US 79 at FM 1660 South.

SUMMARY OF REQUEST:

STAFF REVIEW:

FINANCIAL IMPACT:

POLICY IMPLICATIONS:

ATTACHMENTS:

None

AGENDA ITEM REPORT



To: City Council
Subject: Update on Live Oak gas line relocation.
Meeting: Thursday, October 21, 2021
Department: City Secretary
Staff Contact:

BACKGROUND INFORMATION:

SUMMARY OF REQUEST:

STAFF REVIEW:

FINANCIAL IMPACT:

POLICY IMPLICATIONS:

ATTACHMENTS:

None

AGENDA ITEM REPORT



To: City Council
Subject: Consideration and possible action on a recommendation to form a City of Hutto Internal Audit Committee.(Warren Hutmacher)
Meeting: Thursday, October 21, 2021
Department: City Secretary
Staff Contact:

BACKGROUND INFORMATION:

SUMMARY OF REQUEST:

STAFF REVIEW:

FINANCIAL IMPACT:

POLICY IMPLICATIONS:

ATTACHMENTS:

1. Memo - Internal Audit Committee and Contract Internal Auditor



MEMORANDUM

TO: Honorable Mayor and Council

FROM: Warren Hutmacher, City Manager and Angie Rios, CFO

DATE: October 21, 2021

SUBJECT: Recommendation to form a City of Hutto Internal Audit Committee

ISSUE: Formation of a City of Hutto Internal Audit Committee and appointment of a contract internal auditor to provide for appropriate internal audit oversight of city operations through a quarterly internal audit process overseen by a five-person internal audit committee appointed by City Council.

BACKGROUND: An Internal Auditor is tasked with providing unbiased, independent reviews of systems, business organizations, and processes. The role of Internal Audit is to provide senior leaders and governing bodies of an organization an objective source of information regarding the organization's risks, control environment, operational effectiveness, and compliance with applicable laws and regulations. Some examples of an internal audit would be review of the purchasing card for compliance with the City's written procedures, review of accounts payable controls for necessary approvals and separation of duties, or review of cash handling procedures to determine if there is any risk in our process.

The City of Hutto is a growing organization and the day to day operations of the City are becoming

more complex. The City has an external audit firm to conduct financial audits annually, but the important role of an internal auditor is not filled, nor is there a process in place to manage the internal audit process with appropriate internal controls to avoid conflicts of interests or separation of duty issues.

ANALYSIS: The City is not complex enough for a full-time internal auditor. A full-time internal auditor would have conflicts built into their job as they depend on the city they would be auditing for their sole income and the management structure of a full-time employee may be problematic.

An alternate structure would be a contract auditor that reports not to city staff but instead a committee appointed by Council. The internal audit would take direction from this internal audit committee who are ultimately be responsible to the elected officials. This arrangement can be cost effective, disposes of conflicts of interest and is responsive to the elected officials and to the public.

RECOMMENDATION: Staff recommends the City Council adopt a resolution establishing an internal audit committee consisting of five members to include:

1. A City Council representative
2. Chief Financial Officer – City of Hutto
3. Three citizens with expertise in Accounting/Finance, Management, or Operations and controls.

The role of the committee is to select a contract Internal Auditor, subject to annual appropriations, approve the annual internal audit work plan, review the findings of the internal auditor, and work with the auditor to determine ideas for remediation of audit findings or improvements to operations.

The City Manager should be directed to cooperate with the Internal Auditor to make available employees and documents to assist in the internal auditor's work. The Internal Audit Committee will meet at least quarterly. Findings and recommendations shall be shared with both the City Manager and the elected officials.

Staff also recommends that the Internal Auditor be a licensed practitioner, holding a current CIA license (Certified Internal Auditor) governed by the Institute of Internal Auditors of North America (IIA).

Staff recommends an appropriation of \$60,000 for FY 2022 for this purpose.

AGENDA ITEM REPORT



To: City Council
Subject: Discussion and possible action to waive attorney-client privilege and release to the public the memo from the City Attorney dated 31 August 2021 regarding the 2019 annexations as discussed in Executive Session on 7 October 2021.
(Councilmember Gordon)
Meeting: Thursday, October 21, 2021
Department: City Secretary
Staff Contact:

BACKGROUND INFORMATION:

No supporting documentation. Added to agenda to address public questions regarding 10/4 Executive Session item. Added per the request of Councilmember Gordon.

SUMMARY OF REQUEST:

STAFF REVIEW:

FINANCIAL IMPACT:

POLICY IMPLICATIONS:

ATTACHMENTS:

None

AGENDA ITEM REPORT



To: City Council
Subject: Discussion and possible action related to award of a construction contract to Cash Construction Company, Inc. in the amount of \$4,875,512.00 for construction of improvements associated with the City of Hutto Transmission and Distribution Waterline Improvements project.
Meeting: Thursday, October 21, 2021
Department: Engineering
Staff Contact:

BACKGROUND INFORMATION:

Project includes 5 miles of 16", 24" and 30" diameter water lines along the south side of US 79 as well as five pressure reducing valves throughout the system. The engineer's opinion of probable cost was \$5.3M

Six bids were received ranging from \$4.9M to \$7.4M. The low bidder was Cash Construction Company, Inc. at \$4,875,524.00.

Below is the anticipated schedule for this project.

- | | |
|---|--------------------------|
| • Award | October 21, 2021 |
| • Tentative Contract Approval with Contractor's Notice to Proceed | November 4, 2021 |
| • Substantial Construction Completion | August 22, 2022 |
| • Final Construction Completion/Close-out | September - October 2022 |

SUMMARY OF REQUEST:

Staff recommends award of contract to Cash Construction, Inc. in the amount of \$4,875,512.00.

STAFF REVIEW:

City staff and design engineer (DCS) reviewed bids and have provided recommendation for award.

FINANCIAL IMPACT:

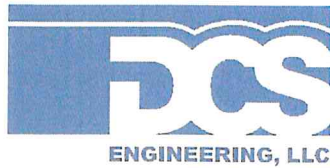
POLICY IMPLICATIONS:

ATTACHMENTS:

AGENDA ITEM REPORT



-
1. 2021.09.20_Letter of Recommendation



DCS Engineering, LLC
1101 S. Capital of Texas Highway
Building G-100
Austin, Texas 78746
Tel: (512) 614-6171
T.B.P.E. Firm No F- 13162
www.DCS-Engineering.com

September 20, 2021

Mr. Wade Benton, P.E.
Interim Public Works Director
City of Hutto
500 W. Live Oak Street
Hutto, TX 78634

Ref: City of Hutto – Transmission and Distribution Waterline Improvements
Recommendation to Award Contract
DCS Project No. 20101416

Dear Mr. Benton:

On September 15, 2021, DCS Engineering (DCS) assisted the City of Hutto in opening bids for the above referenced project. Six bid proposals were received with Base Bid prices ranging from \$4,875,524.00 to \$7,387,833.80 for using ductile iron pipe material; and Alternate Bid No. 1 prices ranging from \$5,190,306.50 to \$9,245,101.40 for using PVC pipe material. A tabulation of the bids received is attached.

The budgeted amount for this project was \$5,306,000 in the City's CIP list. The low bidder for the Base Bid is Cash Construction Company, Inc. from Pflugerville, Texas with a bid of \$4,875,524.00. This is \$430,476 below the budgeted amount. The low bidder for the Total Alternate Bid No. 1 using PVC pipe is QRO Mex Construction Company, Inc. from Granite Shoals, Texas with a bid of \$5,190,306.50. This is \$115,693.50 below the budgeted amount.

DCS has reviewed the bid proposals submitted by Cash Construction Company, Inc. and QRO Mex Construction Company and found both bids to be accurate and complete. DCS has worked with Cash Construction Company, Inc. and QRO Mex Construction in the past and has had positive experiences. Based on the information presented, we recommend that the City accept Cash Construction Company, Inc. with a Total Base Bid amount of \$4,875,524.00 for installing ductile iron pipe. However, if PVC pipe is selected by the City, we recommend that the City accept QRO Mex Construction Company, Inc. Total Alternate Bid No. 1 amount of \$5,190,306.50, for the installation of approximately 3,650 feet of 24-inch and 5,725 feet of 30-inch waterline along the south side of Hwy 79, installation of approximately 16,000 feet of 16-inch waterline parallel to the existing HOT transmission line between TX 95 and FM 973, and installation of 5 pressure reducing valves (PRVs) throughout the distribution system.

If you have any questions, please call me at (512) 614-6171.

Sincerely,

DCS Engineering, LLC

Darren C Strozewski, P.E.
Principal

Enclosures



9/20/21

City of Hutto
Transmission and Distribution Waterline Improvements
Bids Opened: 9/15/2021 at 3:00 pm

BID TABULATION				Cash Construction Company		QRO Mex Construction Company		Spiess Construction Co., Inc.		Peabody General Contractors		DeNucci Constructors, LLC		Western Municipal							
Bid Proposal Form (Y/N)				Y		Y		Y		Y		Y		Y							
Addenda Acknowledged (Y/N)				Y		Y		Y		Y		Y		Y							
Bid Security (Y/N)				Y		Y		Y		Y		Y		Y							
Bidder's Questionnaire (Y/N)				Y		Y		Y		Y		Y		Y							
Base Bid Items																					
Bid Item	Description	Quantity	Unit	Unit Price		Total Amount	Unit Price		Total Amount	Unit Price		Total Amount	Unit Price		Total Amount	Unit Price		Total Amount			
GENERAL PROJECT ITEMS:																					
1	Mobilization (maximum 5% of total Bid)	1	LS	\$ 135,000.70		\$ 135,000.70	\$ 150,000.00		\$ 150,000.00	\$ 240,000.00		\$ 240,000.00	\$ 250,000.00		\$ 250,000.00	\$ 303,012.00		\$ 303,012.00	\$ 365,000.00		\$ 365,000.00
WATERLINE ITEMS:																					
2	Furnish and Install Unrestrained 16" Ductile Iron Pipe (Class 250 psi) including excavation, ground and surface water dewatering, embedment, backfill, metallic underground warning tape, adaptors, couplings, polyethylene wrap, surface restoration, disposal of excess material, incidental work not covered by other bid items, 3/8" F bedding and backfill, and appurtenances, Complete in Place:	11,598	LF																		
				\$ 95.00		\$ 1,101,810.00	\$ 78.00		\$ 904,644.00	\$ 127.00		\$ 1,472,946.00	\$ 112.00		\$ 1,298,976.00	\$ 99.00		\$ 1,148,202.00	\$ 136.00		\$ 1,577,328.00
3	Furnish and Install Restrained 16" Ductile Iron Pipe (Class 250 psi) including excavation, ground and surface water dewatering, embedment, backfill, metallic underground warning tape, adaptors, couplings, joint restraints, polyethylene wrap, surface restoration, disposal of excess material, incidental work not covered by other bid items, 3/8" F bedding and backfill, and appurtenances, Complete in Place:	4,747	LF																		
				\$ 115.00		\$ 545,905.00	\$ 103.00		\$ 488,941.00	\$ 145.00		\$ 688,315.00	\$ 146.00		\$ 693,062.00	\$ 140.00		\$ 664,580.00	\$ 151.00		\$ 716,797.00
4	Furnish and Install Unrestrained 24" Ductile Iron Pipe (Class 200 psi) including excavation, ground and surface water dewatering, embedment, backfill, metallic underground warning tape, adaptors, couplings, polyethylene wrap, surface restoration, disposal of excess material, incidental work not covered by other bid items, 3/8" F bedding and backfill, and appurtenances, Complete in Place:	2,891	LF																		
				\$ 140.00		\$ 404,740.00	\$ 115.00		\$ 332,465.00	\$ 160.00		\$ 462,560.00	\$ 165.00		\$ 477,015.00	\$ 165.00		\$ 477,015.00	\$ 191.00		\$ 552,181.00
5	Furnish and Install Restrained 24" Ductile Iron Pipe (Class 200 psi) including excavation, ground and surface water dewatering, embedment, backfill, metallic underground warning tape, adaptors, couplings, joint restraints, polyethylene wrap, surface restoration, disposal of excess material, incidental work not covered by other bid items, 3/8" F bedding and backfill, and appurtenances, Complete in Place:	604	LF																		
				\$ 177.50		\$ 107,210.00	\$ 165.00		\$ 99,660.00	\$ 196.00		\$ 118,384.00	\$ 229.00		\$ 138,316.00	\$ 280.00		\$ 169,120.00	\$ 261.00		\$ 157,644.00
6	Furnish and install Unrestrained 30" Ductile Iron Pipe (Class 150 psi) including excavation, ground and surface water dewatering, embedment, backfill, metallic underground warning tape, adaptors, couplings, polyethylene wrap, surface restoration, disposal of excess material, incidental work not covered by other bid items, 3/8" F bedding and backfill, and appurtenances, Complete in Place:	4,256	LF																		
				\$ 180.00		\$ 766,080.00	\$ 170.00		\$ 723,520.00	\$ 188.00		\$ 800,128.00	\$ 216.00		\$ 919,296.00	\$ 225.00		\$ 957,600.00	\$ 271.00		\$ 1,153,376.00
7	Furnish and install Restrained 30" Ductile Iron Pipe (Class 150 psi) including excavation, ground and surface water dewatering, embedment, backfill, metallic underground warning tape, adaptors, couplings,joint restraints, polyethylene wrap, surface restoration, disposal of excess material, incidental work not covered by other bid items, 3/8" F bedding and backfill, and appurtenances, Complete in Place:	1,604	LF																		
				\$ 230.00		\$ 368,920.00	\$ 240.00		\$ 384,960.00	\$ 233.00		\$ 373,732.00	\$ 294.00		\$ 471,576.00	\$ 325.00		\$ 521,300.00	\$ 361.00		\$ 579,044.00
8	Connection to Existing Water System Distribution Line (all diameters) including sleeve, labor, equipment, and appurtenances, Complete in Place:	7	EA																		
				\$ 3,500.00		\$ 24,500.00	\$ 8,500.00		\$ 59,500.00	\$ 12,000.00		\$ 84,000.00	\$ 9,900.00		\$ 69,300.00	\$ 10,000.00		\$ 70,000.00	\$ 11,760.00		\$ 82,320.00
9	Furnish and Install 30-inch steel casing pipe (1/2" wall thickness) by bore and jack, not including 16" carrier pipe, including access pits and appurtenances, Complete in Place:	341	LF																		
				\$ 650.00		\$ 221,650.00	\$ 490.00		\$ 167,090.00	\$ 725.00		\$ 247,225.00	\$ 775.00		\$ 264,275.00	\$ 750.00		\$ 255,750.00	\$ 950.00		\$ 323,950.00
10	Furnish and Install 42-inch steel casing pipe by open cut, not including 30" carrier pipe, with appurtenances, Complete in Place:	235	LF																		
				\$ 200.00		\$ 47,000.00	\$ 650.00		\$ 152,750.00	\$ 450.00		\$ 105,750.00	\$ 580.00		\$ 136,300.00	\$ 611.00		\$ 143,585.00	\$ 493.00		\$ 115,855.00
11	Furnish and Install 2-inch Combination Air Release/Vacuum Relief Valve with Manhole, Complete in Place:	14	EA																		
				\$ 3,500.00		\$ 49,000.00	\$ 5,500.00		\$ 77,000.00	\$ 7,000.00		\$ 98,000.00	\$ 7,650.00		\$ 107,100.00	\$ 7,000.00		\$ 98,000.00	\$ 7,805.00		\$ 109,270.00
12	Furnish and Install 2 vent on 30" steel casing without manhole as shown on Drawing 01C-20, Complete in Place:	2	EA																		
				\$ 800.00		\$ 1,600.00	\$ 1,502.00		\$ 3,004.00	\$ 1,000.00		\$ 2,000.00	\$ 3,400.00		\$ 6,800.00	\$ 1,189.00		\$ 2,378.00	\$ 2,833.00		\$ 5,666.00
13	Install 2" Permanent Blow-Off per City of Hutto Standard Detail W-09, Complete in Place:	2	EA																		
				\$ 2,000.00		\$ 4,000.00	\$ 2,800.00		\$ 5,600.00	\$ 2,500.00		\$ 5,000.00	\$ 8,900.00		\$ 17,800.00	\$ 3,500.00		\$ 7,000.00	\$ 5,441.00		\$ 10,882.00
14	Furnish and Install 16" Gate Valve, valve box, and concrete valve anchor, Complete in Place:	18	EA																		
				\$ 8,800.00		\$ 158,400.00	\$ 8,500.00		\$ 153,000.00	\$ 7,900.00		\$ 142,200.00	\$ 12,200.00		\$ 219,600.00	\$ 10,000.00		\$ 180,000.00	\$ 13,687.00		\$ 246,366.00
15	Furnish and Install 24" Butterfly Valve, valve box, and concrete valve anchor, Complete in Place:	2	EA																		
				\$ 10,500.00		\$ 21,000.00	\$ 8,500.00		\$ 17,000.00	\$ 16,000.00		\$ 32,000.00	\$ 11,000.00		\$ 22,000.00	\$ 11,000.00		\$ 22,000.00	\$ 13,500.00		\$ 27,000.00
16	Furnish and Install 30" Butterfly Valve, valve box, and concrete valve anchor, Complete in Place:	5	EA																		
				\$ 18,000.00		\$ 90,000.00	\$ 14,500.00		\$ 72,500.00	\$ 20,000.00		\$ 100,000.00	\$ 24,000.00		\$ 120,000.00	\$ 15,000.00		\$ 75,000.00	\$ 24,700.00		\$ 123,500.00
17	Furnish and Install 6" Drain Valve, including 6" Gate Valve with Box, Thrust Blocking, and Restrained Joints per City of Austin Detail 511-AW-03 on Dwg. 04C-05, Complete in Place:	12	EA																		
				\$ 3,800.00		\$ 45,600.00	\$ 5,000.00		\$ 60,000.00	\$ 3,200.00		\$ 38,400.00	\$ 5,900.00		\$ 70,800.00	\$ 3,000.00		\$ 36,000.00	\$ 7,000.00		\$ 84,000.00
18	Furnish and Install Standard New City of Hutto Fire Hydrant, including 6" Gate Valve with Box, 6" Lead, Thrust Blocking, and Flushing Valve, all depths, Complete in Place:	5	EA																		
				\$ 5,000.00		\$ 25,000.00	\$ 7,850.00		\$ 39,250.00	\$ 7,400.00		\$ 37,000.00	\$ 16,700.00		\$ 83,500.00	\$ 7,000.00		\$ 35,000.00	\$ 9,500.00		\$ 47,500.00
19	Furnish and Install 16" Ductile Iron restrained M.J. Plug (Class 350 psi) per AWWA C153, Complete in Place:	1	EA																		
				\$ 850.00		\$ 850.00	\$ 700.00		\$ 700.00	\$ 600.00		\$ 600.00	\$ 2,300.00		\$ 2,300.00	\$ 2,500.00		\$ 2,500.00	\$ 1,200.00		\$ 1,200.00
20	Furnish and Install 30" Ductile Iron restrained M.J. Plug (Class 250 psi) per AWWA C153, Complete in Place:	1	EA																		
				\$ 3,500.00		\$ 3,500.00	\$ 3,000.00		\$ 3,000.00	\$ 3,500.00		\$ 3,500.00	\$ 4,600.00		\$ 4,600.00	\$ 4,000.00		\$ 4,000.00	\$ 2,650.00		\$ 2,650.00
21	Furnish and Install 16" Ductile Iron restrained M.J. 90 degree bend (Class 350 psi) per AWWA C153, Complete in Place:	16	EA																		
				\$ 1,800.00		\$ 28,800.00	\$ 1,750.00		\$ 28,000.00	\$ 1,400.00		\$ 22,400.00	\$ 3,500.00		\$ 56,000.00	\$ 2,500.00		\$ 40,000.00	\$ 2,050.00		\$ 32,800.00
22	Furnish and Install 16" Ductile Iron restrained M.J. 45 degree bend (Class 350 psi) per AWWA C153, Complete in Place:	23	EA																		
				\$ 1,500.00		\$ 34,500.00	\$ 1,700.00		\$ 39,100.00	\$ 1,400.00		\$ 32,200.00	\$ 2,900.00		\$ 66,700.00	\$ 2,400.00		\$ 55,200.00	\$ 2,800.00		\$ 64,400.00
23	Furnish and Install 24" Ductile Iron restrained M.J. 45 degree bend (Class 350 psi) per AWWA C153, Complete in Place:	5	EA																		
				\$ 3,000.00		\$ 15,000.00	\$ 3,000.00		\$ 15,000.00	\$ 2,400.00		\$ 12,000.00	\$ 4,700.00		\$ 23,500.00	\$ 3,500.00		\$ 17,500.00	\$ 3,580.00		\$ 17,900.00
24	Furnish and Install 30" Ductile Iron restrained M.J. 45 degree bend (Class 250 psi) per AWWA C153, Complete in Place:	6	EA																		
				\$ 7,200.00		\$ 43,200.00	\$ 5,700.00		\$ 34,200.00	\$ 6,500.00		\$ 39,000.00	\$ 9,300.00		\$ 55,800.00	\$ 3,200.00		\$ 19,200.00	\$ 4,295.00		\$ 25,770.00
25	Furnish and Install 16" Ductile Iron restrained M.J. 22.5 degree bend (Class 350 psi) per AWWA C153, Complete in Place:	2	EA																		
				\$ 1,400.00		\$ 2,800.00	\$ 1,350.00		\$ 2,700.00	\$ 1,200.00		\$ 2,400.00	\$ 2,800.00		\$ 5,600.00	\$ 3,500.00		\$ 7,000.00	\$ 1,550.00		\$ 3,100.00
26	Furnish and Install 16" Ductile Iron restrained M.J. 11.25 degree bend (Class 350 psi) per AWWA C153, Complete in Place:	7	EA																		
				\$ 1,400.00		\$ 9,800.00	\$ 1,350.00		\$ 9,450.00	\$ 1,300.00		\$ 9,100.00	\$ 2,700.00		\$ 18,900.00	\$ 3,500.00		\$ 24,500.00	\$ 1,955.00		\$ 13,685.00
27	Furnish and Install 16" x 16" M.J. Ductile Iron restrained Cross (Class 350 psi), per AWWA C153, Complete in Place:	2	EA																		
				\$ 3,500.00		\$ 7,000.00	\$ 3,350.00		\$ 6,700.00	\$ 3,500.00		\$ 7,000.00	\$ 7,800.00		\$ 15,600.00	\$ 4,500.00		\$ 9,000.00	\$ 4,272.00		\$ 8,544.00
28	Furnish and Install 16" x 16" M.J. Ductile Iron restrained Tee (Class 350 psi), per AWWA C153, Complete in Place:	2	EA																		
				\$ 2,500.00		\$ 5,000.00	\$ 2,000.00		\$ 4,000.00	\$ 2,200.00		\$ 4,400.00	\$ 6,300.00		\$ 12,600.00	\$ 4,000.00		\$ 8,000.00	\$ 4,530.00		\$ 9,060.00
29	Furnish and Install 16" x 6" M.J. Ductile Iron restrained Tee (Class 350 psi), per AWWA C153, Complete in Place:	13	EA																		
				\$ 1,700.00		\$ 22,100.00	\$ 1,600.00		\$ 20,800.00	\$ 1,500.00		\$ 19,500.00	\$ 4,300.00		\$ 55,900.00	\$ 2,000.00		\$ 26,000.00	\$ 2,600.00		\$ 33,800.00

City of Hutto
Transmission and Distribution Waterline Improvements
Bids Opened: 9/15/2021 at 3:00 pm

Bid Item	Description	Quantity	Unit	Unit Price	Total Amount	Unit Price	Total Amount	Unit Price	Total Amount	Unit Price	Total Amount	Unit Price	Total Amount	Unit Price	Total Amount	Unit Price	Total Amount
30	Furnish and Install 24" x 16" M.J. Ductile Iron restrained Tee (Class 350 psi), per AWWA C153, Complete in Place:	1	EA	\$ 4,000.00	\$ 4,000.00	\$ 2,950.00	\$ 2,950.00	\$ 3,700.00	\$ 3,700.00	\$ 11,600.00	\$ 11,600.00	\$ 4,500.00	\$ 4,500.00	\$ 4,390.00	\$ 4,390.00	\$ 4,390.00	\$ 4,390.00
31	Furnish and Install 24" x 6" M.J. Ductile Iron restrained Tee (Class 350 psi), per AWWA C153, Complete in Place:	2	EA	\$ 3,200.00	\$ 6,400.00	\$ 2,850.00	\$ 5,700.00	\$ 2,900.00	\$ 5,800.00	\$ 7,200.00	\$ 14,400.00	\$ 2,800.00	\$ 5,600.00	\$ 3,770.00	\$ 7,540.00	\$ 3,770.00	\$ 7,540.00
32	Furnish and Install 30" x 16" M.J. Ductile Iron restrained Tee (Class 350 psi), per AWWA C153, Complete in Place:	1	EA	\$ 9,500.00	\$ 9,500.00	\$ 6,200.00	\$ 6,200.00	\$ 8,700.00	\$ 8,700.00	\$ 16,100.00	\$ 16,100.00	\$ 6,000.00	\$ 6,000.00	\$ 7,040.00	\$ 7,040.00	\$ 7,040.00	\$ 7,040.00
33	Furnish and Install 30" x 6" M.J. Ductile Iron restrained Tee (Class 350 psi), per AWWA C153, Complete in Place:	3	EA	\$ 9,600.00	\$ 28,800.00	\$ 5,850.00	\$ 17,550.00	\$ 9,000.00	\$ 27,000.00	\$ 10,000.00	\$ 30,000.00	\$ 5,945.00	\$ 17,835.00	\$ 4,145.00	\$ 12,435.00	\$ 4,145.00	\$ 12,435.00
34	Furnish and Install 30" x 24" M.J. Ductile Iron restrained Reducer (Class 250 psi), per AWWA C153, Complete in Place:	1	EA	\$ 4,500.00	\$ 4,500.00	\$ 4,000.00	\$ 4,000.00	\$ 4,300.00	\$ 4,300.00	\$ 12,000.00	\$ 12,000.00	\$ 2,645.00	\$ 2,645.00	\$ 5,010.00	\$ 5,010.00	\$ 5,010.00	\$ 5,010.00
35	Form and Pour 6"-Thick Concrete Slab Including #4 Reinforcement per Plans and Specifications, Complete in Place (Various Dimensions As Indicated on Plans):	38	SY	\$ 225.00	\$ 8,550.00	\$ 130.00	\$ 4,940.00	\$ 200.00	\$ 7,600.00	\$ 52.00	\$ 1,976.00	\$ 200.00	\$ 7,600.00	\$ 375.00	\$ 14,250.00	\$ 375.00	\$ 14,250.00
36	Furnish and Install 6' Bollards per Detail 1, Drawing 04C-06, Complete in Place:	49	EA	\$ 300.00	\$ 14,700.00	\$ 1,450.00	\$ 71,050.00	\$ 800.00	\$ 39,200.00	\$ 993.00	\$ 48,657.00	\$ 2,200.00	\$ 107,800.00	\$ 630.00	\$ 30,870.00	\$ 630.00	\$ 30,870.00
37	Furnish and Install Waterline Marker, (Repnet 3-Rail 66" Fiberglass Blue Marker (Part # RFR66CBGD1333C) with Custom Lettering to Read "COH 5124502150), or Engineer Approved Equal, Complete in Place:	45	EA	\$ 17.00	\$ 765.00	\$ 110.00	\$ 4,950.00	\$ 50.00	\$ 2,250.00	\$ 127.00	\$ 5,715.00	\$ 300.00	\$ 13,500.00	\$ 278.00	\$ 12,510.00	\$ 278.00	\$ 12,510.00
38	Furnish and Install Valve Marker per Detail WT-27, Drawing 04C-05, Complete in Place:	23	EA	\$ 18.00	\$ 414.00	\$ 110.00	\$ 2,530.00	\$ 60.00	\$ 1,380.00	\$ 88.00	\$ 2,024.00	\$ 300.00	\$ 6,900.00	\$ 233.00	\$ 5,359.00	\$ 233.00	\$ 5,359.00
39	Furnish and Install 300 psi Flowable Fill Encasement Where Shown on Plans and per Specifications, Complete in Place:	43.0	CY	\$ 170.00	\$ 7,310.00	\$ 180.00	\$ 7,740.00	\$ 150.00	\$ 6,450.00	\$ 278.00	\$ 11,954.00	\$ 268.00	\$ 11,524.00	\$ 320.00	\$ 13,760.00	\$ 320.00	\$ 13,760.00
40	Remove and Replace Existing 2" Manville Waterline as Needed to Complete Waterline Construction, Complete in Place:	300.0	LF	\$ 9.00	\$ 2,700.00	\$ 35.00	\$ 10,500.00	\$ 44.00	\$ 13,200.00	\$ 55.00	\$ 16,500.00	\$ 55.00	\$ 16,500.00	\$ 26.00	\$ 7,800.00	\$ 26.00	\$ 7,800.00
	PRV ITEMS:																
41	Remove and Replace Pilot tubing on Hwy 79 12" 650-01 PSV and 2.5" 50-01 PSV to Convert to PRV, Complete in Place:	1	LS	\$ 8,500.00	\$ 8,500.00	\$ 15,000.00	\$ 15,000.00	\$ 7,000.00	\$ 7,000.00	\$ 16,500.00	\$ 16,500.00	\$ 20,000.00	\$ 20,000.00	\$ 13,600.00	\$ 13,600.00	\$ 13,600.00	\$ 13,600.00
42	Demolish Carol Drive valve vault including 8'-0" X 10'-0" vault 4" PSV, piping, valves and work not included in other bid items listed below, as Shown in Dwg. 03X-01, Complete in Place:	1	LS	\$ 9,300.00	\$ 9,300.00	\$ 7,500.00	\$ 7,500.00	\$ 12,000.00	\$ 12,000.00	\$ 25,500.00	\$ 25,500.00	\$ 5,000.00	\$ 5,000.00	\$ 16,750.00	\$ 16,750.00	\$ 16,750.00	\$ 16,750.00
43	Furnish and Install 8" C900 PVC Pipe including ground and surface water dewatering, embedment, backfill, metallic underground warning tape, adaptors, couplings, joint restraints, surface restoration, disposal of excess material, incidental work not covered by other bid items, 3/8" F bedding and backfill, and appurtenance as shown in Dwg. 03X-01, Complete in Place:	30	LF	\$ 170.00	\$ 5,100.00	\$ 245.00	\$ 7,350.00	\$ 300.00	\$ 9,000.00	\$ 235.00	\$ 7,050.00	\$ 125.00	\$ 3,750.00	\$ 327.00	\$ 9,810.00	\$ 327.00	\$ 9,810.00
44	Demolish Cottonwood Elementary Drive valve vault including 4'-0" X 6'-0" vault w/ 4" 50-01 PSV, piping, valves and work not included in other bid items listed below, As Shown in Dwg. 03X-02, Complete in Place:	1	LS	\$ 2,800.00	\$ 2,800.00	\$ 8,500.00	\$ 8,500.00	\$ 10,000.00	\$ 10,000.00	\$ 15,500.00	\$ 15,500.00	\$ 5,000.00	\$ 5,000.00	\$ 6,875.00	\$ 6,875.00	\$ 6,875.00	\$ 6,875.00
45	Furnish and Install Exchange Blvd. valve vault including 5'-0" X 7'-0" vault w/ 4" 50-01 PRV, piping, valves and work not included in other bid items listed below, Excludes Testing and Activation (PRVs will be activated under separate contract),Complete in Place:	1	LS	\$ 40,000.00	\$ 40,000.00	\$ 45,000.00	\$ 45,000.00	\$ 45,000.00	\$ 45,000.00	\$ 54,200.00	\$ 54,200.00	\$ 29,300.00	\$ 29,300.00	\$ 59,750.00	\$ 59,750.00	\$ 59,750.00	\$ 59,750.00
46	Furnish and Install Metcalf St. valve vault including 5'-0" X 7'-0" vault w/ 2" 50-01 PRV, piping, valves and work not included in other bid items listed below, Excludes Testing and Activation (PRVs will be activated under separate contract),Complete in Place:	1	LS	\$ 31,000.00	\$ 31,000.00	\$ 36,500.00	\$ 36,500.00	\$ 37,000.00	\$ 37,000.00	\$ 38,000.00	\$ 38,000.00	\$ 24,500.00	\$ 24,500.00	\$ 47,625.00	\$ 47,625.00	\$ 47,625.00	\$ 47,625.00
47	Furnish and Install FM 1660 valve vault including 4'-0" X 6'-0" vault w/ 3" 50-01 PRV, piping, valves and work not included in other bid items listed below, Excludes Testing and Activation (PRVs will be activated under separate contract),Complete in Place:	1	LS	\$ 30,000.00	\$ 30,000.00	\$ 35,000.00	\$ 35,000.00	\$ 35,000.00	\$ 35,000.00	\$ 56,000.00	\$ 56,000.00	\$ 25,350.00	\$ 25,350.00	\$ 48,500.00	\$ 48,500.00	\$ 48,500.00	\$ 48,500.00
48	Furnish and Install Park Ave. valve vault including 4'-0" X 6'-0" vault w/ 3" 50-01 PRV, piping, valves and work not included in other bid items listed below, Excludes Testing and Activation (PRVs will be activated under separate contract),Complete in Place:	1	LS	\$ 30,000.00	\$ 30,000.00	\$ 48,000.00	\$ 48,000.00	\$ 35,000.00	\$ 35,000.00	\$ 57,700.00	\$ 57,700.00	\$ 32,500.00	\$ 32,500.00	\$ 55,375.00	\$ 55,375.00	\$ 55,375.00	\$ 55,375.00
49	Cut and Plug Existing 2" Waterline as shown in Dwg. 03X-03, including field locate, restoration, and work not included in other bid items, Complete in Place:	1	LS	\$ 700.00	\$ 700.00	\$ 1,200.00	\$ 1,200.00	\$ 1,000.00	\$ 1,000.00	\$ 7,500.00	\$ 7,500.00	\$ 3,000.00	\$ 3,000.00	\$ 4,065.00	\$ 4,065.00	\$ 4,065.00	\$ 4,065.00
	PAVING ITEMS:																
50	Asphalt Driveway or Roadway Open Cut for Waterline Installation including removal and replacement via sawcut, disposal, 2" thick Type D asphalt pavement, flexible base fill, pavement striping, culvert salvage and reinstallation, incidental work not covered by other bid items, and appurtenances with all associated Labor, Materials, Equipment, Complete in Place:	78	SY	\$ 90.00	\$ 7,020.00	\$ 190.00	\$ 14,820.00	\$ 100.00	\$ 7,800.00	\$ 113.00	\$ 8,814.00	\$ 256.00	\$ 19,968.00	\$ 340.00	\$ 26,520.00	\$ 340.00	\$ 26,520.00
51	Gravel Driveway or Roadway Open Cut for Waterline Installation including removal and replacement of gravel, disposal, 6" thick flexible base for driveway, incidental work not covered by other bid items, and appurtenances with all associated Labor, Materials, Equipment, Complete in Place:	328	SY	\$ 12.00	\$ 3,936.00	\$ 60.00	\$ 19,680.00	\$ 20.00	\$ 6,560.00	\$ 48.00	\$ 15,744.00	\$ 25.00	\$ 8,200.00	\$ 71.00	\$ 23,288.00	\$ 71.00	\$ 23,288.00
	GENERAL:																
52	Clearing and Grubbing of Areas as required within Street Right-of-Way and Utility Easements including demolition and removal of trees where shown on the plans , Complete in Place:	22.0	AC	\$ 500.00	\$ 11,000.00	\$ 600.00	\$ 13,200.00	\$ 1,000.00	\$ 22,000.00	\$ 985.00	\$ 21,670.00	\$ 2,000.00	\$ 44,000.00	\$ 1,050.00	\$ 23,100.00	\$ 1,050.00	\$ 23,100.00
53	Off-site Disposal of Cleared and Grubbed Material, Complete in Place:	1	LS	\$ 7,000.00	\$ 7,000.00	\$ 20,000.00	\$ 20,000.00	\$ 10,000.00	\$ 10,000.00	\$ 36,400.00	\$ 36,400.00	\$ 5,950.00	\$ 5,950.00	\$ 12,250.00	\$ 12,250.00	\$ 12,250.00	\$ 12,250.00
54	Pollution Prevention Implementation including Storm Water Pollution Prevention Plan, Maintenance, Permitting, Inspections, and Reporting for all Pollution Prevention Measures as shown on the plans, Complete in Place:	1	LS	\$ 2,000.00	\$ 2,000.00	\$ 20,000.00	\$ 20,000.00	\$ 8,000.00	\$ 8,000.00	\$ 12,400.00	\$ 12,400.00	\$ 7,900.00	\$ 7,900.00	\$ 18,250.00	\$ 18,250.00	\$ 18,250.00	\$ 18,250.00
55	Furnish, Install, Maintain and Remove stabilized construction access as shown on plans, Complete in Place:	7	EA	\$ 1,500.00	\$ 10,500.00	\$ 2,750.00	\$ 19,250.00	\$ 2,000.00	\$ 14,000.00	\$ 1,865.00	\$ 13,055.00	\$ 3,500.00	\$ 24,500.00	\$ 2,700.00	\$ 18,900.00	\$ 2,700.00	\$ 18,900.00
56	Furnish, Install, Maintain and Remove Filter Fabric Fence per Plans and Specifications, Complete in Place:	25,530	LF	\$ 2.80	\$ 71,484.00	\$ 3.50	\$ 89,355.00	\$ 3.00	\$ 76,590.00	\$ 5.00	\$ 127,650.00	\$ 4.00	\$ 102,120.00	\$ 6.00	\$ 153,180.00	\$ 6.00	\$ 153,180.00
57	Furnish, Install, Maintain and Remove Rock Berms per Plans and Specifications, Complete in Place:	235	LF	\$ 25.00	\$ 5,875.00	\$ 66.00	\$ 15,510.00	\$ 20.00	\$ 4,700.00	\$ 43.00	\$ 10,105.00	\$ 50.00	\$ 11,750.00	\$ 44.00	\$ 10,340.00	\$ 44.00	\$ 10,340.00
58	Furnish and Install Hydromulch seeding per plans and specifications. Contractor shall restore additional areas disturbed by his activities at his cost, Complete in Place:	106,626	SY	\$ 0.55	\$ 58,644.30	\$ 0.75	\$ 79,969.50	\$ 0.30	\$ 31,987.80	\$ 0.40	\$ 42,650.40	\$ 7.50	\$ 799,695.00	\$ 0.80	\$ 85,300.80	\$ 0.80	\$ 85,300.80
59	Install Bermuda or St. Augustine Grass Sod with 1-Year Maintenance on Metcalf St, Exchange, FM 1660, and Park st. in areas disturbed by construction, Complete in Place:	221	SY	\$ 10.00	\$ 2,210.00	\$ 15.00	\$ 3,315.00	\$ 12.00	\$ 2,652.00	\$ 6.00	\$ 1,326.00	\$ 9.00	\$ 1,989.00	\$ 18.00	\$ 3,978.00	\$ 18.00	\$ 3,978.00
60	Furnish and Install Trench Safety System for waterline construction, Complete in Place:	25,700	LF	\$ 0.50	\$ 12,850.00	\$ 2.00	\$ 51,400.00	\$ 1.00	\$ 25,700.00	\$ 1.00	\$ 25,700.00	\$ 2.50	\$ 64,250.00	\$ 1.00	\$ 25,700.00	\$ 1.00	\$ 25,700.00
61	Furnish and Install Project Sign including all Material and Labor, Complete in Place:	3	EA	\$ 1,000.00	\$ 3,000.00	\$ 2,500.00	\$ 7,500.00	\$ 3,000.00	\$ 9,000.00	\$ 1,242.00	\$ 3,726.00	\$ 1,000.00	\$ 3,000.00	\$ 1,875.00	\$ 5,625.00	\$ 1,875.00	\$ 5,625.00
62	Furnish, Install, and Maintain Traffic Control Plan and Traffic Control Devices along waterline route with signage, safety barriers, appurtenances, in accordance with Texas Manual on Uniform Traffic Control Devices (Latest Edition): Complete in Place:	1	LS	\$ 25,000.00	\$ 25,000.00	\$ 30,000.00	\$ 30,000.00	\$ 12,000.00	\$ 12,000.00	\$ 18,000.00	\$ 18,000.00	\$ 47,700.00	\$ 47,700.00	\$ 36,250.00	\$ 36,250.00	\$ 36,250.00	\$ 36,250.00
63	Cleaning, Flushing, Disinfection, and pressure testing all waterlines including installation and removal of temporary flushing valves and piping; Complete in Place:	1	LS	\$ 25,000.00	\$ 25,000.00	\$ 32,000.00	\$ 32,000.00	\$ 30,000.00	\$ 30,000.00	\$ 42,700.00	\$ 42,700.00	\$ 24,400.00	\$ 24,400.00	\$ 31,250.00	\$ 31,250.00	\$ 31,250.00	\$ 31,250.00

City of Hutto
Transmission and Distribution Waterline Improvements
Bids Opened: 9/15/2021 at 3:00 pm

Bid Item	Description	Quantity	Unit	Unit Price	Total Amount	Unit Price	Total Amount	Unit Price	Total Amount	Unit Price	Total Amount	Unit Price	Total Amount	Unit Price	Total Amount	Unit Price	Total Amount
64	UPRR Flagging, including associated coordination and fees for Rail Road Crossing	1	LS	\$ 40,000.00	\$ 40,000.00	\$ 40,000.00	\$ 40,000.00	\$ 12,000.00	\$ 12,000.00	\$ 36,000.00	\$ 36,000.00	\$ 20,000.00	\$ 20,000.00	\$ 15,000.00	\$ 15,000.00		
65	UPRR Observation, including associated coordination and fees for Rail Road Crossing	1	LS	\$ 55,000.00	\$ 55,000.00	\$ 40,000.00	\$ 40,000.00	\$ 12,000.00	\$ 12,000.00	\$ 19,800.00	\$ 19,800.00	\$ 37,365.00	\$ 37,365.00	\$ 25,000.00	\$ 25,000.00		
	TOTAL AMOUNT BID NO. 1				\$ 4,875,524.00		\$ 4,892,693.50		\$ 5,795,309.80		\$ 6,567,832.40		\$ 6,950,033.00		\$ 7,387,833.80		
Alternate Bid #1 Items																	
Bid Item	Description																
66	Furnish and install Unrestrained 16" C-900 PVC DR 21 (200 psi) including excavation, ground and surface water dewatering, embedment, backfill, metallic underground warning tape, adaptors, couplings, polyethylene wrap, surface restoration, disposal of excess material, incidental work not covered by other bid items, 3/8" F bedding and backfill, and appurtenances, Complete in Place:	12,221	LF	\$ 81.50	\$ 996,011.50	\$ 80.00	\$ 977,680.00	\$ 146.00	\$ 1,784,266.00	\$ 175.00	\$ 2,138,675.00	\$ 105.00	\$ 1,283,205.00	\$ 149.70	\$ 1,829,483.70		
67	Furnish and install Restrained 16" C-900 PVC DR 21 (200 psi) including excavation, ground and surface water dewatering, embedment, backfill, metallic underground warning tape, adaptors, couplings, joint restraints, polyethylene wrap, surface restoration, disposal of excess material, incidental work not covered by other bid items, 3/8" F bedding and backfill, and appurtenances, Complete in Place:	4,124	LF	\$ 159.00	\$ 655,716.00	\$ 105.00	\$ 433,020.00	\$ 173.00	\$ 713,452.00	\$ 220.00	\$ 907,280.00	\$ 134.00	\$ 552,616.00	\$ 175.70	\$ 724,586.80		
68	Furnish and install Unrestrained 24" C-900 PVC DR 25 (165 psi) including excavation, ground and surface water dewatering, embedment, backfill, metallic underground warning tape, adaptors, couplings, polyethylene wrap, surface restoration, disposal of excess material, incidental work not covered by other bid items, 3/8" F bedding and backfill, and appurtenances, Complete in Place:	2,714	LF	\$ 235.00	\$ 637,790.00	\$ 135.00	\$ 366,390.00	\$ 233.00	\$ 632,362.00	\$ 275.00	\$ 746,350.00	\$ 168.00	\$ 455,952.00	\$ 210.70	\$ 571,839.80		
69	Furnish and install Restrained 24" C-900 PVC DR 25 (165 psi) including excavation, ground and surface water dewatering, embedment, backfill, metallic underground warning tape, adaptors, couplings, joint restraints, polyethylene wrap, surface restoration, disposal of excess material, incidental work not covered by other bid items, 3/8" F bedding and backfill, and appurtenances, Complete in Place:	781	LF	\$ 372.00	\$ 290,532.00	\$ 178.00	\$ 139,018.00	\$ 346.00	\$ 270,226.00	\$ 400.00	\$ 312,400.00	\$ 96.00	\$ 74,976.00	\$ 285.70	\$ 223,131.70		
70	Furnish and install Unrestrained 30" C-900 PVC DR 25 (165 psi) including excavation, ground and surface water dewatering, embedment, backfill, metallic underground warning tape, adaptors, couplings, polyethylene wrap, surface restoration, disposal of excess material, incidental work not covered by other bid items, 3/8" F bedding and backfill, and appurtenances, Complete in Place:	4,039	LF	\$ 350.00	\$ 1,413,650.00	\$ 195.00	\$ 787,605.00	\$ 323.00	\$ 1,304,597.00	\$ 375.00	\$ 1,514,625.00	\$ 245.00	\$ 989,555.00	\$ 298.70	\$ 1,206,449.30		
71	Furnish and install Restrained 30" C-900 PVC DR 25 (165 psi) including excavation, ground and surface water dewatering, embedment, backfill, metallic underground warning tape, adaptors, couplings, joint restraints, polyethylene wrap, surface restoration, disposal of excess material, incidental work not covered by other bid items, 3/8" F bedding and backfill, and appurtenances, Complete in Place:	1,821	LF	\$ 590.00	\$ 1,074,390.00	\$ 290.00	\$ 528,090.00	\$ 528.00	\$ 961,488.00	\$ 580.00	\$ 1,056,180.00	\$ 377.00	\$ 686,517.00	\$ 369.70	\$ 673,223.70		
	TOTAL AMOUNT ALTERNATE BID NO. 1 (Items 1, 8-65; plus Alternate Bid Items 66-71)				\$ 6,648,948.50		\$ 5,190,306.50		\$ 7,545,635.80		\$ 9,245,101.40		\$ 7,055,037.00		\$ 7,880,178.80	¹	

AGENDA ITEM REPORT



To: City Council
Subject: Consideration of a public hearing and possible action on Ordinance No. O-2021-066 approving the proposed annexation of the Thomison Tracts, 53.12 acres, more or less, of land, and to establish the base zoning for the property as SF-1 (Single-Family Residential). (First Reading)(Ashley Lumpkin).
Meeting: Thursday, October 21, 2021
Department: Development Services
Staff Contact: Ashley Lumpkin

BACKGROUND INFORMATION:

The annexation process has been revised in response to recent legislative changes. The voluntary annexation process only requires one (1) public hearing and one (1) reading of the ordinance. Both actions may occur on the same date and at the same meeting.

SUMMARY OF REQUEST:

The property owner is requesting voluntary annexation and zoning to SF-1 single family residential. Currently, the Future Land Use Map designates this area as Single-Family - Rural and Open Space. The thought behind the designation in 2017, when the Future Land Use Map was last amended, was to reserve the existing agriculture/farming property as agriculture and pursue a full Comprehensive Plan update in the future.

The proposed development satisfies the stated desire to have move-up housing and further diversify the housing stock within the city.

STAFF REVIEW:

Staff recommends approval of this request with the provision that the zoning is tied to the SF-1 district lot type requiring 60ft minimum lot widths with a 7,800 square foot minimum lot size. The submitted preliminary plat meets this minimum standard.

FINANCIAL IMPACT:

There is an inherent financial impact with annexation as state law requires the annexation of the adjacent rights-of-way. The project will be subject to the Transportation Impact Fee.

POLICY IMPLICATIONS:

None

ATTACHMENTS:

AGENDA ITEM REPORT



1. LOI-Annexation
2. Thomison Annex Ord
3. Deed
4. Thomison_Tracts_Newspaper_Map
5. LOI-Zoning

July 27, 2021

City of Hutto Development Services
500 W. Live Oak St.
Hutto, Texas 78634

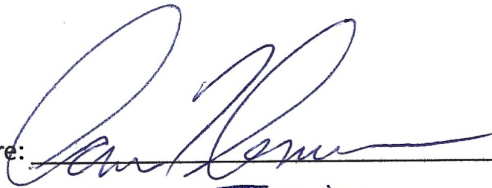
Re: Thomison Tract Annexation

To Whom It May Concern:

Please find this letter as intent to voluntarily annex 53.122 acres of land, more or less, out of the Patrick O. Daugherty Survey, Abstract No. 184, in Williamson County, Texas. The property is located at the northeastern intersection of CR 132 and CR 133 in Hutto, TX 78634 and identified as R020313 and R020315 by the Williamson County Appraisal District. The property is currently owned by Aaron and Brenda Thomison (Doc. #2018002933).

It is acknowledged that the property is contiguous with the current city limits and is less than one-half mile in width. The current use of the property is agriculture and there are no residents living on the property.

Property Owner Signature:



Property Owner Printed Name: Aaron Thomison

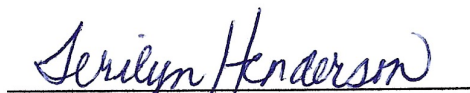
Date: August 2, 2021

ACKNOWLEDGEMENT

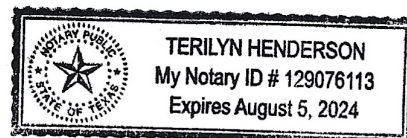
STATE OF TEXAS §

COUNTY OF WILLIAMSON §

Before me, the undersigned authority, on this day personally appeared Aaron Thomison, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and considerations therein expressed. Given under my hand and seal of office this 2 day of August, ~~2020~~ 2021 A.D.


Notary Public Signature

Terilyn Henderson
Notary Public Printed Name



July 27, 2021

City of Hutto Development Services
500 W. Live Oak St.
Hutto, Texas 78634

Re: Thomison Tract Annexation

To Whom It May Concern:

Please find this letter as intent to voluntarily annex 53.122 acres of land, more or less, out of the Patrick O. Daugherty Survey, Abstract No. 184, in Williamson County, Texas. The property is located at the northeastern intersection of CR 132 and CR 133 in Hutto, TX 78634 and identified as R020313 and R020315 by the Williamson County Appraisal District. The property is currently owned by Aaron and Brenda Thomison (Doc. #2018002933).

It is acknowledged that the property is contiguous with the current city limits and is less than one-half mile in width. The current use of the property is agriculture and there are no residents living on the property.

Property Owner Signature: Brenda Thomison

Property Owner Printed Name: Brenda Thomison

Date: August 2, 2021

ACKNOWLEDGEMENT

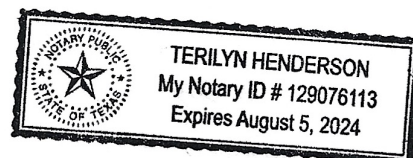
STATE OF TEXAS §

COUNTY OF WILLIAMSON §

Before me, the undersigned authority, on this day personally appeared Brenda Thomison known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and considerations therein expressed. Given under my hand and seal of office this 2 day of August, 2021 A.D.

Terilyn Henderson
Notary Public Signature

Terilyn Henderson
Notary Public Printed Name



ORDINANCE NO.

AN ORDINANCE ANNEXING CERTAIN HEREINAFTER DESCRIBED ADJACENT AND CONTIGUOUS TERRITORY TO THE CITY OF HUTTO, TEXAS, TO WIT: 53.12 ACRES, MORE OR LESS, OF LAND, DESCRIBED IN EXHIBIT “A”, ALL OF SAID PROPERTY BEING SITUATED IN WILLIAMSON COUNTY, TEXAS, AND ALL ADJACENT ROADWAYS BEING FOR ANNEXATION; EXTENDING THE BOUNDARY LIMITS OF HUTTO SO AS TO INCLUDE SAID PROPERTY WITHIN HUTTO’S CITY LIMITS; FINDING THAT ALL NECESSARY AND REQUIRED LEGAL CONDITIONS HAVE BEEN SATISFIED; PROVIDING THAT SUCH PROPERTY SHALL BECOME A PART OF THE CITY OF HUTTO AND THAT THE OWNERS AND INHABITANTS THEREOF SHALL BE ENTITLED TO THE RIGHTS AND PRIVILEGES OF OTHER CITIZENS AND BE BOUND BY THE ACTS, ORDINANCES, RESOLUTIONS AND REGULATIONS OF THE CITY NOW IN EFFECT AND THOSE WHICH ARE HEREINAFTER ADOPTED; PROVIDING FOR A SEVERABILITY CLAUSE AND PROVIDING AN EFFECTIVE DATE; PROVIDING FOR A SAVINGS CLAUSE AND REPEALING CONFLICTING ORDINANCES OR RESOLUTIONS.

WHEREAS, the City of Hutto, Texas (the “City”) is a duly constituted home-rule municipality and, as such, is authorized to annex territory subject to the laws of the State of Texas and subject to its Charter, and;

WHEREAS, pursuant to Section 43.028 of the Texas Local Government Code, the owners of the tracts of land containing 53.12 acres, more or less, of land, being out of the Patrick O. Daughtery Survey, Abstract No. 184 in Williamson County, Texas, and being more particularly described in **Exhibit “A”** attached hereto and made part hereof by reference for all purposes, have petitioned the City Council in writing to annex the Property, and;

WHEREAS, the procedures prescribed by the Charter of the City of Hutto and the applicable laws of the State of Texas have been duly followed with respect to the Property, and;

WHEREAS, such Property is (a) one-half mile or less in width; (b) contiguous to the City; and (c) vacant and without residents or on which fewer than three (3) qualified voters reside, and;

WHEREAS, after considering the public testimony received at each hearing, the City Council of the City of Hutto determines that annexation of the Property is proper in all respects and that such action is in the best interests of the community and its citizens, and;

WHEREAS, and every requirement set forth in Chapter 211, Sub-Chapter A., Texas Local Government Code, concerning public notices, hearings, and other procedural matters has been fully complied with, and;

WHEREAS, the City Council of the City of Hutto determines that the Property for annexation which is more fully described in **Exhibit “A”** should become annexed.

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

SECTION I.

That all of the above recitations are found to be true and correct and are incorporated into the body of this ordinance.

SECTION II.

That the Property described in the attached **Exhibit "A"**, together with adjacent roadways, be and is hereby annexed and brought within the corporate city limits of the City of Hutto, Texas, and same is hereby made an integral part hereof; and that the boundary limits of the City of Hutto be the same are hereby extended to include the above described territory within the city limits of the City of Hutto, and the same shall hereinafter be included within the territorial limits of the City of Hutto, Texas and designated as SF-1 Village (Single Family Residential - Village) Zoning District.

SECTION III.

That the owners and present and future inhabitants of the area herein annexed be entitled to all rights and privileges of other citizens and property owners of the City of Hutto, and hereby bound by all acts, ordinances, resolutions and regulations of the City, and all other legal actions now in full force and effect and all those which may be hereafter adopted.

SECTION IV.

That the appropriate city official of the City of Hutto is hereby directed and authorized to perform or cause to be performed all acts necessary to correct the official maps and boundaries of the City of Hutto, heretofore adopted and amended, so as to include the aforementioned territory hereby annexed, be and are hereby amended as part of the City of Hutto, Texas, as required by law.

SECTION V.

That the City Secretary is hereby directed and authorized to file a certified copy of this ordinance in the Office of the County Clerk of Williamson County, Texas.

SECTION VI.

If any section, subsection, sentence, phrase, or word of this ordinance be found to be illegal, invalid or unconstitutional or if any portion of said Property is incapable of being annexed by the City, for any reason whatsoever, the adjudication shall not affect any other section, sentence, phrase, word, paragraph or provision of this ordinance or the application of any other section, sentence, phrase or provision of any other ordinance of the City. The City Council declares that it would have adopted the valid portions and applications of this ordinance and would have annexed the valid Property without the invalid part, and to this end the provisions of this ordinance are declared to be severable.

SECTION VIII.

A. All ordinances, parts of ordinances, or resolutions in conflict herewith are hereby expressly repealed.

B. The invalidity of any section or provision of this ordinance shall not invalidate other sections or provisions thereof.

C. That City Council hereby finds and declares that written notice of the date, hour, place, and subject of the meeting at which this ordinance was adopted was posted and that such meeting was open to the public as required by law at all times during which this ordinance and the subject matter thereof were discussed, considered, and formerly acted upon, all as required by the Open Meetings Act, Chapter 551, Texas Government Code, as amended.

SECTION IX.

This ordinance shall take effect and be in force from and after its passage.

READ and **APPROVED** on first reading on this the **21th** day of **October, 2021** at a meeting of the Hutto, Texas City Council; there being a quorum present.

By motion duly made, seconded and passed with an affirmative vote of all the Councilmembers present, the requirement for reading this ordinance on two separate days was dispensed with.

READ, PASSED and **ADOPTED** on first reading of ordinance this **21th** day of **October, 2021** at a meeting of the Hutto, Texas City Council; there being a quorum present.

CITY OF HUTTO, TEXAS

Mike Snyder, Mayor

ATTEST:

Holly Nagy, City Secretary

GENERAL WARRANTY DEED

14665-17-02088
NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

DATE: January 9, 2018

GRANTOR: Bobby L. Krueger and Sandra L. Krueger

GRANTOR'S MAILING ADDRESS:

2300 County Road 609, Hutto TX 78634

GRANTEE: Aaron Thomison and Brenda Thomison

GRANTEE'S MAILING ADDRESS:

301 Will Smith Drive Hutto, TX 78634

CONSIDERATION:

Cash and other valuable consideration.

PROPERTY (including any improvements):

See Exhibit "A" attached hereto and made a part hereof.

RESERVATIONS FROM AND EXCEPTIONS TO CONVEYANCE AND WARRANTY:

This conveyance is made and accepted subject to all restrictions, covenants, conditions, rights-of-way, assessments, outstanding royalty and mineral reservations and easements, if any, affecting the above described property that are valid, existing and properly of record as of the date hereof and subject, further, to taxes for the year 2018 and subsequent years.

Grantor, for the consideration and subject to the reservations from and exceptions to conveyance and warranty, grants, sells and conveys to Grantee the property, together with all and singular the rights and appurtenances thereto in anywise belonging, to have and hold it to Grantee, Grantee's heirs, executors, administrators, successors, or assigns forever. Grantor binds Grantor and Grantor's heirs, executors, administrators, successors and assigns to warrant and forever defend all and singular the property to Grantee and Grantee's heirs, executors, administrators,

successors and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof, except as to the reservations from and exceptions to conveyance and warranty.

When the context requires, singular nouns and pronouns include the plural.

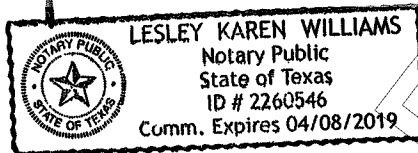
Bobby L. Krueger
Bobby L. Krueger

Sandra L. Krueger
Sandra L. Krueger

Acknowledgement

State of Texas
County of Williamson

January, 2018, by Bobby L. Krueger and Sandra L. Krueger, on the 9 day of



Lesley Karen Williams
Notary Public, State of Texas

Prepared by:
Hancock McGill & Bleau, LLLP
Attorneys at Law
File No. 14665-17-02058

After Recording Return To:

North American Title
1 Chisholm Trail, Suite 3100
Round Rock, TX 78681
512-255-3550

Dj2058-sw

Exhibit "A"

FIELDNOTE DESCRIPTION

53.12 ACRE TRACT

Being a 53.12 acre tract of land in the Patrick O. Daugherty Survey, Abstract No. 184, Williamson County, Texas and being all of that certain called 51.62 acre tract of land described in a deed to Bobby L. Krueger, et ux, recorded in Instrument No. 2012101765 of the Official Records of Williamson County, Texas (ORWCT). Said 53.12 acre tract being shown on attached plat and more particularly described by metes and bounds as follows:

BEGINNING at a found $\frac{1}{2}$ " iron rod at a 4" wood fence corner post at the northwest corner of above mentioned 51.62 acre tract, same being the southwest corner of a 240.72 acre tract of land to Dwayne Krueger (Instrument No. 9753672 ORWCT), at or near the north line of said Daugherty Survey, same being the south line of the John Thomas Survey, Abstract No. 610, located in the east right-of-way line of County Road No. 133;

THENCE along the north line of said 51.62 acre tract, same being the south line of said 240.72 acre tract, at or near said common survey line, North 70 degrees 19 minutes 58 seconds East, a distance of 2053.54 feet to a found $\frac{5}{8}$ " iron rod at a 6" wood fence corner post at the northwest corner of a 79.11 acre tract of land to Alvin T. Murphy (504/62), Deed Records of Williamson county, Texas;

THENCE along the east line of said 51.62 acre tract, same being the west line of said 79.11 acre tract and generally along a fence, the following:

South 08 degrees 40 minutes 40 seconds East, a distance of 590.97 feet to a set $\frac{1}{2}$ " iron rod with yellow cap stamped "RPLS 5345" at a 6" wood fence corner post;

South 78 degrees 11 minutes 59 seconds West, a distance of 206.82 feet to a found concrete monument at a 4" wood fence corner post;

South 24 degrees 06 minutes 22 seconds West, a distance of 1526.95 feet to a set $\frac{1}{2}$ " iron rod with yellow cap stamped "RPLS 5345" at a 10" wood fence corner post located in the north right-of-way line of County Road No. 132;

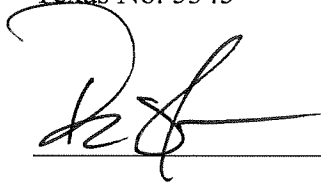
THENCE along the north right-of-way line of County Road No. 132 and generally along a fence, North 81 degrees 04 minutes 40 seconds West, a distance of 766.18 feet to a found 1" iron rod at an 8" wood fence corner post at a cut-back corner;

THENCE along said cut-back line and along a fence, North 53 degrees 40 minutes 01 seconds West, a distance of 16.23 feet to a found 1" iron rod at an 8" wood fence corner post located in the east right-of-way line of County Road No. 133;

THENCE along the east right-of-way line of County Road No. 133 and generally along a fence, North 19 degrees 34 minutes 09 seconds West, a distance of 1274.32 feet to the **POINT OF BEGINNING**, containing 53.12 acres of land.

All bearings recited herein are referenced to Geodetic North.

May 26, 2017
Don Randall Hughes
Registered Professional Land Surveyor
Texas No. 5345



**ELECTRONICALLY RECORDED
OFFICIAL PUBLIC RECORDS**

2018002933

Pages: 5 Fee: \$33.00
01/10/2018 02:11 PM



Nancy E. Rister

Nancy E. Rister, County Clerk
Williamson County, Texas

Unofficial Document

Thomison Tracts



CR=133

R020313

R020315

CR=132

OTTAVIANO WAY

0 500 1,000 2,000

This map was produced for the sole purpose of aiding the City of Hutto in planning purposes and is not warranted for any other use. No warranty is made by creator or city regarding its accuracy or completeness.

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July 27, 2021

City of Hutto Development Services
500 W. Live Oak St.
Hutto, Texas 78634

Re: Thomison Tract Zoning Change Request

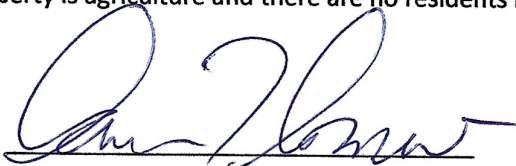
To Whom It May Concern:

Please find this letter as intent to change zoning for the 53.122 acres of land, more or less, out of the Patrick O. Daugherty Survey, Abstract No. 184, in Williamson County, Texas, from ETJ – development agreement to single family residential (SF-1), in order to develop the site as a single family subdivision, in accordance with City of Hutto code of ordinances.

The property is located at the northeastern intersection of CR 132 and CR 133 in Hutto, TX 78634 and identified as R020313 and R020315 by the Williamson County Appraisal District. The property is currently owned by Aaron and Brenda Thomison (Doc. #2018002933).

The current use of the property is agriculture and there are no residents living on the property.

Property Owner Signature:



Property Owner Printed Name: Aaron Thomison

Date:

August 2, 2021

ACKNOWLEDGEMENT

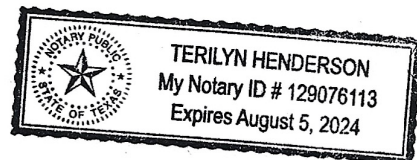
STATE OF TEXAS §

COUNTY OF WILLIAMSON §

Before me, the undersigned authority, on this day personally appeared Aaron Thomison, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and considerations therein expressed. Given under my hand and seal of office this 2 day of August, 2020 A.D. 2021


Notary Public Signature

Terilyn Henderson
Notary Public Printed Name



July 27, 2021

City of Hutto Development Services
500 W. Live Oak St.
Hutto, Texas 78634

Re: Thomison Tract Zoning Change Request

To Whom It May Concern:

Please find this letter as intent to change zoning for the 53.122 acres of land, more or less, out of the Patrick O. Daugherty Survey, Abstract No. 184, in Williamson County, Texas, from ETJ – development agreement to single family residential (SF-1), in order to develop the site as a single family subdivision, in accordance with City of Hutto code of ordinances.

The property is located at the northeastern intersection of CR 132 and CR 133 in Hutto, TX 78634 and identified as R020313 and R020315 by the Williamson County Appraisal District. The property is currently owned by Aaron and Brenda Thomison (Doc. #2018002933).

The current use of the property is agriculture and there are no residents living on the property.

Property Owner Signature: Brenda Thomison
Property Owner Printed Name: Brenda Thomison
Date: August 2, 2021

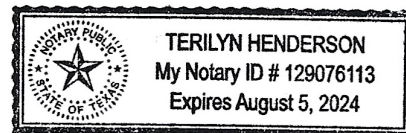
ACKNOWLEDGEMENT

STATE OF TEXAS §

COUNTY OF WILLIAMSON §

Before me, the undersigned authority, on this day personally appeared Brenda Thomison known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and considerations therein expressed. Given under my hand and seal of office this 2 day of August, 2021 A.D.

Terilyn Henderson
Notary Public Signature



Terilyn Henderson
Notary Public Printed Name

AGENDA ITEM REPORT



To: City Council

Subject: Consideration and possible action on Ordinance No. O-2021-063 opening a public hearing on the levy of assessments on property within the Durango Farms Public Improvement District and Approving Levying Special Assessments For, And Apportioning The Costs Of, Certain Improvements To Property In And For The Durango Farms Public Improvement District; Fixing A Charge And Lien Against All Properties Within The District, And The Owners Thereof; Providing For The Manner And Method Of Collection Of Such Assessments; Making A Finding Of Special Benefit To Property In The District And The Real And True Owners Thereof; Approving A Service And Assessment Plan; Providing A Severability Clause; And Providing An Effective Date. (First Reading)(City Attorney)

Meeting: Thursday, October 21, 2021

Department: City Secretary

Staff Contact:

BACKGROUND INFORMATION:

No supporting documentation.

SUMMARY OF REQUEST:

STAFF REVIEW:

FINANCIAL IMPACT:

POLICY IMPLICATIONS:

ATTACHMENTS:

1. Hutto AssessmentOrdinance.10.08.2021 2021-063
2. 2021-9-30_HUT_Durango Farms_SAP

ORDINANCE NO. O-2021-063

AN ORDINANCE LEVYING SPECIAL ASSESSMENTS FOR, AND APPORTIONING THE COSTS OF, CERTAIN IMPROVEMENTS TO PROPERTY IN AND FOR THE DURANGO FARMS PUBLIC IMPROVEMENT DISTRICT; FIXING A CHARGE AND LIEN AGAINST ALL PROPERTIES WITHIN THE DISTRICT, AND THE OWNERS THEREOF; PROVIDING FOR THE MANNER AND METHOD OF COLLECTION OF SUCH ASSESSMENTS; MAKING A FINDING OF SPECIAL BENEFIT TO PROPERTY IN THE DISTRICT AND THE REAL AND TRUE OWNERS THEREOF; APPROVING A SERVICE AND ASSESSMENT PLAN; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Subchapter A of Chapter 372 of the Texas Local Government Code (the "Act") allows for the creation of public improvement districts; and

WHEREAS, a petition was submitted and filed with the City Secretary (the "*City Secretary*") of the City of Hutto, Texas (the "*City*") pursuant to the Act, requesting the creation of a public improvement district located within the corporate limits of the City to be known as Durango Farms Public Improvement District (the "*District*") to provide public improvements within the District to include the design, acquisition, and construction of public improvement projects authorized by Section 372.003(b) of the Act that are necessary for development of the District, which public improvements will include, but not be limited to, streets, roadway construction, water, wastewater, and drainage facilities and improvements, and other improvement projects; and

WHEREAS, the petition contained the signatures of the record owners of taxable real property representing more than 50% of the appraised value of the real property liable for assessments within the District, as determined by the then current ad valorem tax rolls of the Williamson Central Appraisal District, and the signatures of record property owners who own taxable real property that constitutes more than 50% of the area of all taxable property that is liable for assessment by the District; and

WHEREAS, on August 6, 2020, after due notice, the City Council (the "*City Council*") of the City opened the public hearing in the manner required by law on the advisability of the improvement projects described in the petition as required by Section 372.009 of the Act and on August 6, 2020 the City Council made the findings required by Section 372.009(b) of the Act and, by Resolution No. R-2020-068 (the "*Creation Resolution*"), adopted by a majority of the members of the City Council, authorized the creation of the District in accordance with its finding as to the advisability of the improvement projects; and

WHEREAS, following the adoption of Creation Resolution, the City published notice of its authorization of the creation of the District on August 25, 2021 in the *Austin American Statesman*, a newspaper of general circulation in the City; and

WHEREAS, no written protests regarding the creation of the District from any owners of record of property within the District were filed with the City Secretary within 20 days after the date of publication of such notice; and

WHEREAS, pursuant to the Act, the proposed assessment roll for District (the "*Assessment Roll*") and service and assessment plan were filed with the City Secretary; and

WHEREAS, the statutory notice of a public hearing was published on August 29, 2021, to consider the levy of the proposed assessments (the "*Assessments*") on real property within the District was published in the *Taylor Press*, a newspaper of general circulation in the City and was mailed to the last known address of the owners of the property liable for the Assessments; and

WHEREAS, after notice was provided as required by the Act, the City Council on October 21, 2021, opened and held a public hearing to consider the levy of the proposed Assessments on property within the District, at which any and all persons who appeared, or requested to appear, in person or by their attorney, were given the opportunity to contend for or contest the Assessment Roll, and the proposed Assessments, and to offer testimony pertinent to any issue presented on the amount of the Assessments, the allocation of the Actual Costs of the authorized improvements to be undertaken for the benefit of all property to be assessed within the District (the "*Authorized Improvements*"), the purposes of the Assessments, the special benefits of the Authorized Improvements, and the penalties and interest on annual installments and on delinquent annual installments of the Assessments; and

WHEREAS, the City Council finds and determines that the Assessment Roll and the Durango Farms Public Improvement District Service and Assessment Plan, in a form substantially similar to the attached Exhibit A, which final form shall be approved by the City Manager (the "*Service and Assessment Plan*"), and which is incorporated herein for all purposes, should be approved and that the Assessments should be levied as provided in this Ordinance, the Service and Assessment Plan and the Assessment Roll; and

WHEREAS, the City Council further finds that there were no written objections or evidence submitted to the City Secretary in opposition to the Service and Assessment Plan, the Actual Costs of the Authorized Improvements as described in the Service and Assessment Plan, the Assessment Roll, and the levy of the Assessments; and

WHEREAS, in connection with the levy of the Assessments, concurrently herewith, the owners (the "*Landowners*") of the privately-owned and taxable property located within the District will execute a landowner agreement, wherein the Landowners, among other things, approves and accepts this Ordinance and the Service and Assessment Plan, including the Assessment Roll, consents to and accepts the levy of the Assessments against their property located within the District and agrees to pay the Assessments; and

WHEREAS, the City Council closed the hearing on October 21, 2021, and, after considering all written and documentary evidence presented at the hearing, including all written

comments and statements filed with the City, determined to proceed with the adoption of this Ordinance in conformity with the requirements of the Act; and

WHEREAS, the meeting at which this Ordinance is considered is open to the public as required by law, and the public notice of the time, place and purpose of said meeting was given as required by Chapter 551, Texas Government Code, as amended.

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

Section 1. All matters stated in the preamble of this Ordinance are found to be true and correct and are incorporated into the body of this Ordinance as if copied in their entirety.

Section 2. The Service and Assessment Plan, attached hereto as Exhibit A has been presented to and reviewed by the City Council and the City Council hereby approves the Service and Assessment Plan and adopts the Service and Assessment Plan as the service plan and assessment plan for the District. All capitalized terms not otherwise defined herein shall have the meanings given to such terms in the Service and Assessment Plan. A copy of the Service and Assessment Plan shall be filed not later than the seventh day after the effective date of this Ordinance with the county clerk of each county in which all or part of the District is located.

Section 3. The Authorized Improvements described in the preamble hereof include the improvements that will benefit and serve all of the property within District (the "Authorized Improvements"). The Authorized Improvements benefit and serve all of the property within the District and are set forth in Section III of the Service and Assessment Plan.

Section 4. The City Council hereby finds and determines upon the evidence presented in reference to the property located within the District that: (i) the enhancement and value to accrue to the District and the real and true owner or owners thereof by virtue of construction of the Authorized Improvements will be equal to or in excess of the amount of the cost of the proposed Authorized Improvements; (ii) that the apportionment of the costs of the Authorized Improvements and the Assessments here and below made are just and equitable and produce substantial equality, considering the benefits received and the burdens imposed thereby, and result in imposing equal shares of the cost of the Authorized Improvements on property similarly benefitted, and are in accordance with the laws of the State of Texas; (iii) the property assessed is specially benefitted by means of the said Authorized Improvements in the District in relation to the costs of such improvements; (iv) all procedures that have taken place heretofore with reference to the Authorized Improvements and Assessments are in all respects regular, proper, and valid; and (v) all prerequisites to the fixing of the assessment liens against the properties within the District, and the personal liability of the real and true owner or owners thereof, whether correctly named herein or not, have been in all things regularly and duly performed in compliance with the Act and the proceedings of the City Council. The cost of said Authorized Improvements is hereby assessed and levied as a special assessment against such properties and the real and true owner or owners thereof in the amounts as described in Exhibit F of the Service and Assessment Plan attached hereto.

Section 5. There shall be and is hereby levied and assessed against the property within the District, and against the real and true owners thereof (whether such owners be correctly named or not), the sums of money as listed in Exhibit F of the Service and Assessment Plan attached hereto and made a part hereof shown for each of the respective parcels of property, and the assessed against the same, and the owners thereof.

Section 6. The sums assessed against property located within the District and the real and true owners or owner thereof, whether the owner or owners be named or correctly named, or the properties be correctly described therein or not, together with interest thereon at the rate per annum when required as set forth in the Service and Assessment Plan and with reasonable attorney's fees and all costs and expenses of collection, if incurred, are hereby declared to be and made a first and prior lien upon the respective parcels of property against which same are assessed from and after this date, and a personal liability and charge against the real and true owner or owners thereof, whether or not such owner or owners be correctly named herein, paramount and superior to all other liens, claims or titles except for lawful claims for state, county, school district, or municipality ad valorem taxes; and that the sum so assessed shall be payable to the City or its assigns in accordance with the Assessment Roll attached as Exhibit F to the Service and Assessment Plan.

Section 7. (a) The levy of the Assessments shall be effective on the date of adoption of this Ordinance levying assessments and strictly in accordance with the terms of the Service and Assessment Plan.

(b) The apportionment of the costs of the Authorized Improvements to be assessed against the property within the District, shall be as set forth in the Service and Assessment Plan.

(c) Assessments and Annual Installments shall be collected, administered and may be reallocated, and the costs of improvements paid, as set forth in: (i) this Ordinance; (ii) the Service and Assessment Plan and (iii) any ordinance, resolution, bond indenture or agreement approved by the City Council.

(d) Each Assessment may be paid in a lump sum or may be paid in Annual Installments pursuant to the terms of the Service and Assessment Plan.

(e) Each Assessment shall accrue and bear interest at the rate or rates specified in the Service and Assessment Plan.

(f) Each Annual Installment shall be due and payable and shall be collected each year in the manner set forth in the Service and Assessment Plan.

(g) Assessments and the interest thereon shall be deposited as and when received by the City into a separate fund to be used to pay the costs incurred for the Authorized Improvements, including debt service on obligations issued to pay the costs of the Authorized Improvements, and the establishment of each such fund is hereby approved.

(h) The Annual Installments shall be reduced to equal the actual costs of repaying the related series of bonds and actual Annual Collection Costs (as provided for in the definition of such term), taking into consideration any other available funds for these costs, such as interest income on account balances.

Section 8. This Ordinance incorporates by reference all provisions and requirements of the Act.

Section 9. If any section, article, paragraph, sentence, clause, phrase, or word in this Ordinance, or application thereof to any persons or circumstances is held invalid or unconstitutional by a court of competent jurisdiction, such holding shall not affect the validity of the remaining portions of this Ordinance; and the City Council hereby declares it would have passed such remaining portion of this Ordinance, despite such invalidity, which remaining portions shall remain in full force and effect.

Section 10. This Ordinance shall take effect immediately from and after its passage and it is accordingly so ordained. PASSED, APPROVED AND ADOPTED on the 21st day of October , 2021.

ATTEST:

Mike Snyder, Mayor

Holly Nagy, City Secretary

[SEAL]

ORDINANCE NO. O-2021-__ READ and APPROVED on first reading on the __ day of _____, 2021, at a meeting of the City Council of the City of Hutto, Texas at which a quorum was present and for which due notice was given pursuant to Section 551.00, et. seq., of the Texas Government Code.

MOTION APPROVED pursuant to Hutto City Charter Article 3, Section 3.13 to dispense with second reading on the __ day of _____, 2021, at a meeting of the City Council of the City of Hutto, Texas at which a quorum was present and for which due notice was given pursuant to Section 551.00, et. seq., of the Texas Government Code.

Exhibit A

DURANGO FARMS PUBLIC IMPROVEMENT DISTRICT
SERVICE AND ASSESSMENT PLAN

(see attached)

Durango Farms Public Improvement District

SERVICE AND ASSESSMENT PLAN

SEPTEMBER 30, 2021



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INTRODUCTION

Capitalized terms used in this Service and Assessment Plan shall have the meanings given to them in **Section I** unless otherwise defined in this Service and Assessment Plan or unless the context in which a term is used clearly requires a different meaning. Unless otherwise defined, a reference to a “Section” or an “Exhibit” shall be a reference to a Section of this Service and Assessment Plan, or an Exhibit attached to and made a part of this Service and Assessment Plan for all purposes.

On August 6, 2020, the City passed and approved Resolution No. R-2020-068 authorizing the creation of the District in accordance with the PID Act, which authorization was effective upon publication as required by the PID Act. The purpose of the District is to finance the Actual Costs of the Authorized Improvements for the benefit of property within the District. The District contains approximately 105.114 acres within the corporate limits of the City, as described legally by metes and bounds on **Exhibit M** and as depicted by the map on **Exhibit A**.

The PID Act requires a service plan covering a period of at least five years and defining the annual indebtedness and projected cost of the Authorized Improvements. The Service Plan is contained in **Section IV**.

The PID Act requires that the Service Plan include an assessment plan that assesses the Actual Costs of the Authorized Improvements against Assessed Property within the District based on the special benefits conferred on such property by the Authorized Improvements. The Assessment Plan is contained in **Section V**.

The PID Act requires an Assessment Roll that states the Assessment against each Parcel determined by the method chosen by the City. The Assessment against each Assessed Property must be sufficient to pay the share of the Actual Costs apportioned to the Assessed Property and cannot exceed the special benefit conferred on the Assessed Property by the Authorized Improvements. The Assessment Roll is contained in **Exhibit E**.

SECTION I: DEFINITIONS

“Actual Costs” mean, with respect to Authorized Improvements, the actual costs paid or incurred by or on behalf of the Developer of the District: (1) to plan, finance, design, acquire, construct, install, and dedicate such improvements to the City; (2) to prepare plans, specifications (including bid packages), contracts, and as-built drawings; (3) to obtain zoning, licenses, plan approvals, permits, inspections, and other governmental approvals; (4) for third-party professional consulting services including but not limited to, engineering, surveying, geotechnical, land planning, architectural, landscaping, legal, accounting, and appraisals; (5) of labor, materials, equipment, fixtures, payment and performance bonds and other construction security, and insurance premiums; and (6) to implement, administer, and manage the above-described activities, including a 4% construction management fee. Actual Costs shall not include general contractor’s fees in an amount that exceeds a percentage equal to the percentage of work completed or construction management fees in an amount that exceeds an amount equal to the construction management fee amortized in approximately equal monthly installments over the term of the applicable construction management contract. Amounts expended for costs described in subsection (3), (4), and (6) above shall be excluded from the amount upon which the general contractor and construction management fees are calculated.

“Additional Interest” means the amount collected by application of the Additional Interest Rate.

“Additional Interest Rate” means the 0.50% additional interest charged on the Assessments securing PID Bonds pursuant to Section 372.018 of the PID Act.

“Administrator” means the City, or the person or independent firm designated by the City who shall have the responsibility provided in this Service and Assessment Plan, the Indenture, or any other agreement or document approved by the City related to the duties and responsibility of the administration of the District.

“Annual Collection Costs” mean the actual or budgeted costs and expenses related to collecting the Annual Installments, including, but not limited to, costs and expenses for: (1) the Administrator and City staff; (2) legal counsel, engineers, accountants, financial advisors, and other consultants engaged by the City; (3) calculating, collecting, and maintaining records with respect to Assessments and Annual Installments; (4) preparing and maintaining records with respect to Assessment Rolls and Annual Service Plan Updates; (5) paying, and redeeming PID Bonds; (6) investing or depositing Assessments and Annual Installments; (7) complying with this Service and Assessment Plan and the PID Act with respect to the administration of the District, including continuing disclosure requirements; and (8) the paying agent/registrar and Trustee in connection with PID Bonds, including their respective legal counsel. Annual Collection Costs

collected but not expended in any year shall be carried forward and applied to reduce Annual Collection Costs for subsequent years.

“Annual Installment” means the annual installment payment of an Assessment as calculated by the Administrator and approved by the City Council, that includes: (1) principal; (2) interest; (3) Annual Collection Costs; and (4) Additional Interest.

“Annual Service Plan Update” means an update to this Service and Assessment Plan prepared no less frequently than annually by the Administrator and approved by the City Council.

“Assessed Property” means any Parcel within the District that benefits from the Authorized Improvements and on which an Assessment is levied as shown on the Assessment Roll and which includes any and all Parcels within the District other than Non-Benefitted Property.

“Assessment” means an assessment levied against a Parcel and imposed pursuant to an Assessment Ordinance and the provisions herein, as shown on the Assessment Roll, subject to reallocation upon the subdivision of such Parcel or reduction according to the provisions herein and in the PID Act.

“Assessment Plan” means the methodology employed to assess the Actual Costs of the Authorized Improvements against Assessed Property within the District based on the special benefits conferred on such property by the Authorized Improvements, more specifically described in **Section V**.

“Assessment Roll” means the assessment roll for the Assessed Property within the District and included in this Service and Assessment Plan as **Exhibit E**, as updated, modified, or amended from time to time in accordance with the procedures set forth herein and in the PID Act, including updates prepared in connection with the issuance of PID Bonds or in connection with any Annual Service Plan Update.

“Authorized Improvements” mean improvements authorized by Section 372.003 of the PID Act, including Section 1 Improvements, Section 2 Improvements, Major Improvements, and District Formation and Bond Issuance Costs.

“City” means the City of Hutto, Texas.

“City Council” means the governing body of the City.

“County” means Williamson County, Texas.

“Delinquent Collection Costs” mean, for a Parcel, interest, penalties, and other costs and expenses authorized by the PID Act that directly or indirectly relate to the collection of delinquent Assessments, delinquent Annual Installments, or any other delinquent amounts due under this SAP, including costs and expenses to foreclose liens.

“Developer” means MA Durango Farms, LLC, a Texas limited liability company.

“District” means the approximately 105.114 acres within the corporate limits of the City, as described legally by metes and bounds on **Exhibit M** and as depicted by the map on **Exhibit A**.

“District Formation and Bond Issuance Costs” mean the costs associated with forming the District and issuing PID Bonds, including but not limited to attorney fees, financial advisory fees, consultant fees, appraisal fees, printing costs, publication costs, City costs, capitalized interest, reserve fund requirements, first year’s Annual Collection Costs, underwriter discount, fees charged by the Texas Attorney General, and any other cost or expense directly associated with the establishment of the District and/or the issuance of PID Bonds.

“Estimated Buildout Value” means the estimated buildout value of an Assessed Property at the time Assessments are levied, and shall be determined by the Administrator and confirmed by the City Council by considering such factors as density, lot size, proximity to amenities, view premiums, location, market conditions, historical sales, builder contracts, discussions with homebuilders, reports from third party consultants, or any other information that may impact value.

“Indenture” means an Indenture of Trust entered into in connection with the issuance of PID Bonds, as amended or supplemented from time to time, between the City and the Trustee setting forth terms and conditions related to the PID Bonds.

“Lot” means (1) for any portion of the District for which a subdivision plat has been recorded in the official public records of the County, a tract of land described as a “lot” in such subdivision plat, and (2) for any portion of the District for which a subdivision plat has not been recorded in the official public records of the County, a tract of land anticipated to be described as a “lot” in a final recorded subdivision plat as shown on a concept plan or preliminary plat.

“Lot Type” means a classification of final building Lots with similar characteristics (e.g. lot size, home product, buildout value, etc.), as determined by the Administrator and confirmed and approved by the City Council. In the case of single-family residential Lots, the Lot Type shall be further defined by classifying the residential Lots by the Estimated Buildout Value of the Lot as calculated by the Administrator and confirmed and approved by the City Council.

“Lot Type 1” means a Lot designated as a 45’ residential lot by the Owner, as shown on the map attached as **Exhibit I**.

“Lot Type 2” means a Lot designated as a 50’ residential lot by the Owner, as shown on the map attached as **Exhibit I**.

“Lot Type 3” means a Lot designated as a 60’ residential lot by the Owner, as shown on the map attached as **Exhibit I**.

“Lot Type Multi-Family” means a Lot designated as a multi-family residential lot by the Owner, as shown on the map attached as **Exhibit I**.

“Lot Type Commercial” means a Lot designated as a commercial lot by the Owner, as shown on the map attached as **Exhibit I**.

“Major Improvements” mean the Authorized Improvements that benefit the entire District and are allocated pro rata to Section 1 and Section 2 based on Estimated Buildout Value, as shown on **Exhibit Q**. The Major Improvements are depicted on **Exhibit H**.

“Maximum Assessment” means the amount shown for each Lot Type on **Exhibit G**. The Maximum Assessment shall be reduced annually by the principal portion of the Annual Installment.

“Meritage” means Meritage Homes of Texas, LLC, an Arizona limited liability company.

“Non-Benefitted Property” means Parcels within the boundaries of the District that accrue no special benefit from Authorized Improvements as determined by the City Council.

“Owner(s)” means the owners of the Assessed Parcels in the District at the time the Assessments are levied, being (1) the Developer, (2) Meritage, and (3) Vantage.

“Parcel(s)” means a property within the boundaries of the District, identified by either a tax map identification number assigned by the Williamson Central Appraisal District for real property tax purposes, by metes and bounds description, by lot and block number in a final subdivision plat recorded in the official public records of the County, or by any other means as determined by the City Council.

“Phase 1 Plat” means the Durango Farms Phase 1 Final Plat, as shown on **Exhibit J**.

“PID Act” means Chapter 372, Texas Local Government Code, as amended.

“PID Bonds” mean those certain “City of Hutto, Texas, Special Assessment Revenue Bonds, Series 2021 (Durango Farms Public Improvement District)”, and any other bonds issued in accordance with the PID Act, if applicable, that are secured by Assessments.

“Prepayment” means the payment of all or a portion of an Assessment before the due date thereof. Amounts received at the time of a Prepayment which represent a payment of principal, interest, or penalties on a delinquent installment of Assessment are not to be considered a Prepayment, but rather are to be treated as a payment of the regularly scheduled Assessment.

“Prepayment Costs” mean interest, including Additional Interest, and Annual Collection Costs incurred up to the date of Prepayment.

“Section 1” means the approximately 94.593 acres within the District inside the corporate limits of the City and west of FM 1660, as described legally by metes and bounds on **Exhibit N** and as depicted by the map on **Exhibit A**.

“Section 1 Improvements” mean Authorized Improvements that only benefit Section 1, as depicted on **Exhibit H**.

“Section 1 Phase 1” means that portion of Section 1 platted by the Phase 1 Plat.

“Section 1 Phase 2” means the approximately 23.479 acres within the corporate limits of the City, as described legally by metes and bounds on **Exhibit O**.

“Section 1 Projects” means the Section 1 Improvements, Section 1’s allocable share of the Major Improvements, and Section 1’s allocable share of District Formation and Bond Issuance Costs.

“Section 2” means the approximately 10.521 acres within the District inside the corporate limits of the City, and east of FM 1660, as described legally by metes and bounds on **Exhibit P** and as depicted by the map on **Exhibit A**.

“Section 2 Improvements” mean Authorized Improvements that only benefit Section 2, as depicted on **Exhibit H**.

“Section 2 Projects” means the Section 2 Improvements, Section 2’s allocable share of the Major Improvements, and Section 2’s allocable share of District Formation and Bond Issuance Costs.

“Service and Assessment Plan” means this Service and Assessment Plan as it may be modified, amended, supplemented, and updated from time to time.

“Service Plan” covers a period of at least five years and defines the annual indebtedness and projected costs of the Authorized Improvements, more specifically described in **Section IV**.

“Trustee” means the trustee (or successor trustee) under an Indenture.

“Vantage” means Vantage at Hutto, LLC, a Texas limited liability company.

SECTION II: THE DISTRICT

The District includes approximately 105.114 acres within the corporate limits of the City, as described legally by metes and bounds on **Exhibit M** and as depicted by the map on **Exhibit A**. Development of the District is anticipated to include 248 single-family homes, 388 multi-family units, and approximately 20,000 square feet of commercial space.

Section 1 includes approximately 94.593 acres within the corporate limits of the City, as described legally by metes and bounds on **Exhibit N** and as depicted by the map on **Exhibit A**. Development of Section 1 is anticipated to include 248 single-family homes, 288 multi-family units, and approximately 20,000 square feet of commercial space. Section 1 is partially composed of Section 1 Phase 1, platted by the Phase 1 Plat, with the remainder of Section 1 in Section 1 Phase 2.

Section 2 includes approximately 10.521 acres within the corporate limits of the City, as described legally by metes and bounds on **Exhibit P** and as depicted by the map on **Exhibit A**. Development of Section 2 is anticipated to include 100 multi-family units.

SECTION III: AUTHORIZED IMPROVEMENTS

The City, based on information provided by the Developer and its engineer and review by the City staff and by third-party consultants retained by the City, determined that the Authorized Improvements confer a special benefit on the Assessed Property. Authorized Improvements will be designed and constructed in accordance with City standards and will be owned and operated by the City once accepted unless specifically stated below. The budget for the Authorized Improvements, as well as the allocation of the Actual Costs of the Authorized Improvements, is shown on **Exhibit B**.

A. Section 1 Improvements

- *Streets*

Improvements including subgrade stabilization (including lime treatment and compaction), concrete and reinforcing steel for roadways, testing, handicapped ramps, and streetlights. All related earthwork, excavation and embankment, erosion control, retaining walls, intersections, signage, lighting, and sleeving are included. The street improvements will provide street access to each Lot within Section 1.

- *Water*

Improvements including trench excavation and embedment, trench safety, PVC piping, manholes, service connections, testing, related earthwork, excavation, and erosion

control and all necessary appurtenances required to provide water service to all Lots within Section 1.

- *Wastewater*

Improvements including trench excavation and embedment, trench safety, PVC piping, manholes, service connections, testing, related earthwork, excavation, and erosion control and all necessary appurtenances required to provide wastewater service to all Lots within Section 1.

- *Drainage*

Improvements including earthen channels, swales, curb and drop inlets, RCP piping and boxes, headwalls, concrete flumes, rock rip rap, concrete outfalls, and testing as well as all related earthwork, excavation, and erosion control necessary to provide storm drainage for all Lots in Section 1.

- *Erosion Control, Excavation, and Embankment*

Improvements including stabilized construction entrance, silt fencing, inlet protection, permanent erosion control by applying top soil and hydromulch in all disturbed areas, dry stack walls, clearing and grubbing of all right of ways and alleys and excavating all right of ways, alleys and wet utilities, onsite storage of materials and import and haul off of materials, as necessary.

- *Detention Pond*

Improvements including walls, outfall structures, access ramps, gates, signage and all necessary appurtenances required to create detention ponds within Section 1.

- *Soft Costs/Contingency*

Includes 15% soft costs (inclusive of 4% construction management fee), 5% contingency for bid improvements, and 10% contingency for non-bid improvements.

B. Section 2 Improvements

- *Water*

Improvements including trench excavation and embedment, trench safety, PVC piping, manholes, service connections, testing, related earthwork, excavation, and erosion control and all necessary appurtenances required to provide water service to all Lots within Section 2.

- *Wastewater*

Improvements including trench excavation and embedment, trench safety, PVC piping, manholes, service connections, testing, related earthwork, excavation, and erosion

control and all necessary appurtenances required to provide wastewater service to all Lots within Section 2.

- *Drainage*

Improvements including earthen channels, swales, curb and drop inlets, RCP piping and boxes, headwalls, concrete flumes, rock rip rap, concrete outfalls, and testing as well as all related earthwork, excavation, and erosion control necessary to provide storm drainage for all Lots in Section 2.

- *Erosion Control, Excavation, and Embankment*

Improvements including stabilized construction entrance, silt fencing, inlet protection, permanent erosion control by applying top soil and hydromulch in all disturbed areas, dry stack walls, clearing and grubbing of all right of ways and alleys and excavating all right of ways, alleys and wet utilities, onsite storage of materials and import and haul off of materials, as necessary.

- *Soft Costs/Contingency*

Includes 15% soft costs (inclusive of 4% construction management fee), 5% contingency for bid improvements, and 10% contingency for non-bid improvements.

C. Major Improvements

- *FM 1660*

Improvements including permanently changing the existing 3 way traffic signal into a four way traffic signal and other general intersection improvements, including adding turn lanes and deceleration lanes accomplished by the widening of the pavement sections north and south of the existing intersection. The FM 1660 improvements will be owned and operated by TXDOT.

D. District Formation and Bond Issuance Costs

- *Debt Service Reserve Requirement*

Equals the amount required to fund a reserve under the Indenture in connection with the issuance of PID Bonds.

- *Capitalized Interest*

Equals the amount of capitalized interest available for payment of interest on PID Bonds as reflected in the Indenture.

- *Underwriter's Discount*

Equals a percentage of the par amount of a particular series of PID Bonds and includes a fee for underwriter's counsel.

- *Cost of Issuance*

Costs associated with issuing PID Bonds, including but not limited to attorney fees, financial advisory fees, consultant fees, appraisal fees, printing costs, publication costs, City costs, fees charged by the Texas Attorney General, and any other cost or expense directly associated with the issuance of PID Bonds.

- *District Formation*

Expenses directly associated with forming the District including 1st year Annual Collection Costs.

SECTION IV: SERVICE PLAN

The PID Act requires the Service Plan to cover a period of at least five years. The Service Plan is required to define the projected costs and annual indebtedness for the Authorized Improvements undertaken within the District during the five-year period. The Service Plan shall be updated in each Annual Service Plan Update. **Exhibit C** summarizes the Service Plan for the District.

Exhibit D summarizes the sources and uses of funds required to construct certain Authorized Improvements. The sources and uses of funds shown on **Exhibit D** shall be updated in each Annual Service Plan Update.

SECTION V: ASSESSMENT PLAN

The PID Act requires the City to apportion the Actual Costs of the Authorized Improvements to the Assessed Property based on the special benefit received from the Authorized Improvements. The PID Act provides that such costs may be apportioned: (1) equally per front foot or square foot; (2) according to the value of property as determined by the City, with or without regard to improvements constructed on the property; or (3) in any other manner approved by the City that results in imposing equal shares of such costs on property similarly benefited. The PID Act further provides that the governing body may establish by ordinance or order reasonable classifications and formulas for the apportionment of the cost between the municipality and the area to be assessed and the methods of assessing the special benefits for various classes of improvements.

This section of this Service and Assessment Plan describes the special benefit received by each Assessed Property within the District as a result of the Authorized Improvements and provides the basis and justification for the determination that this special benefit exceeds the amount of the Assessments levied on the Assessed Property for such Authorized Improvements.

The determination by the City of the assessment methodologies set forth below is the result of the discretionary exercise by the City Council of its legislative authority and governmental powers and is conclusive and binding on the Owner and all future owners and developers of the Assessed Property.

A. Assessment Methodology

The City Council, acting in its legislative capacity based on information provided by the Developer and its engineer and reviewed by the City staff and by third-party consultants retained by the City, has determined that (a) 100% of the Section 1 Improvements be allocated to Section 1, based on the benefits received by such parcel, and (b) 90.73% of the Major Improvements and Bond Issuance and District Formation Costs be allocated to Section 1 based on Estimated Buildout Value as shown on **Exhibit Q**. The City Council has further determined that (a) 100% of the Section 2 Improvements be allocated to Section 2, based on the benefits received by such parcel, and (b) 9.27% of the Major Improvements and Bond Issuance and District Formation Costs be allocated to Section 2 based on Estimated Buildout Value as shown on **Exhibit Q**. The City Council has further determined that, within Section 1 and Section 2, the Assessments and the costs of the allocated Authorized Improvements shall be allocated based on Estimated Buildout Value as shown on **Exhibit Q**.

B. Assessments

Assessments will be levied on each Parcel or Lot according to the Assessment Roll, attached hereto as **Exhibit E**. The projected Annual Installments are shown on **Exhibit F**, subject to revisions made during any Annual Service Plan Update.

The Maximum Assessment for each Lot Type is shown on **Exhibit G**. In no case will the Assessment for any Lot Type exceed the Maximum Assessment.

C. Findings of Special Benefit

The City Council, acting in its legislative capacity based on information provided by the Owner and its engineer and reviewed by the City staff and by third-party consultants retained by the City, has found and determined:

- Section 1
 - The cost of the Section 1 Projects equals \$12,867,991 as shown on **Exhibit B**; and
 - The Assessed Property within Section 1 receives special benefit equal to or greater than the Section 1 Projects; and
 - The Assessed Property within Section 1 was allocated 100% of the Assessments levied for the Section 1 Projects, which equals \$12,388,817 as shown on **Exhibit Q**; and

- The special benefit ($\geq \$12,867,991$) received by the Assessed Property within Section 1 from the Section 1 Projects is greater than the amount of Assessments (\$12,388,817) levied on the Assessed Property within Section 1 for the Section 1 Projects, and that the special benefit received by each Lot or Parcel within Section 1 is greater than the amount of Assessment for such Lot or Parcel, as shown on the Assessment Roll in Exhibit E; and
- At the time the City Council approved the Assessment Ordinance, the Owners owned 100% of the Assessed property within Section 1. In a Landowner Agreement with the City, the Owners acknowledged that the Section 1 Projects confer a special benefit on the Assessed Property within Section 1 and consented to the imposition of the Assessments to pay for the Actual Costs associated therewith. The Owners ratified, confirmed, accepted, agreed to, and approved (1) the determinations and findings by the City Council as to the special benefits described herein, and (2) the levying of the Assessments on Assessed property within Section 1.
- Section 2
 - The cost of the Section 2 Projects equals \$1,092,183 as shown on **Exhibit B**; and
 - The Assessed Property within Section 2 receives special benefit equal to or greater than the Section 2 Projects; and
 - The Assessed Property within Section 2 was allocated 100% of the Assessments levied for the Section 2 Projects, which equals \$1,092,183 as shown on **Exhibit Q**; and
 - The special benefit ($\geq \$1,092,183$) received by the Assessed Property within Section 2 from the Section 2 Projects is greater than the amount of Assessments (\$1,092,183) levied on the Assessed Property within Section 2 for the Section 2 Projects; and
 - At the time the City Council approved the Assessment Ordinance, the Developer owned 100% of the Assessed property within Section 2. In a Landowner Agreement with the City, the Developer acknowledged that the Section 2 Projects confer a special benefit on the Assessed property within Section 2 and consented to the imposition of the Assessments to pay for the Actual Costs associated therewith. The Developer ratified, confirmed, accepted, agreed to, and approved (1) the determinations and findings by the City Council as to the special benefits described herein, and (2) the levying of the Assessments on Assessed property within Section 2.

D. Annual Collection Costs

The Annual Collection Costs shall be paid for on a pro rata basis by each Assessed Property based on the amount of outstanding Assessment remaining on the Assessed Property. The Annual Collection Costs shall be collected as part of and in the same manner as Annual Installments in the amounts shown on the Assessment Roll, which may be revised based on Actual Costs incurred in Annual Service Plan Updates.

E. Additional Interest

The interest rate on Assessments levied on the Assessed Property may exceed the interest rate on the PID Bonds by the Additional Interest Rate. Additional Interest shall be collected as part of each Annual Installment and shall be deposited pursuant to the Indenture.

SECTION VI: TERMS OF THE ASSESSMENTS

A. Reallocation of Assessments

1. Upon Division Prior to Recording of Subdivision Plat

Upon the division of any Assessed Property (without the recording of subdivision plat), the Administrator shall reallocate the Assessment for the Assessed Property prior to the division among the newly divided Assessed Properties according to the following formula:

$$A = B \times (C \div D)$$

Where the terms have the following meanings:

A = the Assessment for the newly divided Assessed Property

B = the Assessment for the Assessed Property prior to division

C = the Estimated Buildout Value of the newly divided Assessed Property

D = the sum of the Estimated Buildout Value for all the newly divided Assessed Properties

The sum of the Assessments for all newly divided Assessed Properties shall equal the Assessment for the Assessed Property prior to subdivision. The calculation shall be made separately for each newly divided Assessed Property. The reallocation of an Assessment for an Assessed Property that is a homestead under Texas law may not exceed the Assessment prior to the reallocation. Any reallocation pursuant to this section shall be reflected in the next Annual Service Plan Update and update to this Service and approved by the City Council.

2. Upon Subdivision by a Recorded Subdivision Plat

Upon the subdivision of any Assessed Property based on a recorded subdivision plat, the Administrator shall reallocate the Assessment for the Assessed Property prior to the subdivision among the new subdivided Lots based on Estimated Buildout Value according to the following formula:

$$A = [B \times (C \div D)]/E$$

Where the terms have the following meanings:

A = the Assessment for the newly subdivided Lot

B = the Assessment for the Parcel prior to subdivision

C = the sum of the Estimated Buildout Value of all newly subdivided Lots with the same Lot Type

D = the sum of the Estimated Buildout Value for all the newly subdivided Lots excluding Non-Benefitted Property

E = the number of Lots with the same Lot Type

Prior to the recording of a subdivision plat, the Owner shall provide the City an Estimated Buildout Value as of the date of the recorded subdivision plat for each Lot created by the recorded subdivision plat.

The sum of the Assessments for all newly subdivided Lots shall not exceed the Assessment for the portion of the Assessed Property subdivided prior to subdivision. The calculation shall be made separately for each newly subdivided Assessed Property. The reallocation of an Assessment for an Assessed Property that is a homestead under Texas law may not exceed the Assessment prior to the reallocation. Any reallocation pursuant to this section shall be reflected in the next Annual Service Plan Update and approved by the City Council.

3. Upon Consolidation

If two or more Lots or Parcels are consolidated, the Administrator shall allocate the Assessments against the Lots or Parcels before the consolidation to the consolidated Lot or Parcel, which allocation shall be approved by the City Council in the next Annual Service Plan Update.

The Assessment for any resulting Lot will not exceed the Maximum Assessment, shown on **Exhibit G** for the applicable Lot Type, and compliance may require a mandatory prepayment of Assessments pursuant to **Section VI.B**.

B. True-up of Assessments if Maximum Assessment Exceeded

If the subdivision of any Assessed Property by a final subdivision plat, approval of a site development plan, issuance of a building permit, or any other action that determines the number of units or square feet of commercial to be constructed causes the Assessment per Lot for any Lot Type to exceed the Maximum Assessment, the owner of Assessed Property requesting the subdivision, site development plan, building permit, or other action must prepay the portion of the Assessment for each Assessed Property that exceeds the Maximum Assessment in an amount sufficient to reduce the Assessment to the Maximum Assessment.

C. Mandatory Prepayment of Assessments

If Assessed Property is transferred to a person or entity that is exempt from payment of the Assessments, the owner transferring the Assessed Property shall pay to the City or the Administrator on behalf of the City the full amount of the outstanding Assessment, plus Prepayment Costs and Delinquent Collection Costs, if any, for such Assessed Property, prior to the transfer. If the owner of the Assessed Property causes the Assessed Property to become Non-Benefitted Property, the owner causing the change in status shall pay the full amount of the outstanding Assessment, plus Prepayment Costs and Delinquent Collection Costs, if any, prior to the change in status.

D. Reduction of Assessments

If as a result of cost savings or Authorized Improvements not being constructed, the Actual Costs of completed Authorized Improvements are less than the Assessments the Trustee shall apply amounts on deposit in the applicable account of the project fund relating to the PID Bonds, that are not expected to be used for purposes of the project fund to redeem outstanding PID Bonds, in accordance with the applicable Indenture. The Assessments shall not, however, be reduced to an amount less than the outstanding PID Bonds.

The Administrator shall update (and submit to the City Council for review and approval as part of the next Annual Service Plan Update) the Assessment Roll and corresponding Annual Installments to reflect the reduced Assessments.

E. Prepayment of Assessments

The owner of any Assessed Property may pay, at any time, all or any part of an Assessment in accordance with the PID Act. Interest costs from the date of prepayment to the date of redemption of the applicable PID Bonds, if any, may be paid from a reserve established under the applicable Indenture. If an Annual Installment has been billed prior to the Prepayment, the Annual Installment shall be due and payable and shall be credited against the Prepayment.

If an Assessment is pre-paid in full, with Prepayment Costs: (1) the Administrator shall cause the Assessment to be reduced to zero and the Assessment Roll to be revised accordingly; (2) the

Administrator shall cause the revised Assessment Roll to be approved by the City Council as part of the next Annual Service Plan Update; (3) the obligation to pay the Assessment and corresponding Annual Installments shall terminate; and (4) the City shall provide the owner with a recordable "Notice of PID Assessment Termination," a form of which is attached as **Exhibit K**.

If an Assessment is pre-paid in part, with Prepayment Costs: (1) the Administrator shall cause the Assessment to be reduced and the Assessment Roll revised accordingly; (2) the Administrator shall cause the revised Assessment Roll to be approved by the City Council as part of the next Annual Service Plan Update; and (3) the obligation to pay the Assessment and corresponding Annual Installments shall be reduced to the extent of the Prepayment made.

F. Prepayment as a result of Eminent Domain Proceeding or Taking

If any portion of any Parcel of Assessed Property is taken from an owner as a result of eminent domain proceedings or if a transfer of any portion of any Parcel of Assessed Property is made to an entity with the authority to condemn all or a portion of the Assessed Property in lieu of or as a part of an eminent domain proceeding (a "**Taking**"), the portion of the Assessed Property that was taken or transferred (the "**Taken Property**") shall be reclassified as Non-Benefitted Property.

For the Assessed Property that is subject to the Taking as described in the preceding paragraph, the Assessment that was levied against the Assessed Property (when it was included in the Taken Property) prior to the Taking shall remain in force against the remaining Assessed Property (the Assessed Property less the Taken Property), (the "**Remaining Property**") following the reclassification of the Taken Property as Non-Benefitted Property, subject to an adjustment of the Assessment applicable to the Remaining Property after any required Prepayment as set forth below. The owner will remain liable to pay in Annual Installments, or payable as otherwise provided by this Service and Assessment Plan, as updated, or the PID Act, the Assessment that remains due on the Remaining Property, subject to an adjustment in the Annual Installments applicable to the Remaining Property after any required Prepayment as set forth below. Notwithstanding the foregoing, if the Assessment that remains due on the Remaining Property exceeds the Maximum Assessment, the owner will be required to make a Prepayment in an amount necessary to ensure that the Assessment against the Remaining Property does not exceed the Maximum Assessment, in which case the Assessment and Annual Installments applicable to the Remaining Property will be reduced by the amount of the partial Prepayment.

In all instances the Assessment remaining on the Remaining Property shall not exceed the Maximum Assessment.

By way of illustration, if an owner owns 100 acres of Assessed Property subject to a \$100 Assessment and 10 acres is taken through a Taking, the 10 acres of Taken Property shall be reclassified as Non-Benefitted Property and the remaining 90 acres of Remaining Property shall be subject to the \$100 Assessment, (provided that this \$100 Assessment does not exceed the

Maximum Assessment on the Remaining Property). If the Administrator determines that the \$100 Assessment reallocated to the Remaining Property would exceed the Maximum Assessment on the Remaining Property by \$10, then the owner shall be required to pay \$10 as a Prepayment of the Assessment against the Remaining Property and the Assessment on the Remaining Property shall be adjusted to be \$90 and the Annual Installments adjusted accordingly.

Notwithstanding the previous paragraphs in this subsection (F), the Assessments shall not, however, be reduced to an amount less than the outstanding PID Bonds.

G. Payment of Assessment in Annual Installments

Assessments that are not paid in full shall be due and payable in Annual Installments. **Exhibit F** shows the projected Annual Installments for the District. In no case will the Assessment for any Lot Type exceed the Maximum Assessment. Annual Installments are subject to adjustment in each Annual Service Plan Update.

The Administrator shall prepare and submit to the City Council for its review and approval an Annual Service Plan Update to allow for the billing and collection of Annual Installments. Each Annual Service Plan Update shall include updated Assessment Rolls and updated calculations of Annual Installments. Annual Collection Costs shall be allocated pro rata among Assessed Properties for which the Assessments remain unpaid in proportion to the amount of the Annual Installments for the Assessed Property. Annual Installments shall be collected by the City in the same manner and at the same time as ad valorem taxes. Annual Installments shall be subject to the penalties, procedures, and foreclosure sale in case of delinquencies as set forth in the PID Act and in the same manner as ad valorem taxes for the City. The City Council may provide for other means of collecting Annual Installments. Assessments shall have the lien priority specified in the PID Act.

Sales of the Assessed Property for nonpayment of Annual Installments shall be subject to the lien for the remaining unpaid Annual Installments against the Assessed Property, and the Assessed Property may again be sold at a judicial foreclosure sale if the purchaser fails to timely pay the Annual Installments as they become due and payable.

The City reserves the right to refund PID Bonds in accordance with the PID Act. In the event of a refunding, the Administrator shall recalculate the Annual Installments so that total Annual Installments will be sufficient to pay the refunding bonds, and the refunding bonds shall constitute "PID Bonds."

Each Annual Installment of an Assessment, including interest on the unpaid principal of the Assessment, shall be updated annually. Each Annual Installment shall be due when billed and shall be delinquent if not paid prior to February 1 of the following year. Failure of an owner of Assessed Property to receive an invoice for an Annual Installment on the property tax bill or

otherwise shall not relieve the owner of Assessed Property of the obligation to pay the Assessment. Assessments, or Annual Installments thereof, that are delinquent shall incur Delinquent Collection Costs.

SECTION VII: ASSESSMENT ROLL

The Assessment Roll is attached as **Exhibit E**. The Administrator shall prepare and submit to the City Council for review and approval, proposed revisions to the Assessment Roll and Annual Installments for each Parcel within the Assessed Property as part of each Annual Service Plan Update.

SECTION VIII: ADDITIONAL PROVISIONS

A. Calculation Errors

If the owner of an Assessed Property claims that an error has been made in any calculation required by this Service and Assessment Plan, including, but not limited to, any calculation made as part of any Annual Service Plan Update, the sole and exclusive remedy of the owner of Assessed Property shall be to submit a written notice of error to the Administrator by December 1st of each year following City Council approval of the calculation; otherwise, the owner shall be deemed to have unconditionally approved and accepted the calculation. Upon receipt of a written notice of error from an owner the Administrator shall provide a written response to the City Council and the owner within 30 days of such referral. The City Council shall consider the owner's notice of error and the Administrator's response at a public meeting, and within 30 days after adjourning such meeting, the City Council shall make a final determination as to whether an error has been made. If the City Council determines that an error has been made, the City Council shall take such corrective action as is authorized by the PID Act, this Service and Assessment Plan, the applicable Assessment Ordinance, or the applicable Indenture, or is otherwise authorized by the discretionary power of the City Council. The determination by the City Council as to whether an error has been made, and any corrective action taken by the City Council, shall be final and binding on the owner and the Administrator.

B. Amendments

Amendments to this Service and Assessment Plan must be made by the City Council in accordance with the PID Act. To the extent permitted by the PID Act, this Service and Assessment Plan may be amended without notice to owners of the Assessed Property: (1) to correct mistakes and clerical errors; (2) to clarify ambiguities; and (3) to provide procedures to collect Assessments, Annual Installments, and other charges imposed by this Service and Assessment Plan.

C. Administration and Interpretation

The Administrator shall: (1) perform the obligations of the Administrator as set forth in this Service and Assessment Plan; (2) administer the District for and on behalf of and at the direction of the City Council; and (3) interpret the provisions of this Service and Assessment Plan. Interpretations of this Service and Assessment Plan by the Administrator shall be in writing and shall be appealable to the City Council by owners of Assessed Property adversely affected by the interpretation. Appeals shall be decided by the City Council after providing an opportunity for all interested parties to be heard at a public meeting of the City Council. Decisions by the City Council shall be final and binding on the owners and developers and their successors and assigns.

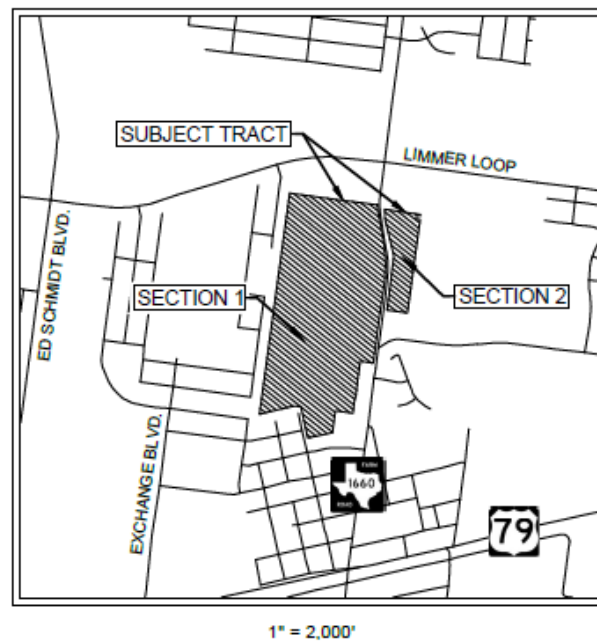
D. Severability

If any provision of this Service and Assessment Plan is determined by a governmental agency or court to be unenforceable, the unenforceable provision shall be deleted and, to the maximum extent possible, shall be rewritten to be enforceable. Every effort shall be made to enforce the remaining provisions.

LIST OF EXHIBITS

Exhibit A	District, Section 1, and Section 2 Boundary Map
Exhibit B	Authorized Improvements
Exhibit C	Service Plan – Five Year Plan
Exhibit D	Service Plan – Sources and Uses
Exhibit E	Assessment Roll
Exhibit F	Annual Installments
Exhibit G	Maximum Assessment per Lot Type
Exhibit H	Map of Authorized Improvements
Exhibit I	Lot Type Classification Map by Phase
Exhibit J	Phase 1 Final Plat
Exhibit K	Notice of PID Assessment Termination
Exhibit L-1	Lot Type 1 Disclosure
Exhibit L-2	Lot Type 2 Disclosure
Exhibit L-3	Lot Type 3 Disclosure
Exhibit L-4	Section 2 Disclosure
Exhibit L-5	Lot 1, Block A Durango Farms Phase 1 Disclosure
Exhibit L-6	Lot 25, Block H Durango Farms Phase 1 Disclosure
Exhibit M	District Legal Description
Exhibit N	Section 1 Legal Description
Exhibit O	Section 1 Phase 2 Legal Description
Exhibit P	Section 2 Legal Description
Exhibit Q	Estimated Buildout Value and Original Assessment Allocation
 Appendix A	 Engineer's Report

EXHIBIT A – DISTRICT, SECTION 1, AND SECTION 2 BOUNDARY MAP



DURANGO FARMS
LOCATION MAP

EXHIBIT B – AUTHORIZED IMPROVEMENTS

Authorized Improvements	Total Costs [a]	Section 1		Section 2	
		%	Cost	%	Cost
<u>Section 1 Improvements</u>					
Internal Streets [b]	\$ 2,113,817	100.00%	\$ 2,113,817	0.00%	\$ -
Water	855,037	100.00%	855,037	0.00%	-
Wastewater	807,918	100.00%	807,918	0.00%	-
Drainage	2,152,282	100.00%	2,152,282	0.00%	-
Erosion Control, Excavation and Embankment	1,029,349	100.00%	1,029,349	0.00%	-
Detention Pond	467,775	100.00%	467,775	0.00%	-
Soft Costs	1,812,811	100.00%	1,812,811	0.00%	-
	<u>\$ 9,238,989</u>		<u>\$ 9,238,989</u>		<u>\$ -</u>
<u>Section 2 Improvements</u>					
Water	\$ 96,533	0.00%	\$ -	100.00%	\$ 96,533
Wastewater	900	0.00%	-	100.00%	900
Drainage	150,000	0.00%	-	100.00%	150,000
Erosion Control, Excavation and Embankment	367,910	0.00%	-	100.00%	367,910
Soft Costs	156,912	0.00%	-	100.00%	156,912
	<u>\$ 772,255</u>		<u>\$ -</u>		<u>\$ 772,255</u>
<u>Major Improvements</u>					
FM 1660 Improvements [c]	<u>\$ 1,924,202</u>	91.90%	<u>\$ 1,768,310</u>	8.10%	<u>\$ 155,892</u>
	\$ 1,924,202		\$ 1,768,310		\$ 155,892
<i>District Formation and Bond Issuance Costs [d]</i>					
Debt Service Reserve Fund	\$ 785,840	91.90%	\$ 722,174	8.10%	\$ 63,666
Underwriter's Discount	404,430	91.90%	371,664	8.10%	32,766
Cost of Issuance	794,459	91.90%	730,095	8.10%	64,364
First Year Annual Collection Costs	40,000	91.90%	36,759	8.10%	3,241
	<u>\$ 2,024,729</u>		<u>\$ 1,860,693</u>		<u>\$ 164,036</u>
Total	\$ 13,960,175		\$ 12,867,991		\$ 1,092,183

Footnotes:

[a] Costs and Allocation per August 2021 Engineer's Report.

[b] Includes sleeving, street lighting, and paving.

[c] Includes 20% contingency, PM, Engineering, Environmental, and Construction Management Fee. Allocation based on Estimated Buildout Value, as shown on Exhibit Q.

[d] Allocated pro rata based on outstanding assessment.

EXHIBIT C – SERVICE PLAN – FIVE YEAR PLAN

Durango Farms PID						
Annual Installments Due		1/31/2022	1/31/2023	1/31/2024	1/31/2025	1/31/2026
Principal		\$ 283,000.00	\$ 167,000.00	\$ 175,000.00	\$ 182,000.00	\$ 191,000.00
Interest		\$ 476,890.00	\$ 593,910.00	\$ 586,395.00	\$ 578,520.00	\$ 570,330.00
	(1)	\$ 759,890.00	\$ 760,910.00	\$ 761,395.00	\$ 760,520.00	\$ 761,330.00
Annual Collection Costs	(2)	\$ 40,000.00	\$ 40,800.00	\$ 41,616.00	\$ 42,448.32	\$ 43,297.29
Additional Interest	(3)	\$ 67,405.00	\$ 65,990.00	\$ 65,155.00	\$ 64,280.00	\$ 63,370.00
Total Annual Installment	(4)=(1)+(2)+(3)	\$ 867,295.00	\$ 867,700.00	\$ 868,166.00	\$ 867,248.32	\$ 867,997.29

EXHIBIT D – SERVICE PLAN – SOURCES AND USES

	Section 1	Section 2
Sources of Funds		
PID Bond Par	\$ 12,388,817	\$ 1,092,183
Owner Contribution	479,175	-
Total Sources	\$ 12,867,991	\$ 1,092,183
Uses of Funds		
Section 1 Improvements	\$ 9,238,989	\$ -
Section 2 Improvements	-	772,255
Major Improvements	1,768,310	155,892
	\$ 11,007,299	\$ 928,147
<i>District Formation and Bond Issuance Costs</i>		
Debt Service Reserve Fund	\$ 722,174	\$ 63,666
Underwriter's Discount	371,664	32,766
Cost of Issuance	730,095	64,364
First Year Annual Collection Costs	36,759	3,241
	\$ 1,860,693	\$ 164,036
Total Uses	\$ 12,867,991	\$ 1,092,183

EXHIBIT E – ASSESSMENT ROLL

Property ID	Lot Type		Outstanding Assessment	Annual Installment due 1/31/22
R600646	Lot Type Multi-Family	[a]	\$ 1,092,183.40	\$ 70,265.20
R330638	Section 1 Phase 2	[b]	\$ 4,017,084.51	\$ 258,437.60
R020279	Section 1 Phase 2	[b]	\$ 110,760.35	\$ 7,125.72
R601935	Lot Type Commercial	[c]	\$ 361,052.36	\$ 23,228.17
R601936	Lot Type 3		\$ 39,706.01	\$ 2,554.47
R601937	Lot Type 3		\$ 39,706.01	\$ 2,554.47
R601938	Lot Type 3		\$ 39,706.01	\$ 2,554.47
R601939	Lot Type 3		\$ 39,706.01	\$ 2,554.47
R601940	Lot Type 3		\$ 39,706.01	\$ 2,554.47
R601941	Lot Type 3		\$ 39,706.01	\$ 2,554.47
R601942	Lot Type 3		\$ 39,706.01	\$ 2,554.47
R601943	Lot Type 3		\$ 39,706.01	\$ 2,554.47
R601944	Lot Type 3		\$ 39,706.01	\$ 2,554.47
R601945	Lot Type 3		\$ 39,706.01	\$ 2,554.47
R601946	Lot Type 3		\$ 39,706.01	\$ 2,554.47
R601947	Lot Type 3		\$ 39,706.01	\$ 2,554.47
R601948	Lot Type 2		\$ 38,261.80	\$ 2,461.56
R601949	Lot Type 2		\$ 38,261.80	\$ 2,461.56
R601950	Lot Type 2		\$ 38,261.80	\$ 2,461.56
R601951	Lot Type 2		\$ 38,261.80	\$ 2,461.56
R601952	Lot Type 2		\$ 38,261.80	\$ 2,461.56
R601953	Lot Type 2		\$ 38,261.80	\$ 2,461.56
R601954	Lot Type 2		\$ 38,261.80	\$ 2,461.56
R601955	Lot Type 2		\$ 38,261.80	\$ 2,461.56
R601956	Lot Type 2		\$ 38,261.80	\$ 2,461.56
R601957	Lot Type 2		\$ 38,261.80	\$ 2,461.56
R601958	Lot Type 2		\$ 38,261.80	\$ 2,461.56
R601959	Non-Benefitted		\$ -	\$ -
R601960	Lot Type 2		\$ 38,261.80	\$ 2,461.56
R601961	Lot Type 2		\$ 38,261.80	\$ 2,461.56
R601962	Non-Benefitted		\$ -	\$ -
R601963	Non-Benefitted		\$ -	\$ -
R601969	Lot Type 2		\$ 38,261.80	\$ 2,461.56
R601970	Lot Type 2		\$ 38,261.80	\$ 2,461.56
R601971	Non-Benefitted		\$ -	\$ -
R601972	Lot Type 3		\$ 39,706.01	\$ 2,554.47
R601973	Lot Type 3		\$ 39,706.01	\$ 2,554.47
R601974	Lot Type 3		\$ 39,706.01	\$ 2,554.47
R601975	Lot Type 3		\$ 39,706.01	\$ 2,554.47
R601976	Lot Type 3		\$ 39,706.01	\$ 2,554.47
R601977	Lot Type 3		\$ 39,706.01	\$ 2,554.47
R601978	Non-Benefitted		\$ -	\$ -
R601979	Non-Benefitted		\$ -	\$ -
R601980	Lot Type 3		\$ 39,706.01	\$ 2,554.47
R601981	Lot Type 3		\$ 39,706.01	\$ 2,554.47

Property ID	Lot Type	Outstanding Assessment	Annual Installment due 1/31/22
R601982	Lot Type 3	\$ 39,706.01	\$ 2,554.47
R601983	Lot Type 3	\$ 39,706.01	\$ 2,554.47
R601984	Lot Type 3	\$ 39,706.01	\$ 2,554.47
R601985	Lot Type 3	\$ 39,706.01	\$ 2,554.47
R601986	Lot Type 3	\$ 39,706.01	\$ 2,554.47
R601987	Lot Type 3	\$ 39,706.01	\$ 2,554.47
R601988	Lot Type 3	\$ 39,706.01	\$ 2,554.47
R601989	Lot Type 3	\$ 39,706.01	\$ 2,554.47
R601990	Lot Type 3	\$ 39,706.01	\$ 2,554.47
R601991	Lot Type 3	\$ 39,706.01	\$ 2,554.47
R601992	Lot Type 3	\$ 39,706.01	\$ 2,554.47
R601993	Lot Type 3	\$ 39,706.01	\$ 2,554.47
R601994	Non-Benefitted	\$ -	\$ -
R601995	Non-Benefitted	\$ -	\$ -
R601996	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R601997	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R601998	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R601999	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602000	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602001	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602002	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602003	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602004	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602005	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602006	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602007	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602008	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602009	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602010	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602011	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602012	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602013	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602014	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602015	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602016	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602017	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602018	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602019	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602020	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602021	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602022	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602023	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602024	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602025	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602026	Lot Type 1	\$ 32,695.64	\$ 2,103.46

Property ID	Lot Type	Outstanding Assessment	Annual Installment due 1/31/22
R602027	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602028	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602029	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602030	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602031	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602032	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602033	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602034	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602035	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602036	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602037	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602038	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602039	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602040	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602041	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602042	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602043	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602044	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602045	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602046	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602047	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602048	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602049	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602050	Non-Benefitted	\$ -	\$ -
R602051	Non-Benefitted	\$ -	\$ -
R602052	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602053	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602054	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602055	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602056	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602057	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602058	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602059	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602060	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602061	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602062	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602063	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602064	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602065	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602066	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602067	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602068	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602069	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602070	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602071	Lot Type 1	\$ 32,695.64	\$ 2,103.46

Property ID	Lot Type	Outstanding Assessment	Annual Installment due 1/31/22
R602072	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602073	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602074	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602075	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602076	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602077	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602078	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602079	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602080	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602081	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602082	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602083	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602084	Non-Benefitted	\$ -	\$ -
R602085	Lot Type Multi-Family [d]	\$ 3,145,488.18	\$ 202,363.78
R602086	Non-Benefitted	\$ -	\$ -
R602087	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602088	Lot Type 1	\$ 32,695.64	\$ 2,103.46
R602089	Lot Type 1	\$ 32,695.64	\$ 2,103.46
Total		\$ 13,481,000.00	\$ 867,295.00

[a] Assumes 100 Multifamily units. If less than 100 units are constructed, a mandatory prepayment will be required.

[b] For billing purposes only, until a plat has been recorded within Section 1 Phase 2, the Annual Installment will be billed to each property ID within Section 1 Phase 2 based on the Williamson Central Appraisal District acreage.

[c] Assumes 20,000 square feet of commercial. If less than 20,000 square feet is constructed, a mandatory prepayment will be required.

[d] Assumes 288 Multifamily units. If less than 288 units are constructed, a mandatory prepayment will be required.

EXHIBIT F – ANNUAL INSTALLMENTS

Annual Installments Due	Principal	Interest ¹	Additional Interest	Annual Collection Costs	Total Annual Installment
1/31/2022	\$ 283,000	\$ 476,890	\$ 67,405	\$ 40,000	\$ 867,295
1/31/2023	\$ 167,000	\$ 593,910	\$ 65,990	\$ 40,800	\$ 867,700
1/31/2024	\$ 175,000	\$ 586,395	\$ 65,155	\$ 41,616	\$ 868,166
1/31/2025	\$ 182,000	\$ 578,520	\$ 64,280	\$ 42,448	\$ 867,248
1/31/2026	\$ 191,000	\$ 570,330	\$ 63,370	\$ 43,297	\$ 867,997
1/31/2027	\$ 199,000	\$ 561,735	\$ 62,415	\$ 44,163	\$ 867,313
1/31/2028	\$ 208,000	\$ 552,780	\$ 61,420	\$ 45,046	\$ 867,246
1/31/2029	\$ 218,000	\$ 543,420	\$ 60,380	\$ 45,947	\$ 867,747
1/31/2030	\$ 228,000	\$ 533,610	\$ 59,290	\$ 46,866	\$ 867,766
1/31/2031	\$ 238,000	\$ 523,350	\$ 58,150	\$ 47,804	\$ 867,304
1/31/2032	\$ 249,000	\$ 512,640	\$ 56,960	\$ 48,760	\$ 867,360
1/31/2033	\$ 261,000	\$ 501,435	\$ 55,715	\$ 49,735	\$ 867,885
1/31/2034	\$ 273,000	\$ 489,690	\$ 54,410	\$ 50,730	\$ 867,830
1/31/2035	\$ 286,000	\$ 477,405	\$ 53,045	\$ 51,744	\$ 868,194
1/31/2036	\$ 299,000	\$ 464,535	\$ 51,615	\$ 52,779	\$ 867,929
1/31/2037	\$ 313,000	\$ 451,080	\$ 50,120	\$ 53,835	\$ 868,035
1/31/2038	\$ 327,000	\$ 436,995	\$ 48,555	\$ 54,911	\$ 867,461
1/31/2039	\$ 343,000	\$ 422,280	\$ 46,920	\$ 56,010	\$ 868,210
1/31/2040	\$ 358,000	\$ 406,845	\$ 45,205	\$ 57,130	\$ 867,180
1/31/2041	\$ 375,000	\$ 390,735	\$ 43,415	\$ 58,272	\$ 867,422
1/31/2042	\$ 393,000	\$ 373,860	\$ 41,540	\$ 59,438	\$ 867,838
1/31/2043	\$ 411,000	\$ 356,175	\$ 39,575	\$ 60,627	\$ 867,377
1/31/2044	\$ 431,000	\$ 337,680	\$ 37,520	\$ 61,839	\$ 868,039
1/31/2045	\$ 451,000	\$ 318,285	\$ 35,365	\$ 63,076	\$ 867,726
1/31/2046	\$ 472,000	\$ 297,990	\$ 33,110	\$ 64,337	\$ 867,437
1/31/2047	\$ 495,000	\$ 276,750	\$ 30,750	\$ 65,624	\$ 868,124
1/31/2048	\$ 518,000	\$ 254,475	\$ 28,275	\$ 66,937	\$ 867,687
1/31/2049	\$ 543,000	\$ 231,165	\$ 25,685	\$ 68,275	\$ 868,125
1/31/2050	\$ 568,000	\$ 206,730	\$ 22,970	\$ 69,641	\$ 867,341
1/31/2051	\$ 595,000	\$ 181,170	\$ 20,130	\$ 71,034	\$ 867,334
1/31/2052	\$ 624,000	\$ 154,395	\$ 17,155	\$ 72,454	\$ 868,004
1/31/2053	\$ 653,000	\$ 126,315	\$ 14,035	\$ 73,904	\$ 867,254
1/31/2054	\$ 685,000	\$ 96,930	\$ 10,770	\$ 75,382	\$ 868,082
1/31/2055	\$ 717,000	\$ 66,105	\$ 7,345	\$ 76,889	\$ 867,339
1/31/2056	\$ 752,000	\$ 33,840	\$ 3,760	\$ 78,427	\$ 868,027
Total	\$ 13,481,000	\$ 13,386,445	\$ 1,501,800	\$ 1,999,779	\$ 30,369,024

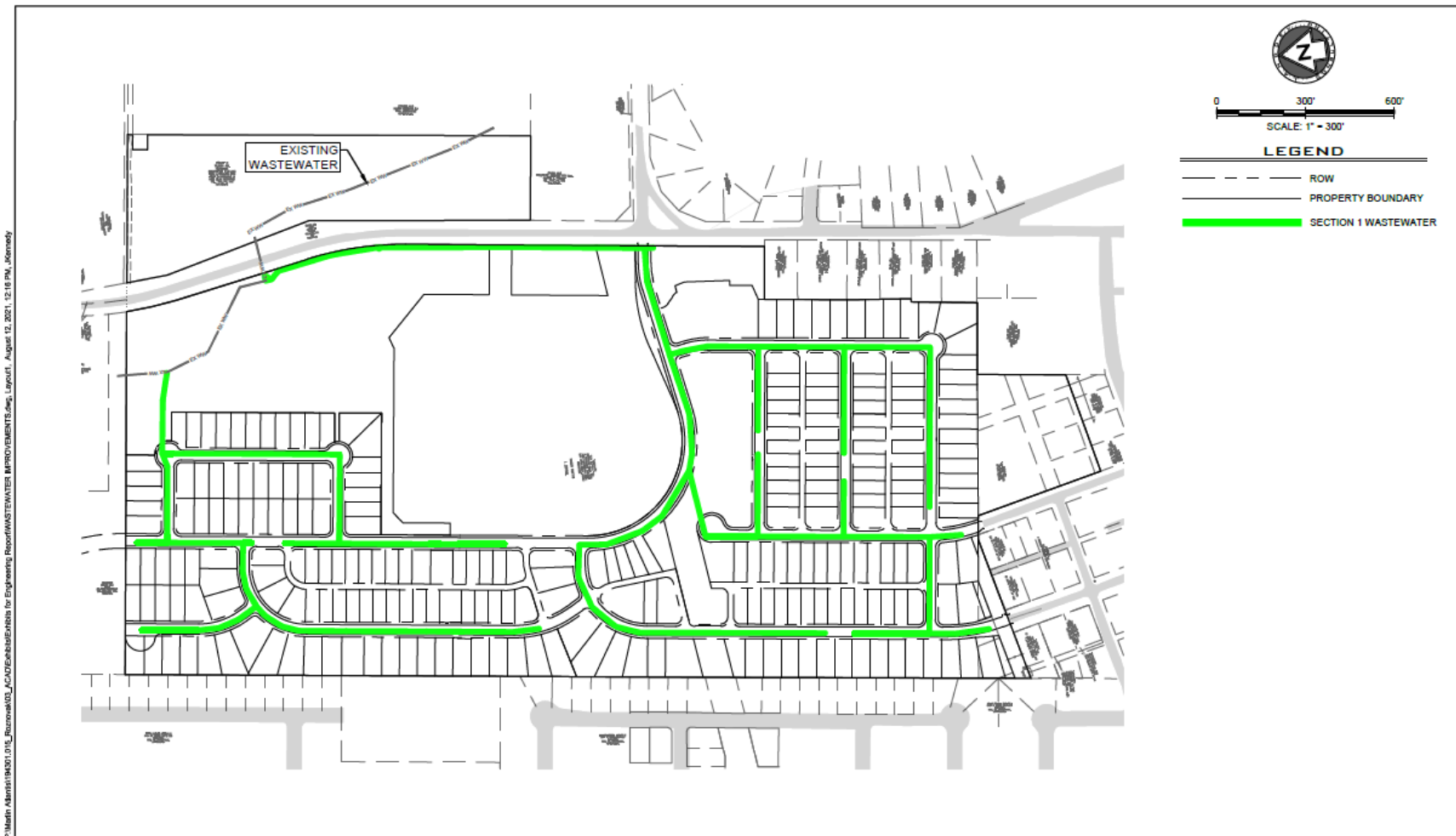
¹ Interest on the PID Bonds is calculated at a 4.50% rate.

Note: The figures shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs, reserve fund requirements, interest earnings, or other available offsets could increase or decrease the amounts shown.

EXHIBIT G – MAXIMUM ASSESSMENT PER LOT TYPE

Lot Type	Units	Total Assessment	Maximum Assessment
Lot Type 1	123	\$ 4,021,564	\$32,695.64 Per Lot
Lot Type 2	71	\$ 2,716,588	\$38,261.80 Per Lot
Lot Type 3	54	\$ 2,144,125	\$39,706.01 Per Lot
Multi-Family	388	\$ 4,237,672	\$10,921.83 Per Multi-Family Unit
Commercial	20,000	\$ 361,052	\$18.05 Per Building Square Foot
Total		\$ 13,481,000	

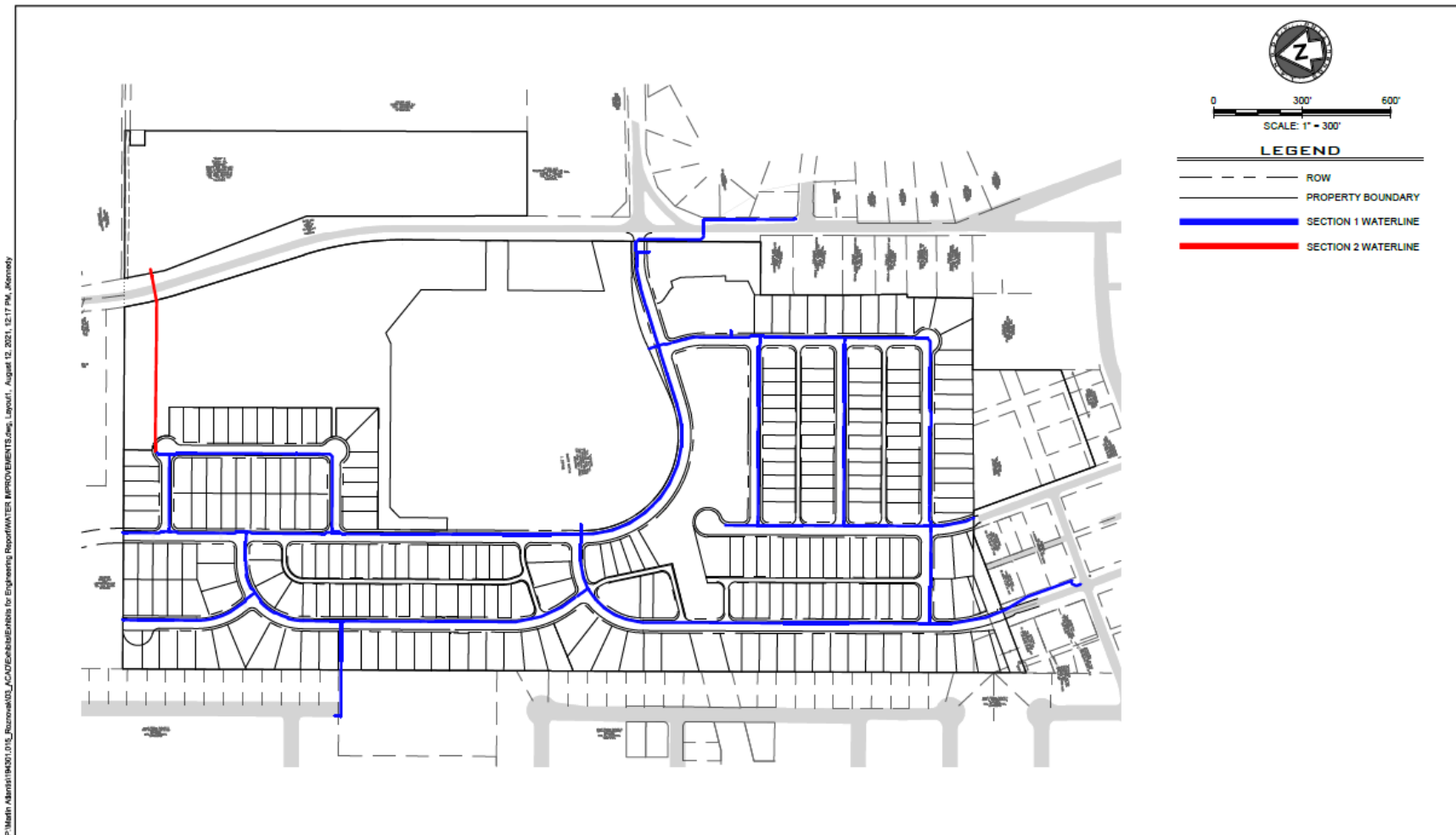
EXHIBIT H – MAP OF AUTHORIZED IMPROVEMENTS



DURANGO FARMS

WASTEWATER
WILLIAMSON COUNTY, HUTTO, TEXAS
8/12/2021





DURANGO FARMS

POTABLE WATER
 WILLIAMSON COUNTY, HUTTO, TEXAS
 8/12/2021



EXHIBIT I – LOT TYPE CLASSIFICATION MAP BY PHASE

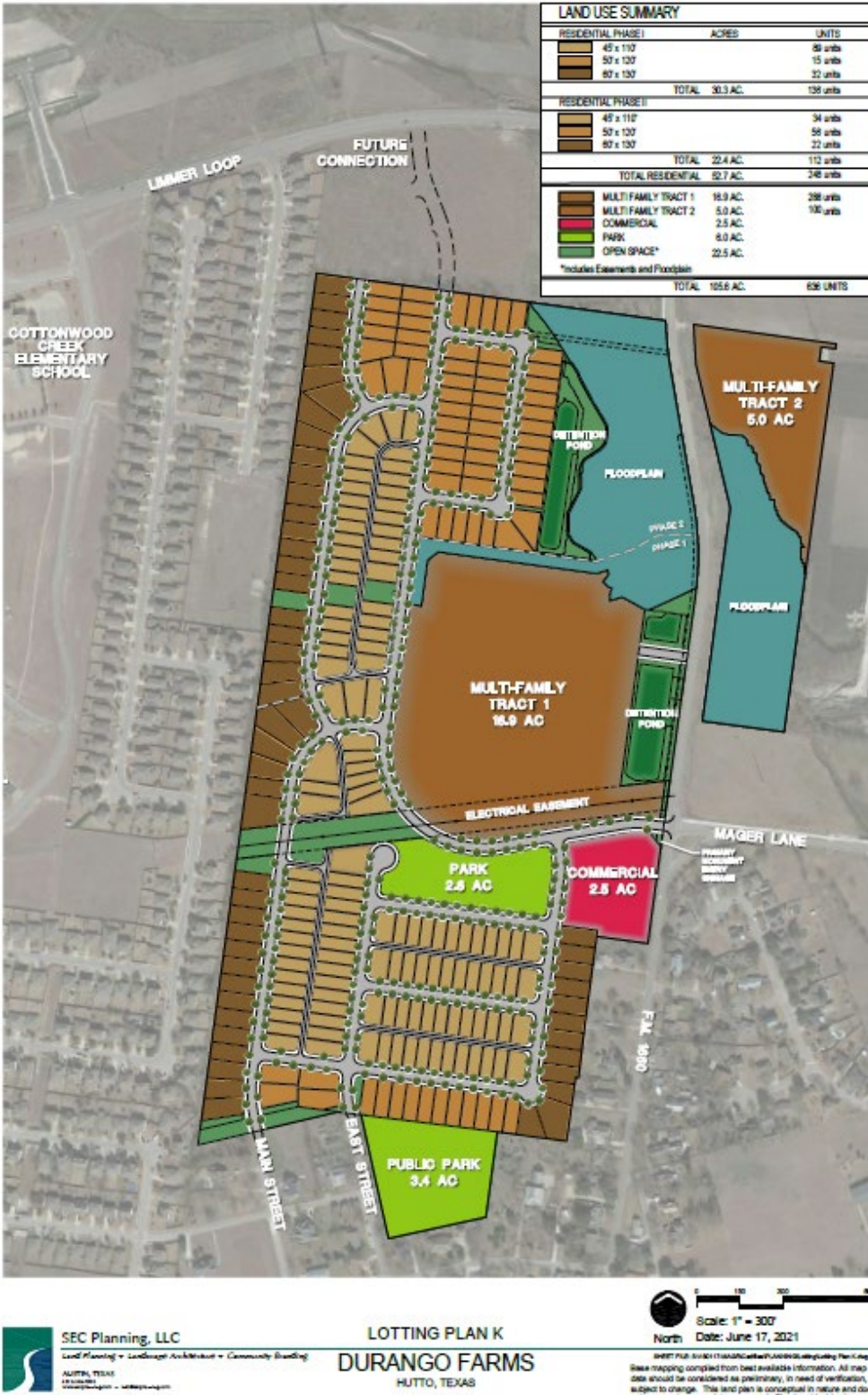


EXHIBIT J – PHASE 1 FINAL PLAT



[illegible]

EXHIBIT K – NOTICE OF PID ASSESSMENT TERMINATION



P3Works, LLC
9824 Huntington Square, Suite 100
North Richland Hills, TX 76182

[Date]
Williamson County Clerk's Office
Honorable [County Clerk Name]
Williamson County Justice Center County Clerk
405 Martin Luther King St.
Georgetown, TX 78626

Re: City of Hutto Lien Release documents for filing

Dear Ms./Mr. [County Clerk Name],

Enclosed is a lien release that the City of Hutto is requesting to be filed in your office. Lien release for [insert legal description]. Recording Numbers: [Plat]. Please forward copies of the filed documents below:

City of Hutto
Attn: [City Secretary]
500 W Live Oak Street
Hutto, TX 78634

Please contact me if you have any questions or need additional information.

Sincerely,
[Signature]

Jon Snyder
P: (817)393-0353
admin@p3-works.com

AFTER RECORDING RETURN TO:

**[City Secretary Name]
500 W Live Oak Street
Hutto, TX 78634**

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

FULL RELEASE OF PUBLIC IMPROVEMENT DISTRICT LIEN

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

THIS FULL RELEASE OF PUBLIC IMPROVEMENT DISTRICT LIEN (this "Full Release") is executed and delivered as of the Effective Date by the City of Hutto, Texas.

RECITALS

WHEREAS, the governing body (hereinafter referred to as the "City Council") of the City of Hutto, Texas (hereinafter referred to as the "City"), is authorized by Chapter 372, Texas Local Government Code, as amended (hereinafter referred to as the "Act"), to create public improvement districts within the corporate limits and extraterritorial jurisdiction of the City; and

WHEREAS, on or about August 6, 2020, the City Council for the City, approved Resolution No. R-2020-068, creating the Durango Farms Public Improvement District; and

WHEREAS, the Durango Farms Public Improvement District consists of approximately 105.114 contiguous acres located within the City; and

WHEREAS, on or about _____, the City Council, approved Ordinance No. _____, (hereinafter referred to as the "Assessment Ordinance") approving a service and assessment plan and assessment roll for the Property within the Durango Farms Public Improvement District; and

WHEREAS, the Assessment Ordinance imposed an assessment in the amount of \$ _____ (hereinafter referred to as the "Lien Amount") for the following property:

[legal description], a subdivision in Williamson County, Texas, according to the map or plat of record in Document/Instrument No. _____ of the Plat Records of Williamson County, Texas (hereinafter referred to as the "Property"); and

WHEREAS, the property owners of the Property have paid unto the City the Lien Amount.

RELEASE

NOW THEREFORE, the City, the owner and holder of the Lien, Instrument No. _____, in the Real Property Records of Williamson County, Texas, in the amount of the Lien Amount against the Property releases and discharges, and by these presents does hereby release and discharge, the above-described Property from said lien held by the undersigned securing said indebtedness.

EXECUTED to be **EFFECTIVE** this the _____ day of _____, 20__.

CITY OF HUTTO, TEXAS,

By: _____
[City Official Name], City Official Title

ATTEST:

[Secretary Name], City Secretary

STATE OF TEXAS §
§
COUNTY OF WILLIAMSON §

This instrument was acknowledged before me on the ____ day of _____, 20__, by [City Official Name], City Official Title for the City of Hutto, Texas, on behalf of said municipality.

Notary Public, State of Texas

EXHIBIT L-1 LOT TYPE 1 DISCLOSURE

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code, or Chapter 382, Local Government Code, shall first give to the purchaser of the property this written notice.

For the purposes of this disclosure, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring notice.

This disclosure does not apply to a transfer:

- 1) under a court order or foreclosure sale;
- 2) by a trustee in bankruptcy;
- 3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;
- 4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;
- 5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;
- 6) from one co-owner to another co-owner of an undivided interest in the real property;
- 7) to a spouse or a person in the lineal line of consanguinity of the seller;
- 8) to or from a governmental entity; or
- 9) of only a mineral interest, leasehold interest, or security interest

This notice shall be executed by the seller and must be filed in the real property records of the County in which the property is located.

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO
CITY OF HUTTO, TEXAS CONCERNING THE FOLLOWING PROPERTY

[insert property address]

LOT TYPE 1 PRINCIPAL ASSESSMENT: \$32,695.64

As the purchaser of the real property described above, you are obligated to pay assessments to Hutto, Texas, for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within Durango Farms Public Improvement District (the "District") created under Chapter 372, Local Government Code.

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED IMPROVEMENTS, WHICH MAY BE PAID IN FULL AT ANY TIME. IF THE ASSESSMENT IS NOT PAID IN FULL, IT WILL BE DUE AND PAYABLE IN ANNUAL INSTALLMENTS THAT WILL VARY FROM YEAR TO YEAR DEPENDING ON THE AMOUNT OF INTEREST PAID, COLLECTION COSTS, ADMINISTRATIVE COSTS, AND DELINQUENCY COSTS.

The exact amount of the assessment may be obtained from the City of Hutto. The exact amount of each annual installment will be approved each year by the Hutto City Council in the annual service plan update for the district. More information about the assessments, including the amounts and due dates, may be obtained from the City of Hutto.

Your failure to pay any assessment or any annual installment may result in penalties and interest being added to what you owe or in a lien on and the foreclosure of your property.

The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

Date: _____

Signature of Purchaser

Signature of Purchaser

STATE OF TEXAS §

§

COUNTY OF WILLIAMSON §

The foregoing instrument was acknowledged before me by _____ and _____, known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed, in the capacity stated and as the act and deed of the above-referenced entities as an authorized signatory of said entities.

Given under my hand and seal of office on this _____, 20__.

Notary Public, State of Texas

Annual Installments Due	Principal	Interest ¹	Additional Interest	Annual Collection Costs	Total Annual Installment
1/31/2022	\$ 686.36	\$ 1,156.61	\$ 163.48	\$ 97.01	\$ 2,103.46
1/31/2023	\$ 405.03	\$ 1,440.42	\$ 160.05	\$ 98.95	\$ 2,104.44
1/31/2024	\$ 424.43	\$ 1,422.19	\$ 158.02	\$ 100.93	\$ 2,105.57
1/31/2025	\$ 441.41	\$ 1,403.09	\$ 155.90	\$ 102.95	\$ 2,103.35
1/31/2026	\$ 463.23	\$ 1,383.23	\$ 153.69	\$ 105.01	\$ 2,105.16
1/31/2027	\$ 482.64	\$ 1,362.38	\$ 151.38	\$ 107.11	\$ 2,103.51
1/31/2028	\$ 504.47	\$ 1,340.66	\$ 148.96	\$ 109.25	\$ 2,103.34
1/31/2029	\$ 528.72	\$ 1,317.96	\$ 146.44	\$ 111.44	\$ 2,104.56
1/31/2030	\$ 552.97	\$ 1,294.17	\$ 143.80	\$ 113.67	\$ 2,104.60
1/31/2031	\$ 577.22	\$ 1,269.29	\$ 141.03	\$ 115.94	\$ 2,103.48
1/31/2032	\$ 603.90	\$ 1,243.31	\$ 138.15	\$ 118.26	\$ 2,103.62
1/31/2033	\$ 633.01	\$ 1,216.14	\$ 135.13	\$ 120.62	\$ 2,104.89
1/31/2034	\$ 662.11	\$ 1,187.65	\$ 131.96	\$ 123.04	\$ 2,104.76
1/31/2035	\$ 693.64	\$ 1,157.86	\$ 128.65	\$ 125.50	\$ 2,105.64
1/31/2036	\$ 725.17	\$ 1,126.64	\$ 125.18	\$ 128.01	\$ 2,105.00
1/31/2037	\$ 759.12	\$ 1,094.01	\$ 121.56	\$ 130.57	\$ 2,105.26
1/31/2038	\$ 793.08	\$ 1,059.85	\$ 117.76	\$ 133.18	\$ 2,103.87
1/31/2039	\$ 831.88	\$ 1,024.16	\$ 113.80	\$ 135.84	\$ 2,105.68
1/31/2040	\$ 868.26	\$ 986.73	\$ 109.64	\$ 138.56	\$ 2,103.18
1/31/2041	\$ 909.49	\$ 947.65	\$ 105.29	\$ 141.33	\$ 2,103.77
1/31/2042	\$ 953.15	\$ 906.73	\$ 100.75	\$ 144.16	\$ 2,104.78
1/31/2043	\$ 996.80	\$ 863.84	\$ 95.98	\$ 147.04	\$ 2,103.66
1/31/2044	\$ 1,045.31	\$ 818.98	\$ 91.00	\$ 149.98	\$ 2,105.27
1/31/2045	\$ 1,093.82	\$ 771.94	\$ 85.77	\$ 152.98	\$ 2,104.51
1/31/2046	\$ 1,144.75	\$ 722.72	\$ 80.30	\$ 156.04	\$ 2,103.81
1/31/2047	\$ 1,200.53	\$ 671.21	\$ 74.58	\$ 159.16	\$ 2,105.47
1/31/2048	\$ 1,256.31	\$ 617.18	\$ 68.58	\$ 162.34	\$ 2,104.41
1/31/2049	\$ 1,316.94	\$ 560.65	\$ 62.29	\$ 165.59	\$ 2,105.48
1/31/2050	\$ 1,377.58	\$ 501.38	\$ 55.71	\$ 168.90	\$ 2,103.57
1/31/2051	\$ 1,443.06	\$ 439.39	\$ 48.82	\$ 172.28	\$ 2,103.56
1/31/2052	\$ 1,513.40	\$ 374.46	\$ 41.61	\$ 175.72	\$ 2,105.18
1/31/2053	\$ 1,583.73	\$ 306.35	\$ 34.04	\$ 179.24	\$ 2,103.36
1/31/2054	\$ 1,661.34	\$ 235.09	\$ 26.12	\$ 182.82	\$ 2,105.37
1/31/2055	\$ 1,738.95	\$ 160.33	\$ 17.81	\$ 186.48	\$ 2,103.57
1/31/2056	\$ 1,823.84	\$ 82.07	\$ 9.12	\$ 190.21	\$ 2,105.24
Total	\$ 32,695.64	\$ 32,466.31	\$ 3,642.33	\$ 4,850.09	\$ 73,654.37

¹ Interest on the PID Bonds is calculated at a 4.50% rate.

Note: The figures shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs, reserve fund requirements, Interest earnings, or other available offsets could increase or decrease the amounts shown.

EXHIBIT L-2 LOT TYPE 2 DISCLOSURE

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code, or Chapter 382, Local Government Code, shall first give to the purchaser of the property this written notice.

For the purposes of this disclosure, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring notice.

This disclosure does not apply to a transfer:

- 1) under a court order or foreclosure sale;
- 2) by a trustee in bankruptcy;
- 3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;
- 4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;
- 5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;
- 6) from one co-owner to another co-owner of an undivided interest in the real property;
- 7) to a spouse or a person in the lineal line of consanguinity of the seller;
- 8) to or from a governmental entity; or
- 9) of only a mineral interest, leasehold interest, or security interest

This notice shall be executed by the seller and must be filed in the real property records of the County in which the property is located.

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO
CITY OF HUTTO, TEXAS CONCERNING THE FOLLOWING PROPERTY

[insert property address]

LOT TYPE 2 PRINCIPAL ASSESSMENT: \$38,261.80

As the purchaser of the real property described above, you are obligated to pay assessments to Hutto, Texas, for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within Durango Farms Public Improvement District (the "District") created under Chapter 372, Local Government Code.

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED IMPROVEMENTS, WHICH MAY BE PAID IN FULL AT ANY TIME. IF THE ASSESSMENT IS NOT PAID IN FULL, IT WILL BE DUE AND PAYABLE IN ANNUAL INSTALLMENTS THAT WILL VARY FROM YEAR TO YEAR DEPENDING ON THE AMOUNT OF INTEREST PAID, COLLECTION COSTS, ADMINISTRATIVE COSTS, AND DELINQUENCY COSTS.

The exact amount of the assessment may be obtained from the City of Hutto. The exact amount of each annual installment will be approved each year by the Hutto City Council in the annual service plan update for the district. More information about the assessments, including the amounts and due dates, may be obtained from the City of Hutto.

Your failure to pay any assessment or any annual installment may result in penalties and interest being added to what you owe or in a lien on and the foreclosure of your property.

The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

Date: _____

Signature of Purchaser

Signature of Purchaser

STATE OF TEXAS §

§

COUNTY OF WILLIAMSON §

The foregoing instrument was acknowledged before me by _____ and _____, known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed, in the capacity stated and as the act and deed of the above-referenced entities as an authorized signatory of said entities.

Given under my hand and seal of office on this _____, 20__.

Notary Public, State of Texas

Annual Installments Due	Principal	Interest ¹	Additional Interest	Annual Collection Costs	Total Annual Installment
1/31/2022	\$ 803.21	\$ 1,353.51	\$ 191.31	\$ 113.53	\$ 2,461.56
1/31/2023	\$ 473.98	\$ 1,685.64	\$ 187.29	\$ 115.80	\$ 2,462.71
1/31/2024	\$ 496.69	\$ 1,664.31	\$ 184.92	\$ 118.11	\$ 2,464.03
1/31/2025	\$ 516.55	\$ 1,641.96	\$ 182.44	\$ 120.48	\$ 2,461.43
1/31/2026	\$ 542.10	\$ 1,618.71	\$ 179.86	\$ 122.89	\$ 2,463.55
1/31/2027	\$ 564.80	\$ 1,594.32	\$ 177.15	\$ 125.34	\$ 2,461.61
1/31/2028	\$ 590.35	\$ 1,568.90	\$ 174.32	\$ 127.85	\$ 2,461.42
1/31/2029	\$ 618.73	\$ 1,542.34	\$ 171.37	\$ 130.41	\$ 2,462.84
1/31/2030	\$ 647.11	\$ 1,514.49	\$ 168.28	\$ 133.02	\$ 2,462.90
1/31/2031	\$ 675.49	\$ 1,485.37	\$ 165.04	\$ 135.68	\$ 2,461.58
1/31/2032	\$ 706.71	\$ 1,454.98	\$ 161.66	\$ 138.39	\$ 2,461.74
1/31/2033	\$ 740.77	\$ 1,423.17	\$ 158.13	\$ 141.16	\$ 2,463.23
1/31/2034	\$ 774.83	\$ 1,389.84	\$ 154.43	\$ 143.98	\$ 2,463.08
1/31/2035	\$ 811.73	\$ 1,354.97	\$ 150.55	\$ 146.86	\$ 2,464.11
1/31/2036	\$ 848.62	\$ 1,318.44	\$ 146.49	\$ 149.80	\$ 2,463.36
1/31/2037	\$ 888.36	\$ 1,280.26	\$ 142.25	\$ 152.79	\$ 2,463.66
1/31/2038	\$ 928.09	\$ 1,240.28	\$ 137.81	\$ 155.85	\$ 2,462.03
1/31/2039	\$ 973.50	\$ 1,198.52	\$ 133.17	\$ 158.97	\$ 2,464.15
1/31/2040	\$ 1,016.08	\$ 1,154.71	\$ 128.30	\$ 162.15	\$ 2,461.23
1/31/2041	\$ 1,064.33	\$ 1,108.98	\$ 123.22	\$ 165.39	\$ 2,461.92
1/31/2042	\$ 1,115.41	\$ 1,061.09	\$ 117.90	\$ 168.70	\$ 2,463.10
1/31/2043	\$ 1,166.50	\$ 1,010.90	\$ 112.32	\$ 172.07	\$ 2,461.79
1/31/2044	\$ 1,223.27	\$ 958.40	\$ 106.49	\$ 175.51	\$ 2,463.67
1/31/2045	\$ 1,280.03	\$ 903.36	\$ 100.37	\$ 179.02	\$ 2,462.78
1/31/2046	\$ 1,339.63	\$ 845.76	\$ 93.97	\$ 182.60	\$ 2,461.96
1/31/2047	\$ 1,404.91	\$ 785.47	\$ 87.27	\$ 186.25	\$ 2,463.91
1/31/2048	\$ 1,470.19	\$ 722.25	\$ 80.25	\$ 189.98	\$ 2,462.67
1/31/2049	\$ 1,541.14	\$ 656.09	\$ 72.90	\$ 193.78	\$ 2,463.92
1/31/2050	\$ 1,612.10	\$ 586.74	\$ 65.19	\$ 197.66	\$ 2,461.69
1/31/2051	\$ 1,688.73	\$ 514.20	\$ 57.13	\$ 201.61	\$ 2,461.67
1/31/2052	\$ 1,771.04	\$ 438.20	\$ 48.69	\$ 205.64	\$ 2,463.57
1/31/2053	\$ 1,853.35	\$ 358.51	\$ 39.83	\$ 209.75	\$ 2,461.44
1/31/2054	\$ 1,944.17	\$ 275.11	\$ 30.57	\$ 213.95	\$ 2,463.79
1/31/2055	\$ 2,034.99	\$ 187.62	\$ 20.85	\$ 218.23	\$ 2,461.68
1/31/2056	\$ 2,134.33	\$ 96.04	\$ 10.67	\$ 222.59	\$ 2,463.64
Total	\$ 38,261.80	\$ 37,993.44	\$ 4,262.41	\$ 5,675.78	\$ 86,193.43

¹ Interest on the PID Bonds is calculated at a 4.50% rate.

Note: The figures shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs, reserve fund requirements, Interest earnings, or other available offsets could increase or decrease the amounts shown.

EXHIBIT L-3 LOT TYPE 3 DISCLOSURE

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code, or Chapter 382, Local Government Code, shall first give to the purchaser of the property this written notice.

For the purposes of this disclosure, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring notice.

This disclosure does not apply to a transfer:

- 1) under a court order or foreclosure sale;
- 2) by a trustee in bankruptcy;
- 3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;
- 4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;
- 5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;
- 6) from one co-owner to another co-owner of an undivided interest in the real property;
- 7) to a spouse or a person in the lineal line of consanguinity of the seller;
- 8) to or from a governmental entity; or
- 9) of only a mineral interest, leasehold interest, or security interest

This notice shall be executed by the seller and must be filed in the real property records of the County in which the property is located.

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO
CITY OF HUTTO, TEXAS CONCERNING THE FOLLOWING PROPERTY

[insert property address]

LOT TYPE 3 PRINCIPAL ASSESSMENT: \$39,706.01

As the purchaser of the real property described above, you are obligated to pay assessments to Hutto, Texas, for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within Durango Farms Public Improvement District (the "District") created under Chapter 372, Local Government Code.

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED IMPROVEMENTS, WHICH MAY BE PAID IN FULL AT ANY TIME. IF THE ASSESSMENT IS NOT PAID IN FULL, IT WILL BE DUE AND PAYABLE IN ANNUAL INSTALLMENTS THAT WILL VARY FROM YEAR TO YEAR DEPENDING ON THE AMOUNT OF INTEREST PAID, COLLECTION COSTS, ADMINISTRATIVE COSTS, AND DELINQUENCY COSTS.

The exact amount of the assessment may be obtained from the City of Hutto. The exact amount of each annual installment will be approved each year by the Hutto City Council in the annual service plan update for the district. More information about the assessments, including the amounts and due dates, may be obtained from the City of Hutto.

Your failure to pay any assessment or any annual installment may result in penalties and interest being added to what you owe or in a lien on and the foreclosure of your property.

Date: _____

Signature of Purchaser

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Given under my hand and seal of office on this _____, 20__.

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Annual Installments Due	Principal	Interest ¹	Additional Interest	Annual Collection Costs	Total Annual Installment
1/31/2022	\$ 833.53	\$ 1,404.60	\$ 198.53	\$ 117.81	\$ 2,554.47
1/31/2023	\$ 491.87	\$ 1,749.26	\$ 194.36	\$ 120.17	\$ 2,555.66
1/31/2024	\$ 515.43	\$ 1,727.13	\$ 191.90	\$ 122.57	\$ 2,557.04
1/31/2025	\$ 536.05	\$ 1,703.93	\$ 189.33	\$ 125.02	\$ 2,554.33
1/31/2026	\$ 562.56	\$ 1,679.81	\$ 186.65	\$ 127.52	\$ 2,556.54
1/31/2027	\$ 586.12	\$ 1,654.50	\$ 183.83	\$ 130.08	\$ 2,554.52
1/31/2028	\$ 612.63	\$ 1,628.12	\$ 180.90	\$ 132.68	\$ 2,554.33
1/31/2029	\$ 642.08	\$ 1,600.55	\$ 177.84	\$ 135.33	\$ 2,555.80
1/31/2030	\$ 671.54	\$ 1,571.66	\$ 174.63	\$ 138.04	\$ 2,555.86
1/31/2031	\$ 700.99	\$ 1,541.44	\$ 171.27	\$ 140.80	\$ 2,554.50
1/31/2032	\$ 733.39	\$ 1,509.89	\$ 167.77	\$ 143.61	\$ 2,554.66
1/31/2033	\$ 768.73	\$ 1,476.89	\$ 164.10	\$ 146.49	\$ 2,556.21
1/31/2034	\$ 804.08	\$ 1,442.30	\$ 160.26	\$ 149.42	\$ 2,556.05
1/31/2035	\$ 842.36	\$ 1,406.12	\$ 156.24	\$ 152.40	\$ 2,557.12
1/31/2036	\$ 880.65	\$ 1,368.21	\$ 152.02	\$ 155.45	\$ 2,556.34
1/31/2037	\$ 921.89	\$ 1,328.58	\$ 147.62	\$ 158.56	\$ 2,556.65
1/31/2038	\$ 963.12	\$ 1,287.10	\$ 143.01	\$ 161.73	\$ 2,554.96
1/31/2039	\$ 1,010.25	\$ 1,243.75	\$ 138.19	\$ 164.97	\$ 2,557.17
1/31/2040	\$ 1,054.43	\$ 1,198.29	\$ 133.14	\$ 168.27	\$ 2,554.13
1/31/2041	\$ 1,104.50	\$ 1,150.84	\$ 127.87	\$ 171.63	\$ 2,554.85
1/31/2042	\$ 1,157.52	\$ 1,101.14	\$ 122.35	\$ 175.06	\$ 2,556.07
1/31/2043	\$ 1,210.53	\$ 1,049.05	\$ 116.56	\$ 178.57	\$ 2,554.71
1/31/2044	\$ 1,269.44	\$ 994.58	\$ 110.51	\$ 182.14	\$ 2,556.66
1/31/2045	\$ 1,328.34	\$ 937.45	\$ 104.16	\$ 185.78	\$ 2,555.74
1/31/2046	\$ 1,390.20	\$ 877.68	\$ 97.52	\$ 189.50	\$ 2,554.89
1/31/2047	\$ 1,457.94	\$ 815.12	\$ 90.57	\$ 193.29	\$ 2,556.91
1/31/2048	\$ 1,525.68	\$ 749.51	\$ 83.28	\$ 197.15	\$ 2,555.62
1/31/2049	\$ 1,599.31	\$ 680.86	\$ 75.65	\$ 201.09	\$ 2,556.92
1/31/2050	\$ 1,672.95	\$ 608.89	\$ 67.65	\$ 205.12	\$ 2,554.61
1/31/2051	\$ 1,752.47	\$ 533.61	\$ 59.29	\$ 209.22	\$ 2,554.59
1/31/2052	\$ 1,837.89	\$ 454.74	\$ 50.53	\$ 213.40	\$ 2,556.56
1/31/2053	\$ 1,923.30	\$ 372.04	\$ 41.34	\$ 217.67	\$ 2,554.35
1/31/2054	\$ 2,017.55	\$ 285.49	\$ 31.72	\$ 222.02	\$ 2,556.79
1/31/2055	\$ 2,111.80	\$ 194.70	\$ 21.63	\$ 226.46	\$ 2,554.60
1/31/2056	\$ 2,214.89	\$ 99.67	\$ 11.07	\$ 230.99	\$ 2,556.63
Total	\$ 39,706.01	\$ 39,427.52	\$ 4,423.30	\$ 5,890.01	\$ 89,446.84

¹ Interest on the PID Bonds is calculated at a 4.50% rate.

Note: The figures shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs, reserve fund requirements, Interest earnings, or other available offsets could increase or decrease the amounts shown.

EXHIBIT L-4 SECTION 2 DISCLOSURE

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code, or Chapter 382, Local Government Code, shall first give to the purchaser of the property this written notice.

For the purposes of this disclosure, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring notice.

This disclosure does not apply to a transfer:

- 1) under a court order or foreclosure sale;
- 2) by a trustee in bankruptcy;
- 3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;
- 4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;
- 5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;
- 6) from one co-owner to another co-owner of an undivided interest in the real property;
- 7) to a spouse or a person in the lineal line of consanguinity of the seller;
- 8) to or from a governmental entity; or
- 9) of only a mineral interest, leasehold interest, or security interest

This notice shall be executed by the seller and must be filed in the real property records of the County in which the property is located.

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO
CITY OF HUTTO, TEXAS CONCERNING THE FOLLOWING PROPERTY

[insert property address]

SECTION 2 PRINCIPAL ASSESSMENT: \$1,092,183.40

As the purchaser of the real property described above, you are obligated to pay assessments to Hutto, Texas, for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within Durango Farms Public Improvement District (the "District") created under Chapter 372, Local Government Code.

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED IMPROVEMENTS, WHICH MAY BE PAID IN FULL AT ANY TIME. IF THE ASSESSMENT IS NOT PAID IN FULL, IT WILL BE DUE AND PAYABLE IN ANNUAL INSTALLMENTS THAT WILL VARY FROM YEAR TO YEAR DEPENDING ON THE AMOUNT OF INTEREST PAID, COLLECTION COSTS, ADMINISTRATIVE COSTS, AND DELINQUENCY COSTS.

The exact amount of the assessment may be obtained from the City of Hutto. The exact amount of each annual installment will be approved each year by the Hutto City Council in the annual service plan update for the district. More information about the assessments, including the amounts and due dates, may be obtained from the City of Hutto.

Your failure to pay any assessment or any annual installment may result in penalties and interest being added to what you owe or in a lien on and the foreclosure of your property.

The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

Date: _____

Signature of Purchaser

Signature of Purchaser

STATE OF TEXAS §

§

COUNTY OF WILLIAMSON §

The foregoing instrument was acknowledged before me by _____ and _____, known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed, in the capacity stated and as the act and deed of the above-referenced entities as an authorized signatory of said entities.

Given under my hand and seal of office on this _____, 20__.

Notary Public, State of Texas

Annual Installments Due	Principal	Interest ¹	Additional Interest	Annual Collection Costs	Total Annual Installment
1/31/2022	\$ 22,927.67	\$ 38,635.96	\$ 5,460.92	\$ 3,240.66	\$ 70,265.20
1/31/2023	\$ 13,529.75	\$ 48,116.51	\$ 5,346.28	\$ 3,305.47	\$ 70,298.01
1/31/2024	\$ 14,177.89	\$ 47,507.67	\$ 5,278.63	\$ 3,371.58	\$ 70,335.77
1/31/2025	\$ 14,745.00	\$ 46,869.66	\$ 5,207.74	\$ 3,439.01	\$ 70,261.42
1/31/2026	\$ 15,474.15	\$ 46,206.14	\$ 5,134.02	\$ 3,507.79	\$ 70,322.10
1/31/2027	\$ 16,122.28	\$ 45,509.80	\$ 5,056.64	\$ 3,577.95	\$ 70,266.68
1/31/2028	\$ 16,851.43	\$ 44,784.30	\$ 4,976.03	\$ 3,649.51	\$ 70,261.27
1/31/2029	\$ 17,661.60	\$ 44,025.98	\$ 4,891.78	\$ 3,722.50	\$ 70,301.86
1/31/2030	\$ 18,471.76	\$ 43,231.21	\$ 4,803.47	\$ 3,796.95	\$ 70,303.39
1/31/2031	\$ 19,281.93	\$ 42,399.98	\$ 4,711.11	\$ 3,872.89	\$ 70,265.91
1/31/2032	\$ 20,173.11	\$ 41,532.30	\$ 4,614.70	\$ 3,950.35	\$ 70,270.45
1/31/2033	\$ 21,145.31	\$ 40,624.51	\$ 4,513.83	\$ 4,029.35	\$ 70,313.00
1/31/2034	\$ 22,117.50	\$ 39,672.97	\$ 4,408.11	\$ 4,109.94	\$ 70,308.52
1/31/2035	\$ 23,170.72	\$ 38,677.68	\$ 4,297.52	\$ 4,192.14	\$ 70,338.06
1/31/2036	\$ 24,223.93	\$ 37,635.00	\$ 4,181.67	\$ 4,275.98	\$ 70,316.58
1/31/2037	\$ 25,358.16	\$ 36,544.92	\$ 4,060.55	\$ 4,361.50	\$ 70,325.13
1/31/2038	\$ 26,492.39	\$ 35,403.80	\$ 3,933.76	\$ 4,448.73	\$ 70,278.69
1/31/2039	\$ 27,788.66	\$ 34,211.65	\$ 3,801.29	\$ 4,537.71	\$ 70,339.31
1/31/2040	\$ 29,003.91	\$ 32,961.16	\$ 3,662.35	\$ 4,628.46	\$ 70,255.87
1/31/2041	\$ 30,381.19	\$ 31,655.98	\$ 3,517.33	\$ 4,721.03	\$ 70,275.53
1/31/2042	\$ 31,839.48	\$ 30,288.83	\$ 3,365.43	\$ 4,815.45	\$ 70,309.19
1/31/2043	\$ 33,297.78	\$ 28,856.05	\$ 3,206.23	\$ 4,911.76	\$ 70,271.82
1/31/2044	\$ 34,918.11	\$ 27,357.65	\$ 3,039.74	\$ 5,009.99	\$ 70,325.49
1/31/2045	\$ 36,538.44	\$ 25,786.34	\$ 2,865.15	\$ 5,110.19	\$ 70,300.12
1/31/2046	\$ 38,239.79	\$ 24,142.11	\$ 2,682.46	\$ 5,212.40	\$ 70,276.75
1/31/2047	\$ 40,103.17	\$ 22,421.32	\$ 2,491.26	\$ 5,316.65	\$ 70,332.38
1/31/2048	\$ 41,966.55	\$ 20,616.67	\$ 2,290.74	\$ 5,422.98	\$ 70,296.94
1/31/2049	\$ 43,991.96	\$ 18,728.18	\$ 2,080.91	\$ 5,531.44	\$ 70,332.48
1/31/2050	\$ 46,017.37	\$ 16,748.54	\$ 1,860.95	\$ 5,642.07	\$ 70,268.93
1/31/2051	\$ 48,204.82	\$ 14,677.76	\$ 1,630.86	\$ 5,754.91	\$ 70,268.35
1/31/2052	\$ 50,554.29	\$ 12,508.54	\$ 1,389.84	\$ 5,870.01	\$ 70,322.68
1/31/2053	\$ 52,903.77	\$ 10,233.60	\$ 1,137.07	\$ 5,987.41	\$ 70,261.84
1/31/2054	\$ 55,496.30	\$ 7,852.93	\$ 872.55	\$ 6,107.16	\$ 70,328.93
1/31/2055	\$ 58,088.83	\$ 5,355.60	\$ 595.07	\$ 6,229.30	\$ 70,268.79
1/31/2056	\$ 60,924.41	\$ 2,741.60	\$ 304.62	\$ 6,353.88	\$ 70,324.51
Total	\$ 1,092,183.40	\$ 1,084,522.88	\$ 121,670.58	\$ 162,015.10	\$ 2,460,391.95

¹ Interest on the PID Bonds is calculated at a 4.50% rate.

Note: The figures shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs, reserve fund requirements, Interest earnings, or other available offsets could increase or decrease the amounts shown.

EXHIBIT L-5 LOT 1, BLOCK A DURANGO FARMS PHASE 1 DISCLOSURE

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code, or Chapter 382, Local Government Code, shall first give to the purchaser of the property this written notice.

For the purposes of this disclosure, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring notice.

This disclosure does not apply to a transfer:

- 1) under a court order or foreclosure sale;
- 2) by a trustee in bankruptcy;
- 3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;
- 4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;
- 5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;
- 6) from one co-owner to another co-owner of an undivided interest in the real property;
- 7) to a spouse or a person in the lineal line of consanguinity of the seller;
- 8) to or from a governmental entity; or
- 9) of only a mineral interest, leasehold interest, or security interest

This notice shall be executed by the seller and must be filed in the real property records of the County in which the property is located.

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO
CITY OF HUTTO, TEXAS CONCERNING THE FOLLOWING PROPERTY

[insert property address]

LOT 1 BLOCK A DURANGO FARMS PHASE 1 PRINCIPAL ASSESSMENT: \$361,052.36

As the purchaser of the real property described above, you are obligated to pay assessments to Hutto, Texas, for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within Durango Farms Public Improvement District (the "District") created under Chapter 372, Local Government Code.

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED IMPROVEMENTS, WHICH MAY BE PAID IN FULL AT ANY TIME. IF THE ASSESSMENT IS NOT PAID IN FULL, IT WILL BE DUE AND PAYABLE IN ANNUAL INSTALLMENTS THAT WILL VARY FROM YEAR TO YEAR DEPENDING ON THE AMOUNT OF INTEREST PAID, COLLECTION COSTS, ADMINISTRATIVE COSTS, AND DELINQUENCY COSTS.

The exact amount of the assessment may be obtained from the City of Hutto. The exact amount of each annual installment will be approved each year by the Hutto City Council in the annual service plan update for the district. More information about the assessments, including the amounts and due dates, may be obtained from the City of Hutto.

Your failure to pay any assessment or any annual installment may result in penalties and interest being added to what you owe or in a lien on and the foreclosure of your property.

Date: _____

Signature of Purchaser

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Given under my hand and seal of office on this _____, 20__.

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Annual Installments Due	Principal	Interest ¹	Additional Interest	Annual Collection Costs	Total Annual Installment
1/31/2022	\$ 7,579.39	\$ 12,772.22	\$ 1,805.26	\$ 1,071.29	\$ 23,228.17
1/31/2023	\$ 4,472.65	\$ 15,906.28	\$ 1,767.36	\$ 1,092.72	\$ 23,239.01
1/31/2024	\$ 4,686.90	\$ 15,705.01	\$ 1,745.00	\$ 1,114.57	\$ 23,251.49
1/31/2025	\$ 4,874.38	\$ 15,494.10	\$ 1,721.57	\$ 1,136.86	\$ 23,226.92
1/31/2026	\$ 5,115.42	\$ 15,274.76	\$ 1,697.20	\$ 1,159.60	\$ 23,246.98
1/31/2027	\$ 5,329.68	\$ 15,044.56	\$ 1,671.62	\$ 1,182.79	\$ 23,228.65
1/31/2028	\$ 5,570.72	\$ 14,804.73	\$ 1,644.97	\$ 1,206.45	\$ 23,226.87
1/31/2029	\$ 5,838.54	\$ 14,554.04	\$ 1,617.12	\$ 1,230.58	\$ 23,240.28
1/31/2030	\$ 6,106.37	\$ 14,291.31	\$ 1,587.92	\$ 1,255.19	\$ 23,240.79
1/31/2031	\$ 6,374.19	\$ 14,016.52	\$ 1,557.39	\$ 1,280.29	\$ 23,228.40
1/31/2032	\$ 6,668.80	\$ 13,729.68	\$ 1,525.52	\$ 1,305.90	\$ 23,229.90
1/31/2033	\$ 6,990.18	\$ 13,429.59	\$ 1,492.18	\$ 1,332.02	\$ 23,243.97
1/31/2034	\$ 7,311.57	\$ 13,115.03	\$ 1,457.23	\$ 1,358.66	\$ 23,242.49
1/31/2035	\$ 7,659.74	\$ 12,786.01	\$ 1,420.67	\$ 1,385.83	\$ 23,252.25
1/31/2036	\$ 8,007.91	\$ 12,441.32	\$ 1,382.37	\$ 1,413.55	\$ 23,245.15
1/31/2037	\$ 8,382.86	\$ 12,080.97	\$ 1,342.33	\$ 1,441.82	\$ 23,247.98
1/31/2038	\$ 8,757.82	\$ 11,703.74	\$ 1,300.42	\$ 1,470.66	\$ 23,232.62
1/31/2039	\$ 9,186.33	\$ 11,309.64	\$ 1,256.63	\$ 1,500.07	\$ 23,252.66
1/31/2040	\$ 9,588.07	\$ 10,896.25	\$ 1,210.69	\$ 1,530.07	\$ 23,225.08
1/31/2041	\$ 10,043.37	\$ 10,464.79	\$ 1,162.75	\$ 1,560.67	\$ 23,231.58
1/31/2042	\$ 10,525.45	\$ 10,012.84	\$ 1,112.54	\$ 1,591.88	\$ 23,242.71
1/31/2043	\$ 11,007.53	\$ 9,539.19	\$ 1,059.91	\$ 1,623.72	\$ 23,230.35
1/31/2044	\$ 11,543.18	\$ 9,043.85	\$ 1,004.87	\$ 1,656.20	\$ 23,248.10
1/31/2045	\$ 12,078.82	\$ 8,524.41	\$ 947.16	\$ 1,689.32	\$ 23,239.71
1/31/2046	\$ 12,641.25	\$ 7,980.86	\$ 886.76	\$ 1,723.11	\$ 23,231.98
1/31/2047	\$ 13,257.24	\$ 7,412.01	\$ 823.56	\$ 1,757.57	\$ 23,250.38
1/31/2048	\$ 13,873.24	\$ 6,815.43	\$ 757.27	\$ 1,792.72	\$ 23,238.66
1/31/2049	\$ 14,542.80	\$ 6,191.13	\$ 687.90	\$ 1,828.57	\$ 23,250.41
1/31/2050	\$ 15,212.35	\$ 5,536.71	\$ 615.19	\$ 1,865.15	\$ 23,229.40
1/31/2051	\$ 15,935.48	\$ 4,852.15	\$ 539.13	\$ 1,902.45	\$ 23,229.21
1/31/2052	\$ 16,712.16	\$ 4,135.06	\$ 459.45	\$ 1,940.50	\$ 23,247.17
1/31/2053	\$ 17,488.85	\$ 3,383.01	\$ 375.89	\$ 1,979.31	\$ 23,227.06
1/31/2054	\$ 18,345.88	\$ 2,596.01	\$ 288.45	\$ 2,018.89	\$ 23,249.23
1/31/2055	\$ 19,202.92	\$ 1,770.44	\$ 196.72	\$ 2,059.27	\$ 23,229.35
1/31/2056	\$ 20,140.30	\$ 906.31	\$ 100.70	\$ 2,100.46	\$ 23,247.77
Total	\$ 361,052.36	\$ 358,519.96	\$ 40,221.68	\$ 53,558.71	\$ 813,352.71

¹ Interest on the PID Bonds is calculated at a 4.50% rate.

Note: The figures shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs, reserve fund requirements, Interest earnings, or other available offsets could increase or decrease the amounts shown.

EXHIBIT L-5 LOT 25, BLOCK H DURANGO FARMS PHASE 1 DISCLOSURE

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code, or Chapter 382, Local Government Code, shall first give to the purchaser of the property this written notice.

For the purposes of this disclosure, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring notice.

This disclosure does not apply to a transfer:

- 1) under a court order or foreclosure sale;
- 2) by a trustee in bankruptcy;
- 3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;
- 4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;
- 5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;
- 6) from one co-owner to another co-owner of an undivided interest in the real property;
- 7) to a spouse or a person in the lineal line of consanguinity of the seller;
- 8) to or from a governmental entity; or
- 9) of only a mineral interest, leasehold interest, or security interest

This notice shall be executed by the seller and must be filed in the real property records of the County in which the property is located.

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO
CITY OF HUTTO, TEXAS CONCERNING THE FOLLOWING PROPERTY

[insert property address]

LOT 25, BLOCK H DURANGO FARMS PHASE 1 PRINCIPAL ASSESSMENT: \$3,145,488.18

As the purchaser of the real property described above, you are obligated to pay assessments to Hutto, Texas, for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within Durango Farms Public Improvement District (the "District") created under Chapter 372, Local Government Code.

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED IMPROVEMENTS, WHICH MAY BE PAID IN FULL AT ANY TIME. IF THE ASSESSMENT IS NOT PAID IN FULL, IT WILL BE DUE AND PAYABLE IN ANNUAL INSTALLMENTS THAT WILL VARY FROM YEAR TO YEAR DEPENDING ON THE AMOUNT OF INTEREST PAID, COLLECTION COSTS, ADMINISTRATIVE COSTS, AND DELINQUENCY COSTS.

The exact amount of the assessment may be obtained from the City of Hutto. The exact amount of each annual installment will be approved each year by the Hutto City Council in the annual service plan update for the district. More information about the assessments, including the amounts and due dates, may be obtained from the City of Hutto.

Your failure to pay any assessment or any annual installment may result in penalties and interest being added to what you owe or in a lien on and the foreclosure of your property.

The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

Date: _____

Signature of Purchaser

Signature of Purchaser

STATE OF TEXAS §

§

COUNTY OF WILLIAMSON §

The foregoing instrument was acknowledged before me by _____ and _____, known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed, in the capacity stated and as the act and deed of the above-referenced entities as an authorized signatory of said entities.

Given under my hand and seal of office on this _____, 20__.

Notary Public, State of Texas

Annual Installments Due	Principal	Interest ¹	Additional Interest	Annual Collection Costs	Total Annual Installment
1/31/2022	\$ 66,031.69	\$ 111,271.56	\$ 15,727.44	\$ 9,333.10	\$ 202,363.78
1/31/2023	\$ 38,965.69	\$ 138,575.54	\$ 15,397.28	\$ 9,519.76	\$ 202,458.28
1/31/2024	\$ 40,832.31	\$ 136,822.09	\$ 15,202.45	\$ 9,710.16	\$ 202,567.01
1/31/2025	\$ 42,465.61	\$ 134,984.63	\$ 14,998.29	\$ 9,904.36	\$ 202,352.89
1/31/2026	\$ 44,565.55	\$ 133,073.68	\$ 14,785.96	\$ 10,102.45	\$ 202,527.65
1/31/2027	\$ 46,432.17	\$ 131,068.23	\$ 14,563.14	\$ 10,304.50	\$ 202,368.04
1/31/2028	\$ 48,532.12	\$ 128,978.78	\$ 14,330.98	\$ 10,510.59	\$ 202,352.47
1/31/2029	\$ 50,865.40	\$ 126,794.84	\$ 14,088.32	\$ 10,720.80	\$ 202,469.35
1/31/2030	\$ 53,198.67	\$ 124,505.89	\$ 13,833.99	\$ 10,935.21	\$ 202,473.77
1/31/2031	\$ 55,531.95	\$ 122,111.95	\$ 13,567.99	\$ 11,153.92	\$ 202,365.81
1/31/2032	\$ 58,098.55	\$ 119,613.02	\$ 13,290.34	\$ 11,377.00	\$ 202,378.90
1/31/2033	\$ 60,898.48	\$ 116,998.58	\$ 12,999.84	\$ 11,604.54	\$ 202,501.44
1/31/2034	\$ 63,698.41	\$ 114,258.15	\$ 12,695.35	\$ 11,836.63	\$ 202,488.54
1/31/2035	\$ 66,731.67	\$ 111,391.72	\$ 12,376.86	\$ 12,073.36	\$ 202,573.61
1/31/2036	\$ 69,764.93	\$ 108,388.80	\$ 12,043.20	\$ 12,314.83	\$ 202,511.75
1/31/2037	\$ 73,031.51	\$ 105,249.37	\$ 11,694.37	\$ 12,561.12	\$ 202,536.38
1/31/2038	\$ 76,298.10	\$ 101,962.96	\$ 11,329.22	\$ 12,812.35	\$ 202,402.62
1/31/2039	\$ 80,031.34	\$ 98,529.54	\$ 10,947.73	\$ 13,068.59	\$ 202,577.20
1/31/2040	\$ 83,531.25	\$ 94,928.13	\$ 10,547.57	\$ 13,329.97	\$ 202,336.92
1/31/2041	\$ 87,497.82	\$ 91,169.23	\$ 10,129.91	\$ 13,596.57	\$ 202,393.52
1/31/2042	\$ 91,697.71	\$ 87,231.82	\$ 9,692.42	\$ 13,868.50	\$ 202,490.46
1/31/2043	\$ 95,897.61	\$ 83,105.43	\$ 9,233.94	\$ 14,145.87	\$ 202,382.84
1/31/2044	\$ 100,564.16	\$ 78,790.03	\$ 8,754.45	\$ 14,428.78	\$ 202,537.42
1/31/2045	\$ 105,230.71	\$ 74,264.65	\$ 8,251.63	\$ 14,717.36	\$ 202,464.34
1/31/2046	\$ 110,130.59	\$ 69,529.27	\$ 7,725.47	\$ 15,011.71	\$ 202,397.03
1/31/2047	\$ 115,497.12	\$ 64,573.39	\$ 7,174.82	\$ 15,311.94	\$ 202,557.27
1/31/2048	\$ 120,863.65	\$ 59,376.02	\$ 6,597.34	\$ 15,618.18	\$ 202,455.18
1/31/2049	\$ 126,696.84	\$ 53,937.15	\$ 5,993.02	\$ 15,930.54	\$ 202,557.55
1/31/2050	\$ 132,530.03	\$ 48,235.80	\$ 5,359.53	\$ 16,249.15	\$ 202,374.51
1/31/2051	\$ 138,829.87	\$ 42,271.95	\$ 4,696.88	\$ 16,574.14	\$ 202,372.83
1/31/2052	\$ 145,596.37	\$ 36,024.60	\$ 4,002.73	\$ 16,905.62	\$ 202,529.32
1/31/2053	\$ 152,362.86	\$ 29,472.76	\$ 3,274.75	\$ 17,243.73	\$ 202,354.11
1/31/2054	\$ 159,829.35	\$ 22,616.44	\$ 2,512.94	\$ 17,588.61	\$ 202,547.32
1/31/2055	\$ 167,295.83	\$ 15,424.12	\$ 1,713.79	\$ 17,940.38	\$ 202,374.11
1/31/2056	\$ 175,462.29	\$ 7,895.80	\$ 877.31	\$ 18,299.19	\$ 202,534.59
Total	\$ 3,145,488.18	\$ 3,123,425.90	\$ 350,411.26	\$ 466,603.48	\$ 7,085,928.82

¹ Interest on the PID Bonds is calculated at a 4.50% rate.

Note: The figures shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs, reserve fund requirements, Interest earnings, or other available offsets could increase or decrease the amounts shown.

EXHIBIT M – DISTRICT LEGAL DESCRIPTION

Williamson County, Texas
J. Shelton Survey, Abstract No. 560
E. Thomason Survey, Abstract No. 844
W.J. Brown Survey, Abstract No. 105

94.560 Acres
Page 1 of 3

"EXHIBIT M"

DESCRIPTION OF 94.560 ACRES OF LAND IN THE J. SHELTON SURVEY, ABSTRACT NO. 560, THE E. THOMASON SURVEY, ABSTRACT NO. 844, AND THE W.J. BROWN SURVEY, ABSTRACT NO. 105, WILLIAMSON COUNTY, TEXAS; BEING A PORTION OF A CERTAIN CALLED 96.99 ACRE TRACT DESIGNATED AS TRACT ONE AND DESCRIBED IN THE DEED TO JERRY E. ROZNOVAK AND WIFE, HILDA ROZNOVAK OF RECORD IN VOLUME 443, PAGE 472, DEED RECORDS OF WILLIAMSON COUNTY, TEXAS; SAID 94.560 ACRES OF LAND, AS SURVEYED BY LANDDEV CONSULTING, LLC, BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING at a 1/2-inch iron rod with a plastic cap stamped "RJ Survey" (Grid Coordinates: N= 10,177,139.20, E= 3,174,174.80) found in the west right-of-way line of F.M. 1660, a variable-width right-of-way, in the north line of the said 96.99 acre tract, at the easterly southeast corner of a certain called 201.06 acre tract described in the deed to Billie B. Davenport of record in Volume 1079, Page 938, Deed Records of Williamson County, Texas, same being the southwest corner of a certain called 4.758 acre tract described in the deed to the State of Texas of record in Volume 476, Page 605, Deed Records of Williamson County, Texas, same being the northwest corner of a certain called 3.722 acre tract described in the deed to the State of Texas of record in Volume 476, Page 607, Deed Records of Williamson County, Texas, for the northeast corner and **POINT OF BEGINNING** of the tract described herein;

THENCE leaving the easterly southeast corner of the said 201.06 acre tract, crossing the said 96.99 acre tract, with the west right-of-way line of said F.M. 1660, and the west line of the said 3.722 acre tract, with the east line of the tract described herein, the following five (5) courses and distances:

1. with the arc of a curve to the left, having a radius of 1,186.28 feet, an arc distance of 167.73 feet, and a chord which bears S 05°38'19" E, a distance of 167.59 feet to a calculated point-of-tangency, from which a destroyed Texas Department of Transportation (TXDOT) Type-I concrete right-of-way monument found bears S 84°08'53" W, a distance of 0.45 feet,
2. S 09°45'32" E, a distance of 467.63 feet to a Texas Department of Transportation (TXDOT) Type-I concrete right-of-way monument found at a point-of-curvature,
3. with the arc of a curve to the right, having a radius of 1,106.28 feet, an arc distance of 335.98 feet, and a chord which bears S 01°06'29" E, a distance of 334.69 feet to a Texas Department of Transportation (TXDOT) Type-I concrete right-of-way monument found at a point-of-tangency,
4. S 07°51'42" W, a distance of 790.50 feet to a 3/4-inch iron rod found at an angle point, and
5. S 07°39'43" W, a distance of 421.01 feet to a 1/2-inch iron rod with a plastic cap stamped "RJ Survey" found in the west line of the said 3.722 acre tract, in the north line of a certain called 0.51 acre tract described in the deed to Nadine Carole Johnson and Dennis Johnson of record in Document No. 2006083936, Official Public Records of Williamson County, Texas, for a southeast corner of the tract described herein, from which a 1/2-inch iron rod with a plastic cap stamped "RPLS 1433" found in the west right-of-way line of said F.M. 1660 at the northeast corner of the said 0.51 acre tract bears S 82°31'24" E, a distance of 21.83 feet;

THENCE N 82°16'34" W, leaving the west right-of-way line of said F.M. 1660, and the west line of the said 3.722 acre tract, crossing the said 96.99 acre tract, with the north line of the said 0.51 acre tract, and with a south line of the tract described herein, a distance of 179.38 feet to a 1/2-inch iron rod with a plastic cap stamped "RJ Survey" found at the northwest corner of the said 0.51 acre tract, for a re-entrant corner of the tract described herein;

THENCE S 07°29'25" W, continuing across the said 96.99 acre tract, with the west line of the said 0.51 acre tract, with the east line of the tract described herein, a distance of 114.42 feet to a 1/2-inch iron rod with a plastic cap stamped "RPLS 1433" found at a re-entrant corner of the said 96.99 acre tract, at the southwest corner of the said 0.51 acre tract, same being the northwest corner of a certain called 4/5ths of an acre described in the special warranty deed with life estate to Robert W. Kaderka and wife, Bonnie Kaderka of record in Document No. 2015074295, Official Public Records of Williamson County, Texas, for an angle point in the east line of the tract described herein;

THENCE S 07°42'22" W, with the east line of the said 96.99 acre tract, with the west line of the said 4/5ths of an acre tract, and with the west line of a certain called 0.51 acre tract described in the deed to Bruce Craig Cunningham of record in Volume 1954, Page 227, Official Public Records of Williamson County, Texas, with the east line of the tract described herein, a distance of 180.55 feet to a 1/2-inch iron rod with a plastic cap stamped "RJ Survey" found at an angle point;

LandDev Consulting, LLC • 5508 Highway 290 West, Suite 150, Austin, TX 78735 • (512) 872-6696
TBPE Firm No. 16384 | TBPLS Firm No. 10194101

THENCE S 06°40'19" W, with the east line of the said 96.99 acre tract, with the west line of the said 0.51 acre tract, and with the west line of a certain called 0.484 acre tract described in the deed to Marka Dawn Burns of record in Document No. 9722814, Official Public Records of Williamson County, Texas, with the east line of the tract described herein, a distance of 200.68 feet to a ½-inch iron rod found in the north line of a certain called 0.480 acre tract described in the deed to John A. Drummond, Sr. of record in Document No. 9662944, Official Public Records of Williamson County, Texas, at the southwest corner of the said 0.484 acre tract, same being a southeast corner of the said 96.99 acre tract, for a southeast corner of the tract described herein;

THENCE N 81°53'59" W, with the north line of the said 0.480 acre tract and a south line of the said 96.99 acre tract, with a south line of the tract described herein, a distance of 10.57 feet to a fence corner post found at a re-entrant corner;

THENCE S 08°03'45" W, with the west line of the said 0.480 acre tract and the west line of a certain called 0.59 acre tract described in the deed to Jonathan M. Wagner and Marci H. Wagner of record in Document No. 2016117309, Official Public Records of Williamson County, Texas, with the east line of the said 96.99 acre tract, with the east line of the tract described herein, a distance of 223.01 feet to a concrete monument found in the north line of a certain called 2.47 acre tract described in the deed to Charles E. Holland and Deborah D. Holland of record in Volume 868, Page 561, Deed Records of Williamson County, Texas, at the southwest corner of the said 0.59 acre tract, same being a southeast corner of the said 96.99 acre tract, for a southeast corner of the tract described herein;

THENCE N 82°23'05" W, with the north line of the said 2.47 acre tract, with a south line of the said 96.99 acre tract, with a south line of the tract described herein, a distance of 242.61 feet to a 3/8-inch iron rod found at the northwest corner of the said 2.47 acre tract, at the northeast corner of Block 4, Hutto and Metcalfe Addition, a subdivision according to the plat of record in Book 66, Page 148, Deed Records of Williamson County, Texas, and as shown on the Revised Map of City of Hutto of record in Cabinet A, Slide 221, Plat Records of Williamson County, Texas, for a re-entrant corner of the tract described herein;

THENCE S 07°38'01" W, with the west line of the said 2.47 acre tract and an east line of the said 96.99 acre tract, with the east line of said Block 4 and Block 3, said Hutto and Metcalfe Addition, with an east line of the tract described herein, a distance of 208.64 feet to a ¼-inch iron rod found at the southeast corner of said Block 3, Hutto and Metcalfe Addition, and the northeast corner of a certain called 0.659 acre tract described in the deed to Dennis O. Johnson and Nadine C. Johnson of record in Document No. 2001074832, Official Public Records of Williamson County, Texas, for the southerly southeast corner of the tract described herein;

THENCE S 77°34'56" W, crossing the said 96.99 acre tract, with the north line of the said 0.659 acre tract, with the south line of the tract described herein, a distance of 253.79 feet to a ¼-inch iron rod found at the northwest corner of the said 0.659 acre tract, and the northeast corner of Lot 2, Block 2, said Hutto and Metcalfe Addition, for an angle point in the south line of the tract described herein.

THENCE S 77°37'39" W, continuing across the said 96.99 acre tract, with the north line of said Lot 2, Block 2, Hutto and Metcalfe Addition, with the south line of the tract described herein, a distance of 91.78 feet to a concrete monument found in a west line of the said 96.99 acre tract, at the intersection of the south line of an alley and the east right-of-way line of East Street, a 60-foot right-of-way, as shown on the said Hutto and Metcalfe Addition subdivision plat, at the northwest corner of said Lot 2, Block 2, Hutto and Metcalfe Addition, for the southerly southwest corner of the tract described herein;

THENCE N 12°28'30" W, with the east right-of-way line of said East Street, the west line of the said 96.99 acre tract, with the west line of Lot 6, Block 2, and the west line of Block 5, said Hutto and Metcalfe Addition, with a west line of the tract described herein, a distance of 439.34 feet to a ½-inch iron rod with a plastic cap stamped "RJ Survey" found at the northeast terminus of said East Street, at the northwest corner of said Block 5, said Hutto and Metcalfe Addition, for an angle point in the south line of the tract described herein;

THENCE N 82°21'12" W, with the south line of the said 96.99 acre tract, with the north terminus of said East Street, with the northeast terminus of Capitol Street, a 50-foot right-of-way, as shown on the said Hutto and Metcalfe Addition subdivision plat, with the south line of the tract described herein, a distance of 220.17 feet to a ½-inch iron rod with a plastic cap stamped "RJ Survey" found at an angle point in the north right-of-way line of said Capitol Street, at the east corner of Block 9, said Hutto and Metcalfe Addition, for an angle point in the south line of the tract described herein;

THENCE S 76°41'29" W, with the south line of the said 96.99 acre tract, with the north right-of-way line of said Capitol Street, with the south line of Block 9 and Block 13, said Hutto and Metcalfe Addition, a distance of 350.53 feet to a ½-inch iron rod with a plastic cap stamped "RJ Survey" found in the east line of Lot 4, Block F, Hutto Square Section 1, a subdivision according to the plat of record in Cabinet W, Slides 263-267, Plat Records of Williamson County, Texas, at a southwest corner of the said 96.99 acre tract, for a southwest corner of the tract described herein;

THENCE with the west line of the said 96.99 acre tract, the east line of said Hutto Square Section 1, the east line of Hutto Square Section 2, a subdivision according to the plat of record in Cabinet Y, Slides 154-157, Plat Records of Williamson County, Texas, with the east line of Hutto Square Section 3, a subdivision according to the plat of record in Cabinet CC, Slides 138-139, Plat Records of Williamson County, Texas, with the west line of the tract described herein, the following four (4) courses and distances:

1. N 07°40'21" E, a distance of 55.89 feet to a ½-inch iron rod with a plastic cap stamped "4391" found at the north corner of Lot 4, the east corner of Lot 5, southeast corner of Lot 39, and the south corner of Lot 40, Block F, said Hutto Square Section 1, for an angle point of the tract described herein,
2. N 07°38'18" E, a distance of 655.93 feet to a ½-inch iron rod with a plastic cap stamped "RJ Survey" found in the east line of Lot 48, Block F, said Hutto Square Section 2, for an angle point of the tract described herein,
3. N 07°46'41" E, a distance of 230.55 feet to a ½-inch iron rod with a plastic cap stamped "RPLS 4391" found at the northeast corner of Lot 51 and the southeast corner of Lot 52, Block F, said Hutto Square Section 2, for an angle point of the tract described herein, and
4. N 07°46'30" E, a distance of 2,059.60 feet to a concrete monument found in the east line of Lot 91, Block F, said Hutto Square Section 3, at the northwest corner of the said 96.99 acre tract, same being a re-entrant corner of the said 201.06 acre tract, for the northwest corner of the tract described herein;

THENCE S 82°15'43" E, with the north line of the said 96.99 acre tract and a south line of the said 201.06 acre tract, with the north line of the tract described herein, a distance of 1,222.52 feet to the POINT OF BEGINNING and containing 94.560 acres of land, more or less.

BEARING BASIS: Texas Coordinate System, Central Zone, NAD83, Grid.

THE STATE OF TEXAS

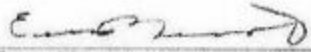
KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF TRAVIS

That I, Ernesto Navarrete, a Registered Professional Land Surveyor, do hereby certify that the above description is true and correct to the best of my knowledge and belief and that the parcel of land described herein is based upon a survey performed upon the ground under my direct supervision during the month of April, 2019.

WITNESS MY HAND AND SEAL at Austin, Travis County, Texas, this 03rd day of May 2019 A.D.

LANDDEV CONSULTING, LLC
5508 Highway 290 West, Suite 150
Austin, Texas 78735


Ernesto Navarrete
Registered Professional Land Surveyor
No. 6642 - State of Texas



LandDev Consulting, LLC • 5508 Highway 290 West, Suite 150, Austin, TX 78735 • (512) 872-6696
TBPE Firm No. 16384 | TBPLS Firm No. 10194101

"EXHIBIT ____"

DESCRIPTION OF 10.554 ACRES OF LAND IN THE E. THOMASON SURVEY, ABSTRACT NO. 844, AND THE CANUTILLO COLONY DITCH COMPANY SURVEY, ABSTRACT NO. 693, WILLIAMSON COUNTY, TEXAS; BEING A PORTION OF A CERTAIN CALLED 11.10 ACRE TRACT DESIGNATED AS TRACT TWO AND DESCRIBED IN THE DEED TO JERRY E. ROZNOVAK AND WIFE, HILDA ROZNOVAK OF RECORD IN VOLUME 443, PAGE 472, DEED RECORDS OF WILLIAMSON COUNTY, TEXAS; SAID 10.554 ACRES OF LAND, AS SURVEYED BY LANDDEV CONSULTING, LLC, BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

COMMENCING at a ½-inch iron rod with a plastic cap stamped "RJ Survey" (Grid Coordinates: N= 10,177,139.20, E= 3,174,174.80) found in the west right-of-way line of F.M. 1660, a variable-width right-of-way, in the north line of a certain called 96.99 acre tract designated as Tract One and described in said deed to Jerry E. Roznovak and wife, Hilda Roznovak of record in Volume 443, Page 472, Deed Records of Williamson County, Texas, at the easterly southeast corner of a certain called 201.06 acre tract described in the deed to Billie B. Davenport of record in Volume 1079, Page 938, Deed Records of Williamson County, Texas, same being the southwest corner of a certain called 4.758 acre tract described in the deed to the State of Texas of record in Volume 476, Page 605, Deed Records of Williamson County, Texas, and the northwest corner of a certain called 3.722 acre tract described in the deed to the State of Texas of record in Volume 476, Page 607, Deed Records of Williamson County, Texas, from which a concrete monument found in the east line of Lot 91, Block F, said Hutto Square Section 3, a subdivision according to the plat of record in Cabinet CC, Slides 138 and 139, Plat Records of Williamson County, Texas, at the northwest corner of the said 96.99 acre tract, same being a re-entrant corner of the said 201.06 acre tract bears N 82°15'43" W, a distance of 1,222.52 feet;

THENCE S 82°15'43" E, crossing the said F.M. 1660 right-of-way, a distance of 97.80 feet to a ½-inch iron rod with a plastic cap stamped "LANDDEV" set in the east right-of-way line of said F.M. 1660, in the north line of the said 11.10 acre tract, at the northeast corner of the said 3.722 acre tract and the southeast corner of a certain called 1.529 acre tract described in the deed to the State of Texas of record in Volume 476, Page 603, Deed Records of Williamson County, Texas, in the south line of a certain called 135 acre tract described in the deed to Janet Lynn Barnard, Trustee for the Janet Lynn Barnard Family 1984 Trust of record in Volume 1126, Page 800, Deed Records of Williamson County, Texas, same being the southwest corner of a certain called 65.234 acre tract conveyed to CMSAL-2 L.L.C. of record in Document No. 2011084930, Official Public Records of Williamson County, Texas, and described in Document No. 1999014821, Official Public Records of Williamson County, Texas, for the northwest corner and **POINT OF BEGINNING** of the tract described herein, from which a Texas Department of Transportation (TXDOT) Type-1 concrete right-of-way monument found in the east right-of-way line of said F.M. 1660, in the east line of the said 1.529 acre tract, and the west line of a certain called 28.449 acre tract described in the deed to North Town Commons, LLC of record in Document No. 2007062953, Official Public Records of Williamson County, Texas, bears N 03°15'10" W, a distance of 192.32 feet, and from which a ½-inch iron rod found bears N 02°00'51" W, a distance of 10.60 feet;

THENCE S 82°15'43" E, with the north line of the said 11.10 acre tract and the south line of the said 135 acre tract, with the south line of the said 65.234 acre tract, with the north line of the tract described herein, a distance of 498.95 feet to a ½-inch iron rod with a plastic cap stamped "LANDDEV" set for the northeast corner of the said 11.10 acre tract, at a re-entrant corner of the said 135 acre tract, in the south line of the said 65.234 acre tract, for the northeast corner of the tract described herein;

THENCE S 07°38'01" W, with the east line of the said 11.10 acre tract and the west line of the said 135 acre tract, with the east line of the tract described herein, at a distance of 9.91 feet, passing a ½-inch iron rod with a plastic cap stamped "PAPE DAWSON" found, and continuing for a total distance of 17.36 feet to a calculated point for a southeast corner of the tract described herein, from which a ½-inch iron rod found bears N 74°00'05" E, a distance of 0.23 feet;

THENCE leaving the west line of the said 135 acre tract, crossing the said 11.10 acre tract, with a south, east, and north line of the tract described herein, the following three (3) courses and distances:

1. N 82°21'59" W, a distance of 50.00 feet to a ½-inch iron rod with a plastic cap stamped "LANDDEV" set for a re-entrant corner,
2. S 07°38'01" W, a distance of 50.00 feet to a ½-inch iron rod with a plastic cap stamped "LANDDEV" set for a re-entrant corner, and
3. S 82°21'59" E, a distance of 50.00 feet to a calculated point in the east line of the said 11.10 acre tract and west line of a certain called 72.025 acre tract described in the deed to Mager Meadows, LP of record in Document No. 2004018146, Official Public Records of Williamson County, Texas, for a northeast corner of the tract described herein, from which a ½-inch iron rod found bears S 61°01'59" E, a distance of 0.33 feet;

THENCE S 07°38'01" W, with the east line of the said 11.10 acre tract and the west line of the said 72.025 acre tract, with the east line of the tract described herein, a distance of 1,292.44 feet to a ½-inch iron rod found in the north line of a certain called

Williamson County, Texas
E. Thomason Survey, Abstract No. 844
Carrutello Colony Ditch Company Survey, Abstract No. 693

10.554 Acres
Page 2 of 2

9.862 acre tract described in the deed to Herbert L. Prewitt and wife, Connie E. Prewitt of record in Volume 876, Page 655, Deed Records of Williamson County, Texas, at the southwest corner of the said 72.025 acre tract and the southeast corner of the said 11.10 acre tract, for the southeast corner of the tract described herein;

THENCE N 82°26'32" W, with the south line of the said 11.10 acre tract and the north line of the said 9.862 acre tract, with the south line of the tract described herein, at a distance of 2.07 feet, passing a concrete monument found 0.12 feet north of the line, and continuing for a total distance of 285.57 feet to a 5/8-inch iron rod found in the east right-of-way line of said F.M. 1660, and the south line of the said 11.10 acre tract, at a southeast corner of the said 3.722 acre tract and the northeast corner of a certain called 0.311 acre tract described in the deed to the State of Texas of record in Volume 476, Page 612, Deed Records of Williamson County, Texas, at the northwest corner of the said 9.862 acre tract, for the southwest corner of the tract described herein;

THENCE crossing the said 11.10 acre tract, with the east right-of-way line of said F.M. 1660, with the east line of the said 3.722 acre tract, with the west line of the tract described herein, the following four (4) courses and distances:

1. N 07°21'46" E, a distance of 421.34 feet to a destroyed Texas Department of Transportation (TXDOT) Type-I concrete right-of-way monument found at an angle point,
2. N 07°33'54" E, a distance of 324.41 feet to a destroyed Texas Department of Transportation (TXDOT) Type-I concrete right-of-way monument found at an angle point,
3. N 13°27'20" W, a distance of 513.66 feet to a destroyed Texas Department of Transportation (TXDOT) Type-I concrete right-of-way monument found at an angle point, and
4. N 03°15'10" W, a distance of 138.59 feet to the **POINT OF BEGINNING** and containing 10.554 acres of land, more or less.

BEARING BASIS: Texas Coordinate System, Central Zone, NAD83, Grid.

THE STATE OF TEXAS

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF TRAVIS

That I, Ernesto Navarrete, a Registered Professional Land Surveyor, do hereby certify that the above description is true and correct to the best of my knowledge and belief and that the parcel of land described herein is based upon a survey performed upon the ground under my direct supervision during the month of April and May, 2019.

WITNESS MY HAND AND SEAL at Austin, Travis County, Texas, this 20th day of May 2019 A.D.

LANDDEV CONSULTING, LLC
3508 Highway 290 West, Suite 150
Austin, Texas 78735

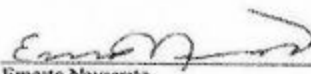

Ernesto Navarrete
Registered Professional Land Surveyor
No. 6642 -- State of Texas



EXHIBIT N – SECTION 1 LEGAL DESCRIPTION

Williamson County, Texas
J. Shelton Survey, Abstract No. 560
E. Thomason Survey, Abstract No. 844
W.J. Brown Survey, Abstract No. 105

94.560 Acres
Page 1 of 3

"EXHIBIT ____"

DESCRIPTION OF 94.560 ACRES OF LAND IN THE J. SHELTON SURVEY, ABSTRACT NO. 560, THE E. THOMASON SURVEY, ABSTRACT NO. 844, AND THE W.J. BROWN SURVEY, ABSTRACT NO. 105, WILLIAMSON COUNTY, TEXAS; BEING A PORTION OF A CERTAIN CALLED 96.99 ACRE TRACT DESIGNATED AS TRACT ONE AND DESCRIBED IN THE DEED TO JERRY E. ROZNOVAK AND WIFE, HILDA ROZNOVAK OF RECORD IN VOLUME 443, PAGE 472, DEED RECORDS OF WILLIAMSON COUNTY, TEXAS; SAID 94.560 ACRES OF LAND, AS SURVEYED BY LANDDEV CONSULTING, LLC, BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING at a 1/2-inch iron rod with a plastic cap stamped "RJ Survey" (Grid Coordinates: N= 10,177,139.20, E= 3,174,174.80) found in the west right-of-way line of F.M. 1660, a variable-width right-of-way, in the north line of the said 96.99 acre tract, at the easterly southeast corner of a certain called 201.06 acre tract described in the deed to Billie B. Davenport of record in Volume 1079, Page 938, Deed Records of Williamson County, Texas, same being the southwest corner of a certain called 4.758 acre tract described in the deed to the State of Texas of record in Volume 476, Page 605, Deed Records of Williamson County, Texas, same being the northwest corner of a certain called 3.722 acre tract described in the deed to the State of Texas of record in Volume 476, Page 607, Deed Records of Williamson County, Texas, for the northeast corner and **POINT OF BEGINNING** of the tract described herein;

THENCE leaving the easterly southeast corner of the said 201.06 acre tract, crossing the said 96.99 acre tract, with the west right-of-way line of said F.M. 1660, and the west line of the said 3.722 acre tract, with the east line of the tract described herein, the following five (5) courses and distances:

1. with the arc of a curve to the left, having a radius of 1,186.28 feet, an arc distance of 167.73 feet, and a chord which bears S 05°38'19" E, a distance of 167.59 feet to a calculated point-of-tangency, from which a destroyed Texas Department of Transportation (TXDOT) Type-I concrete right-of-way monument found bears S 84°08'53" W, a distance of 0.45 feet,
2. S 09°45'32" E, a distance of 467.63 feet to a Texas Department of Transportation (TXDOT) Type-I concrete right-of-way monument found at a point-of-curvature,
3. with the arc of a curve to the right, having a radius of 1,106.28 feet, an arc distance of 335.98 feet, and a chord which bears S 01°06'29" E, a distance of 334.69 feet to a Texas Department of Transportation (TXDOT) Type-I concrete right-of-way monument found at a point-of-tangency,
4. S 07°51'42" W, a distance of 790.50 feet to a 3/4-inch iron rod found at an angle point, and
5. S 07°39'43" W, a distance of 421.01 feet to a 1/2-inch iron rod with a plastic cap stamped "RJ Survey" found in the west line of the said 3.722 acre tract, in the north line of a certain called 0.51 acre tract described in the deed to Nadine Carole Johnson and Dennis Johnson of record in Document No. 2006083936, Official Public Records of Williamson County, Texas, for a southeast corner of the tract described herein, from which a 1/2-inch iron rod with a plastic cap stamped "RPLS 1433" found in the west right-of-way line of said F.M. 1660 at the northeast corner of the said 0.51 acre tract bears S 82°31'24" E, a distance of 21.83 feet;

THENCE N 82°16'34" W, leaving the west right-of-way line of said F.M. 1660, and the west line of the said 3.722 acre tract, crossing the said 96.99 acre tract, with the north line of the said 0.51 acre tract, and with a south line of the tract described herein, a distance of 179.38 feet to a 1/2-inch iron rod with a plastic cap stamped "RJ Survey" found at the northwest corner of the said 0.51 acre tract, for a re-entrant corner of the tract described herein;

THENCE S 07°29'25" W, continuing across the said 96.99 acre tract, with the west line of the said 0.51 acre tract, with the east line of the tract described herein, a distance of 114.42 feet to a 1/2-inch iron rod with a plastic cap stamped "RPLS 1433" found at a re-entrant corner of the said 96.99 acre tract, at the southwest corner of the said 0.51 acre tract, same being the northwest corner of a certain called 4/5ths of an acre described in the special warranty deed with life estate to Robert W. Kaderka and wife, Bonnie Kaderka of record in Document No. 2015074295, Official Public Records of Williamson County, Texas, for an angle point in the east line of the tract described herein;

THENCE S 07°42'22" W, with the east line of the said 96.99 acre tract, with the west line of the said 4/5ths of an acre tract, and with the west line of a certain called 0.51 acre tract described in the deed to Bruce Craig Cunningham of record in Volume 1954, Page 227, Official Public Records of Williamson County, Texas, with the east line of the tract described herein, a distance of 180.55 feet to a 1/2-inch iron rod with a plastic cap stamped "RJ Survey" found at an angle point;

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TBPE Firm No. 16384 | TBPLS Firm No. 10194101

THENCE S 06°40'19" W, with the east line of the said 96.99 acre tract, with the west line of the said 0.51 acre tract, and with the west line of a certain called 0.484 acre tract described in the deed to Marka Dawn Burns of record in Document No. 9722814, Official Public Records of Williamson County, Texas, with the east line of the tract described herein, a distance of 200.68 feet to a ½-inch iron rod found in the north line of a certain called 0.480 acre tract described in the deed to John A. Drummond, Sr. of record in Document No. 9662944, Official Public Records of Williamson County, Texas, at the southwest corner of the said 0.484 acre tract, same being a southeast corner of the said 96.99 acre tract, for a southeast corner of the tract described herein;

THENCE N 81°53'59" W, with the north line of the said 0.480 acre tract and a south line of the said 96.99 acre tract, with a south line of the tract described herein, a distance of 10.57 feet to a fence corner post found at a re-entrant corner;

THENCE S 08°03'45" W, with the west line of the said 0.480 acre tract and the west line of a certain called 0.59 acre tract described in the deed to Jonathan M. Wagner and Marci H. Wagner of record in Document No. 2016117309, Official Public Records of Williamson County, Texas, with the east line of the said 96.99 acre tract, with the east line of the tract described herein, a distance of 223.01 feet to a concrete monument found in the north line of a certain called 2.47 acre tract described in the deed to Charles E. Holland and Deborah D. Holland of record in Volume 868, Page 561, Deed Records of Williamson County, Texas, at the southwest corner of the said 0.59 acre tract, same being a southeast corner of the said 96.99 acre tract, for a southeast corner of the tract described herein;

THENCE N 82°23'05" W, with the north line of the said 2.47 acre tract, with a south line of the said 96.99 acre tract, with a south line of the tract described herein, a distance of 242.61 feet to a 3/8-inch iron rod found at the northwest corner of the said 2.47 acre tract, at the northeast corner of Block 4, Hutto and Metcalfe Addition, a subdivision according to the plat of record in Book 66, Page 148, Deed Records of Williamson County, Texas, and as shown on the Revised Map of City of Hutto of record in Cabinet A, Slide 221, Plat Records of Williamson County, Texas, for a re-entrant corner of the tract described herein;

THENCE S 07°38'01" W, with the west line of the said 2.47 acre tract and an east line of the said 96.99 acre tract, with the east line of said Block 4 and Block 3, said Hutto and Metcalfe Addition, with an east line of the tract described herein, a distance of 208.64 feet to a ½-inch iron rod found at the southeast corner of said Block 3, Hutto and Metcalfe Addition, and the northeast corner of a certain called 0.659 acre tract described in the deed to Dennis O. Johnson and Nadine C. Johnson of record in Document No. 2001074832, Official Public Records of Williamson County, Texas, for the southerly southeast corner of the tract described herein;

THENCE S 77°34'56" W, crossing the said 96.99 acre tract, with the north line of the said 0.659 acre tract, with the south line of the tract described herein, a distance of 253.79 feet to a ½-inch iron rod found at the northwest corner of the said 0.659 acre tract, and the northeast corner of Lot 2, Block 2, said Hutto and Metcalfe Addition, for an angle point in the south line of the tract described herein.

THENCE S 77°37'39" W, continuing across the said 96.99 acre tract, with the north line of said Lot 2, Block 2, Hutto and Metcalfe Addition, with the south line of the tract described herein, a distance of 91.78 feet to a concrete monument found in a west line of the said 96.99 acre tract, at the intersection of the south line of an alley and the east right-of-way line of East Street, a 60-foot right-of-way, as shown on the said Hutto and Metcalfe Addition subdivision plat, at the northwest corner of said Lot 2, Block 2, Hutto and Metcalfe Addition, for the southerly southwest corner of the tract described herein;

THENCE N 12°28'30" W, with the east right-of-way line of said East Street, the west line of the said 96.99 acre tract, with the west line of Lot 6, Block 2, and the west line of Block 5, said Hutto and Metcalfe Addition, with a west line of the tract described herein, a distance of 439.34 feet to a ½-inch iron rod with a plastic cap stamped "RJ Survey" found at the northeast terminus of said East Street, at the northwest corner of said Block 5, said Hutto and Metcalfe Addition, for an angle point in the south line of the tract described herein;

THENCE N 82°21'12" W, with the south line of the said 96.99 acre tract, with the north terminus of said East Street, with the northeast terminus of Capitol Street, a 50-foot right-of-way, as shown on the said Hutto and Metcalfe Addition subdivision plat, with the south line of the tract described herein, a distance of 220.17 feet to a ½-inch iron rod with a plastic cap stamped "RJ Survey" found at an angle point in the north right-of-way line of said Capitol Street, at the east corner of Block 9, said Hutto and Metcalfe Addition, for an angle point in the south line of the tract described herein;

THENCE S 76°41'29" W, with the south line of the said 96.99 acre tract, with the north right-of-way line of said Capitol Street, with the south line of Block 9 and Block 13, said Hutto and Metcalfe Addition, a distance of 350.53 feet to a ½-inch iron rod with a plastic cap stamped "RJ Survey" found in the east line of Lot 4, Block F, Hutto Square Section 1, a subdivision according to the plat of record in Cabinet W, Slides 263-267, Plat Records of Williamson County, Texas, at a southwest corner of the said 96.99 acre tract, for a southwest corner of the tract described herein;

THENCE with the west line of the said 96.99 acre tract, the east line of said Hutto Square Section 1, the east line of Hutto Square Section 2, a subdivision according to the plat of record in Cabinet Y, Slides 154-157, Plat Records of Williamson County, Texas, with the east line of Hutto Square Section 3, a subdivision according to the plat of record in Cabinet CC, Slides 138-139, Plat Records of Williamson County, Texas, with the west line of the tract described herein, the following four (4) courses and distances:

1. N 07°40'21" E, a distance of 55.89 feet to a ½-inch iron rod with a plastic cap stamped "4391" found at the north corner of Lot 4, the east corner of Lot 5, southeast corner of Lot 39, and the south corner of Lot 40, Block F, said Hutto Square Section 1, for an angle point of the tract described herein,
2. N 07°38'18" E, a distance of 655.93 feet to a ½-inch iron rod with a plastic cap stamped "RJ Survey" found in the east line of Lot 48, Block F, said Hutto Square Section 2, for an angle point of the tract described herein,
3. N 07°46'41" E, a distance of 230.55 feet to a ½-inch iron rod with a plastic cap stamped "RPLS 4391" found at the northeast corner of Lot 51 and the southeast corner of Lot 52, Block F, said Hutto Square Section 2, for an angle point of the tract described herein, and
4. N 07°46'30" E, a distance of 2,059.60 feet to a concrete monument found in the east line of Lot 91, Block F, said Hutto Square Section 3, at the northwest corner of the said 96.99 acre tract, same being a re-entrant corner of the said 201.06 acre tract, for the northwest corner of the tract described herein;

THENCE S 82°15'43" E, with the north line of the said 96.99 acre tract and a south line of the said 201.06 acre tract, with the north line of the tract described herein, a distance of 1,222.52 feet to the POINT OF BEGINNING and containing 94.560 acres of land, more or less.

BEARING BASIS: Texas Coordinate System, Central Zone, NAD83, Grid.

THE STATE OF TEXAS

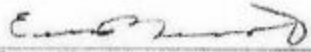
KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF TRAVIS

That I, Ernesto Navarrete, a Registered Professional Land Surveyor, do hereby certify that the above description is true and correct to the best of my knowledge and belief and that the parcel of land described herein is based upon a survey performed upon the ground under my direct supervision during the month of April, 2019.

WITNESS MY HAND AND SEAL at Austin, Travis County, Texas, this 03rd day of May 2019 A.D.

LANDDEV CONSULTING, LLC
5508 Highway 290 West, Suite 150
Austin, Texas 78735


Ernesto Navarrete
Registered Professional Land Surveyor
No. 6642 - State of Texas



LandDev Consulting, LLC • 5508 Highway 290 West, Suite 150, Austin, TX 78735 • (512) 872-6696
TBPE Firm No. 16384 | TBPLS Firm No. 10194101

EXHIBIT O - SECTION 1 PHASE 2 LEGAL DESCRIPTION

Approximately 23.479 acres of land, consisting of all property within Section 1 of the District
SAVE AND EXCEPT all property within the Phase 1 Plat.

EXHIBIT P - SECTION 2 LEGAL DESCRIPTION

Williamson County, Texas
E. Thomason Survey, Abstract No. 844
Canutillo Colony Ditch Company Survey, Abstract No. 693

10,521 Acres
Page 1 of 2

"EXHIBIT _"

DESCRIPTION OF 10.521 ACRES OF LAND IN THE E. THOMASON SURVEY, ABSTRACT NO. 844, AND THE CANUTILLO COLONY DITCH COMPANY SURVEY, ABSTRACT NO. 693, WILLIAMSON COUNTY, TEXAS; BEING A PORTION OF A CERTAIN CALLED 11.10 ACRE TRACT DESIGNATED AS TRACT TWO AND DESCRIBED IN THE DEED TO JERRY E. ROZNOVAK AND WIFE, HILDA ROZNOVAK OF RECORD IN VOLUME 443, PAGE 472, DEED RECORDS OF WILLIAMSON COUNTY, TEXAS; SAID 10.521 ACRES OF LAND, AS SURVEYED BY LANDDEV CONSULTING, LLC, BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

COMMENCING at a ½-inch iron rod with a plastic cap stamped "RJ Survey" (Grid Coordinates: N= 10,177,139.20, E= 3,174,174.80) found in the west right-of-way line of F.M. 1660, a variable-width right-of-way, in the north line of a certain called 96.99 acre tract designated as Tract One and described in said deed to Jerry E. Roznovak and wife, Hilda Roznovak of record in Volume 443, Page 472, Deed Records of Williamson County, Texas, at the easterly southeast corner of a certain called 201.06 acre tract described in the deed to Billie B. Davenport of record in Volume 1079, Page 938, Deed Records of Williamson County, Texas, same being the southwest corner of a certain called 4.758 acre tract described in the deed to the State of Texas of record in Volume 476, Page 605, Deed Records of Williamson County, Texas, and the northwest corner of a certain called 3.722 acre tract described in the deed to the State of Texas of record in Volume 476, Page 607, Deed Records of Williamson County, Texas, from which a concrete monument found in the east line of Lot 91, Block F, said Hutto Square Section 3, a subdivision according to the plat of record in Cabinet CC, Slides 138 and 139, Plat Records of Williamson County, Texas, at the northwest corner of the said 96.99 acre tract, same being a re-entrant corner of the said 201.06 acre tract bears N 82°15'43" W, a distance of 1,222.52 feet;

THENCE S 82°15'43" E, crossing the said F.M. 1660 right-of-way, a distance of 97.80 feet to a ½-inch iron rod with a plastic cap stamped "LANDDEV" set in the east right-of-way line of said F.M. 1660, in the north line of the said 11.10 acre tract, at the northeast corner of the said 3.722 acre tract and the southeast corner of a certain called 1.529 acre tract described in the deed to the State of Texas of record in Volume 476, Page 603, Deed Records of Williamson County, Texas, in the south line of a certain called 135 acre tract described in the deed to Janet Lynn Barnard, Trustee for the Janet Lynn Barnard Family 1984 Trust of record in Volume 1126, Page 800, Deed Records of Williamson County, Texas, same being the southwest corner of a certain called 65.234 acre tract conveyed to CMSAL-2 L.L.C. of record in Document No. 2011084930, Official Public Records of Williamson County, Texas, and described in Document No. 1999014821, Official Public Records of Williamson County, Texas, for the northwest corner and **POINT OF BEGINNING** of the tract described herein, from which a Texas Department of Transportation (TXDOT) Type-1 concrete right-of-way monument found in the east right-of-way line of said F.M. 1660, in the east line of the said 1.529 acre tract, and the west line of a certain called 28.449 acre tract described in the deed to North Town Commons, LLC of record in Document No. 2007062953, Official Public Records of Williamson County, Texas, bears N 03°15'10" W, a distance of 192.32 feet, and from which a ½-inch iron rod found bears N 02°00'51" W, a distance of 10.60 feet;

THENCE S 82°15'43" E, with the north line of the said 11.10 acre tract and the south line of the said 135 acre tract, with the south line of the said 65.234 acre tract, with the north line of the tract described herein, a distance of 498.96 feet to a ½-inch iron rod with a plastic cap stamped "LANDDEV" set for the northeast corner of the said 11.10 acre tract, at a re-entrant corner of the said 135 acre tract, in the south line of the said 65.234 acre tract, for the northeast corner of the tract described herein;

THENCE S 07°43'18" W, with the east line of the said 11.10 acre tract and the west line of the said 135 acre tract, with the east line of the tract described herein, at a distance of 9.91 feet, passing a ½-inch iron rod with a plastic cap stamped "PAPE DAWSON" found at the northwest corner of a certain called 72.025 acre tract described in the deed to Mager Meadows, LP of record in Document No. 2004018146, Official Public Records of Williamson County, Texas, same being the northwest corner of a certain called 25.051 acre tract described in the deed to 288 Development, Inc. of record in Document No. 2019044571, Official Public Records of Williamson County, Texas, same being the northwest corner of Lot 28, Block A, Mager Meadows Phase 3, a subdivision according to the plat of record in Document No. 2019111385, Official Public Records of Williamson County, Texas, and continuing for a total distance of 17.36 feet to a calculated point for a southeast corner of the tract described herein, from which a ½-inch iron rod found bears S 72°49'19" W, a distance of 0.22 feet;

THENCE leaving the west line of the said Lot 28, Block A, Mager Meadows Phase 3, crossing the said 11.10 acre tract, with a south, east, and north line of the tract described herein, the following three (3) courses and distances:

1. N 82°21'59" W, a distance of 49.99 feet to a ½-inch iron rod with a plastic cap stamped "LANDDEV" set for a re-entrant corner,
2. S 07°38'01" W, a distance of 50.00 feet to a ½-inch iron rod with a plastic cap stamped "LANDDEV" set for a re-entrant corner, and

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TBPE Firm No. 16384 | TBPLS Firm No. 10194101

3. S 82°21'59" E, a distance of 49.91 feet to a calculated point in the east line of the said 11.10 acre tract and west line of said Lot 28, Block A, Mager Meadows Phase 3, for a northeast corner of the tract described herein, from which a ½-inch iron rod found bears N 53°40'16" W, a distance of 0.25 feet;

THENCE S 07°43'18" W, with the east line of the said 11.10 acre tract and the west line of the said Mager Meadows Phase 3 subdivision, with the east line of the tract described herein, a distance of 1,292.33 feet to a concrete monument found in the north line of a certain called 9.862 acre tract described in the deed to Herbert L. Prewitt and wife, Connie E. Prewitt of record in Volume 876, Page 655, Deed Records of Williamson County, Texas, at the southwest corner of the said Mager Meadows Phase 3 subdivision, and the southeast corner of the said 11.10 acre tract, for the southeast corner of the tract described herein, from which a ½-inch iron rod found bears S 79°04'50" E, a distance of 2.08 feet;

THENCE N 82°28'01" W, with the south line of the said 11.10 acre tract and the north line of the said 9.862 acre tract, with the south line of the tract described herein, a distance of 283.50 feet to a 5/8-inch iron rod found in the east right-of-way line of said F.M. 1660, and the south line of the said 11.10 acre tract, at a southeast corner of the said 3.722 acre tract and the northeast corner of a certain called 0.311 acre tract described in the deed to the State of Texas of record in Volume 476, Page 612, Deed Records of Williamson County, Texas, at the northwest corner of the said 9.862 acre tract, for the southwest corner of the tract described herein;

THENCE crossing the said 11.10 acre tract, with the east right-of-way line of said F.M. 1660, with the east line of the said 3.722 acre tract, with the west line of the tract described herein, the following four (4) courses and distances:

1. N 07°21'46" E, a distance of 421.34 feet to a destroyed Texas Department of Transportation (TXDOT) Type-I concrete right-of-way monument found at an angle point,
2. N 07°33'54" E, a distance of 324.41 feet to a destroyed Texas Department of Transportation (TXDOT) Type-I concrete right-of-way monument found at an angle point,
3. N 13°27'20" W, a distance of 513.66 feet to a destroyed Texas Department of Transportation (TXDOT) Type-I concrete right-of-way monument found at an angle point, and
4. N 03°15'10" W, a distance of 138.59 feet to the **POINT OF BEGINNING** and containing 10.521 acres of land, more or less,

BEARING BASIS: Texas Coordinate System, Central Zone, NAD83, Grid.

THE STATE OF TEXAS

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF TRAVIS

That I, Ernesto Navarrete, a Registered Professional Land Surveyor, do hereby certify that the above description is true and correct to the best of my knowledge and belief and that the parcel of land described herein is based upon a survey performed upon the ground under my direct supervision during the month of April and May, 2019.

WITNESS MY HAND AND SEAL at Austin, Travis County, Texas, this 10th day of March 2020 A.D.

LANDDEV CONSULTING, LLC
5508 Highway 290 West, Suite 150
Austin, Texas 78735


Ernesto Navarrete
Registered Professional Land Surveyor
No. 6642 – State of Texas



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TBPE Firm No. 16384 | TBPLS Firm No. 10194101

EXHIBIT Q – ESTIMATED BUILDOUT VALUE AND ORIGINAL ASSESSMENT ALLOCATION

Section	Lot Type	Units	Assessed Value		Total Assessed Value	% Allocation	Assessment	Average Annual		Assessment per Lot Type	Average Annual		PID Equivalent Tax Rate
			Per Unit					Installment			Installment per Lot Type		
Section 1	Lot Type 1	123	\$ 362,226	\$	44,553,798	29.83%	\$ 4,021,564	\$ 258,843	\$	32,696	\$ 2,104	\$	0.5810
Section 1	Lot Type 2	71	\$ 423,892	\$	30,096,332	20.15%	\$ 2,716,588	\$ 174,850	\$	38,262	\$ 2,463	\$	0.5810
Section 1	Lot Type 3	54	\$ 439,892	\$	23,754,168	15.90%	\$ 2,144,125	\$ 138,004	\$	39,706	\$ 2,556	\$	0.5810
Section 1	Lot Type Multi-Family	288	\$ 121,000	\$	34,848,000	23.33%	\$ 3,145,488	\$ 202,455	\$	10,922	\$ 703	\$	0.5810
Section 2	Lot Type Multi-Family	100	\$ 121,000	\$	12,100,000	8.10%	\$ 1,092,183	\$ 70,297	\$	10,922	\$ 703	\$	0.5810
Section 1	Lot Type Commercial	20,000	\$ 200	\$	4,000,000	2.68%	\$ 361,052	\$ 23,239	\$	18.05	\$ 1.16	\$	0.5810
					\$ 149,352,298	100.00%	\$ 13,481,000	\$ 867,686					
Section 1 Total					\$ 137,252,298	91.90%	\$ 12,388,817	\$ 797,389					
Section 2 Total					\$ 12,100,000	8.10%	\$ 1,092,183	\$ 70,297					

APPENDIX A – ENGINEER’S REPORT

[Remainder of page intentionally left blank.]

AGENDA ITEM REPORT



To: City Council
Subject: Consideration and possible action on Ordinance No. O-2021-063 to dispense with second reading pursuant to Hutto City Charter Article 3, Section 3.13.
Meeting: Thursday, October 21, 2021
Department: City Secretary
Staff Contact:

BACKGROUND INFORMATION:

SUMMARY OF REQUEST:

STAFF REVIEW:

FINANCIAL IMPACT:

POLICY IMPLICATIONS:

ATTACHMENTS:

None

AGENDA ITEM REPORT



To: City Council

Subject: Consideration and possible action on Ordinance No. O-2021-064 Authorizing The Issuance Of The "City Of Hutto, Texas Special Assessment Revenue Bonds, Series 2021 (Durango Farms Public Improvement District Project)"; Approving And Authorizing An Indenture Of Trust, A Bond Purchase Agreement, An Offering Memorandum, A Continuing Disclosure Agreement, And Other Agreements And Documents In Connection Therewith; Making Findings With Respect To The Issuance Of Such Bonds; And Providing An Effective Date. (First Reading)(City Attorney)

Meeting: Thursday, October 21, 2021

Department: City Secretary

Staff Contact:

BACKGROUND INFORMATION:

SUMMARY OF REQUEST:

STAFF REVIEW:

FINANCIAL IMPACT:

POLICY IMPLICATIONS:

ATTACHMENTS:

1. Bond Ordinance 10.08.2021 2021-064
2. Hutto Durango PID Indenture draft 10.13.2021
3. Durango Farms Landowner Agreement.8.12.21.Council Packet
4. Hutto, Texas - Durango Farms PID S2021 Issuer CDA
5. Hutto - Durango Farms PID Bond Purchase Agreement

ORDINANCE NO. O-2021-064

AN ORDINANCE AUTHORIZING THE ISSUANCE OF THE "CITY OF HUTTO, TEXAS SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2021 (DURANGO FARMS PUBLIC IMPROVEMENT DISTRICT)"; APPROVING AND AUTHORIZING AN INDENTURE OF TRUST, A BOND PURCHASE AGREEMENT, AN OFFERING MEMORANDUM, A CONTINUING DISCLOSURE AGREEMENT, A LANDOWNER AGREEMENT AND OTHER AGREEMENTS AND DOCUMENTS IN CONNECTION THEREWITH; MAKING FINDINGS WITH RESPECT TO THE ISSUANCE OF SUCH BONDS; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the City of Hutto, Texas (the "City"), pursuant to and in accordance with the terms, provisions and requirements of the Public Improvement District Assessment Act, Subchapter A of Chapter 372, Texas Local Government Code (the "PID Act"), which was created as Durango Farms Public Improvement District, (the "District"), pursuant to Resolution No. R-2020-068 adopted by the City Council of the City (the "Council") on August 6, 2020; and

WHEREAS, the authorization creating the District became effective upon publication of its authorization on August ___, 2021 in the *Taylor Press*, a newspaper of general circulation in the City; and

WHEREAS, no written protests of the District from any owners of record of property within the District were filed with the City Secretary within 20 days after the date of publication of such notice; and

WHEREAS, the District is expected to be developed in phases beginning with an area designated as "Improvement Area #1" within the District ("Improvement Area #1"); and

WHEREAS, pursuant to the PID Act, on October 10, 2021, the Council published notice of the assessment hearing in the *Taylor Press*, a newspaper of general circulation in the City, and held a public hearing on October 21, 2021, regarding the levy of special assessments within Improvement Area #1, and on October 21, 2021, the Council adopted Ordinance No. _____ (the "Assessment Ordinance"); and

WHEREAS, in the Assessment Ordinance, the Council approved and accepted the initial Service and Assessment Plan (the "Service and Assessment Plan") relating the District and levied the Assessments (as defined in the Service and Assessment Plan) in the District against the Assessment Roll (as defined and described in the Service and Assessment Plan); and

WHEREAS, the Council has found and determined that it is in the best interests of the City to issue its bonds to be designated "City of Hutto, Texas Special Assessment Revenue Bonds, Series 2021 (Durango Farms Public Improvement District Project)" (the "Bonds"), such Bonds to be payable from and secured by the Pledged Revenues, as defined in the Indenture (defined below) and other assets pledged under the Indenture to the payment of the Bonds; and

WHEREAS, the City is authorized by the PID Act to issue the Bonds for the purpose of paying for (1) the Actual Costs of the Public Improvements, (2) the District Formation Expenses, and (3) the Bond Issuance Costs, including funding a reserve fund for the payment of principal and interest on the Bonds; and

WHEREAS, in connection with the issuance of the Bonds, the Authorized Improvements are located within the District, and the City has determined that the Authorized Improvements confer a special benefit on the District as provided in Section V.C. of the Service and Assessment Plan; and

WHEREAS, the Council has found and determined to approve (i) the issuance of the Bonds to finance the Authorized Improvements, (ii) the form, terms and provisions of the Indenture securing the Bonds authorized hereby, (iii) the form, terms and provisions of a Bond Purchase Agreement (defined below) between the City and the purchaser of the Bonds, (iv) an Offering Memorandum (defined below), and (v) a Continuing Disclosure Agreement (defined below), (vi) a Landowner Agreement (defined below); and

WHEREAS, the meeting at which this Ordinance is considered is open to the public as required by law, and the public notice of the time, place and purpose of said meeting was given as required by Chapter 551, Texas Government Code, as amended;

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

Section 1. Findings. The findings and determinations set forth in the preamble hereof are hereby incorporated by reference for all purposes as if set forth in full herein.

Section 2. Approval of Issuance of Bonds and Indenture.

(a) The issuance of the Bonds in the principal amount of \$_____ for the purpose of paying for (1) the Actual Costs of the Public Improvements, (2) the District Formation Expenses, and (3) the Bond Issuance Costs, including funding a reserve fund for the payment of principal and interest on the Bonds.

(b) The Bonds shall be issued and secured under that certain Indenture of Trust (the "Indenture") dated as of October __, 2021, between the City and Wilmington Trust, National Association, as trustee (the "Trustee"), with such changes as may be necessary or desirable to carry out the intent of this Ordinance and as approved by the Mayor or Mayor Pro Tem of the City, such approval to be evidenced by the execution and delivery of the Indenture, which Indenture is hereby approved in substantially final form attached hereto as **Exhibit A** and incorporated herein as a part hereof for all purposes. The Mayor or Mayor Pro Tem of the City is hereby authorized and directed to execute the Indenture and the City Secretary is hereby authorized and directed to attest such signature of the Mayor or Mayor Pro Tem.

(c) The Bonds shall be dated, shall mature on the date or dates and in the principal amount or amounts, shall bear interest, shall be subject to redemption and shall have such other terms and provisions as set forth in the Indenture. The Bonds shall be in substantially the form

set forth in the Indenture, with such insertions, omissions and modifications as may be required to conform the form of Bond to the actual terms of the Bonds. The Bonds shall be payable from and secured by the Pledged Revenues (as defined in the Indenture) and other assets of the Trust Estate (as defined in the Indenture) pledged to the Bonds, and shall never be payable from ad valorem taxes or any other funds or revenues of the City.

Section 3. Sale of Bonds; Approval of Bond Purchase Agreement. The Bonds shall be sold to FMSbonds, Inc. (the "Underwriter") at the price and on the terms and provisions set forth in that certain Bond Purchase Agreement (the "Bond Purchase Agreement"), dated the date hereof, between the City and the Underwriter, attached hereto as **Exhibit B** and incorporated herein as a part hereof for all purposes, which terms of sale are declared to be in the best interest of the City. The form, terms and provisions of the Bond Purchase Agreement are hereby authorized and approved with such changes as may be required to carry out the purpose of this Ordinance and approved by the City Manager, and the Mayor or Mayor Pro Tem of the City is hereby authorized and directed to execute and deliver the Bond Purchase Agreement. The Mayor's signature on the Bond Purchase Agreement may be attested by the City Secretary.

Section 4. Landowner Agreement and Notice of Assessments. The Landowner Agreement and Notice of Assessments substantially in the form attached hereto as **Exhibit C** is hereby approved and incorporated herein as a part hereof for all purposes and the City Manager of the City is hereby authorized and directed to execute and deliver such Landowner Agreement and Notice of Assessments with such changes as may be required to carry out the purpose of this Ordinance and approved by the City Manager, such approval to be evidenced by the execution thereof.

Section 5. Offering Memorandum. The form and substance of the Preliminary Limited Offering Memorandum for the Bonds and any addenda, supplement or amendment thereto and the final Limited Offering Memorandum (the "Offering Memorandum") presented to and considered at the meeting at which this Ordinance is considered are hereby in all respects approved and adopted. The Offering Memorandum, with such appropriate variations as shall be approved by the Mayor or Mayor Pro Tem of the City and the Underwriter, may be used by the Underwriter in the offering and sale of the Bonds. The Mayor or Mayor Pro Tem of the City is hereby authorized and directed to execute, and the City Secretary is hereby authorized and directed to attest, the Offering Memorandum. The City Secretary is hereby authorized and directed to include and maintain a copy of the Preliminary Limited Offering Memorandum and Offering Memorandum and any addenda, supplement or amendment thereto thus approved among the permanent records of this meeting. The use and distribution of the Preliminary Limited Offering Memorandum in the offering of the Bonds is hereby ratified, approved and confirmed. Notwithstanding the approval and delivery of such Preliminary Limited Offering Memorandum and Offering Memorandum by the Council, the Council is not responsible for and proclaims no specific knowledge of the information contained in the Preliminary Limited Offering Memorandum and Offering Memorandum pertaining to the Improvement Area #1 Improvements, the Developer (as defined in the Offering Memorandum) or its financial ability, any builders, any landowners, or the appraisal of the property in the District.

Section 6. Continuing Disclosure Agreement. The Continuing Disclosure Agreement (the "Continuing Disclosure Agreement") between the City and Wilmington Trust, National Association, as dissemination agent, is hereby authorized and approved in substantially final form attached hereto as

Exhibit D and incorporated herein as a part hereof for all purposes and the City Manager of the City is hereby authorized and directed to execute and deliver such Continuing Disclosure Agreement with such changes as may be required to carry out the purpose of this Ordinance and approved by the City Manager, such approval to be evidenced by the execution thereof.

Section 7. Additional Actions. The Mayor, the Mayor Pro Tem, the City Manager and the City Secretary are hereby authorized and directed to take any and all actions on behalf of the City necessary or desirable to carry out the intent and purposes of this Ordinance and to issue the Bonds in accordance with the terms of this Ordinance. The Mayor, the Mayor Pro Tem, the City Manager and the City Secretary are hereby authorized and directed to execute and deliver any and all certificates, agreements, notices, instruction letters, requisitions, and other documents which may be necessary or advisable in connection with the sale, issuance and delivery of the Bonds and the carrying out of the purposes and intent of this Ordinance.

Section 8. Severability. If any Section, paragraph, clause or provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such Section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance.

Section 9. Effective Date. This Ordinance is passed on one reading as authorized by Texas Government Code, Section 1201.028, and shall be effective immediately upon its passage and adoption.

[Remainder of page left blank intentionally]

PASSED, APPROVED AND EFFECTIVE this October __, 2021.

Mayor

ATTEST:

City Secretary

City Manager

(City Seal)

Signature page to Bond Ordinance

Ordinance
Page 5 of 5

EXHIBIT A
INDENTURE OF TRUST

EXHIBIT B
BOND PURCHASE AGREEMENT

EXHIBIT C

LANDOWNER AGREEMENT AND NOTICE OF ASSESSMENTS

EXHIBIT D

CONTINUING DISCLOSURE AGREEMENT

INDENTURE OF TRUST

By and Between

CITY OF HUTTO, TEXAS

and

**WILMINGTON TRUST, NATIONAL ASSOCIATION,
AS TRUSTEE**

DATED AS OF ____, 2021

SECURING

\$

**CITY OF HUTTO, TEXAS
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2021
(DURANGO FARMS PUBLIC IMPROVEMENT
DISTRICT PROJECT)**

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INDENTURE OF TRUST

THIS INDENTURE, dated as of _____, 2021, is by and between the CITY OF HUTTO, TEXAS (the "*City*"), and Wilmington Trust, National Association, as trustee (together with its successors, the "*Trustee*"). Capitalized terms used in the preambles, recitals and granting clauses and not otherwise defined shall have the meanings assigned thereto in Article I.

WHEREAS, a petition was submitted and filed with the City Secretary of the City (the "*City Secretary*") pursuant to the Public Improvement District Assessment Act, Chapter 372, Texas Local Government Code, as amended (the "*PID Act*"), requesting the creation of a public improvement district located within the corporate limits of the City to be known as Hutto Durango Farms Public Improvement District; and

WHEREAS, on August 6, 2020, the City Council (the "*City Council*") authorized the formation of the Hutto Durango Farms Public Improvement District (the "*District*" or "*PID*") pursuant to Resolution No. R-2020-068 (the "*Creation Resolution*") in accordance with the PID Act;

WHEREAS, the petition contained the signatures of the record owners of taxable real property representing more than 50% of the appraised value of the real property liable for assessments within the District, as determined by the then current ad valorem tax rolls of the Williamson Central Appraisal District, and the signatures of record property owners who own taxable real property that constitutes more than 50% of the area of all taxable property that is liable for assessment by the District; and

WHEREAS, on May 21, 2020, after due notice, the City Council held the public hearing in the manner required by law on the advisability of the improvement projects and services described in the petition as required by Section 372.009 of the PID Act and on August 6, 2020, the City Council made the findings required by Section 372.009(b) of the PID Act and, by Resolution No. R-2020-068, adopted by a majority of the members of the City Council, authorized the District in accordance with its finding as to the advisability of the improvement projects and services; and

WHEREAS, following the adoption of Resolution No. R-2020-068, the City published notice of its authorization of the District in the *Taylor Press*, a newspaper of general circulation in the City; and

WHEREAS, no written protests of the District from any owners of record of property within the District were filed with the City Secretary within 20 days after the date of publication of such notice; and

WHEREAS, on January 7, 2021, the City Council adopted Resolution No. R-2021-008 approving a First Amended and Restated Development Agreement (amending and restating in full the Development Agreement between the City and the Developer (as defined herein) dated October 3, 2019) by and between the City and the Developer (as defined herein) to establish the development and improvement standards for the District; and

WHEREAS, on October 8, 2021, the City Council adopted a resolution approving the execution of the Financing and Reimbursement Agreement; and

WHEREAS, the City, pursuant to Section 372.016(b) of the PID Act, published notice on October 10, 2021 of a public hearing in a newspaper of general circulation in the City to consider the proposed "*Assessment Roll*" and the "*Service and Assessment Plan*" and the levy of the "*Assessments*" in the amount of \$13,481,000 on property in the District (all as defined herein); and

WHEREAS, the City Council, pursuant to Section 372.016(c) of the PID Act, mailed notice of the public hearing to consider the proposed Assessment Roll and the Service and Assessment Plan and the levy of Assessments on property in the District to the last known address of the owners of the property liable for the Assessments; and

WHEREAS, the City Council convened the hearing on October 21, 2021, at which all persons who appeared, or requested to appear, in person or by their attorney, were given the opportunity to contend for or contest the Service and Assessment Plan, the Assessment Roll, and the Assessments, and to offer testimony pertinent to any issue presented on the amount of the Assessments, the allocation of Actual Costs, the purposes of the Assessments, the special benefits of the Assessments, and the penalties and interest on annual installments and on delinquent annual installments of the Assessments; and

WHEREAS, at the public hearing referenced in the preceding paragraph, there were no written objections or evidence submitted to the City Secretary in opposition to the Service and Assessment Plan, the allocation of Actual Costs, the Assessment Roll, or the levy of the Assessments; and

WHEREAS, the City Council closed the hearing and, after considering all written and documentary evidence presented at the hearing, including all written comments and statements filed with the City, at a meeting held on October 21, 2021, respectively, approved and accepted the Service and Assessment Plan in conformity with the requirements of the PID Act and adopted the Assessment Ordinance, which Assessment Ordinance approved the Assessment Roll and levied the Assessments; and

WHEREAS, the City Council is authorized by the PID Act to issue its revenue bonds payable from the Assessments for the purpose of paying a portion of (1) the Actual Costs of the Public Improvements, (2) the District Formation Expenses, and (3) the Bond Issuance Costs, including funding a reserve fund for the payment of principal of and interest on the Bonds; and

WHEREAS, the City Council now desires to issue its revenue bonds, in accordance with the PID Act, such bonds to be entitled "City of Hutto, Texas, Special Assessment Revenue Bonds, Series 2021 (Durango Farms Public Improvement District Project)" (the "*Bonds*"), such Bonds being payable solely from the Assessments and other funds pledged under this Indenture to the payment of the Bonds and for the purposes set forth in this preamble; and

WHEREAS, the Trustee has agreed to accept the trusts herein created upon the terms set forth in this Indenture;

NOW, THEREFORE, the City, in consideration of the foregoing premises and acceptance by the Trustee of the trusts herein created, of the purchase and acceptance of the Bonds Similarly Secured by the Owners thereof, and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, does hereby GRANT, CONVEY, PLEDGE, TRANSFER, ASSIGN, and DELIVER to the Trustee for the benefit of the Owners, a security interest in all of the moneys, rights and properties described in the Granting Clauses hereof, as follows (collectively, the "*Trust Estate*"):

FIRST GRANTING CLAUSE

The Pledged Revenues, as herein defined, including all moneys and investments held in the Pledged Funds, and including any contract or any evidence of indebtedness related thereto or other rights of the City to receive any of such moneys or investments, whether now existing or hereafter coming into existence, and whether now or hereafter acquired; and

SECOND GRANTING CLAUSE

Any and all other property or money of every name and nature which is, from time to time hereafter by delivery or by writing of any kind, conveyed, pledged, assigned or transferred, to the Trustee as additional security hereunder by the City or by anyone on its behalf or with its written consent, and the Trustee is hereby authorized to receive any and all such property or money at any and all times and to hold and apply the same subject to the terms thereof; and

THIRD GRANTING CLAUSE

Any and all proceeds of the foregoing property and proceeds from the investment of the foregoing property;

TO HAVE AND TO HOLD the Trust Estate, whether now owned or hereafter acquired, unto the Trustee and its successors or assigns;

IN TRUST NEVERTHELESS, upon the terms and trusts herein set forth for the benefit of all present and future Owners of the Bonds Similarly Secured from time to time issued under and secured by this Indenture, and for enforcement of the payment of the Bonds Similarly Secured in accordance with their terms, and for the performance of and compliance with the obligations, covenants, and conditions of this Indenture;

PROVIDED, HOWEVER, if the City or its assigns shall well and truly pay, or cause to be paid, the principal or Redemption Price of and the interest on the Bonds Similarly Secured at the times and in the manner stated in the Bonds Similarly Secured, according to the true intent and meaning thereof, then this Indenture and the rights hereby granted shall cease, terminate and be void; otherwise this Indenture is to be and remain in full force and effect;

IN ADDITION, the Bonds Similarly Secured are special obligations of the City payable solely from the Trust Estate, as and to the extent provided in this Indenture. The Bonds Similarly

Secured do not give rise to a charge against the general credit or taxing powers of the City and are not payable except as provided in this Indenture. Notwithstanding anything to the contrary herein, the Owners of the Bonds Similarly Secured shall never have the right to demand payment thereof out of any funds of the City other than the Trust Estate. The City shall have no legal or moral obligation to pay for the Bonds Similarly Secured out of any funds of the City other than the Trust Estate.

THIS INDENTURE FURTHER WITNESSETH, and it is expressly declared, that all Bonds Similarly Secured issued and secured hereunder are to be issued, authenticated, and delivered and the Trust Estate hereby created, assigned, and pledged is to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses, and purposes as hereinafter expressed, and the City has agreed and covenanted, and does hereby agree and covenant, with the Trustee and with the respective Owners from time to time of the Bonds Similarly Secured as follows:

ARTICLE I

DEFINITIONS, FINDINGS AND INTERPRETATION

Section 1.1. **Definitions.**

Unless otherwise expressly provided or unless the context clearly requires otherwise in this Indenture, the following terms shall have the meanings specified below:

"*Account*", in the singular, means any of the accounts established pursuant to Section 6.1 of this Indenture, and "*Accounts*", in the plural, means, collectively, all of the accounts established pursuant to Section 6.1 of this Indenture.

"*Actual Cost(s)*" mean, with respect to Authorized Improvements, the actual costs paid or incurred by or on behalf of the Developer of the District: (1) to plan, finance, design, acquire, construct, install, and dedicate such improvements to the City; (2) to prepare plans, specifications (including bid packages), contracts, and as-built drawings; (3) to obtain zoning, licenses, plan approvals, permits, inspections, and other governmental approvals; (4) for third-party professional consulting services including but not limited to, engineering, surveying, geotechnical, land planning, architectural, landscaping, legal, accounting, and appraisals; (5) of labor, materials, equipment, fixtures, payment and performance bonds and other construction security, and insurance premiums; and (6) to implement, administer, and manage the above-described activities, including a 4% construction management fee. Actual Costs shall not include general contractor's fees in an amount that exceeds a percentage equal to the percentage of work completed or construction management fees in an amount that exceeds an amount equal to the construction management fee amortized in approximately equal monthly installments over the term of the applicable construction management contract. Amounts expended for costs described in subsection (3), (4), and (6) above shall be excluded from the amount upon which the general contractor and construction management fees are calculated.

"*Additional Interest*" means the amount collected by application of the Additional Interest Rate.

"*Additional Interest Rate*" means the additional 0.50% interest charged on the Assessments as authorized by Section 372.018 of the PID Act.

"*Administrative Fund*" means that Fund established by Section 6.1 and administered pursuant to Section 6.9.

"*Administrator*" means the City or the person or independent firm designated by the City who shall have the responsibility provided in the Service and Assessment Plan, this Indenture, or any other agreement or document approved by the City related to the duties and responsibility of the administration of the District.

"*Annual Collection Costs*" means the actual or budgeted costs and expenses related to collecting the Annual Installments, including, but not limited to, costs and expenses for: (1) the Administrator and City staff; (2) legal counsel, engineers, accountants, financial advisors, and other consultants engaged by the City; (3) calculating, collecting, and maintaining records with respect to Assessments and Annual Installments; (4) preparing and maintaining records with respect to Assessment Rolls and Annual Service Plan Updates; (5) paying, and redeeming Bonds Similarly Secured; (6) investing or depositing Assessments and Annual Installments; (7) complying with the Service and Assessment Plan and the PID Act with respect to the administration of the District, including continuing disclosure requirements; and (8) the paying agent/registrar and Trustee in connection with Bonds Similarly Secured, including their respective legal counsel. Annual Collection Costs collected but not expended in any year shall be carried forward and applied to reduce Annual Collection Costs for subsequent years.

"*Annual Debt Service*" means, for each Bond Year, the sum of (i) the interest due on the Outstanding Bonds Similarly Secured in such Bond, assuming that the Outstanding Bonds Similarly Secured are retired as scheduled (including by reason of Sinking Fund Installments), and (ii) the principal amount of the Outstanding Bonds Similarly Secured due in such Bond Year (including any Sinking Fund Installments due in such Bond Year).

"*Annual Installment*" means the annual installment payment of an Assessment as calculated by the Administrator and approved by the City Council that includes: (1) principal; (2) interest; (3) Annual Collection Costs; and (4) Additional Interest.

"*Annual Service Plan Update*" means an update to the Service and Assessment Plan prepared no less frequently than annually by the Administrator and approved by the City Council.

"*Applicable Laws*" means the PID Act, and all other laws or statutes, rules, or regulations, and any amendments thereto, of the State or of the United States, by which the City and its powers, securities, operations, and procedures are, or may be, governed or from which its powers may be derived.

"*Assessment*" means an assessment levied against a Parcel imposed pursuant to an Assessment Ordinance and the provisions herein, as shown on any Assessment Roll, subject to reallocation upon the subdivision of such Parcel or reduction according to the provisions herein and in the PID Act.

"*Assessments*" means the assessment levied against a Parcel imposed pursuant to an Assessment Ordinance and the provisions herein, as shown on any Assessment Roll, subject to reallocation upon the subdivision of such Parcel created by such subdivision or reduction according to the provisions of the Financing and Reimbursement Agreement and the PID Act.

"*Assessment Ordinance*" means Ordinance No. O-_____ adopted by the City Council on _____, 2021, that levied the Assessments as shown on the Assessment Roll.

"*Assessed Property*" or "*Assessed Properties*" means property within the District that benefits from an Authorized Improvement and on which Assessments have been levied as shown on an Assessment Roll (as the same may be updated each year by an update to a Service and Assessment Plan) and which includes any and all Parcels within the District other than Non-Benefitted Property.

"*Assessment Revenues*" means the revenues received by the City from the collection of Assessments, including Prepayments, Annual Installments and Foreclosure Proceeds.

"*Assessment Roll(s)*" means any assessment roll for the Assessed Property within the District, including the Assessment Roll included in the Service and Assessment Plan as Exhibit F, as updated, modified, or amended from time to time in accordance with the procedures set forth herein and in the PID Act, including updates prepared in connection with the levy of an Assessment, the issuance of Bonds Similarly Secured, or in connection with any Annual Service Plan Update.

"*Attorney General*" means the Attorney General of the State.

"*Authorized Denomination*" means \$100,000 and any integral multiple of \$1,000 in excess thereof. The City prohibits any Bond to be issued in a denomination of less than \$100,000 and further prohibits the assignment of a CUSIP number to any Bond with a denomination of less than \$100,000, and, unless made pursuant to Section 4.5 herein, any attempt to accomplish either of the foregoing shall be void and of no effect.

"*Authorized Improvements*" means all costs to be paid with Assessments, including Public Improvements, Bond Issuance Costs and District Formation Expenses.

"*Bond*" means any of the Bonds.

"*Bond Counsel*" means McCall, Parkhurst & Horton L.L.P. or any other attorney or firm of attorneys designated by the City that are nationally recognized for expertise in rendering opinions as to the legality and tax-exempt status of securities issued by public entities.

"*Bond Date*" means the date designated as the initial date of the Bonds by Section 3.2(a) of this Indenture.

"*Bond Fund*" means the Fund established pursuant to Section 6.1 and administered pursuant to Section 6.4.

"*Bond Issuance Costs*" means the costs associated with issuing Bonds Similarly Secured, including but not limited to attorney fees, financial advisory fees, consultant fees, appraisal fees, printing costs, publication costs, City costs, capitalized interest, reserve fund requirements, underwriter's discount, fees charged by the Texas Attorney General, and any other cost or expense directly associated with the issuance of Bonds Similarly Secured.

"*Bond Ordinance*" means Ordinance No. O-2021-____ adopted by the City Council on _____, authorizing the issuance of the Bonds pursuant to this Indenture.

"*Bond Year*" means the one-year period beginning on October 1 in each year and ending on September 30 in the following year.

"*Bonds*" means the City's bonds authorized to be issued by Section 3.1 of this Indenture entitled "City of Hutto, Texas, Special Assessment Revenue Bonds, Series 2021 (Durango Farms Public Improvement District Project)."

"*Bonds Similarly Secured*" means, collectively, any Outstanding Bonds and Refunding Bonds.

"*Business Day*" means any day other than a Saturday, Sunday or legal holiday in the State observed as such by the City or the Trustee or any national holiday observed by the Trustee.

"*Certification for Payment*" means a certificate given pursuant to the Financing and Reimbursement Agreement executed by an engineer, construction manager or other person or entity acceptable to the City, as evidenced by the written approval of a City Representative, specifying the amount of work performed and the cost thereof, presented to the Trustee to request funding for Actual Costs from money on deposit in the Project Fund. The Form of Certification for Payment is attached hereto as Exhibit B.

"*City Certificate*" means a certificate signed by the City Representative and delivered to the Trustee.

"*City Representative*" means that official or agent of the City authorized by the City Council to undertake the action referenced herein as evidenced by a written incumbency certificate provided to the Trustee. Such certificate may designate alternates, each of whom shall be entitled to perform all duties of the City Representative.

"*Closing Date*" means the date of the initial delivery of and payment for the Bonds.

"Code" means the Internal Revenue Code of 1986, as amended, including applicable regulations, published rulings and court decisions.

"Comptroller" means the Comptroller of Public Accounts of the State.

"Continuing Disclosure Agreement of the Developer" means the agreement executed between the Developer, Administrator and dissemination agent in connection with the issuance of the Bonds pursuant to which the Developer agrees to provide certain information regarding the development of the District and the Authorized Improvements for the benefit of the owners of the Bonds.

"Continuing Disclosure Agreement of the Issuer" means the agreement executed between the Issuer, Administrator and the dissemination agent for the benefit of the Owners of the Bonds (including owners of beneficial interests of the Bonds), to provide, by certain dates prescribed in the Continuing Disclosure Agreement of the Issuer to provide periodic information and notices of material events regarding the Issuer in accordance with Securities and Exchange Commission Rule 15c2-12.

"Continuing Disclosure Agreement of Meritage" means the agreement executed between Meritage, Administrator and dissemination agent in connection with the issuance of the Bonds pursuant to which Meritage agrees to provide certain information regarding the development of the District and the Authorized Improvements for the benefit of the owners of the Bonds.

"Continuing Disclosure Agreement of Vantage" means the agreement executed between Vantage, Administrator and dissemination agent in connection with the issuance of the Bonds pursuant to which Vantage agrees to provide certain information regarding the development of the District and the Authorized Improvements for the benefit of the owners of the Bonds.

"Defeasance Securities" means Investment Securities then authorized by applicable law for the investment of funds to defease public securities.

"Delinquency & Prepayment Reserve Requirement" means an amount equal to ____% of the principal amount of the then Outstanding Bonds Similarly Secured, which amount will be funded from Assessments and Annual Installments deposited to the Pledged Revenue Fund for subsequent transfer to the Delinquency & Prepayment Reserve Account of the Reserve Fund in accordance with the terms of this Indenture.

"Delinquent Collection Costs" means costs related to the foreclosure on Assessed Property and the costs of collection of delinquent Assessments, delinquent Annual Installments, or any other delinquent amounts due under the Service and Assessment Plan including penalties and reasonable attorney's fees actually paid, but excluding amounts representing interest and penalty interest.

"Designated Payment/Transfer Office" means (i) with respect to the initial Paying Agent/Registrar named in this Indenture, the transfer/payment office designated by the Paying Agent/Registrar, initially Dallas, Texas and (ii) with respect to any successor Paying

Agent/Registrar, the office of such successor designated and located as may be agreed upon by the City and such successor.

"*Developer*" means MA Durango Farms, LLC, a Texas limited liability.

"*District Formation Expenses*" means the costs associated with forming the District, including but not limited to 1st year Annual Collection Costs, and any other cost or expense directly associated with the establishment of the District.

"*DTC*" means The Depository Trust Company of New York, New York, or any successor securities depository.

"*DTC Participant*" means brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations on whose behalf DTC was created to hold securities to facilitate the clearance and settlement of securities transactions.

"*Financing and Reimbursement Agreement*" means the Durango Farms Public Improvement District Financing and Reimbursement Agreement between the City and the Developer, dated as of _____, 2021, as may have been or may be further amended and supplemented from time to time.

"*Foreclosure Proceeds*" means the proceeds, including interest and penalty interest, received by the City from the enforcement of the Assessments, whether by foreclosure of lien or otherwise, but excluding and net of all Delinquent Collection Costs.

"*Fund*", in the singular, means any of the funds established pursuant to Section 6.1 of this Indenture, and "*Funds*", in the plural, means, collectively, all of the funds established pursuant to Section 6.1 of this Indenture.

"*Indenture*" means this Indenture of Trust as originally executed or as it may be from time to time supplemented or amended by one or more indentures supplemental hereto and entered into pursuant to the applicable provisions hereof.

"*Independent Financial Consultant*" means any consultant or firm of such consultants appointed by the City who, or each of whom: (i) is judged by the City, as the case may be, to have experience in matters relating to the issuance and/or administration of the Bonds; (ii) is in fact independent and not under the domination of the City; (iii) does not have any substantial interest, direct or indirect, with or in the City, or any owner of real property in the District, or any real property in the District; and (iv) is not connected with the City as an officer or employee of the City, but who may be regularly retained to make reports to the City.

"*Initial Bonds*" means the Initial Bonds authorized by Section 5.2 of this Indenture.

"*Interest Payment Date*" means the date or dates upon which interest on the Bonds is scheduled to be paid until their respective dates of maturity or prior redemption, such dates being on March 1 and September 1 of each year, commencing September 1, 2022.

"*Investment Securities*" means those authorized investments determined by the City and described in the Public Funds Investment Act, Chapter 2256, Government Code, as amended, which investments are, at the time made, included in and authorized by the City's official investment policy as approved by the City Council from time to time.

"*Maximum Annual Debt Service*" means the largest Annual Debt Service for any Bond Year after the calculation is made through the final maturity date of any Outstanding Bonds Similarly Secured.

"*Meritage*" means Meritage Homes Of Texas, LLC, an Arizona limited liability company.

"*Outstanding*" means, as of any particular date when used with reference to Bonds Similarly Secured, all Bonds Similarly Secured authenticated and delivered under this Indenture except (i) any Bond Similarly Secured that has been canceled by the Trustee (or has been delivered to the Trustee for cancellation) at or before such date, (ii) any Bond Similarly Secured for which the payment of the principal or Redemption Price of and interest on such Bond Similarly Secured shall have been made as provided in Article IV, (iii) any Bond Similarly Secured in lieu of or in substitution for which a new Bond Similarly Secured shall have been authenticated and delivered pursuant to Section 3.10, and (iv) Bond Similarly Secured alleged to have been mutilated, destroyed, lost or stolen which have been paid as provided in this Indenture.

"*Owner*" or "*Holder*" means the Person who is the registered owner of a Bond or Bonds, as shown in the Register, which shall be Cede & Co., as nominee for DTC, so long as the Bonds are in book-entry only form and held by DTC as securities depository in accordance with Section 3.11. The term "*Owner*" or "*Holder*", when used in connection with the Bonds Similarly Secured, shall also include the Person who is the registered owner of a Bond Similarly Secured under the terms of any indenture relating thereto.

"*Parcel*" or "*Parcels*" means a parcel or parcels within the District identified by either a tax map identification number assigned by the Williamson Central Appraisal District for real property tax purposes, by metes and bounds description, or by lot and block number in a final subdivision plat recorded in the real property records of Williamson County or by any other means determined by the City.

"*Paying Agent/Registrar*" means initially the Trustee, or any successor thereto as provided in this Indenture.

"*Person*" or "*Persons*" means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

"*PID Act*" means Chapter 372, Texas Local Government Code, as amended.

"*Pledged Funds*" means, collectively, the Pledged Revenue Fund, the Bond Fund, the Project Fund, the Reserve Fund, and the Redemption Fund.

"*Pledged Revenue Fund*" means that fund established pursuant to Section 6.1 and administered pursuant to Section 6.3.

"*Pledged Revenues*" means, collectively, the (i) Assessment Revenues (excluding the portion of the Assessments and Annual Installments collected for the payment of Annual Collection Costs and Delinquent Collection Costs, as set forth in the Service and Assessment Plan), (ii) the moneys held in any of the Pledged Funds and (iii) any additional revenues that the City may pledge to the payment of the Bonds or other Bonds Similarly Secured.

"*Prepayment*" means the payment of all or a portion of an Assessment before the due date thereof. Amounts received at the time of a Prepayment which represent a payment of principal, interest or penalties on a delinquent installment of an Assessment are not to be considered a Prepayment, but rather are to be treated as the payment of the regularly scheduled Annual Installment of the Assessment.

"*Prepayment Costs*" means interest and expenses to the date of Prepayment, plus any additional expenses related to the Prepayment, reasonably expected to be incurred by or imposed upon the City as a result of any Prepayment.

"*Project Fund*" means that fund established pursuant to Section 6.1 and administered pursuant to Section 6.5.

"*Public Improvements*" means the public improvements authorized by the PID Act, including the public improvements as described in Section III of the Service and Assessment Plan.

"*Purchaser*" means the initial purchaser of the Bonds.

"*Quarter in Interest*" means as of any particular date of calculation, the Owners of no less than twenty-five percent (25%) of the principal amount of the then Outstanding Bonds Similarly Secured. In the event that two or more groups of Owners satisfy the percentage requirement set forth in the immediately preceding sentence and act (or direct the Trustee in writing to act) in a conflicting manner, only the group of Owners with the greatest percentage of then Outstanding Bonds Similarly Secured (as measured in accordance with the immediately preceding sentence) shall, to the extent of such conflict, be deemed to satisfy such requirement.

"*Rebatable Arbitrage*" means rebatable arbitrage as defined in Section 1.148-3 of the Treasury Regulations.

"*Rebate Fund*" means that fund established pursuant to Section 6.1 and administered pursuant to Section 6.8.

"*Record Date*" means the close of business on the 15th calendar day of the month next preceding an Interest Payment Date.

"*Redemption Fund*" means that fund established pursuant to Section 6.1 and administered pursuant to Section 6.6.

"*Redemption Price*" means, when used with respect to any Bond or portion thereof, the principal amount of such Bond or such portion thereof plus the applicable premium, if any, plus accrued and unpaid interest on such Bond to the date fixed for redemption payable upon redemption thereof pursuant to this Indenture.

"*Refunding Bonds*" means bonds issued to refund all or any portion of the Outstanding Bonds and secured by a parity lien with the Outstanding Bonds on the Trust Estate, as more specifically described in the indenture authorizing such Refunding Bonds.

"*Register*" means the register specified in Article III of this Indenture.

"*Reserve Account Requirement*" means the least of: (i) Maximum Annual Debt Service on the Bonds Similarly Secured as of the date of issuance, (ii) 125% of average Annual Debt Service on the Bonds Similarly Secured as of the date of issuance, and (iii) 10% of the proceeds of the Bonds Similarly Secured; provided, however, that such amount shall be reduced by the amount of any transfers made pursuant to Section 6.7(b); and provided further that as a result of (1) an optional redemption pursuant to Section 4.3 or (2) an extraordinary optional redemption pursuant to Section 4.4, the Reserve Account Requirement shall be reduced by a percentage equal to the pro rata principal amount of Bonds Similarly Secured redeemed by such redemption divided by the total principal amount of the Outstanding Bonds Similarly Secured prior to such redemption. As of the date of delivery of the Bonds, the Reserve Account Requirement is \$ _____ which is an amount equal to [Maximum Annual Debt Service on the Bonds Similarly Secured] as of the date of issuance. The City Representative shall provide the Trustee with written confirmation of the Reserve Account Requirement and any modifications related thereto.

"*Reserve Fund*" means that fund established pursuant to Section 6.1 and administered pursuant to Section 6.7.

"*Service and Assessment Plan*" and "*SAP*" each mean the document, including the Assessment Roll, which is attached as Exhibit A to the Assessment Ordinance, as amended and restated, as may be updated, amended and supplemented from time to time.

"*Sinking Fund Installment*" means the amount of money to redeem or pay at maturity the principal of a Stated Maturity of Bonds payable from such installments at the times and in the amounts provided in Section 4.2.

"*Special Record Date*" means in the event of nonpayment of interest on a scheduled Interest Payment Date, and for 30 days thereafter, a new record date for such interest payment that will be established by the Trustee, if and when funds for the payment of such interest have been received from the City.

"*State*" means the State of Texas.

"*Stated Maturity*" means the date the Bonds, or any portion of the Bonds, as applicable are scheduled to mature without regard to any redemption or prepayment.

"*Subaccount*" means any of the subaccounts established pursuant to Section 6.1 of this Indenture.

"*Supplemental Indenture*" means an indenture which has been duly executed by the Trustee and the City Representative pursuant to an ordinance adopted by the City Council and which indenture amends or supplements this Indenture, but only if and to the extent that such indenture is specifically authorized hereunder.

"*Treasury Regulations*" shall have the meaning assigned to such term in Section 7.5(c).

"*Trust Estate*" means the Trust Estate described in the granting clauses of this Indenture.

"*Trustee*" means Wilmington Trust, N.A., Dallas, Texas, and its successors, and any other corporation or association that may at any time be substituted in its place, as provided in Article IX, such entity to serve as Trustee and Paying Agent/Registrar for the Bonds Similarly Secured.

"*Value of Investment Securities*" means the amortized value of any Investment Securities, provided, however, that all United States of America, United States Treasury Obligations – State and Local Government Series shall be valued at par and those obligations which are redeemable at the option of the holder shall be valued at the price at which such obligations are then redeemable. The computations shall include accrued interest on the investment securities paid as a part of the purchase price thereof and not collected. For the purposes of this definition "amortized value," when used with respect to a security purchased at par means the purchase price of such security and when used with respect to a security purchased at a premium above or discount below par, means as of any subsequent date of valuation, the value obtained by dividing the total premium or discount by the number of interest payment dates remaining to maturity on any such security after such purchase and by multiplying the amount as calculated by the number of interest payment dates having passed since the date of purchase and (i) in the case of a security purchased at a premium, by deducting the product thus obtained from the purchase price, and (ii) in the case of a security purchased at a discount, by adding the product thus obtained to the purchase price. The Trustee retains the ability, and may rely upon the City's financial advisor to provide a determination as to the foregoing.

"*Vantage*" means Vantage at Hutto, LLC, a Texas limited liability company.

Section 1.2. Findings.

The declarations, determinations and findings declared, made and found in the preamble to this Indenture are hereby adopted, restated and made a part of the operative provisions hereof.

Section 1.3. Table of Contents, Titles and Headings.

The table of contents, titles, and headings of the Articles and Sections of this Indenture

have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof and shall never be considered or given any effect in construing this Indenture or any provision hereof or in ascertaining intent, if any question of intent should arise.

Section 1.4. Interpretation.

(a) Unless the context requires otherwise, words of the masculine gender shall be construed to include correlative words of the feminine and neuter genders and vice versa, and words of the singular number shall be construed to include correlative words of the plural number and vice versa.

(b) Words importing persons include any individual, corporation, limited liability company, partnership, joint venture, association, joint stock company, trust, unincorporated organization or government or agency or political subdivision thereof.

(c) Any reference to a particular Article or Section shall be to such Article or Section of this Indenture unless the context shall require otherwise.

(d) When used in Article XI of this Indenture in connection with the Bonds Similarly Secured, any reference to this Indenture, Article XI of this Indenture or any Section thereunder, and/or any events of default or remedies set forth therein, such terms and references shall be read and interpreted to include any indenture relating to any Bonds Similarly Secured, the related Article or Section in such indenture, and/or the events of default and remedies set forth therein.

(e) This Indenture and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein to sustain the validity of this Indenture.

ARTICLE II

THE BONDS

Section 2.1. Security for the Bonds.

(a) The Bonds Similarly Secured, as to both principal and interest, are and shall be equally and ratably secured by and payable from a first lien on and pledge of the Trust Estate.

(b) The lien on and pledge of the Trust Estate shall be valid and binding and fully perfected from and after the Closing Date, which is the date of the delivery of this Indenture, without physical delivery or transfer of control of the Trust Estate, the filing of this Indenture or any other act; all as provided in Chapter 1208 of the Texas Government Code, as amended, which applies to the issuance of the Bonds and the pledge of the Trust Estate granted by the City under this Indenture, and such pledge is therefore valid, effective and perfected. If Texas law is amended at any time while the Bonds are Outstanding such that the pledge of the Trust Estate granted by the City under this Indenture is to be subject to the filing requirements of Chapter 9, Texas Business and Commerce Code, as amended, then in order to preserve to the registered owners of the Bonds

the perfection of the security interest in said pledge, the City agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Texas Business and Commerce Code, as amended, and enable a filing to perfect the security interest in said pledge to occur.

Section 2.2. Limited Obligations.

The Bonds Similarly Secured are special and limited obligations of the City, payable solely from and secured solely by the Trust Estate, including the Pledged Revenues and the Pledged Funds; and the Bonds Similarly Secured shall never be payable out of funds raised or to be raised by taxation or from any other revenues, properties or income of the City.

Section 2.3. Authorization for Indenture.

The terms and provisions of this Indenture and the execution and delivery hereof by the City to the Trustee have been duly authorized by official action of the City Council of the City. The City has ascertained and it is hereby determined and declared that the execution and delivery of this Indenture is necessary to carry out and effectuate the purposes set forth in the preambles of this Indenture and that each and every covenant or agreement herein contained and made is necessary, useful and/or convenient in order to better secure the Bonds Similarly Secured and is a contract or agreement necessary, useful and/or convenient to carry out and effectuate the purposes herein described.

Section 2.4. Contract with Owners and Trustee.

(a) The purposes of this Indenture are to establish a lien and the security for, and to prescribe the minimum standards for the authorization, issuance, execution and delivery of, the Bonds Similarly Secured and to prescribe the rights of the Owners, and the rights and duties of the City and the Trustee.

(b) In consideration of the purchase and acceptance of any or all of the Bonds Similarly Secured by those who shall purchase and hold the same from time to time, the provisions of this Indenture shall be a part of the contract of the City with the Owner, and shall be deemed to be and shall constitute a contract among the City, the Owners, and the Trustee.

ARTICLE III

AUTHORIZATION; GENERAL TERMS AND PROVISIONS REGARDING THE BONDS

Section 3.1. Authorization.

The Bonds are hereby authorized to be issued and delivered in accordance with the Constitution and laws of the State, including particularly the PID Act, as amended. The Bonds shall be issued in the aggregate principal amount of \$_____ for the purpose of paying a portion of (1) the Actual Costs of the Public Improvements, (2) the District Formation Expenses,

and (3) the Bond Issuance Costs, including funding a reserve fund for the payment of principal and interest on the Bonds.

Section 3.2. Date, Denomination, Maturities, Numbers and Interest.

(a) The Bonds shall be dated the date of the initial delivery thereof (the "*Bond Date*") and shall be issued in Authorized Denominations. The Bonds shall be in fully registered form, without coupons, and shall be numbered separately from R-1 upward, except the Initial Bond, which shall be numbered T-1.

(b) Interest shall accrue and be paid on each Bond from the later of the Bond Date or the most recent Interest Payment Date to which interest has been paid or provided for, at the rate per annum set forth below until the principal thereof has been paid on the maturity date specified below or otherwise provided for. Such interest shall be payable semiannually on March 1 and September 1 of each year, commencing September 1, 2022, computed on the basis of a 360-day year of twelve 30-day months.

(c) The Bonds shall mature on September 1 in the years and in the principal amounts and shall bear interest at the rates set forth below:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
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(d) The Bonds shall be subject to mandatory sinking fund redemption, optional redemption, and extraordinary optional redemption prior to maturity as provided in Article IV, and shall otherwise have the terms, tenor, denominations, details, and specifications as set forth in the form of Bond set forth in Section 5.2.

Section 3.3. Conditions Precedent to Delivery of Bonds.

The Bonds shall be executed by the City and delivered to the Trustee, whereupon the Trustee shall authenticate the Bonds and, upon payment of the purchase price of the Bonds, shall deliver the Bonds upon the order of the City, but only upon delivery to the Trustee of:

- (a) a certified copy of the Assessment Ordinance;
- (b) a certified copy of the Bond Ordinance;

(c) a copy of the executed Financing and Reimbursement Agreement and any amendments;

(d) a copy of a Continuing Disclosure Agreement of the Issuer between the City, the Administrator and the dissemination agent thereunder; a Continuing Disclosure Agreement of the Developer between the Developer, the Administrator and the dissemination agent thereunder; a Continuing Disclosure Agreement of Meritage between Meritage, the Administrator and the dissemination agent thereunder; and a Continuing Disclosure Agreement of Vantage between Vantage, the Administrator and the dissemination agent thereunder.

(e) a copy of this Indenture executed by the Trustee and the City;

(f) an executed City Certificate directing the authentication and delivery of the Bonds, describing the Bonds to be authenticated and delivered, designating the purchasers to whom the Bonds are to be delivered, stating the purchase price of the Bonds and stating that all items required by this Section are therewith delivered to the Trustee in form and substance satisfactory to the City;

(g) an executed signature and no-litigation certificate of the City;

(h) executed opinions of Bond Counsel and the City Attorney; and

(i) the approving opinion of the Attorney General of the State and the State Comptroller's registration certificate.

Section 3.4. Medium, Method and Place of Payment.

(a) Principal of and interest on the Bonds shall be paid in lawful money of the United States of America, as provided in this Section.

(b) Interest on the Bonds shall be payable to the Owners thereof as shown in the Register at the close of business on the relevant Record Date or Special Record Date, as applicable.

(c) Interest on the Bonds shall be paid by check, dated as of the Interest Payment Date, and sent, first class United States mail, postage prepaid, by the Paying Agent/Registrar to each Owner at the address of each as such appears in the Register or by such other customary banking arrangement acceptable to the Paying Agent/Registrar and the Owner; provided, however, the Owner shall bear all risk and expense of such other banking arrangement.

(d) The principal of each Bond shall be paid to the Owner of such Bond on the due date thereof, whether at the maturity date or the date of prior redemption thereof, upon presentation and surrender of such Bond at the Designated Payment/Transfer Office of the Paying Agent/Registrar.

(e) If the date for the payment of the principal of or interest on the Bonds shall be a Saturday, Sunday, legal holiday, or day on which banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are required or

authorized by law or executive order to close, the date for such payment shall be the next succeeding day that is not a Saturday, Sunday, legal holiday, or day on which banking institutions are required or authorized to close, and payment on such date shall for all purposes be deemed to have been made on the due date thereof as specified in Section 3.2 of this Indenture.

(f) Unclaimed payments of amounts due hereunder shall be segregated in a special account and held in trust, uninvested by the Paying Agent/Registrar, for the account of the Owner of the Bonds to which such unclaimed payments pertain. Subject to any escheat, abandoned property, or similar law of the State, any such payments remaining unclaimed by the Owners entitled thereto for three (3) years after the applicable payment or redemption date shall be applied to the next payment or payments on the Bonds thereafter coming due and, to the extent any such money remains after the retirement of all Outstanding Bonds, shall be paid to the City to be used for any lawful purpose. Thereafter, none of the City, the Paying Agent/Registrar, or any other Person shall be liable or responsible to any holders of such Bonds for any further payment of such unclaimed moneys or on account of any such Bonds, subject to any applicable escheat law or similar law of the State.

Section 3.5. Execution and Registration of Bonds.

(a) The Bonds shall be executed on behalf of the City by the Mayor, Mayor Pro-Tem and City Secretary, by their manual or facsimile signatures, and the official seal of the City shall be impressed or placed in facsimile thereon such facsimile signatures on the Bonds shall have the same effect as if each of the Bonds had been signed manually and in person by each of said officers, and such facsimile seal on the Bonds shall have the same effect as if the official seal of the City had been manually impressed upon each of the Bonds.

(b) In the event that any officer of the City whose manual or facsimile signature appears on the Bonds ceases to be such officer before the authentication of such Bonds or before the delivery thereof, such manual or facsimile signature nevertheless shall be valid and sufficient for all purposes as if such officer had remained in such office.

(c) Except as provided below, no Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit of this Indenture unless and until there appears thereon the Certificate of Trustee substantially in the form provided herein, duly authenticated by manual execution by an officer or duly authorized signatory of the Trustee. It shall not be required that the same officer or authorized signatory of the Trustee sign the Certificate of Trustee on all of the Bonds. In lieu of the executed Certificate of Trustee described above, the Initial Bond delivered at the Closing Date shall have attached thereto the Comptroller's Registration Certificate substantially in the form provided herein, manually executed by the Comptroller, or by his duly authorized agent, which certificate shall be evidence that the Initial Bond has been duly approved by the Attorney General, is a valid and binding obligation of the City, and has been registered by the Comptroller.

(d) On the Closing Date, one Initial Bond representing the entire principal amount of all Bonds, payable in stated installments to the Purchaser, or its designee, executed with the manual or facsimile signatures of the Mayor, Mayor Pro-Tem and the City Secretary, approved by the

Attorney General, and registered and manually signed by the Comptroller, will be delivered to the Purchaser or its designee. Upon payment for the Initial Bond, the Trustee shall cancel the Initial Bond and upon City order deliver to DTC on behalf of the Purchaser one registered definitive Bond for each year of maturity of the Bonds, in the aggregate principal amount of all Bonds for such maturity, registered in the name of Cede & Co., as nominee of DTC.

Section 3.6. Ownership.

(a) The City, the Trustee, the Paying Agent/Registrar and any other Person may treat the Person in whose name any Bond is registered as the absolute owner of such Bond for the purpose of making and receiving payment as provided herein (except interest shall be paid to the Person in whose name such Bond is registered on the Record Date or Special Record Date, as applicable) and for all other purposes, whether or not such Bond is overdue, and none of the City, the Trustee or the Paying Agent/Registrar shall be bound by any notice or knowledge to the contrary.

(b) All payments made to the Owner of any Bond shall be valid and effectual and shall discharge the liability of the City, the Trustee and the Paying Agent/Registrar upon such Bond to the extent of the sums paid.

Section 3.7. Registration, Transfer and Exchange.

(a) So long as any Bond remains outstanding, the City shall cause the Paying Agent/Registrar to keep at the Designated Payment/Transfer Office a Register in which, subject to such reasonable regulations as it may prescribe, the Paying Agent/Registrar shall provide for the registration and transfer of Bonds in accordance with this Indenture. The Paying Agent/Registrar represents and warrants that it will maintain a copy of the Register, and shall cause the Register to be current with all registration and transfer information as from time to time may be applicable.

(b) A Bond shall be transferable only upon the presentation and surrender thereof at the Designated Payment/Transfer Office of the Paying Agent/Registrar with such endorsement or other evidence of transfer as is acceptable to the Paying Agent/Registrar. No transfer of any Bond shall be effective until entered in the Register.

(c) The Bonds shall be exchangeable upon the presentation and surrender thereof at the Designated Payment/Transfer Office of the Paying Agent/Registrar for a Bond or Bonds of the same maturity and interest rate and in any Authorized Denomination and in an aggregate principal amount equal to the unpaid principal amount of the Bond presented for exchange. The Trustee is hereby authorized to authenticate and deliver Bonds exchanged for other Bonds in accordance with this Section.

(d) The Trustee is hereby authorized to authenticate and deliver Bonds transferred or exchanged in accordance with this Section. A new Bond or Bonds will be delivered by the Paying Agent/Registrar, in lieu of the Bond being transferred or exchanged, at the Designated Payment/Transfer Office, or sent by United States mail, first class, postage prepaid, to the Owner or his designee. Each transferred Bond delivered by the Paying Agent/Registrar in accordance with

this Section shall constitute an original contractual obligation of the City and shall be entitled to the benefits and security of this Indenture to the same extent as the Bond or Bonds in lieu of which such transferred Bond is delivered.

(e) Each exchange Bond delivered in accordance with this Section shall constitute an original contractual obligation of the City and shall be entitled to the benefits and security of this Indenture to the same extent as the Bond or Bonds in lieu of which such exchange Bond is delivered.

(f) No service charge shall be made to the Owner for the initial registration, subsequent transfer, or exchange for a different denomination of any of the Bonds. The Paying Agent/Registrar, however, may require the Owner to pay a sum sufficient to cover any tax or other governmental charge that is authorized to be imposed in connection with the registration, transfer, or exchange of a Bond.

(g) Neither the City nor the Paying Agent/Registrar shall be required to issue, transfer, or exchange any Bond or portion thereof called for redemption prior to maturity within forty-five (45) days prior to the date fixed for redemption; provided, however, such limitation shall not be applicable to an exchange by the Owner of the uncalled principal balance of a Bond.

Section 3.8. Cancellation.

All Bonds paid or redeemed before scheduled maturity in accordance with this Indenture, and all Bonds in lieu of which exchange Bonds or replacement Bonds are authenticated and delivered in accordance with this Indenture, shall be cancelled, and proper records shall be made regarding such payment, redemption, exchange, or replacement. Whenever in this Indenture provision is made for the cancellation by the Trustee of any Bonds, the Trustee shall destroy such Bonds and deliver a certificate of such destruction to the City.

Section 3.9. Temporary Bonds.

(a) Following the delivery and registration of the Initial Bond and pending the preparation of definitive Bonds, the proper officers of the City may execute and, upon the City's request, the Trustee shall authenticate and deliver, one or more temporary Bonds that are printed, lithographed, typewritten, mimeographed or otherwise produced, in any denomination, substantially of the tenor of the definitive Bonds in lieu of which they are delivered, without coupons, and with such appropriate insertions, omissions, substitutions and other variations as the officers of the City executing such temporary Bonds may determine, as evidenced by their signing of such temporary Bonds.

(b) Until exchanged for Bonds in definitive form, such Bonds in temporary form shall be entitled to the benefit and security of this Indenture.

(c) The City, without unreasonable delay, shall prepare, execute and deliver to the Trustee the Bonds in definitive form; thereupon, upon the presentation and surrender of the Bond or Bonds in temporary form to the Paying Agent/Registrar, the Paying Agent/Registrar shall cancel

the Bonds in temporary form and the Trustee shall authenticate and deliver in exchange therefor a Bond or Bonds of the same maturity and series, in definitive form, in the Authorized Denomination, and in the same aggregate principal amount, as the Bond or Bonds in temporary form surrendered. Such exchange shall be made without the making of any charge therefor to any Owner.

Section 3.10. Replacement Bonds.

(a) Upon the presentation and surrender to the Paying Agent/Registrar of a mutilated Bond, the Trustee shall authenticate and deliver in exchange therefor a replacement Bond of like tenor and principal amount, bearing a number not contemporaneously outstanding. The City or the Paying Agent/Registrar may require the Owner of such Bond to pay a sum sufficient to cover any tax or other governmental charge that is authorized to be imposed in connection therewith and any other expenses connected therewith.

(b) In the event that any Bond is lost, apparently destroyed or wrongfully taken, the City shall provide and the Trustee, pursuant to the Applicable Laws of the State and in the absence of notice or knowledge that such Bond has been acquired by a bona fide purchaser, shall authenticate and deliver a replacement Bond of like tenor and principal amount bearing a number not contemporaneously outstanding, provided that the Owner first complies with the following requirements:

(i) furnishes to the Paying Agent/Registrar satisfactory evidence of his or her ownership of and the circumstances of the loss, destruction or theft of such Bond;

(ii) furnishes such security or indemnity as may be required by the Paying Agent/Registrar and the Trustee to save them and the City harmless;

(iii) pays all expenses and charges in connection therewith, including, but not limited to, printing costs, legal fees, fees of the Trustee and the Paying Agent/Registrar and any tax or other governmental charge that is authorized to be imposed; and

(iv) satisfies any other reasonable requirements imposed by the City and the Trustee.

(c) After the delivery of such replacement Bond, if a bona fide purchaser of the original Bond in lieu of which such replacement Bond was issued presents for payment such original Bond, the City and the Paying Agent/Registrar shall be entitled to recover such replacement Bond from the Person to whom it was delivered or any Person taking therefrom, except a bona fide purchaser, and shall be entitled to recover upon the security or indemnity provided therefor to the extent of any loss, damage, cost, or expense incurred by the City, the Paying Agent/Registrar or the Trustee in connection therewith.

(d) In the event that any such mutilated, lost, apparently destroyed or wrongfully taken Bond has become or is about to become due and payable, the Paying Agent/Registrar, in its

discretion, instead of issuing a replacement Bond, may pay such Bond if it has become due and payable or may pay such Bond when it becomes due and payable.

(e) Each replacement Bond delivered in accordance with this Section shall constitute an original additional contractual obligation of the City and shall be entitled to the benefits and security of this Indenture to the same extent as the Bond or Bonds in lieu of which such replacement Bond is delivered.

Section 3.11. Book-Entry Only System.

(a) The Bonds shall initially be issued in book-entry-only form and shall be deposited with DTC, which is hereby appointed to act as the securities depository therefor, in accordance with the letter of representations from the City to DTC. On the Closing Date the definitive Bonds shall be issued in the form of a single typewritten certificate for each maturity thereof registered in the name of Cede & Co., as nominee for DTC.

(b) With respect to Bonds registered in the name of Cede & Co., as nominee of DTC, the City and the Paying Agent/Registrar shall have no responsibility or obligation to any DTC Participant or to any Person on behalf of whom such a DTC Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, the City and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or any other Person, other than an Owner, as shown on the Register, of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any DTC Participant or any other Person, other than an Owner, as shown in the Register of any amount with respect to principal of, premium, if any, or interest on the Bonds. Notwithstanding any other provision of this Indenture to the contrary, the City and the Paying Agent/Registrar shall be entitled to treat and consider the Person in whose name each Bond is registered in the Register as the absolute owner of such Bond for the purpose of payment of principal of, premium, if any, and interest on Bonds, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfer with respect to such Bond, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of, premium, if any, and interest on the Bonds only to or upon the order of the respective Owners as shown in the Register, as provided in this Indenture, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to payment of principal of, premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. No Person other than an Owner, as shown in the Register, shall receive a Bond certificate evidencing the obligation of the City to make payments of amounts due pursuant to this Indenture. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Indenture with respect to interest checks or drafts being mailed to the registered owner at the close of business on the Record Date or Special Record Date, as applicable, the word "Cede & Co." in this Indenture shall refer to such new nominee of DTC.

Section 3.12. Successor Securities Depository: Transfer Outside Book-Entry-Only System.

In the event that the City determines that DTC is incapable of discharging its responsibilities described herein and in the letter of representations from the City to DTC, the City shall (i) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities and Exchange Act of 1934, as amended, notify DTC and DTC Participants of the appointment of such successor securities depository and transfer one or more separate Bonds to such successor securities depository; or (ii) notify DTC and DTC Participants of the availability through DTC of certificated Bonds and cause the Paying Agent/Registrar to transfer one or more separate registered Bonds to DTC Participants having Bonds credited to their DTC accounts. In such event, the Bonds shall no longer be restricted to being registered in the Register in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names Owners transferring or exchanging Bonds shall designate, in accordance with the provisions of this Indenture.

Section 3.13. Payments to Cede & Co.

Notwithstanding any other provision of this Indenture to the contrary, so long as any Bonds are registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on such Bonds, and all notices with respect to such Bonds shall be made and given, respectively, in the manner provided in the blanket letter of representations from the City to DTC.

ARTICLE IV

REDEMPTION OF BONDS BEFORE MATURITY

Section 4.1. Limitation on Redemption.

The Bonds shall be subject to redemption before their scheduled maturity only as provided in this Article IV.

Section 4.2. Mandatory Sinking Fund Redemption.

(a) The Bonds maturing on _____ in the years _____ (collectively, "*Term Bonds*"), are subject to mandatory sinking fund redemption prior to their respective maturities and will be redeemed by the City in part at the Redemption Price from moneys available for such purpose in the Principal and Interest Account of the Bond Fund pursuant to Article VI, on the dates and in the respective sinking fund installments as set forth in the following schedule:

<u>Redemption Date</u>	<u>Principal Amount</u>
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(b) At least thirty (30) days prior to each sinking fund redemption date, the Trustee shall select, in accordance with Section 4.5, a principal amount of Term Bonds of such maturity equal to the Sinking Fund Installment amount of such Term Bonds to be redeemed, shall call such Term Bonds for redemption on such scheduled mandatory redemption date, and shall give notice of such redemption, as provided in Section 4.6.

(c) The principal amount of Term Bonds required to be redeemed on any redemption date pursuant to subparagraph (a) of this Section 4.2 shall be reduced, at the option of the City, by the principal amount of any Term Bonds of such maturity which, at least 30 days prior to the sinking fund redemption date shall have been acquired by the City at a price not exceeding the principal amount of such Term Bonds plus accrued unpaid interest to the date of purchase thereof, and delivered to the Trustee for cancellation.

(d) The principal amount of Term Bonds required to be redeemed on any redemption date pursuant to subparagraph (a) of this Section 4.2 shall be reduced on a pro rata basis among Sinking Fund Installments by the principal amount of any Term Bonds which, at least 30 days prior to the sinking fund redemption date, shall have been redeemed pursuant to the optional redemption provisions in Section 4.3 hereof or the extraordinary optional redemption provisions in Section 4.4 hereof and not previously credited to a mandatory sinking fund redemption.

Section 4.3. Optional Redemption.

The Bonds may be redeemed prior to their scheduled maturities on any date on or after September 1, 20___, at the option of the City, with funds derived from any available and lawful source, as a whole, or in part, and, if in part, the particular Bonds, or portions thereof, to be redeemed shall be selected and designated by the City, at the Redemption Price.

Section 4.4. Extraordinary Optional Redemption.

The City reserves the right and option to redeem Bonds before their respective scheduled maturity dates, in whole or in part, on any date, at the Redemption Price from amounts on deposit in the Redemption Fund as a result of Prepayments (including related transfers to the Redemption Fund as provided in Section 6.7(c)) or any other transfers to the Redemption Fund under the terms of this Indenture. If less than all Bonds are called for extraordinary optional redemption, the Bonds or portion of a Bond to be redeemed shall be allocated on a pro rata basis (as nearly as practicable) among all Outstanding Bonds.

Section 4.5. Partial Redemption.

(a) If less than all of the Bonds are to be redeemed pursuant to either Sections 4.2, 4.3 or 4.4, Bonds shall be redeemed in increments of \$1,000 by lot, provided that no redemption shall cause the principal amount of any Bond to be less than the minimum Authorized Denomination for such Bond except as provided in the following sentence. Notwithstanding the foregoing, if any Bonds are to be partially redeemed and such redemption results in the redemption of a portion of

a single Bond in an amount less than the Authorized Denomination in effect at the time, a Bond in the principal amount equal to the unredeemed portion, but not less than \$1,000, may be issued. Each Bond shall be treated as representing the number of Bonds that is obtained by dividing the principal amount of such Bond by the minimum Authorized Denomination for such Bond.

(b) Upon surrender of any Bond for redemption in part, the Trustee in accordance with Section 3.7 of this Indenture, shall authenticate and deliver an exchange Bond or Bonds in an aggregate principal amount equal to the unredeemed portion of the Bond so surrendered, such exchange being without charge.

Section 4.6. Notice of Redemption to Owners.

(a) Upon notification by the City to the Trustee of the exercise of any redemption, the Trustee shall give notice of any redemption of Bonds by sending notice by first class United States mail, postage prepaid, not less than 30 days before the date fixed for redemption, to the Owner of each Bond or portion thereof to be redeemed, at the address shown in the Register.

(b) The notice shall state the redemption date, the Redemption Price, the place at which the Bonds are to be surrendered for payment, and, if less than all the Bonds Outstanding are to be redeemed, and subject to Section 4.5, an identification of the Bonds or portions thereof to be redeemed, any conditions to such redemption and that on the redemption date, if all conditions, if any, to such redemption have been satisfied, such Bond shall become due and payable.

(c) Any notice given as provided in this Section shall be conclusively presumed to have been duly given, whether or not the Owner receives such notice.

(d) The City has the right to rescind any optional redemption or extraordinary optional redemption described in Section 4.3 or 4.4 by written notice to the Trustee on or prior to the date fixed for redemption. Any notice of redemption shall be cancelled and annulled if for any reason funds are not available on the date fixed for redemption for the payment in full of the Bonds then called for redemption, and such cancellation shall not constitute an Event of Default under this Indenture. The Trustee shall mail notice of rescission of redemption in the same manner notice of redemption was originally provided.

Section 4.7. Payment Upon Redemption.

(a) The Trustee shall make provision for the payment of the Bonds to be redeemed on such date by setting aside and holding in trust an amount from the Redemption Fund or otherwise received by the Trustee from the City and shall use such funds solely for the purpose of paying the Redemption Price on the Bonds being redeemed.

(b) Upon presentation and surrender of any Bond called for redemption at the designated corporate trust office of the Trustee on or after the date fixed for redemption, the Trustee shall pay the Redemption Price on such Bond to the date of redemption from the moneys set aside for such purpose.

Section 4.8. Effect of Redemption.

Notice of redemption having been given as provided in Section 4.6 of this Indenture, the Bonds or portions thereof called for redemption shall become due and payable on the date fixed for redemption provided that funds for the payment of the principal amount plus accrued unpaid interest on such Bonds to the date fixed for redemption are on deposit with the Trustee; thereafter, such Bonds or portions thereof shall cease to bear interest from and after the date fixed for redemption, whether or not such Bonds are presented and surrendered for payment on such date.

ARTICLE V

FORM OF THE BONDS

Section 5.1. Form Generally.

(a) The Bonds, including the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the Certificate of the Trustee, and the Assignment to appear on each of the Bonds, (i) shall be substantially in the form set forth in this Article with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Indenture, and (ii) may have such letters, numbers, or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and endorsements (including any reproduction of an opinion of Bond Counsel) thereon as, consistently herewith, may be determined by the City or by the officers executing such Bonds, as evidenced by their execution thereof.

(b) Any portion of the text of any Bonds may be set forth on the reverse side thereof, with an appropriate reference thereto on the face of the Bonds.

(c) The definitive Bonds shall be typewritten, printed, lithographed, or engraved, and may be produced by any combination of these methods or produced in any other similar manner, all as determined by the officers executing such Bonds, as evidenced by their execution thereof.

(d) The Initial Bond submitted to the Attorney General may be typewritten and photocopied or otherwise reproduced.

Section 5.2. Form of the Bonds.

(a) Form of Bond.

NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF TEXAS, THE CITY, WILLIAMSON COUNTY, OR ANY OTHER POLITICAL CORPORATION, SUBDIVISION OR AGENCY THEREOF, IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THIS BOND.

REGISTERED
NO. _____

United States of America
State of Texas

REGISTERED
\$ _____

CITY OF HUTTO, TEXAS
SPECIAL ASSESSMENT REVENUE BOND, SERIES 20____
(DURANGO FARMS PUBLIC IMPROVEMENT DISTRICT
PROJECT)

INTEREST RATE	MATURITY DATE	DATE OF DELIVERY	CUSIP NUMBER
_____%	_____, 20__	_____, 2021	_____

The City of Hutto, Texas (the "City"), for value received, hereby promises to pay, solely from the Trust Estate, to

_____ or registered assigns, on the Maturity Date, as specified above, the sum of

_____ DOLLARS

unless this Bond shall have been sooner called for redemption and the payment of the principal hereof shall have been paid or provision for such payment shall have been made, and to pay interest on the unpaid principal amount hereof from the later of the Date of Delivery, as specified above, or the most recent Interest Payment Date to which interest has been paid or provided for until such principal amount shall have been paid or provided for, at the per annum rate of interest specified above, computed on the basis of a 360-day year of twelve 30-day months, such interest to be paid semiannually on March 1, and September 1, of each year, commencing September 1, 2022.

Capitalized terms appearing herein that are defined terms in the Indenture (defined below), have the meanings assigned to them in the Indenture. Reference is made to the Indenture for such definitions and for all other purposes.

The principal of this Bond shall be payable without exchange or collection charges in lawful money of the United States of America upon presentation and surrender of this Bond at the corporate trust office in Dallas, Texas (the "*Designated Payment/Transfer Office*"), of Wilmington Trust, N.A., as trustee and paying agent/registrar (the "*Trustee*"), or, with respect to a successor trustee and paying agent/registrar, at the Designated Payment/Transfer Office of such successor. Interest on this Bond is payable by check dated as of the Interest Payment Date, mailed by the Trustee to the registered owner at the address shown on the registration books kept by the Trustee or by such other customary banking arrangements acceptable to the Trustee, requested by, and at the risk and expense of, the Person to whom interest is to be paid. For the purpose of the payment of interest on this Bond, the registered owner shall be the Person in whose name this Bond is registered at the close of business on the "Record Date," which shall be the 15th day of the month next preceding such Interest Payment Date; provided, however, that in the event of nonpayment

of interest on a scheduled Interest Payment Date, and for 30 days thereafter, a new record date for such interest payment (a "*Special Record Date*") will be established by the Trustee, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15 days after the Special Record Date) shall be sent at least five Business Days prior to the Special Record Date by United States mail, first class postage prepaid, to the address of each Owner of a Bond appearing on the books of the Trustee at the close of business on the last Business Day preceding the date of mailing such notice.

If a date for the payment of the principal of or interest on the Bonds is a Saturday, Sunday, legal holiday, or a day on which banking institutions in the city in which the Designated Payment/Transfer Office is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding Business Day, and payment on such date shall have the same force and effect as if made on the original date payment was due.

This Bond is one of a duly authorized issue of assessment revenue bonds of the City having the designation specified in its title (herein referred to as the "Bonds"), dated as of the Date of Delivery and issued in the aggregate principal amount of \$ _____ and issued, with the limitations described herein, pursuant to an Indenture of Trust, dated as of _____, 2021 (the "*Indenture*"), by and between the City and the Trustee, to which Indenture reference is hereby made for a description of the amounts thereby pledged and assigned, the nature and extent of the lien and security, the respective rights thereunder to the holders of the Bonds, the Trustee, and the City, and the terms upon which the Bonds are, and are to be, authenticated and delivered and by this reference to the terms of which each holder of this Bond hereby consents. All Bonds issued under the Indenture are equally and ratably secured by the amounts thereby pledged and assigned. The Bonds are being issued for the purpose of paying a portion of (1) the Actual Costs of the Public Improvements, (2) the District Formation Expenses, and (3) the Bond Issuance Costs, including funding a reserve fund for the payment of principal and interest on the Bonds.

The Bonds are special, limited obligations of the City payable solely from the Trust Estate. Reference is hereby made to the Indenture, copies of which are on file with and available upon request from the Trustee, for the provisions, among others, with respect to the nature and extent of the duties and obligations of the City, the Trustee and the Owners. The Owner of this Bond, by the acceptance hereof, is deemed to have agreed and consented to the terms, conditions and provisions of the Indenture.

The City has reserved the right to issue Refunding Bonds and other obligations on the terms and conditions specified in the Indenture.

Notwithstanding any provision hereof, the Indenture may be released and the obligation of the City to make money available to pay this Bond may be defeased by the deposit of money and/or certain direct or indirect Defeasance Securities sufficient for such purpose as described in the Indenture.

The Bonds are issuable as fully registered bonds only in denominations of \$100,000 and any multiple of \$1,000 in excess thereof ("*Authorized Denominations*"). The City prohibits the

breaking up or allocation of CUSIP numbers to any Bond or Bonds in denominations of less than \$100,000, and any attempt to do so will be void and of no effect, except as may be the result of a partial redemption of a single Bond as provided in the Indenture.

The Bonds maturing on _____ in the years _____ (collectively, "*Term Bonds*"), are subject to mandatory sinking fund redemption prior to their respective maturities and will be redeemed by the City in part a redemption price equal to the principal amount thereof plus accrued and unpaid interest thereon to the date set for redemption from moneys available for such purpose in the Principal and Interest Account of the Bond Fund pursuant to Article VI of the Indenture, on the dates and in the respective Sinking Fund Installments as set forth in the following schedule:

Term Bonds Maturing _____	
<u>Redemption Date</u>	<u>Principal Amount</u>

†Final Maturity

At least thirty (30) days prior to each sinking fund redemption date, the Trustee shall select for redemption by lot, or by any other customary method that results in a random selection, a principal amount of Term Bonds of such maturity equal to the sinking fund installments of such Term Bonds to be redeemed, shall call such Term Bonds for redemption on such scheduled mandatory sinking fund redemption date, and shall give notice of such redemption, as provided in Section 4.6 of the Indenture.

The principal amount of Bonds required to be redeemed on any sinking fund redemption date shall be reduced, at the option of the City, by the principal amount of any Bonds of such maturity which, at least 30 days prior to the sinking fund redemption date shall have been acquired by the City at a price not exceeding the principal amount of such Bonds plus accrued and unpaid interest to the date of purchase thereof, and delivered to the Trustee for cancellation.

The principal amount of Bonds required to be redeemed on any sinking fund redemption date shall be reduced on a pro rata basis among Sinking Fund Installments by the principal amount of any Bonds which, at least 30 days prior to the sinking fund redemption date, shall have been redeemed pursuant to the optional redemption or extraordinary optional redemption provisions hereof and not previously credited to a mandatory sinking fund redemption.

The Bonds may be redeemed prior to their scheduled maturities on any date on or after _____, at the option of the City, with funds derived from any available and lawful source, as a whole, or in part, and, if in part, the particular Bonds, or portions thereof, to be redeemed shall be selected and designated by the City, at a redemption price equal to the principal amount to be redeemed plus accrued interest to the date fixed for redemption.

The Bonds are subject to extraordinary optional redemption prior to maturity in whole or in part, on any date, at a redemption price equal to the principal amount of the Bonds called for redemption, plus accrued and unpaid interest to the date fixed for redemption from amounts on deposit in the Redemption Fund as a result of Prepayments or any other transfers to the Redemption Fund under the terms of the Indenture. If less than all Bonds are called for extraordinary optional redemption, the Bonds or portion of a Bond to be redeemed shall be allocated on a pro rata basis (as nearly as practicable) among all Outstanding Bonds.

The Trustee shall give notice of any redemption of Bonds by sending notice by first class United States mail, postage prepaid, not less than 30 days before the date fixed for redemption, to the Owner of each Bond (or part thereof) to be redeemed, at the address shown on the Register. The notice shall state the redemption date, the Redemption Price, the place at which the Bonds are to be surrendered for payment, and, if less than all the Bonds Outstanding are to be redeemed, an identification of the Bonds or portions thereof to be redeemed. Any notice so given shall be conclusively presumed to have been duly given, whether or not the Owner receives such notice.

With respect to any optional redemption of the Bonds, unless the Trustee has received funds sufficient to pay the Redemption Price of the Bonds to be redeemed before giving of a notice of redemption, the notice may state the City may condition redemption on the receipt of such funds by the Trustee on or before the date fixed for the redemption, or on the satisfaction of any other prerequisites set forth in the notice of redemption. If a conditional notice of redemption is given and such prerequisites to the redemption and sufficient funds are not received, the notice shall be of no force and effect, the City shall not redeem the Bonds and the Trustee shall give notice, in the manner in which the notice of redemption was given, that the Bonds have not been redeemed.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the City and the rights of the holders of the Bonds under the Indenture at any time Outstanding affected by such modification. The Indenture also contains provisions permitting the holders of specified percentages in aggregate principal amount of the Bonds at the time Outstanding, on behalf of the holders of all the Bonds, to waive compliance by the City with certain past defaults under the Bond Ordinance or the Indenture and their consequences. Any such consent or waiver by the holder of this Bond or any predecessor Bond evidencing the same debt shall be conclusive and binding upon such holder and upon all future holders thereof and of any Bond issued upon the transfer thereof or in exchange therefor or in lieu thereof, whether or not notation of such consent or waiver is made upon this Bond.

As provided in the Indenture, this Bond is transferable upon surrender of this Bond for transfer at the Designated Payment/Transfer Office, with such endorsement or other evidence of transfer as is acceptable to the Trustee, and upon delivery to the Trustee of such certifications and/or opinion of counsel as may be required under the Indenture for the transfer of this Bond. Upon satisfaction of such requirements, one or more new fully registered Bonds of the same Stated Maturity, of Authorized Denominations, bearing the same rate of interest, and for the same aggregate principal amount will be issued to the designated transferee or transferees.

Neither the City nor the Trustee shall be required to issue, transfer or exchange any Bond called for redemption where such redemption is scheduled to occur within 45 calendar days of the

transfer or exchange date; provided, however, such limitation shall not be applicable to an exchange by the registered owner of the uncalled principal balance of a Bond.

The City, the Trustee, and any other Person may treat the Person in whose name this Bond is registered as the owner hereof for the purpose of receiving payment as herein provided (except interest shall be paid to the Person in whose name this Bond is registered on the Record Date or Special Record Date, as applicable) and for all other purposes, whether or not this Bond be overdue, and neither the City nor the Trustee shall be affected by notice to the contrary.

The City has reserved the right to issue Refunding Bonds on the terms and conditions specified in the Indenture.

NEITHER THE FULL FAITH AND CREDIT NOR THE GENERAL TAXING POWER OF THE CITY, WILLIAMSON COUNTY, OR THE STATE OF TEXAS, OR ANY POLITICAL SUBDIVISION THEREOF, IS PLEDGED TO THE PAYMENT OF THE BONDS.

IT IS HEREBY CERTIFIED AND RECITED that the issuance of this Bond and the series of which it is a part is duly authorized by law; that all acts, conditions and things required to be done precedent to and in the issuance of the Bonds have been properly done and performed and have happened in regular and due time, form and manner, as required by law; and that the total indebtedness of the City, including the Bonds, does not exceed any Constitutional or statutory limitation.

IN WITNESS WHEREOF, the City Council of the City has caused this Bond to be executed under the official seal of the City.

City Secretary, City of Hutto, Texas

Mayor, City of Hutto, Texas

[CITY SEAL]

(b) Form of Comptroller's Registration Certificate.

The following Registration Certificate of Comptroller of Public Accounts shall appear on the Initial Bond:

REGISTRATION CERTIFICATE OF
COMPTROLLER OF PUBLIC ACCOUNTS

OFFICE OF THE COMPTROLLER
OF PUBLIC ACCOUNTS
THE STATE OF TEXAS

§
§
§

REGISTER NO. _____

I HEREBY CERTIFY THAT there is on file and of record in my office a certificate to the effect that the Attorney General of the State of Texas has approved this Bond, and that this Bond has been registered this day by me.

WITNESS MY SIGNATURE AND SEAL OF OFFICE this _____

Comptroller of Public Accounts
of the State of Texas

[SEAL]

(c) Form of Certificate of Trustee.

CERTIFICATE OF TRUSTEE

It is hereby certified that this is one of the Bonds of the series of Bonds referred to in the within mentioned Indenture.

Wilmington Trust, N.A., as Trustee

DATED: _____

By: _____
Authorized Signatory

(d) Form of Assignment.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto (print or typewrite name and address, including zip code, of Transferee.)

(Social Security or other identifying number: _____) the within Bond and all rights hereunder, and hereby irrevocably constitutes and appoints _____, attorney, to register the transfer of the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed by:

Authorized Signatory

NOTICE: The signature on this Assignment must correspond with the name of the registered owner as it appears on the face of the within Bond in every particular and must be guaranteed in a manner acceptable to the Trustee.

(e) The Initial Bond shall be in the form set forth in paragraphs (a) through (d) of this section, except for the following alterations:

(i) immediately under the name of the Bond the heading "INTEREST RATE" and "MATURITY DATE" shall both be completed with the expression "As Shown Below," and the reference to the "CUSIP NUMBER" shall be deleted;

(ii) the Initial Bond shall be numbered T-1; and

(ii) in the first paragraph of the Bond, the words "on the Maturity Date, as specified above, the sum of _____ DOLLARS" shall be deleted and the following will be inserted: "on September 1 in each of the years, in the principal installments and bearing interest at the per annum rates set forth in the following schedule:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
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Section 5.3. CUSIP Registration.

The City may secure identification numbers through CUSIP Global Services, managed by S&P Global Market Intelligence on behalf of the American Bankers Association, New York, New York, and may authorize the printing of such numbers on the face of the Bonds. It is expressly provided, however, that the presence or absence of CUSIP numbers on the Bonds shall be of no significance or effect as regards the legality thereof and none of the City, the attorneys approving said Bonds as to legality or the Trustee are to be held responsible for CUSIP numbers incorrectly printed on the Bonds. The City prohibits any Bond to be issued in a denomination of less than \$100,000 and further prohibits the assignment of a CUSIP number to any Bond with a denomination of less than \$100,000, and any attempt to accomplish either of the foregoing shall be void and of no effect, except as provided in Section 4.5 hereof. The Trustee may include in any

redemption notice a statement to the effect that the CUSIP numbers on the Bonds have been assigned by an independent service and are included in such notice solely for the convenience of the Owners and that neither the City nor the Trustee shall be liable for any inaccuracies in such numbers.

Section 5.4. Legal Opinion.

The approving legal opinion of Bond Counsel may be printed on or attached to each Bond over the certification of the City Secretary of the City, which may be executed in facsimile.

ARTICLE VI

FUNDS AND ACCOUNTS

Section 6.1. Establishment of Funds and Accounts.

(a) Creation of Funds. The following Funds are hereby created and established under this Indenture:

- (i) Pledged Revenue Fund;
- (ii) Bond Fund;
- (iii) Project Fund;
- (iv) Reserve Fund;
- (v) Redemption Fund;
- (vi) Rebate Fund; and
- (vii) Administrative Fund.

(b) Creation of Accounts and Subaccounts.

Fund: (i) The following Account is hereby created and established under the Bond

- (A) Principal and Interest Account.

Reserve Fund: (ii) The following Accounts are hereby created and established under the

- (A) Reserve Account; and
- (B) Delinquency & Prepayment Reserve Account.

(iii) The following Accounts are hereby created and established under the Project Fund:

- (A) Section 1 Single Family Improvements Account;
- (B) Section 1 Multifamily Improvements Account;
- (C) Section 1 Commercial Improvements Account;
- (D) Section 2 Improvements Account; and,
- (E) Costs of Issuance Account.

(iv) The following Account is hereby created and established under the Pledged Revenue Fund:

- (A) Bond Pledged Revenue Account.

(c) Each Fund, each Account and each Subaccount created within such Fund shall be maintained by the Trustee separate and apart from all other funds and accounts of the City. The Pledged Funds shall constitute trust funds which shall be held in trust by the Trustee as part of the Trust Estate solely for the benefit of the Owners of the Bonds Similarly Secured. Amounts on deposit in the Funds, Accounts and Subaccounts shall be used solely for the purposes set forth herein.

(d) Interest earnings and profit on each respective Fund and Account established by this Indenture shall be applied or withdrawn for the purposes of such Fund or Account as specified below.

Section 6.2. Initial Deposits to Funds and Accounts.

The proceeds from the sale of the Bonds shall be paid to the Trustee and deposited or transferred by the Trustee as follows:

- (i) to the Reserve Account of the Reserve Fund \$_____ which is equal to the initial Reserve Account Requirement;
- (ii) to the Costs of Issuance Account of the Project Fund: \$_____;
- (iii) to the Section 1 Single Family Improvements Account of the Project Fund: \$_____;
- (iv) to the Section 1 Multifamily Improvements Account of the Project Fund: \$_____;

- (v) to the Section 1 Commercial Improvements Account of the Project Fund:
\$ _____;
- (vi) to the Section 2 Improvements Account of the Project Fund:
\$ _____; and,
- (iv) to the Administrative Fund: \$ _____.

The Section 1 Single Family Improvements Account, Section 1 Multifamily Improvements Account, Section 1 Commercial Improvements Account and Section 2 Improvements Account are each referred to herein as an "Improvement Account" and collectively, as the "Improvement Accounts".

Section 6.3. **Pledged Revenue Fund.**

(a) Immediately upon receipt thereof, the City shall transfer to the Trustee for deposit to the Pledged Revenue Fund the Pledged Revenues, as set forth in the Service and Assessment Plan. Specifically, the Trustee shall deposit or cause to be deposited the foregoing amounts as follows: (i) first, to the Bond Pledged Revenue Account of the Pledged Revenue Fund in an amount sufficient to pay debt service on the Bonds Similarly Secured next coming due, (ii) second, to the Reserve Account of the Reserve Fund in an amount to cause the amount in the Reserve Account to equal the Reserve Account Requirement, (iii) third to pay other Actual Costs of the Public Improvements, and (iv) fourth to pay other costs permitted by the PID Act. Notwithstanding the foregoing, the Additional Interest of the Annual Installments shall only be utilized for the purposes set forth in Section 6.7(a-1) hereof and, on each March 1, beginning March 1, 2022, and on any other day set forth in a City Certificate, the amount of Additional Interest of the Annual Installments confirmed by the City pursuant to a City Certificate, will be deposited into the Delinquency & Prepayment Reserve Account and/or the Redemption Fund, as applicable.

(b) From time to time as needed to pay the obligations relating to the Bonds Similarly Secured, but no later than five (5) Business Days before each Interest Payment Date, the Trustee shall withdraw from the Bond Pledged Revenue Account of the Pledged Revenue Fund and transfer to the Principal and Interest Account of the Bond Fund, an amount, taking into account any amounts then on deposit in such Principal and Interest Account, such that the amount on deposit in the Principal and Interest Account equals the principal (including any Sinking Fund Installments) and interest due on the Bonds Similarly Secured on the next Interest Payment Date.

(c) The Trustee shall transfer the amounts determined in writing by the City as Prepayments to the Redemption Fund promptly after deposit of such amounts into the Pledged Revenue Fund.

(d) Upon receipt of Foreclosure Proceeds, the Trustee shall transfer such amount of Foreclosure Proceeds determined in writing by the City, first to the Reserve Fund to restore any transfers from the Reserve Fund made to which the Foreclosure Proceeds relate, second, to replenish the Delinquency and Prepayment Reserve Requirement, and third, to the Redemption Fund.

(e) After satisfaction of the requirement to provide for the payment of the principal and interest on the Bonds Similarly Secured and to fund any deficiency that may exist in the Reserve Fund, the Trustee shall, at the written request of the City, transfer any Pledged Revenues remaining in the Pledged Revenue Fund to the City, which monies may be used for any lawful purpose for which Assessments may be used under the PID Act. The Trustee may rely upon any such request of the City and shall have no obligation to determine the lawful purposes permitted under the PID Act.

Section 6.4. Bond Fund.

(a) On each Interest Payment Date, the Trustee shall withdraw from the Principal and Interest Account and transfer to the Paying Agent/Registrar the principal (including any Sinking Fund Installments) and interest then due and payable on the Bonds Similarly Secured.

(b) If amounts in the Principal and Interest Account are insufficient for the purposes set forth in paragraph (a) above, the Trustee shall withdraw from the Reserve Fund amounts to cover the amount of such insufficiency. Amounts so withdrawn from the Reserve Fund shall be deposited in the Principal and Interest Account and transferred to the Paying Agent/Registrar.

(c) If, after the foregoing transfers and any transfer from the Reserve Fund as provided in Section 6.7, there are insufficient funds to make the payments provided in paragraph (a) above, the Trustee shall apply the available funds in the Principal and Interest Account first to the payment of interest, then to the payment of principal (including any Sinking Fund Installments) on the Bonds Similarly Secured.

Section 6.5. Project Fund.

(a) Money on deposit in the Project Fund shall be used for the purposes specified in Section 3.1.

(b) (1) Disbursements from the Costs of Issuance Account of the Project Fund shall be made by the Trustee to pay costs of issuance of the Bonds pursuant to one or more City Certificates.

(2) Disbursements from all other Accounts of the Project Fund to pay Actual Costs shall be made by the Trustee upon receipt by the Trustee of a properly executed and completed Certification for Payment, however disbursements from the Section 1 Multifamily Improvements Account, Section 1 Commercial Improvements Account, and Section 2 Improvements Account (collectively, the "Holdback Accounts") will not be made until satisfaction of a Release Condition as described below. Each such City Certificate shall include a list of the payees and the payments (not to exceed) to be made to such payees as well as a statement that all payments shall be made by check or wire transfer in accordance with the payment instructions set forth in such written request and the Trustee may rely on such payment instructions though given by the City with no duty to investigate or inquire as to the authenticity of or authorization for the invoice or the payment instructions contained therein.

(3) Disbursements from any Holdback Account may be made only after a Release Condition (defined below) has been satisfied in accordance with Section 6.5(d) of this Indenture. Disbursements from a Holdback Account of the Project Fund shall be made by the Trustee upon receipt by the Trustee of a properly executed and completed Certification for Payment. The funds from a Holdback Account of the Project Fund shall be disbursed in accordance with a Certification for Payment. The Certification for Payment shall include a list of the payees and the payments to be made to such payees as well as a statement that all payments shall be made by check or wire transfer in accordance with the payment instructions set forth in such Certification for Payment and the Trustee may rely on such payment instructions with no duty to investigate or inquire as to the authenticity of or authorization for the invoice or the payment instructions contained therein.

(c) Except as provided in Section 6.5(e) and (g), money on deposit in the Improvement Accounts shall be used solely to pay Actual Costs provided the Trustee shall have no responsibility for the application of any funds disbursed from the Improvement Accounts in reliance upon a Certification for Payment approved by the City.

(d) (1) The Trustee may make disbursements from any of the Holdback Accounts only when the Developer provides written certification to the Trustee and the City in a Certification for Payment that a Release Condition has been satisfied. The first Certification for Payment that requests funds from a Holdback Account after satisfaction of a Release Condition shall be submitted to the City, the City's financial advisor, Bond Counsel and the Administrator for review and confirmation, and upon confirmation that such Release Condition has been satisfied, such Certification for Payment shall be forwarded to the Trustee by the Administrator.

(2) Money may be disbursed from a Holdback Account only after the respective Commercial Parcel or the Multifamily Parcel (each as defined and described in the Financing and Reimbursement Agreement) has been sold to a third party and if either (i) a building permit has been issued for development on the respective Commercial Parcel or Multifamily Parcel or, (ii) the value to lien ratio is more than 3:1, as determined by an independent third-party appraisal or other acceptable method of valuation as reasonably determined by the City, on the respective Commercial Parcel or the Multifamily Parcel, (each a "Release Condition"). The City may not approve a Certification for Payment for payment from a Holdback Account until a Release Condition has been met.

(e) If the City Representative determines in the City Representative's reasonable discretion that amounts then on deposit in the Improvement Accounts of the Project Fund are not expected to be expended for purposes of the Project Fund due to the abandonment, or constructive abandonment, of one or more of the Public Improvements such that, in the reasonable opinion of the City Representative, it is unlikely that the amounts in an Improvement Account will ever be expended for the purposes of the Project Fund, the City Representative shall file a City Certificate with the Trustee which identifies the amounts then on deposit in the respective Improvement Account that are not expected to be used for purposes of the Project Fund. If such City Certificate is so filed, the amounts on deposit in the respective Improvement Account shall be transferred to the Redemption Fund to redeem Bonds Similarly Secured on the earliest practicable date after

notice of redemption has been provided in accordance with this Indenture. Upon such transfers, the respective Improvement Account shall be closed.

(f) In making any determination pursuant to this Section, the City Representative may conclusively rely upon a certificate of an Independent Financial Consultant.

(g) Upon the filing of a City Certificate stating that all of the Public Improvements have been completed and that all Actual Costs have been paid, or that any Actual Costs of the Public Improvements are not required to be paid from an Improvement Account pursuant to a Certification for Payment, the Trustee shall transfer the amount, if any, remaining within an Improvement Account to the Bond Fund or to the Redemption Fund as directed by the City Representative in a City Certificate filed with the Trustee. Upon such transfers, the respective Improvement Account shall be closed.

(h) Upon the Trustee's receipt of a written determination by the City Representative that all costs of issuance of the Bonds have been paid, any amounts remaining in the Costs of Issuance Account shall be transferred to another Account or Subaccount in the Project Fund and used to pay Actual Costs of the Public Improvements or to the Principal and Interest Account and used to pay interest on the Bonds, as directed in a City Certificate filed with the Trustee and the Costs of Issuance Account shall be closed.

Section 6.6. Redemption Fund.

Subject to adequate amounts on deposit in the Pledged Revenue Fund, the Trustee shall cause to be deposited to the Redemption Fund from the Pledged Revenue Fund an amount sufficient to redeem Bonds as provided in Sections 4.3 and 4.4 on the dates specified for redemption as provided in Sections 4.3 and 4.4. Amounts on deposit in the Redemption Fund shall be used and withdrawn by the Trustee to redeem Bonds as provided in Article IV.

Section 6.7. Reserve Fund.

(a) The City agrees with the Owners of the Bonds Similarly Secured to accumulate and, when accumulated, maintain in the Reserve Account, an amount equal to not less than the Reserve Account Requirement. All amounts deposited in the Reserve Account shall be used and withdrawn by the Trustee for the purpose of making transfers to the Principal and Interest Account of the Bond Fund as provided in this Indenture.

(a-1) Subject to 6.3(a) herein, the Trustee will transfer from the Bond Pledged Revenue Account of the Pledged Revenue Fund to the Delinquency & Prepayment Reserve Account on March 1 of each year, commencing March 1, 2022, and on any other day set forth in a City Certificate, an amount equal to the Additional Interest until the Delinquency & Prepayment Reserve Requirement has been accumulated in the Delinquency & Prepayment Reserve Account. Once the Delinquency & Prepayment Reserve Requirement has accumulated in the Delinquency & Prepayment Reserve Account, any amounts in excess of the Delinquency & Prepayment Reserve Requirement shall be transferred by the Trustee to the Redemption Fund to redeem Bonds Similarly Secured as provided in Article IV provided, however, that at any time the amount on deposit in the

Delinquency & Prepayment Reserve Account is less than Delinquency & Prepayment Reserve Requirement, the Trustee shall resume depositing such Additional Interest into the Delinquency & Prepayment Reserve Account until the Delinquency & Prepayment Reserve Requirement has accumulated in the Delinquency & Prepayment Reserve Account. In determining the amounts to be transferred pursuant to this Section, the Trustee may conclusively rely on a City Certificate specifying the amounts to transfer.

(b) Whenever a transfer is made from the Reserve Fund to the Bond Fund due to a deficiency in the Bond Fund, the Trustee shall provide written notice thereof to the City, specifying the amount withdrawn and the source of said funds.

(c) In the event of an extraordinary optional redemption of Bonds Similarly Secured pursuant to Section 4.4, the Trustee, pursuant to written directions from the City, shall transfer from the Reserve Account of the Reserve Fund to the Redemption Fund the amount specified in such directions, which shall be an amount equal to the principal amount of Bonds Similarly Secured to be redeemed multiplied by the lesser of: (i) the amount required to be in the Reserve Account of the Reserve Fund divided by the principal amount of Outstanding Bonds Similarly Secured prior to the redemption, and (ii) the amount actually in the Reserve Account of the Reserve Fund divided by the principal amount of Outstanding Bonds Similarly Secured prior to the redemption. If after such transfer, and after applying investment earnings on the Prepayment toward payment of accrued interest, there are insufficient funds to pay the principal amount plus accrued and unpaid interest on such Bonds Similarly Secured to the date fixed for redemption of the Bonds Similarly Secured to be redeemed as a result of such Prepayment, the Trustee shall transfer an amount equal to the shortfall from the Delinquency & Prepayment Reserve Account to the Redemption Fund to be applied to the redemption of the Bonds Similarly Secured.

(d) Whenever, on any Interest Payment Date, or on any other date at the request of a City Representative, the value of cash and Value of Investment Securities on deposit in the Reserve Account exceeds the Reserve Account Requirement, the Trustee shall provide written notice to the City Representative of the amount of the excess. Such excess shall be transferred to the Principal and Interest Account to be used for the payment of interest on the Bonds Similarly Secured on the next Interest Payment Date in accordance with Section 6.4, unless prior to the next Interest Payment Date, the Trustee receives a City Certificate instructing the Trustee to apply such excess: (i) to pay amounts due under Section 6.8 hereof, (ii) to the Administrative Fund in an amount not more than the Annual Collection Costs for the Bonds Similarly Secured or (iii) to the Project Fund to pay Actual Costs of the Public Improvements if such application and the expenditure of funds is expected to occur within three years of the date hereof.

(d-1) Whenever, on any Interest Payment Date, or on any other date at the written request of the City Representative, the amount in the Delinquency & Prepayment Reserve Account exceeds the Delinquency & Prepayment Reserve Requirement, the Trustee shall provide written notice to the City of the amount of the excess, and the Trustee shall transfer such excess pursuant to Section 6.7(a-1) hereof.

(e) Whenever, on any Interest Payment Date, the amount on deposit in the Bond Fund is insufficient to pay the debt service on the Bonds Similarly Secured due on such date, the Trustee

shall transfer first from the Delinquency & Prepayment Reserve Account of the Reserve Fund, and second from the Reserve Account of the Reserve Fund to the Bond Fund the amounts necessary to cure such deficiency.

(f) At the final maturity of the Bonds Similarly Secured, the amount on deposit in the Reserve Account and the Delinquency & Prepayment Reserve Account shall be transferred to the Redemption Fund and applied to the payment of the principal of the Bonds Similarly Secured.

(g) If, after a Reserve Account withdrawal, the amount on deposit in the Reserve Account is less than the Reserve Account Requirement, the Trustee shall transfer from the Pledged Revenue Fund to the Reserve Account the amount of such deficiency, but only to the extent that such amount is not required for the timely payment of principal, interest, or Sinking Fund Installments.

(h) If the amount held in the Reserve Fund together with the amount held in the Pledged Revenue Fund, the Bond Fund and Redemption Fund is sufficient to pay the principal amount and of all Outstanding Bonds Similarly Secured on the next date the Bonds Similarly Secured may be optionally redeemed by the City at a redemption price of par, together with the unpaid interest accrued on such Bonds Similarly Secured as of such date, the moneys shall be transferred to the Redemption Fund and thereafter used to redeem all Bonds Similarly Secured on such date.

Section 6.8. Rebate Fund: Rebatable Arbitrage.

(a) The Rebate Fund is to be held by the Trustee in accordance with the terms and provisions of this Indenture. Amounts on deposit in the Rebate Fund shall be used solely for the purpose of paying amounts due the United States Government in accordance with the Code. The Rebate Fund shall not be part of the Trust Estate and shall not be security for the Bonds Similarly Secured.

(b) In order to assure that Rebatable Arbitrage is paid to the United States rather than to a third party, investments of funds on deposit in the Rebate Fund shall be made in accordance with the Code and the Tax Certificate.

(c) The Trustee conclusively shall be deemed to have complied with the provisions of this Section and shall not be liable or responsible if it follows the instructions of the City and shall not be required to take any action under this Section in the absence of instructions from the City.

(d) If, on the date of each annual calculation, the amount on deposit in the Rebate Fund exceeds the amount of the Rebatable Arbitrage, the City may direct the Trustee, pursuant to a City Certificate, to transfer the amount in excess of the Rebatable Arbitrage to the Bond Fund.

Section 6.9. Administrative Fund.

(a) Immediately upon receipt thereof, the City shall deposit or cause to be deposited to the Administrative Fund the portion of the Assessments and Annual Installments allocated to the

payment of Annual Collection Costs and Delinquent Collection Costs, as set forth in the Service and Assessment Plan.

(b) Moneys in the Administrative Fund shall be held by the Trustee separate and apart from the other Funds created and administered hereunder and used as directed by a City Certificate solely for the purposes set forth in the Service and Assessment Plan, including payment of Annual Collection Costs and Delinquent Collection Costs or may be withdrawn by the Trustee without further authorization for the payment of the fees, expenses, advances and indemnities owed to the Trustee in accordance with Section 9.6. The Administrative Fund shall not be part of the Trust Estate and shall not be security for the Bonds Similarly Secured.

Section 6.10. Investment of Funds.

(a) Money in any Fund or Account, other than the Reserve Account, shall be invested by the Trustee as directed by the City pursuant to a City Certificate filed with the Trustee in Investment Securities; provided that all such deposits and investments shall be made in such manner that the money required to be expended from any Fund or Account will be available at the proper time or times. Money in the Reserve Account shall be invested in such Investment Securities as directed by the City pursuant to a City Certificate filed with the Trustee, provided that the final maturity of any individual Investment Security shall not exceed 270 days and the average weighted maturity of any investment pool or no-load money market mutual fund shall not exceed 90 days. Each such City Certificate shall be a certification that the investment directed therein constitutes an Investment Security and that such investments meet the maturity and average weighted maturity requirements set forth in the preceding sentence and the Trustee shall not be responsible for determining such requirements. Such investments shall be valued each year in terms of the Value of Investment Securities as of September 30. For purposes of maximizing investment returns, to the extent permitted by law, money in the Funds and Accounts may be invested in common investments of the kind described above, or in a common pool of such investment which shall be kept and held at an official depository bank, which shall not be deemed to be or constitute a commingling of such money or funds provided that safekeeping receipts or certificates of participation clearly evidencing the investment or investment pool in which such money is invested and the share thereof purchased with such money or owned by such Fund or Account are held by or on behalf of each such Fund or Account. If necessary, such investments shall be promptly sold, in order to make the disbursements required or permitted by this Indenture, to prevent any default under this Indenture. To ensure that cash on hand is invested, if the City does not give the Trustee written or timely instructions with respect to investments of funds, the Trustee shall invest and re-invest cash balances in the Wilmington U.S. Government Money Market Fund – Institutional Share Class, CUSIP No. 97181C605, or other money market mutual funds that are rated in either of the two highest categories by a rating agency, including funds for which the Trustee and/or its affiliates provide investment advisory or other management services, until directed otherwise by the City Certificate.

(b) Obligations purchased as an investment of moneys in any Fund or Account shall be deemed to be part of such Fund or Account, subject, however, to the requirements of this Indenture for transfer of interest earnings and profits resulting from investment of amounts in Funds and Accounts. Whenever in this Indenture any moneys are required to be transferred by the

City to the Trustee, such transfer may be accomplished by transferring a like amount of Investment Securities as determined and directed in writing by the City.

(c) The Trustee and its affiliates may act as sponsor, advisor, depository, principal or agent in the acquisition or disposition of any investment. The Trustee may make any and all such investments through its own investment department or that of its affiliates or subsidiaries, and may charge its ordinary and customary fees for such trades. The Trustee shall not incur any liability for losses arising from any investments made pursuant to this Section. The Trustee shall not be required to determine the legality of any investments. The Trustee is not providing investment supervision, recommendation, or advice in acting pursuant to the provisions hereof.

(d) Investments in any and all Funds and Accounts may be commingled in a separate fund or funds for purposes of making, holding and disposing of investments, notwithstanding provisions herein for transfer to or holding in or to the credit of particular Funds or Accounts of amounts received or held by the Trustee hereunder, provided that the Trustee shall at all times account for such investments strictly in accordance with the Funds and Accounts to which they are credited and otherwise as provided in this Indenture.

(e) The Trustee will furnish to the City, upon the City's written request, periodic cash transaction statements which include detail for all investment transactions effected by the Trustee or brokers selected by the City. Upon the City's election, such statements will be delivered via the Trustee's online service and upon electing such service, paper statements will be provided only upon request. The City waives the right to receive brokerage confirmations of security transactions effected by the Trustee as they occur, to the extent permitted by law. The City further understands that trade confirmations for securities transactions effected by the Trustee will be available upon request and at no additional cost and other trade confirmations may be obtained from the applicable broker.

(f) In the event it is found, after an annual calculation has been done pursuant to Section 6.8 hereof, that the City owes Rebatale Arbitrage to the United States Government, the City shall direct the Trustee, pursuant to a City Certificate, to transfer to the Rebate Fund the investment earnings on funds on deposit in the Pledged Funds in an amount equal to the Rebatale Arbitrage owed by the City. The City Certificate shall specify the amount to be transferred and the Pledged Fund or Pledged Funds from which the investment earnings shall be transferred.

Section 6.11. Security of Funds.

All Funds heretofore created or reaffirmed, to the extent not invested as herein permitted, shall be secured in the manner and to the fullest extent required by law for the security of public funds, and such Funds shall be used only for the purposes and in the manner permitted or required by this Indenture.

ARTICLE VII

COVENANTS

Section 7.1. Confirmation of Assessments.

The City hereby confirms, covenants, and agrees that, in the Assessment Ordinance, it has levied the Assessments against the property in the District from which the Assessment Revenues will be collected and received.

Section 7.2. Collection and Enforcement of Assessments.

(a) For so long as any Bonds Similarly Secured are Outstanding and amounts are due to the Developer under the Financing and Reimbursement Agreement to reimburse it for its funds it has contributed to pay Actual Costs of the Public Improvements, the City covenants, agrees and warrants that it will take and pursue all reasonable actions permissible under Applicable Laws to cause the Assessments to be collected and the liens thereof enforced continuously, in the manner and to the maximum extent permitted by Applicable Laws, and to cause no reduction, abatement or exemption in the Assessments.

(b) To the extent permitted by law, notice of the Annual Installments shall be sent by, or on behalf of, the City to the affected property owners on the same statement or such other mechanism that is used by the City, so that such Annual Installments are collected simultaneously with ad valorem taxes and shall be subject to the same penalties, procedures, and foreclosure sale in case of delinquencies as are provided for ad valorem taxes of the City.

(c) The City will determine or cause to be determined, no later than February 15 of each year, whether or not any Annual Installment is delinquent and, if such delinquencies exist, the City will order and cause to be commenced as soon as practicable any and all appropriate and legally permissible actions to obtain such Annual Installment, and any delinquent charges and interest thereon, including diligently prosecuting an action in district court to foreclose the currently delinquent Annual Installment. Notwithstanding the foregoing, the City shall not be required under any circumstances to purchase or make payment for the purchase of the delinquent Assessments or the corresponding property.

(d) The City shall not be required under any circumstances to expend any funds for Delinquent Collection Costs or Annual Collection Costs in connection with its covenants and agreements under this Section or otherwise other than funds on deposit in the Administrative Fund.

Section 7.3. Against Encumbrances.

(a) The City shall not create and shall not suffer to remain, any lien, encumbrance or charge upon the Trust Estate or upon any other property pledged under this Indenture, except the pledge created for the security of the Bonds, or any Refunding Bonds, and other than a lien or pledge subordinate to the lien and pledge of such property related to the Bonds Similarly Secured.

(b) So long as Bonds are Outstanding hereunder, the City shall not issue any bonds, notes or other evidences of indebtedness, other than the Bonds, and Refunding Bonds, secured by any pledge of or other lien or charge on the Trust Estate or other property pledged under this Indenture, other than a lien or pledge subordinate to the lien and pledge of such property related to the Bonds Similarly Secured.

Section 7.4. Records, Accounts, Accounting Reports.

The City hereby covenants and agrees that so long as any Bonds Similarly Secured are Outstanding, it will keep and maintain a proper and complete system of records and accounts pertaining to the Assessments. The Trustee and holder or holders of any Bonds Similarly Secured or any duly authorized agent or agents of such holders shall have the right at all reasonable times to inspect all such records, accounts, and data relating thereto, upon written request to the City by the Trustee or duly authorized representative, as applicable. The City shall provide the Trustee or duly authorized representative, as applicable, an opportunity to inspect such books and records relating to the Bonds Similarly Secured during the City's regular business hours and on a mutually agreeable date not later than thirty days after the City receives such request.

Section 7.5. Covenants Regarding Tax Exemption of Interest on Bonds.

(a) The City covenants to take any action necessary to assure, or refrain from any action that would adversely affect, the treatment of the Bonds as an obligation described in section 103 of the Code, the interest on which is not includable in the "gross income" of the holder for purposes of federal income taxation. In furtherance thereof, the City covenants as follows:

(1) to take any action to assure that no more than 10 percent of the proceeds of the Bonds (less amounts deposited to a reserve fund, if any) are used for any "private business use," as defined in section 141(b)(6) of the Code or, if more than 10 percent of the proceeds or the Public Improvements financed therewith are so used, such amounts, whether or not received by the City, with respect to such private business use, do not, under the terms of this Article or any underlying arrangement, directly or indirectly, secure or provide for the payment of more than 10 percent of the debt service on the Bonds, in contravention of section 141(b)(2) of the Code;

(2) to take any action to assure that in the event that the "private business use" described in subsection (1) hereof exceeds 5 percent of the proceeds of the Bonds or the Public Improvements financed therewith (less amounts deposited into a reserve fund, if any) then the amount in excess of 5 percent is used for a "private business use" that is "related" and not "disproportionate," within the meaning of section 141(b)(3) of the Code, to the governmental use;

(3) to take any action to assure that no amount that is greater than the lesser of \$5,000,000, or 5 percent of the proceeds of the Bonds (less amounts deposited into a reserve fund, if any) is directly or indirectly used to finance loans to persons, other than state or local governmental units, in contravention of section 141(c) of the Code;

(4) to refrain from taking any action that would otherwise result in the Bonds being treated as a "private activity bond" within the meaning of section 141(b) of the Code;

(5) to refrain from taking any action that would result in the Bonds being "federally guaranteed" within the meaning of section 149(b) of the Code;

(6) to refrain from using any portion of the proceeds of the Bonds, directly or indirectly, to acquire or to replace funds that were used, directly or indirectly, to acquire investment property (as defined in section 148(b)(2) of the Code) that produces a materially higher yield over the term of the Bonds, other than investment property acquired with –

(A) proceeds of the Bonds invested for a reasonable temporary period of 3 years or less or, for a period of 90 days or less until such proceeds are needed for the purpose for which the Bonds is issued,

(B) amounts invested in a bona fide debt service fund, within the meaning of section 1.148-1(b) of the Treasury Regulations, and

(C) amounts deposited in any reasonably required reserve or replacement fund to the extent such amounts do not exceed 10 percent of the proceeds of the Bonds;

(7) to otherwise restrict the use of the proceeds of the Bonds or amounts treated as proceeds of the Bonds, as may be necessary, so that the Bonds do not otherwise contravene the requirements of section 148 of the Code (relating to arbitrage) and, to the extent applicable, section 149(d) of the Code;

(8) to pay to the United States of America at least once during each five-year period (beginning on the date of delivery of the Bonds) an amount that is at least equal to 90 percent of the "Excess Earnings," within the meaning of section 148(f) of the Code and to pay to the United States of America, not later than 60 days after the Bonds has been paid in full, 100 percent of the amount then required to be paid as a result of Excess Earnings under section 148(f) of the Code; and,

(9) to refrain from using the proceeds of the Bonds or proceeds of any prior bonds to pay debt service on another issue more than 90 days after the date of issue of the Bonds in contravention of the requirements of section 149(d) of the Code.

(b) In order to facilitate compliance with the above covenant (a)(8), the Rebate Fund is established by the City pursuant to Section 6.1 for the sole benefit of the United States of America, and such Rebate Fund shall not be subject to the claim of any other person, including without limitation the Registered Owner. The Rebate Fund is established for the additional purpose of compliance with section 148 of the Code.

(c) The City understands that the term "proceeds" includes "disposition proceeds" as defined in the Treasury Regulations and, in the case of refunding bonds, transferred proceeds (if

any) and proceeds of the refunded bonds expended prior to the date of issuance of the Bonds. It is the understanding of the City that the covenants contained herein are intended to assure compliance with the Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto (the "*Treasury Regulations*"). In the event that regulations or rulings are hereafter promulgated that modify or expand provisions of the Code, as applicable to the Bonds, the City will not be required to comply with any covenant contained herein to the extent that such failure to comply, in the opinion of nationally recognized bond counsel, will not adversely affect the exemption from federal income taxation of interest on the Bonds under section 103 of the Code. In the event that regulations or rulings are hereafter promulgated that impose additional requirements applicable to the Bonds, the City agrees to comply with the additional requirements to the extent necessary, in the opinion of nationally recognized bond counsel, to preserve the exemption from federal income taxation of interest on the Bonds under section 103 of the Code. In furtherance of such intention, the City hereby authorizes and directs the Mayor or Mayor Pro-Tem to execute any documents, certificates or reports required by the Code and to make such elections, on behalf of the City, that may be permitted by the Code as are consistent with the purpose for the issuance of the Bonds.

(d) The City covenants to account for the expenditure of sale proceeds and investment earnings to be used for Actual Costs Projects on its books and records in accordance with the requirements of the Code. The City recognizes that in order for the proceeds to be considered used for the reimbursement of costs, the proceeds must be allocated to expenditures within 18 months of the later of the date that (1) the expenditure is made, or (2) the Public Improvements are completed; but in no event later than three years after the date on which the original expenditure is paid. The foregoing notwithstanding, the City recognizes that in order for proceeds to be expended under the Code, the sale proceeds or investment earnings must be expended no more than 60 days after the earlier of (1) the fifth anniversary of the delivery of the Bonds, or (2) the date the Bonds is retired. The City agrees to obtain the advice of nationally-recognized bond counsel if such expenditure fails to comply with the foregoing to assure that such expenditure will not adversely affect the tax-exempt status of the Bonds. For purposes hereof, the City shall not be obligated to comply with this covenant if it obtains an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

(e) The City covenants that the Public Improvements funded with the proceeds of the Bonds will not be sold or otherwise disposed in a transaction resulting in the receipt by the City of cash or other compensation, unless the City obtains an opinion of nationally-recognized bond counsel that such sale or other disposition will not adversely affect the tax-exempt status of the Bonds. For purposes of the foregoing, the portion of the property comprising personal property and disposed in the ordinary course shall not be treated as a transaction resulting in the receipt of cash or other compensation. For purposes hereof, the City shall not be obligated to comply with this covenant if it obtains a legal opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

ARTICLE VIII

LIABILITY OF CITY

Section 8.1. Liability of City.

(a) Neither the full faith and credit nor the general taxing power of the City is pledged to the payment of the Bonds Similarly Secured, and no City taxes, fee or revenues from any source are pledged to the payment of, or available to pay any portion of, the Bonds Similarly Secured or any other obligations relating to the District. The City shall never be liable for any obligations relating to the Bonds Similarly Secured or other obligations relating to the District, other than as specifically provided for in this Indenture.

(b) The City shall not incur any responsibility in respect of the Bonds Similarly Secured or this Indenture other than in connection with the duties or obligations explicitly herein or in the Bonds Similarly Secured assigned to or imposed upon it. The City shall not be liable in connection with the performance of its duties hereunder, except for its own willful default or act of bad faith. The City shall not be bound to ascertain or inquire as to the performance or observance of any of the terms, conditions covenants or agreements of the Trustee herein or of any of the documents executed by the Trustee in connection with the Bonds Similarly Secured, or as to the existence of a default or event of default thereunder.

(c) In the absence of bad faith, the City may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the City and conforming to the requirements of this Indenture. The City shall not be liable for any error of judgment made in good faith unless it shall be proved that it was negligent in ascertaining the pertinent facts.

(d) No provision of this Indenture, the Bonds Similarly Secured, the Assessment Ordinance, or any agreement, document, instrument, or certificate executed, delivered or approved in connection with the issuance, sale, delivery, or administration of the Bonds Similarly Secured (collectively, the "*Bond Documents*"), shall require the City to expend or risk its own general funds or other funds or otherwise incur any financial liability (other than with respect to the Trust Estate) in the performance of any of its obligations hereunder, or in the exercise of any of its rights or powers, if in the judgment of the City there are reasonable grounds for believing that the repayment of such funds or liability is not reasonably assured to it.

(e) Neither the Owners nor any other Person shall have any claim against the City or any of its officers, officials, agents, or employees for damages suffered as a result of the City's failure to perform in any respect any covenant, undertaking, or obligation under any Bond Documents or as a result of the incorrectness of any representation in, or omission from, any of the Bond Documents, except to the extent that any such claim relates to an obligation, undertaking, representation, or covenant of the City, in accordance with the Bond Documents and the PID Act. Any such claim shall be payable only from Trust Estate. Nothing contained in any of the Bond Documents shall be construed to preclude any action or proceeding in any court or before any governmental body, agency, or instrumentality against the City or any of its officers, officials,

agents, or employees to enforce the provisions of any of the Bond Documents or to enforce all rights of the Owners of the Bonds Similarly Secured by mandamus or other proceeding at law or in equity.

(f) The City may rely on and shall be protected in acting or refraining from acting upon any notice, resolution, request, consent, order, certificate, report, warrant, bond, or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or proper parties. The City may consult with counsel with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith. Whenever in the administration of its duties under this Indenture the City shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of willful misconduct on the part of the City, be deemed to be conclusively proved and established by a certificate of the Trustee, an Independent Financial Consultant, an independent inspector or City Manager or other independent person designated by the City Council to so act on behalf of the City, and such certificate shall be full warrant to the City for any action taken or suffered under the provisions of this Indenture upon the faith thereof, but in its discretion the City may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may deem reasonable.

(g) In order to perform its duties and obligations hereunder, the City may employ such persons or entities as it deems necessary or advisable. The City shall not be liable for any of the acts or omissions of such persons or entities employed by it in good faith hereunder, and shall be entitled to rely, and shall be fully protected in doing so, upon the opinions, calculations, determinations, and directions of such persons or entities.

ARTICLE IX

THE TRUSTEE

Section 9.1. Acceptance of Trust; Trustee as Registrar and Paying Agent.

(a) The Trustee accepts and agrees to execute the respective trusts imposed upon it by this Indenture, but only upon the terms and conditions and subject to the provisions of this Indenture to all of which the parties hereto and the respective Owners of the Bonds Similarly Secured agree. The Trustee undertakes to perform such duties and only such duties as are specifically set forth herein. No implied covenants or obligations shall be read into this Indenture against the Trustee.

(b) The Trustee is hereby designated and agrees to act as Paying Agent/Registrar for and in respect to the Bonds Similarly Secured.

Section 9.2. Trustee Entitled to Indemnity.

The Trustee shall be under no obligation to institute any suit, or to undertake any proceeding under this Indenture, or to enter any appearance or in any way defend in any suit in which it may be made defendant, or to take any steps in the execution of the trusts hereby created or in the enforcement of any rights and powers hereunder, until it shall be indemnified to its satisfaction by the Owners against any and all costs and expenses, outlays, and counsel fees and other reasonable disbursements, and against all liability except as a consequence of its own negligence or willful misconduct; provided, however, that in no event shall the Trustee request or require indemnification as a condition to making scheduled debt service payments prior to the occurrence of a default, or to delivering any notice when required hereunder. Nevertheless, the Trustee may begin suit, or appear in and defend suit, or do anything else in its judgment proper to be done by it as the Trustee, without indemnity, and in such case the Trustee may make transfers from the Administrative Fund to pay all fees, costs, and expenses, outlays, and counsel fees and other reasonable disbursements properly incurred in connection therewith and shall be entitled to a preference therefor over any Bonds Similarly Secured Outstanding hereunder on amounts held within the Administrative Fund.

Section 9.3. Responsibilities of the Trustee.

(a) The recitals contained in this Indenture and in the Bonds Similarly Secured shall be taken as the statements of the City and the Trustee assumes no responsibility for the correctness of the same. The Trustee makes no representations as to the validity or sufficiency of this Indenture or the Bonds Similarly Secured or with respect to the security afforded by this Indenture, and the Trustee shall incur no liability with respect thereto. Except as otherwise expressly provided in this Indenture, the Trustee shall have no responsibility or duty with respect to: (i) the issuance of Bonds Similarly Secured for value; (ii) the application of the proceeds thereof, except to the extent that such proceeds are received by it in its capacity as Trustee; (iii) the application of any moneys paid to the City or others in accordance with this Indenture, except as to the application of any moneys paid to it in its capacity as Trustee; (iv) any calculation of arbitrage or rebate under the Code; or (v) any loss suffered in connection with any investment of funds.

(b) The duties and obligations of the Trustee shall be determined by the express provisions of this Indenture, and the Trustee shall not be liable except for the performance of such duties and obligations as are specifically set forth in this Indenture.

(c) The Trustee shall not be liable for any action taken or omitted by it in the performance of its duties under this Indenture, except for its own negligence or willful misconduct. In no event shall the Trustee be liable for incidental, indirect, special or consequential damages in connection with or arising from this Indenture for the existence, furnishing or use of the Project. If an Event of Default has occurred and is continuing, the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of his own affairs.

(d) The Trustee shall not be liable for any action taken, or errors of judgment made in good faith by any one of its officers, agents, or employees unless it shall be established that the Trustee was negligent in ascertaining the pertinent facts.

(e) The Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Owners of at least a Quarter in Interest of the Bonds Similarly Secured relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Indenture.

(f) The Trustee shall not be required to take notice, and shall not be deemed to have notice, of any default or Event of Default unless the Trustee has actual knowledge thereof or shall be notified specifically of the default or Event of Default in a written instrument or document delivered to it by the City or by the Owners of at least Quarter in Interest of the Bonds Similarly Secured at that time. The Trustee may assume conclusively that there is no Event of Default, except as noted above.

(g) The Trustee's immunities and protections from liability and its right to indemnification in connection with the performance of its duties under this Indenture shall extend to the Trustee's officers, directors, agents, attorneys and employees. Such immunities and protections and rights to indemnification, together with the Trustee's right to compensation, shall survive the Trustee's resignation or removal, the discharge of this Indenture, and final payment of the Bonds Similarly Secured.

(h) The permissive rights of the Trustee to do things enumerated in this Agreement shall not be construed as a duty and, with respect to such permissive rights, the Trustee shall not be answerable for other than its negligence or willful misconduct.

(i) The Trustee may act through attorneys or agents and shall not be responsible for the acts or omissions of any such attorney or agent appointed with due care.

(j) Neither the Trustee nor any of its directors, officers, employees, agents or affiliates shall be responsible for nor have any duty to monitor the performance or any action of the City, the Developer, or any of their directors, members, officers, agents, affiliates or employees, nor shall it have any liability in connection with the malfeasance or nonfeasance by such party. The Trustee may assume performance by all such Persons of their respective obligations. The Trustee shall have no enforcement or notification obligations relating to breaches of representations or warranties of any other Person.

(k) In the event that any of the Trust Estate shall be attached, garnished or levied upon by any court order, or the delivery thereof shall be stayed or enjoined by an order of a court, or any order, judgment or decree shall be made or entered by any court order affecting the such assets, the Trustee is hereby expressly authorized, in its sole discretion, to respond as it deems appropriate or to comply with all writs, orders or decrees so entered or issued, or which it is advised by legal counsel of its own choosing is binding upon it, whether with or without jurisdiction. In the event that the Trustee obeys or complies with any such writ, order or decree it shall not be liable to any

of the Parties or to any other person, firm or corporation, should, by reason of such compliance notwithstanding, such writ, order or decree be subsequently reversed, modified, annulled, set aside or vacated.

(l) The Trustee shall not be responsible or liable for any failure or delay in the performance of its obligations under this Agreement arising out of or caused, directly or indirectly, by circumstances beyond its control, including without limitation, any act or provision of any present or future law or regulation or governmental authority; acts of God; earthquakes; fires; floods; wars; terrorism; civil or military disturbances; sabotage; epidemics; riots; interruptions, loss or malfunctions of utilities, computer (hardware or software) or communications service; accidents; labor disputes; acts of civil or military authority or governmental actions; or the unavailability of the Federal Reserve Bank wire or telex or other wire or communication facility; it being understood that the Trustee shall use its best efforts to resume performance as soon as practicable under the circumstances.

Section 9.4. Property Held in Trust.

All moneys and securities held by the Trustee at any time pursuant to the terms of this Indenture shall be held by the Trustee in trust for the purposes and under the terms and conditions of this Indenture.

Section 9.5. Trustee Protected in Relying on Certain Documents.

(a) The Trustee may conclusively rely and shall be protected in acting or refraining from acting upon any order, notice, request, consent, waiver, certificate, statement, affidavit, requisition, bond, resolution, direction, or other document provided to the Trustee in accordance with the terms of this Indenture that it shall in good faith believe to be genuine and to have been adopted or signed by the proper board or Person or to have been prepared and furnished pursuant to any of the provisions of this Indenture, or upon the written opinion of any counsel, architect, engineer, insurance consultant, management consultant, or accountant believed by the Trustee to be qualified in relation to the subject matter, and the Trustee shall be under no duty to make any investigation or inquiry into any statements contained or matters referred to in any such instrument. Subject to Section 9.1 and 9.3, the Trustee may, at the expense of the City, consult with counsel selected by the Trustee with due care, who may or may not be Bond Counsel, and any advice from such counsel with respect to compliance with the provisions of this Indenture shall be full and complete authorization and protection in respect of any action taken, suffered or omitted to be taken by it hereunder, reasonably and in good faith, in accordance with such advice.

(b) Whenever the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action under this Indenture, such matter may be deemed to be conclusively proved and established by a City Certificate, unless other evidence in respect thereof be hereby specifically prescribed. Such City Certificate shall be full warrant for any action taken or suffered in good faith under the provisions hereof, but in its discretion the Trustee may in lieu thereof accept other evidence of such fact or matter or may require such further or additional evidence as it may deem reasonable. Except as otherwise expressly provided herein, any request, order, notice, or other direction required or permitted to be furnished pursuant to any

provision hereof by the City to the Trustee shall be sufficiently executed if executed in the name of the City by the City Representative. the Trustee shall be entitled to conclusively rely upon the foregoing as sufficient evidence of the facts set forth herein. The execution of any City Certificate shall constitute, unto the Trustee, an irrevocable determination that all conditions precedent thereto have occurred.

(c) The Trustee shall not be under any obligation to see to the recording or filing of this Indenture, or otherwise to the giving to any Person of notice of the provisions hereof except as expressly required in Section 9.13.

Section 9.6. Compensation.

The City hereby agrees to compensate the Trustee, from the amount collected each year for Annual Collection Costs and in the manner set forth in this section, for the Trustee's services as Trustee and as Paying Agent/Registrar; provided, however, notwithstanding anything herein to the contrary, the aggregate value of this Indenture shall not exceed the dollar limitation set forth in Section 2274.002(a)(2) of the Texas Government Code.

Unless otherwise provided by contract with the Trustee, and subject to the limitations set forth above, the Trustee shall transfer from the Administrative Fund, from time to time, reasonable compensation for all services rendered by it hereunder, including its services as Paying Agent/Registrar, together with all its reasonable expenses, charges, and other disbursements and those of its counsel, agents and employees, incurred in and about the administration and execution of the trusts hereby created and the exercise of its powers and the performance of its duties hereunder, which, with respect to ordinary fees and expenses incurred prior to an Event of Default hereunder, shall be transferred pursuant to a City Certificate and subject to any limit on the amount of such compensation or recovery of expenses or other charges as shall be prescribed by such City Certificate, and the Trustee shall have a lien therefor on any and all funds at any time held by it in the Administrative Fund prior to any Bonds Similarly Secured Outstanding. Following an Event of Default, the foregoing limitation on expenses shall not apply, however any such fees or expenses must be reasonable. None of the provisions contained in this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers, if in the judgment of the Trustee there are reasonable grounds for believing that the repayment of such funds or liability is not reasonably assured to it. If the City shall fail to make any payment required by this Section, the Trustee may make such payment from any moneys in its possession in the Administrative Fund, subject to the limitations set forth herein, and shall be entitled to a preference therefor over any Bonds Similarly Secured Outstanding hereunder.

In the event that the Trustee renders any service not contemplated in this Agreement, or if any material controversy arises hereunder, or the Trustee is made a party to any litigation pertaining to this Agreement or the subject matter hereof, then the Trustee shall, subject to the limitations set forth herein, be compensated for such extraordinary services and any services or work performed by the Trustee in connection with any delay, controversy, litigation or event, and reimbursed for all costs and expenses, including reasonable attorneys' fees and expenses, occasioned by any such delay, controversy, litigation or event. The right of the Trustee to fees,

expense, and indemnification shall survive the release, discharge, and satisfaction of the Indenture.

Section 9.7. Permitted Acts.

The Trustee and its directors, officers, employees, or agents may become the owner of or may in good faith buy, sell, own, hold and deal in Bonds Similarly Secured and may join in any action that any Owner of Bonds Similarly Secured may be entitled to take as fully and with the same rights as if it were not the Trustee. The Trustee may act as depository, and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, the City or any committee formed to protect the rights of holders of Bonds Similarly Secured or to effect or aid in any reorganization growing out of the enforcement of the Bonds Similarly Secured or this Indenture, whether or not such committee shall represent the holders of a Quarter in Interest of the Bonds Similarly Secured.

Section 9.8. Resignation of Trustee.

The Trustee may at any time resign and be discharged of its duties and obligations hereunder by giving not fewer than 30 days' notice, specifying the date when such resignation shall take effect, to the City and each Owner of any Outstanding Bonds Similarly Secured. Such resignation shall take effect upon the appointment of a successor as provided in Section 9.10 and the acceptance of such appointment by such successor.

Section 9.9. Removal of Trustee.

The Trustee may be removed by giving not fewer than 30 days' notice, specifying the date when such removal shall take effect at any time by (i) the Owners of at least a Quarter in Interest of the Bonds Similarly Secured by an instrument or concurrent instruments in writing signed and acknowledged by such Owners or by their attorneys-in-fact, duly authorized and delivered to the City, or (ii) so long as the City is not in default under this Indenture, the City. Copies of each such instrument shall be delivered by the City to the Trustee and any successor thereof. The Trustee may also be removed at any time for any breach of trust or for acting or proceeding in violation of, or for failing to act or proceed in accordance with, any provision of this Indenture with respect to the duties and obligations of the Trustee by any court of competent jurisdiction upon the application of the City or the Owners of not less than 10% of the aggregate principal amount of Bonds Similarly Secured then Outstanding.

Section 9.10. Successor Trustee.

(a) If the Trustee shall resign, be removed, be dissolved, or become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver, liquidator, or conservator of the Trustee or of its property shall be appointed, or if any public officer shall take charge or control of the Trustee or of its property or affairs, the position of the Trustee hereunder shall thereupon become vacant.

(b) If the position of Trustee shall become vacant for any of the foregoing reasons or for any other reason, a successor Trustee may be appointed within one year after any such vacancy

shall have occurred by the Owners of at least a Quarter in Interest of the Bonds Similarly Secured by an instrument or concurrent instruments in writing signed and acknowledged by such Owners or their attorneys-in-fact, duly authorized and delivered to such successor Trustee, with notification thereof being given to the predecessor Trustee and the City.

(c) Until such successor Trustee shall have been appointed by the Owners of the Bonds Similarly Secured, the City shall forthwith appoint a Trustee to act hereunder. Copies of any instrument of the City providing for any such appointment shall be delivered by the City to the Trustee so appointed. The City shall mail notice of any such appointment to each Owner of any Outstanding Bonds Similarly Secured within 30 days after such appointment. Any appointment of a successor Trustee made by the City immediately and without further act shall be superseded and revoked by an appointment subsequently made by the Owners of Bonds Similarly Secured.

(d) If in a proper case no appointment of a successor Trustee shall be made within 45 days after the giving by any Trustee of any notice of resignation in accordance with Section 9.8 or after the occurrence of any other event requiring or authorizing such appointment, the Trustee or any Owner of Bonds Similarly Secured may apply to any court of competent jurisdiction for the appointment of such a successor, and the court may thereupon, after such notice, if any, as the court may deem proper, appoint such successor and the City shall be responsible for the costs of such appointment process.

(e) Any successor Trustee appointed under the provisions of this Section shall be a commercial bank or trust company or national banking association (i) having a capital and surplus and undivided profits aggregating at least \$50,000,000, if there be such a commercial bank or trust company or national banking association willing and able to accept the appointment on reasonable and customary terms, and (ii) authorized by law to perform all the duties of the Trustee required by this Indenture.

(f) Each successor Trustee shall mail, in accordance with the provisions of the Bonds Similarly Secured, notice of its appointment to the Trustee, any rating agency which, at the time of such appointment, is providing a rating on the Bonds Similarly Secured and each of the Owners of the Bonds Similarly Secured.

Section 9.11. Transfer of Rights and Property to Successor Trustee.

Any successor Trustee appointed under the provisions of Section 9.10 shall execute, acknowledge, and deliver to its predecessor and the City an instrument in writing accepting such appointment, and thereupon such successor, without any further act, deed, or conveyance, shall become fully vested with all moneys, estates, properties, rights, immunities, powers, duties, obligations, and trusts of its predecessor hereunder, with like effect as if originally appointed as Trustee. However, the Trustee then ceasing to act shall nevertheless, on request of the City or of such successor and upon receipt of its outstanding charges, execute, acknowledge, and deliver such instruments of conveyance and further assurance and do such other things as may reasonably be required for more fully and certainly vesting and confirming in such successor all the rights, immunities, powers, and trusts of such Trustee and all the right, title, and interest of such Trustee in and to the Trust Estate, and shall pay over, assign, and deliver to such successor any moneys or

other properties subject to the trusts and conditions herein set forth. Should any deed, conveyance, or instrument in writing from the City be required by such successor for more fully and certainly vesting in and confirming to it any such moneys, estates, properties, rights, powers, duties, or obligations, any and all such deeds, conveyances, and instruments in writing, on request and so far as may be authorized by law, shall be executed, acknowledged, and delivered by the City.

Section 9.12. Merger, Conversion or Consolidation of Trustee.

Any corporation or association into which the Trustee may be merged or with which it may be consolidated or any corporation or association resulting from any merger, conversion or consolidation to which it shall be a party or any corporation or association to which the Trustee may sell or transfer all or substantially all of its corporate trust business shall be the successor to such Trustee hereunder, without any further act, deed or conveyance, provided that such corporation or association shall be a commercial bank or trust company or national banking association qualified to be a successor to such Trustee under the provisions of Section 9.10, or a trust company that is a wholly-owned subsidiary of any of the foregoing.

Section 9.13. Trustee To File Continuation Statements.

The City will cause to be filed all appropriate financing statements. If necessary, the Trustee shall file or cause to be filed, at the City's expense, such continuation statements as may be delivered to the Trustee and which may be required by the Texas Uniform Commercial Code, as from time to time in effect (the "UCC"), in order to continue perfection of the security interest and rights of the Trustee in such items of tangible or intangible personal property and any fixtures as may have been granted to the Trustee pursuant to this Indenture in the time, place and manner required by the UCC. Unless otherwise notified in writing by the City or an Owner, the Trustee may conclusively rely upon the initial financing statements in filing any continuation statements hereunder. The Trustee shall have no responsibility to file financing statements or continuation statements other than to file continuation statements that are delivered to it.

If applicable, but immediately upon its receipt thereof, the City, or an authorized third-party representative thereof, shall deliver to the Trustee file-stamped copies of each UCC initial financing statement recorded in the jurisdictions applicable thereto.

The Trustee's UCC filing requirements are limited to those responsibilities as set forth in this Section 9.13.

Section 9.14 Offering Documentation.

The Trustee shall have no responsibility with respect to any information, statement, or recital in any official statement, offering memorandum, or any other disclosure material prepared or distributed with respect to the Bonds Similarly Secured and shall have no responsibility for compliance with any State or federal securities laws in connection with the Bonds Similarly Secured.

Section 9.15 Expenditure of Funds and Risk.

None of the provisions of this Indenture shall require the Trustee to expend or risk its own funds or otherwise to incur any liability, financial or otherwise, in the performance of any of its duties hereunder, or in the exercise of its rights or powers if the Trustee shall have reasonable grounds for believing that the repayment of such funds or indemnity against such risk or liability is not assured.

Section 9.16 Environmental Hazards.

The Trustee may inform any Owner of environmental hazards that the Trustee has reason to believe exist, and the Trustee has the right to take no further action and in such event, no fiduciary duty exists which imposes any obligation for further action with respect to the Trust Estate or any portion thereof if the Trustee, in its individual capacity, determines that any such action would materially and adversely subject the Trustee to environmental or other liability for which the Trustee has not been adequately indemnified.

The Trustee shall not be responsible or liable for the environmental condition related to the improvements to any real property or for diminution in value of the same, or for any claims by or on behalf of the owners thereof as the result of any contamination by a hazardous substance, hazardous material, pollutant, or contaminant. The Trustee assumes no duty or obligation to assess the environmental condition of any improvements or with respect to compliance thereof under State or federal laws pertaining to the transport, storage, treatment, or disposal of hazardous substances, hazardous materials, pollutants, or contaminants or regulations, permits, or licenses issued under such laws.

Section 9.17. Accounts, Periodic Reports and Certificates.

The Trustee shall keep or cause to be kept proper books of record and account (separate from all other records and accounts) in which complete and correct entries shall be made of its transactions relating to the Funds and Accounts established by this Indenture and which shall at all times be subject to inspection by the City, and the Owner or Owners of not less than 10% in principal amount of the Bonds Similarly Secured then Outstanding or their representatives duly authorized in writing.

Section 9.18. Construction of Indenture.

The Trustee may construe any of the provisions of this Indenture insofar as the same may appear to be ambiguous or inconsistent with any other provision hereof, and any construction of any such provisions hereof by the Trustee in good faith shall be binding upon the Owners of the Bonds Similarly Secured.

ARTICLE X

MODIFICATION OR AMENDMENT OF THIS INDENTURE

Section 10.1. Amendments Permitted.

(a) This Indenture and the rights and obligations of the City and of the Owners of the Bonds Similarly Secured may be modified or amended at any time by a Supplemental Indenture, except as provided below, pursuant to the affirmative vote at a meeting of Owners of the Bonds Similarly Secured, or with the written consent without a meeting, of the Owners of the Bonds Similarly Secured of at least a majority of the aggregate outstanding principal of the Bonds Similarly Secured at that time and City approval of such modification or amendment. No such modification or amendment shall (i) extend the maturity of any Bond Similarly Secured or reduce the interest rate thereon, or otherwise alter or impair the obligation of the City to pay the principal of, and the interest and any premium on, any Bond Similarly Secured, without the express consent of the Owner of such Bond Similarly Secured, or (ii) permit the creation by the City of any pledge or lien upon the Trust Estate superior to or on a parity with the pledge and lien created for the benefit of the Bonds Similarly Secured (except as otherwise permitted by Applicable Laws and this Indenture), or reduce the percentage of Bonds Similarly Secured required for the amendment hereof. Any such amendment shall not modify any of the rights or obligations of the Trustee without its written consent. In executing or accepting any Supplemental Indenture, the Trustee shall be fully protected in relying upon an opinion of qualified counsel addressed and delivered to the Trustee stating that (a) the execution of such Supplemental Indenture is permitted by and in compliance with this Indenture, (b) the execution and delivery of will not adversely affect the exclusion from federal gross income of the interest on the Bonds Similarly Secured, and (c) such Supplemental Indenture will, upon the execution and delivery thereof, to be a valid and binding obligation of the City.

(b) This Indenture and the rights and obligations of the City and of the Owners may also be modified or amended at any time by a Supplemental Indenture, without the consent of any Owners, only to the extent permitted by Applicable Laws, and only for anyone or more of the following purposes:

- (i) to add to the covenants and agreements of the City in this Indenture contained, other covenants and agreements thereafter to be observed, or to limit or surrender any right or power herein reserved to or conferred upon the City;
- (ii) to make modifications not adversely affecting any Outstanding Bonds Similarly Secured in any material respect;
- (iii) to make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained in this Indenture, or in regard to questions arising under this Indenture, as the City may deem necessary or desirable and not inconsistent with this Indenture, and that shall not adversely affect the rights of the Owners of the Bonds Similarly Secured; and

(iv) to make such additions, deletions or modifications as may be necessary or desirable to assure exemption from federal income taxation of interest on the Bonds Similarly Secured.

(c) Notwithstanding anything to the contrary herein, no Supplemental Indenture entered into in accordance with Section 10.1(b) above shall be effective unless the City first delivers to the Trustee an opinion of Bond Counsel to the effect that such amendment will not adversely affect the: (i) interests of the Owners in any material respect, or (ii) exclusion of interest on any Bond Similarly Secured from gross income for purposes of federal income taxation.

Section 10.2. Owners' Meetings.

The City may at any time call a meeting of the Owners of the Bonds Similarly Secured. In such event the City is authorized to fix the time and place of said meeting and to provide for the giving of notice thereof, and to fix and adopt rules and regulations for the conduct of said meeting.

Section 10.3. Procedure for Amendment with Written Consent of Owners.

(a) The City and the Trustee may at any time adopt a Supplemental Indenture amending the provisions of the Bonds Similarly Secured or of this Indenture, to the extent that such amendment is permitted by Section 10.1, to take effect when and as provided in this Section. A copy of such Supplemental Indenture, together with a request to Owners for their consent thereto, if such consent is required pursuant to Section 10.1, shall be mailed by first class mail, by the Trustee to each Owner of Bonds Similarly Secured from whom consent is required under this Indenture, but failure to mail copies of such Supplemental Indenture and request shall not affect the validity of the Supplemental Indenture when assented to as in this Section provided.

(b) Such Supplemental Indenture shall not become effective unless there shall be filed with the Trustee the written consents of the Owners as required by this Indenture and a notice shall have been mailed as hereinafter in this Section provided. Each such consent shall be effective only if accompanied by proof of ownership of the Bonds Similarly Secured for which such consent is given, which proof shall be such as is permitted by Section 11.6. Any such consent shall be binding upon the Owner of the Bonds Similarly Secured giving such consent and on any subsequent Owner (whether or not such subsequent Owner has notice thereof), unless such consent is revoked in writing by the Owner giving such consent or a subsequent Owner by filing such revocation with the Trustee prior to the date when the notice hereinafter in this Section provided for has been mailed.

(c) After the Owners of the required percentage of Bonds Similarly Secured shall have filed their consents to the Supplemental Indenture, the City shall mail a notice to the Owners in the manner hereinbefore provided in this Section for the mailing of the Supplemental Indenture, stating in substance that the Supplemental Indenture has been consented to by the Owners of the required percentage of Bonds Similarly Secured and will be effective as provided in this Section (but failure to mail copies of said notice shall not affect the validity of the Supplemental Indenture or consents thereto). Proof of the mailing of such notice shall be filed with the Trustee. A record, consisting of the papers required by this Section 10.3 to be filed with the Trustee, shall be proof

of the matters therein stated until the contrary is proved. The Supplemental Indenture shall become effective upon the filing with the Trustee of the proof of mailing of such notice, and the Supplemental Indenture shall be deemed conclusively binding (except as otherwise hereinabove specifically provided in this Article) upon the City and the Owners of all Bonds Similarly Secured at the expiration of sixty (60) days after such filing, except in the event of a final decree of a court of competent jurisdiction setting aside such consent in a legal action or equitable proceeding for such purpose commenced within such sixty-day period.

Section 10.4. Procedure for Amendment Not Requiring Owner Consent.

(a) The City and the Trustee may at any time adopt a Supplemental Indenture amending the provisions of the Bonds Similarly Secured or of this Indenture, to the extent that such amendment is permitted by Section 10.1, to take effect when and as provided in this Section. A copy of such Supplemental Indenture, together with a notice stating that the Supplemental Indenture does not require Owner consent, shall be mailed by first class mail by the Trustee to each Owner of Bonds Similarly Secured, but failure to mail copies of such Supplemental Indenture shall not affect the validity of the Supplemental Indenture. The Trustee shall retain the proof of its mailing of such notice. A record, consisting of the papers required by this Section 10.4, shall be proof of the matters therein stated until the contrary is proved.

(b) The Supplemental Indenture shall become effective upon the execution and delivery of such Supplemental Indenture by the Trustee and the City, and the Supplemental Indenture shall be deemed conclusively binding upon the City, the Trustee and the Owners of all Bonds Similarly Secured as of the date of such execution and delivery.

Section 10.5. Effect of Supplemental Indenture.

From and after the time any Supplemental Indenture becomes effective pursuant to this Article X, this Indenture shall be deemed to be modified and amended in accordance therewith, the respective rights, duties, and obligations under this Indenture of the City, the Trustee and all Owners of Bonds Similarly Secured Outstanding shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modifications and amendments, and all the terms and conditions of any such Supplemental Indenture shall be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

Section 10.6. Endorsement or Replacement of Bonds Similarly Secured Issued After Amendments.

The City may determine that Bonds Similarly Secured issued and delivered after the effective date of any action taken as provided in this Article X shall bear a notation, by endorsement or otherwise, in form approved by the City, as to such action. In that case, upon demand of the Owner of any Bonds Similarly Secured Outstanding at such effective date and presentation of his Bond Similarly Secured for that purpose at the designated office of the Trustee or at such other office as the City may select and designate for that purpose, a suitable notation shall be made on such Bond Similarly Secured. The City may determine that new Bonds Similarly Secured, so modified as in the opinion of the City is necessary to conform to such Owners' action,

shall be prepared, executed, and delivered. In that case, upon demand of the Owner of any Bonds Similarly Secured then Outstanding, such new Bonds Similarly Secured shall be exchanged at the designated office of the Trustee without cost to any Owner, for Bonds Similarly Secured then Outstanding, upon surrender of such Bonds Similarly Secured.

Section 10.7. Amendatory Endorsement of Bonds Similarly Secured.

The provisions of this Article X shall not prevent any Owner from accepting any amendment as to the particular Bonds Similarly Secured held by such Owner, provided that due notation thereof is made on such Bonds Similarly Secured.

Section 10.8. Waiver of Default.

Subject to Section 10.1, with the written consent of at least a majority of the aggregate outstanding principal of the Bonds Similarly Secured at that time, the Owners may waive compliance by the City with certain past defaults under this Indenture and their consequences. Any such consent shall be conclusive and binding upon the Owners and upon all future Owners.

Section 10.9. Execution of Supplemental Indenture.

In executing, or accepting the additional trusts created by, any Supplemental Indenture permitted by this Article or the modification thereby of the trusts created by this Indenture, the Trustee shall receive, and shall be fully protected in relying upon, an opinion of counsel addressed and delivered to the Trustee and the City stating that the execution of such Supplemental Indenture is permitted by and in compliance with this Indenture. The Trustee may, but shall not be obligated to, enter into any such Supplemental Indenture which affects the Trustee's own rights, duties or immunities under this Indenture or otherwise.

ARTICLE XI

DEFAULT AND REMEDIES

Section 11.1. Events of Default.

Each of the following occurrences or events shall be and is hereby declared to be an "Event of Default," to wit:

(i) The failure of the City to deposit the Pledged Revenues to the Pledged Revenue Fund;

(ii) The failure of the City to enforce the collection of the Assessments including the prosecution of foreclosure proceedings, in accordance with Section 7.2;

(iii) Default in the performance or observance of any covenant, agreement or obligation of the City under this Indenture other than a default under (i) above or (iv) below, and the continuation thereof for a period of ninety (90) days after written notice specifying such default

and requiring same to be remedied shall have been given to the City by the Trustee, which may give such notice in its discretion and shall give such notice at the written request of the Owners of at least a majority of the aggregate outstanding principal of the Bonds Similarly Secured then Outstanding; and

(iv) The failure to make payment of the principal of or interest on any of the Bonds Similarly Secured when the same becomes due and payable and such failure is not remedied within thirty (30) days thereafter.

Section 11.2. Immediate Remedies for Default.

(a) Subject to Article VIII, upon the happening and continuance of any of the Events of Default described in Section 11.1, then and in every such case the Trustee may proceed, and upon the written request of the Owners of at least a Quarter in Interest of the Bonds Similarly Secured then Outstanding hereunder and its receipt of indemnity satisfactory to it shall proceed, to protect and enforce the rights of the Owners under this Indenture, by action seeking mandamus or by other suit, action, or special proceeding in equity or at law, in any court of competent jurisdiction, for any relief to the extent permitted by Applicable Laws, including, but not limited to, the specific performance of any covenant or agreement contained herein, or injunction; provided, however, that any action for money damages against the City shall be limited to recovery from the Trust Estate may be sought or shall be permitted. The Trustee retains the right to obtain the advice of counsel in its exercise of remedies for default.

(b) PURSUANT TO SECTION 11.7, THE PRINCIPAL OF THE BONDS SIMILARLY SECURED SHALL NOT BE SUBJECT TO ACCELERATION UNDER ANY CIRCUMSTANCES.

(c) Whenever moneys are to be applied pursuant to this Article XI, irrespective of and whether other remedies authorized under this Indenture shall have been pursued in whole or in part, the Trustee may cause any or all of the assets of the Trust Estate, including Investment Securities, to be sold. The Trustee may so sell the assets of the Trust Estate and all right, title, interest, claim and demand thereto and the right of redemption thereof, in one or more parts, at any such place or places, and at such time or times and upon such notice and terms as the Trustee may deem appropriate and as may be required by law and apply the proceeds thereof in accordance with the provisions of this Section. The Trustee shall sell Trust Estate assets, according to the appraised value thereof, beginning with the asset of the highest value and continuing such sales in the order of next succeeding most valuable asset until satisfaction of debts pertaining to the outstanding Bonds Similarly Secured. Upon such sale, the Trustee may make and deliver to the purchaser or purchasers a good and sufficient assignment or conveyance for the same, which sale shall be a perpetual bar both at law and in equity against the City, and all other Persons claiming such properties. No purchaser at any sale shall be bound to see to the application of the purchase money proceeds thereof or to inquire as to the authorization, necessity, expediency, or regularity of any such sale. Nevertheless, if so requested by the Trustee, the City shall ratify and confirm any sale or sales by executing and delivering to the Trustee or to such purchaser or purchasers all such instruments as may be necessary or, in the judgment of the Trustee, proper for the purpose which may be designated in such request.

(d) In an Event of Default shall have occurred and be continuing, the City, upon demand of the Trustee, shall surrender the possession of, and it shall be lawful for the Trustee, by such officer or agent as it may appoint, to take possession of all or any part of the Trust Estate, together with the books, papers, and accounts of the City pertaining thereto, and including the rights and the position of the City, and to hold, operate, and manage the same, and from time to time make all needed repairs and improvements, as well as set up proper reserve for the payment of all proper costs and expenses, holding and managing the same, including (i) reasonable compensation to the Trustee, its agents, and counsel, (ii) any reasonable charges of the Trustee hereunder, (iii) any taxes and assessments and other charges prior to the lien of this of Indenture, and (iv) all expenses of such repairs and improvements. After payment in full of the foregoing, the Trustee shall surrender possession of the Trust Estate to the City, its successors or assigns.

Section 11.3. Restriction on Owner's Action.

(a) No Owner shall have any right to institute any action, suit or proceeding at law or in equity for the enforcement of this Indenture or for the execution of any trust thereof or any other remedy hereunder, unless (i) a default has occurred and is continuing of which the Trustee has actual knowledge thereof or has been notified in writing as provided in Section 9.3(f), or of which by such Section it is deemed to have notice, (ii) such default has become an Event of Default and the Owners of at least a Quarter in Interest of the Bonds Similarly Secured then Outstanding have made written request to the Trustee and offered it reasonable opportunity either to proceed to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name, (iii) the Owners have furnished to the Trustee indemnity as provided in Section 9.2, (iv) the Trustee has for 60 days after such notice failed or refused to exercise the powers hereinbefore granted, or to institute such action, suit, or proceeding in its own name, (v) no direction inconsistent with such written request has been given to the Trustee during such 60-day period by the Owners of at least a Quarter in Interest of the Bonds Similarly Secured then Outstanding, and (vi) notice of such action, suit, or proceeding is given to the Trustee; however, all proceedings at law or in equity shall be instituted and maintained in the manner provided herein and for the equal benefit of the Owners of all Bonds Similarly Secured then Outstanding. The notification, request and furnishing of indemnity set forth above shall, at the option of the Trustee, be conditions precedent to the execution of the powers and trusts of this Indenture and to any action or cause of action for the enforcement of this Indenture or for any other remedy hereunder.

(b) Subject to Article VIII, nothing in this Indenture shall affect or impair the right of any Owner to enforce, by action at law, payment of any Bond Similarly Secured at and after the maturity thereof, or on the date fixed for redemption or the obligation of the City to pay each Bond Similarly Secured issued hereunder to the respective Owners thereof at the time and place, from the source and in the manner expressed herein and in the Bonds Similarly Secured.

(c) In case the Trustee or any Owners of Bonds Similarly Secured shall have proceeded to enforce any right under this Indenture and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Trustee or any Owners of Bonds Similarly Secured, then and in every such case the City, the Trustee and the Owners of

Bonds Similarly Secured shall be restored to their former positions and rights hereunder, and all rights, remedies and powers of the Trustee shall continue as if no such proceedings had been taken.

Section 11.4. Application of Revenues and Other Moneys After Default.

(a) All moneys, securities, funds and Pledged Revenues and the income therefrom received by the Trustee pursuant to any right given or action taken under the provisions of this Article shall, after payment of the cost, liabilities, advances and expenses of the proceedings resulting in the collection of such amounts, the expenses (including its counsel), liabilities, and advances incurred or made by the Trustee and the fees of the Trustee in carrying out this Indenture, during the continuance of an Event of Default, notwithstanding Section 11.2, be applied by the Trustee, on behalf of the City, to the payment of interest and principal or Redemption Price then due on Bonds Similarly Secured, as follows:

FIRST: To the payment to the Owners entitled thereto all installments of interest then due in the direct order of maturity of such installments, and, if the amount available shall not be sufficient to pay in full any installment, then to the payment thereof ratably, according to the amounts due on such installment, to the Owners entitled thereto, without any discrimination or preference; and

SECOND: To the payment to the Owners entitled thereto of the unpaid principal of Outstanding Bonds Similarly Secured, or Redemption Price of any Bonds Similarly Secured which shall have become due, whether at maturity or by call for redemption, in the direct order of their due dates and, if the amounts available shall not be sufficient to pay in full all the Bonds Similarly Secured due on any date, then to the payment thereof ratably, according to the amounts of principal due and to the Owners entitled thereto, without any discrimination or preference.

Within thirty (30) days of receipt of such good and available funds, the Trustee may fix a record date and a payment date for any payment to be made to Owners of Bonds Similarly Secured pursuant to this Section 11.4.

(b) In the event funds are not adequate to cure any of the Events of Default described in Section 11.1, the available funds shall be allocated to the Bonds Similarly Secured that are Outstanding in proportion to the quantity of Bonds Similarly Secured that are currently due and in default under the terms of this Indenture.

(c) The restoration of the City to its prior position after any and all defaults have been cured, as provided in Section 11.3, shall not extend to or affect any subsequent default under this Indenture or impair any right consequent thereon.

Section 11.5. Effect of Waiver.

The Trustee may, with the prior written consent of at least a majority of the aggregate outstanding principal of the Bonds Similarly Secured at that time, waive an Event of Default occurring hereunder. No delay or omission of the Trustee, or any Owner, to exercise any right or

power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein; and every power and remedy given by this Indenture to the Trustee or the Owners, respectively, may be exercised from time to time and as often as may be deemed expedient.

Section 11.6. Evidence of Ownership of Bonds Similarly Secured.

(a) Any request, consent, revocation of consent or other instrument which this Indenture may require or permit to be signed and executed by the Owners of Bonds Similarly Secured may be in one or more instruments of similar tenor, and shall be signed or executed by such Owners in person or by their attorneys duly appointed in writing. Proof of the execution of any such instrument, or of any instrument appointing any such attorney, or the holding by any Person of the Bonds Similarly Secured shall be sufficient for any purpose of this Indenture (except as otherwise herein expressly provided) if made in the following manner:

(i) The fact and date of the execution of such instruments by any Owner of Bonds Similarly Secured or the duly appointed attorney authorized to act on behalf of such Owner may be provided by a guarantee of the signature thereon by a bank or trust company or by the certificate of any notary public or other officer authorized to take acknowledgments of deeds, that the Person signing such request or other instrument acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer. Where such execution is by an officer of a corporation or association or a member of a partnership, on behalf of such corporation, association or partnership, such signature guarantee, certificate, or affidavit shall also constitute sufficient proof of his authority.

(ii) The ownership of Bonds Similarly Secured and the amount, numbers and other identification and date of holding the same shall be proved by the Register.

(b) Except as otherwise provided in this Indenture with respect to revocation of a consent, any request or consent by an Owner of any Bond Similarly Secured shall bind all future Owners of the same Bond Similarly Secured in respect of anything done or suffered to be done by the City or the Trustee in accordance therewith.

Section 11.7. No Acceleration.

In the event of the occurrence of an Event of Default under Section 11.1, the right of acceleration of any Stated Maturity is not granted as a remedy hereunder and the right of acceleration under this Indenture is expressly denied.

Section 11.8. Mailing of Notice.

Any provision in this Article for the mailing of a notice or other document to Owners shall be fully complied with if it is mailed, first class postage prepaid, only to each Owner at the address appearing upon the Register.

Section 11.9. Exclusion of Bonds Similarly Secured.

Bonds Similarly Secured owned or held by or for the account of the City will not be deemed Outstanding for any purpose. The City shall promptly deliver any such Bonds Similarly Secured to the Trustee for cancellation.

Section 11.10. Remedies Not Exclusive.

Subject to Section 11.2, no remedy herein conferred upon or reserved to the Trustee or to the Owners is intended to be exclusive of any other remedy and each and every such remedy shall be cumulative and shall be in addition to any other remedy given hereunder or now or hereafter existing at law or in equity, by statute or by contract.

Section 11.11. Direction by Owners.

Anything herein to the contrary notwithstanding, the Owners of a Quarter in Interest of the Bonds Similarly Secured shall have the right by an instrument in writing executed and delivered to the Trustee, to direct the choice of remedies and the time, method and place of conducting any proceeding for any remedy available to the Trustee hereunder, under each Supplemental Indenture or otherwise, or exercising any trust or power conferred upon the Trustee, including the power to direct or withhold directions with respect to any remedy available to the Trustee or the Owners, provided, (i) such direction shall not be otherwise than in accordance with law and the provisions hereof, (ii) that the Trustee may take any other action deemed proper by the Trustee which is not inconsistent with such direction, and (iii) that the Trustee shall have the right to decline to follow any such direction which in the opinion of the Trustee would be unjustly prejudicial to Owners not parties to such direction.

ARTICLE XII

GENERAL COVENANTS AND REPRESENTATIONS

Section 12.1. Representations as to Pledged Revenues.

(a) The City represents and warrants that it is authorized by Applicable Laws to authorize and issue the Bonds Similarly Secured, to execute and deliver this Indenture and to pledge the Trust Estate in the manner and to the extent provided in this Indenture, and that the Trust Estate are and will be and remain free and clear of any pledge, lien, charge, or encumbrance thereon or with respect thereto prior to, or of equal rank with, the pledge and lien created in or authorized by this Indenture except as expressly provided herein.

(b) The City shall at all times, to the extent permitted by Applicable Laws, defend, preserve and protect the pledge of the Trust Estate and all the rights of the Owners and the Trustee, under this Indenture against all claims and demands of all Persons whomsoever.

(c) Subject to Section 7.2(d), the City will take all steps reasonably necessary and appropriate, and will direct the Trustee to take all steps reasonably necessary and appropriate, to

collect all delinquencies in the collection of the Assessments and any other amounts pledged to the payment of the Bonds Similarly Secured to the fullest extent permitted by the PID Act and other Applicable Laws.

Section 12.2. General.

The City shall do and perform or cause to be done and performed all acts and things required to be done or performed by or on behalf of the City under the provisions of this Indenture.

ARTICLE XIII

SPECIAL COVENANTS

Section 13.1. Further Assurances; Due Performance.

(a) At any and all times the City will duly execute, acknowledge and deliver, or will cause to be done, executed and delivered, all and every such further acts, conveyances, transfers, and assurances in a manner as the Trustee shall reasonably require for better conveying, transferring, pledging, and confirming unto the Trustee, all and singular, the revenues, Funds, Accounts and properties constituting the Pledged Revenues, and the Trust Estate hereby transferred and pledged, or intended so to be transferred and pledged.

(b) The City will duly and punctually keep, observe and perform each and every term, covenant and condition on its part to be kept, observed and performed, contained in this Indenture.

Section 13.2. Other Obligations or Other Liens; Refunding Bonds.

(a) The City reserves the right to issue obligations under other indentures, assessment ordinances, or similar agreements or other obligations which do not constitute or create a lien on any portion of the Trust Estate and are not payable from the Trust Estate.

(b) Other than Refunding Bonds, the City will not create or voluntarily permit to be created any debt, lien or charge on the Trust Estate, and will not do or omit to do or suffer to be done or omit to be done any matter or things whatsoever whereby the lien of this Indenture or the priority hereof might or could be lost or impaired; and further covenants that it will pay or cause to be paid or will make adequate provisions for the satisfaction and discharge of all lawful claims and demands which if unpaid might by law be given precedence over or any equality with this Indenture as a lien or charge upon the Trust Estate; provided, however, that nothing in this Section shall require the City to apply, discharge, or make provision for any such lien, charge, claim, or demand so long as the validity thereof shall be contested by it in good faith, unless thereby, in the opinion of counsel to the Trustee, the same would endanger the security for the Bonds Similarly Secured.

(c) Notwithstanding anything to the contrary herein no Refunding Bonds may be issued by the City unless: (1) the principal (including any principal amounts to be redeemed on a mandatory

sinking fund redemption date) of such Refunding Bonds are scheduled to mature on September 1 of the years in which principal is scheduled to mature and (2) the interest on such Refunding Bonds must be scheduled to be paid on March 1 and September 1 of the years in which interest is scheduled to be paid

Section 13.3. Books of Record.

(a) The City shall cause to be kept full and proper books of record and accounts, in which full, true and proper entries will be made of all dealings, business and affairs of the City, which relate to the Pledged Revenues, the Pledged Funds, and the Bonds Similarly Secured.

(b) The Trustee shall have no responsibility with respect to the financial and other information received by it pursuant to this Section 13.3 except to receive and retain same, subject to the Trustee's document retention policies, and to distribute the same in accordance with the provisions of this Indenture.

ARTICLE XIV

PAYMENT AND CANCELLATION OF THE BONDS AND SATISFACTION OF THE INDENTURE

Section 14.1. Trust Irrevocable.

The trust created by the terms and provisions of this Indenture is irrevocable until the Bonds Similarly Secured that are secured hereby are fully paid or provision is made for their payment as provided in this Article.

Section 14.2. Satisfaction of Indenture.

If the City shall pay or cause to be paid, or there shall otherwise be paid to the Owners, principal of and interest on all of the Bonds Similarly Secured, at the times and in the manner stipulated in this Indenture, and all amounts due and owing with respect to the Bonds Similarly Secured have been paid or provided for, then the pledge of the Trust Estate and all covenants, agreements, and other obligations of the City to the Owners of such Bonds Similarly Secured, shall thereupon cease, terminate, and become void and be discharged and satisfied. In such event, the Trustee shall execute and deliver to the City copies of all such documents as it may have evidencing that principal of and interest on all of the Bonds Similarly Secured has been paid so that the City may determine if this Indenture is satisfied; if so, the Trustee shall pay over or deliver all moneys held by it in the Funds and Accounts held hereunder as directed in writing by the City.

Section 14.3. Bonds Similarly Secured Deemed Paid.

(a) Any Outstanding Bonds Similarly Secured shall, prior to the Stated Maturity or redemption date thereof, be deemed to have been paid and no longer Outstanding within the meaning of this Trust Indenture (a "*Defeased Debt*"), and particularly this Article XIV, when payment of the principal of, premium, if any, on such Defeased Debt, plus interest thereon to the

due date thereof (whether such due date be by reason of maturity, redemption, or otherwise), either (1) shall have been made in accordance with the terms thereof, or (2) shall have been provided by irrevocably depositing with the Trustee, in trust, and irrevocably set aside exclusively for such payment, (A) money sufficient to make such payment or (B) Defeasance Securities, certified by an independent public accounting firm of national reputation to mature as to principal and interest in such amount and at such times as will insure the availability, without reinvestment, of sufficient money to make such payment, and all necessary and proper fees, compensation, and expenses of the Trustee pertaining to the Bonds Similarly Secured with respect to which such deposit is made shall have been paid or the payment thereof provided for to the satisfaction of the Trustee. Neither Defeasance Securities nor moneys deposited with the Trustee pursuant to this Section nor principal or interest payments on any such Defeasance Securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal of and interest on the Bonds Similarly Secured. Any cash received from such principal of and interest on such Defeasance Securities deposited with the Trustee, if not then needed for such purpose, shall, be reinvested in Defeasance Securities as directed by the City maturing at times and in amounts sufficient to pay when due the principal of and interest on the Bonds Similarly Secured on and prior to such redemption date or maturity date thereof, as the case may be. Any payment for Defeasance Securities purchased for the purpose of reinvesting cash as aforesaid shall be made only against delivery of such Defeasance Securities.

(b) Any determination not to redeem Defeased Debt that is made in conjunction with the payment arrangements specified in Sections 14.3(a)(1) or 14.3(a)(2) shall not be irrevocable, provided that: (1) in the proceedings providing for such defeasance, the City expressly reserves the right to call the Defeased Debt for redemption; (2) the City gives notice of the reservation of that right to the Owners of the Defeased Debt immediately following the defeasance; (3) the City directs that notice of the reservation be included in any defeasance or redemption notices that it authorizes; and (4) at or prior to the time of the redemption, the City satisfies the conditions of clause (a) of this Section 14.3 with respect to such Defeased Debt as though it was being defeased at the time of the exercise of the option to redeem the Defeased Debt, after taking the redemption into account in determining the sufficiency of the provisions made for the payment of the Defeased Debt.

ARTICLE XV

MISCELLANEOUS

Section 15.1. Benefits of Indenture Limited to Parties.

Nothing in this Indenture, expressed or implied, is intended to give to any Person other than the City, the Trustee and the Owners, any right, remedy, or claim under or by reason of this Indenture. Any covenants, stipulations, promises or agreements in this Indenture by and on behalf of the City shall be for the sole and exclusive benefit of the Owners and the Trustee. This Indenture and the exhibits hereto set forth the entire agreement and understanding of the parties related to this transaction and supersedes all prior agreements and understandings, oral or written.

Section 15.2. Successor is Deemed Included in All References to Predecessor.

Whenever in this Indenture or any Supplemental Indenture either the City or the Trustee is named or referred to, such reference shall be deemed to include the successors or assigns thereof, and all the covenants and agreements in this Indenture contained by or on behalf of the City or the Trustee shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

Section 15.3. Execution of Documents and Proof of Ownership by Owners.

(a) Any request, declaration, or other instrument which this Indenture may require or permit to be executed by Owners may be in one or more instruments of similar tenor, and shall be executed by Owners in person or by their attorneys duly appointed in writing.

(b) Except as otherwise expressly provided herein, the fact and date of the execution by any Owner or his attorney of such request, declaration, or other instrument, or of such writing appointing such attorney, may be proved by the certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which he purports to act, that the Person signing such request, declaration, or other instrument or writing acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer.

(c) Except as otherwise herein expressly provided, the ownership of registered Bonds Similarly Secured and the amount, maturity, number, and date of holding the same shall be proved by the Register.

(d) Any request, declaration or other instrument or writing of the Owner of any Bond Similarly Secured shall bind all future Owners of such Bond Similarly Secured in respect of anything done or suffered to be done by the City or the Trustee in good faith and in accordance therewith.

Section 15.4. No Waiver of Personal Liability.

No member, officer, agent, or employee of the City shall be individually or personally liable for the payment of the principal of, or interest or any premium on, the Bonds Similarly Secured; but nothing herein contained shall relieve any such member, officer, agent, or employee from the performance of any official duty provided by law.

Section 15.5. Notices to and Demands on City and Trustee.

(a) Except as otherwise expressly provided herein, all notices or other instruments required or permitted under this Indenture shall be in writing and shall be faxed, delivered by hand, or mailed by first class mail, postage prepaid, and addressed as follows:

If to the City

City of Hutto, Texas
500 W. Live Oak St.
Hutto, Texas 78634
Attn: City Manager
Telephone: 512-759-4031

If to the Trustee
Or the Paying Agent/Registrar

Wilmington Trust
15950 North Dallas Parkway
Suite 550
Dallas, Texas _____
Attn: Dayna Smith
Telephone: 972-381-3154

(b) Any such notice, demand, or request may also be transmitted to the appropriate party by telephone and shall be deemed to be properly given or made at the time of such transmission if, and only if, such transmission of notice shall be confirmed in writing and sent as specified above.

(c) Any of such addresses may be changed at any time upon written notice of such change given to the other party by the party effecting the change. Notices and consents given by mail in accordance with this Section shall be deemed to have been given five Business Days after the date of dispatch; notices and consents given by any other means shall be deemed to have been given when received.

(d) The Trustee shall mail to each Owner of a Bond Similarly Secured notice of (1) any substitution of the Trustee; or (2) the redemption or defeasance of all Outstanding Bonds Similarly Secured.

Section 15.6. Partial Invalidity.

If any Section, paragraph, sentence, clause, or phrase of this Indenture shall for any reason be held illegal or unenforceable, such holding shall not affect the validity of the remaining portions of this Indenture. The City hereby declares that it would have adopted this Indenture and each and every other Section, paragraph, sentence, clause, or phrase hereof and authorized the issue of the Bonds Similarly Secured pursuant thereto irrespective of the fact that anyone or more Sections, paragraphs, sentences, clauses, or phrases of this Indenture may be held illegal, invalid, or unenforceable.

Section 15.7. Applicable Laws; Jurisdiction.

THIS INDENTURE SHALL BE CONSTRUED AND INTERPRETED IN ACCORDANCE WITH THE LAW OF THE STATE OF TEXAS AND THE OBLIGATIONS OF THE PARTIES HERETO ARE AND SHALL BE PERFORMABLE IN THE COUNTY WHEREIN THE PROPERTY IS LOCATED, AND IF LEGAL ACTION IS NECESSARY BY EITHER PARTY WITH RESPECT TO THE ENFORCEMENT OF ANY TERM OF THIS INDENTURE, EXCLUSIVE VENUE FOR SAME SHALL LIE IN THE COURTS OF WILLIAMSON COUNTY, TEXAS. BY EXECUTING THIS INDENTURE, EACH PARTY

HERETO EXPRESSLY (a) CONSENTS AND SUBMITS TO PERSONAL JURISDICTION AND VENUE CONSISTENT WITH THE PREVIOUS SENTENCE, (b) WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ALL CLAIMS AND DEFENSES THAT SUCH JURISDICTION AND VENUE ARE NOT PROPER OR CONVENIENT, AND (c) CONSENTS TO THE SERVICE OF PROCESS IN ANY MANNER AUTHORIZED BY TEXAS LAW.

Section 15.8. Payment on Business Day.

In any case where the date of the maturity of interest or of principal (and premium, if any) of the Bonds Similarly Secured or the date fixed for redemption of any Bonds Similarly Secured or the date any action is to be taken pursuant to this Indenture is other than a Business Day, the payment of interest or principal (and premium, if any) or the action need not be made on such date but may be made on the next succeeding day that is a Business Day with the same force and effect as if made on the date required and no interest shall accrue for the period from and after such date.

Section 15.9. Counterparts.

This Indenture may be executed in counterparts, each of which shall be deemed an original.

Section 15.10. No Boycott of Israel; No Terrorist Organization.

(a) Pursuant to Section 2270.002, Texas Government Code, the Trustee hereby represents that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and, to the extent this Indenture is a contract for goods or services, will not boycott Israel during the term of this Indenture. The foregoing verification is made solely to comply with Section 2270.002, Texas Government Code, and to the extent such Section does not contravene applicable Federal law. As used in the foregoing verification, "boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. The Trustee understands "affiliate" to mean an entity that controls, is controlled by, or is under common control with the Trustee and exists to make a profit.

(b) Pursuant to Subchapter F, Chapter 2252, Texas Government Code, the Trustee represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website: <https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf>,
<https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, or
<https://comptroller.texas.gov/purchasing/docs/fto-list.pdf>.

The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable Federal law and

excludes the Trustee and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Trustee understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with the Trustee and exists to make a profit."

Section 15.11 Verification Regarding Discrimination Against Firearm Entity or Trade Association.

To the extent this Indenture constitutes a contract for the purchase of goods or services for which a written verification is required under Section 2274.002 (as added by Senate Bill 19, 87th Texas Legislature, Regular Session), Texas Government Code, as amended, the Trustee hereby verifies that it and its parent company, wholly- or majority- owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association; and will not discriminate during the term of this Indenture against a firearm entity or firearm trade association. The foregoing verification is made solely to comply with Section 2274.002, Texas Government Code, as amended, to the extent Section 2274.002, Texas Government Code does not contravene applicable Texas or federal law. As used in the foregoing verification, "discriminate against a firearm entity or firearm trade association" means, with respect to the entity or association, to (i) refuse to engage in the trade of any goods or services with the entity or association based solely on its status as a firearm entity or firearm trade association; (ii) refrain from continuing an existing business relationship with the entity or association based solely on its status as a firearm entity or firearm trade association; or (iii) terminate an existing business relationship with the entity or association based solely on its status as a firearm entity or firearm trade association, as set forth in Section 2274.001(3), Texas Government Code. The Trustee understands "affiliate" to mean an entity that controls, is controlled by, or is under common control with the Trustee and exists to make a profit.

Section 15.12. Verification Regarding Energy Company Boycotts.

To the extent this Indenture constitutes a contract for goods or services for which a written verification is required under Section 2274.002, Texas Government Code (as added by Senate Bill 13, 87th Texas Legislature, Regular Session), as amended, the Trustee hereby verifies that it and its parent company, wholly- or majority- owned subsidiaries, and other affiliates, if any, do not boycott energy companies and, will not boycott energy companies during the term of this Indenture. The foregoing verification is made solely to comply with Section 2274.002, Texas Government Code, as amended, to the extent Section 2274.002, Texas Government Code does not contravene applicable Texas or federal law. As used in the foregoing verification, "boycott energy companies" means, refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with a company because the company: (A) engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law; or (B) does business with a company described by (A), as set forth in Section 809.001, Texas Government Code. The Trustee understands "affiliate" to mean an entity that controls, is controlled by, or is under common control with the Trustee and exists to make a profit.

Section 15.13. Electronic Storage.

The parties agree that the transaction described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files, and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action, or suit in the appropriate court of law.

[Remainder of page left blank intentionally]

IN WITNESS WHEREOF, the City and the Trustee have caused this Indenture of Trust to be executed as of the date hereof.

CITY OF HUTTO, TEXAS

By: _____
Mike Snyder, Mayor

Attest:

Holly Nagy, City Secretary

(CITY SEAL)

Wilmington Trust,
as Trustee

By: _____
Authorized Officer

Trustee Signature Page to Indenture of Trust

EXHIBIT A

**DESCRIPTION OF THE PROPERTY WITHIN
THE DURANGO FARMS PUBLIC IMPROVEMENT DISTRICT**

EXHIBIT B

FORM OF CERTIFICATION FOR PAYMENT

(Certification for Payment – Hutto Durango Farms)

CERTIFICATION FOR PAYMENT FORM NO. _____

The undersigned _____ (the "**Construction Manager**") requests payment from [the applicable account of the Project Fund] [the Operating Account] from the City of Hutto (the "**City**") in the amount of \$ _____ for labor, design, materials, fees, and/or other general costs related to the acquisition or construction of certain Authorized Improvements providing a special benefit to property within the Hutto Durango Farms Public Improvement District (the "**District**"). Unless otherwise defined, any capitalized terms used herein shall have the meanings ascribed to them in the Hutto Durango Farms Public Improvement District Financing and Reimbursement Agreement between the Owner and the City (the "**PID Financing Agreement**").

In connection with the above referenced payment, the Construction Manager represents and warrants to the City as follows:

1. The undersigned is a duly authorized officer of the Construction Manager, is qualified to execute this Certification for Payment Form No. _____ on behalf of the Construction Manager, and is knowledgeable as to the matters set forth herein.
2. The work described in Attachment A has been completed in the percentages stated therein.
3. The Certification for Payment for the below referenced Authorized Improvements has not been the subject of any prior Certification for Payment submitted for the same work to the City or, if previously requested, no disbursement was made with respect thereto.
4. The amounts listed for Actual Costs of the Authorized Improvements, as set forth in Attachment A, is a true and accurate representation of the Actual Costs associated with the acquisition, design or construction of said Authorized Improvements, and such costs (i) are in compliance with the PID Financing Agreement, and (ii) are consistent with the Service and Assessment Plan.
5. The Construction Manager is in compliance with the terms and provisions of the PID Financing Agreement and the Service and Assessment Plan.
6. The Construction Manager has timely paid all ad valorem taxes and annual installments of Assessments it owes or an entity under common control with the Construction

Manager owes, located in the District and has no outstanding delinquencies for such taxes and assessments.

7. The work with respect to the Authorized Improvements referenced below (or its Segment) has been completed, and the City has inspected [and accepted] such Authorized Improvements (or its completed Segment). ***[Include bracketed language if final progress payment for such Authorized Improvement]***

8. No more than ninety-five percent (95%) of the budgeted or contracted hard costs for the Authorized Improvements identified may be paid until the work with respect to such Authorized Improvements (or Segment thereof) has been completed and the City has accepted such Authorized Improvements (or Segment thereof). One hundred percent (100%) of soft costs (e.g., engineering costs, inspection fees and the like) may be paid prior to City acceptance of such Authorized Improvements (or Segment thereof).

9. [Attached hereto as Attachment B is a true and correct copy of a bills paid affidavit evidencing that any contractor or subcontractor having performed work described in Attachment A has been paid in full for all work completed through the previous Certification for Payment.]***[Include bracketed language if final progress payment for such Authorized Improvement]***

10. Attached hereto as Attachment C are invoices, receipts, purchase orders, change orders, and similar instruments, which are in sufficient detail to allow the City to verify the Actual Costs for which payment is requested.

11. Also attached hereto as Attachment D are any lender consents or approvals that the Construction Manager may be required to obtain under any loan documents relating to the District.

12. [Attached hereto as Attachment E is evidence that the [respective Commercial Parcel/Multifamily Parcel] has been sold to a third party and either (i) a building permit has been issued for development on the [respective Commercial Parcel or Multifamily Parcel] or, (ii) the value to lien ratio is more than 3:1, as determined by an independent third-party appraisal or other acceptable method of valuation as reasonably determined by the City, on the [respective Commercial Parcel or the Multifamily Parcel].] ***[Include bracketed language if reimbursement is requested from a Holdback Account, with appropriate revisions to be made regarding the specific reimbursement and account.]***

Pursuant to the PID Financing Agreement, after receiving this Certification for Payment, the City has inspected [and accepted] the Completed Authorized Improvements and confirmed that said work has been completed in accordance with approved plans and all applicable governmental laws, rules, and regulations. ***[Include bracketed language if final progress payment for such Authorized Improvement]***

(Signature pages follow)

I hereby declare that the above representations and warranties are true and correct.

MA Durango Farms, LLC,
a Texas limited liability company, as
CONSTRUCTION MANAGER

By: _____
Name: _____
Title: _____

JOINDER OF PROJECT ENGINEER

The undersigned Project Engineer joins this Certification for Payment solely for the purposes of certifying that the representations made by Construction Manager in Paragraph 2 above are true and correct in all material respects.

By:

Name: _____

Title: _____

APPROVAL OF CERTIFICATION FOR PAYMENT

The City is in receipt of the attached Certification for Payment Form No. ____, acknowledges the Certification for Payment, acknowledges that the Authorized Improvements (or its Segment) covered by the certificate have been inspected by the City, and otherwise finds the Certification for Payment Form No. ____ to be in order. After reviewing the Certification for Payment Form, the City approves the Certification for Payment Form No. ____ and shall direct the Trustee to make payment from [the appropriate account of the Project Fund] [the Operating Account] to the Construction Manager or to any person designated by the Construction Manager.

CITY OF HUTTO, TEXAS

By: _____
Name: _____
Title: _____

Date: _____

ATTACHMENT A

TO CERTIFICATION FOR PAYMENT FORM NO. _____

<u>Segment</u>	<u>Description of Work Completed under this Certification for Payment</u>	<u>Actual Costs</u>
----------------	---	---------------------

ATTACHMENT B

TO CERTIFICATION FOR PAYMENT FORM NO. _____

[Include Attachment B bracketed if final progress payment for such Authorized Improvement]

[bills paid affidavit and release of liens - attached]

ATTACHMENT C

TO CERTIFICATION FOR PAYMENT FORM NO. ____

INVOICE LEDGER

Invoice Ledger Entity: MA Durango Farms LLC Project: Hutto Durango Farms Public Improvement District								
Certification of Payment Form No. ____	Date	Vendor	Invoice #	Invoice Amount	Requested Amount	Approved Amount	Budget Sub- Category	Budget Description

[INVOICES AND/OR RECEIPTS - ATTACHED]

ATTACHMENT D

TO CERTIFICATION FOR PAYMENT FORM NO. _____

[lender consents or approvals - attached]

DURANGO FARMS PUBLIC IMPROVEMENT DISTRICT

**LANDOWNER AGREEMENT
AND NOTICE OF SPECIAL ASSESSMENTS**

Among and between

THE CITY OF HUTTO, TEXAS

and

MA DURANGO FARMS, LLC, a Texas limited liability company

and

MERITAGE HOMES OF TEXAS, LLC, an Arizona limited liability company
and

VANTAGE AT HUTTO, LLC, a Texas limited liability company

Dated as of:

September 16, 2021

LANDOWNER AGREEMENT AND NOTICE OF SPECIAL ASSESSMENTS (Durango Farms Public Improvement District)

This **LANDOWNER AGREEMENT AND NOTICE OF SPECIAL ASSESSMENTS** (the “**Agreement**”) is entered into among the CITY OF HUTTO, TEXAS, a home-rule municipal corporation of the State of Texas (the “**City**”), MA Durango Farms, LLC (“**MA Durango**”), Meritage Homes of Texas, LLC (“**Meritage**”), and Vantage at Hutto, LLC (“**Vantage**”) (MA Durango, Meritage, and Vantage each a “**Landowner**” and collectively the “**Landowners**”) (the City and each Landowner individually a “**Party**” or collectively the “**Parties**”). This Agreement shall be effective on the latest date it is executed by all the Parties.

RECITALS

WHEREAS, the Landowners, own approximately 105.6 acres of land located in Hutto, Williamson County, Texas which is more particularly described in “**Exhibits A-1, A-2 and A-3**” attached hereto (the “**Land**”), with MA Durango owning approximately ___ acres (as shown in Exhibit A-1), Meritage owning approximately ___ acres (as shown in Exhibit A-2), and Vantage owning approximately ___ acres (as shown in Exhibit A-3) [**NOTE – EXACT ACREAGE TO BE FILLED IN AT TIME OF EXECUTION**]; and

WHEREAS, the Landowners, collectively, own all of the land within the District totaling approximately 105 acres; and

WHEREAS, on August 6, 2020, the City Council of the City (the “**City Council**”) passed and approved Resolution No. R-2020-068 authorizing the creation of the Durango Farms Public Improvement District (the “**District**”) pursuant to Chapter 372 of the Texas Local Government Code (the “**PID Act**”), with the boundaries of such District being coterminous with the boundaries of the Land; and

WHEREAS, MA Durango and the City entered into that certain Durango Farms Public Improvement District Financing and Reimbursement Agreement on even date herewith (as such agreement may be amended from time to time as provided therein, the “**PID Financing Agreement**”), relating to, among other matters, the construction of the “**Authorized Improvements**” as defined therein, the levy of assessments within the Land, the reimbursement of the Landowner for the costs of the Authorized Improvements and the issuance of revenue bonds secured by such assessments (“**PID Bonds**”) and to which Vantage and Meritage signed as consenting parties;

WHEREAS, the Authorized Improvements will confer benefit to the District; and

WHEREAS, on even date herewith, the City Council passed and approved Ordinance No. _____ (the “**Assessment Ordinance**”) that, among other things, approved the Service and Assessment Plan that identified the amount of certain assessments on parcels within the District, (the “**Special Assessments**”), and established the dates upon which interest on the Special Assessments will begin to accrue and upon which collection of the Special Assessments will begin; and [**NOTE – ORDINANCE NUMBER TO BE PROVIDED AT TIME OF ASSESSMENT**]

WHEREAS, in addition to approving the Service and Assessment Plan, the Assessment Ordinance levied the Special Assessments against certain parcels within the boundaries of the District to finance the Authorized Improvements in accordance with the Service and Assessment Plan; and

WHEREAS, a copy of the Assessment Ordinance is attached hereto as “**Exhibit B**”; and

WHEREAS, the Service and Assessment Plan includes an “**Assessment Roll**” setting forth, among other things, the amount of the Special Assessment for each parcel subject to a Special Assessment (an “**Assessed Parcel**”), including the amount of the “**Annual Installment**” (as that term is defined in the Service and Assessment Plan) for each Special Assessment paid in installments; and

WHEREAS, terms not defined herein shall have the definitions assigned to them in the Service and Assessment Plan.

NOW THEREFORE, for and in consideration of the mutual promises, covenants, obligations, and benefits hereinafter set forth, the Parties agree as follows:

ARTICLE I **APPROVAL OF AGREEMENTS**

The matters set forth in the recitals of this Agreement are true and correct and are incorporated in this Agreement as official findings of the City Council.

ARTICLE II **AGREEMENT OF LANDOWNERS**

A. Landowners ratify, confirm, accept, agree to, and approve:

- (i) the creation of the District, the boundaries of the District, and the boundaries of the Assessed Parcels;
- (ii) the location and construction of the Authorized Improvements;
- (iii) the determinations and findings of special benefit to the Assessed Parcels made by the City Council in the Assessment Ordinance and Service and Assessment Plan; and
- (iv) the Assessment Ordinance and the Service and Assessment Plan.

B. Landowners consent, acknowledge, accept, and agree:

- (i) to the Special Assessments to be levied against the applicable Assessed Parcels as shown on the Assessment Roll, as the Assessment Roll may be amended from time to time;

(ii) that the Authorized Improvements and administration and operation of the District confer a special benefit on the Assessed Parcels in an amount that exceeds the Special Assessments against the Assessed Parcels as shown on the Assessment Roll;

(iii) that the Special Assessments against the Assessed Parcels are final, conclusive, and binding upon each Landowner and their respective successors and assigns;

(iv) to pay the Special Assessments and Annual Installments against the Assessed Parcels they each respectively own when due and in the amounts stated in the Assessment Ordinance, Service and Assessment Plan, and Assessment Roll;

(v) that each Special Assessment or reassessment against the Assessed Parcels, with interest, the expense of collection, and reasonable attorney's fees, if incurred, is a first and prior lien against the Assessed Parcels, superior to all other liens and monetary claims except liens or monetary claims for state, county, school district, or municipal ad valorem taxes, and is a personal liability of and charge against the owner of the Assessed Parcels regardless of whether the owner is named;

(vi) that the Special Assessment liens on the Assessed Parcels are liens and covenants that run with the land and are effective from the date of the Assessment Ordinance and continue until the Special Assessments are paid in full and may be enforced by the governing body of the City in the same manner that ad valorem tax liens against real property may be enforced;

(vii) that delinquent installments of Special Assessments against the Assessed Parcels shall incur and accrue interest, penalties, and attorney's fees as provided in the PID Act;

(viii) that the owner of an Assessed Parcel may pay at any time the entire Special Assessment against the Assessed Parcel, with interest that has accrued on the Special Assessment to the date of such payment; however, prior to the approval of a final subdivision plat, the City, or its designated third party administrator of the District, shall certify that the final plat will not cause the Special Assessment for any lot type to exceed the Maximum Assessment, as defined in the Service and Assessment Plan. If the subdivision of any Assessed Parcel by a final subdivision plat causes the Special Assessment per lot for any lot type to exceed the applicable Maximum Assessment for such lot type, the landowner shall partially prepay the Special Assessment for each Assessed Parcel that exceeds the applicable Maximum Assessment for such lot type in an amount sufficient to reduce the Special Assessment to the applicable Maximum Assessment for such lot type. The City's approval of a final subdivision plat without payment of such amounts does not eliminate the obligation of the person or entity filing the plat to pay such Special Assessments.

(ix) that Annual Installments may be adjusted, decreased, and extended and that owners of the Assessed Parcels shall be obligated to pay such Annual Installments as adjusted, decreased, or extended, when due and without the necessity of further action, assessments, or reassessments by the City Council;

(x) that each Landowner has received all notices required by State law (including, but not limited to the PID Act) in connection with the creation of the District on August 6, 2020 and the adoption and approval by the City Council of the Assessment Ordinance, the Service and Assessment Plan, and the Assessment Roll on September 16 2021, including the notice required pursuant to Section 372.016 of the PID Act, and to the extent there was any irregularity, omission, or other issue regarding such notices, each Landowner hereby waives any such irregularity, omission, or other issue regarding such notices; and

(xi) that this Agreement may be recorded in the Official Public Records of Williamson County (the contents of which shall be consistent with the Assessment Ordinance, the Service and Assessment Plan, and this Agreement) and shall evidence the lien and encumbrance created upon the Landowner's Assessed Parcels by the Assessment Ordinance.

C. Landowners hereby waive:

(i) any and all defects, irregularities, illegalities or deficiencies in the proceedings creating and establishing the District, defining the Assessed Parcels, adopting the Assessment Ordinance, Service and Assessment Plan, and Assessment Roll, levying of the Special Assessments, and determining the amount of the Annual Installments of the Special Assessments;

(ii) any and all notices and time periods provided by the PID Act including, but not limited to, notice of the establishment of the District and notice of public hearings regarding the approval of the Assessment Ordinance, Service and Assessment Plan, and Assessment Roll and regarding the levying of the Special Assessments and determining the amount of the Annual Installments of the Special Assessments;

(iii) any and all actions and defenses against the adoption or amendment of the Assessment Ordinance, Service and Assessment Plan, and Assessment Roll;

(iv) any and all actions and defenses against the City's finding of "special benefit" pursuant to the PID Act and as set forth in the Service and Assessment Plan and the levying of the Special Assessments and determining the amount of the Annual Installment of the Special Assessments; and

(v) any right to object to the legality of the Assessment Ordinance, Service and Assessment Plan, Assessment Roll, or Special Assessments or to any proceedings connected therewith.

ARTICLE III

TEXAS PROPERTY CODE SECTION 5.014 NOTICE

A. Section 5.014 of the Texas Property Code requires that a person who proposes to sell or otherwise convey real property that is located in a public improvement district shall first give to the purchaser of the property written notice of the district in substantially the form set forth on Exhibit C hereto. The seller is required to deliver the notice to the

purchaser before execution of an executory contract binding the purchaser to purchase the property.

B. As the property in the District is developed, a notice substantially in the form as the notice attached hereto as Exhibit "C" (as may be updated and amended from time to time) will be prepared and provided to any purchaser of an Assessed Parcel located in the District. If Section 5.014 of the Texas Property Code is amended, said amendment will control the notice to be provided as of the effective date of such amendment.

ARTICLE IV SPECIAL COVENANTS AND WARRANTIES OF LANDOWNERS

A. MA Durango.

MA Durango represents and warrants to the City as follows:

(i) MA Durango is duly organized, validly existing and, as applicable, in good standing under the laws of the state of its organization and has the full right, power and authority to enter into this Agreement, and to perform all the obligations required to be performed by MA Durango hereunder.

(ii) This Agreement has been duly and validly executed and delivered by, and on behalf of, MA Durango and, assuming the due authorization, execution and delivery thereof by and on behalf of the City and the MA Durango constitutes a valid, binding and enforceable obligation of such party enforceable in accordance with its terms. This representation and warranty is qualified to the extent the enforceability of this Agreement may be limited by applicable bankruptcy, insolvency, moratorium, reorganization or other similar laws of general application affecting the rights of creditors in general.

(iii) Neither the execution and delivery hereof, nor the taking of any actions contemplated hereby, will conflict with or result in a breach of any of the provisions of, or constitute a default, event of default or event creating a right of acceleration, termination or cancellation of any obligation under, any instrument, note, mortgage, contract, judgment, order, award, decree or other agreement or restriction to which MA Durango is a party, or by which MA Durango or MA Durango's Assessed Parcels are otherwise bound.

(iv) MA Durango is the sole owner of each Assessed Parcel shown on Exhibit A-1 to this Agreement.

(vi) No Assessed Parcel owned by MA Durango is subject to, or encumbered by, any covenant, lien, encumbrance or agreement which would prohibit (i) the creation of the District, (ii) the levy of the Special Assessments, or (iii) the construction of the Public Improvements on those portions of the Property which are to be owned by the City, as generally described on the current plats of the Property (or, if subject to any such prohibition, the approval or consent of all necessary parties thereto has been obtained).

(vii) MA Durango covenants and agrees to execute any and all documents necessary, appropriate or incidental to the purposes of this Agreement, as long as such

documents are consistent with this Agreement and do not create additional liability of any type to, or reduce the rights of, such MA Durango by virtue of execution thereof.

B. Meritage.

Meritage represents and warrants to the City as follows:

(i) Meritage is duly organized, validly existing and, as applicable, in good standing under the laws of the state of its organization and has the full right, power and authority to enter into this Agreement, and to perform all the obligations required to be performed by Meritage hereunder.

(ii) This Agreement has been duly and validly executed and delivered by, and on behalf of, Meritage and, assuming the due authorization, execution and delivery thereof by and on behalf of the City and the Meritage constitutes a valid, binding and enforceable obligation of such party enforceable in accordance with its terms. This representation and warranty is qualified to the extent the enforceability of this Agreement may be limited by applicable bankruptcy, insolvency, moratorium, reorganization or other similar laws of general application affecting the rights of creditors in general.

(iii) Neither the execution and delivery hereof, nor the taking of any actions contemplated hereby, will conflict with or result in a breach of any of the provisions of, or constitute a default, event of default or event creating a right of acceleration, termination or cancellation of any obligation under, any instrument, note, mortgage, contract, judgment, order, award, decree or other agreement or restriction to which Meritage is a party, or by which Meritage or Meritage's Assessed Parcels are otherwise bound.

(iv) Meritage is the sole owner of each Assessed Parcel shown on Exhibit A-2 to this Agreement.

(v) No Assessed Parcel owned by Meritage is subject to, or encumbered by, any covenant, lien, encumbrance or agreement which would prohibit (i) the creation of the District, (ii) the levy of the Special Assessments, or (iii) the construction of the Public Improvements on those portions of the Property which are to be owned by the City, as generally described on the current plats of the Property (or, if subject to any such prohibition, the approval or consent of all necessary parties thereto has been obtained).

(vi) Meritage covenants and agrees to execute any and all documents necessary, appropriate or incidental to the purposes of this Agreement, as long as such documents are consistent with this Agreement and do not create additional liability of any type to, or reduce the rights of, such Meritage by virtue of execution thereof.

C. Vantage.

Vantage represents and warrants to the City as follows:

(i) Vantage is duly organized, validly existing and, as applicable, in good standing under the laws of the state of its organization and has the full right, power and

authority to enter into this Agreement, and to perform all the obligations required to be performed by Vantage hereunder.

(ii) This Agreement has been duly and validly executed and delivered by, and on behalf of, Vantage and, assuming the due authorization, execution and delivery thereof by and on behalf of the City and the Vantage constitutes a valid, binding and enforceable obligation of such party enforceable in accordance with its terms. This representation and warranty is qualified to the extent the enforceability of this Agreement may be limited by applicable bankruptcy, insolvency, moratorium, reorganization or other similar laws of general application affecting the rights of creditors in general.

(iii) Neither the execution and delivery hereof, nor the taking of any actions contemplated hereby, will conflict with or result in a breach of any of the provisions of, or constitute a default, event of default or event creating a right of acceleration, termination or cancellation of any obligation under, any instrument, note, mortgage, contract, judgment, order, award, decree or other agreement or restriction to which Vantage is a party, or by which Vantage or Vantage's Assessed Parcel is otherwise bound.

(iv) Vantage is the sole owner of each Assessed Parcel shown on Exhibit A-3 to this Agreement.

(v) No Assessed Parcel owned by Vantage is subject to, or encumbered by, any covenant, lien, encumbrance or agreement which would prohibit (i) the creation of the District, (ii) the levy of the Special Assessments, or (iii) the construction of the Public Improvements on those portions of the Property which are to be owned by the City, as generally described on the current plats of the Property (or, if subject to any such prohibition, the approval or consent of all necessary parties thereto has been obtained).

(vi) Vantage covenants and agrees to execute any and all documents necessary, appropriate or incidental to the purposes of this Agreement, as long as such documents are consistent with this Agreement and do not create additional liability of any type to, or reduce the rights of, such Vantage by virtue of execution thereof.

C. Waiver of Claims Concerning Public Improvements. The Landowners, with full knowledge of the provisions, and the rights thereof pursuant to such provisions, of applicable law, waive any claims against the City and its successors, assigns and agents, pertaining to the installation of the Public Improvements that are not based on the intentional misconduct or sole gross negligence by the City or its successors, assigns, and agents.

ARTICLE V OWNERSHIP, CONSTRUCTION AND DEDICATION OF AUTHORIZED IMPROVEMENTS

Landowners acknowledge that the Authorized Improvements, together with the land, easements, or other rights-of-way needed for the Authorized Improvements, will be determined in

accordance with the provisions of the PID Financing Agreement and Landowners will execute such conveyances and/or dedications of public rights of way and easements as may be reasonably required to evidence such ownership, as generally described on the current plats of the Property.

Any subsequent owner of an Assessed Parcel hereby agrees, upon the request of the City or the Landowner which has conveyed the Assessed Parcel in question, to grant and convey to the City or Landowners and its contractors, materialmen and workmen a temporary license and/or easement, as appropriate, to construct the Authorized Improvements on the Property, to stage on the Property construction trailers, building materials and equipment to be used in connection with such construction of the Public Improvements and for passage and use over and across parts of the Property as shall be reasonably necessary during the construction of the Public Improvements. Any subsequent owner of an Assessed Parcel may require that each contractor constructing the Public Improvements cause such owner of an Assessed Parcel to be indemnified and/or named as an additional insured under liability insurance reasonably acceptable to such owner of an Assessed Parcel. The right to use and enjoy any easement and license provided above shall continue until the construction of the Public Improvements is complete; provided, however, any such license or easement shall automatically terminate upon the recording of the final plat dedicating the Public Improvements and underlying Property for that Assessed Parcel in the real property records of Williamson County.

Landowners hereby agree that any right or condition imposed by the PID Financing Agreement, with respect solely to the Special Assessment and the levy thereof, has been satisfied as of the date hereof, and that Landowners shall not have any rights or remedies against the City under the PID Financing Agreement, or under any law or principles of equity concerning the Special Assessments, each and solely with respect to (i) the formation of the District, (ii) approval of the Service and Assessment Plan and (iii) the City's levy of the Special Assessments.

ARTICLE VI **MISCELLANEOUS**

A. Notices. Any notice or other communication (a “**Notice**”) required or contemplated by this Agreement shall be given at the addresses set forth below. Notices as to one or more Assessed Parcels shall only be given to the Landowner that owns the applicable Assessed Parcels. Notices shall be in writing and shall be deemed given: (i) five business days after being deposited in the United States Mail, Registered or Certified Mail, Return Receipt Requested; or (ii) when delivered by a nationally recognized private delivery service (e.g., FedEx or UPS) with evidence of delivery signed by any person at the delivery address. Each Party may change its address by written notice to the other Parties in accordance with this section.

If to MA Durango:

MA Durango Farms, LLC
Attn: Wyatt Henderson
230 Klattenhoff Lane, Ste. 102
Hutto, Texas 78634

With a copy to:

Metcalfe Wolff Stuart & Williams, LLP
Attn: Steve Metcalfe
221 West 6th Street, Suite 1300
Austin, Texas 78701
E-Mail: SMetcalfe@mwswtexas.com

If to Meritage: Meritage Homes of Texas, LLC
Attn: Elliot Jones
8920 Business Park Dr., Suite 350
Austin, TX 78759

If to Vantage: Vantage at Hutto, LLC
Attn: David Starr
7334 Blanco Road, Suite 200
San Antonio, Texas 78216

If to City: City of Hutto
Attn: City Manager
500 West Live Oak Street
Hutto, Texas 78634
Email: warren.hutmacher@huttotx.gov

With a copy to:
Bojorquez Law Firm, PC
Attn: Alan Bojorquez, City Attorney
11675 Jollyville Road, Suite 300
Austin, Texas 78759
Email: dottie@texasmunicipallawyers.com

B. Parties in Interest. In the event of the sale or transfer of an Assessed Parcel or any portion thereof, the purchaser or transferee shall be deemed to have assumed the obligations of the transferring or selling Landowner with respect to such Assessed Parcel or such portion thereof, and the seller or transferor shall be released with respect to such Assessed Parcel or portion thereof. Notwithstanding the foregoing, the holders of PID Bonds are express beneficiaries of this Agreement and shall be entitled to pursue any and all remedies at law or in equity to enforce the obligations of the Parties, subject to the limitations set forth in the Indenture.

C. Amendments. This Agreement may be amended only by a written instrument executed by all the Parties. No termination or amendment shall be effective until a written instrument setting forth the terms thereof has been executed by the then-current owners of the Land and recorded in the Official Public Records of Williamson County, Texas.

D. Estoppels. Within ten days after written request from any Party, the other Parties shall provide a written certification indicating whether this Agreement remains in effect as to an Assessed Parcel and whether any Party is then in default hereunder.

E. Termination. This Agreement shall terminate as to each Assessed Parcel upon payment in full of the Special Assessment against the Assessed Parcel.

F. Israel Boycott. Each Landowner hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and, to the extent this Agreement is a contract for goods or services, will not boycott Israel during the term of this Agreement. The foregoing verification is made solely to comply with Section 2271.002, Texas Government Code, and to the extent such Section does not contravene applicable State or federal law. As used in the foregoing verification, 'boycott Israel' means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. Each Landowner understands 'affiliate' to mean an entity that controls, is controlled by, or is under common control with such Landowner and exists to make a profit.

G. Foreign Terrorist Organization. Each Landowner represents that neither it nor any of its respective parent companies, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website: <https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf>, <https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, or <https://comptroller.texas.gov/purchasing/docs/fto-list.pdf>. The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable Federal law and excludes each Landowner and its respective parent companies, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. Each Landowner understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with such Landowner and exists to make a profit.

H. Firearm Entity Boycott. To the extent this Agreement constitutes a contract for the purchase of goods or services for which a written verification is required under Section 2274.002, Texas Government Code, (as added by Senate Bill 19, 87th Texas Legislature, Regular Session, "SB 19"), as amended, each Landowner hereby verifies that it and its parent company, wholly- or majority- owned subsidiaries, and other affiliates, if any,

- (1) do not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association; and
- (2) will not discriminate during the term of this Agreement against a firearm entity or firearm trade association.

The foregoing verification is made solely to comply with Section 2274.002, Texas Government Code, as amended, to the extent Section 2274.002, Texas Government Code does not contravene applicable Texas or federal law. As used in the foregoing

verification, "discriminate against a firearm entity or firearm trade association" shall have the meaning assigned to such term in Section 2274.001(3), Texas Government Code (as added by SB 19). Each Landowner understands "affiliate" to mean an entity that controls, is controlled by, or is under common control with such Landowner and exists to make a profit.

I. Energy Company Boycott. To the extent this Agreement constitutes a contract for goods or services for which a written verification is required under Section 2274.002, Texas Government Code, (as added by Senate Bill 13, 87th Texas Legislature, Regular Session) as amended, each Landowner hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and, will not boycott energy companies during the term of this Agreement. The foregoing verification is made solely to comply with Section 2274.002, Texas Government Code, as amended, to the extent Section 2274.002, Texas Government Code does not contravene applicable Texas or federal law. As used in the foregoing verification, "boycott energy companies" shall have the meaning assigned to the term "boycott energy company" in Section 809.001, Texas Government Code. Each Landowner understands "affiliate" to mean an entity that controls, is controlled by, or is under common control with such Landowner and exists to make a profit.

J. Form 1295. Section 2252.908 of the Texas Government Code requires that for certain types of contracts, a party must fill out a conflict of interest form ("Disclosure of Interested Parties") at the time it submits a signed contract to the City (as further described by the Texas Ethics Commission website via the following link: https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm). The Parties acknowledge that Meritage is not required to submit a Disclosure of Interested Parties because it is publicly traded, and no such filing by Meritage shall be required.

[SIGNATURE PAGES TO FOLLOW]

EXECUTED by the Parties on the dates stated below.

THE CITY OF HUTTO, TEXAS

By: _____
Mike Snyder
Mayor

STATE OF TEXAS §
COUNTY OF WILLIAMSON §

BEFORE ME, a Notary Public, on this day personally appeared Mike Snyder, Mayor of the City of Hutto, a Texas home-rule municipal corporation, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed on behalf of that municipal corporation.

GIVEN UNDER MY HAND AND SEAL of office this _____ day of _____, 2021

(SEAL)

Notary Public, State of Texas

[SIGNATURE PAGE TO LANDOWNER AGREEMENT]

MA Durango:

MA Durango Farms LLC,
a Texas limited liability company

By: _____
Name: Wyatt Henderson
Title: Manager

STATE OF TEXAS §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on the ____ day of _____, 2021
by Wyatt Henderson, Manager of MA Durango Farms LLC, a Texas limited liability company,
on behalf of said limited liability company.

(SEAL)

Notary Public, State of Texas

Name printed or typed
Commission Expires: _____

Meritage:

Meritage Homes of Texas, LLC,
an Arizona limited liability company

By: _____
Name: Elliot Jones
Title: Vice President

STATE OF TEXAS §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on the ____ day of _____, 2021
by Elliot Jones, Vice President of Meritage Homes of Texas, LLC, an Arizona limited liability
company, on behalf of said limited liability company.

(SEAL)

Notary Public, State of Texas

Name printed or typed
Commission Expires: _____

Vantage:

Vantage at Hutto LLC,
a Texas limited liability company

By: _____

Name: _____

Title: _____

STATE OF TEXAS

§

§

COUNTY OF _____ §

This instrument was acknowledged before me on the ____ day of _____, 2021
by _____, _____ of Vantage at Hutto LLC, a Texas limited liability company,
on behalf of said limited liability company.

(SEAL)

Notary Public, State of Texas

Name printed or typed

Commission Expires: _____

EXHIBIT A to LANDOWNER AGREEMENT

Legal Description

Williamson County, Texas
J. Shelton Survey, Abstract No. 560
E. Thomason Survey, Abstract No. 844
W.J. Brown Survey, Abstract No. 105

94.560 Acres
Page 1 of 3

"EXHIBIT _"

DESCRIPTION OF 94.560 ACRES OF LAND IN THE J. SHELTON SURVEY, ABSTRACT NO. 560, THE E. THOMASON SURVEY, ABSTRACT NO. 844, AND THE W.J. BROWN SURVEY, ABSTRACT NO. 105, WILLIAMSON COUNTY, TEXAS; BEING A PORTION OF A CERTAIN CALLED 96.99 ACRE TRACT DESIGNATED AS TRACT ONE AND DESCRIBED IN THE DEED TO JERRY E. ROZNOVAK AND WIFE, HILDA ROZNOVAK OF RECORD IN VOLUME 443, PAGE 472, DEED RECORDS OF WILLIAMSON COUNTY, TEXAS; SAID 94.560 ACRES OF LAND, AS SURVEYED BY LANDDEV CONSULTING, LLC, BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING at a ½-inch iron rod with a plastic cap stamped "RJ Survey" (Grid Coordinates: N= 10,177,139.20, E= 3,174,174.80) found in the west right-of-way line of F.M. 1660, a variable-width right-of-way, in the north line of the said 96.99 acre tract, at the easterly southeast corner of a certain called 201.06 acre tract described in the deed to Billie B. Davenport of record in Volume 1079, Page 938, Deed Records of Williamson County, Texas, same being the southwest corner of a certain called 4.758 acre tract described in the deed to the State of Texas of record in Volume 476, Page 605, Deed Records of Williamson County, Texas, same being the northwest corner of a certain called 3.722 acre tract described in the deed to the State of Texas of record in Volume 476, Page 607, Deed Records of Williamson County, Texas, for the northeast corner and **POINT OF BEGINNING** of the tract described herein;

THENCE leaving the easterly southeast corner of the said 201.06 acre tract, crossing the said 96.99 acre tract, with the west right-of-way line of said F.M. 1660, and the west line of the said 3.722 acre tract, with the east line of the tract described herein, the following five (5) courses and distances:

1. with the arc of a curve to the left, having a radius of 1,186.28 feet, an arc distance of 167.73 feet, and a chord which bears S 05°38'19" E, a distance of 167.59 feet to a calculated point-of-tangency, from which a destroyed Texas Department of Transportation (TXDOT) Type-1 concrete right-of-way monument found bears S 84°08'53" W, a distance of 0.45 feet,
2. S 09°45'32" E, a distance of 467.63 feet to a Texas Department of Transportation (TXDOT) Type-1 concrete right-of-way monument found at a point-of-curvature,
3. with the arc of a curve to the right, having a radius of 1,106.28 feet, an arc distance of 335.98 feet, and a chord which bears S 01°06'29" E, a distance of 334.69 feet to a Texas Department of Transportation (TXDOT) Type-1 concrete right-of-way monument found at a point-of-tangency,
4. S 07°51'42" W, a distance of 790.50 feet to a ¾-inch iron rod found at an angle point, and
5. S 07°39'43" W, a distance of 421.01 feet to a ½-inch iron rod with a plastic cap stamped "RJ Survey" found in the west line of the said 3.722 acre tract, in the north line of a certain called 0.51 acre tract described in the deed to Nadine Carole Johnson and Dennis Johnson of record in Document No. 2006083936, Official Public Records of Williamson County, Texas, for a southeast corner of the tract described herein, from which a ½-inch iron rod with a plastic cap stamped "RPLS 1433" found in the west right-of-way line of said F.M. 1660 at the northeast corner of the said 0.51 acre tract bears S 82°31'24" E, a distance of 21.83 feet;

THENCE N 82°16'34" W, leaving the west right-of-way line of said F.M. 1660, and the west line of the said 3.722 acre tract, crossing the said 96.99 acre tract, with the north line of the said 0.51 acre tract, and with a south line of the tract described herein, a distance of 179.38 feet to a 1/2-inch iron rod with a plastic cap stamped "RJ Survey" found at the northwest corner of the said 0.51 acre tract, for a re-entrant corner of the tract described herein;

THENCE S 07°29'25" W, continuing across the said 96.99 acre tract, with the west line of the said 0.51 acre tract, with the east line of the tract described herein, a distance of 114.42 feet to a ½-inch iron rod with a plastic cap stamped "RPLS 1433" found at a re-entrant corner of the said 96.99 acre tract, at the southwest corner of the said 0.51 acre tract, same being the northwest corner of a certain called 4/5ths of an acre described in the special warranty deed with life estate to Robert W. Kaderka and wife, Bonnie Kaderka of record in Document No. 2015074295, Official Public Records of Williamson County, Texas, for an angle point in the east line of the tract described herein;

THENCE S 07°42'22" W, with the east line of the said 96.99 acre tract, with the west line of the said 4/5ths of an acre tract, and with the west line of a certain called 0.51 acre tract described in the deed to Bruce Craig Cunningham of record in Volume 1954, Page 227, Official Public Records of Williamson County, Texas, with the east line of the tract described herein, a distance of 180.55 feet to a ½-inch iron rod with a plastic cap stamped "RJ Survey" found at an angle point;

LandDev Consulting, LLC • 5508 Highway 290 West, Suite 150, Austin, TX 78735 • (512) 872-6696
TBPE Firm No. 16384 | TBPLS Firm No. 10194101

Williamson County, Texas
 J. Shelton Survey, Abstract No. 560
 E. Thomason Survey, Abstract No. 844
 W.J. Brown Survey, Abstract No. 105

94.560 Acres
 Page 2 of 3

THENCE S 06°40'19" W, with the east line of the said 96.99 acre tract, with the west line of the said 0.51 acre tract, and with the west line of a certain called 0.484 acre tract described in the deed to Marla Dawn Burns of record in Document No. 9722814, Official Public Records of Williamson County, Texas, with the east line of the tract described herein, a distance of 200.68 feet to a ½-inch iron rod found in the north line of a certain called 0.480 acre tract described in the deed to John A. Drummond, Sr. of record in Document No. 9662944, Official Public Records of Williamson County, Texas, at the southwest corner of the said 0.484 acre tract, same being a southeast corner of the said 96.99 acre tract, for a southeast corner of the tract described herein;

THENCE N 81°53'59" W, with the north line of the said 0.480 acre tract and a south line of the said 96.99 acre tract, with a south line of the tract described herein, a distance of 10.57 feet to a fence corner post found at a re-entrant corner;

THENCE S 08°03'45" W, with the west line of the said 0.480 acre tract and the west line of a certain called 0.59 acre tract described in the deed to Jonathan M. Wagner and Marci H. Wagner of record in Document No. 2016117309, Official Public Records of Williamson County, Texas, with the east line of the said 96.99 acre tract, with the east line of the tract described herein, a distance of 223.01 feet to a concrete monument found in the north line of a certain called 2.47 acre tract described in the deed to Charles E. Holland and Deborah D. Holland of record in Volume 868, Page 561, Deed Records of Williamson County, Texas, at the southwest corner of the said 0.59 acre tract, same being a southeast corner of the said 96.99 acre tract, for a southeast corner of the tract described herein;

THENCE N 82°23'05" W, with the north line of the said 2.47 acre tract, with a south line of the said 96.99 acre tract, with a south line of the tract described herein, a distance of 242.61 feet to a 3/8-inch iron rod found at the northwest corner of the said 2.47 acre tract, at the northeast corner of Block 4, Hutto and Metcalfe Addition, a subdivision according to the plat of record in Book 66, Page 148, Deed Records of Williamson County, Texas, and as shown on the Revised Map of City of Hutto of record in Cabinet A, Slide 221, Plat Records of Williamson County, Texas, for a re-entrant corner of the tract described herein;

THENCE S 07°38'01" W, with the west line of the said 2.47 acre tract and an east line of the said 96.99 acre tract, with the east line of said Block 4 and Block 3, said Hutto and Metcalfe Addition, with an east line of the tract described herein, a distance of 298.64 feet to a ½-inch iron rod found at the southeast corner of said Block 3, Hutto and Metcalfe Addition, and the northeast corner of a certain called 0.659 acre tract described in the deed to Dennis O. Johnson and Nadine C. Johnson of record in Document No. 2001074832, Official Public Records of Williamson County, Texas, for the southerly southeast corner of the tract described herein;

THENCE S 77°34'56" W, crossing the said 96.99 acre tract, with the north line of the said 0.659 acre tract, with the south line of the tract described herein, a distance of 253.79 feet to a ¾-inch iron rod found at the northwest corner of the said 0.659 acre tract, and the northeast corner of Lot 2, Block 2, said Hutto and Metcalfe Addition, for an angle point in the south line of the tract described herein,

THENCE S 77°37'39" W, continuing across the said 96.99 acre tract, with the north line of said Lot 2, Block 2, Hutto and Metcalfe Addition, with the south line of the tract described herein, a distance of 91.78 feet to a concrete monument found in a west line of the said 96.99 acre tract, at the intersection of the south line of an alley and the east right-of-way line of East Street, a 60-foot right-of-way, as shown on the said Hutto and Metcalfe Addition subdivision plat, at the northwest corner of said Lot 2, Block 2, Hutto and Metcalfe Addition, for the southerly southwest corner of the tract described herein;

THENCE N 12°28'30" W, with the east right-of-way line of said East Street, the west line of the said 96.99 acre tract, with the west line of Lot 6, Block 2, and the west line of Block 5, said Hutto and Metcalfe Addition, with a west line of the tract described herein, a distance of 439.34 feet to a ½-inch iron rod with a plastic cap stamped "RJ Survey" found at the northeast terminus of said East Street, at the northwest corner of said Block 5, said Hutto and Metcalfe Addition, for an angle point in the south line of the tract described herein;

THENCE N 82°21'12" W, with the south line of the said 96.99 acre tract, with the north terminus of said East Street, with the northeast terminus of Capitol Street, a 50-foot right-of-way, as shown on the said Hutto and Metcalfe Addition subdivision plat, with the south line of the tract described herein, a distance of 220.17 feet to a ½-inch iron rod with a plastic cap stamped "RJ Survey" found at an angle point in the north right-of-way line of said Capitol Street, at the east corner of Block 9, said Hutto and Metcalfe Addition, for an angle point in the south line of the tract described herein;

THENCE S 76°41'29" W, with the south line of the said 96.99 acre tract, with the north right-of-way line of said Capitol Street, with the south line of Block 9 and Block 13, said Hutto and Metcalfe Addition, a distance of 350.53 feet to a ½-inch iron rod with a plastic cap stamped "RJ Survey" found in the east line of Lot 4, Block F, Hutto Square Section 1, a subdivision according to the plat of record in Cabinet W, Slides 263-267, Plat Records of Williamson County, Texas, at a southwest corner of the said 96.99 acre tract, for a southwest corner of the tract described herein;

Williamson County, Texas
 J. Shelton Survey, Abstract No. 560
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94.560 Acres
 Page 3 of 3

THENCE with the west line of the said 96.99 acre tract, the east line of said Hutto Square Section 1, the east line of Hutto Square Section 2, a subdivision according to the plat of record in Cabinet Y, Slides 154-157, Plat Records of Williamson County, Texas, with the east line of Hutto Square Section 3, a subdivision according to the plat of record in Cabinet CC, Slides 138-139, Plat Records of Williamson County, Texas, with the west line of the tract described herein, the following four (4) courses and distances:

1. N 07°40'21" E, a distance of 55.89 feet to a ½-inch iron rod with a plastic cap stamped "4391" found at the north corner of Lot 4, the east corner of Lot 5, southeast corner of Lot 39, and the south corner of Lot 40, Block F, said Hutto Square Section 1, for an angle point of the tract described herein,
2. N 07°38'18" E, a distance of 655.93 feet to a ½-inch iron rod with a plastic cap stamped "RJ Survey" found in the east line of Lot 48, Block F, said Hutto Square Section 2, for an angle point of the tract described herein,
3. N 07°46'41" E, a distance of 230.55 feet to a ½-inch iron rod with a plastic cap stamped "RPLS 4391" found at the northeast corner of Lot 51 and the southeast corner of Lot 52, Block F, said Hutto Square Section 2, for an angle point of the tract described herein, and
4. N 07°46'30" E, a distance of 2,059.60 feet to a concrete monument found in the east line of Lot 91, Block F, said Hutto Square Section 3, at the northwest corner of the said 96.99 acre tract, same being a re-entrant corner of the said 201.06 acre tract, for the northwest corner of the tract described herein;

THENCE S 82°15'43" E, with the north line of the said 96.99 acre tract and a south line of the said 201.06 acre tract, with the north line of the tract described herein, a distance of 1,222.52 feet to the **POINT OF BEGINNING** and containing 94.560 acres of land, more or less.

BEARING BASIS: Texas Coordinate System, Central Zone, NAD83, Grid.

THE STATE OF TEXAS

KNOW ALL MEN BY THESE PRESENTS:

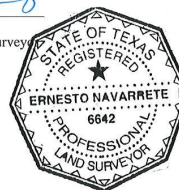
COUNTY OF TRAVIS

That I, Ernesto Navarrete, a Registered Professional Land Surveyor, do hereby certify that the above description is true and correct to the best of my knowledge and belief and that the parcel of land described herein is based upon a survey performed upon the ground under my direct supervision during the month of April, 2019.

WITNESS MY HAND AND SEAL at Austin, Travis County, Texas, this 03rd day of May 2019 A.D.

LANDDEV CONSULTING, LLC
 5508 Highway 290 West, Suite 150
 Austin, Texas 78735


 Ernesto Navarrete
 Registered Professional Land Surveyor
 No. 6642 - State of Texas



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 TBPE Firm No. 16384 | TBPLS Firm No. 10194101

EXHIBIT A-1

MA Durango Land

EXHIBIT A-2
Meritage Land

EXHIBIT A-3
Vantage Land

EXHIBIT B to LANDOWNER AGREEMENT

Assessment Ordinance

EXHIBIT C to LANDOWNER AGREEMENT

Homebuyer Disclosure
[TO BE ADDED AFTER SAP DISTRIBUTED]

**CITY OF HUTTO, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2021
(DURANGO FARMS PUBLIC IMPROVEMENT DISTRICT PROJECT)
CONTINUING DISCLOSURE AGREEMENT OF ISSUER**

This Continuing Disclosure Agreement of Issuer dated as of [October 1], 2021 (this “Disclosure Agreement”) is executed and delivered by and between the City of Hutto, Texas (the “Issuer”), P3Works, LLC (the “Administrator”), and Wilmington Trust, National Association, Dallas, Texas (acting solely in its capacity as the “Dissemination Agent”) with respect to the Issuer’s “Special Assessment Revenue Bonds, Series 2021 (Durango Farms Public Improvement District Project)” (the “Bonds”). The Issuer, the Administrator and the Dissemination Agent covenant and agree as follows:

SECTION 1. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the Issuer, the Administrator and the Dissemination Agent for the benefit of the Owners (defined below) and beneficial owners of the Bonds. Unless and until a different filing location is designated by the MSRB (defined below) or the SEC (defined below), all filings made by the Dissemination Agent pursuant to this Disclosure Agreement shall be filed with the MSRB through EMMA (defined below).

SECTION 2. Definitions. In addition to the definitions set forth above and in the Indenture of Trust dated as of [October 1], 2021, relating to the Bonds (the “Indenture”), which apply to any capitalized term used in this Disclosure Agreement, including the Exhibits hereto, unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Administrator” shall mean the Issuer or the person or independent firm designated by the Issuer who shall have the responsibility provided in the Service and Assessment Plan, the Indenture, or any other agreement or document approved by the Issuer related to the duties and responsibilities of the administration of the District. The Issuer has selected P3Works, LLC as the current Administrator.

“Annual Collection Costs” shall have the meaning assigned to such term in the Indenture.

“Annual Financial Information” shall mean annual financial information as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 4(a) of this Disclosure Agreement.

“Annual Installment” shall have the meaning assigned to such term in the Indenture.

“Annual Issuer Report” shall mean any Annual Issuer Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

“Assessment” shall have the meaning assigned to such term in the Indenture.

“Business Day” shall mean any day other than a Saturday, Sunday or legal holiday in the State of Texas observed as such by the Issuer or the Trustee.

“Developer” shall mean MA Partners, LLC, a Delaware limited liability company, and its designated successors and assigns.

“Disclosure Representative” shall mean the Director of Finance of the Issuer or his or her designee, or such other officer or employee as the Issuer may designate in writing to the Dissemination Agent from time to time.

“Dissemination Agent” shall mean Wilmington Trust, National Association, Dallas, Texas, a national banking association duly organized and existing under the laws of the United States, acting solely in its capacity as dissemination agent, or any successor Dissemination Agent designated in writing by the Issuer and which has filed with the Trustee a written acceptance of such designation.

“District” shall mean Durango Farms Public Improvement District.

“EMMA” shall mean the Electronic Municipal Market Access System available on the internet at <http://emma.msrb.org>.

“Financial Obligation” shall mean a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of a debt obligation or any such derivative instrument; provided that “financial obligation” shall not include municipal securities as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

“Fiscal Year” shall mean the Issuer’s fiscal year, currently the calendar year from October 1 through September 30.

“Listed Events” shall mean any of the events listed in Section 5(a) of this Disclosure Agreement.

“MSRB” shall mean the Municipal Securities Rulemaking Board or any other entity designated or authorized by the SEC to receive reports pursuant to the Rule.

“Outstanding” shall mean, as of any particular date when used with reference to Bonds, all Bonds authenticated and delivered under the Indenture except (i) any Bond that has been canceled by the Trustee (or has been delivered to the Trustee for cancellation) at or before such date, (ii) any Bond for which the payment of the principal or Redemption Price of and interest on such Bond shall have been made as provided in the Indenture, (iii) any Bond in lieu of or in substitution for which a new Bond shall have been authenticated and delivered pursuant to the Indenture, and (iv) Bonds alleged to have been mutilated, destroyed, lost or stolen which have been paid as provided in the Indenture.

“Owner” shall mean the registered owner of any Bonds.

“Participating Underwriter” shall mean FMSbonds, Inc. and its successors and assigns.

“Rule” shall mean Rule 15c2-12 adopted by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“SEC” shall mean the United States Securities and Exchange Commission.

“Service and Assessment Plan” shall have the meaning assigned to such term in the Indenture.

“Trustee” shall mean Wilmington Trust, National Association, Dallas, Texas, a national banking association duly organized and existing under the laws of the United States, acting solely in its capacity as trustee, or any successor trustee pursuant to the Indenture.

SECTION 3. Provision of Annual Issuer Reports.

(a) The Issuer shall, not later than six (6) months after the end of the Issuer’s Fiscal Year, commencing with the Fiscal Year ending September 30, 2021, provide or cause to be provided to the MSRB, in the electronic or other format required by the MSRB, an Annual Issuer Report which is consistent with the requirements of Section 4 of this Disclosure Agreement. In each case, the Annual Issuer Report may be submitted as a single document or as separate documents comprising a package and may include by reference other information as provided in Section 4 of this Disclosure Agreement. If the Issuer’s Fiscal Year changes, it shall file notice of such change (including the date of the new Fiscal Year) with the MSRB prior to the next date by which the Issuer otherwise would be required to provide the Annual Issuer Report pursuant to Section 4 of this Disclosure Agreement. All documents provided to the MSRB shall be accompanied by identifying information as prescribed by the MSRB.

(b) Upon delivery by the Issuer of the Annual Issuer Report to the Dissemination Agent together with written instructions to file such report with the MSRB, the Dissemination Agent shall:

(i) determine the filing address or other filing location of the MSRB each year prior to filing the Annual Issuer Report on the date required in subsection (a); and

(ii) file the Annual Issuer Report containing or incorporating by reference the information set forth in Section 4 hereof;

(c) If the Issuer has provided the Dissemination Agent with the completed Annual Issuer Report together with written instructions to file such with the MSRB and the Dissemination Agent has filed such Annual Issuer Report with the MSRB, then the Dissemination Agent shall file a report with the Issuer certifying that the Annual Issuer Report has been provided pursuant to this Disclosure Agreement, stating the date it was provided and that it was filed with the MSRB, which report shall include a filing receipt from the MSRB.

SECTION 4. Content and Timing of Annual Issuer Reports. The Annual Issuer Report for the Bonds shall contain or incorporate by reference, and the Issuer agrees to provide or cause to be provided to the Dissemination Agent, the following:

(a) Within six (6) months after the end of each Fiscal Year the Annual Financial Information of the Issuer (any or all of which may be unaudited) being:

(i) Tables setting forth the following information, as of the end of such Fiscal Year:

(A) For the Bonds, the maturity date or dates, the interest rate or rates, the original aggregate principal amount and principal amount remaining Outstanding ;

(B) The amounts in the funds and accounts under the Indenture securing the Bonds and a description of the related investments; and

(C) The assets and liabilities of the Trust Estate.

(ii) Financial information and operating data with respect to the Issuer of the general type, in substantially similar form to that shown in the tables provided under Sections 4(a)(ii)(A) and 4(a)(ii)(B) of Exhibit B attached hereto. Such information shall be provided: (a) as of the end of the Fiscal Year (for tables in Section 4(a)(ii)(A) of Exhibit B), and (b) both as of the end of the Fiscal Year and through February 1 of the calendar year immediately succeeding such Fiscal Year (for tables in Section 4(a)(ii)(B) of Exhibit B).

(iii) Any changes to the land use designation for the property in the District from the purposes identified in the Service and Assessment Plan.

(iv) Updates to the information in the Service and Assessment Plan as most recently amended or supplemented (a “SAP Update”), including any changes to the methodology for levying the Assessments in the District.

(v) With respect to single-family residential lots, until building permits have been issued for parcels or lots representing, in the aggregate, ninety-five percent (95%) of the total Assessments levied within the District, the Annual Issuer Report (in the SAP Update or otherwise) shall include the number of certificates of occupancy (“COs”) issued for new homes completed in the District during such Fiscal Year and the aggregate number of COs issued for new homes completed within the District since filing the initial Annual Issuer Report for Fiscal Year ending September 30, 2021.

(vi) With respect to commercial or multifamily residential parcels, until such time as the development is complete, the Annual Issuer Report (in the SAP Update or otherwise) shall include:

(A) Issuance of commercial property building permit(s) and multifamily property building permit(s);

(B) Issuance of commercial property certificates of occupancy and multifamily property certificates of occupancy; and

(A) For parcels where a certificate of occupancy was issued, the total covered square footage for such commercial parcels and/or multifamily residential units on an annual and cumulative basis, if available, since filing the initial Annual Issuer Report for Fiscal Year ending September 30, 2021.

(vii) If the total amount of delinquencies greater than 150 days equals or exceeds ten percent (10%) of the amount of Assessments due in any fiscal year, a list of delinquent property owners.

(viii) A description of any amendment to this Disclosure Agreement and a copy of any restatements to the Issuer's audited financial statements during such Fiscal Year.

(b) If not provided with the financial information provided under subsection 4(a) above, if prepared and when available, the audited financial statements of the Issuer for the most recently ended Fiscal Year, prepared in accordance with generally accepted accounting principles applicable from time to time to the Issuer. If such audited financial statements are not complete within the 12-month period after the end of the Fiscal Year, then the Issuer shall provide unaudited financial statements within such 12-month period and shall provide audited financial statements for the applicable Fiscal Year when and if the audit report on such statements becomes available.

See Exhibit B hereto for a form for submitting the information set forth in the preceding paragraphs.

(c) The Issuer has designated P3Works, LLC as the initial Administrator. The Administrator shall prepare and provide the Annual Financial Information required (except for the information of the type included under the heading "Debt Service Requirements on the Bonds" and audited or unaudited financial statements of the Issuer) under Section 4(a) above to the Dissemination Agent no later than five (5) Business Days prior to the day that is six (6) months after the end of each Fiscal Year. If no Administrator has been designated, the Issuer shall prepare and provide the Annual Financial Information required under Section 4(a) above to the Dissemination Agent no later than five (5) Business Days prior to the day that is six (6) months after the end of each Fiscal Year.

Any or all of the items listed above may be included by specific reference to other documents, including disclosure documents of debt issues of the Issuer, which have been submitted to and are publicly accessible from the MSRB. If the document included by reference is a final offering document, it must be available from the MSRB. The Issuer shall clearly identify each such other document so included by reference.

SECTION 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, each of the following is a Listed Event with respect to the Bonds:

1. Principal and interest payment delinquencies.
2. Non-payment related defaults, if material.

3. Unscheduled draws on debt service reserves reflecting financial difficulties.
4. Unscheduled draws on credit enhancements reflecting financial difficulties.
5. Substitution of credit or liquidity providers, or their failure to perform.
6. Adverse tax opinions, the issuance by the IRS of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds.
7. Modifications to rights of Owners, if material.
8. Bond calls, if material, and tender offers.
9. Defeasances.
10. Release, substitution, or sale of property securing repayment of the bonds, if material.
11. Rating changes.
12. Bankruptcy, insolvency, receivership or similar event of the Issuer.
13. The consummation of a merger, consolidation, or acquisition of the Issuer, or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.
14. Appointment of a successor or additional trustee under the Indenture or the change of name of a trustee, if material.
15. Incurrence of a Financial Obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer, any of which affect security holders, if material.
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties.

The Issuer does not intend for any sale by the Developer of real property within the District in the ordinary course of the Developer's business to be considered a significant event for the purposes of paragraph (10) above.

For these purposes, any event described in paragraph (12) above is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the Issuer in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over

substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer.

The Issuer intends the words used in paragraphs (15) and (16) above and the definition of Financial Obligation to have the same meanings as when they are used in the Rule, as evidenced by SEC Release No. 34-83885, dated August 20, 2018.

Upon the occurrence of a Listed Event, the Issuer shall promptly notify the Dissemination Agent in writing and the Issuer shall direct the Dissemination Agent in writing to immediately file a notice of such occurrence with the MSRB. The Dissemination Agent shall file such notice no later than the Business Day immediately following the day on which it receives written notice of such occurrence from the Issuer. Any such notice is required to be filed within ten (10) Business Days of the occurrence of such Listed Event.

Additionally, the Issuer shall notify the MSRB, in a timely manner, of any failure by the Issuer to provide annual audited financial statements (or unaudited financial statements, if audited financial statements are not available) or Annual Financial Information as required under this Disclosure Agreement. See Exhibit A hereto for a form for submitting “Notice To MSRB of Failure To File.”

Any notice under the preceding paragraphs shall be accompanied with the text of the disclosure that the Issuer desires to make, the written authorization of the Issuer for the Dissemination Agent to disseminate such information as provided herein, and the date the Issuer desires for the Dissemination Agent to disseminate the information (which date shall not be more than ten (10) Business Days after the occurrence of the Listed Event or failure to file).

In all cases, the Issuer shall have the sole responsibility for the content, design and other elements comprising substantive contents of all disclosures made pursuant to Sections 4 and 5 of this Disclosure Agreement. In addition, the Issuer shall have the sole responsibility to ensure that any notice required to be filed under this Section 5 is filed within ten (10) Business Days of the occurrence of the Listed Event.

(b) The Dissemination Agent shall, promptly, and not more than five (5) Business Days after obtaining actual knowledge of the occurrence of any Listed Event with respect to the Bonds, notify the Disclosure Representative in writing of such Listed Event. The Dissemination Agent shall not be required to file a notice of the occurrence of such Listed Event with the MSRB unless and until it receives written instructions from the Disclosure Representative to do so. If the Dissemination Agent has been instructed by the Disclosure Representative on behalf of the Issuer to report the occurrence of a Listed Event under this subsection (b), the Dissemination Agent shall file a notice of such occurrence with the MSRB no later than the Business Day immediately following the day on which it receives written instructions from the Issuer. It is agreed and understood that the duty to make or cause to be made the disclosures herein is that of the Issuer and not that of the Trustee or the Dissemination Agent. It is agreed and understood that the Dissemination Agent has agreed to give the foregoing notice to the Issuer as an accommodation to

assist it in monitoring the occurrence of such event but is under no obligation to investigate whether any such event has occurred. As used above, “actual knowledge” means the actual fact or statement of knowing, without a duty to make any investigation with respect thereto. In no event shall the Dissemination Agent be liable in damages or in tort to the Issuer, the Participating Underwriter, the Trustee, or any Owner or beneficial owner of any interests in the Bonds as a result of its failure to give the foregoing notice or to give such notice in a timely fashion.

(c) If in response to a notice from the Dissemination Agent under subsection (b), the Issuer determines that the Listed Event under number 2, 7, 8 (as to bond calls only), 10, 13, 14, or 15 of subparagraph (a) above is not material under applicable federal securities laws, the Issuer shall promptly, but in no case more than five (5) Business Days after occurrence of the event, notify the Dissemination Agent and the Trustee (if the Dissemination Agent is not the Trustee) in writing and instruct the Dissemination Agent not to report the occurrence pursuant to subsection (b).

SECTION 6. Termination of Reporting Obligations. The obligations of the Issuer, the Administrator and the Dissemination Agent under this Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds, when the Issuer is no longer an obligated person with respect to the Bonds, or upon delivery by the Disclosure Representative to the Dissemination Agent of an opinion of nationally recognized bond counsel to the effect that continuing disclosure is no longer required. So long as any of the Bonds remain Outstanding, the Dissemination Agent may assume that the Issuer is an obligated person with respect to the Bonds until it receives written notice from the Disclosure Representative stating that the Issuer is no longer an obligated person with respect to the Bonds, and the Dissemination Agent may conclusively rely upon such written notice with no duty to make investigation or inquiry into any statements contained or matters referred to in such written notice. If such termination occurs prior to the final maturity of the Bonds, the Issuer shall give notice of such termination in the same manner as for a Listed Event with respect to the Bonds under Section 5(a).

SECTION 7. Dissemination Agent. The Issuer may, from time to time, appoint or engage a Dissemination Agent or successor Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge such Dissemination Agent, with or without appointing a successor Dissemination Agent. If at any time there is not any other designated Dissemination Agent, the Issuer shall be the Dissemination Agent. The initial Dissemination Agent appointed hereunder shall be Wilmington Trust, National Association, Dallas, Texas.

SECTION 8. Amendment; Waiver. Notwithstanding any other provisions of this Disclosure Agreement, the Issuer and the Dissemination Agent may amend this Disclosure Agreement (and the Dissemination Agent shall not unreasonably withhold its consent to any amendment so requested by the Issuer), and any provision of this Disclosure Agreement may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the delivery of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the Owners of the Bonds in the same manner as provided in the Indenture for amendments to the Indenture with the consent of Owners, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Owners or beneficial owners of the Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Agreement, the Issuer shall describe such amendment in the next related Annual Issuer Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5(a), and (ii) the Annual Issuer Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. No amendment which adversely affects the Dissemination Agent may be made without its prior written consent (which consent will not be unreasonably withheld or delayed).

SECTION 9. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Issuer Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If the Issuer chooses to include any information in any Annual Issuer Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Agreement, the Issuer shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Issuer Report or notice of occurrence of a Listed Event.

SECTION 10. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Agreement, the Trustee may (and, at the request of any Participating Underwriter or the Owners of at least twenty-five percent (25%) aggregate principal amount of Outstanding Bonds, shall, upon being indemnified to its satisfaction), or any Owner or beneficial owner of the Bonds may, take such actions as may be necessary and appropriate to cause the Issuer, as the case may be, to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Indenture with respect to the Bonds, and the sole remedy under this Disclosure Agreement in the event of any failure of the Issuer to comply with this Disclosure Agreement shall be an action for mandamus or specific performance. A default under this Disclosure Agreement by the Issuer shall not be deemed a default under any other disclosure agreement related to the Bonds, and a default under any other disclosure agreement related to the Bonds shall not be deemed a default under this Disclosure Agreement by the Issuer.

SECTION 11. Duties, Immunities and Liabilities of Dissemination Agent and Administrator.

(a) The Dissemination Agent shall not be responsible in any manner for the content of any notice or report (including without limitation the Annual Issuer Report) prepared by the Issuer pursuant to this Disclosure Agreement. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement, and no implied covenants shall be read into this Disclosure Agreement with respect to the Dissemination Agent. To the extent permitted by law, the Issuer agrees to hold harmless the Dissemination Agent, its officers, directors, employees and agents, but only with funds to be provided by the Developer or from Annual Collection Costs collected from the property owners in the District, against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct; provided, however, that nothing herein shall be construed to require the Issuer to indemnify the Dissemination Agent for losses, expenses or liabilities arising from information provided to the Dissemination Agent by the any other party or the failure of any other party to provide information to the Dissemination Agent as and when required under any other disclosure agreement related to the Bonds. The obligations of the Issuer under this Section shall survive resignation or removal of the Dissemination Agent and payment in full of the Bonds. Nothing in this Disclosure Agreement shall be construed to mean or to imply that the Dissemination Agent is an "obligated person" under the Rule. The Dissemination Agent shall not be responsible for the Issuer's failure to submit a complete Annual Issuer Report to the MSRB. The Dissemination Agent is not acting in a fiduciary capacity in connection with the performance of its respective obligations hereunder. The fact that the Dissemination Agent may have a banking or other business relationship with the Issuer or any person with whom the Issuer contracts in connection with the transaction described in the Indenture, apart from the relationship created by the Indenture or this Disclosure Agreement, shall not be construed to mean that the Dissemination Agent has actual knowledge of any event described in Section 5 above, except as may be provided by written notice to the Dissemination Agent pursuant to this Disclosure Agreement.

The Dissemination Agent may, from time to time, consult with legal counsel of its own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions hereof or their respective duties hereunder, and the Dissemination Agent shall not incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel.

(b) Except as otherwise provided herein, the Administrator shall not have any duty with respect to the content of any disclosures made pursuant to the terms hereof. The Administrator shall have only such duties as are specifically set forth in this Disclosure Agreement, and no implied covenants shall be read into this Disclosure Agreement with respect to the Administrator. To the extent permitted by law, the Issuer agrees to hold harmless the Administrator, its officers, directors, employees and agents, but only with funds to be provided by the Developer or from Annual Collection Costs collected from the property owners in the District, against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including reasonable attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Administrator's

negligence or willful misconduct; provided, however, that nothing herein shall be construed to require the Issuer to indemnify the Administrator for losses, expenses or liabilities arising from information provided to the Administrator by third parties, or the failure of any third party to provide information to the Administrator as and when required under this Disclosure Agreement, or the failure of the any other party to provide information to the Administrator as and when required under any other disclosure agreement related to the Bonds. The obligations of the Issuer under this Section shall survive resignation or removal of the Administrator and payment in full of the Bonds. Nothing in this Disclosure Agreement shall be construed to mean or to imply that the Administrator is an “obligated person” under the Rule. The Administrator is not acting in a fiduciary capacity in connection with the performance of its respective obligations hereunder. The Administrator shall not in any event incur any liability with respect to (i) any action taken or omitted to be taken in good faith upon advice of legal counsel given with respect to any question relating to duties and responsibilities of the Administrator hereunder, or (ii) any action taken or omitted to be taken in reliance upon any document delivered to the Administrator and believed to be genuine and to have been signed or presented by the proper party or parties.

The Administrator may, from time to time, consult with legal counsel of its own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions hereof or their respective duties hereunder, and the Administrator shall not incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel.

(c) UNDER NO CIRCUMSTANCES SHALL THE DISSEMINATION AGENT, THE ADMINISTRATOR, OR THE ISSUER BE LIABLE TO THE OWNER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE ISSUER, THE ADMINISTRATOR, OR THE DISSEMINATION AGENT, RESPECTIVELY, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS DISCLOSURE AGREEMENT, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE. THE DISSEMINATION AGENT OR THE ADMINISTRATOR IS UNDER NO OBLIGATION NOR IS IT REQUIRED TO BRING SUCH AN ACTION.

SECTION 12. Assessment Timeline. The basic expected timeline for the collection of Assessments and the anticipated procedures for pursuing the collection of delinquent Assessments is set forth in Exhibit C which is intended to illustrate the general procedures expected to be followed in enforcing the payment of delinquent Assessments. Failure to adhere to such expected timeline shall not constitute a default by the Issuer under this Disclosure Agreement, the Indenture, the Bonds or any other document related to the Bonds.

SECTION 13. No Personal Liability. No covenant, stipulation, obligation or agreement of the Issuer, the Administrator, or Dissemination Agent contained in this Disclosure Agreement shall be deemed to be a covenant, stipulation, obligation or agreement of any past, present or future council members, officer, agent or employee of the Issuer, the Administrator, or Dissemination Agent in other than that person’s official capacity.

SECTION 14. Severability. In case any section or provision of this Disclosure Agreement, or any covenant, stipulation, obligation, agreement, act or action, or part thereof made, assumed, entered into, or taken thereunder or any application thereof, is for any reasons held to be illegal or invalid, such illegality or invalidity shall not affect the remainder thereof or any other section or provision thereof or any other covenant, stipulation, obligation, agreement, act or action, or part thereof made, assumed, entered into, or taken thereunder (except to the extent that such remainder or section or provision or other covenant, stipulation, obligation, agreement, act or action, or part thereof is wholly dependent for its operation on the provision determined to be invalid), which shall be construed and enforced as if such illegal or invalid portion were not contained therein, nor shall such illegality or invalidity of any application thereof affect any legal and valid application thereof, and each such section, provision, covenant, stipulation, obligation, agreement, act or action, or part thereof shall be deemed to be effective, operative, made, entered into or taken in the manner and to the full extent permitted by law.

SECTION 15. Sovereign Immunity. The Dissemination Agent and the Administrator agree that nothing in this Disclosure Agreement shall constitute or be construed as a waiver of the Issuer's sovereign or governmental immunities regarding liability or suit.

SECTION 16. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Issuer, the Administrator, the Dissemination Agent, the Participating Underwriter, and the Owners and the beneficial owners from time to time of the Bonds and shall create no rights in any other person or entity. Nothing in this Disclosure Agreement is intended or shall act to disclaim, waive or otherwise limit the duties of the Issuer under federal and state securities laws.

SECTION 17. Dissemination Agent and Administrator Compensation. The fees and expenses incurred by the Dissemination Agent and the Administrator for their respective services rendered in accordance with this Disclosure Agreement constitute Annual Collection Costs and will be included in the Annual Installments as provided in the annual updates to the Service and Assessment Plan. The Issuer shall pay or reimburse the Dissemination Agent and the Administrator, but only with funds to be provided from the Annual Collection Costs component of the Annual Installments collected from the property owners in the District, for the fees and expenses for their respective services rendered in accordance with this Disclosure Agreement.

SECTION 18. Anti-Boycott Verification. To the extent this Agreement constitutes a contract for goods or services for which a written verification is required under Section 2271.002, Texas Government Code, the Dissemination Agent hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and will not boycott Israel during the term of this Agreement. The foregoing verification is made solely to enable the City to comply with such Section and to the extent such Section does not contravene applicable Federal law. As used in the foregoing verification, 'boycott Israel' means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes..

SECTION 19. Iran, Sudan and Foreign Terrorist Organizations. Pursuant to Subchapter F, Chapter 2252, Texas Government Code, the Dissemination Agent and the Administrator represent

that neither the Dissemination Agent, the Administrator nor any parent company, wholly- or majority-owned subsidiaries, and other affiliates of the Dissemination Agent or the Administrator is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website:

<https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf>,
<https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, or
<https://comptroller.texas.gov/purchasing/docs/fto-list.pdf>.

The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable State or federal law and excludes the Dissemination Agent, the Administrator and each parent company, wholly- or majority-owned subsidiaries, and other affiliates of the Dissemination Agent or the Administrator, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Dissemination Agent and the Administrator understand "affiliate" to mean any entity that controls, is controlled by, or is under common control with the Dissemination Agent or the Administrator and exists to make a profit.

SECTION 20. Section 2274.002 as added by Senate Bill 13 (No Discrimination Against Fossil-Fuel Companies) Verification. To the extent this Agreement constitutes a contract for goods or services for which a written verification is required under Section 2274.002 (as added by Senate Bill 13 in the 87th Texas Legislature, Regular Session), Texas Government Code, as amended, Dissemination Agent hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies during the term of this Agreement. The foregoing verification is made solely to enable the City to comply with such Section and to the extent such Section does not contravene applicable Texas or federal law. As used in the foregoing verification, "boycott energy companies" shall mean, without an ordinary business purpose, refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with a company because the company (A) engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law; or (B) does business with a company described by (A) above.

SECTION 21. Section 2274.002 as added by Senate Bill 19 (No Discrimination Against Firearm Entities and Firearm Trade Associations) Verification. To the extent this Agreement constitutes a contract for goods or services for which a written verification is required under Section 2274.002 (as added by Senate Bill 19 in the 87th Texas Legislature, Regular Session), Texas Government Code, as amended, the Dissemination Agent hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate during the term of this Agreement against a firearm entity or firearm trade association. The foregoing verification is made solely to enable the City to comply with such Section and to the extent such Section does not contravene applicable Texas or federal law. As used in the foregoing verification, 'discriminate against a firearm entity or firearm trade

association' (A) means, with respect to the firearm entity or firearm trade association, to (i) refuse to engage in the trade of any goods or services with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, (ii) refrain from continuing an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, or (iii) terminate an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association and (B) does not include (i) the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories and (ii) a company's refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship (aa) to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency or (bb) for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity's or association's status as a firearm entity or firearm trade association. As used in the foregoing verification, (b) 'firearm entity' means a manufacturer, distributor, wholesaler, supplier, or retailer of firearms (i.e., weapons that expel projectiles by the action of explosive or expanding gases), firearm accessories (i.e., devices specifically designed or adapted to enable an individual to wear, carry, store, or mount a firearm on the individual or on a conveyance and items used in conjunction with or mounted on a firearm that are not essential to the basic function of the firearm, including detachable firearm magazines), or ammunition (i.e., a loaded cartridge case, primer, bullet, or propellant powder with or without a projectile) or a sport shooting range (as defined by Section 250.001, Texas Local Government Code), and (c) 'firearm trade association' means a person, corporation, unincorporated association, federation, business league, or business organization that (i) is not organized or operated for profit (and none of the net earnings of which inures to the benefit of any private shareholder or individual), (ii) has two or more firearm entities as members, and (iii) is exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c) of that code.

SECTION 22. Disclosure of Interested Parties. Pursuant to Section 2252.908(c)(4), Texas Government Code, as amended, the Dissemination Agent hereby certifies it is a publicly traded business entity and is not required to file a Certificate of Interested Parties Form 1295 related to this Disclosure Agreement.

SECTION 23. Governing Law. This Disclosure Agreement shall be governed by the laws of the State of Texas and all obligations of the Parties are performable in Williamson County, Texas. Venue for any action to enforce or construe this Agreement shall be in Williamson County, Texas.

SECTION 24. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[Signature pages follow.]

CITY OF HUTTO, TEXAS

By: _____
Mayor

ATTEST:

By: _____
Holly Nagy, City Secretary

SIGNATURE PAGE OF CONTINUING DISCLOSURE AGREEMENT OF THE ISSUER

S-1

WILMINGTON TRUST, NATIONAL
ASSOCIATION
(solely in its capacity as Dissemination Agent)

By: _____
Authorized Officer

SIGNATURE PAGE OF CONTINUING DISCLOSURE AGREEMENT OF THE ISSUER

S-2

P3WORKS, LLC
(as Administrator)

By: _____
Authorized Officer

EXHIBIT A

**NOTICE TO MSRB OF FAILURE TO FILE
ANNUAL ISSUER REPORT**

Name of Issuer: City of Hutto, Texas
Name of Bond Issue: Special Assessment Revenue Bonds, Series 2021 (Durango Farms
Public Improvement District Project)
Date of Delivery: _____, 20____
CUSIP Numbers: [Insert CUSIP Numbers]

NOTICE IS HEREBY GIVEN that the City of Hutto, Texas, has not provided [an Annual Issuer Report] [annual audited financial statements] with respect to the above-named bonds as required by the Continuing Disclosure Agreement of Issuer dated as of [October 1], 2021, between the Issuer, P3Works, LLC, as Administrator and Wilmington Trust, National Association, as Dissemination Agent. The Issuer anticipates that [the Annual Issuer Report] [annual audited financial statements] will be filed by _____.

Dated: _____

Wilmington Trust, National Association,
on behalf of the City of Hutto, Texas
(solely in its capacity as Dissemination Agent)

By: _____

Title: _____

cc: City of Hutto, Texas

EXHIBIT B

CITY OF HUTTO, TEXAS, SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2021 (DURANGO FARMS PUBLIC IMPROVEMENT DISTRICT PROJECT)

ANNUAL ISSUER REPORT*

Delivery Date: _____, 20__

CUSIP Numbers: [insert CUSIP Numbers]

DISSEMINATION AGENT

Name: Wilmington Trust, National Association
Address: 15950 North Dallas Parkway, Suite 550
City: Dallas, Texas 75248
Telephone: 972-381-3154
Contact Person: Attn: _____

Section 4(a)(i)(A)

BONDS OUTSTANDING

CUSIP Number	Maturity Date	Interest Rate	Original Principal Amount	Outstanding Principal Amount	Outstanding Interest Amount

Section 4(a)(i)(B)

INVESTMENTS

Fund/Account Name	Investment Description	Par Value	Book Value	Market Value

* Excluding Audited Financial Statements of the Issuer

Section 4(a)(i)(A)**ASSETS AND LIABILITIES OF PLEDGED TRUST ESTATE****ASSETS**

Bonds (Principal Balance)	_____
Funds and Accounts [list]	_____
TOTAL ASSETS	_____

LIABILITIES

Outstanding Bond Principal	_____
Outstanding Program Expenses (if any)	_____
TOTAL LIABILITIES	_____

EQUITY

Assets Less Liabilities	_____
Parity Ratio	_____

Form of Accounting ☐ Cash ☐ Accrual ☐ Modified Accrual

Section 4(a)(ii)(A)**FINANCIAL INFORMATION AND OPERATING DATA WITH RESPECT TO THE ISSUER OF THE GENERAL TYPE AS OF THE END OF THE FISCAL YEAR****Debt Service Requirements on the Bonds**

<u>Year Ending</u> <u>(September 30)</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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Top Assessment Payers⁽¹⁾

<u>Property Owner</u>	<u>No. of</u> <u>Parcels/Lots</u>	<u>Percentage of</u> <u>Parcels/Lots</u>	<u>Outstanding</u> <u>Assessments</u>	<u>Percentage of</u> <u>Total</u> <u>Assessments</u>
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⁽¹⁾ Does not include those owing less than one percent (1%) of total Assessments.

Assessed Value of the District

The [YEAR] certified total assessed value for the land in the District is approximately \$[AMOUNT] according to the Williamson Central Appraisal District.

Section 4(a)(ii)(B)

**FINANCIAL INFORMATION AND OPERATING DATA WITH RESPECT TO
THE ISSUER OF THE GENERAL TYPE AS OF THE END OF THE FISCAL
YEAR AND AS OF FEBRUARY 1 OF THE NEXT SUCCEEDING YEAR**

Foreclosure History Related to the Assessments

<u>Time Period</u>	<u>Parcels in Foreclosure Proceedings</u>	<u>Delinquent Assessment Amount in Foreclosure Proceedings</u>	<u>Foreclosure Sales</u>	<u>Foreclosure Proceeds Received</u>
[FISCAL YEAR END]		\$		\$
[FEB. 1 OF CURRENT YEAR] ⁽¹⁾		\$		\$

⁽¹⁾ As of February 1, 20__.

Collection and Delinquency History of Assessments

<u>Time Period</u>	<u>Total Assessment Levied</u>	<u>Parcels Levied⁽¹⁾</u>	<u>Delinquent Amount as of 2/1</u>	<u>Delinquent % as of 2/1</u>	<u>Delinquent Amount as of 9/1</u>	<u>Delinquent % as of 9/1</u>	<u>Total Assessments Collected⁽²⁾</u>
[FISCAL YEAR END]	\$		\$	%	\$	%	\$
[FEB 1. OF CURRENT YEAR] ⁽³⁾	\$		\$	%	N/A	N/A	\$

⁽¹⁾ Pursuant to Section 31.031, Texas Tax Code, certain veterans, persons aged 65 or older, and the disabled, who qualify for an exemption under either Section 11.13(c), 11.32, or 11.22, Texas Tax Code, are eligible to pay property taxes in four equal installments ("Installment Payments"). Pursuant to Section 31.031(a-1), Texas Tax Code, the Installment Payments are each due before February 1, _____, June 1, and August 1. Each unpaid Installment Payment is delinquent and incurs penalties and interest if not paid by the applicable date.

⁽²⁾ [Does/does not] include interest and penalties.

⁽³⁾ Collected as of February 1, 20__.

History of Prepayment of Assessments

<u>Time Period</u>	<u>Number of Prepayments</u>	<u>Amount of Prepayments</u>	<u>Bond Call Date</u>	<u>Amount of Bonds Redeemed</u>
[FISCAL YEAR END]		\$		\$
[FEB. 1 OF CURRENT YEAR] ⁽¹⁾		\$		\$

⁽¹⁾ As of February 1, 20__.

ITEMS REQUIRED BY SECTION 4(a)(iii) - (vii)

[Insert a line item for each applicable listing]

EXHIBIT C

BASIC EXPECTED TIMELINE FOR ASSESSMENT COLLECTIONS AND PURSUIT OF DELINQUENCIES*

<u>Date</u>	<u>Delinquency Clock (Days)</u>	<u>Activity</u>
January 31		Assessments are due.
February 1	1	Assessments delinquent if not received.
February 15	15	Issuer forwards payment to Trustee for all collections received as of February 15, along with detailed breakdown. Subsequent payments and relevant details will follow monthly thereafter. Issuer and/or Administrator should be aware of actual and specific delinquencies Administrator should be aware if Reserve Fund needs to be utilized for debt service payments during the corresponding Fiscal Year. If there is to be a shortfall of any Annual Installments due to be paid that Fiscal Year, the Dissemination Agent should be immediately notified in writing. Administrator should determine if previously collected surplus funds, if any, plus actual Annual Installment collections will be fully adequate for debt service in the corresponding March and September. At this point, if total delinquencies are under 5% and if there is adequate funding for March and September payments, no further action is anticipated for collection of Assessments except that the Issuer or Administrator, working with the City Attorney or an appropriate designee, will begin process to cure deficiency. For properties delinquent by more than one year or if the delinquency exceeds \$10,000 the matter will be referred for commencement of foreclosure. If there are over 5% delinquencies or if there is insufficient funding in the Pledged Revenue Fund for transfer to the Principal and Interest Account of such amounts as shall be required for the full March

* Illustrates anticipated dates and procedures for pursuing the collection of delinquent Assessments, which dates and procedures are subject to adjustment

and September payments, the collection-foreclosure procedure will proceed against all delinquent properties.

March 15	43/44	Trustee pays bond interest payments to Owners. Issuer, or the Trustee on behalf of the Issuer, to notify Dissemination Agent in writing of the occurrence of draw on the Reserve Fund and, following receipt of such notice, Dissemination Agent to notify MSRB of such draw or the Reserve Fund.
July 1	152/153	Issuer, or the Administrator on behalf of the Issuer, determines whether or not any Annual Installments are delinquent and, if such delinquencies exist, the Issuer commences as soon as practicable appropriate and legally permissible actions to obtain such delinquent Annual Installments. Issuer and/or Administrator to notify Dissemination Agent in writing for disclosure to MSRB of all delinquencies. Preliminary Foreclosure activity commences, and Issuer to notify Dissemination Agent in writing of the commencement of preliminary foreclosure activity. If Dissemination Agent has not received Foreclosure Schedule and Plan of Collections, Dissemination Agent to request same from the Issuer. If the Issuer has not provided the Dissemination Agent with Foreclosure Schedule and Plan of Collections, and if instructed by the Owners under Section 11.2 of the Indenture, Dissemination Agent requests that the Issuer commence foreclosure or provide plan for collection.
August 15	197/198	The designated lawyers or law firm will be preparing the formal foreclosure documents and will provide periodic updates to the Dissemination Agent for dissemination to those Owners who have requested to be notified of collections progress. The goal for the foreclosure actions is a filing by no later than August 15 (day 197/198). Foreclosure action to be filed with the court.

Issuer notifies Trustee and Dissemination Agent of Foreclosure filing status in writing. Dissemination Agent notifies Owners.

If Owners and Dissemination Agent have not been notified of a foreclosure action, Dissemination Agent will notify the Issuer that it is appropriate to file action.

§ _____
CITY OF HUTTO, TEXAS
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2021
(DURANGO FARMS PUBLIC IMPROVEMENT DISTRICT PROJECT)

BOND PURCHASE AGREEMENT

October 21, 2021

City of Hutto, Texas
500 West Live Oak Street
Hutto, Texas 78634

Ladies and Gentlemen:

The undersigned, FMSbonds, Inc. (the “Underwriter”), offers to enter into this Bond Purchase Agreement (this “Agreement”) with the City of Hutto, Texas (the “City”), which will be binding upon the City and the Underwriter upon the acceptance of this Agreement by the City. This offer is made subject to its acceptance by the City by execution of this Agreement and its delivery to the Underwriter on or before 10:00 p.m., Central Time, on the date hereof and, if not so accepted, will be subject to withdrawal by the Underwriter upon written notice delivered to the City at any time prior to the acceptance hereof by the City. All capitalized terms not otherwise defined herein shall have the meanings given to such terms in the Indenture (as defined herein) between the City and Wilmington Trust, National Association, as trustee (the “Trustee”), authorizing the issuance of the Bonds (as defined herein), and in the Limited Offering Memorandum (as defined herein).

1. Purchase and Sale of Bonds. Upon the terms and conditions and upon the basis of representations, warranties, and agreements hereinafter set forth, the Underwriter hereby agrees to purchase from the City, and the City hereby agrees to sell to the Underwriter, all (but not less than all) of the \$[PRINCIPAL] aggregate principal amount of the City of Hutto, Texas, Special Assessment Revenue Bonds, Series 2021 (Durango Farms Public Improvement District Project) (the “Bonds”), at a purchase price of \$ _____ (representing the aggregate principal amount of the Bonds, less an Underwriter’s discount of \$ _____).

Inasmuch as this purchase and sale represents a negotiated transaction, the City understands, and hereby confirms, that the Underwriter is not acting as a municipal advisor or fiduciary of the City (including, without limitation, a “municipal advisor” (as such term is defined in Section 975(e) of the Dodd Frank Wall Street Reform and Consumer Protection Act)), but rather is acting solely in its capacity as Underwriter for its own account. The City acknowledges and agrees that (i) the purchase and sale of the Bonds pursuant to this Agreement is an arm’s length commercial transaction between the City and the Underwriter, (ii) in

connection with the discussions, undertakings, and procedures leading up to the consummation of this transaction, the Underwriter is and has been acting solely as a principal and is not acting as the agent, municipal advisor, financial advisor, or fiduciary of the City, (iii) the Underwriter has not assumed an advisory or fiduciary responsibility in favor of the City with respect to the offering described herein or the discussions, undertakings, and procedures leading thereto (regardless of whether the Underwriter has provided other services or is currently providing other services to the City on other matters) and the Underwriter has no obligation to the City with respect to the offering described herein except the obligations expressly set forth in this Agreement, (iv) the City has consulted its own legal, financial and other advisors to the extent it has deemed appropriate, (v) the Underwriter has financial and other interests that differ from those of the City, and (vi) the Underwriter has provided to the City prior disclosures under Rule G-17 of the Municipal Securities Rulemaking Board (“MSRB”), which have been received by the City. The City further acknowledges and agrees that following the issuance and delivery of the Bonds, the Underwriter has indicated that it may have periodic discussions with the City regarding the expenditure of Bond proceeds and the construction of the Authorized Improvements financed with the Bonds and, in connection with such discussions, the Underwriter shall be acting solely as a principal and will not be acting as the agent or fiduciary of, and will not be assuming an advisory or fiduciary responsibility in favor of, the City.

The Bonds shall be dated November 18, 2021 and shall have the maturities and redemption features, if any, and bear interest at the rates per annum shown on Schedule I hereto. Payment for and delivery of the Bonds, and the other actions described herein, shall take place on November 18, 2021 (or such other date as may be agreed to by the City and the Underwriter) (the “Closing Date”).

2. Authorization Instruments and Law. The Bonds were authorized by an ordinance enacted by the City Council of the City (the “City Council”) on October 21, 2021 (the “Bond Ordinance”) and shall be issued pursuant to the provisions of the Public Improvement District Assessment Act, Subchapter A of Chapter 372, Texas Local Government Code, as amended (the “Act”), and the Indenture of Trust, dated as of November 1, 2021, between the City and the Trustee, authorizing the issuance of the Bonds (the “Indenture”). The Bonds shall be substantially in the form described in, and shall be secured under the provisions of, the Indenture.

The Bonds and interest thereon shall be secured by the Trust Estate (as defined in the Indenture) consisting primarily of revenue from proceeds of special assessments (the “Assessments”) levied on the assessable parcels within the Durango Farms Public Improvement District (the “District”). The District was established by a resolution (the “Creation Resolution”), enacted by the City Council on August 6, 2021, in accordance with the Act. The Assessments were levied in accordance with a service and assessment plan, adopted by the City Council on [October 21, 2021], as subsequently amended (the “Service and Assessment Plan”), pursuant to an ordinance (the “Assessment Ordinance” and, together with the Creation Resolution, the Indenture and the Bond Ordinance, the “Authorizing Documents”). The Bonds shall be further secured by certain applicable funds and accounts created pursuant to the Indenture.

The Bonds shall be as described in Schedule I attached hereto, the Indenture, and the Limited Offering Memorandum. The proceeds of the Bonds shall be used for (1) the Actual

Costs of the Authorized Improvements, (2) the District Formation Expenses, and (3) the Bond Issuance Costs of the Bonds, including funding a reserve fund for the payment of principal of and interest on the Bonds.

3. Public Offering. The Underwriter agrees to make a bona fide limited public offering of all of the Bonds in accordance with Section 4 hereof and to no more than thirty-five (35) persons that qualify as “Accredited Investors” (as defined in Rule 501 of Regulation D under the Securities Act (as defined herein) or “Qualified Institutional Buyers” (as defined in Rule 144A under the Securities Act). On or before the third (3rd) business day prior to the Closing Date, the Underwriter shall execute and deliver to Bond Counsel (as defined herein) the Issue Price Certificate (as defined herein), in substantially the form attached hereto as Appendix B.

4. Establishment of Issue Price. Notwithstanding any provision of this Agreement to the contrary, the following provisions related to the establishment of the issue price of the Bonds apply:

a. *Definitions.* For purposes of this Paragraph, the following definitions apply:

(i) “*Public*” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than a Participating Underwriter or a Related Party to a Participating Underwriter.

(ii) “*Participating Underwriter*” means (A) any person that agrees pursuant to a written contract with the City to participate in the initial sale of the Bonds to the Public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the public).

(iii) “*Related Party*” means any two or more persons who are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interest or profits interest of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).

(iv) “*Sale Date*” means the date of execution of this Purchase Agreement by all parties.

b. *Issue Price Certificate.* The Underwriter, agrees to assist the City in establishing the issue price of the Bonds and to execute and deliver to the City at Closing an "issue price" or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as *Appendix B*, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the City and Bond Counsel, to accurately reflect, as applicable, the initial offering price (the "Initial Offering Price") or prices or the sales price or prices to the Public of the Bonds.

c. *Substantial Amount Test.* The City will treat the first price at which at least ten percent (a "Substantial Amount") in principal amount of each maturity of the Bonds is sold to the Public as of the Sale Date (the "*Substantial Amount Test*") as the issue price of that maturity (or each separate CUSIP number within that maturity). At or promptly after the execution of this Purchase Agreement, the Underwriter will report to the City the price or prices at which the Participating Underwriters have offered and sold to the Public each maturity of the Bonds. If at that time the Substantial Amount Test has not been satisfied as to any maturity of the Bonds, the Underwriter agrees to promptly report to the City the prices at which the Bonds have been sold by the Participating Underwriters to the Public. That reporting obligation will continue, whether or not the Closing Date has occurred, until the Substantial Amount Test has been satisfied as to the Bonds of that maturity or until all Bonds of that maturity have been sold to the Public.

d. *Hold-The-Price Restriction.* The Underwriter agrees, on behalf of the Participating Underwriters, that each Participating Underwriter will neither offer nor sell any of the Hold-the-Price Maturities to any person at a price that is higher than the applicable Initial Offering Price for such maturity during the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date, or (ii) the date on which the Participating Underwriters have sold a Substantial Amount of such a Maturity to the Public at a price that is no higher than the Initial Offering Price of such Maturity (the "Hold-the-Price Restriction").

The Underwriter shall promptly advise the City when the Participating Underwriters have sold a Substantial Amount of each such Hold-The-Price Maturity to the Public at a price that is no higher than the applicable Initial Offering Price such Hold-The-Price Maturity, if that occurs prior to the close of the fifth business day after the Sale Date.

The City acknowledges that, in making the representation set forth in this subparagraph, the Underwriter will rely on (A) the agreement of each Participating Underwriter to comply with the Hold-The-Price Restriction, as set forth in an agreement among underwriters and the related pricing wires, (B) in the event a selling group has been created in connection with the sale of the Bonds to the Public, the agreement of each dealer who is a member of the selling group to comply with the Hold-The-Price Restriction, as set forth in a selling group agreement and the related pricing wires, and (C) in the event that a Participating Underwriter is a party to a third-party distribution agreement that was employed in connection with the sale of the Bonds, the agreement of each such underwriter, dealer or broker-dealer that is a party to such agreement to comply

with the Hold-The-Price Restriction, as set forth in the third-party distribution agreement and the related pricing wires. The City further acknowledges that each Participating Underwriter will be solely liable for its failure to comply with its agreement regarding the Hold-the-Price Restriction and that no Participating Underwriter will be liable for the failure of any other Participating Underwriter to comply with its corresponding agreement regarding the Hold-The-Price Restriction as applicable to the Bonds.

e. *Agreements Among Participating Underwriters.* The Underwriter confirms that (i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement to which the Underwriter is a party relating to the initial sale of the Bonds to the Public, together with related pricing wires, contains or will contain language obligating each Participating Underwriter, each dealer who is a member of any selling group, and each broker-dealer that is a party to any such retail distribution agreement, as applicable, to (A) report the prices at which it sells to the Public the unsold Bonds of each maturity allocated to it until it is notified by the Underwriter that either the Substantial Amount Test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the Public, (B) comply with the Hold-the-Price Restriction, if applicable, in each case if and for so long as directed by the Underwriter and as set forth in the relating pricing wires, and (C) acknowledge that, unless otherwise advised by the Participating Underwriter, the Underwriter will assume that based on such agreement each order submitted by the underwriter, dealer or broker-dealer is a sale to the Public; and (ii) any agreement among underwriters relating to the initial sale of the Bonds to the Public, together with related pricing wires, contains or will contain language obligating each Participating Underwriter that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the Public to require each underwriter or broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the Public the unsold Bonds of each maturity allotted to it until it is notified by the Underwriter or the applicable Participating Underwriter that either the Substantial Amount Test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the Public and (B) comply with the Hold-the-Price Restriction, if applicable, in each case if and for so long as directed by the Underwriter or the applicable Participating Underwriter and as set forth in the relating pricing wires, and

f. *Sale to Related Party not a Sale to the Public.* The Participating Underwriters acknowledge that sales of any Bonds to any person that is a Related Party to a Participating Underwriter do not constitute sales to the Public for purposes of this Section. If a Related Party to a Participating Underwriter purchases during the initial offering period all of a Hold-The-Price Maturity, the related Participating Underwriter will notify the Underwriter and will take steps to confirm in writing that such Related Party will either (i) hold such Bonds for its own account, without present intention to sell, reoffer, or otherwise dispose of such Bonds for at least five business days from the Sale Date, or (ii) comply with the Hold-The-Price Restriction. The Underwriter will notify the Issuer if any of the Hold-the-Price Maturities are allotted to a Participating Underwriter or sold or allotted to a Related Party of the Underwriter.

5. Limited Offering Memorandum.

a. Delivery of Limited Offering Memorandum. The City previously has delivered, or caused to be delivered, to the Underwriter the Preliminary Limited Offering Memorandum for the Bonds dated October 12, 2021, (the “Preliminary Limited Offering Memorandum”), in a “designated electronic format,” as defined in the MSRB Rule G-32 (“Rule G-32”). The City will prepare, or cause to be prepared, a final Limited Offering Memorandum relating to the Bonds (as more particularly defined below, the “Limited Offering Memorandum”) which will be (i) dated the date of this Agreement, (ii) complete within the meaning of the United States Securities and Exchange Commission’s Rule 15c2-12, as amended (“Rule 15c2-12”), (iii) in a “designated electronic format,” and (iv) substantially in the form of the most recent version of the Preliminary Limited Offering Memorandum provided to the Underwriter before the execution hereof, except for the inclusion of the information permitted to be excluded from the Preliminary Limited Offering Memorandum by Section (b)(1) of Rule 15c2-12. The Limited Offering Memorandum, including the cover page thereto, all exhibits, schedules, appendices, maps, charts, pictures, diagrams, reports, and statements included or incorporated therein or attached thereto, and all amendments and supplements thereto that may be authorized for use with respect to the Bonds are collectively referred to herein as the “Limited Offering Memorandum.” Until the Limited Offering Memorandum has been prepared and is available for distribution, the City shall provide to the Underwriter, upon request, sufficient quantities (which may be in electronic format) of the Preliminary Limited Offering Memorandum as the Underwriter reasonably deems necessary to satisfy the obligation of the Underwriter under Rule 15c2-12 with respect to distribution to each potential customer.

b. Preliminary Limited Offering Memorandum Deemed Final. The Preliminary Limited Offering Memorandum has been prepared for use by the Underwriter in connection with the public offering, sale, and distribution of the Bonds. The City hereby represents and warrants that the Preliminary Limited Offering Memorandum has been deemed final by the City as of its date, except for the omission of such information which is dependent upon the final pricing of the Bonds for completion, all as permitted to be excluded by Section (b)(1) of Rule 15c2-12.

c. Use of Limited Offering Memorandum in Offering and Sale. The City hereby authorizes the Limited Offering Memorandum and the information therein contained to be used by the Underwriter in connection with the public offering and the sale of the Bonds. The City consents to the use by the Underwriter prior to the date hereof of the Preliminary Limited Offering Memorandum in connection with the public offering of the Bonds. The City shall provide, or cause to be provided, to the Underwriter as soon as practicable after the date of the City’s acceptance of this Agreement (but, in any event, not later than the earlier of the Closing Date or seven (7) business days after the City’s acceptance of this Agreement) copies of the Limited Offering Memorandum which is complete as of the date of its delivery to the Underwriter. The City shall provide the Limited Offering Memorandum, or cause the Limited Offering Memorandum to be provided, (i) in a “designated electronic format” consistent with the requirements of Rule G-32 and (ii) in a printed format in such quantity as the Underwriter shall reasonably request in order for the Underwriter to comply with Section (b)(4) of Rule 15c2-12 and the rules of the MSRB.

d. Updating of Limited Offering Memorandum. If, after the date of this Agreement, up to and including the date the Underwriter is no longer required to provide a Limited Offering Memorandum to potential customers who request the same pursuant to Rule 15c2-12 (the earlier of (i) ninety (90) days from the “end of the underwriting period” (as defined in Rule 15c2-12) and (ii) the time when the Limited Offering Memorandum is available to any person from the MSRB, but in no case less than the twenty-fifth (25th) day after the “end of the underwriting period” for the Bonds), the City becomes aware of any fact or event which might or would cause the Limited Offering Memorandum, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, or if it is necessary to amend or supplement the Limited Offering Memorandum to comply with law, the City will notify the Underwriter promptly (and for the purposes of this clause provide the Underwriter with such information as it may from time to time reasonably request), and if, in the reasonable judgment of the Underwriter, such fact or event requires preparation and publication of a supplement or amendment to the Limited Offering Memorandum, the City will forthwith prepare and furnish, at no expense to the Underwriter (in a form and manner approved by the Underwriter), either an amendment or a supplement to the Limited Offering Memorandum so that the statements therein as so amended and supplemented will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading or so that the Limited Offering Memorandum will comply with law; provided, however, that for all purposes of this Agreement and any certificate delivered by the City in accordance herewith, the City makes no representations with respect to the following information (collectively, the “Non-City Disclosures”) (i) the descriptions in the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum of The Depository Trust Company, New York, New York (“DTC”), or its book-entry-only system, and (ii) the information in the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum in any maps included therein or under the captions and subcaptions “PLAN OF FINANCE — Development Plan,” and “— Development within the District,” “THE AUTHORIZED IMPROVEMENTS,” “THE DEVELOPMENT,” “THE DEVELOPER,” “PID ADMINISTRATOR,” “THE SPECIAL ASSESSMENT CONSULTANT,” “APPRAISAL OF PROPERTY WITHIN THE DISTRICT,” “BONDHOLDERS’ RISKS” (only as it pertains to the Developer, the Authorized Improvements and the Development, as defined in the Limited Offering Memorandum), “LEGAL MATTERS — Litigation – The Developer,” “CONTINUING DISCLOSURE — The Developer” and “ — The Developer’s Compliance with Prior Undertakings,” “INFORMATION RELATING TO THE TRUSTEE,” “APPENDIX E-2” and “APPENDIX G.” If such notification shall be subsequent to the Closing (as defined herein), the City, at no expense to the Underwriter, shall furnish such legal opinions, certificates, instruments, and other documents as the Underwriter may reasonably deem necessary to evidence the truth and accuracy of such supplement or amendment to the Limited Offering Memorandum. The City shall provide any such amendment or supplement, or cause any such amendment or supplement to be provided, (i) in a “designated electronic format” consistent with the requirements of Rule G-32 and (ii) in a

printed format in such quantity as the Underwriter shall reasonably request in order for the Underwriter to comply with Section (b)(4) of Rule 15c2-12 and the rules of the MSRB.

e. Filing with MSRB. The Underwriter hereby agrees to timely file the Limited Offering Memorandum with the MSRB through its Electronic Municipal Market Access system within one (1) business day after receipt but no later than the Closing Date. Unless otherwise notified in writing by the Underwriter, the City can assume that the “end of the underwriting period” for purposes of Rule 15c2-12 is the Closing Date.

f. Limited Offering. The Underwriter hereby represents, warrants and covenants that the Bonds were initially sold pursuant to a limited offering. The Bonds were sold to not more than thirty-five (35) persons that qualify as “Accredited Investors” (as defined in Rule 501 of Regulation D under the Securities Act) or “Qualified Institutional Buyers” (as defined in Rule 144A under the Securities Act).

6. City Representations, Warranties and Covenants. The City represents, warrants and covenants that:

a. Due Organization, Existence and Authority. The City is a political subdivision of the State of Texas (the “State”), and has, and at the Closing Date will have, full legal right, power and authority:

(i) to enter into and perform its duties and obligations under:

(1) this Agreement;

(2) the Indenture;

(3) the “Durango Farms Public Improvement District Financing and Reimbursement Agreement,” effective as of October 7, 2021 (the “Financing and Reimbursement Agreement”) executed and delivered by the City and MA Durango Farms, LLC, a Texas limited partnership (the “Developer”), and consented to by Vantage at Hutto, LLC, a Delaware limited liability Company (the “Multifamily Builder”), and Meritage Homes of Texas, LLC, an Arizona limited liability company (the “Homebuilder”);

(4) the “Second Amended and Restated Development Agreement” dated as of September 16, 2021 (the “Development Agreement”), executed and delivered by the City and the Developer;

(5) the Durango Farms Public Improvement District Landowner Agreement and Notice of Special Assessments,” dated as of September 16, 2021 (the “Landowner Agreement”), executed and delivered by the City, the Developer, the Homebuilder, and the Multifamily Builder; and

(6) the Continuing Disclosure Agreement of Issuer with respect to the Bonds, dated as of November 1, 2021 (the “Continuing Disclosure Agreement of Issuer”), executed and delivered by the City, P3Works, LLC, (the “PID Administrator”) and Wilmington Trust, National Association, as dissemination agent.

(ii) to issue, sell, and deliver the Bonds to the Underwriter as provided herein; and

(iii) to carry out and consummate the transactions on its part described in (1) the Authorizing Documents, (2) this Agreement, (3) the Financing and Reimbursement Agreement, (4) the Development Agreement, (5) the Landowner Agreement, (6) the Continuing Disclosure Agreement of Issuer, and (7) the Limited Offering Memorandum (the documents described by subclauses (1) through (7) being referred to collectively herein as the “City Documents”).

b. Due Authorization and Approval of City. By all necessary official action of the City, the City has duly authorized and approved the adoption or execution and delivery by the City of, and the performance by the City of the obligations on its part contained in, the City Documents and, as of the date hereof, such authorizations and approvals are in full force and effect and have not been amended, modified or rescinded, except as may have been approved by the Underwriter. When validly executed and delivered by the other parties thereto, the City Documents will constitute the legally valid and binding obligations of the City enforceable upon the City in accordance with their respective terms, except insofar as enforcement may be limited by principles of sovereign immunity, bankruptcy, insolvency, reorganization, moratorium, or similar laws or equitable principles relating to or affecting creditors’ rights generally. The City has complied, and will at the Closing be in compliance, in all material respects, with the obligations on its part to be performed on or prior to the Closing Date under the City Documents.

c. Due Authorization for Issuance of the Bonds. The City has duly authorized the issuance and sale of the Bonds pursuant to the Bond Ordinance, the Indenture, and the Act. The City has, and at the Closing will have, full legal right, power and authority (i) to enter into, execute, deliver, and perform its obligations under this Agreement and the other City Documents, (ii) to issue, sell and deliver the Bonds to the Underwriter pursuant to the Indenture, the Bond Ordinance, the Act, and as provided herein, and (iii) to carry out, give effect to and consummate the transactions on the part of the City described by the Bond Ordinance and the other City Documents.

d. No Breach or Default. As of the time of acceptance hereof, and to its knowledge, the City is not, and as of the Closing Date the City will not be, in breach of or in default in any material respect under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States, or any applicable judgment or decree or any trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument related to the Bonds and to which the City is a party or is otherwise subject, and no event has occurred and is continuing which, with the

passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument which breach, default or event could have a material adverse effect on the City's ability to perform its obligations under the Bonds or the City Documents; and, as of such times, the authorization, execution and delivery of the Bonds and the City Documents and compliance by the City with obligations on its part to be performed in each of such agreements or instruments does not and will not conflict with or constitute a breach of or default under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States, or any applicable judgment, decree, license, permit, trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the City (or any of its officers in their respective capacities as such) is subject, or by which it or any of its properties are bound, nor will any such authorization, execution, delivery or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of its assets or properties or under the terms of any such law, regulation or instrument, except as may be permitted by the City Documents.

e. No Litigation. At the time of acceptance hereof there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body (collectively and individually, an "Action") pending against the City with respect to which the City has been served with process, nor to the knowledge of the City is any Action threatened against the City, in which any such Action (i) in any way questions the existence of the City or the rights of the members of the City Council to hold their respective positions, (ii) in any way questions the formation or existence of the District, (iii) affects, contests or seeks to prohibit, restrain or enjoin the issuance or delivery of any of the Bonds, or the payment or collection of any amounts pledged or to be pledged to pay the principal of and interest on the Bonds, or in any way contests or affects the validity of the City Documents or the consummation of the transactions on the part of the City described therein, or contests the exclusion of the interest on the Bonds from federal income taxation, or (iv) which may result in any material adverse change in the financial condition of the City; and, as of the time of acceptance hereof, to the City's knowledge, there is no basis for any action, suit, proceeding, inquiry, or investigation of the nature described in clauses (i) through (iv) of this sentence.

f. Bonds Issued Pursuant to Indenture. The City represents that the Bonds, when issued, executed, and delivered in accordance with the Indenture and sold to the Underwriter as provided herein, will be validly issued and outstanding obligations of the City subject to the terms of the Indenture, entitled to the benefits of the Indenture and the security of the pledge of the proceeds of the levy of the Assessments received by the City, all to the extent provided for in the Indenture. The Indenture creates a valid pledge of certain revenues and the monies in certain funds and accounts established pursuant to the Indenture to the extent provided for in the Indenture, including the investments thereof, subject in all cases to the provisions of the Indenture permitting the application thereof for the purposes and on the terms and conditions set forth therein.

g. Assessments. The Assessments constituting the security for the Bonds have been levied by the City in accordance with the Assessment Ordinance and the Act on those parcels of land identified in the Assessment Roll (as defined in the Service and Assessment Plan). According to the Act, such Assessments constitute a valid and legally binding first and prior lien against the properties assessed, superior to all other liens and claims, except liens or claims for state, county, school district, or municipality ad valorem taxes.

h. Consents and Approvals. All authorizations, approvals, licenses, permits, consents, elections, and orders of or filings with any governmental authority, legislative body, board, agency, or commission having jurisdiction in the matters which are required by the Closing Date for the due authorization of, which would constitute a condition precedent to or the absence of which would adversely affect the due performance by the City of, its obligations in connection with the City Documents have been duly obtained or made and are in full force and effect, except the approval of the Bonds by the Attorney General of the State, registration of the Bonds by the Comptroller of Public Accounts of the State, and the approvals, consents and orders as may be required under Blue Sky or securities laws of any jurisdiction.

i. Public Debt. Prior to the Closing, the City will not offer or issue any bonds, notes or other obligations for borrowed money or incur any material liabilities, direct or contingent, payable from or secured by a pledge of the Assessments which secure the Bonds without the prior approval of the Underwriter.

j. Preliminary Limited Offering Memorandum. The information contained in the Preliminary Limited Offering Memorandum is true and correct in all material respects, and such information does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the City makes no representations with respect to the Non-City Disclosures.

k. Limited Offering Memorandum. At the time of the City's acceptance hereof and (unless the Limited Offering Memorandum is amended or supplemented pursuant to Section 5(d) of this Agreement) at all times subsequent thereto during the period up to and including the twenty-fifth (25th) day subsequent to the "end of the underwriting period," the information contained in the Limited Offering Memorandum does not and will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the City makes no representations with respect to the Non-City Disclosures; and further provided, however, that if the City notifies the Underwriter of any fact or event as required by Section 5(d) hereof, and the Underwriter determines that such fact or event does not require preparation and publication of a supplement or amendment to the Limited Offering Memorandum, then the Limited Offering Memorandum in its then-current form shall be conclusively deemed to be complete and correct in all material respects.

l. Supplements or Amendments to Limited Offering Memorandum. If the Limited Offering Memorandum is supplemented or amended pursuant to paragraph (d) of Section 5 of this Agreement, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such paragraph) at all times subsequent thereto during the period up to and including the twenty-fifth (25th) day subsequent to the “end of the underwriting period,” the Limited Offering Memorandum as so supplemented or amended will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that if the City notifies the Underwriter of any fact or event as required by Section 5(d) hereof, and the Underwriter determines that such fact or event does not require preparation and publication of a supplement or amendment to the Limited Offering Memorandum, then the Limited Offering Memorandum in its then-current form shall be conclusively deemed to be complete and correct in all material respects.

m. Compliance with Rule 15c2-12. During the past five (5) years, the City has complied in all material respects with its previous continuing disclosure undertakings made by it in accordance with Rule 15c2-12, except as described in the Limited Offering Memorandum.

n. Use of Bond Proceeds. The City will apply, or cause to be applied, the proceeds from the sale of the Bonds as provided in and subject to all of the terms and provisions of the Indenture and will not take or omit to take any action which action or omission will adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Bonds.

o. Blue Sky and Securities Laws and Regulations. The City will furnish such information and execute such instruments and take such action in cooperation with the Underwriter as the Underwriter may reasonably request, at no expense to the City, (i) to (y) qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions in the United States as the Underwriter may designate and (z) determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions and (ii) to continue such qualifications in effect so long as required for the initial distribution of the Bonds by the Underwriter (provided, however, that the City will not be required to qualify as a foreign corporation or to file any general or special consents to service of process under the laws of any jurisdiction) and will advise the Underwriter immediately of receipt by the City of any notification with respect to the suspension of the qualification of the Bonds for sale in any jurisdiction or the initiation or threat of any proceeding for that purpose.

p. Certificates of the City. Any certificate signed by any official of the City authorized to do so in connection with the transactions described in this Agreement shall be deemed a representation and/or warranty, as applicable in the legal context, by the City to the Underwriter as to the statements made therein and can be relied upon by the Underwriter as to the statements made therein.

q. Intentional Actions Regarding Representations and Warranties. The City covenants that between the date hereof and the Closing it will not intentionally take actions which will cause the representations and warranties made in this Section to be untrue as of the Closing.

r. Financial Advisor. The City has engaged Hilltop Securities Inc. as its financial advisor (the "Financial Advisor") in connection with its offering and issuance of the Bonds.

By delivering the Limited Offering Memorandum to the Underwriter, the City shall be deemed to have reaffirmed, with respect to the Limited Offering Memorandum, the representations, warranties and covenants set forth above.

7. Developer Letter of Representations. At the signing of this Agreement, the City and Underwriter shall receive from the Developer an executed Developer Letter of Representations (the "Developer Letter of Representations") in the form of Appendix A-1 hereto, and at the Closing, a certificate signed by the Developer as set forth in Section 11(e) hereof (the "Developer Closing Certificate").

8. Homebuilder Letter of Representations. At the signing of this Agreement, the City and Underwriter shall receive from the Homebuilder an executed Homebuilder Letter of Representations (the "Homebuilder" Letter of Representations) in the form of Appendix A-2 hereto, and at the Closing, a certificate signed by the Homebuilder as set forth in Section 11(f) hereof (the "Homebuilder Closing Certificate").

9. The Closing. At 10:00 a.m., Central time, on the Closing Date, or at such other time or on such earlier or later business day as shall have been mutually agreed upon by the City and the Underwriter, (i) the City will deliver or cause to be delivered to DTC through its "FAST" System, the Bonds in the form of one fully registered Bond for each maturity, registered in the name of Cede & Co., as nominee for DTC, duly executed by the City and authenticated by the Trustee as provided in the Indenture, and (ii) the City will deliver the closing documents hereinafter mentioned to McCall, Parkhurst & Horton L.L.P. ("Bond Counsel"), or a place to be mutually agreed upon by the City and the Underwriter. Settlement will be through the facilities of DTC. The Underwriter will accept delivery and pay the purchase price of the Bonds as set forth in Section 1 hereof by wire transfer in federal funds payable to the order of the City or its designee. These payments and deliveries, together with the delivery of the aforementioned documents, are herein called the "Closing." The Bonds will be made available to the Underwriter or Underwriter's Counsel (as defined herein) for inspection not less than twenty-four (24) hours prior to the Closing.

10. Underwriter's Closing Conditions. The Underwriter has entered into this Agreement in reliance upon the representations and covenants herein and in the Developer Letter of Representations and the performance by the City of its obligations under this Agreement, both as of the date hereof and as of the Closing Date. Accordingly, the Underwriter's obligations under this Agreement to purchase, accept delivery of, and pay for the Bonds shall be conditioned upon the performance by the City of its obligations to be performed hereunder at or prior to Closing and shall also be subject to the following additional conditions:

a. Bring-Down Representations of the City. The representations and covenants of the City contained in this Agreement shall be true and correct in all material respects as of the date hereof and at the time of the Closing, as if made on the Closing Date.

b. Executed Agreements and Performance Thereunder. At the time of the Closing (i) the City Documents shall be in full force and effect, and shall not have been amended, modified, or supplemented except with the written consent of the Underwriter; (ii) the Authorizing Documents shall be in full force and effect; (iii) there shall be in full force and effect such other resolutions or actions of the City as, in the opinion of Bond Counsel and Underwriter's Counsel, shall be necessary on or prior to the Closing Date in connection with the transactions on the part of the City described in this Agreement and the City Documents; (iv) there shall be in full force and effect such other resolutions or actions of the Developer as, in the opinion of Metcalfe Wolff Stuart & Williams, LLP ("Developer's Counsel"), shall be necessary on or prior to the Closing Date in connection with the transactions on the part of the Developer described in the Developer Letter of Representations, the Financing and Reimbursement Agreement, the Development Agreement, the Landowner Agreement, and the Continuing Disclosure Agreement of Developer with respect to the Bonds, dated as of November 1, 2021, executed and delivered by the Developer, P3Works, LLC, as PID Administrator, and Wilmington Trust, National Association as dissemination agent (the "Continuing Disclosure Agreement of Developer" and, together with the Developer Letter of Representations, the Financing and Reimbursement Agreement, the Development Agreement, and the Landowner Agreement, the "Developer Documents"); (v) there shall be in full force and effect such other resolutions or actions of the Homebuilder which shall be necessary on or prior to the Closing Date in connection with the transactions on the part of the Homebuilder described in the Homebuilder Letter of Representations and the Continuing Disclosure Agreement of Homebuilder with respect to the Bonds, dated as of November 1, 2021, executed and delivered by the Homebuilder, P3Works, LLC, as PID Administrator, and Wilmington Trust, National Association as dissemination agent (the "Continuing Disclosure Agreement of Homebuilder" and, together with the Homebuilder Letter of Representations, the "Homebuilder Documents") ; and (vi) the City shall perform or have performed its obligations required or specified in the City Documents to be performed at or prior to Closing.

c. No Default. At the time of the Closing, no default shall have occurred or be existing and no circumstances or occurrences that, with the passage of time or giving of notice, shall constitute an event of default under this Agreement, the Indenture, the City Documents, the Developer Documents or other documents relating to the financing and construction of the Authorized Improvements and the Development (as defined in the Limited Offering Memorandum), and the Developer shall not be in default in the payment of principal or interest on any of its indebtedness which default shall materially adversely impact the ability of the Developer to pay the Assessments when due or complete the Authorized Improvements.

d. Closing Documents. At or prior to the Closing, the Underwriter shall have received each of the documents required under Section 11 below.

e. Termination Events. The Underwriter shall have the right to cancel its obligation to purchase the Bonds and to terminate this Agreement without liability therefor by written notification to the City if, between the date of this Agreement and the Closing, in the Underwriter's reasonable judgment, any of the following shall have occurred:

(i) the market price or marketability of the Bonds, or the ability of the Underwriter to enforce contracts for the sale of the Bonds, shall be materially adversely affected by the occurrence of any of the following:

(1) legislation shall have been introduced in or enacted by the Congress of the United States or adopted by either House thereof, or legislation pending in the Congress of the United States shall have been amended, or legislation shall have been recommended to the Congress of the United States or otherwise endorsed for passage (by press release, other form of notice, or otherwise) by the President of the United States, the Treasury Department of the United States, or the Internal Revenue Service or legislation shall have been proposed for consideration by either the U.S. Senate Committee on Finance or the U.S. House of Representatives Committee on Ways and Means or legislation shall have been favorably reported for passage to either House of the Congress of the United States by a Committee of such House to which such legislation has been referred for consideration, or a decision by a court of the United States or the Tax Court of the United States shall be rendered or a ruling, regulation, or official statement (final, temporary, or proposed) by or on behalf of the Treasury Department of the United States, the Internal Revenue Service, or other federal agency shall be made, which would result in federal taxation of revenues or other income of the general character expected to be derived by the City or upon interest on securities of the general character of the Bonds or which would have the effect of changing, directly or indirectly, the federal income tax consequences of receipt of interest on securities of the general character of the Bonds in the hands of the holders thereof, and which in either case, makes it, in the reasonable judgment of the Underwriter, impracticable or inadvisable to proceed with the offer, sale, or delivery of the Bonds on the terms and in the manner described in the Limited Offering Memorandum; or

(2) legislation shall be enacted by the Congress of the United States, or a decision by a court of the United States shall be rendered, or a stop order, ruling, regulation or official statement by, or on behalf of, the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall be issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds, including all underlying obligations, as described herein or by the Limited Offering Memorandum, is in violation or would be in violation of, or that obligations of the general character of the Bonds, or the Bonds, are not

exempt from registration under, any provision of the federal securities laws, including the Securities Act of 1933, as amended and as then in effect (the “Securities Act”), or that the Indenture need to be qualified under the Trust Indenture Act of 1939, as amended and as then in effect (the “Trust Indenture Act”); or

(3) a general suspension of trading in securities on the New York Stock Exchange, the establishment of minimum prices on such exchange, the establishment of material restrictions (not in force as of the date hereof) upon trading securities generally by any governmental authority or any national securities exchange, a general banking moratorium declared by federal, State of New York, or State officials authorized to do so; provided, however that such suspension in trading or any disruption in securities settlement, payment or clearance service is not in force on the date hereof; or

(4) there shall have occurred (whether or not foreseeable) (i) any outbreak of hostilities (including, without limitation, an act of terrorism) including, but not limited to, an escalation of hostilities that existed prior to the date hereof, (ii) national or international calamity or crisis, including, but not limited to, an escalation in the scope or magnitude of any pandemic or natural disaster, or (iii) material financial crisis or adverse change in the financial or economic conditions affecting the United States government or the securities markets in the United States, and the effect of any such event on the financial markets of the United States shall be such as would make it impracticable, in the reasonable judgment of the Underwriter, for it to sell the Bonds on the terms and in the manner described in the Limited Offering Memorandum; or

(5) there shall have occurred since the date of this Agreement any materially adverse change in the affairs or financial condition of the City, except as disclosed in or described in the Limited Offering Memorandum; or

(6) any state blue sky or securities commission or other governmental agency or body in any state in which more than ten percent (10%) of the Bonds have been offered and sold shall have withheld registration, exemption or clearance of the offering of the Bonds as described herein, or issued a stop order or similar ruling relating thereto; or

(7) any amendment to the federal or State Constitution or action by any federal or State court, legislative body, regulatory body, or other authority materially adversely affecting the tax status of the City, its property, income, securities (or interest thereon), or the validity or

enforceability of the Assessments pledged to pay principal of and interest on the Bonds; or

(ii) the New York Stock Exchange or other national securities exchange or any governmental authority shall impose, as to the Bonds or as to obligations of the general character of the Bonds, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of, the Underwriter; or

(iii) any event occurring, or information becoming known which, in the reasonable judgment of the Underwriter, makes untrue in any material respect any statement or information contained in the Limited Offering Memorandum, or has the effect that the Limited Offering Memorandum contains any untrue statement of material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, which change shall occur subsequent to the date of this Agreement and shall not be due to the malfeasance, misfeasance or nonfeasance of the Underwriter; or

(iv) any fact or event shall exist or have existed that, in the Underwriter's reasonable judgment, requires or has required an amendment of or supplement to the Limited Offering Memorandum; or

(v) a general banking moratorium shall have been declared by federal or State authorities having jurisdiction and shall be in force; or

(vi) a material disruption in securities settlement, payment or clearance services shall have occurred; or

(vii) a decision by a court of the United States shall be rendered, or a stop order, release, regulation or no-action letter by or on behalf of the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall have been issued or made, to the effect that the issuance, offering or sale of the Bonds, including the underlying obligations as described in this Agreement or in the Limited Offering Memorandum, or any document relating to the issuance, offering or sale of the Bonds, is or would be in violation of any provision of the federal securities laws on the Closing Date, including the Securities Act, the Securities Exchange Act of 1934 and the Trust Indenture Act; or

(viii) the purchase of and payment for the Bonds by the Underwriter, or the resale of the Bonds by the Underwriter, on the terms and conditions herein provided shall be prohibited by any applicable law, governmental authority, board, agency or commission, which prohibition shall occur subsequent to the date hereof and shall not be due to the malfeasance, misfeasance, or nonfeasance of the Underwriter.

With respect to the conditions described in subparagraphs (ii), (vii) and (viii) above, the Underwriter is not aware of any current, pending or proposed law or government inquiry or investigation as of the date of execution of this Agreement which would permit the Underwriter to invoke its termination rights hereunder.

11. Closing Documents. At or prior to the Closing, the Underwriter (or Underwriter's Counsel on behalf of the Underwriter) shall receive the following documents:

a. Bond Opinion. The approving opinion of Bond Counsel, dated the Closing Date and substantially in the form included as Appendix D to the Limited Offering Memorandum, together with a reliance letter from Bond Counsel, dated the Closing Date and addressed to the Underwriter, which may be included in the supplemental opinion required by Section 10(b) hereof, to the effect that the foregoing opinion may be relied upon by the Underwriter to the same extent as if such opinion were addressed to it.

b. Supplemental Opinion. A supplemental opinion of Bond Counsel dated the Closing Date and addressed to the City and the Underwriter, in form and substance acceptable to Underwriter's Counsel, to the following effect:

(i) Except to the extent noted therein, Bond Counsel has not verified and is not passing upon, and does not assume any responsibility for, the accuracy, completeness or fairness of the statements and information contained in the Preliminary Limited Offering Memorandum and in the Limited Offering Memorandum but that Bond Counsel has reviewed the statements and information appearing in the Preliminary Limited Offering Memorandum and in the Limited Offering Memorandum under the captions and subcaptions "PLAN OF FINANCE — The Bonds," "DESCRIPTION OF THE BONDS," "SECURITY FOR THE BONDS SIMILARLY SECURED," "ASSESSMENT PROCEDURES" (except for the subcaptions "Assessment Methodology" and "Assessment Amounts"), "THE DISTRICT," "TAX MATTERS," "LEGAL MATTERS — Legal Proceedings" (first paragraph only) and "— Legal Opinions" (except for the final paragraph thereof), "CONTINUING DISCLOSURE — The City," "REGISTRATION AND QUALIFICATION OF BONDS FOR SALE," "LEGAL INVESTMENTS AND ELIGIBILITY TO SECURE PUBLIC FUNDS IN TEXAS," and "APPENDIX B" and Bond Counsel is of the opinion that the information relating to the Bonds and legal issues contained under such captions and subcaptions is an accurate and fair description of the laws and legal issues addressed therein and, with respect to the Bonds, such information conforms to the Bond Ordinance, the Assessment Ordinance, Service and Assessment Plan, and the Indenture;

(ii) The Bonds are not subject to the registration requirements of the Securities Act, and the Indenture is exempt from qualification pursuant to the Trust Indenture Act;

(iii) The City has or at the time of the adoption thereof had full power and authority to adopt the Creation Resolution, the Assessment Ordinance, the Service and Assessment Plan, and the Bond Ordinance (collectively, the foregoing documents are referred to herein as the “City Actions”) and perform its obligations thereunder and the City Actions have been duly adopted, are in full force and effect and have not been modified, amended or rescinded; and

(iv) The Indenture, the Financing and Reimbursement Agreement, the Development Agreement, the Continuing Disclosure Agreement of Issuer, and this Agreement have been duly authorized, executed and delivered by the City and, assuming the due authorization, execution and delivery of such instruments, documents, and agreements by the other parties thereto, constitute the legal, valid, and binding agreements of the City, enforceable in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency, or other laws affecting enforcement of creditors’ rights, or by the application of equitable principles if equitable remedies are sought and to the application of Texas law relating to governmental immunity applicable to governmental entities.

c. City Legal Opinion. An opinion of Bojorquez Law Firm, the attorney for the City, dated the Closing Date and addressed to the Underwriter, the City and the Trustee, with respect to matters relating to the City, substantially in the form of Appendix C hereto or in form otherwise agreed upon by the Underwriter.

d. Opinions of Developer’s Counsels. Opinions of (i) Developer’s Counsel, substantially in the form of Appendix D hereto, dated the Closing Date and addressed to the City, Bond Counsel, the attorney for the City, the Underwriter, and the Trustee.

e. Developer Closing Certificate. The Developer Closing Certificate dated as of the Closing Date, signed by authorized officers of the Developer in substantially the form of Appendix E hereto.

f. City Closing Certificate. A certificate of the City, dated the Closing Date, signed by an appropriate City official, to the effect that:

(i) the representations and warranties of the City contained herein and in the City Documents are true and correct in all material respects on and as of the Closing Date as if made on the date thereof;

(ii) the Authorizing Documents and City Documents are in full force and effect and have not been amended, modified, or supplemented;

(iii) except as disclosed in the Limited Offering Memorandum, no litigation or proceeding against the City is pending or, to the best of the knowledge of such person, threatened in any court or administrative body nor is there a basis for litigation which would (a) contest the right of the members or officials of the City to hold and exercise their respective positions, (b) contest the due organization and valid existence of the City or the establishment of the District, (c)

contest the validity, due authorization and execution of the Bonds or the City Documents, or (d) attempt to limit, enjoin or otherwise restrict or prevent the City from levying and collecting the Assessments pledged to pay the principal of and interest on the Bonds, or the pledge thereof; and

(iv) the City has, to the best of such person's knowledge, complied with all agreements and covenants and satisfied all conditions set forth in the City Documents, on its part to be complied with or satisfied hereunder at or prior to the Closing.

g. Trustee's Counsel Opinion. An opinion, dated the Closing Date and addressed to the Underwriter, the City and Bond Counsel, in form and substance acceptable to Underwriter's Counsel, the City and Bond Counsel to the following effect:

(i) The Trustee is duly organized, validly existing and in good standing as a national banking association organized under the laws of the United States of America, with full corporate power and authority to conduct its business and affairs as Trustee;

(ii) The Trustee has full right, power, and authority to enter into the Indenture, to perform its obligations under, and to carry out and consummate all of the transactions involving the Trustee contemplated by, the Indenture;

(iii) The Indenture has been duly authorized, executed and delivered by the Trustee and is valid and enforceable against the Trustee in accordance with its terms; and

(iv) No consent, approval, authorization or other action by any governmental authority having jurisdiction over the Trustee that has not been obtained is or will be required for the authentication of the Bonds or the consummation by the Trustee of the other transactions contemplated to be performed by the Trustee in connection with the authentication of the Bonds and the acceptance and performance of the obligations created by the Indenture.

h. Trustee's Certificate. A customary authorization and incumbency certificate dated prior to the Closing Date, signed by authorized officers of the Trustee in form and substance acceptable to the Underwriter, Underwriter's Counsel and Bond Counsel.

i. Underwriter Counsel's Opinion. An opinion, dated the Closing Date and addressed to the Underwriter, of Norton Rose Fulbright US LLP ("Underwriter's Counsel"), to the effect that:

(i) The Bonds are not subject to the registration requirements of the Securities Act, and the Indenture is exempt from qualification pursuant to the Trust Indenture Act;

(ii) Such counsel is not passing upon and does not assume any responsibility for the accuracy, completeness or fairness of any of the statements contained in the Preliminary Limited Offering Memorandum or in the Limited Offering Memorandum and makes no representation that it has independently verified the accuracy, completeness or fairness of any such statements. In its capacity as counsel to the Underwriter, to assist the Underwriter in part of its responsibility with respect to the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum, such counsel has participated in conferences with representatives of the Underwriter, representatives of the City, and its counsel, McCall, Parkhurst & Horton L.L.P., as bond counsel, Hilltop Securities Inc., as financial advisor, the public improvement district administrator, the Developer, and its engineers and others, during which the contents of the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum and related matters were discussed. Based on such counsel's participation in the above-mentioned conferences (which, with respect to the Preliminary Limited Offering Memorandum, did not extend beyond October 12, 2021, and, with respect to the Limited Offering Memorandum, did not extend beyond its date), and in reliance thereon, on oral and written statements and representations of the City, the Developer and others and on the records, documents, certificates, opinions and matters herein mentioned, such counsel advises the Underwriter as a matter of fact and not opinion that, during the course of such counsel's representation of the Underwriter on this matter, (a) no facts had come to the attention of the attorneys in such counsel's firm rendering legal services to the Underwriter in connection with the Preliminary Limited Offering Memorandum which caused such counsel to believe, as of the date of the Preliminary Limited Offering Memorandum and as of October 12, 2021, based on the documents, drafts, and facts in existence and reviewed as of those dates, that the Preliminary Limited Offering Memorandum contained any untrue statement of a material fact or omitted to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading (except any information marked as preliminary or subject to change, any information permitted to be omitted by Securities and Exchange Commission Rule 15c2-12 or otherwise left blank and any other differences with the information in the Limited Offering Memorandum), and (b) no facts had come to the attention of the attorneys in such counsel's firm rendering legal service to the Underwriter in connection with the Limited Offering Memorandum which caused such counsel to believe that the Limited Offering Memorandum contained or contains any untrue statement of a material fact or omitted or omits to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that, such counsel expressly excludes from the scope of this paragraph and expresses no view or opinion, with respect to both the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum, about any CUSIP numbers, financial, accounting, statistical or economic, engineering or demographic data or forecasts, numbers, charts, tables, graphs, estimates, projections, assumptions or expressions of opinion, any information about verification, feasibility, valuation, appraisals, absorption, real estate or

environmental matters, relationship among the parties, Appendices, or any information about book-entry, DTC, Cede & Co., tax matters, included or referred to therein or omitted therefrom. No responsibility is undertaken or view expressed with respect to any other disclosure document, materials or activity, or as to any information from another document or source referred to by or incorporated by reference in the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum; and

(iii) The Continuing Disclosure Agreement of Issuer satisfies the requirements contained in Securities and Exchange Commission Rule 15c2-12(b)(5) for an undertaking for the benefit of the holders of the Bonds to provide the information at the times and in the manner required by said Rule; provided that, for purposes of this opinion, such counsel is not expressing any view regarding the content of the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum that is not expressly stated in numbered paragraph ii, above.

j. Limited Offering Memorandum. The Limited Offering Memorandum and each supplement or amendment, if any, thereto.

k. Delivery of City Documents and Developer Documents. The City Documents and Developer Documents shall have been executed and delivered in form and content satisfactory to the Underwriter.

l. Form 8038-G. Evidence that the federal tax information form 8038-G has been prepared by Bond Counsel for filing.

m. Federal Tax Certificate. A certificate of the City in form and substance satisfactory to Bond Counsel and Underwriter's Counsel setting forth the facts, estimates and circumstances in existence on the Closing Date, which establish that it is not expected that the proceeds of the Bonds will be used in a manner that would cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), and any applicable regulations (whether final, temporary or proposed), issued pursuant to the Code.

n. Attorney General Opinion and Comptroller Registration. The approving opinion of the Attorney General of the State regarding the Bonds and the Comptroller of the State's Certificate of Registration for the Initial Bond.

o. Continuing Disclosure Agreements. The Continuing Disclosure Agreement of Issuer, the Continuing Disclosure Agreement of Developer, and the Continuing Disclosure Agreement of Homebuilder shall have been executed by the parties thereto in substantially the forms attached to the Limited Offering Memorandum as Appendix E-1, Appendix E-2, and Appendix E-3.

p. Letter of Representation of the Appraiser. (i) Letter of Representation of the Appraiser, substantially in the form of Appendix F hereto, addressed to the City, Bond Counsel, the Underwriter, and the Trustee, or in form otherwise agreed upon by the

Underwriter, and (ii) a copy of the real estate appraisal of the property in the District dated as of September 21, 2021.

q. Letter of Representation of PID Administrator. Letter of Representation of PID Administrator, substantially in the form of Appendix G hereto, addressed to the City, Bond Counsel, the Underwriter, and the Trustee, or in form otherwise agreed upon by the Underwriter.

r. Letter of Representation of Special Assessment Consultant. Letter of Representation of Special Assessment Consultant, substantially in the form of Appendix H hereto, addressed to the City, Bond Counsel, the Underwriter, and the Trustee, or in form otherwise agreed upon by the Underwriter.

s. Evidence of Filing of Creation Resolution and Assessment Ordinance. Evidence that (i) the Creation Resolution including a legal description of the District by metes and bounds and (ii) the Assessment Ordinance, including the legal description of the property within the District, the Assessment Roll and a statement indicating the contact for and address of where a copy of the Service and Assessment Plan, and any updates thereto may be obtained or viewed have been filed of record in the real property records of Williamson County, Texas.

t. Developer Organizational Documents. The Developer shall have delivered to the Underwriter and the City, (i) fully executed copies of the Developer's organizational documents, (ii) a Certificate of Status from the Texas Secretary of State for the Developer, and (iii) verification of franchise tax account status from the Texas Comptroller of Public Accounts for the Developer.

u. Rule 15c2-12 Certification. A resolution, ordinance or certificate whereby the City has deemed the Preliminary Limited Offering Memorandum final as of its date, except for permitted omissions, as contemplated by Rule 15c2-12 in connection with the offering of the Bonds, which certification may be included in the Bond Ordinance.

v. Dissemination Agent. Evidence acceptable to the Underwriter in its sole discretion that the City has engaged a dissemination agent acceptable to the Underwriter for the Bonds, with the execution of the Continuing Disclosure Agreement of Issuer and the Continuing Disclosure Agreement of Developer by other parties thereto being conclusive evidence of such acceptance by the Underwriter.

w. BLOR. A copy of the current Blanket Issuer Letter of Representation to DTC signed by the City.

x. Additional Documents. Such additional legal opinions, certificates, instruments, and other documents as the Underwriter or Underwriter's Counsel may reasonably deem necessary.

12. City's Closing Conditions. The obligation of the City hereunder to deliver the Bonds shall be subject to receipt on or before the Closing Date of the purchase price set forth in

Section 1 hereof, the Attorney General Opinion, the opinion of Bond Counsel described in Section 10(a) hereof and all documents required to be delivered by the Developer.

13. Consequences of Termination. If the City shall be unable to satisfy the conditions contained in this Agreement or if the obligations of the Underwriter shall be terminated for any reason permitted by this Agreement, this Agreement shall terminate and the Underwriter and the City shall have no further obligation hereunder, except as further set forth in Sections 13, 15 and 16 hereof.

14. Costs and Expenses.

a. The Underwriter shall be under no obligation to pay, and the City shall cause to be paid from proceeds of the Bonds the following expenses incident to the issuance of the Bonds and performance of the City's obligations hereunder: (i) the costs of the preparation and printing of the Bonds; (ii) the cost of preparation, printing, and mailing of the Preliminary Limited Offering Memorandum, the final Limited Offering Memorandum and any supplements and amendments thereto; (iii) the fees and disbursements of the City's Financial Advisor, the Trustee's counsel, Bond Counsel, Developer's General Counsel, Developer's Special Counsel, and the Trustee relating to the issuance of the Bonds; (iv) the Attorney General's review fees; (v) the fees and disbursements of accountants, advisers and any other experts or consultants retained by the City or the Developer, including but not limited to the fees and expenses of the Appraiser and the PID Administrator; and (vi) the expenses incurred by or on behalf of City employees and representatives that are incidental to the issuance of the Bonds and the performance by the City of its obligations under this Agreement.

b. The Underwriter shall pay the following expenses: (i) all advertising expenses in connection with the limited offering of the Bonds; (ii) fees of Underwriter's Counsel; and (iii) all other expenses, including CUSIP fees (including out-of-pocket expenses and related regulatory expenses), incurred by it in connection with its public offering and distribution of the Bonds, except as noted in Subsection 13(a) above.

c. The City acknowledges that the Underwriter will pay from the Underwriter's expense allocation of the underwriting discount the applicable per bond assessment charged by the Municipal Advisory Council of Texas, a nonprofit corporation whose purpose is to collect, maintain and distribute information relating to issuing entities of municipal securities.

15. Notice. Any notice or other communication to be given to the City under this Agreement may be given by delivering the same in writing to: City of Hutto, 500 W. Live Oak St., Hutto, Texas 78634, Attention: City Manager.

Any notice or other communication to be given to the Underwriter under this Agreement may be given by delivering the same in writing to: FMSbonds, Inc., 5 Cowboys Way, Suite 300-25, Frisco, Texas 75034, Attention: Tripp Davenport, Director.

16. Entire Agreement. This Agreement is made solely for the benefit of the City and the Underwriter (including their respective successors and assigns), and no other person shall acquire or have any right hereunder or by virtue hereof. All of the City's representations, warranties, and agreements contained in this Agreement shall remain operative and in full force and effect regardless of: (i) any investigations made by or on behalf of the Underwriter, provided the City shall have no liability with respect to any matter of which the Underwriter has actual knowledge prior to the purchase of the Bonds; or (ii) delivery of any payment for the Bonds pursuant to this Agreement. The agreements contained in this Section and in Section 16 shall survive any termination of this Agreement.

17. Survival of Representations and Warranties. All representations and warranties of the parties made in, pursuant to or in connection with this Agreement shall survive the execution and delivery of this Agreement, notwithstanding any investigation by the parties. All statements contained in any certificate, instrument, or other writing delivered by a party to this Agreement or in connection with the transactions described in or by this Agreement constitute representations and warranties by such party under this Agreement to the extent such statement is set forth as a representation and warranty in the instrument in question.

18. Counterparts. This Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

19. Severability. In case any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof.

20. State Law and Venue. The validity, interpretation, and performance of this Agreement shall be governed by the laws of the State of Texas and venue shall lie in Williamson County, Texas.

21. No Assignment. The rights and obligations created by this Agreement shall not be subject to assignment by the Underwriter or the City without the prior written consent of the other party hereto.

22. No Personal Liability. None of the members of the City Council, nor any officer, representative, agent, or employee of the City, shall be charged personally by the Underwriter with any liability, or be held liable to the Underwriter under any term or provision of this Agreement, or because of execution or attempted execution, or because of any breach or attempted or alleged breach of this Agreement.

23. Anti-Boycott Verification. To the extent this Agreement constitutes a contract for goods or services for which a written verification is required under Section 2271.002, Texas Government Code, the Underwriter hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and will not boycott Israel during the term of this Agreement. The foregoing verification is made solely to enable the City to comply with such Section and to the extent such Section does not contravene applicable Federal law. As used in the foregoing verification, 'boycott Israel' means refusing to

deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. As used in this Section, the Underwriter understands ‘affiliate’ to mean an entity that controls, is controlled by, or is under common control with the Underwriter within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit.

24. Iran, Sudan and Foreign Terrorist Organizations. The Underwriter represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer’s internet website:

<https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf>,
<https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, or
<https://comptroller.texas.gov/purchasing/docs/fto-list.pdf>.

The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable State or Federal law and excludes the Underwriter and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Underwriter understands “affiliate” to mean any entity that controls, is controlled by, or is under common control with the Underwriter and exists to make a profit.

25. Section 2274.002 as added by Senate Bill 13 (No Discrimination Against Fossil-Fuel Companies) Verification. To the extent this Agreement constitutes a contract for goods or services for which a written verification is required under Section 2274.002 (as added by Senate Bill 13 in the 87th Texas Legislature, Regular Session), Texas Government Code, as amended, the Underwriter hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies during the term of this Agreement. The foregoing verification is made solely to enable the City to comply with such Section and to the extent such Section does not contravene applicable Texas or federal law. As used in the foregoing verification, “boycott energy companies” shall mean, without an ordinary business purpose, refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with a company because the company (A) engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law; or (B) does business with a company described by (A) above. As used in this Section, the Underwriter understands ‘affiliate’ to mean an entity that controls, is controlled by, or is under common control with the Underwriter within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit.

26. Section 2274.002 as added by Senate Bill 19 (No Discrimination Against Firearm Entities and Firearm Trade Associations) Verification. To the extent this Agreement constitutes a contract for goods or services for which a written verification is required under Section 2274.002 (as added by Senate Bill 19 in the 87th Texas Legislature, Regular Session), Texas Government Code, as amended, the Underwriter hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate during the term of this Agreement against a firearm entity or firearm trade association. The foregoing verification is made solely to enable the City to comply with such Section and to the extent such Section does not contravene applicable Texas or federal law. As used in the foregoing verification, ‘discriminate against a firearm entity or firearm trade association’ (A) means, with respect to the firearm entity or firearm trade association, to (i) refuse to engage in the trade of any goods or services with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, (ii) refrain from continuing an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, or (iii) terminate an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association and (B) does not include (i) the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories and (ii) a company’s refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship (aa) to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency or (bb) for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity’s or association’s status as a firearm entity or firearm trade association. As used in the foregoing verification, (b) ‘firearm entity’ means a manufacturer, distributor, wholesaler, supplier, or retailer of firearms (i.e., weapons that expel projectiles by the action of explosive or expanding gases), firearm accessories (i.e., devices specifically designed or adapted to enable an individual to wear, carry, store, or mount a firearm on the individual or on a conveyance and items used in conjunction with or mounted on a firearm that are not essential to the basic function of the firearm, including detachable firearm magazines), or ammunition (i.e., a loaded cartridge case, primer, bullet, or propellant powder with or without a projectile) or a sport shooting range (as defined by Section 250.001, Texas Local Government Code), and (c) ‘firearm trade association’ means a person, corporation, unincorporated association, federation, business league, or business organization that (i) is not organized or operated for profit (and none of the net earnings of which inures to the benefit of any private shareholder or individual), (ii) has two or more firearm entities as members, and (iii) is exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c) of that code. As used in this Section, the Underwriter understands ‘affiliate’ to mean an entity that controls, is controlled by, or is under common control with the Underwriter within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit.

27. Form 1295. Submitted herewith is a completed Form 1295 in connection with the Underwriter’s participation in the execution of this Agreement 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 Underwriter, and the City agrees to acknowledge such form with the TEC through its electronic filing application not later than the thirtieth (30th) day after the receipt of such form. The Underwriter and the City 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 Underwriter; and, neither the City nor its consultants have verified such information.

[Signature pages follow.]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the date first set forth above.

FMSbonds, Inc.,
as Underwriter

By: _____
Name: Theodore A. Swinarski
Title: Senior Vice President – Trading

Accepted at _____ a.m./p.m. central time on the
date first stated above.

City of Hutto, Texas

By: _____
Mike Snyder, Mayor

SCHEDULE I

\$ _____

CITY OF HUTTO, TEXAS

(a municipal corporation of the State of Texas located in Williamson County)

SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2021

(DURANGO FARMS PUBLIC IMPROVEMENT DISTRICT PROJECT)

Interest Accrues From: Closing Date

\$[_____] [_____] % Term Bonds, Due September 1, 20__ Priced to Yield [_____] % (a)(b)(c)(d)

\$[_____] [_____] % Term Bonds, Due September 1, 20__ Priced to Yield [_____] % (a)(b)(c)(d)

- (a) [The initial reoffering prices or yields of the Bonds have been determined in accordance with the 10% test.]
- (b) The Bonds maturing on or after September 1, 20__ are subject to redemption, in whole or in part, prior to stated maturity, at the option of the City, on any date on or after September 1, 20__, at the redemption price of 100% of the principal amount of such Bonds, or portion thereof, to be redeemed, plus accrued interest to date of redemption.
- (c) The Bonds are also subject to extraordinary optional redemption as described in the Limited Offering Memorandum under "DESCRIPTION OF THE BONDS — Redemption Provisions."
- (d) The Bonds maturing September 1, 20__, are also subject to mandatory sinking fund redemption on the dates and in the respective Sinking Fund Installment as set forth in the following schedule.

<u>\$[_____] Bonds Maturing September 1,</u>	
<u>Sinking Fund</u>	
<u>Redemption Date</u>	<u>Installment</u>
September 1, 20__	\$[_____]
September 1, 20__	[_____]
September 1, 20__	[_____]
September 1, 20__ †	[_____]
† Stated Maturity	

The Bonds maturing September 1, 20__, are also subject to mandatory sinking fund redemption on the dates and in the respective Sinking Fund Installment as set forth in the following schedule.

<u>\$[_____] Bonds Maturing September 1,</u>	
<u>Sinking Fund</u>	
<u>Redemption Date</u>	<u>Installment</u>
September 1, 20__	\$[_____]
September 1, 20__	[_____]
September 1, 20__	[_____]
September 1, 20__ †	[_____]
† Stated Maturity	

APPENDIX A-1

FORM OF DEVELOPER LETTER OF REPRESENTATIONS

§ _____
CITY OF HUTTO, TEXAS
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2021
(DURANGO FARMS PUBLIC IMPROVEMENT DISTRICT PROJECT)

DEVELOPER LETTER OF REPRESENTATIONS

October 21, 2021

City of Hutto, Texas
500 W. Live Oak St.
Hutto, Texas 78634

FMSbonds, Inc.
5 Cowboys Way, Suite 300-25
Frisco, Texas 75034

Ladies and Gentlemen:

This letter is being delivered to the City of Hutto, Texas (the “City”) and FMSbonds, Inc. (the “Underwriter”), in consideration for your entering into the Bond Purchase Agreement dated the date hereof (the “Bond Purchase Agreement”) for the sale and purchase of the \$ _____ “City of Hutto, Texas Special Assessment Revenue Bonds, Series 2021 (Durango Farms Public Improvement District Project)” (the “Bonds”). Pursuant to the Bond Purchase Agreement, the Underwriter has agreed to purchase from the City, and the City has agreed to sell to the Underwriter the Bonds. In order to induce the City to enter into the Bond Purchase Agreement and as consideration for the execution, delivery, and sale of the Bonds by the City and the purchase of them by the Underwriter, the undersigned, MA Durango Farms, LLC, a Texas limited liability company (the “Developer”), makes the representations, warranties, and covenants contained in this Developer Letter of Representations. Unless the context clearly indicates otherwise, each capitalized term used in this Developer Letter of Representations will have the meaning set forth in the Bond Purchase Agreement.

1. Purchase and Sale of Bonds. Inasmuch as the purchase and sale of the Bonds represents a negotiated transaction, the Developer understands, and hereby confirms, that the Underwriter is not acting as a fiduciary of the Developer, but rather is acting solely in its capacity as Underwriter of the Bonds for its own account.

2. Updating of the Limited Offering Memorandum. If, after the date of this Developer Letter of Representations, up to and including the date the Underwriter is no longer

required to provide a Limited Offering Memorandum to potential customers who request the same pursuant to Rule 15c2-12 (the earlier of (i) ninety (90) days from the “end of the underwriting period” (as defined in Rule 15c2-12) and (ii) the time when the Limited Offering Memorandum is available to any person from the MSRB, but in no case less than twenty-five (25) days after the “end of the underwriting period” for the Bonds), the Developer becomes aware of any fact or event which might or would cause the Limited Offering Memorandum, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, or if it is necessary to amend or supplement the Limited Offering Memorandum to comply with law, the Developer will notify the Underwriter promptly (and for the purposes of this clause provide the Underwriter with such information as it may from time to time request); however, that for the purposes of this Developer Letter of Representations and any certificate delivered by the Developer in accordance with the Bond Purchase Agreement, the Developer makes no representations with respect to the information appearing in the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum except for the information set forth in all of the maps included therein and under the captions and subcaptions “PLAN OF FINANCE — Development Plan” and “— Development within the District,” “THE AUTHORIZED IMPROVEMENTS,” “THE DEVELOPMENT” and “THE DEVELOPER” and, to the Developer’s knowledge after due inquiry, under the captions “BONDHOLDERS’ RISKS” (only as it pertains to the Developer, the Authorized Improvements and the Development, as defined in the Limited Offering Memorandum), “LEGAL MATTERS — Litigation – The Developer,” “CONTINUING DISCLOSURE — The Developer” and “ — The Developer’s Compliance with Prior Undertakings,” “SOURCES OF INFORMATION — Developer,” “APPENDIX E-2” and “APPENDIX G” (collectively, the “Developer Disclosures”) in accordance with subsection 4(f) herein.

3. Developer Documents. The Developer has executed and delivered each of the below listed documents (individually, a “Developer Document” and collectively, the “Developer Documents”) in the capacity provided for in each such Developer Document, and each such Developer Document constitutes a valid and binding obligation of the Developer, enforceable against the Developer in accordance with its terms:

- a. this Developer Letter of Representations;
- b. the “Durango Farms Public Improvement District Financing and Reimbursement Agreement,” effective as of October 7, 2021 (the “Financing and Reimbursement Agreement”) executed and delivered by the City and the Developer;
- c. the “Second Amended and Restated Development Agreement” dated as of September 16, 2021 (the “Development Agreement”), executed and delivered by the City and the Developer;
- d. the “Durango Farms Public Improvement District Landowner Agreement and Notice of Special Assessments,” dated as of September 16, 2021 (the “Landowner Agreement”), executed and delivered by the City and the Developer; and

e. the Continuing Disclosure Agreement of Developer with respect to the Bonds, dated as of November 1, 2021 (the “Continuing Disclosure Agreement of Developer”), executed and delivered by the Developer, P3Works, LLC, as PID Administrator, and Wilmington Trust, National Association, as dissemination agent.

The Developer has complied in all material respects with all of the Developer’s agreements and covenants and satisfied all conditions required to be complied with or satisfied by the Developer under the Developer Documents on or prior to the date hereof.

The representations and warranties of the Developer contained in the Developer Documents are true and correct in all material respects on and as of the date hereof.

4. Developer Representations, Warranties and Covenants. The Developer represents, warrants, and covenants to the City and the Underwriter that:

a. Due Organization and Existence. The Developer is duly formed and validly existing as a limited partnership under the laws of the State of Texas.

b. Due Authorization and Approval. By all necessary action, the Homebuilder has duly authorized and approved its execution and delivery of the Homebuilder Documents and the performance by the Homebuilder of its obligations contained in the Homebuilder Documents as of the date hereof, such authorization and approvals are in full force and effect and have not been amended, modified or rescinded.

c. Organizational Documents. The copies of the organizational documents of the Developer provided by the Developer (the “Developer Organizational Documents”) to the City and the Underwriter are fully executed, true, correct, and complete copies of such documents and such documents have not been amended or supplemented since delivery to the City and the Underwriter and are in full force and effect as of the date hereof.

d. No Breach. The execution and delivery of the Developer Documents by Developer does not violate any judgment, order, writ, injunction or decree binding on Developer or any indenture, agreement, or other instrument to which the Developer is a party.

e. No Litigation. Other than as described in the Preliminary Limited Offering Memorandum and in the Limited Offering Memorandum, there are no proceedings pending or threatened in writing before any court or administrative agency against the Developer that are either not covered by insurance or which singularly or collectively would have a material, adverse effect on the ability of the Developer to perform its obligations under the Developer Documents in all material respects or that would reasonably be expected to prevent or prohibit the development of the District in accordance with the description thereof in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum.

f. Permits, Licenses, Etc. The Developer has obtained and there are currently in force and effect, or the Developer is not aware of any fact that will prevent the

Developer from receiving at or prior to the Closing Date or by the date required or necessary therefor, all consents, permits, licenses, certificates and other approvals (governmental or otherwise) required of it that

- i. are necessary to conduct the Developer's business as it is currently being conducted;
- ii. would constitute a condition precedent to, or the absence of which would materially adversely affect, the performance of its obligations under this Agreement, the Developer Documents and any other material agreement or instrument to which they are a party and which is to be used or contemplated for use in the consummation of the transactions described herein or by the Limited Offering Memorandum relating to the financing and construction of the Authorized Improvements; or
- iii. are necessary for the acquisition, construction and operation of the Authorized Improvements.

g. Information. The information prepared and submitted by the Developer to the City or the Underwriter in connection with the preparation of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum was, and is, as of this date, true and correct in all material respects.

h. Preliminary Limited Offering Memorandum and Limited Offering Memorandum. The Developer represents and warrants that the information set forth in the Developer Disclosures in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum is true and correct and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. The Developer agrees to provide a certificate dated the Closing Date affirming, as of such date, the representations contained in this subsection (f) with respect to the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum.

i. Events of Default. To the Developer's knowledge, no "Event of Default" or "event of default" by the Developer under any of the Developer Documents or under any material documents relating to the financing and construction of the Authorized Improvements to which the Developer is a party, or event that, with the passage of time or the giving of notice or both, would constitute such "Event of Default" or "event of default" by the Developer, has occurred and is continuing.

5. Indemnification.

a. The Developer will indemnify and hold harmless the City and the Underwriter and each of their officers, directors, employees and agents against any losses, claims, damages or liabilities to which any of them may become subject, under the Securities Act of 1933 or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or

alleged untrue statement of a material fact contained or incorporated by reference in the Developer Disclosures in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum, or any amendment or supplement to the Limited Offering Memorandum amending or supplementing the information contained under the aforementioned captions (as qualified above), or arise out of or are based upon the omission, untrue statement or alleged untrue statement or omission to state therein a material fact necessary to make the statements under the aforementioned captions (as qualified above) not misleading under the circumstances under which they were made and will reimburse any indemnified party for any reasonable legal or other expenses reasonably incurred by them in connection with investigating or defending any such action or claim as such expenses are incurred.

b. Promptly after receipt by an indemnified party under subsection (a) above of notice of the commencement of any action, such indemnified party shall, if a claim in respect thereof is to be made against the indemnifying party under such subsection, notify the indemnifying party in writing of the commencement thereof; but the omission so to notify the indemnifying party shall not relieve the indemnifying party from any liability which it may have to the indemnified party otherwise than under such subsection, unless such indemnifying party was prejudiced by such delay or lack of notice. In case any such action shall be brought against an indemnified party, it shall promptly notify the indemnifying party of the commencement thereof, the indemnifying party shall be entitled to participate therein and, to the extent that it shall wish, to assume the defense thereof, with counsel reasonably satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnifying party), and, after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party shall not be liable to such indemnified party under such subsection for any legal expenses of other counsel or any other expenses, in each case subsequently incurred by such indemnified party, in connection with the defense thereof other than reasonable costs of investigation. The indemnifying party shall not be liable for any settlement of any such action effected without its consent, but if settled with the consent of the indemnifying party or if there is a final judgment for the plaintiff in any such action, the indemnifying party will indemnify and hold harmless any indemnified party from and against any loss or liability by reason of such settlement or judgment. The indemnity herein shall survive delivery of the Bonds and shall survive any investigation made by or on behalf of the City, the Developer or the Underwriter.

6. Survival of Representations, Warranties and Covenants. All representations, warranties, and agreements in this Developer Letter of Representations will survive regardless of (a) any investigation or any statement in respect thereof made by or on behalf of the Underwriter, (b) delivery of any payment by the Underwriter for the Bonds hereunder, and (c) any termination of the Bond Purchase Agreement.

7. Binding on Successors and Assigns. This Developer Letter of Representations will be binding upon the Developer and its successors and assigns and inure solely to the benefit of the Underwriter and the City, and no other person or firm or entity will acquire or have any right under or by virtue of this Developer Letter of Representations.

[Signature page follows.]

MA Durango Farms, LLC,
a Texas limited liability company

By: MA Partners, LLC
a Texas limited liability company
Its: Manager

By: _____
Name: _____
Title: _____

APPENDIX A-2

FORM OF HOMEBUILDER LETTER OF REPRESENTATIONS

§ _____
CITY OF HUTTO, TEXAS
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2021
(DURANGO FARMS PUBLIC IMPROVEMENT DISTRICT PROJECT)

HOMEBUILDER LETTER OF REPRESENTATIONS

October 21, 2021

City of Hutto, Texas
500 W. Live Oak St.
Hutto, Texas 78634

FMSbonds, Inc.
5 Cowboys Way, Suite 300-25
Frisco, Texas 75034

Ladies and Gentlemen:

This letter is being delivered to the City of Hutto, Texas (the “City”) and FMSbonds, Inc. (the “Underwriter”), in consideration for your entering into the Bond Purchase Agreement dated the date hereof (the “Bond Purchase Agreement”) for the sale and purchase of the \$ _____ “City of Hutto, Texas Special Assessment Revenue Bonds, Series 2021 (Durango Farms Public Improvement District Project)” (the “Bonds”). Pursuant to the Bond Purchase Agreement, the Underwriter has agreed to purchase from the City, and the City has agreed to sell to the Underwriter the Bonds. In order to induce the City to enter into the Bond Purchase Agreement and as consideration for the execution, delivery, and sale of the Bonds by the City and the purchase of them by the Underwriter, the undersigned, Meritage Homes of Texas, LLC, an Arizona limited liability company (the “Homebuilder), makes the representations, warranties, and covenants contained in this Homebuilder Letter of Representations. Unless the context clearly indicates otherwise, each capitalized term used in this Homebuilder Letter of Representations will have the meaning set forth in the Bond Purchase Agreement.

1. Purchase and Sale of Bonds. Inasmuch as the purchase and sale of the Bonds represents a negotiated transaction, the Homebuilder understands, and hereby confirms, that the Underwriter is not acting as a fiduciary of the Homebuilder, but rather is acting solely in its capacity as Underwriter of the Bonds for its own account.

2. Updating of the Limited Offering Memorandum. If, after the date of this Homebuilder Letter of Representations, up to and including the date the Underwriter is no longer

required to provide a Limited Offering Memorandum to potential customers who request the same pursuant to Rule 15c2-12 (the earlier of (i) ninety (90) days from the “end of the underwriting period” (as defined in Rule 15c2-12) and (ii) the time when the Limited Offering Memorandum is available to any person from the MSRB, but in no case less than twenty-five (25) days after the “end of the underwriting period” for the Bonds), the Homebuilder becomes aware of any fact or event which might or would cause the Limited Offering Memorandum, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, or if it is necessary to amend or supplement the Limited Offering Memorandum to comply with law, the Homebuilder will notify the Underwriter promptly (and for the purposes of this clause provide the Underwriter with such information as it may from time to time request); however, that for the purposes of this Homebuilder Letter of Representations and any certificate delivered by the Homebuilder in accordance with the Bond Purchase Agreement, the Homebuilder makes no representations with respect to the information appearing in the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum except for the information relating specifically to the Homebuilder set forth in all of the maps included therein and under the captions and subcaptions “PLAN OF FINANCE — Development within the District,” “THE DEVELOPMENT — Development Plan,” “ — Single Family Lot Development,” and “ — Description of Homebuilder,” and, to the Homebuilder’s actual knowledge after due inquiry, under the captions “CONTINUING DISCLOSURE — The Homebuilder” and “ — The Homebuilder’s Compliance with Prior Undertakings,” “SOURCES OF INFORMATION — Homebuilder,” and “APPENDIX E-2 collectively, the “Homebuilder Disclosures”) in accordance with subsection 4(f) herein.

3. Homebuilder Documents. The Developer has executed and delivered each of the below listed documents (individually, a “Homebuilder Document” and collectively, the “Homebuilder Documents”) in the capacity provided for in each such Homebuilder Document, and each such Homebuilder Document constitutes a valid and binding obligation of the Homebuilder, enforceable against the Homebuilder in accordance with its terms:

- a. this Homebuilder Letter of Representations;
- b. the “Durango Farms Public Improvement District Landowner Agreement and Notice of Special Assessments,” dated as of September 16, 2021 (the “Landowner Agreement”), executed and delivered by the City, MA Durango Farms, LLC, a Texas limited liability company, Vantage at Hutto, LLC, a Delaware limited liability company, and the Homebuilder; and
- c. the Continuing Disclosure Agreement of Homebuilder with respect to the Bonds, dated as of November 1, 2021 (the “Continuing Disclosure Agreement of Homebuilder”), executed and delivered by the Developer, P3Works, LLC, as PID Administrator, and Wilmington Trust, National Association, as dissemination agent.

The Homebuilder has complied in all material respects with all of the Homebuilder’s agreements and covenants and satisfied all conditions required to be complied with or satisfied by the Homebuilder under the Homebuilder Documents on or prior to the date hereof.

The representations and warranties of the Homebuilder contained in the Homebuilder Documents are true and correct in all material respects on and as of the date hereof.

4. Homebuilder Representations, Warranties and Covenants. The Homebuilder represents, warrants, and covenants to the City and the Underwriter that:

- a. Due Organization and Existence. The Homebuilder is duly formed and validly existing as a limited partnership under the laws of the State of Arizona.
- b. Due Authorization and Approval. By all necessary action, the Homebuilder has duly authorized and approved its execution and delivery of the Homebuilder Documents and the performance by the Homebuilder of its obligations contained in the Homebuilder Documents as of the date hereof, such authorization and approvals are in full force and effect and have not been amended, modified or rescinded.
- c. No Breach. The execution and delivery of the Homebuilder Documents by Homebuilder does not violate any judgment, order, writ, injunction or decree binding on Homebuilder or any indenture, agreement, or other instrument to which the Homebuilder is a party.
- d. No Litigation. Other than as described in the Preliminary Limited Offering Memorandum and in the Limited Offering Memorandum, there are no proceedings pending or threatened in writing before any court or administrative agency against the Homebuilder that are either not covered by insurance or which singularly or collectively would have a material, adverse effect on the ability of the Developer to perform its obligations under the Homebuilder Documents in all material respects or that would reasonably be expected to prevent or prohibit the development of the District in accordance with the description thereof in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum.
- e. Information. The information prepared and submitted by the Homebuilder to the City or the Underwriter in connection with the preparation of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum was, and is, as of this date, true and correct in all material respects.
- f. Preliminary Limited Offering Memorandum and Limited Offering Memorandum. The Homebuilder represents and warrants that the information set forth in the Homebuilder Disclosures in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum is true and correct and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.
- g. Events of Default. To the Homebuilder's knowledge, no "Event of Default" or "event of default" by the Homebuilder under any of the Homebuilder Documents or under any material documents relating to the financing and construction of

the Authorized Improvements to which the Homebuilder is a party, or event that, with the passage of time or the giving of notice or both, would constitute such “Event of Default” or “event of default” by the Homebuilder, has occurred and is continuing.

5. Indemnification.

a. The Homebuilder will indemnify and hold harmless the City and the Underwriter and each of their officers, directors, employees and agents against any losses, claims, damages or liabilities to which any of them may become subject, under the Securities Act of 1933 or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained or incorporated by reference in the Homebuilder Disclosures in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum, or any amendment or supplement to the Limited Offering Memorandum amending or supplementing the information contained under the aforementioned captions (as qualified above), or arise out of or are based upon the omission, untrue statement or alleged untrue statement or omission to state therein a material fact necessary to make the statements under the aforementioned captions (as qualified above) not misleading under the circumstances under which they were made and will reimburse any indemnified party for any reasonable legal or other expenses reasonably incurred by them in connection with investigating or defending any such action or claim as such expenses are incurred.

b. Promptly after receipt by an indemnified party under subsection (a) above of notice of the commencement of any action, such indemnified party shall, if a claim in respect thereof is to be made against the indemnifying party under such subsection, notify the indemnifying party in writing of the commencement thereof; but the omission so to notify the indemnifying party shall not relieve the indemnifying party from any liability which it may have to the indemnified party otherwise than under such subsection, unless such indemnifying party was prejudiced by such delay or lack of notice. In case any such action shall be brought against an indemnified party, it shall promptly notify the indemnifying party of the commencement thereof, the indemnifying party shall be entitled to participate therein and, to the extent that it shall wish, to assume the defense thereof, with counsel reasonably satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnifying party), and, after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party shall not be liable to such indemnified party under such subsection for any legal expenses of other counsel or any other expenses, in each case subsequently incurred by such indemnified party, in connection with the defense thereof other than reasonable costs of investigation. The indemnifying party shall not be liable for any settlement of any such action effected without its consent, but if settled with the consent of the indemnifying party or if there is a final judgment for the plaintiff in any such action, the indemnifying party will indemnify and hold harmless any indemnified party from and against any loss or liability by reason of such settlement or judgment. The indemnity herein shall survive delivery of the Bonds and shall survive any investigation made by or on behalf of the City, the Homebuilder or the Underwriter.

6. Survival of Representations, Warranties and Covenants. All representations, warranties, and agreements in this Homebuilder Letter of Representations will survive regardless of (a) any investigation or any statement in respect thereof made by or on behalf of the Underwriter, (b) delivery of any payment by the Underwriter for the Bonds hereunder, and (c) any termination of the Bond Purchase Agreement.

7. Binding on Successors and Assigns. This Homebuilder Letter of Representations will be binding upon the Homebuilder and its successors and assigns and inure solely to the benefit of the Underwriter and the City, and no other person or firm or entity will acquire or have any right under or by virtue of this Homebuilder Letter of Representations.

[Signature page follows.]

Meritage Homes of Texas,
an Arizona limited liability company

By: _____

Its: _____

By: _____

Name: _____

Title: _____

APPENDIX B

[\$[PRINCIPAL] CITY OF HUTTO, TEXAS SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2021 (DURANGO FARMS PUBLIC IMPROVEMENT DISTRICT PROJECT)

ISSUE PRICE CERTIFICATE

The undersigned, as the duly authorized representative of FMSbonds, Inc. (“Purchaser”), with respect to the City of Hutto, Texas Special Assessment Revenue Bonds, Series 2021 (Durango Farms Public Improvement District Project) issued by the City of Hutto, Texas (“Issuer”) in the principal amount of \$_____ (“Bonds”), hereby certifies, based on its records and information, as follows:

(a) The first price at which at least ten percent (“Substantial Amount”) of the principal amount of each maturity of the Bonds having the same credit and payment terms (a “Maturity”) was sold to a person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter (the “Public”) is set forth in the final Official Statement relating to the Bonds.

A copy of the pricing wire or equivalent communication for the Bonds is attached to this Certificate as Schedule A.

For purposes of this Issue Price Certificate, the term “Underwriter” means (1) (i) a person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, or (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (1)(i) of this paragraph (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public) to participate in the initial sale of the Bonds to the Public, and (2) any person who has more than 50% common ownership, directly or indirectly, with a person described in clause (1) of this paragraph.

[Remainder of this page intentionally left blank.]

The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Federal Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by McCall, Parkhurst & Horton L.L.P. in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds. Notwithstanding anything set forth herein, the Purchaser is not engaged in the practice of law and makes no representation as to the legal sufficiency of the factual matters set forth herein.

FMSbonds, Inc.,
as Underwriter

By: _____

Name: Theodore A. Swinarski
Title: Senior Vice President - Trading

Dated: _____

SCHEDULE A

PRICING WIRE OR EQUIVALENT COMMUNICATION

(Attached)

APPENDIX C

[LETTERHEAD OF BOJORQUEZ LAW FIRM]

November 18, 2021

FMSbonds, Inc.
5 Cowboys Way, Suite 300-25
Frisco, Texas 75034

Wilmington Trust, National Association
15950 North Dallas Parkway, Suite 550
Dallas, Texas 75248

City of Hutto, Texas
500 W. Live Oak St.
Hutto, Texas 78634

\$ _____
CITY OF HUTTO, TEXAS
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2021
(DURANGO FARMS PUBLIC IMPROVEMENT DISTRICT PROJECT)

Ladies and Gentlemen:

We are the Attorney for the City of Hutto, Texas (the “City”) for limited purposes, and are rendering this opinion in connection with the issuance and sale of \$_____ “City of Hutto, Texas Special Assessment Revenue Bonds, Series 2021 (Durango Farms Public Improvement District Project)” (the “Bonds”), by the City, a political subdivision of the State of Texas.

The Bonds are authorized pursuant to Ordinance No. O-2021-____ and enacted by the City Council of the City (the “City Council”) on October 21, 2021 (the “Bond Ordinance”) and shall be issued pursuant to the provisions of Subchapter A of the Public Improvement District Assessment Act, Chapter 372, Texas Local Government Code, as amended (the “Act”) and the Indenture of Trust dated as of November 1, 2021 (the “Indenture”) by and between the City and Wilmington Trust, National Association, as trustee (the “Trustee”). Capitalized terms not defined herein shall have the same meanings as in the Indenture, unless otherwise stated herein.

In connection with rendering this opinion, we have reviewed the:

- (a) The Resolution No. R-2020-068 (the “Creation Resolution”) enacted by the City Council on August 6, 2020;
- (b) The Ordinance No. O-2021-____ accepted and approved by City Council on October 21, 2021 (the “Assessment Ordinance”), and the Service and Assessment Plan attached as an exhibit thereto;
- (c) The Bond Ordinance;

- (d) The Indenture;
- (e) the “Durango Farms Public Improvement District Financing and Reimbursement Agreement,” effective as of September 16, 2021 (the “Financing and Reimbursement Agreement”) executed and delivered by the City and MA Durango Farms, LLC, a Texas limited liability company (the “Developer”);
- (f) the “Second Amended and Restated Development Agreement” dated as of September 16, 2021 (the “Development Agreement”), executed and delivered by the City and the Developer;
- (g) the “Durango Farms Public Improvement District Landowner Agreement and Notice of Special Assessments,” dated as of September 16, 2021 (the “Landowner Agreement”), executed and delivered by the City, the Developer and Meritage Homes of Texas, LLC, an Arizona limited liability company (the “Homebuilder”); and
- (h) The Continuing Disclosure Agreement of the Issuer with respect to the Bonds, dated as of November 1, 2021, executed and delivered by the City, P3Works, LLC as PID Administrator and Wilmington Trust, National Association (the “Continuing Disclosure Agreement of Issuer”).

The Creation Resolution, the Assessment Ordinance, the Indenture and the Bond Ordinance shall herein after be referred to as the “Authorizing Documents” and the remaining documents shall herein after be collectively referred to as the “City Documents.”

In all such examinations, we have assumed that all signatures on documents and instruments executed by the City are genuine and that all documents submitted to me as copies conform to the originals. In addition, for purposes of this opinion, we have assumed the due authorization, execution and delivery of the City Documents by all parties other than the City.

Based upon and subject to the foregoing and the additional qualifications and assumptions set forth herein, we are of the opinion that:

1. The City is a Texas political subdivision and has all necessary power and authority to enter into and perform its obligations under the Authorizing Documents and the City Documents. The City has taken or obtained all actions, approvals, consents and authorizations required of it by applicable laws in connection with the execution of the Authorizing Documents and the City Documents and the performance of its obligations thereunder.

2. To the best of our knowledge, there is no action, suit, proceeding, inquiry or investigation at law or in equity, before or by any court, public board or body, pending, or threatened against the City: (a) affecting the existence of the City or the titles of its officers to their respective offices, (b) in any way questioning the formation or existence of the District, (c) affecting, contesting or seeking to prohibit, restrain or enjoin the delivery of any of the Bonds, or the payment, collection or application of any amounts pledged or to be pledged to pay the principal of and interest on the Bonds, including the Assessments in the District pursuant to the provisions of the Assessment Ordinance, the Bond Ordinance and the Service and Assessment

Plan referenced therein, (d) contesting or affecting the validity or enforceability or the City's performance of the City Documents, (e) contesting the exclusion of the interest on the Bonds from federal income taxation, or (f) which may result in any material adverse change relating to the financial condition of the City.

3. The Authorizing Documents were duly enacted by the City and remain in full force and effect on the date hereof.

4. The City Documents have been duly authorized, executed and delivered by the City and remain legal, valid and binding obligations of the City enforceable against the City in accordance with their terms. However, the enforceability of the obligations of the City under such City Documents may be limited or otherwise affected by (a) bankruptcy, insolvency, reorganization, moratorium and other laws affecting the rights of creditors generally, (b) principles of equity, whether considered at law or in equity, and (c) the application of Texas law relating to action by future councils and relating to governmental immunity applicable to governmental entities.

5. The performance by the City of the obligations under the Authorizing Documents and the City Documents will not violate any provision of any federal or Texas constitutional or statutory provision.

6. No further consent, approval, authorization, or order of any court or governmental agency or body or official is required to be obtained by the City as a condition precedent to the performance by the City of its obligations under the Authorizing Documents and the City Documents.

7. The City has duly authorized and delivered the Preliminary Limited Offering Memorandum.

8. Based upon our limited participation in the preparation of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum (collectively, the "Limited Offering Memorandum"), the statements and information contained in the Limited Offering Memorandum with respect to the City under the captions and subcaptions "ASSESSMENT PROCEDURES," "THE CITY," "THE DISTRICT," "LEGAL MATTERS — Litigation — The City," "CONTINUING DISCLOSURE — The City" and " — The City's Compliance with Prior Undertakings," "APPENDIX A" and "APPENDIX E-1" is a fair and accurate summary of the law and the documents and facts summarized therein.

9. The adoption of the Authorizing Documents and the execution and delivery of the City Documents and the compliance with the provisions of the Authorizing Documents and the City Documents under the circumstances contemplated thereby, to the best of our knowledge: (a) do not and will not in any material respect conflict with or constitute on the part of the City a breach of or default under any agreement to which the City is a party or by which it is bound, and (b) do not and will not in any material respect conflict with or constitute on the part of the City a violation, breach of or default under any existing law, regulation, court order or consent decree to which the City is subject.

This opinion may not be relied upon by any other person except those specifically addressed in this letter.

Very truly yours,

ATTORNEY FOR THE CITY

APPENDIX D

[LETTERHEAD OF DEVELOPER'S COUNSEL]

[CLOSING DATE], 2021

City of Hutto, Texas
500 W. Live Oak St.
Hutto, Texas 78634

FMSbonds, Inc.
5 Cowboys Way, Suite 300-25
Frisco, Texas 75034

Wilmington Trust, National Association
15950 North Dallas Parkway, Suite 550
Dallas, Texas 75248

McCall, Parkhurst & Horton L.L.P.
600 Congress Ave, Suite 2150
Austin, TX 78701

Bojorquez Law Firm
12325 Hymeadow Dr,
Austin, TX 78750

\$ _____
CITY OF HUTTO, TEXAS
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2021
(DURANGO FARMS PUBLIC IMPROVEMENT DISTRICT IMPROVEMENT
PROJECT)

Ladies and Gentlemen:

We have acted as special counsel to MA Durango Farms, LLC, a Texas limited liability company (the "*Developer*") in connection with the issuance and sale by the City of Hutto, Texas (the "*Issuer*"), of \$ _____ City of Hutto, Texas Special Assessment Revenue Bonds, Series 2021 (Durango Farms Public Improvement District Project) (the "*Bonds*"), pursuant to the Indenture of Trust dated as of November 1, 2021 (the "*Indenture*"), by and between the Issuer and Wilmington Trust, National Association, as trustee (the "*Trustee*"). Proceeds from the sale of the Bonds will be used, in part, to fund certain public infrastructure improvements in the development known as "Durango Farms" (the "*Development*") located in the City of Hutto, Texas.

The Bonds are being sold to FMSbonds, Inc. (the "*Underwriter*"), pursuant to that certain Bond Purchase Agreement dated October 21, 2021 (the "*Bond Purchase Agreement*"), between the Issuer and the Underwriter. This opinion is being delivered pursuant to Section 10(d) of the Bond Purchase Agreement.

All capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Bond Purchase Agreement.

In our capacity as special counsel to the Developer, and for purposes of rendering the opinions set forth herein, we have examined originals or copies, certified or otherwise identified to our satisfaction, of:

(a) The following documents (collectively, the “*Material Documents*”):

(1) the “Durango Farms Public Improvement District Financing and Reimbursement Agreement,” effective as of September 16, 2021 (the “*Financing and Reimbursement Agreement*”), executed and delivered by the City and the Developer;

(2) Continuing Disclosure Agreement of the Developer, dated as of November 1, 2021; by and between Developer, P3Works, LLC, as PID Administrator, and Wilmington Trust, National Association, as dissemination agent;

(3) the “Second Amended and Restated Development Agreement” dated as of September 16, 2021 (the “*Development Agreement*”), executed and delivered by the City and the Developer;

(4) the “Durango Farms Public Improvement District Landowner Agreement and Notice of Special Assessments,” dated as of September 16, 2021 (the “*Landowner Agreement*”), executed and delivered by the City and the Developer;

(5) The Bond Purchase Agreement; and

(6) The Developer Letter of Representations dated October 21, 2021.

(b) The General Certificate and Closing Certificate of Developer, dated as of the date hereof (the “*Closing Certificate of Developer*”);

(c) The Preliminary Limited Offering Memorandum, dated October 12, 2021 relating to the issuance of the Bonds (the “*Preliminary Limited Offering Memorandum*”);

(d) The final Limited Offering Memorandum, dated [October 21], 2021, relating to the issuance of the Bonds (collectively with the Preliminary Limited Offering Memorandum, the “*Limited Offering Memorandum*”); and

(e) Such other documents, records, agreements and certificates of the Developer as we have deemed necessary or appropriate to enable us to render the opinions expressed below.

In basing the opinions and other matters set forth herein on “our knowledge,” the words “our knowledge” signify that, in the course of our representation of the Developer, the principal attorneys in this firm involved in the current actual transaction do not have actual knowledge or actual notice that any such opinions or other matters are not accurate or that any of the documents, certificates, reports, and information on which we have relied are not accurate and complete. Except as otherwise stated herein, we have undertaken no independent investigation or certification of such matters. The words “our knowledge” and similar language used herein are intended to be limited to the knowledge of the attorneys within our firm who have worked on the matters contemplated by our representation as special counsel.

In rendering the opinions set forth herein, we have assumed, without independent investigation (other than the Developer): (i) the due authorization, execution, and delivery of each of the documents referred to in this opinion letter by all parties thereto (other than the Developer) and that each such document constitutes a valid, binding, and enforceable obligation of each party thereto (other than the Developer), (ii) that all of the parties (other than the Developer) to the documents referred to in this opinion letter are duly organized, validly existing, in good standing and have the requisite power, authority (corporate, limited liability company, partnership or other) and legal right to execute, deliver, and perform its obligations under such documents (except to the extent set forth in our opinions set forth herein regarding valid existence and power and authority of the Developer to execute, deliver, and perform its obligations under the Material Documents), (iii) that each certificate from governmental officials reviewed by us is accurate, complete, and authentic, and all official public records are accurate and complete, (iv) the legal capacity of all natural persons, (v) the genuineness of all signatures (other than those of the Developer in respect of the Material Documents), (vi) the authenticity and accuracy of all documents submitted to us as originals, (vii) the conformity to original documents of all documents submitted to us as photostatic or certified copies, (viii) that no laws or judicial, administrative, or other action of any governmental authority of any jurisdiction not expressly opined to herein would adversely affect the opinions set forth herein, and (ix) that the execution and delivery by each party (other than the Developer) of, and performance of its agreements in, the Material Documents do not breach or result in a default under any existing obligation of such party under any agreements, contracts, or instruments to which such party is a party to or otherwise subject to or any order, writ, injunction or decree of any court applicable to such party.

In addition, we have assumed that the Material Documents accurately reflect the complete understanding of the parties with respect to the transactions contemplated thereby and the rights and obligations of the parties thereunder. We have also assumed that the terms and conditions of the transaction as reflected in the Material Documents have not been amended, modified or supplemented, directly or indirectly, by any other agreement or understanding of the parties or waiver of any of the material provisions of the Material Documents.

We assume that none of the parties to the Material Documents (other than the Developer) is a party to any court or regulatory proceeding relating to or otherwise affecting the Material Documents or is subject to any order, writ, injunction or decree of any court or federal, state or local governmental agency or commission that would prohibit the execution and delivery of the Material Documents, or the consummation of the transactions therein contemplated in the manner therein provided, or impair the validity or enforceability thereof. We assume that each of the parties to the Material Documents (other than the Developer) has full authority to close this transaction in accordance with the terms and provisions of the Material Documents.

We assume that neither the Underwriter nor the Issuer nor their respective counsel has any current actual knowledge of any facts not known to us or any law or judicial decision which would make the opinions set forth herein incorrect, and that no party upon whom we have relied for purposes of this opinion letter has perpetrated a fraud.

We have only been engaged by our clients in connection with the Material Documents (and the transactions contemplated in the Material Documents) and do not represent these clients generally.

Opinions and Assurances

Based solely upon the foregoing, and subject to the assumptions and limitations set forth herein, we are of the opinion that:

1. The Developer is (i) a limited liability company, (ii) qualified to do business in the State of Texas and (iii) in good standing under the laws of the State of Texas.

2. The Developer has the full legal right, power, and authority to execute, deliver, and perform its obligations, as applicable, under each of the Material Documents to which it is a party and has taken all necessary actions to authorize the execution, distribution, and delivery by the Developer of such Material Documents and the performance by the Developer of such obligations.

3. The execution and delivery by the Developer of the Material Documents and the performance by the Developer of its obligations under the Material Documents will not (i) violate any applicable law; (ii) conflict with or result in the breach of any court decree or order of any governmental body identified in the Closing Certificate of Developer or otherwise actually known to the lawyers who have provided substantive attention to the representation reflected in this opinion binding upon or affecting the Developer, the conflict with which or breach of which would have a material, adverse effect on the ability of the Developer to perform its obligations under the Material Documents to which it is a party; or (iii) constitute a violation of its limited partnership agreement or certificate of formation.

4. No governmental approval which has not been obtained or taken is required to be obtained or taken by the Developer on or before the date hereof as a condition to (a) the execution and delivery by the Developer of the Material Documents to which it is a party, or (b) the performance by the Developer of its obligations under the Material Documents to which it is a party, except for governmental approvals that may be required to comply with certain covenants contained in the Material Documents (including, without limitation, covenants to comply with applicable laws).

5. The Developer has duly executed and delivered each of the Material Documents to which it is a party, and each of the Material Documents constitutes the legal, valid, and binding obligation of the Developer, enforceable against the Developer in accordance with its respective terms, subject to the following qualifications: (i) the effect of applicable bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the rights of creditors generally, (ii) the effect of the exercise of judicial discretion in accordance with general principles of equity (whether applied by a court of law or of equity), and (iii) the effect that enforceability of the indemnification provisions therein may be limited, in whole or in part.

6. There are no actions, suits, or proceedings pending or, to our knowledge after reasonable inquiry, threatened against the Developer identified in the Closing Certificate of Developer or otherwise actually known to the lawyers who have provided substantive attention to the representation reflected in this opinion in any court of law or equity, or before or by any governmental instrumentality with respect to (i) its organization or existence or qualification to do business in the State of Texas; (ii) its authority to execute or deliver the Material Documents to which it is a party; (iii) the validity or enforceability against it of such Documents or the transactions contemplated thereby; (iv) the titles of its officers executing the Material Documents; (v) the execution and delivery of the Material Documents on behalf of the Developer; or (vi) the operations or financial condition of the Developer that would materially adversely affect those operations or the financial condition of the Developer; or (vii) the acquisition and construction of the property and improvements identified in the Limited Offering Memorandum the cost of which is to be funded or reimbursed, in whole or in part, by proceeds of the Bonds.

7. To our knowledge, no taxes or other charges, including, without limitation, intangible or documentary stamp taxes, mortgage or recording taxes, transfer taxes or similar charges, are payable to the State of Texas by the Developer on account of its execution or delivery of any of the Material Documents or the creation of the indebtedness evidenced or secured by any of the Material Documents or the recording or filing of any of the Material Documents, except for normal filing or recording fees.

8. To our knowledge, the execution and delivery of the Material Documents do not, and the transactions described therein may be consummated and the terms and conditions thereof may be observed and performed in a manner that does not, conflict with or constitute a breach of or default under any loan agreement, trust agreement, bond note, resolution, agreement, or other instrument to which the Developer is a party or is otherwise subject and which have been identified in the Closing Certificate of Developer which violation, breach or default would materially adversely affect the Developer or its performance of its obligations under the transactions described in the Material Documents; nor will any such execution, delivery, adoption, fulfillment, or compliance result in the creation or imposition of any lien, charge, or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the Developer, except as expressly described in the Material Documents (a) under applicable law, or (b) under any such loan agreement, indenture, bond note, resolution, agreement, or other instrument.

9. The information set forth in the Limited Offering Memorandum under the captions “PLAN OF FINANCE — Development Plan,” and “— Development within the District,” “THE AUTHORIZED IMPROVEMENTS” “THE DEVELOPMENT,” “THE DEVELOPER,” and “CONTINUING DISCLOSURE — The Developer” and “— The Developer’s Compliance with Prior Undertakings”, insofar as such statements constitute matters of law, summaries solely of legal matters, provisions of the Developer’s certificate of formation or agreement of limited partnership or legal proceedings fairly summarize those matters of law, legal matters, provisions of the Developer’s certificate of formation, agreement of limited partnership or legal proceedings in all material respects.

In addition, based upon our participation at conferences with representatives of the City and its counsel, and with representatives of the Developer at which the Preliminary Limited Offering Memorandum, the Limited Offering Memorandum and related matters were discussed, and although we have not independently verified the information in the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum and are not passing upon and do not assume any responsibility for the accuracy, completeness or fairness of the statements contained in the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum and any amendment or supplement thereto, no facts have come to our attention that lead us to believe that the information set forth under the captions referenced in the preceding paragraph with respect to the Preliminary Limited Offering Memorandum, as of the date of the Preliminary Limited Offering Memorandum and as of October 12, 2021, and with respect to the Limited Offering Memorandum, as of the date of the Limited Offering Memorandum and the date hereof, contained or contains any untrue statement of a material fact, or omitted or omits to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

Qualifications

In addition to any assumptions, qualifications and other matters set forth elsewhere herein, the opinions set forth above are subject to the following assumptions and qualifications:

(a) We have not examined any court dockets, agency files, or other public records regarding the entry of any judgments, writs, decrees or orders or the pendency of any actions, proceedings, investigations, or litigation.

(b) We have relied upon the Closing Certificate of Developer, as well as the representations of the Developer contained in the Material Documents, with respect to certain facts material to our opinion. Except as otherwise specifically indicated herein, we have made no independent investigation regarding any of the foregoing documents or the representations contained therein.

(c) Our opinion delivered pursuant to Section 3 above is subject to the effect of any applicable bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium or other laws affecting creditors' rights generally and to the effect of general principles of equity, including (without limitation) remedies of specific performance and injunctive relief and concepts of materiality, reasonableness, good faith and fair dealing (regardless of whether considered in a proceeding in equity or at law).

(d) Except for the Material Documents, we have not reviewed, and express no opinion as to, any other contracts or agreements to which the Developer is a party or by which the Developer is or may be bound.

(e) The opinions expressed herein are based upon and limited to the applicable laws of the State of Texas and the laws of the United States of America, excluding the principles of conflicts of laws thereof, as in effect as of the date hereof, and our knowledge of the facts relevant to such opinions on such date. In this regard, we note that we are members of the Bar of the State of Texas, we do not express any opinion herein as to matters governed by the laws of

any other jurisdiction, except the United States of America, we do not purport to be experts in any other laws and we can accept no responsibility for the applicability or effect of any such laws. In addition, we assume no obligation to supplement the opinions expressed herein if any applicable laws change after the date hereof, or if we become aware of any facts or circumstances that affect the opinions expressed herein.

(f) This letter is strictly limited to the matters expressly set forth herein and no statements or opinions should be inferred beyond such matters.

(g) Notwithstanding anything contained herein to the contrary, we express no opinion whatsoever concerning the status of title to any real or personal property.

(h) The opinions expressed herein regarding the enforceability of the Material Documents are subject to the qualification that certain of the remedial, waiver or other provisions thereof may not be enforceable; but such unenforceability will not, in our judgment, render the Material Documents invalid as a whole or substantially interfere with the practical realization of the principal legal benefits provided in the Material Documents, except to the extent of any economic consequences of any procedural delays which may result therefrom.

(i) The opinion expressed herein as to the enforceability of the Material Documents is specifically subject to the qualification that enforceability of the Material Documents is limited by the following: (i) the rights of the United States under the Federal Tax Lien Act of 1966, as amended; (ii) principles of equity, public policy and unconscionability which may limit the availability of certain remedies; (iii) bankruptcy, insolvency, reorganization, fraudulent conveyance, liquidation, probate, conservatorship and other laws applicable to creditors' rights or the collection of debtors' obligations generally; and (iv) requirements of due process under the United States Constitution, the Constitution of the State of Texas and other laws or court decisions limiting the rights of creditors to repossess, foreclose or otherwise realize upon the property of a debtor without appropriate notice or hearing or both.

(j) We express no opinion as to whether a court would grant specific performance or any other equitable remedy with respect to the enforcement of the Material Documents.

(k) We express no opinion as to the validity, binding effect, or enforceability of: (i) provisions which purport to waive rights or notices, including rights to trial by jury, counterclaims or defenses, jurisdiction or venue; (ii) provisions relating to consent judgments, waivers of defenses or the benefits of statutes of limitations, marshaling of assets, the transferability of any assets which by their nature are nontransferable, sales in inverse order of alienation, or severance; (iii) provisions purporting to waive the benefits of present or of future laws relating to exemptions, appraisal, valuation, stay of execution, redemption, extension of time for payment, setoff and similar debtor protection laws; or (iv) provisions requiring a party to pay fees and expenses regardless of the circumstances giving rise to such fees or expenses or the reasonableness thereof.

(l) The opinions expressed herein are subject to the effect of generally applicable rules of law that provide that forum selection clauses in contracts are not necessarily binding on the court(s) in the forum selected.

(m) We express no opinion as to the enforceability of any provisions in the Material Documents purporting to entitle a party to indemnification in respect of any matters arising in whole or in part by reason of any negligent, illegal or wrongful act or omission of such party.

This opinion is furnished to those parties addressed in this letter solely in connection with the transactions, for the purposes and on the terms described above and may not be relied upon for any other purpose or by any other person in any manner or for any purpose.

Subject to the above qualifications and based upon our participation in the preparation of the Limited Offering Memorandum and our participation at conferences with representatives of the Issuer and its counsel, and with representatives of the Developer at which the Limited Offering Memorandum and related matters were discussed, and although we have not independently verified the information in the Limited Offering Memorandum and are not passing upon and do not assume any responsibility for the accuracy, completeness or fairness of the statements contained in the Limited Offering Memorandum and any amendment or supplement thereto, no facts have come to our attention that lead us to believe that the information set forth under the captions referenced in the preceding paragraph 9 as of the date of the Limited Offering Memorandum and the date hereof, contained or contains any untrue statement of a material fact, or omitted or omits to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

Sincerely,

Metcalfe Wolff Stuart & Williams, LLP

APPENDIX E

CLOSING CERTIFICATE OF DEVELOPER

MA Durango Farms, LLC., a Texas limited liability company (the “Developer”), DOES HEREBY CERTIFY the following as of the date hereof. All capitalized terms not otherwise defined herein shall have the meaning given to such term in the Limited Offering Memorandum.

1. The Developer is a limited liability company organized, validly existing and in good standing under the laws of the State of Texas.

2. Representatives of the Developer have provided information to the City of Hutto, Texas (the “City”) and FMSbonds, Inc. (the “Underwriter”) to be used in connection with the offering by the City of its \$_____ principal amount of Special Assessment Revenue Bonds, Series 2021 (Durango Farms Public Improvement District Project) (the “Bonds”), pursuant to the Preliminary Limited Offering Memorandum, dated October 12, 2021 (the “Preliminary Limited Offering Memorandum”), and Limited Offering Memorandum dated [October 21], 2021 (the “Limited Offering Memorandum”).

3. The Developer has delivered to the Underwriter and the City true, correct, complete and fully executed copies of the Developer’s organizational documents, and such documents have not been amended or supplemented since delivery to the Underwriter and the City and are in full force and effect as of the date hereof.

4. The Developer has delivered to the Underwriter and the City a (i) Certificate of Status from the Texas Secretary of State and (ii) verification of franchise tax account status from the Texas Comptroller of Public Accounts for the Developer.

5. The Developer has executed and delivered each of the below listed documents (individually, a “Developer Document” and collectively, the “Developer Documents”) in the capacity provided for in each such Developer Document, and each such Developer Document constitutes a valid and binding obligation of the Developer, enforceable against the Developer in accordance with its terms:

(a) the Developer Letter of Representations dated [October 21], 2021;

(b) the “Durango Farms Public Improvement District Financing and Reimbursement Agreement,” effective as of September 16, 2021 (the “Financing and Reimbursement Agreement”) executed and delivered by the City and the Developer;

(c) the “Second Amended and Restated Development Agreement” dated as of September 16, 2021 (the “Development Agreement”), executed and delivered by the City and the Developer;

(d) the “Durango Farms Public Improvement District Landowner Agreement and Notice of Special Assessments,” dated as of September 16, 2021 (the “Landowner Agreement”), executed and delivered by the City and the Developer; and

(e) the Continuing Disclosure Agreement of Developer with respect to the Bonds, dated as of November 1, 2021 (the “Continuing Disclosure Agreement of Developer”), executed and delivered by the Developer, P3Works, LLC, as PID Administrator, and Wilmington Trust, National Association, as dissemination agent.

6. The Developer has complied in all material respects with all of the Developer’s agreements and covenants and satisfied all conditions required to be complied with or satisfied by the Developer under the Developer Documents on or prior to the date hereof.

7. The representations and warranties of the Developer contained in the Developer Documents are true and correct in all material respects on and as of the date hereof.

8. The execution and delivery of the Developer Documents by the Developer does not violate any judgment, order, writ, injunction or decree binding on the Developer or any indenture, agreement, or other instrument to which the Developer is a party. There are no proceedings pending or threatened in writing before any court or administrative agency against the Developer that is either not covered by insurance or which singularly or collectively would have a material, adverse effect on the ability of the Developer to perform its obligations under the Developer Documents in all material respects or that would reasonably be expected to prevent or prohibit the development of the District in accordance with the description thereof in the Limited Offering Memorandum.

9. The Developer has reviewed and approved the information contained in the Preliminary Limited Offering Memorandum in all of the maps included therein and under the captions and subcaptions “PLAN OF FINANCE — Development Plan” and “— Development within the District,” “ASSESSMENT PROCEDURES,” “THE DEVELOPMENT” and “THE DEVELOPER” and, to the Developer’s knowledge after due inquiry, under the captions “BONDHOLDERS’ RISKS” (only as it pertains to the Developer, the Authorized Improvements and the Development, as defined in the Limited Offering Memorandum), “LEGAL MATTERS — Litigation – The Developer,” “CONTINUING DISCLOSURE — The Developer” and “ — The Developer’s Compliance with Prior Undertakings,” “SOURCES OF INFORMATION — Developer,” “APPENDIX E-2” and “APPENDIX G” (collectively, the “Developer Disclosures”) and certifies that the same does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they are made, not misleading, as of the date of the Preliminary Limited Offering Memorandum and as of the date of the Limited Offering Memorandum; provided, however, that the foregoing certification is not a certification as to the accuracy, completeness or fairness of any of the other statements contained in the Preliminary Limited Offering Memorandum.

10. The Developer has reviewed and approved the information contained in the Developer Disclosures in the Limited Offering Memorandum and certifies that the same does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they are made, not misleading, as of the date of the Limited Offering Memorandum and as of the date hereof; provided, however, that the foregoing certification is not a certification as to the accuracy, completeness or fairness of any of the other statements contained in the Limited Offering Memorandum.

11. To the Developer's knowledge, the Developer is in compliance in all material respects with all provisions of applicable law relating to the Developer in connection with the Development. Except as otherwise described in the Limited Offering Memorandum: (a) to the Developer's knowledge, there is no default of any zoning condition, land use permit or development agreement binding upon the Developer or any portion of the Development that would materially and adversely affect the Developer's ability to complete or cause to be completed the development of the property within the District as described in the Limited Offering Memorandum; and (b) the Developer has no reason to believe that any additional permits, consents and licenses required to complete the development of the property within the District as and in the manner described in the Limited Offering Memorandum will not be reasonably obtainable in due course.

12. The Developer is not insolvent and has not made an assignment for the benefit of creditors, filed or consented to a petition in bankruptcy, petitioned or applied (or consented to any third party petition or application) to any tribunal for the appointment of a custodian, receiver or any trustee or commenced any proceeding under any bankruptcy, reorganization, arrangement, readjustment of debt, dissolution or liquidation law or statute of any jurisdiction.

13. The levy of the Assessments on property in the District owned by the Developer will not conflict with or constitute a breach of or default under any agreement, mortgage, deed of trust, indenture or other instrument to which the Developer is a party or to which the Developer or any of its property or assets is subject.

14. The Developer is not in default under any mortgage, trust indenture, lease or other instrument to which it or any of its assets is subject, which default would have a material and adverse effect on the Bonds or the Developer's ability to perform its obligations under the Developer Documents.

15. The Developer has no knowledge of any physical condition of the Development owned or to be developed by the Developer that currently requires, or currently is reasonably expected to require in the process of development investigation or remediation under any applicable federal, state or local governmental laws or regulations relating to the environment in any material and adverse respect.

[SIGNATURE PAGE FOLLOWS.]

Dated: November 18, 2021

DEVELOPER:

MA Durango Farms, LLC
a Texas limited liability company

By: MA Partners, LLC,
a Texas limited liability company
Its: Manager

By: _____
Name: _____
Title: _____

APPENDIX F

[LETTERHEAD OF AEGIS GROUP, INC.]

_____, 2021

City of Hutto, Texas
500 W. Live Oak St.
Hutto, Texas 78634

FMSbonds, Inc.
5 Cowboys Way, Suite 300-25
Frisco, Texas 75034

McCall, Parkhurst & Horton L.L.P.
600 Congress Ave, Suite 2150
Austin, TX 78701

Wilmington Trust, National Association
15950 North Dallas Parkway, Suite 550
Dallas, Texas 75248

Re: City of Hutto, Texas Special Assessment Revenue Bonds, Series 2021 (Durango Farms Public Improvement District Project) (the “Bonds”)

Ladies and Gentlemen:

The undersigned, _____, representative of Aegis Group, Inc. (“Aegis Group”), the appraiser of the undeveloped property contained in Durango Farms Public Improvement District (the “District”), does hereby represent the following:

1. Aegis Group has supplied certain information contained in the Preliminary Limited Offering Memorandum for the Bonds, dated October 12, 2021 and the Limited Offering Memorandum for the Bonds, dated [October 21], 2021 (together, the “Limited Offering Memorandum”), relating to the issuance of the Bonds by the City of Hutto, Texas, as described above. The information Aegis Group provided for the Limited Offering Memorandum is the real estate appraisal of the property in the District (the “Appraisal”), located in APPENDIX G to the Limited Offering Memorandum, and the description thereof, set forth under the caption “APPRAISAL OF PROPERTY WITHIN THE DISTRICT — The Appraisal.”

2. To the best of my professional knowledge and belief, as of the date of the Appraisal, the portion of the Limited Offering Memorandum described above does not contain an untrue statement of a material fact as to the information and data set forth therein, and does not omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

3. Aegis Group agrees to the inclusion of the Appraisal in the Limited Offering Memorandum and the use of its name in the Limited Offering Memorandum for the Bonds.

4. Aegis Group agrees that, to the best of its ability, it will inform you immediately should it learn of any event(s) or information of which you are not aware subsequent to the date of this letter and prior to the actual time of delivery of the Bonds (anticipated to occur on or about November 18, 2021) which would render any such information in the Limited Offering Memorandum untrue, incomplete, or incorrect, in a material fact or render any statement in the appraisal materially misleading.

5. The undersigned hereby represents that he or she has been duly authorized to execute this letter of representations.

Sincerely yours,

Aegis Group, Inc.

By: _____
Its: _____

APPENDIX G

[LETTERHEAD OF P3WORKS, LLC]

_____, 2021

City of Hutto, Texas
500 W. Live Oak St.
Hutto, Texas 78634

FMSbonds, Inc.
5 Cowboy Way, Suite 300-25
Frisco, Texas 75034

McCall, Parkhurst & Horton L.L.P.
600 Congress Ave, Suite 2150
Austin, TX 78701

Wilmington Trust, National Association
15950 North Dallas Parkway, Suite 550
Dallas, Texas 75248

Re: City of Hutto, Texas Special Assessment Revenue Bonds, Series 2021 (Durango Farms Public Improvement District Project) (the “Bonds”)

Ladies and Gentlemen:

The undersigned, _____, representative of P3Works, LLC (“P3Works”), consultant in connection with the creation by the City of Hutto, Texas (the “City”), of Durango Farms Public Improvement District (the “District”), does hereby represent the following:

1. P3Works has supplied certain information contained in the Preliminary Limited Offering Memorandum for the Bonds, dated October 12, 2021, and the final Limited Offering Memorandum for the Bonds, dated [October 21], 2021 (together, the “Limited Offering Memorandum”), relating to the issuance of the Bonds by the City, as described above. The information P3Works provided for the Limited Offering Memorandum is located (a) under the captions “ASSESSMENT PROCEDURES” and “PID ADMINISTRATOR” and (b) in the Service and Assessment Plan (the “SAP”) for the City located in APPENDIX C to the Limited Offering Memorandum.

2. At the request of the City, P3Works has prepared the SAP and acknowledges and agrees that the SAP will be included in the Limited Offering Memorandum for the Bonds.

3. To the best of my professional knowledge and belief, the portions of the Limited Offering Memorandum described in paragraph 1 above do not contain an untrue statement of a material fact as to the information and data set forth therein, and does not omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

4. P3Works agrees to the use of its name in the Limited Offering Memorandum for the Bonds.

5. P3Works agrees that, to the best of its ability, it will inform you immediately should it learn of any event(s) or information of which you are not aware subsequent to the date of this letter and prior to the actual time of delivery of the Bonds (anticipated to occur on or

about November 18, 2021) which would render any such information in the Limited Offering Memorandum untrue, incomplete, or incorrect, in a material fact or render any such information materially misleading.

6. The undersigned hereby represents that he or she has been duly authorized to execute this letter of representation.

Sincerely yours,

P3Works, LLC

By: _____
Its: _____

APPENDIX H

[LETTERHEAD OF DEVELOPMENT PLANNING & FINANCING GROUP, INC.]

_____, 2021

City of Hutto, Texas
500 W. Live Oak St.
Hutto, Texas 78634

FMSbonds, Inc.
5 Cowboy Way, Suite 300-25
Frisco, Texas 75034

McCall, Parkhurst & Horton L.L.P.
600 Congress Ave, Suite 2150
Austin, TX 78701

Wilmington Trust, National Association
15950 North Dallas Parkway, Suite 550
Dallas, Texas 75248

Re: City of Hutto, Texas Special Assessment Revenue Bonds, Series 2021 (Durango Farms Public Improvement District Project) (the “Bonds”)

Ladies and Gentlemen:

The undersigned, _____, representative of Development Planning & Financing Group, Inc. (“DPFG”), consultant in connection with the creation by the City of Hutto, Texas (the “City”), of Durango Farms Public Improvement District (the “District”), does hereby represent the following:

1. DPFG has supplied certain information contained in the Preliminary Limited Offering Memorandum for the Bonds, dated _____, 2021, and the final Limited Offering Memorandum for the Bonds, dated [October 21], 2021 (together, the “Limited Offering Memorandum”), relating to the issuance of the Bonds by the City, as described above. The information DPFG provided for the Limited Offering Memorandum is located (a) under the captions “ASSESSMENT PROCEDURES” and “THE SPECIAL ASSESSMENT CONSULTANT” and (b) in the Service and Assessment Plan (the “SAP”) for the City located in APPENDIX C to the Limited Offering Memorandum.

2. To the best of my professional knowledge and belief, the portions of the Limited Offering Memorandum described in paragraph 1 above do not contain an untrue statement of a material fact as to the information and data set forth therein, and does not omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

3. DPFG agrees to the use of its name in the Limited Offering Memorandum for the Bonds.

4. DPFG agrees that, to the best of its ability, it will inform you immediately should it learn of any event(s) or information of which you are not aware subsequent to the date of this letter and prior to the actual time of delivery of the Bonds (anticipated to occur on or about November 18, 2021) which would render any such information in the Limited Offering

Memorandum untrue, incomplete, or incorrect, in a material fact or render any such information materially misleading.

6. The undersigned hereby represents that he or she has been duly authorized to execute this letter of representation.

Sincerely yours,

Development Planning & Financing Group, Inc.

By: _____
Its: _____

AGENDA ITEM REPORT



To: City Council
Subject: Consideration and possible action on Ordinance No. O-2021-064 to dispense with second reading pursuant to Hutto City Charter Article 3, Section 3.13.
Meeting: Thursday, October 21, 2021
Department: City Secretary
Staff Contact:

BACKGROUND INFORMATION:

SUMMARY OF REQUEST:

STAFF REVIEW:

FINANCIAL IMPACT:

POLICY IMPLICATIONS:

ATTACHMENTS:

None

AGENDA ITEM REPORT



To: City Council

Subject: Consideration and possible action on Ordinance No. O-2021-065 Authorizing The Issuance Of The "City Of Hutto, Texas Special Assessment Revenue Bonds, Series 2021 (Cottonwood Creek Public Improvement District Improvement Area #1 Project)"; Approving And Authorizing An Indenture Of Trust, A Bond Purchase Agreement, An Offering Memorandum, A Continuing Disclosure Agreement And Other Agreements And Documents In Connection Therewith; Making Findings With Respect To The Issuance Of Such Bonds; And Providing An Effective Date. (First Reading)(City Attorney)

Meeting: Thursday, October 21, 2021

Department: City Secretary

Staff Contact:

BACKGROUND INFORMATION:

SUMMARY OF REQUEST:

STAFF REVIEW:

FINANCIAL IMPACT:

POLICY IMPLICATIONS:

ATTACHMENTS:

1. Bond Ordinance 10.08.2021 2021-065
2. Indenture 10.08.2021
3. Hutto - Cottonwood Creek PID Bond Purchase Agreement
4. FINAL.Hutto 372.Cottonwood Creek Consenting Party Landowner Agreement
5. FINAL.Cottonwood Creek Landowner Agreement#1
6. Hutto Texas - Cottonwood Creek PID IA#1 S2021 Issuer CDA

ORDINANCE NO. O-2021-065

AN ORDINANCE AUTHORIZING THE ISSUANCE OF THE "CITY OF HUTTO, TEXAS SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2021 (COTTONWOOD CREEK PUBLIC IMPROVEMENT DISTRICT IMPROVEMENT AREA #1 PROJECT)"; APPROVING AND AUTHORIZING AN INDENTURE OF TRUST, A BOND PURCHASE AGREEMENT, AN OFFERING MEMORANDUM, A CONTINUING DISCLOSURE AGREEMENT, A LANDOWNER AGREEMENT AND OTHER AGREEMENTS AND DOCUMENTS IN CONNECTION THEREWITH; MAKING FINDINGS WITH RESPECT TO THE ISSUANCE OF SUCH BONDS; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the City of Hutto, Texas (the "City"), pursuant to and in accordance with the terms, provisions and requirements of the Public Improvement District Assessment Act, Subchapter A of Chapter 372, Texas Local Government Code (the "PID Act"), which was created as Cottonwood Creek Public Improvement District, (the "District"), pursuant to Resolution No. R-2021-029 adopted by the City Council of the City (the "Council") on April 1, 2021; and

WHEREAS, the authorization creating the District became effective upon publication of its authorization on March 7, 2021 in the *Taylor Press*, a newspaper of general circulation in the City; and

WHEREAS, no written protests of the District from any owners of record of property within the District were filed with the City Secretary within 20 days after the date of publication of such notice; and

WHEREAS, the District is expected to be developed in phases beginning with an area designated as "Improvement Area #1" within the District ("Improvement Area #1"); and

WHEREAS, pursuant to the PID Act, on May 23, 2021, the Council published notice of the assessment hearing in the *Taylor Press*, a newspaper of general circulation in the City, and held a public hearing on June 3, 2021, regarding the levy of special assessments within Improvement Area #1, and on June 3, 2021, the Council adopted Ordinance No. _____ (the "Assessment Ordinance"); and

WHEREAS, in the Assessment Ordinance, the Council approved and accepted the initial Service and Assessment Plan (the "Service and Assessment Plan") relating to Improvement Area #1 and levied the Assessments (as defined in the Service and Assessment Plan) in Improvement Area #1 against the Improvement Area #1 Assessment Roll (as defined and described in the Service and Assessment Plan); and

WHEREAS, the Council has found and determined that it is in the best interests of the City to issue its bonds to be designated "City of Hutto, Texas Special Assessment Revenue Bonds, Series 2021 (Cottonwood Creek Public Improvement District Improvement Area #1 Project)" (the "Bonds"), such Bonds to be payable from and secured by the Pledged Revenues, as defined in the Indenture (defined below) and other assets pledged under the Indenture to the payment of the Bonds; and

WHEREAS, the City is authorized by the PID Act to issue the Bonds for the purpose of paying for (1) the Actual Costs of the Improvement Area #1 Improvements, (2) Improvement Area #1's

allocable share of District Formation Expenses, (3) Improvement Area #1's allocable share of Bond Issuance Costs, including funding a reserve fund for the payment of principal of and interest on the Bonds (all as defined in the Indenture), and (4) the interest on the Bonds during and after the period of construction; and

WHEREAS, in connection with the issuance of the Bonds, the Improvement Area #1 Improvements are located within the District, and the City has determined that the Improvement Area #1 Improvements confer a special benefit on the District as provided in Section V.C. of the Service and Assessment Plan; and

WHEREAS, the Council has found and determined to approve (i) the issuance of the Bonds to finance the Improvement Area #1 Improvements, (ii) the form, terms and provisions of the Indenture securing the Bonds authorized hereby, (iii) the form, terms and provisions of a Bond Purchase Agreement (defined below) between the City and the purchaser of the Bonds, (iv) an Offering Memorandum (defined below), and (v) a Continuing Disclosure Agreement (defined below), (vi) a Landowner Agreement (defined below); and

WHEREAS, the meeting at which this Ordinance is considered is open to the public as required by law, and the public notice of the time, place and purpose of said meeting was given as required by Chapter 551, Texas Government Code, as amended;

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

Section 1. Findings. The findings and determinations set forth in the preamble hereof are hereby incorporated by reference for all purposes as if set forth in full herein.

Section 2. Approval of Issuance of Bonds and Indenture.

(a) The issuance of the Bonds in the principal amount of \$_____ for the purpose of paying for (1) the Actual Costs of the Improvement Area #1 Improvements, (2) Improvement Area #1's allocable share of District Formation Expenses, and (3) the Bond Issuance Costs of the Bonds Costs, including funding a reserve fund for the payment of principal and interest on the Bonds and (4) the interest on the Bonds during and after the period of construction.

(b) The Bonds shall be issued and secured under that certain Indenture of Trust (the "Indenture") dated as of October __, 2021, between the City and Wilmington Trust, National Association, as trustee (the "Trustee"), with such changes as may be necessary or desirable to carry out the intent of this Ordinance and as approved by the Mayor or Mayor Pro Tem of the City, such approval to be evidenced by the execution and delivery of the Indenture, which Indenture is hereby approved in substantially final form attached hereto as **Exhibit A** and incorporated herein as a part hereof for all purposes. The Mayor or Mayor Pro Tem of the City is hereby authorized and directed to execute the Indenture and the City Secretary is hereby authorized and directed to attest such signature of the Mayor or Mayor Pro Tem.

(c) The Bonds shall be dated, shall mature on the date or dates and in the principal amount or amounts, shall bear interest, shall be subject to redemption and shall have such other terms and provisions as set forth in the Indenture. The Bonds shall be in substantially the form set forth in the Indenture, with such insertions, omissions and modifications as may be required to conform the form of Bond to the actual terms of the Bonds. The Bonds shall be payable from and secured by the Pledged Revenues (as defined in the Indenture) and other assets of the Trust Estate (as defined in the Indenture) pledged to the Bonds, and shall never be payable from ad valorem taxes or any other funds or revenues of the City.

Section 3. Sale of Bonds; Approval of Bond Purchase Agreement. The Bonds shall be sold to FMSbonds, Inc. (the "Underwriter") at the price and on the terms and provisions set forth in that certain Bond Purchase Agreement (the "Bond Purchase Agreement"), dated the date hereof, between the City and the Underwriter, attached hereto as **Exhibit B** and incorporated herein as a part hereof for all purposes, which terms of sale are declared to be in the best interest of the City. The form, terms and provisions of the Bond Purchase Agreement are hereby authorized and approved with such changes as may be required to carry out the purpose of this Ordinance and approved by the City Manager, and the Mayor or Mayor Pro Tem of the City is hereby authorized and directed to execute and deliver the Bond Purchase Agreement. The Mayor's signature on the Bond Purchase Agreement may be attested by the City Secretary.

Section 4. Landowner Agreement and Notice of Assessments. The Landowner Agreement and Notice of Assessments substantially in the form attached hereto as **Exhibit C** is hereby approved and incorporated herein as a part hereof for all purposes and the City Manager of the City is hereby authorized and directed to execute and deliver such Landowner Agreement and Notice of Assessments with such changes as may be required to carry out the purpose of this Ordinance and approved by the City Manager, such approval to be evidenced by the execution thereof.

Section 5. Offering Memorandum. The form and substance of the Preliminary Limited Offering Memorandum for the Bonds and any addenda, supplement or amendment thereto and the final Limited Offering Memorandum (the "Offering Memorandum") presented to and considered at the meeting at which this Ordinance is considered are hereby in all respects approved and adopted. The Offering Memorandum, with such appropriate variations as shall be approved by the Mayor or Mayor Pro Tem of the City and the Underwriter, may be used by the Underwriter in the offering and sale of the Bonds. The Mayor or Mayor Pro Tem of the City is hereby authorized and directed to execute, and the City Secretary is hereby authorized and directed to attest, the Offering Memorandum. The City Secretary is hereby authorized and directed to include and maintain a copy of the Preliminary Limited Offering Memorandum and Offering Memorandum and any addenda, supplement or amendment thereto thus approved among the permanent records of this meeting. The use and distribution of the Preliminary Limited Offering Memorandum in the offering of the Bonds is hereby ratified, approved and confirmed. Notwithstanding the approval and delivery of such Preliminary Limited Offering Memorandum and Offering Memorandum by the Council, the Council is not responsible for and proclaims no specific knowledge of the information contained in the Preliminary Limited Offering Memorandum and Offering Memorandum pertaining to the Improvement Area #1 Improvements, the Developer (as defined in the Offering Memorandum) or its financial ability, any builders, any landowners, or the appraisal of the property in the District.

Section 6. Continuing Disclosure Agreement. The Continuing Disclosure Agreement (the "Continuing Disclosure Agreement") between the City and Wilmington Trust, National Association, as dissemination agent, is hereby authorized and approved in substantially final form attached hereto as **Exhibit D** and incorporated herein as a part hereof for all purposes and the City Manager of the City is hereby authorized and directed to execute and deliver such Continuing Disclosure Agreement with such changes as may be required to carry out the purpose of this Ordinance and approved by the City Manager, such approval to be evidenced by the execution thereof.

Section 7. Additional Actions. The Mayor, the Mayor Pro Tem, the City Manager and the City Secretary are hereby authorized and directed to take any and all actions on behalf of the City necessary or desirable to carry out the intent and purposes of this Ordinance and to issue the Bonds in accordance with the terms of this Ordinance. The Mayor, the Mayor Pro Tem, the City Manager and the City Secretary are hereby authorized and directed to execute and deliver any and all certificates, agreements, notices, instruction letters, requisitions, and other documents which may be necessary or advisable in connection with the sale, issuance and delivery of the Bonds and the carrying out of the purposes and intent of this Ordinance.

Section 8. Severability. If any Section, paragraph, clause or provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such Section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance.

Section 9. Effective Date. This Ordinance is passed on one reading as authorized by Texas Government Code, Section 1201.028, and shall be effective immediately upon its passage and adoption.

[Remainder of page left blank intentionally]

PASSED, APPROVED AND EFFECTIVE this October __, 2021.

Mayor

ATTEST:

City Secretary

City Manager

(City Seal)

Signature page to Bond Ordinance

Ordinance
Page 5 of 5

EXHIBIT A
INDENTURE OF TRUST

EXHIBIT B
BOND PURCHASE AGREEMENT

EXHIBIT C

LANDOWNER AGREEMENT AND NOTICE OF ASSESSMENTS

EXHIBIT D

CONTINUING DISCLOSURE AGREEMENT

INDENTURE OF TRUST

By and Between

CITY OF HUTTO, TEXAS

and

**WILMINGTON TRUST, NATIONAL ASSOCIATION,
AS TRUSTEE**

DATED AS OF OCTOBER __, 2021

SECURING

\$_____

**CITY OF HUTTO, TEXAS
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2021
(COTTONWOOD CREEK PUBLIC IMPROVEMENT
DISTRICT IMPROVEMENT AREA #1 PROJECT)**

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EXHIBIT A	DESCRIPTION OF THE PROPERTY WITHIN THE COTTONWOOD CREEK PUBLIC IMPROVEMENT DISTRICT
EXHIBIT B	FORM OF CERTIFICATION FOR PAYMENT

INDENTURE OF TRUST

THIS INDENTURE, dated as of October __, 2021, is by and between the CITY OF HUTTO, TEXAS (the "*City*"), and Wilmington Trust, National Association, as trustee (together with its successors, the "*Trustee*"). Capitalized terms used in the preambles, recitals and granting clauses and not otherwise defined shall have the meanings assigned thereto in Article I.

WHEREAS, a petition was submitted and filed with the City Secretary of the City (the "*City Secretary*") pursuant to the Public Improvement District Assessment Act, Chapter 372, Texas Local Government Code, as amended (the "*PID Act*"), requesting the creation of a public improvement district located within the corporate limits of the City to be known as Cottonwood Creek Crossing Public Improvement District; and

WHEREAS, on April 1, 2021, the City Council (the "*City Council*") authorized the formation of the Cottonwood Creek Public Improvement District (the "*District*" or "*PID*") pursuant to Resolution No. R-2021-029 (the "*Creation Resolution*") in accordance with the PID Act;

WHEREAS, the petition contained the signatures of the record owners of taxable real property representing more than 50% of the appraised value of the real property liable for assessments within the District, as determined by the then current ad valorem tax rolls of the Williamson Central Appraisal District, and the signatures of record property owners who own taxable real property that constitutes more than 50% of the area of all taxable property that is liable for assessment by the District; and

WHEREAS, on March 18, 2021, after due notice, the City Council held the public hearing in the manner required by law on the advisability of the improvement projects and services described in the petition as required by Section 372.009 of the PID Act and on April 1, 2021, the City Council made the findings required by Section 372.009(b) of the PID Act and, by Resolution No. R-2021-029, adopted by a majority of the members of the City Council, authorized the District in accordance with its finding as to the advisability of the improvement projects and services; and

WHEREAS, following the adoption of the Creation Resolution, the City published notice of its authorization of the District in the *Taylor Press*, a newspaper of general circulation in the City; and

WHEREAS, no written protests of the District from any owners of record of property within the District were filed with the City Secretary within 20 days after the date of publication of such notice; and

WHEREAS, on April 1, 2021, the City approved an amended and restated development agreement by and between the City and the Developer (as defined herein) to establish the development and improvement standards for the District; and

WHEREAS, on June 3, 2021, the City Council adopted a resolution approving the execution of the Reimbursement Agreement to reimburse the Developer for the portion of the

Improvement Area #1 Improvement Costs not financed by the proceeds of the Bonds to be paid for by and pursuant to the Reimbursement Agreement and the Financing and Reimbursement Agreement; and

WHEREAS, the City, pursuant to Section 372.016(b) of the PID Act, published notice on May 23, 2021 of a public hearing in a newspaper of general circulation in the City to consider the proposed "*Improvement Area #1 Assessment Roll*" and the "*Service and Assessment Plan*" and the "Improvement Area #1" levy of the "*Improvement Area #1 Assessments*" in the amount of \$10,215,000 on property in the District (all as defined herein); and

WHEREAS, the City Council, pursuant to Section 372.016(c) of the PID Act, mailed notice of the public hearing to consider the proposed Improvement Area #1 Assessment Roll and the Service and Assessment Plan and the levy of Improvement Area #1 Assessments on property in the District to the last known address of the owners of the property liable for the Improvement Area #1 Assessments; and

WHEREAS, the City Council convened the hearing on June 3, 2021, at which all persons who appeared, or requested to appear, in person or by their attorney, were given the opportunity to contend for or contest the Service and Assessment Plan, the Improvement Area #1 Assessment Roll, and the Improvement Area #1 Assessments, and to offer testimony pertinent to any issue presented on the amount of the Improvement Area #1 Assessments, the allocation of Actual Costs, the purposes of the Improvement Area #1 Assessments, the special benefits of the Improvement Area #1 Assessments, and the penalties and interest on annual installments and on delinquent annual installments of the Improvement Area #1 Assessments; and

WHEREAS, at the public hearing referenced in the preceding paragraph, there were no written objections or evidence submitted to the City Secretary in opposition to the Service and Assessment Plan, the allocation of Actual Costs, the Improvement Area #1 Assessment Roll, or the levy of the Improvement Area #1 Assessments; and

WHEREAS, the City Council closed the hearing and, after considering all written and documentary evidence presented at the hearing, including all written comments and statements filed with the City, at a meeting held on June 3, 2021, respectively, approved and accepted the Service and Assessment Plan in conformity with the requirements of the PID Act and adopted the Assessment Ordinance, which Assessment Ordinance approved the Improvement Area #1 Assessment Roll and levied the Improvement Area #1 Assessments; and

WHEREAS, the City Council is authorized by the PID Act to issue its revenue bonds payable from the Improvement Area #1 Assessments for the purpose of paying a portion of (1) the Actual Costs of the Improvement Area #1 Improvements, (2) Improvement Area #1's allocable share of District Formation Expenses, and (3) the Bond Issuance Costs of the Bonds, including funding a reserve fund for the payment of principal of and interest on the Bonds; and

WHEREAS, the City Council now desires to issue its revenue bonds, in accordance with the PID Act, such bonds to be entitled "City of Hutto, Texas, Special Assessment Revenue Bonds, Series 2021 (Cottonwood Creek Public Improvement District Improvement Area #1 Project)" (the

"Bonds"), such Bonds being payable solely from the Improvement Area #1 Assessments and other funds pledged under this Indenture to the payment of the Bonds and for the purposes set forth in this preamble; and

WHEREAS, the Trustee has agreed to accept the trusts herein created upon the terms set forth in this Indenture;

NOW, THEREFORE, the City, in consideration of the foregoing premises and acceptance by the Trustee of the trusts herein created, of the purchase and acceptance of the Bonds Similarly Secured by the Owners thereof, and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, does hereby GRANT, CONVEY, PLEDGE, TRANSFER, ASSIGN, and DELIVER to the Trustee for the benefit of the Owners, a security interest in all of the moneys, rights and properties described in the Granting Clauses hereof, as follows (collectively, the "*Trust Estate*");

FIRST GRANTING CLAUSE

The Pledged Revenues, as herein defined, including all moneys and investments held in the Pledged Funds, and including any contract or any evidence of indebtedness related thereto or other rights of the City to receive any of such moneys or investments, whether now existing or hereafter coming into existence, and whether now or hereafter acquired; and

SECOND GRANTING CLAUSE

Any and all other property or money of every name and nature which is, from time to time hereafter by delivery or by writing of any kind, conveyed, pledged, assigned or transferred, to the Trustee as additional security hereunder by the City or by anyone on its behalf or with its written consent, and the Trustee is hereby authorized to receive any and all such property or money at any and all times and to hold and apply the same subject to the terms thereof; and

THIRD GRANTING CLAUSE

Any and all proceeds of the foregoing property and proceeds from the investment of the foregoing property;

TO HAVE AND TO HOLD the Trust Estate, whether now owned or hereafter acquired, unto the Trustee and its successors or assigns;

IN TRUST NEVERTHELESS, upon the terms and trusts herein set forth for the benefit of all present and future Owners of the Bonds Similarly Secured from time to time issued under and secured by this Indenture, and for enforcement of the payment of the Bonds Similarly Secured in accordance with their terms, and for the performance of and compliance with the obligations, covenants, and conditions of this Indenture;

PROVIDED, HOWEVER, if the City or its assigns shall well and truly pay, or cause to be paid, the principal or Redemption Price of and the interest on the Bonds Similarly Secured at the

times and in the manner stated in the Bonds Similarly Secured, according to the true intent and meaning thereof, then this Indenture and the rights hereby granted shall cease, terminate and be void; otherwise this Indenture is to be and remain in full force and effect;

IN ADDITION, the Bonds Similarly Secured are special obligations of the City payable solely from the Trust Estate, as and to the extent provided in this Indenture. The Bonds Similarly Secured do not give rise to a charge against the general credit or taxing powers of the City and are not payable except as provided in this Indenture. Notwithstanding anything to the contrary herein, the Owners of the Bonds Similarly Secured shall never have the right to demand payment thereof out of any funds of the City other than the Trust Estate. The City shall have no legal or moral obligation to pay for the Bonds Similarly Secured out of any funds of the City other than the Trust Estate.

THIS INDENTURE FURTHER WITNESSETH, and it is expressly declared, that all Bonds Similarly Secured issued and secured hereunder are to be issued, authenticated, and delivered and the Trust Estate hereby created, assigned, and pledged is to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses, and purposes as hereinafter expressed, and the City has agreed and covenanted, and does hereby agree and covenant, with the Trustee and with the respective Owners from time to time of the Bonds Similarly Secured as follows:

ARTICLE I

DEFINITIONS, FINDINGS AND INTERPRETATION

Section 1.1. **Definitions.**

Unless otherwise expressly provided or unless the context clearly requires otherwise in this Indenture, the following terms shall have the meanings specified below:

"*Account*", in the singular, means any of the accounts established pursuant to Section 6.1 of this Indenture, and "*Accounts*", in the plural, means, collectively, all accounts established pursuant to Section 6.1 of this Indenture.

"*Actual Cost(s)*" means, with respect to the Public Improvements, the actual costs paid or incurred by or on behalf of the Developer: (1) to plan, design, acquire, construct, install, and dedicate such improvements to the City, including the acquisition of necessary easements and other right-of-way; (2) to prepare plans, specifications (including bid packages), contracts, and as-built drawings; (3) to obtain zoning, licenses, plan approvals, permits, inspections, and other governmental approvals; (4) for third-party professional consulting services including but not limited to, engineering, surveying, geotechnical, land planning, architectural, landscaping, legal, accounting, and appraisals; (5) of labor, materials, equipment, fixtures, payment and performance bonds and other construction security, and insurance premiums; and (6) to implement, administer, and manage the above-described activities, including a 4.0% construction management fee. Actual Costs shall not include general contractor's fees in an amount that exceeds a percentage equal to the percentage of work completed or construction management fees in an amount that exceeds an

amount equal to the construction management fee amortized in approximately equal monthly installments over the term of the applicable construction management contract. Amounts expended for costs described in subsection (3), (4), and (6) above shall be excluded from the amount upon which the general contractor and construction management fees are calculated.

"Additional Interest" means the amount collected by application of the Additional Interest Rate.

"Additional Interest Rate" means the additional 0.50% interest charged on the Improvement Area #1 Assessments as authorized by Section 372.018 of the PID Act.

"Administrative Fund" means that Fund established by Section 6.1 and administered pursuant to Section 6.9.

"Administrator" means the City, or the person or independent firm designated by the City who shall have the responsibility provided in the Service and Assessment Plan, this Indenture, or any other agreement or document approved by the City related to the duties and responsibility of the administration of the District.

"Annual Collection Costs" means the actual or budgeted costs and expenses relating to collecting the Annual Installments, including, but not limited to, costs and expenses for: (1) the Administrator; (2) legal counsel, engineers, accountants, financial advisors, and other consultants engaged by the City; (3) calculating, collecting, and maintaining records with respect to Assessments and Annual Installments; (4) preparing and maintaining records with respect to Assessment Rolls and Annual Service Plan Updates; (5) issuing, paying, and redeeming Bonds Similarly Secured; (6) investing or depositing Assessments and Annual Installments; (7) complying with this Service and Assessment Plan and the PID Act with respect to the issuance and sale of Bonds Similarly Secured, including continuing disclosure requirements; and (8) the paying agent/registrar and Trustee in connection with Bonds Similarly Secured, including their respective legal counsel. Annual Collection Costs collected but not expended in any year shall be carried forward and applied to reduce Annual Collection Costs for subsequent years.

"Annual Debt Service" means, for each Bond Year, the sum of (i) the interest due on the Outstanding Bonds Similarly Secured in such Bond (excluding interest paid from funds on deposit in the Capitalized Interest Account of the Bond Fund), assuming that the Outstanding Bonds Similarly Secured are retired as scheduled (including by reason of Sinking Fund Installments), and (ii) the principal amount of the Outstanding Bonds Similarly Secured due in such Bond Year (including any Sinking Fund Installments due in such Bond Year).

"Annual Installment" means the annual installment payment of an Improvement Area #1 Assessment as calculated by the Administrator and approved by the City Council that includes: (1) principal; (2) interest; (3) Annual Collection Costs; and (4) Additional Interest.

"Annual Service Plan Update" means an update to the Service and Assessment Plan prepared no less frequently than annually by the Administrator and approved by the City Council.

"*Applicable Laws*" means the PID Act, and all other laws or statutes, rules, or regulations, and any amendments thereto, of the State or of the United States, by which the City and its powers, securities, operations, and procedures are, or may be, governed or from which its powers may be derived.

"*Assessment*" means an assessment levied against a Parcel imposed pursuant to an Assessment Ordinance and the provisions herein, as shown on any Assessment Roll, subject to reallocation upon the subdivision of such Parcel or reduction according to the provisions herein and in the PID Act.

"*Assessment Ordinance*" means Ordinance No. O-2021-032 adopted by the City Council on June 3, 2021, that levied the Improvement Area #1 Assessments, and any additional ordinance adopted by the City Council in accordance with the PID Act that levies an Assessment on Assessed Property within Improvement Area #1 of the District, as shown on any Assessment Roll.

"*Assessed Property*" or "*Assessed Properties*" means property within Improvement Area #1 of the District that benefits from an Authorized Improvement and on which Assessments have been levied as shown on an Assessment Roll (as the same may be updated each year by an update to a Service and Assessment Plan).

"*Assessment Revenues*" means the revenues received by the City from the collection of Improvement Area #1 Assessments, including Prepayments, Annual Installments and Foreclosure Proceeds.

"*Assessment Roll(s)*" means any assessment roll for the Assessed Property within the District, including the Improvement Area #1 Assessment Roll included in the Service and Assessment Plan as Exhibit F, as updated, modified, or amended from time to time in accordance with the procedures set forth herein and in the PID Act, including updates prepared in connection with the levy of an Assessment, the issuance of Bonds Similarly Secured, or in connection with any Annual Service Plan Update.

"*Attorney General*" means the Attorney General of the State.

"*Authorized Denomination*" means \$100,000 and any integral multiple of \$1,000 in excess thereof. The City prohibits any Bond to be issued in a denomination of less than \$100,000 and further prohibits the assignment of a CUSIP number to any Bond with a denomination of less than \$100,000, and, unless made pursuant to Section 4.5 herein, any attempt to accomplish either of the foregoing shall be void and of no effect.

"*Authorized Improvements*" means all costs to be paid with Assessments, including Public Improvements, Bond Issuance Costs and District Formation Expenses.

"*Bond*" means any of the Bonds.

"*Bond Counsel*" means McCall, Parkhurst & Horton L.L.P. or any other attorney or firm of attorneys designated by the City that are nationally recognized for expertise in rendering opinions as to the legality and tax-exempt status of securities issued by public entities.

"*Bond Date*" means the date designated as the initial date of the Bonds by Section 3.2(a) of this Indenture.

"*Bond Fund*" means the Fund established pursuant to Section 6.1 and administered pursuant to Section 6.4.

"*Bond Issuance Costs*" means the costs associated with issuing Bonds Similarly Secured, including but not limited to attorney fees, financial advisory fees, consultant fees, appraisal fees, printing costs, publication costs, City costs, capitalized interest, reserve fund requirements, underwriter's discount, fees charged by the Texas Attorney General, and any other cost or expense directly associated with the issuance of Bonds Similarly Secured.

"*Bond Ordinance*" means Ordinance No. O-2021-____ adopted by the City Council on _____, 2021, authorizing the issuance of the Bonds pursuant to this Indenture.

"*Bond Year*" means the one-year period beginning on October 1 in each year and ending on September 30 in the following year.

"*Bonds*" means the City's bonds authorized to be issued by Section 3.1 of this Indenture entitled "City of Hutto, Texas, Special Assessment Revenue Bonds, Series 2021 (Cottonwood Creek Public Improvement District Improvement Area #1 Project)."

"*Bonds Similarly Secured*" means, collectively, any Outstanding Bonds and Refunding Bonds.

"*Business Day*" means any day other than a Saturday, Sunday or legal holiday in the State observed as such by the City or the Trustee or any national holiday observed by the Trustee.

"*Certification for Payment*" means a certificate given pursuant to the Financing and Reimbursement Agreement executed by an engineer, construction manager or other person or entity acceptable to the City, as evidenced by the written approval of a City Representative, specifying the amount of work performed and the cost thereof, presented to the Trustee to request funding for Actual Costs from money on deposit in the Project Fund. The Form of Certification for Payment is attached hereto as Exhibit B.

"*City Certificate*" means a certificate signed by the City Representative and delivered to the Trustee.

"*City Representative*" means that official or agent of the City authorized by the City Council to undertake the action referenced herein as evidenced by a written incumbency certificate provided to the Trustee. Such certificate may designate alternates, each of whom shall be entitled to perform all duties of the City Representative.

"*Closing Date*" means the date of the initial delivery of and payment for the Bonds.

"Code" means the Internal Revenue Code of 1986, as amended, including applicable regulations, published rulings and court decisions.

"Comptroller" means the Comptroller of Public Accounts of the State.

"Continuing Disclosure Agreement of the Developer" means the agreement executed between the Developer, Administrator and dissemination agent in connection with the issuance of the Bonds pursuant to which the Developer agrees to provide certain information regarding the development of the District and the Improvement Area #1 Improvements for the benefit of the owners of the Bonds.

"Continuing Disclosure Agreement of the Issuer" means the agreement executed between the Issuer, Administrator and the dissemination agent for the benefit of the Owners of the Bonds (including owners of beneficial interests of the Bonds), to provide, by certain dates prescribed in the Continuing Disclosure Agreement of the Issuer to provide periodic information and notices of material events regarding the Issuer in accordance with Securities and Exchange Commission Rule 15c2-12.

"Defeasance Securities" means Investment Securities then authorized by applicable law for the investment of funds to defease public securities.

"Delinquency & Prepayment Reserve Requirement" means an amount equal to ____% of the principal amount of the then Outstanding Bonds Similarly Secured, which amount will be funded from Improvement Area #1 Assessments and Annual Installments deposited to the Pledged Revenue Fund for subsequent transfer to the Delinquency & Prepayment Reserve Account of the Reserve Fund in accordance with the terms of this Indenture.

"Delinquent Collection Costs" means costs related to the foreclosure on Assessed Property and the costs of collection of delinquent Assessments, delinquent Annual Installments, or any other delinquent amounts due under the Service and Assessment Plan including penalties and reasonable attorney's fees actually paid, but excluding amounts representing interest and penalty interest.

"Designated Payment/Transfer Office" means (i) with respect to the initial Paying Agent/Registrar named in this Indenture, the transfer/payment office designated by the Paying Agent/Registrar, initially Dallas, Texas and (ii) with respect to any successor Paying Agent/Registrar, the office of such successor designated and located as may be agreed upon by the City and such successor.

"Developer" means Lennar Homes of Texas Land and Construction, Ltd., a Texas Limited Partnership, and its successors and assigns, which currently owns Improvement Area #1.

"District Formation Expenses" means the costs associated with forming the District, including but not limited to 1st year Annual Collection Costs, and any other cost or expense directly associated with the establishment of the District.

"DTC" means The Depository Trust Company of New York, New York, or any successor securities depository.

"DTC Participant" means brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations on whose behalf DTC was created to hold securities to facilitate the clearance and settlement of securities transactions.

"Financing and Reimbursement Agreement" means the Cottonwood Creek Public Improvement District Financing and Reimbursement Agreement between the City and the Developer, dated as of June 3, 2021, as may have been or may be further amended and supplemented from time to time.

"Foreclosure Proceeds" means the proceeds, including interest and penalty interest, received by the City from the enforcement of the Improvement Area #1 Assessments, whether by foreclosure of lien or otherwise, but excluding and net of all Delinquent Collection Costs.

"Fund", in the singular, means any of the funds established pursuant to Section 6.1 of this Indenture, and "Funds", in the plural, means, collectively, all of the funds established pursuant to Section 6.1 of this Indenture.

"Future Bonds" means any Future Bonds issued pursuant to a separate indenture, subject to the conditions within Article V of the Financing and Reimbursement Agreement, for a Future Improvement Area secured by Future Improvement Area Assessments levied on assessed parcels within the Future Improvement Area(s) to fund Authorized Improvements.

"Future Improvement Area(s)" means any Improvement Area so designated within the remaining approximately 166.319 acres of land within the District (the District less the acreage comprising Improvement Area #1) available to fund Public Improvements within a Future Improvement Area.

"Future Improvement Area Assessments" means the assessments levied on assessed parcels within the Future Improvement Area(s) to fund Public Improvements.

"Improvement Area(s)" means each improvement area within the District consisting of "Improvement Area #1," and any Future Improvement Area in the Service and Assessment Plan, or any update thereto.

"Improvement Area #1" means the approximately 186.341 acres located within the District, as described in the Service and Assessment Plan.

"Improvement Area #1 Assessed Property" means property on which Improvement Area #1 Assessments have been levied as shown on the Improvement Area #1 Assessment Roll (as the same may be updated each year by an Annual Service Plan Update) and which includes any and all Parcels within Improvement Area #1 other than Non-Benefited Property as defined in the Service and Assessment Plan.

"Improvement Area #1 Assessment Roll" means the document attached as Exhibit F to the Service and Assessment Plan, showing the total amount of the Improvement Area #1 Assessments, as updated, modified, or amended from time to time in accordance with the terms of the Service and Assessment Plan and the PID Act.

"Improvement Area #1 Assessments" means the assessments levied against Improvement Area #1 Assessed Property in the District, as provided for in the applicable Assessment Ordinance and in the Service and Assessment Plan, and any supplemental assessments or reallocation of assessments levied in accordance with Sections 372.019 and 372.020 of the PID Act.

"Improvement Area #1 Improvements" means those Public Improvements that only benefit Improvement Area #1.

"Improvement Area #1 Projects" means Improvement Area #1 Improvements, Improvement Area #1's allocable share of District Formation Expenses and Bond Issuance Costs as calculated and described in the Service and Assessment Plan.

"Indenture" means this Indenture of Trust as originally executed or as it may be from time to time supplemented or amended by one or more indentures supplemental hereto and entered into pursuant to the applicable provisions hereof.

"Independent Financial Consultant" means any consultant or firm of such consultants appointed by the City who, or each of whom: (i) is judged by the City, as the case may be, to have experience in matters relating to the issuance and/or administration of the Bonds; (ii) is in fact independent and not under the domination of the City; (iii) does not have any substantial interest, direct or indirect, with or in the City, or any owner of real property in the District, or any real property in the District; and (iv) is not connected with the City as an officer or employee of the City, but who may be regularly retained to make reports to the City.

"Initial Bonds" means the Initial Bonds authorized by Section 5.2 of this Indenture.

"Interest Payment Date" means the date or dates upon which interest on the Bonds is scheduled to be paid until their respective dates of maturity or prior redemption, such dates being on March 1 and September 1 of each year, commencing March 1, 2022.

"Investment Securities" means those authorized investments determined by the City and described in the Public Funds Investment Act, Chapter 2256, Government Code, as amended, which investments are, at the time made, included in and authorized by the City's official investment policy as approved by the City Council from time to time.

"Maximum Annual Debt Service" means the largest Annual Debt Service for any Bond Year after the calculation is made through the final maturity date of any Outstanding Bonds Similarly Secured.

"Outstanding" means, as of any particular date when used with reference to Bonds Similarly Secured, all Bonds Similarly Secured authenticated and delivered under this Indenture

except (i) any Bond Similarly Secured that has been canceled by the Trustee (or has been delivered to the Trustee for cancellation) at or before such date, (ii) any Bond Similarly Secured for which the payment of the principal or Redemption Price of and interest on such Bond Similarly Secured shall have been made as provided in Article IV, (iii) any Bond Similarly Secured in lieu of or in substitution for which a new Bond Similarly Secured shall have been authenticated and delivered pursuant to Section 3.10, and (iv) Bond Similarly Secured alleged to have been mutilated, destroyed, lost or stolen which have been paid as provided in this Indenture.

"*Owner*" or "*Holder*" means the Person who is the registered owner of a Bond or Bonds, as shown in the Register, which shall be Cede & Co., as nominee for DTC, so long as the Bonds are in book-entry only form and held by DTC as securities depository in accordance with Section 3.11. The term "*Owner*" or "*Holder*", when used in connection with the Bonds Similarly Secured, shall also include the Person who is the registered owner of a Bond Similarly Secured under the terms of any indenture relating thereto.

"*Parcel*" or "*Parcels*" means a parcel or parcels within the Improvement Areas, including Improvement Area #1, identified by either a tax map identification number assigned by the Williamson Central Appraisal District for real property tax purposes, by metes and bounds description, or by lot and block number in a final subdivision plat recorded in the real property records of Williamson County or by any other means determined by the City.

"*Paying Agent/Registrar*" means initially the Trustee, or any successor thereto as provided in this Indenture.

"*Person*" or "*Persons*" means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

"*PID Act*" means Chapter 372, Texas Local Government Code, as amended.

"*Pledged Funds*" means, collectively, the Pledged Revenue Fund, the Bond Fund, the Project Fund, the Reserve Fund, and the Redemption Fund.

"*Pledged Revenue Fund*" means that fund established pursuant to Section 6.1 and administered pursuant to Section 6.3.

"*Pledged Revenues*" means, collectively, the (i) Assessment Revenues (excluding the portion of the Improvement Area #1 Assessments and Annual Installments collected for the payment of Annual Collection Costs and Delinquent Collection Costs, as set forth in the Service and Assessment Plan), (ii) the moneys held in any of the Pledged Funds and (iii) any additional revenues that the City may pledge to the payment of the Bonds or other Bonds Similarly Secured.

"*Prepayment*" means the payment of all or a portion of an Improvement Area #1 Assessment before the due date thereof. Amounts received at the time of a Prepayment which represent a payment of principal, interest or penalties on a delinquent installment of an

Improvement Area #1 Assessment are not to be considered a Prepayment, but rather are to be treated as the payment of the regularly scheduled Annual Installment of the Improvement Area #1.

"*Prepayment Costs*" means interest and expenses to the date of Prepayment, plus any additional expenses related to the Prepayment, reasonably expected to be incurred by or imposed upon the City as a result of any Prepayment.

"*Project Fund*" means that fund established pursuant to Section 6.1 and administered pursuant to Section 6.5.

"*Public Improvements*" means the public improvements authorized by the PID Act, including the public improvements as described in Section III.A of the Service and Assessment Plan.

"*Purchaser*" means the initial purchaser of the Bonds.

"*Quarter in Interest*" means as of any particular date of calculation, the Owners of no less than twenty-five percent (25%) of the principal amount of the then Outstanding Bonds Similarly Secured. In the event that two or more groups of Owners satisfy the percentage requirement set forth in the immediately preceding sentence and act (or direct the Trustee in writing to act) in a conflicting manner, only the group of Owners with the greatest percentage of then Outstanding Bonds Similarly Secured (as measured in accordance with the immediately preceding sentence) shall, to the extent of such conflict, be deemed to satisfy such requirement.

"*Rebatable Arbitrage*" means rebatable arbitrage as defined in Section 1.148-3 of the Treasury Regulations.

"*Rebate Fund*" means that fund established pursuant to Section 6.1 and administered pursuant to Section 6.8.

"*Reimbursement Agreement*" means the Cottonwood Creek Public Improvement District Reimbursement Agreement (Improvement Area #1) between the City and the Developer, dated as of June 3, 2021, as may have been or may be further amended and supplemented from time to time.

"*Record Date*" means the close of business on the 15th calendar day of the month next preceding an Interest Payment Date.

"*Redemption Fund*" means that fund established pursuant to Section 6.1 and administered pursuant to Section 6.6.

"*Redemption Price*" means, when used with respect to any Bond or portion thereof, the principal amount of such Bond or such portion thereof plus the applicable premium, if any, plus accrued and unpaid interest on such Bond to the date fixed for redemption payable upon redemption thereof pursuant to this Indenture.

"*Refunding Bonds*" means bonds issued to refund all or any portion of the Outstanding Bonds and secured by a parity lien with the Outstanding Bonds on the Trust Estate, as more specifically described in the indenture authorizing such Refunding Bonds.

"*Register*" means the register specified in Article III of this Indenture.

"*Reserve Account Requirement*" means the least of: (i) Maximum Annual Debt Service on the Bonds Similarly Secured as of the date of issuance, (ii) 125% of average Annual Debt Service on the Bonds Similarly Secured as of the date of issuance, and (iii) 10% of the proceeds of the Bonds Similarly Secured; provided, however, that such amount shall be reduced as a result of (1) an optional redemption pursuant to Section 4.3 or (2) an extraordinary optional redemption pursuant to Section 4.4, the Reserve Account Requirement shall be reduced by a percentage equal to the pro rata principal amount of Bonds Similarly Secured redeemed by such redemption divided by the total principal amount of the Outstanding Bonds Similarly Secured prior to such redemption. As of the date of delivery of the Bonds, the Reserve Account Requirement is \$ _____ which is an amount equal to Maximum Annual Debt Service on the Bonds Similarly Secured as of the date of issuance. The City Representative shall provide the Trustee with written confirmation of the Reserve Account Requirement and any modifications related thereto.

"*Reserve Fund*" means that fund established pursuant to Section 6.1 and administered pursuant to Section 6.7.

"*Service and Assessment Plan*" and "*SAP*" each mean the document, including the Improvement Area #1 Assessment Roll, which is attached as Exhibit A to the Assessment Ordinance, as amended and restated, as may be updated, amended and supplemented from time to time.

"*Sinking Fund Installment*" means the amount of money to redeem or pay at maturity the principal of a Stated Maturity of Bonds payable from such installments at the times and in the amounts provided in Section 4.2.

"*Special Record Date*" means in the event of nonpayment of interest on a scheduled Interest Payment Date, and for 30 days thereafter, a new record date for such interest payment that will be established by the Trustee, if and when funds for the payment of such interest have been received from the City.

"*State*" means the State of Texas.

"*Stated Maturity*" means the date the Bonds, or any portion of the Bonds, as applicable are scheduled to mature without regard to any redemption or prepayment.

"*Subaccount*" means any of the subaccounts established pursuant to Section 6.1 of this Indenture.

"*Supplemental Indenture*" means an indenture which has been duly executed by the Trustee and the City Representative pursuant to an ordinance adopted by the City Council and which

indenture amends or supplements this Indenture, but only if and to the extent that such indenture is specifically authorized hereunder.

"Treasury Regulations" shall have the meaning assigned to such term in Section 7.5(c).

"Trust Estate" means the Trust Estate described in the granting clauses of this Indenture.

"Trustee" means Wilmington Trust, N.A., Dallas, Texas, and its successors, and any other corporation or association that may at any time be substituted in its place, as provided in Article IX, such entity to serve as Trustee and Paying Agent/Registrar for the Bonds Similarly Secured.

"Value of Investment Securities" means the amortized value of any Investment Securities, provided, however, that all United States of America, United States Treasury Obligations – State and Local Government Series shall be valued at par and those obligations which are redeemable at the option of the holder shall be valued at the price at which such obligations are then redeemable. The computations shall include accrued interest on the investment securities paid as a part of the purchase price thereof and not collected. For the purposes of this definition "amortized value," when used with respect to a security purchased at par means the purchase price of such security and when used with respect to a security purchased at a premium above or discount below par, means as of any subsequent date of valuation, the value obtained by dividing the total premium or discount by the number of interest payment dates remaining to maturity on any such security after such purchase and by multiplying the amount as calculated by the number of interest payment dates having passed since the date of purchase and (i) in the case of a security purchased at a premium, by deducting the product thus obtained from the purchase price, and (ii) in the case of a security purchased at a discount, by adding the product thus obtained to the purchase price. The Trustee retains the ability and may rely upon the City's financial advisor to provide a determination as to the foregoing.

Section 1.2. **Findings.**

The declarations, determinations and findings declared, made and found in the preamble to this Indenture are hereby adopted, restated and made a part of the operative provisions hereof.

Section 1.3. **Table of Contents, Titles and Headings.**

The table of contents, titles, and headings of the Articles and Sections of this Indenture have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof and shall never be considered or given any effect in construing this Indenture or any provision hereof or in ascertaining intent, if any question of intent should arise.

Section 1.4. **Interpretation.**

(a) Unless the context requires otherwise, words of the masculine gender shall be construed to include correlative words of the feminine and neuter genders and vice versa, and

words of the singular number shall be construed to include correlative words of the plural number and vice versa.

(b) Words importing persons include any individual, corporation, limited liability company, partnership, joint venture, association, joint stock company, trust, unincorporated organization or government or agency or political subdivision thereof.

(c) Any reference to a particular Article or Section shall be to such Article or Section of this Indenture unless the context shall require otherwise.

(d) When used in Article XI of this Indenture in connection with the Bonds Similarly Secured, any reference to this Indenture, Article XI of this Indenture or any Section thereunder, and/or any events of default or remedies set forth therein, such terms and references shall be read and interpreted to include any indenture relating to any Bonds Similarly Secured, the related Article or Section in such indenture, and/or the events of default and remedies set forth therein.

(e) This Indenture and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein to sustain the validity of this Indenture.

ARTICLE II

THE BONDS

Section 2.1. Security for the Bonds.

(a) The Bonds Similarly Secured, as to both principal and interest, are and shall be equally and ratably secured by and payable from a first lien on and pledge of the Trust Estate.

(b) The lien on and pledge of the Trust Estate shall be valid and binding and fully perfected from and after the Closing Date, which is the date of the delivery of this Indenture, without physical delivery or transfer of control of the Trust Estate, the filing of this Indenture or any other act; all as provided in Chapter 1208 of the Texas Government Code, as amended, which applies to the issuance of the Bonds and the pledge of the Trust Estate granted by the City under this Indenture, and such pledge is therefore valid, effective and perfected. If Texas law is amended at any time while the Bonds are Outstanding such that the pledge of the Trust Estate granted by the City under this Indenture is to be subject to the filing requirements of Chapter 9, Texas Business and Commerce Code, as amended, then in order to preserve to the registered owners of the Bonds the perfection of the security interest in said pledge, the City agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Texas Business and Commerce Code, as amended, and enable a filing to perfect the security interest in said pledge to occur.

Section 2.2. Limited Obligations.

The Bonds Similarly Secured are special and limited obligations of the City, payable solely from and secured solely by the Trust Estate, including the Pledged Revenues and the Pledged

Funds; and the Bonds Similarly Secured shall never be payable out of funds raised or to be raised by taxation or from any other revenues, properties or income of the City.

Section 2.3. Authorization for Indenture.

The terms and provisions of this Indenture and the execution and delivery hereof by the City to the Trustee have been duly authorized by official action of the City Council of the City. The City has ascertained and it is hereby determined and declared that the execution and delivery of this Indenture is necessary to carry out and effectuate the purposes set forth in the preambles of this Indenture and that each and every covenant or agreement herein contained and made is necessary, useful and/or convenient in order to better secure the Bonds Similarly Secured and is a contract or agreement necessary, useful and/or convenient to carry out and effectuate the purposes herein described.

Section 2.4. Contract with Owners and Trustee.

(a) The purposes of this Indenture are to establish a lien and the security for, and to prescribe the minimum standards for the authorization, issuance, execution and delivery of, the Bonds Similarly Secured and to prescribe the rights of the Owners, and the rights and duties of the City and the Trustee.

(b) In consideration of the purchase and acceptance of any or all of the Bonds Similarly Secured by those who shall purchase and hold the same from time to time, the provisions of this Indenture shall be a part of the contract of the City with the Owner, and shall be deemed to be and shall constitute a contract among the City, the Owners, and the Trustee.

ARTICLE III

AUTHORIZATION; GENERAL TERMS AND PROVISIONS REGARDING THE BONDS

Section 3.1. Authorization.

The Bonds are hereby authorized to be issued and delivered in accordance with the Constitution and laws of the State, including particularly the PID Act, as amended. The Bonds shall be issued in the aggregate principal amount of \$_____ for the purpose of paying a portion of (1) the Actual Costs of the Improvement Area #1 Improvements, (2) Improvement Area #1's allocable share of District Formation Expenses, and (3) the Bond Issuance Costs of the Bonds, including funding a reserve fund for the payment of principal of and interest on the Bonds.

Section 3.2. Date, Denomination, Maturities, Numbers and Interest.

(a) The Bonds shall be dated the date of the initial delivery thereof (the "*Bond Date*") and shall be issued in Authorized Denominations. The Bonds shall be in fully registered form, without coupons, and shall be numbered separately from R-1 upward, except the Initial Bond, which shall be numbered T-1.

(b) Interest shall accrue and be paid on each Bond from the later of the Bond Date or the most recent Interest Payment Date to which interest has been paid or provided for, at the rate per annum set forth below until the principal thereof has been paid on the maturity date specified below or otherwise provided for. Such interest shall be payable semiannually on March 1 and September 1 of each year, commencing March 1, 2022, computed on the basis of a 360-day year of twelve 30-day months.

(c) The Bonds shall mature on September 1 in the years and in the principal amounts and shall bear interest at the rates set forth below:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
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(d) The Bonds shall be subject to mandatory sinking fund redemption, optional redemption, and extraordinary optional redemption prior to maturity as provided in Article IV, and shall otherwise have the terms, tenor, denominations, details, and specifications as set forth in the form of Bond set forth in Section 5.2.

Section 3.3. **Conditions Precedent to Delivery of Bonds.**

The Bonds shall be executed by the City and delivered to the Trustee, whereupon the Trustee shall authenticate the Bonds and, upon payment of the purchase price of the Bonds, shall deliver the Bonds upon the order of the City, but only upon delivery to the Trustee of:

- (a) a certified copy of the Assessment Ordinance;
- (b) a certified copy of the Bond Ordinance;
- (c) a copy of the executed Financing and Reimbursement Agreement and any amendments
- (d) a copy of the executed Reimbursement Agreement and any amendments;
- (e) a copy of a Continuing Disclosure Agreement of the Issuer between the City, the Administrator and the dissemination agent thereunder and a Continuing Disclosure Agreement of the Developer between the Developer, the Administrator and the dissemination agent thereunder;

- (f) a copy of this Indenture executed by the Trustee and the City;
- (g) an executed City Certificate directing the authentication and delivery of the Bonds, describing the Bonds to be authenticated and delivered, designating the purchasers to whom the Bonds are to be delivered, stating the purchase price of the Bonds and stating that all items required by this Section are therewith delivered to the Trustee in form and substance satisfactory to the City;
- (h) an executed signature and no-litigation certificate of the City;
- (i) executed opinions of Bond Counsel and the City Attorney; and
- (j) the approving opinion of the Attorney General of the State and the State Comptroller's registration certificate.

Section 3.4. Medium, Method and Place of Payment.

- (a) Principal of and interest on the Bonds shall be paid in lawful money of the United States of America, as provided in this Section.
- (b) Interest on the Bonds shall be payable to the Owners thereof as shown in the Register at the close of business on the relevant Record Date or Special Record Date, as applicable.
- (c) Interest on the Bonds shall be paid by check, dated as of the Interest Payment Date, and sent, first class United States mail, postage prepaid, by the Paying Agent/Registrar to each Owner at the address of each as such appears in the Register or by such other customary banking arrangement acceptable to the Paying Agent/Registrar and the Owner; provided, however, the Owner shall bear all risk and expense of such other banking arrangement.
- (d) The principal of each Bond shall be paid to the Owner of such Bond on the due date thereof, whether at the maturity date or the date of prior redemption thereof, upon presentation and surrender of such Bond at the Designated Payment/Transfer Office of the Paying Agent/Registrar.
- (e) If the date for the payment of the principal of or interest on the Bonds shall be a Saturday, Sunday, legal holiday, or day on which banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are required or authorized by law or executive order to close, the date for such payment shall be the next succeeding day that is not a Saturday, Sunday, legal holiday, or day on which banking institutions are required or authorized to close, and payment on such date shall for all purposes be deemed to have been made on the due date thereof as specified in Section 3.2 of this Indenture.
- (f) Unclaimed payments of amounts due hereunder shall be segregated in a special account and held in trust, uninvested by the Paying Agent/Registrar, for the account of the Owner of the Bonds to which such unclaimed payments pertain. Subject to any escheat, abandoned property, or similar law of the State, any such payments remaining unclaimed by the Owners entitled thereto for three (3) years after the applicable payment or redemption date shall be applied

to the next payment or payments on the Bonds thereafter coming due and, to the extent any such money remains after the retirement of all Outstanding Bonds, shall be paid to the City to be used for any lawful purpose. Thereafter, none of the City, the Paying Agent/Registrar, or any other Person shall be liable or responsible to any holders of such Bonds for any further payment of such unclaimed moneys or on account of any such Bonds, subject to any applicable escheat law or similar law of the State.

Section 3.5. Execution and Registration of Bonds.

(a) The Bonds shall be executed on behalf of the City by the Mayor, Mayor Pro-Tem and City Secretary, by their manual or facsimile signatures, and the official seal of the City shall be impressed or placed in facsimile thereon such facsimile signatures on the Bonds shall have the same effect as if each of the Bonds had been signed manually and in person by each of said officers, and such facsimile seal on the Bonds shall have the same effect as if the official seal of the City had been manually impressed upon each of the Bonds.

(b) In the event that any officer of the City whose manual or facsimile signature appears on the Bonds ceases to be such officer before the authentication of such Bonds or before the delivery thereof, such manual or facsimile signature nevertheless shall be valid and sufficient for all purposes as if such officer had remained in such office.

(c) Except as provided below, no Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit of this Indenture unless and until there appears thereon the Certificate of Trustee substantially in the form provided herein, duly authenticated by manual execution by an officer or duly authorized signatory of the Trustee. It shall not be required that the same officer or authorized signatory of the Trustee sign the Certificate of Trustee on all of the Bonds. In lieu of the executed Certificate of Trustee described above, the Initial Bond delivered at the Closing Date shall have attached thereto the Comptroller's Registration Certificate substantially in the form provided herein, manually executed by the Comptroller, or by his duly authorized agent, which certificate shall be evidence that the Initial Bond has been duly approved by the Attorney General, is a valid and binding obligation of the City, and has been registered by the Comptroller.

(d) On the Closing Date, one Initial Bond representing the entire principal amount of all Bonds, payable in stated installments to the Purchaser, or its designee, executed with the manual or facsimile signatures of the Mayor, Mayor Pro-Tem and the City Secretary, approved by the Attorney General, and registered and manually signed by the Comptroller, will be delivered to the Purchaser or its designee. Upon payment for the Initial Bond, the Trustee shall cancel the Initial Bond and upon City order deliver to DTC on behalf of the Purchaser one registered definitive Bond for each year of maturity of the Bonds, in the aggregate principal amount of all Bonds for such maturity, registered in the name of Cede & Co., as nominee of DTC.

Section 3.6. Ownership.

(a) The City, the Trustee, the Paying Agent/Registrar and any other Person may treat the Person in whose name any Bond is registered as the absolute owner of such Bond for the

purpose of making and receiving payment as provided herein (except interest shall be paid to the Person in whose name such Bond is registered on the Record Date or Special Record Date, as applicable) and for all other purposes, whether or not such Bond is overdue, and none of the City, the Trustee or the Paying Agent/Registrar shall be bound by any notice or knowledge to the contrary.

(b) All payments made to the Owner of any Bond shall be valid and effectual and shall discharge the liability of the City, the Trustee and the Paying Agent/Registrar upon such Bond to the extent of the sums paid.

Section 3.7. Registration, Transfer and Exchange.

(a) So long as any Bond remains outstanding, the City shall cause the Paying Agent/Registrar to keep at the Designated Payment/Transfer Office a Register in which, subject to such reasonable regulations as it may prescribe, the Paying Agent/Registrar shall provide for the registration and transfer of Bonds in accordance with this Indenture. The Paying Agent/Registrar represents and warrants that it will maintain a copy of the Register, and shall cause the Register to be current with all registration and transfer information as from time to time may be applicable.

(b) A Bond shall be transferable only upon the presentation and surrender thereof at the Designated Payment/Transfer Office of the Paying Agent/Registrar with such endorsement or other evidence of transfer as is acceptable to the Paying Agent/Registrar. No transfer of any Bond shall be effective until entered in the Register.

(c) The Bonds shall be exchangeable upon the presentation and surrender thereof at the Designated Payment/Transfer Office of the Paying Agent/Registrar for a Bond or Bonds of the same maturity and interest rate and in any Authorized Denomination and in an aggregate principal amount equal to the unpaid principal amount of the Bond presented for exchange. The Trustee is hereby authorized to authenticate and deliver Bonds exchanged for other Bonds in accordance with this Section.

(d) The Trustee is hereby authorized to authenticate and deliver Bonds transferred or exchanged in accordance with this Section. A new Bond or Bonds will be delivered by the Paying Agent/Registrar, in lieu of the Bond being transferred or exchanged, at the Designated Payment/Transfer Office, or sent by United States mail, first class, postage prepaid, to the Owner or his designee. Each transferred Bond delivered by the Paying Agent/Registrar in accordance with this Section shall constitute an original contractual obligation of the City and shall be entitled to the benefits and security of this Indenture to the same extent as the Bond or Bonds in lieu of which such transferred Bond is delivered.

(e) Each exchange Bond delivered in accordance with this Section shall constitute an original contractual obligation of the City and shall be entitled to the benefits and security of this Indenture to the same extent as the Bond or Bonds in lieu of which such exchange Bond is delivered.

(f) No service charge shall be made to the Owner for the initial registration, subsequent transfer, or exchange for a different denomination of any of the Bonds. The Paying Agent/Registrar, however, may require the Owner to pay a sum sufficient to cover any tax or other governmental charge that is authorized to be imposed in connection with the registration, transfer, or exchange of a Bond.

(g) Neither the City nor the Paying Agent/Registrar shall be required to issue, transfer, or exchange any Bond or portion thereof called for redemption prior to maturity within forty-five (45) days prior to the date fixed for redemption; provided, however, such limitation shall not be applicable to an exchange by the Owner of the uncalled principal balance of a Bond.

Section 3.8. Cancellation.

All Bonds paid or redeemed before scheduled maturity in accordance with this Indenture, and all Bonds in lieu of which exchange Bonds or replacement Bonds are authenticated and delivered in accordance with this Indenture, shall be cancelled, and proper records shall be made regarding such payment, redemption, exchange, or replacement. Whenever in this Indenture provision is made for the cancellation by the Trustee of any Bonds, the Trustee shall destroy such Bonds and deliver a certificate of such destruction to the City.

Section 3.9. Temporary Bonds.

(a) Following the delivery and registration of the Initial Bond and pending the preparation of definitive Bonds, the proper officers of the City may execute and, upon the City's request, the Trustee shall authenticate and deliver, one or more temporary Bonds that are printed, lithographed, typewritten, mimeographed or otherwise produced, in any denomination, substantially of the tenor of the definitive Bonds in lieu of which they are delivered, without coupons, and with such appropriate insertions, omissions, substitutions and other variations as the officers of the City executing such temporary Bonds may determine, as evidenced by their signing of such temporary Bonds.

(b) Until exchanged for Bonds in definitive form, such Bonds in temporary form shall be entitled to the benefit and security of this Indenture.

(c) The City, without unreasonable delay, shall prepare, execute and deliver to the Trustee the Bonds in definitive form; thereupon, upon the presentation and surrender of the Bond or Bonds in temporary form to the Paying Agent/Registrar, the Paying Agent/Registrar shall cancel the Bonds in temporary form and the Trustee shall authenticate and deliver in exchange therefor a Bond or Bonds of the same maturity and series, in definitive form, in the Authorized Denomination, and in the same aggregate principal amount, as the Bond or Bonds in temporary form surrendered. Such exchange shall be made without the making of any charge therefor to any Owner.

Section 3.10. **Replacement Bonds.**

(a) Upon the presentation and surrender to the Paying Agent/Registrar of a mutilated Bond, the Trustee shall authenticate and deliver in exchange therefor a replacement Bond of like tenor and principal amount, bearing a number not contemporaneously outstanding. The City or the Paying Agent/Registrar may require the Owner of such Bond to pay a sum sufficient to cover any tax or other governmental charge that is authorized to be imposed in connection therewith and any other expenses connected therewith.

(b) In the event that any Bond is lost, apparently destroyed, or wrongfully taken, the City shall provide and the Trustee, pursuant to the Applicable Laws of the State and in the absence of notice or knowledge that such Bond has been acquired by a bona fide purchaser, shall authenticate and deliver a replacement Bond of like tenor and principal amount bearing a number not contemporaneously outstanding, provided that the Owner first complies with the following requirements:

(i) furnishes to the Paying Agent/Registrar satisfactory evidence of his or her ownership of and the circumstances of the loss, destruction or theft of such Bond;

(ii) furnishes such security or indemnity as may be required by the Paying Agent/Registrar and the Trustee to save them and the City harmless;

(iii) pays all expenses and charges in connection therewith, including, but not limited to, printing costs, legal fees, fees of the Trustee and the Paying Agent/Registrar and any tax or other governmental charge that is authorized to be imposed; and

(iv) satisfies any other reasonable requirements imposed by the City and the Trustee.

(c) After the delivery of such replacement Bond, if a bona fide purchaser of the original Bond in lieu of which such replacement Bond was issued presents for payment such original Bond, the City and the Paying Agent/Registrar shall be entitled to recover such replacement Bond from the Person to whom it was delivered or any Person taking therefrom, except a bona fide purchaser, and shall be entitled to recover upon the security or indemnity provided therefor to the extent of any loss, damage, cost, or expense incurred by the City, the Paying Agent/Registrar or the Trustee in connection therewith.

(d) In the event that any such mutilated, lost, apparently destroyed or wrongfully taken Bond has become or is about to become due and payable, the Paying Agent/Registrar, in its discretion, instead of issuing a replacement Bond, may pay such Bond if it has become due and payable or may pay such Bond when it becomes due and payable.

(e) Each replacement Bond delivered in accordance with this Section shall constitute an original additional contractual obligation of the City and shall be entitled to the benefits and security of this Indenture to the same extent as the Bond or Bonds in lieu of which such replacement Bond is delivered.

Section 3.11. Book-Entry Only System.

(a) The Bonds shall initially be issued in book-entry-only form and shall be deposited with DTC, which is hereby appointed to act as the securities depository therefor, in accordance with the letter of representations from the City to DTC. On the Closing Date the definitive Bonds shall be issued in the form of a single typewritten certificate for each maturity thereof registered in the name of Cede & Co., as nominee for DTC.

(b) With respect to Bonds registered in the name of Cede & Co., as nominee of DTC, the City and the Paying Agent/Registrar shall have no responsibility or obligation to any DTC Participant or to any Person on behalf of whom such a DTC Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, the City and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or any other Person, other than an Owner, as shown on the Register, of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any DTC Participant or any other Person, other than an Owner, as shown in the Register of any amount with respect to principal of, premium, if any, or interest on the Bonds. Notwithstanding any other provision of this Indenture to the contrary, the City and the Paying Agent/Registrar shall be entitled to treat and consider the Person in whose name each Bond is registered in the Register as the absolute owner of such Bond for the purpose of payment of principal of, premium, if any, and interest on Bonds, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfer with respect to such Bond, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of, premium, if any, and interest on the Bonds only to or upon the order of the respective Owners as shown in the Register, as provided in this Indenture, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to payment of principal of, premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. No Person other than an Owner, as shown in the Register, shall receive a Bond certificate evidencing the obligation of the City to make payments of amounts due pursuant to this Indenture. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Indenture with respect to interest checks or drafts being mailed to the registered owner at the close of business on the Record Date or Special Record Date, as applicable, the word "Cede & Co." in this Indenture shall refer to such new nominee of DTC.

Section 3.12. Successor Securities Depository: Transfer Outside Book-Entry-Only System.

In the event that the City determines that DTC is incapable of discharging its responsibilities described herein and in the letter of representations from the City to DTC, the City shall (i) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities and Exchange Act of 1934, as amended, notify DTC and DTC Participants of the appointment of such successor securities depository and transfer one or more separate Bonds to such successor securities depository; or (ii) notify DTC and DTC Participants of the availability

Term Bonds for redemption on such scheduled mandatory redemption date, and shall give notice of such redemption, as provided in Section 4.6.

(c) The principal amount of Term Bonds required to be redeemed on any redemption date pursuant to subparagraph (a) of this Section 4.2 shall be reduced, at the option of the City, by the principal amount of any Term Bonds of such maturity which, at least 30 days prior to the sinking fund redemption date shall have been acquired by the City at a price not exceeding the principal amount of such Term Bonds plus accrued unpaid interest to the date of purchase thereof, and delivered to the Trustee for cancellation.

(d) The principal amount of Term Bonds required to be redeemed on any redemption date pursuant to subparagraph (a) of this Section 4.2 shall be reduced on a pro rata basis among Sinking Fund Installments by the principal amount of any Term Bonds which, at least 30 days prior to the sinking fund redemption date, shall have been redeemed pursuant to the optional redemption provisions in Section 4.3 hereof or the extraordinary optional redemption provisions in Section 4.4 hereof and not previously credited to a mandatory sinking fund redemption.

Section 4.3. Optional Redemption.

The Bonds may be redeemed prior to their scheduled maturities on any date on or after September 1, 20__, at the option of the City, with funds derived from any available and lawful source, as a whole, or in part, and, if in part, the particular Bonds, or portions thereof, to be redeemed shall be selected and designated by the City, at the Redemption Price.

Section 4.4. Extraordinary Optional Redemption.

The City reserves the right and option to redeem Bonds before their respective scheduled maturity dates, in whole or in part, on any date, at the Redemption Price, from amounts on deposit in the Redemption Fund as a result of Prepayments (including related transfers to the Redemption Fund as provided in Section 6.7(c)) or any other transfers to the Redemption Fund under the terms of this Indenture. If less than all Bonds are called for extraordinary optional redemption, the Bonds or portion of a Bond to be redeemed shall be allocated on a pro rata basis (as nearly as practicable) among all Outstanding Bonds.

Section 4.5. Partial Redemption.

(a) If less than all of the Bonds are to be redeemed pursuant to either Sections 4.2, 4.3 or 4.4, Bonds shall be redeemed in increments of \$1,000 by lot, provided that no redemption shall cause the principal amount of any Bond to be less than the minimum Authorized Denomination for such Bond except as provided in the following sentence. Notwithstanding the foregoing, if any Bonds are to be partially redeemed and such redemption results in the redemption of a portion of a single Bond in an amount less than the Authorized Denomination in effect at the time, a Bond in the principal amount equal to the unredeemed portion, but not less than \$1,000, may be issued. Each Bond shall be treated as representing the number of Bonds that is obtained by dividing the principal amount of such Bond by the minimum Authorized Denomination for such Bond.

(b) Upon surrender of any Bond for redemption in part, the Trustee in accordance with Section 3.7 of this Indenture, shall authenticate and deliver an exchange Bond or Bonds in an aggregate principal amount equal to the unredeemed portion of the Bond so surrendered, such exchange being without charge.

Section 4.6. Notice of Redemption to Owners.

(a) Upon notification by the City to the Trustee of the exercise of any redemption, the Trustee shall give notice of any redemption of Bonds by sending notice by first class United States mail, postage prepaid, not less than 30 days before the date fixed for redemption, to the Owner of each Bond or portion thereof to be redeemed, at the address shown in the Register.

(b) The notice shall state the redemption date, the Redemption Price, the place at which the Bonds are to be surrendered for payment, and, if less than all the Bonds Outstanding are to be redeemed, and subject to Section 4.5, an identification of the Bonds or portions thereof to be redeemed, any conditions to such redemption and that on the redemption date, if all conditions, if any, to such redemption have been satisfied, such Bond shall become due and payable.

(c) Any notice given as provided in this Section shall be conclusively presumed to have been duly given, whether or not the Owner receives such notice.

(d) The City has the right to rescind any optional redemption or extraordinary optional redemption described in Section 4.3 or 4.4 by written notice to the Trustee on or prior to the date fixed for redemption. Any notice of redemption shall be cancelled and annulled if for any reason funds are not available on the date fixed for redemption for the payment in full of the Bonds then called for redemption, and such cancellation shall not constitute an Event of Default under this Indenture. The Trustee shall mail notice of rescission of redemption in the same manner notice of redemption was originally provided.

Section 4.7. Payment Upon Redemption.

(a) The Trustee shall make provision for the payment of the Bonds to be redeemed on such date by setting aside and holding in trust an amount from the Redemption Fund or otherwise received by the Trustee from the City and shall use such funds solely for the purpose of paying the Redemption Price on the Bonds being redeemed.

(b) Upon presentation and surrender of any Bond called for redemption at the designated corporate trust office of the Trustee on or after the date fixed for redemption, the Trustee shall pay the Redemption Price on such Bond to the date of redemption from the moneys set aside for such purpose.

Section 4.8. Effect of Redemption.

Notice of redemption having been given as provided in Section 4.6 of this Indenture, the Bonds or portions thereof called for redemption shall become due and payable on the date fixed for redemption provided that funds for the payment of the principal amount plus accrued unpaid

interest on such Bonds to the date fixed for redemption are on deposit with the Trustee; thereafter, such Bonds or portions thereof shall cease to bear interest from and after the date fixed for redemption, whether or not such Bonds are presented and surrendered for payment on such date.

ARTICLE V

FORM OF THE BONDS

Section 5.1. Form Generally.

(a) The Bonds, including the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the Certificate of the Trustee, and the Assignment to appear on each of the Bonds, (i) shall be substantially in the form set forth in this Article with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Indenture, and (ii) may have such letters, numbers, or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and endorsements (including any reproduction of an opinion of Bond Counsel) thereon as, consistently herewith, may be determined by the City or by the officers executing such Bonds, as evidenced by their execution thereof.

(b) Any portion of the text of any Bonds may be set forth on the reverse side thereof, with an appropriate reference thereto on the face of the Bonds.

(c) The definitive Bonds shall be typewritten, printed, lithographed, or engraved, and may be produced by any combination of these methods or produced in any other similar manner, all as determined by the officers executing such Bonds, as evidenced by their execution thereof.

(d) The Initial Bond submitted to the Attorney General may be typewritten and photocopied or otherwise reproduced.

Section 5.2. Form of the Bonds.

(a) Form of Bond.

NEITHER THE FAITH AND CREDIT NOR THE TAXING
POWER OF THE STATE OF TEXAS, THE CITY,
WILLIAMSON COUNTY, OR ANY OTHER POLITICAL
CORPORATION, SUBDIVISION OR AGENCY THEREOF,
IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF
OR INTEREST ON THIS BOND.

REGISTERED
NO. _____

United States of America
State of Texas

REGISTERED
\$_____

CITY OF HUTTO, TEXAS
SPECIAL ASSESSMENT REVENUE BOND, SERIES 20____
(COTTONWOOD CREEK PUBLIC IMPROVEMENT
DISTRICT IMPROVEMENT AREA #1 PROJECT)

INTEREST RATE	MATURITY DATE	DATE OF DELIVERY	CUSIP NUMBER
_____%	_____, 20__	_____, 2021	_____

The City of Hutto, Texas (the "City"), for value received, hereby promises to pay, solely from the Trust Estate, to

_____ or registered assigns, on the Maturity Date, as specified above, the sum of

_____ DOLLARS

unless this Bond shall have been sooner called for redemption and the payment of the principal hereof shall have been paid or provision for such payment shall have been made, and to pay interest on the unpaid principal amount hereof from the later of the Date of Delivery, as specified above, or the most recent Interest Payment Date to which interest has been paid or provided for until such principal amount shall have been paid or provided for, at the per annum rate of interest specified above, computed on the basis of a 360-day year of twelve 30-day months, such interest to be paid semiannually on March 1, and September 1, of each year, commencing March 1, 2022.

Capitalized terms appearing herein that are defined terms in the Indenture (defined below), have the meanings assigned to them in the Indenture. Reference is made to the Indenture for such definitions and for all other purposes.

The principal of this Bond shall be payable without exchange or collection charges in lawful money of the United States of America upon presentation and surrender of this Bond at the corporate trust office in Dallas, Texas (the "*Designated Payment/Transfer Office*"), of Wilmington Trust, N.A., as trustee and paying agent/registrar (the "*Trustee*"), or, with respect to a successor trustee and paying agent/registrar, at the Designated Payment/Transfer Office of such successor. Interest on this Bond is payable by check dated as of the Interest Payment Date, mailed by the Trustee to the registered owner at the address shown on the registration books kept by the Trustee or by such other customary banking arrangements acceptable to the Trustee, requested by, and at the risk and expense of, the Person to whom interest is to be paid. For the purpose of the payment of interest on this Bond, the registered owner shall be the Person in whose name this Bond is registered at the close of business on the "Record Date," which shall be the 15th day of the month next preceding such Interest Payment Date; provided, however, that in the event of nonpayment of interest on a scheduled Interest Payment Date, and for 30 days thereafter, a new record date for

such interest payment (a "*Special Record Date*") will be established by the Trustee, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15 days after the Special Record Date) shall be sent at least five Business Days prior to the Special Record Date by United States mail, first class postage prepaid, to the address of each Owner of a Bond appearing on the books of the Trustee at the close of business on the last Business Day preceding the date of mailing such notice.

If a date for the payment of the principal of or interest on the Bonds is a Saturday, Sunday, legal holiday, or a day on which banking institutions in the city in which the Designated Payment/Transfer Office is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding Business Day, and payment on such date shall have the same force and effect as if made on the original date payment was due.

This Bond is one of a duly authorized issue of assessment revenue bonds of the City having the designation specified in its title (herein referred to as the "Bonds"), dated as of the Date of Delivery and issued in the aggregate principal amount of \$10,215,000 and issued, with the limitations described herein, pursuant to an Indenture of Trust, dated as of _____, 2021 (the "*Indenture*"), by and between the City and the Trustee, to which Indenture reference is hereby made for a description of the amounts thereby pledged and assigned, the nature and extent of the lien and security, the respective rights thereunder to the holders of the Bonds, the Trustee, and the City, and the terms upon which the Bonds are, and are to be, authenticated and delivered and by this reference to the terms of which each holder of this Bond hereby consents. All Bonds issued under the Indenture are equally and ratably secured by the amounts thereby pledged and assigned. The Bonds are being issued for the purpose of paying a portion of (1) the Actual Costs of the Improvement Area #1 Improvements, (2) Improvement Area #1's allocable share of District Formation Expenses, and (3) the Bond Issuance Costs of the Bonds, including funding a reserve fund for the payment of principal of and interest on the Bonds and (4) the interest on the Bonds during and after the period of construction.

The Bonds are special, limited obligations of the City payable solely from the Trust Estate. Reference is hereby made to the Indenture, copies of which are on file with and available upon request from the Trustee, for the provisions, among others, with respect to the nature and extent of the duties and obligations of the City, the Trustee and the Owners. The Owner of this Bond, by the acceptance hereof, is deemed to have agreed and consented to the terms, conditions and provisions of the Indenture.

The City has reserved the right to issue Refunding Bonds and other obligations on the terms and conditions specified in the Indenture.

Notwithstanding any provision hereof, the Indenture may be released and the obligation of the City to make money available to pay this Bond may be defeased by the deposit of money and/or certain direct or indirect Defeasance Securities sufficient for such purpose as described in the Indenture.

The Bonds maturing on September 1 in the years _____ (collectively, "*Term Bonds*"), are subject to mandatory sinking fund redemption prior to their respective maturities and will be redeemed by the City in part a redemption price equal to the principal amount thereof plus accrued and unpaid interest thereon to the date set for redemption from moneys available for such purpose in the Principal and Interest Account of the Bond Fund pursuant to Article VI of the Indenture, on the dates and in the respective Sinking Fund Installments as set forth in the following schedule:

Principal Amount

At least thirty (30) days prior to each sinking fund redemption date, the Trustee shall select for redemption by lot, or by any other customary method that results in a random selection, a principal amount of Term Bonds of such maturity equal to the sinking fund installments of such Term Bonds to be redeemed, shall call such Term Bonds for redemption on such scheduled mandatory sinking fund redemption date, and shall give notice of such redemption, as provided in Section 4.6 of the Indenture.

The principal amount of Bonds required to be redeemed on any sinking fund redemption date shall be reduced on a pro rata basis among Sinking Fund Installments by the principal amount of any Bonds which, at least 30 days prior to the sinking fund redemption date, shall have been redeemed pursuant to the optional redemption or extraordinary optional redemption provisions hereof and not previously credited to a mandatory sinking fund redemption.

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redeemed shall be selected and designated by the City, at a redemption price equal to the principal amount to be redeemed plus accrued interest to the date fixed for redemption.

The Bonds are subject to extraordinary optional redemption prior to maturity in whole or in part, on any date, at a redemption price equal to the principal amount of the Bonds called for redemption, plus accrued and unpaid interest to the date fixed for redemption from amounts on deposit in the Redemption Fund as a result of Prepayments or any other transfers to the Redemption Fund under the terms of the Indenture. If less than all Bonds are called for extraordinary optional redemption, the Bonds or portion of a Bond to be redeemed shall be allocated on a pro rata basis (as nearly as practicable) among all Outstanding Bonds.

The Trustee shall give notice of any redemption of Bonds by sending notice by first class United States mail, postage prepaid, not less than 30 days before the date fixed for redemption, to the Owner of each Bond (or part thereof) to be redeemed, at the address shown on the Register. The notice shall state the redemption date, the Redemption Price, the place at which the Bonds are to be surrendered for payment, and, if less than all the Bonds Outstanding are to be redeemed, an identification of the Bonds or portions thereof to be redeemed. Any notice so given shall be conclusively presumed to have been duly given, whether or not the Owner receives such notice.

With respect to any optional redemption of the Bonds, unless the Trustee has received funds sufficient to pay the Redemption Price of the Bonds to be redeemed before giving of a notice of redemption, the notice may state the City may condition redemption on the receipt of such funds by the Trustee on or before the date fixed for the redemption, or on the satisfaction of any other prerequisites set forth in the notice of redemption. If a conditional notice of redemption is given and such prerequisites to the redemption and sufficient funds are not received, the notice shall be of no force and effect, the City shall not redeem the Bonds and the Trustee shall give notice, in the manner in which the notice of redemption was given, that the Bonds have not been redeemed.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the City and the rights of the holders of the Bonds under the Indenture at any time Outstanding affected by such modification. The Indenture also contains provisions permitting the holders of specified percentages in aggregate principal amount of the Bonds at the time Outstanding, on behalf of the holders of all the Bonds, to waive compliance by the City with certain past defaults under the Bond Ordinance or the Indenture and their consequences. Any such consent or waiver by the holder of this Bond or any predecessor Bond evidencing the same debt shall be conclusive and binding upon such holder and upon all future holders thereof and of any Bond issued upon the transfer thereof or in exchange therefor or in lieu thereof, whether or not notation of such consent or waiver is made upon this Bond.

As provided in the Indenture, this Bond is transferable upon surrender of this Bond for transfer at the Designated Payment/Transfer Office, with such endorsement or other evidence of transfer as is acceptable to the Trustee, and upon delivery to the Trustee of such certifications and/or opinion of counsel as may be required under the Indenture for the transfer of this Bond. Upon satisfaction of such requirements, one or more new fully registered Bonds of the same Stated Maturity, of Authorized Denominations, bearing the same rate of interest, and for the same aggregate principal amount will be issued to the designated transferee or transferees.

Neither the City nor the Trustee shall be required to issue, transfer or exchange any Bond called for redemption where such redemption is scheduled to occur within 45 calendar days of the transfer or exchange date; provided, however, such limitation shall not be applicable to an exchange by the registered owner of the uncalled principal balance of a Bond.

The City, the Trustee, and any other Person may treat the Person in whose name this Bond is registered as the owner hereof for the purpose of receiving payment as herein provided (except interest shall be paid to the Person in whose name this Bond is registered on the Record Date or Special Record Date, as applicable) and for all other purposes, whether or not this Bond be overdue, and neither the City nor the Trustee shall be affected by notice to the contrary.

The City has reserved the right to issue Refunding Bonds and Future Bonds on the terms and conditions specified in the Indenture.

NEITHER THE FULL FAITH AND CREDIT NOR THE GENERAL TAXING POWER OF THE CITY, WILLIAMSON COUNTY, OR THE STATE OF TEXAS, OR ANY POLITICAL SUBDIVISION THEREOF, IS PLEDGED TO THE PAYMENT OF THE BONDS.

IT IS HEREBY CERTIFIED AND RECITED that the issuance of this Bond and the series of which it is a part is duly authorized by law; that all acts, conditions and things required to be done precedent to and in the issuance of the Bonds have been properly done and performed and have happened in regular and due time, form and manner, as required by law; and that the total indebtedness of the City, including the Bonds, does not exceed any Constitutional or statutory limitation.

IN WITNESS WHEREOF, the City Council of the City has caused this Bond to be executed under the official seal of the City.

City Secretary, City of Hutto, Texas

Mayor, City of Hutto, Texas

[CITY SEAL]

(b) Form of Comptroller's Registration Certificate.

The following Registration Certificate of Comptroller of Public Accounts shall appear on the Initial Bond:

REGISTRATION CERTIFICATE OF
COMPTROLLER OF PUBLIC ACCOUNTS

OFFICE OF THE COMPTROLLER
OF PUBLIC ACCOUNTS
THE STATE OF TEXAS

§
§
§

REGISTER NO. _____

I HEREBY CERTIFY THAT there is on file and of record in my office a certificate to the effect that the Attorney General of the State of Texas has approved this Bond, and that this Bond has been registered this day by me.

WITNESS MY SIGNATURE AND SEAL OF OFFICE this _____

Comptroller of Public Accounts
of the State of Texas

[SEAL]

(c) Form of Certificate of Trustee.

CERTIFICATE OF TRUSTEE

It is hereby certified that this is one of the Bonds of the series of Bonds referred to in the within mentioned Indenture.

Wilmington Trust, N.A., as Trustee

DATED: _____

By: _____
Authorized Signatory

(d) Form of Assignment.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto (print or typewrite name and address, including zip code, of Transferee.)

(Social Security or other identifying number: _____) the within Bond and all rights hereunder, and hereby irrevocably constitutes and appoints _____, attorney, to register the transfer of the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed by:

Authorized Signatory

NOTICE: The signature on this Assignment must correspond with the name of the registered owner as it appears on the face of the within Bond in every particular and must be guaranteed in a manner acceptable to the Trustee.

(e) The Initial Bond shall be in the form set forth in paragraphs (a) through (d) of this section, except for the following alterations:

(i) immediately under the name of the Bond the heading "INTEREST RATE" and "MATURITY DATE" shall both be completed with the expression "As Shown Below," and the reference to the "CUSIP NUMBER" shall be deleted;

(ii) the Initial Bond shall be numbered T-1; and

(ii) in the first paragraph of the Bond, the words "on the Maturity Date, as specified above, the sum of _____ DOLLARS" shall be deleted and the following will be inserted: "on September 1 in each of the years, in the principal installments and bearing interest at the per annum rates set forth in the following schedule:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
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Section 5.3. CUSIP Registration.

The City may secure identification numbers through CUSIP Global Services, managed by S&P Global Market Intelligence on behalf of the American Bankers Association, New York, New York, and may authorize the printing of such numbers on the face of the Bonds. It is expressly provided, however, that the presence or absence of CUSIP numbers on the Bonds shall be of no significance or effect as regards the legality thereof and none of the City, the attorneys approving said Bonds as to legality or the Trustee are to be held responsible for CUSIP numbers incorrectly printed on the Bonds. The City prohibits any Bond to be issued in a denomination of less than \$100,000 and further prohibits the assignment of a CUSIP number to any Bond with a denomination of less than \$100,000, and any attempt to accomplish either of the foregoing shall be void and of no effect, except as provided in Section 4.5 hereof. The Trustee may include in any

redemption notice a statement to the effect that the CUSIP numbers on the Bonds have been assigned by an independent service and are included in such notice solely for the convenience of the Owners and that neither the City nor the Trustee shall be liable for any inaccuracies in such numbers.

Section 5.4. Legal Opinion.

The approving legal opinion of Bond Counsel may be printed on or attached to each Bond over the certification of the City Secretary of the City, which may be executed in facsimile.

ARTICLE VI

FUNDS AND ACCOUNTS

Section 6.1. Establishment of Funds and Accounts.

(a) Creation of Funds. The following Funds are hereby created and established under this Indenture:

- (i) Pledged Revenue Fund;
- (ii) Bond Fund;
- (iii) Project Fund;
- (iv) Reserve Fund;
- (v) Redemption Fund;
- (vi) Rebate Fund; and
- (vii) Administrative Fund.

(b) Creation of Accounts and Subaccounts.

Fund: (i) The following Accounts are hereby created and established under the Bond

- (A) Principal and Interest Account.

Reserve Fund: (ii) The following Accounts are hereby created and established under the

- (A) Reserve Account; and
- (B) Delinquency & Prepayment Reserve Account.

(iii) The following Accounts are hereby created and established under the Project Fund:

(A) Improvement Account; and

(B) Costs of Issuance Account.

(iv) The following Account is hereby created and established under the Pledged Revenue Fund:

(A) Bond Pledged Revenue Account.

(c) Each Fund, each Account and each Subaccount created within such Fund shall be maintained by the Trustee separate and apart from all other funds and accounts of the City. The Pledged Funds shall constitute trust funds which shall be held in trust by the Trustee as part of the Trust Estate solely for the benefit of the Owners of the Bonds Similarly Secured. Amounts on deposit in the Funds, Accounts and Subaccounts shall be used solely for the purposes set forth herein.

(d) Interest earnings and profit on each respective Fund and Account established by this Indenture shall be applied or withdrawn for the purposes of such Fund or Account as specified below.

Section 6.2. Initial Deposits to Funds and Accounts.

The proceeds from the sale of the Bonds shall be paid to the Trustee and deposited or transferred by the Trustee as follows:

- (i) to the Reserve Account of the Reserve Fund \$_____ which is equal to the initial Reserve Account Requirement;
- (ii) to the Costs of Issuance Account of the Project Fund: \$_____;
- (ii) to the Improvement Account of the Project Fund: \$_____; and
- (iv) to the Administrative Fund: \$_____.

Section 6.3. Pledged Revenue Fund.

(a) Immediately upon receipt thereof, the City shall transfer to the Trustee for deposit to the Pledged Revenue Fund the Pledged Revenues, as set forth in the Service and Assessment Plan. Specifically, the Trustee shall deposit or cause to be deposited the foregoing amounts as follows: (i) first, to the Bond Pledged Revenue Account of the Pledged Revenue Fund in an amount sufficient to pay debt service on the Bonds Similarly Secured next coming due, (ii) second, to the Reserve Account of the Reserve Fund in an amount to cause the amount in the Reserve Account

to equal the Reserve Account Requirement, (iii) third to pay other Actual Costs of the Improvement Area #1 Projects, and (iv) fourth to pay other costs permitted by the PID Act. Notwithstanding the foregoing, the Additional Interest of the Annual Installments shall only be utilized for the purposes set forth in Section 6.7(a-1) hereof and, on each March 1, beginning March 1, 2022, and on any other day set forth in a City Certificate, the amount of Additional Interest of the Annual Installments confirmed by the City pursuant to a City Certificate, will be deposited into the Delinquency & Prepayment Reserve Account and/or the Redemption Fund, as applicable.

(b) From time to time as needed to pay the obligations relating to the Bonds Similarly Secured, but no later than five (5) Business Days before each Interest Payment Date, the Trustee shall withdraw from the Bond Pledged Revenue Account of the Pledged Revenue Fund and transfer to the Principal and Interest Account of the Bond Fund, an amount, taking into account any amounts then on deposit in such Principal and Interest Account and any expected transfers from the Capitalized Interest Account to the Principal and Interest Account, such that the amount on deposit in the Principal and Interest Account equals the principal (including any Sinking Fund Installments) and interest due on the Bonds Similarly Secured on the next Interest Payment Date.

(c) The Trustee shall transfer the amounts determined in writing by the City as Prepayments to the Redemption Fund promptly after deposit of such amounts into the Pledged Revenue Fund.

(d) Upon receipt of Foreclosure Proceeds, the Trustee shall transfer such amount of Foreclosure Proceeds determined in writing by the City, first to the Reserve Fund to restore any transfers from the Reserve Fund made to which the Foreclosure Proceeds relate, second, to replenish the Delinquency and Prepayment Reserve Requirement, and third, to the Redemption Fund.

(e) After satisfaction of the requirement to provide for the payment of the principal of and interest on the Bonds Similarly Secured and to fund any deficiency that may exist in the Reserve Fund, the Trustee shall, at the written request of the City, transfer any Pledged Revenues remaining in the Pledged Revenue Fund to the City, which monies may be used for any lawful purpose for which Improvement Area #1 Assessments may be used under the PID Act. The Trustee may rely upon any such request of the City and shall have no obligation to determine the lawful purposes permitted under the PID Act.

Section 6.4. Bond Fund.

(a) On each Interest Payment Date, the Trustee shall withdraw from the Principal and Interest Account and transfer to the Paying Agent/Registrar the principal (including any Sinking Fund Installments) and interest then due and payable on the Bonds Similarly Secured, less any amount to be used to pay interest on the Bonds Similarly Secured on such Interest Payment Date from the Capitalized Interest Account as provided below.

(b) If amounts in the Principal and Interest Account are insufficient for the purposes set forth in paragraph (a) above, the Trustee shall withdraw from the Reserve Fund amounts to

cover the amount of such insufficiency. Amounts so withdrawn from the Reserve Fund shall be deposited in the Principal and Interest Account and transferred to the Paying Agent/Registrar.

(c) If, after the foregoing transfers and any transfer from the Reserve Fund as provided in Section 6.7, there are insufficient funds to make the payments provided in paragraph (a) above, the Trustee shall apply the available funds in the Principal and Interest Account first to the payment of interest, then to the payment of principal (including any Sinking Fund Installments) on the Bonds Similarly Secured.

Section 6.5. Project Fund.

(a) Money on deposit in the Project Fund shall be used for the purposes specified in Section 3.1.

(b) Disbursements from the Costs of Issuance Account of the Project Fund shall be made by the Trustee to pay costs of issuance of the Bonds pursuant to one or more City Certificates. Disbursements from all other Accounts of the Project Fund to pay Actual Costs shall be made by the Trustee upon receipt by the Trustee of a properly executed and completed Certification for Payment. Each such City Certificate shall include a list of the payees and the payments (not to exceed) to be made to such payees as well as a statement that all payments shall be made by check or wire transfer in accordance with the payment instructions set forth in such written request and the Trustee may rely on such payment instructions though given by the City with no duty to investigate or inquire as to the authenticity of or authorization for the invoice or the payment instructions contained therein.

(c) Except as provided in Section 6.5(d) and (f), money on deposit in the Improvement Account shall be used solely to pay Actual Costs provided the Trustee shall have no responsibility for the application of any funds disbursed from the Improvement Account in reliance upon a Certification for Payment approved by the City.

(d) If the City Representative determines in the City Representative's reasonable discretion that amounts then on deposit in the Improvement Account of the Project Fund are not expected to be expended for purposes of the Project Fund due to the abandonment, or constructive abandonment, of one or more of the Improvement Area #1 Projects such that, in the reasonable opinion of the City Representative, it is unlikely that the amounts in the Improvement Account of the Project Fund will ever be expended for the purposes of the Project Fund, the City Representative shall file a City Certificate with the Trustee which identifies the amounts then on deposit in the Improvement Account of the Project Fund that are not expected to be used for purposes of the Project Fund. If such City Certificate is so filed, the amounts on deposit in the Improvement Account of the Project Fund shall be transferred to the Redemption Fund to redeem Bonds Similarly Secured on the earliest practicable date after notice of redemption has been provided in accordance with this Indenture. Upon such transfers, the Improvement Account of the Project Fund shall be closed.

(e) In making any determination pursuant to this Section, the City Representative may conclusively rely upon a certificate of an Independent Financial Consultant.

(f) Upon the filing of a City Certificate stating that all of the Improvement Area #1 Projects have been completed and that all Actual Costs have been paid, or that any Actual Costs of the Improvement Area #1 Projects are not required to be paid from the Improvement Account of the Project Fund pursuant to a Certification for Payment, the Trustee shall transfer the amount, if any, remaining within the Improvement Account of the Project Fund to the Bond Fund or to the Redemption Fund as directed by the City Representative in a City Certificate filed with the Trustee. Upon such transfers, the Improvement Account of the Project Fund shall be closed.

(g) Upon the Trustee's receipt of a written determination by the City Representative that all costs of issuance of the Bonds have been paid, any amounts remaining in the Costs of Issuance Account shall be transferred to another Account or Subaccount in the Project Fund and used to pay Actual Costs of the Improvement Area #1 Projects or to the Principal and Interest Account and used to pay interest on the Bonds, as directed in a City Certificate filed with the Trustee and the Costs of Issuance Account shall be closed.

Section 6.6. Redemption Fund.

Subject to adequate amounts on deposit in the Pledged Revenue Fund, the Trustee shall cause to be deposited to the Redemption Fund from the Pledged Revenue Fund an amount sufficient to redeem Bonds as provided in Sections 4.3 and 4.4 on the dates specified for redemption as provided in Sections 4.3 and 4.4. Amounts on deposit in the Redemption Fund shall be used and withdrawn by the Trustee to redeem Bonds as provided in Article IV.

Section 6.7. Reserve Fund.

(a) The City agrees with the Owners of the Bonds Similarly Secured to accumulate and, when accumulated, maintain in the Reserve Account, an amount equal to not less than the Reserve Account Requirement. All amounts deposited in the Reserve Account shall be used and withdrawn by the Trustee for the purpose of making transfers to the Principal and Interest Account of the Bond Fund as provided in this Indenture.

(b) Subject to 6.3(a) herein, the Trustee will transfer from the Bond Pledged Revenue Account of the Pledged Revenue Fund to the Delinquency & Prepayment Reserve Account on March 1 of each year, commencing March 1, 2022, and on any other day set forth in a City Certificate, an amount equal to the Additional Interest until the Delinquency & Prepayment Reserve Requirement has been accumulated in the Delinquency & Prepayment Reserve Account. Once the Delinquency & Prepayment Reserve Requirement has accumulated in the Delinquency & Prepayment Reserve Account, any amounts in excess of the Delinquency & Prepayment Reserve Requirement shall be transferred by the Trustee to the Redemption Fund to redeem Bonds Similarly Secured as provided in Article IV provided, however, that at any time the amount on deposit in the Delinquency & Prepayment Reserve Account is less than Delinquency & Prepayment Reserve Requirement, the Trustee shall resume depositing such Additional Interest into the Delinquency & Prepayment Reserve Account until the Delinquency & Prepayment Reserve Requirement has accumulated in the Delinquency & Prepayment Reserve Account. In determining the amounts to

be transferred pursuant to this Section, the Trustee may conclusively rely on a City Certificate specifying the amounts to transfer.

(c) Whenever a transfer is made from the Reserve Fund to the Bond Fund due to a deficiency in the Bond Fund, the Trustee shall provide written notice thereof to the City, specifying the amount withdrawn and the source of said funds.

(d) In the event of an extraordinary optional redemption of Bonds Similarly Secured pursuant to Section 4.4, the Trustee, pursuant to written directions from the City, shall transfer from the Reserve Account of the Reserve Fund to the Redemption Fund the amount specified in such directions, which shall be an amount equal to the principal amount of Bonds Similarly Secured to be redeemed multiplied by the lesser of: (i) the amount required to be in the Reserve Account of the Reserve Fund divided by the principal amount of Outstanding Bonds Similarly Secured prior to the redemption, and (ii) the amount actually in the Reserve Account of the Reserve Fund divided by the principal amount of Outstanding Bonds Similarly Secured prior to the redemption. If after such transfer, and after applying investment earnings on the Prepayment toward payment of accrued interest, there are insufficient funds to pay the principal amount plus accrued and unpaid interest on such Bonds Similarly Secured to the date fixed for redemption of the Bonds Similarly Secured to be redeemed as a result of such Prepayment, the Trustee shall transfer an amount equal to the shortfall from the Delinquency & Prepayment Reserve Account to the Redemption Fund to be applied to the redemption of the Bonds Similarly Secured.

(e) Whenever, on any Interest Payment Date, or on any other date at the request of a City Representative, the value of cash and Value of Investment Securities on deposit in the Reserve Account exceeds the Reserve Account Requirement, the Trustee shall provide written notice to the City Representative of the amount of the excess. Such excess shall be transferred to the Principal and Interest Account to be used for the payment of interest on the Bonds Similarly Secured on the next Interest Payment Date in accordance with Section 6.4, unless prior to the next Interest Payment Date, the Trustee receives a City Certificate instructing the Trustee to apply such excess: (i) to pay amounts due under Section 6.8 hereof, (ii) to the Administrative Fund in an amount not more than the Annual Collection Costs for the Bonds Similarly Secured or (iii) to the Project Fund to pay Actual Costs of the Improvement Area #1 Projects if such application and the expenditure of funds is expected to occur within three years of the date hereof.

(e-1) Whenever, on any Interest Payment Date, or on any other date at the written request of the City Representative, the amount in the Delinquency & Prepayment Reserve Account exceeds the Delinquency & Prepayment Reserve Requirement, the Trustee shall provide written notice to the City of the amount of the excess, and the Trustee shall transfer such excess pursuant to Section 6.7(b) hereof.

(f) Whenever, on any Interest Payment Date, the amount on deposit in the Bond Fund is insufficient to pay the debt service on the Bonds Similarly Secured due on such date, the Trustee shall transfer first from the Delinquency & Prepayment Reserve Account of the Reserve Fund, and second from the Reserve Account of the Reserve Fund to the Bond Fund the amounts necessary to cure such deficiency.

(g) At the final maturity of the Bonds Similarly Secured, the amount on deposit in the Reserve Account and the Delinquency & Prepayment Reserve Account shall be transferred to the Redemption Fund and applied to the payment of the principal of the Bonds Similarly Secured.

(h) If, after a Reserve Account withdrawal, the amount on deposit in the Reserve Account is less than the Reserve Account Requirement, the Trustee shall transfer from the Pledged Revenue Fund to the Reserve Account the amount of such deficiency, but only to the extent that such amount is not required for the timely payment of principal, interest, or Sinking Fund Installments.

(i) If the amount held in the Reserve Fund together with the amount held in the Pledged Revenue Fund, the Bond Fund and Redemption Fund is sufficient to pay the principal amount and of all Outstanding Bonds Similarly Secured on the next date the Bonds Similarly Secured may be optionally redeemed by the City at a redemption price of par, together with the unpaid interest accrued on such Bonds Similarly Secured as of such date, the moneys shall be transferred to the Redemption Fund and thereafter used to redeem all Bonds Similarly Secured on such date.

Section 6.8. Rebate Fund: Rebatable Arbitrage.

(a) The Rebate Fund is to be held by the Trustee in accordance with the terms and provisions of this Indenture. Amounts on deposit in the Rebate Fund shall be used solely for the purpose of paying amounts due the United States Government in accordance with the Code. The Rebate Fund shall not be part of the Trust Estate and shall not be security for the Bonds Similarly Secured.

(b) In order to assure that Rebatable Arbitrage is paid to the United States rather than to a third party, investments of funds on deposit in the Rebate Fund shall be made in accordance with the Code and the Tax Certificate.

(c) The Trustee conclusively shall be deemed to have complied with the provisions of this Section and shall not be liable or responsible if it follows the instructions of the City and shall not be required to take any action under this Section in the absence of instructions from the City.

(d) If, on the date of each annual calculation, the amount on deposit in the Rebate Fund exceeds the amount of the Rebatable Arbitrage, the City may direct the Trustee, pursuant to a City Certificate, to transfer the amount in excess of the Rebatable Arbitrage to the Bond Fund.

Section 6.9. Administrative Fund.

(a) Immediately upon receipt thereof, the City shall deposit or cause to be deposited to the Administrative Fund the portion of the Improvement Area #1 Assessments and Annual Installments allocated to the payment of Annual Collection Costs and Delinquent Collection Costs, as set forth in the Service and Assessment Plan.

(b) Moneys in the Administrative Fund shall be held by the Trustee separate and apart from the other Funds created and administered hereunder and used as directed by a City Certificate

solely for the purposes set forth in the Service and Assessment Plan, including payment of Annual Collection Costs and Delinquent Collection Costs or may be withdrawn by the Trustee without further authorization for the payment of the fees, expenses, advances and indemnities owed to the Trustee in accordance with Section 9.6. The Administrative Fund shall not be part of the Trust Estate and shall not be security for the Bonds Similarly Secured.

Section 6.10. Investment of Funds.

(a) Money in any Fund or Account, other than the Reserve Account, shall be invested by the Trustee as directed by the City pursuant to a City Certificate filed with the Trustee in Investment Securities; provided that all such deposits and investments shall be made in such manner that the money required to be expended from any Fund or Account will be available at the proper time or times. Money in the Reserve Account shall be invested in such Investment Securities as directed by the City pursuant to a City Certificate filed with the Trustee, provided that the final maturity of any individual Investment Security shall not exceed 270 days and the average weighted maturity of any investment pool or no-load money market mutual fund shall not exceed 90 days. Each such City Certificate shall be a certification that the investment directed therein constitutes an Investment Security and that such investments meet the maturity and average weighted maturity requirements set forth in the preceding sentence and the Trustee shall not be responsible for determining such requirements. Such investments shall be valued each year in terms of the Value of Investment Securities as of September 30. For purposes of maximizing investment returns, to the extent permitted by law, money in the Funds and Accounts may be invested in common investments of the kind described above, or in a common pool of such investment which shall be kept and held at an official depository bank, which shall not be deemed to be or constitute a commingling of such money or funds provided that safekeeping receipts or certificates of participation clearly evidencing the investment or investment pool in which such money is invested and the share thereof purchased with such money or owned by such Fund or Account are held by or on behalf of each such Fund or Account. If necessary, such investments shall be promptly sold, in order to make the disbursements required or permitted by this Indenture, to prevent any default under this Indenture. To ensure that cash on hand is invested, if the City does not give the Trustee written or timely instructions with respect to investments of funds, the Trustee shall invest and re-invest cash balances in the Wilmington U.S. Government Money Market Fund – Institutional Share Class, CUSIP No. 97181C605, or other money market mutual funds that are rated in either of the two highest categories by a rating agency, including funds for which the Trustee and/or its affiliates provide investment advisory or other management services, until directed otherwise by the City Certificate.

(b) Obligations purchased as an investment of moneys in any Fund or Account shall be deemed to be part of such Fund or Account, subject, however, to the requirements of this Indenture for transfer of interest earnings and profits resulting from investment of amounts in Funds and Accounts. Whenever in this Indenture any moneys are required to be transferred by the City to the Trustee, such transfer may be accomplished by transferring a like amount of Investment Securities as determined and directed in writing by the City.

(c) The Trustee and its affiliates may act as sponsor, advisor, depository, principal or agent in the acquisition or disposition of any investment. The Trustee may make any and all such

investments through its own investment department or that of its affiliates or subsidiaries, and may charge its ordinary and customary fees for such trades. The Trustee shall not incur any liability for losses arising from any investments made pursuant to this Section. The Trustee shall not be required to determine the legality of any investments. The Trustee is not providing investment supervision, recommendation, or advice in acting pursuant to the provisions hereof.

(d) Investments in any and all Funds and Accounts may be commingled in a separate fund or funds for purposes of making, holding and disposing of investments, notwithstanding provisions herein for transfer to or holding in or to the credit of particular Funds or Accounts of amounts received or held by the Trustee hereunder, provided that the Trustee shall at all times account for such investments strictly in accordance with the Funds and Accounts to which they are credited and otherwise as provided in this Indenture.

(e) The Trustee will furnish to the City, upon the City's written request, periodic cash transaction statements which include detail for all investment transactions effected by the Trustee or brokers selected by the City. Upon the City's election, such statements will be delivered via the Trustee's online service and upon electing such service, paper statements will be provided only upon request. The City waives the right to receive brokerage confirmations of security transactions effected by the Trustee as they occur, to the extent permitted by law. The City further understands that trade confirmations for securities transactions effected by the Trustee will be available upon request and at no additional cost and other trade confirmations may be obtained from the applicable broker.

(f) In the event it is found, after an annual calculation has been done pursuant to Section 6.8 hereof, that the City owes Rebatable Arbitrage to the United States Government, the City shall direct the Trustee, pursuant to a City Certificate, to transfer to the Rebate Fund the investment earnings on funds on deposit in the Pledged Funds in an amount equal to the Rebatable Arbitrage owed by the City. The City Certificate shall specify the amount to be transferred and the Pledged Fund or Pledged Funds from which the investment earnings shall be transferred.

Section 6.11. Security of Funds.

All Funds heretofore created or reaffirmed, to the extent not invested as herein permitted, shall be secured in the manner and to the fullest extent required by law for the security of public funds, and such Funds shall be used only for the purposes and in the manner permitted or required by this Indenture.

ARTICLE VII

COVENANTS

Section 7.1. Confirmation of Improvement Area #1 Assessments.

The City hereby confirms, covenants, and agrees that, in the Assessment Ordinance, it has levied the Improvement Area #1 Assessments against the property in Improvement Area #1 of the District from which the Assessment Revenues will be collected and received.

Section 7.2. Collection and Enforcement of Improvement Area #1 Assessments.

(a) For so long as any Bonds Similarly Secured are Outstanding and amounts are due to the Developer under the Financing and Reimbursement Agreement or Reimbursement Agreement to reimburse it for its funds it has contributed to pay Actual Costs of the Improvement Area #1 Projects, the City covenants, agrees and warrants that it will take and pursue all reasonable actions permissible under Applicable Laws to cause the Improvement Area #1 Assessments to be collected and the liens thereof enforced continuously, in the manner and to the maximum extent permitted by Applicable Laws, and to cause no reduction, abatement or exemption in the Improvement Area #1 Assessments.

(b) To the extent permitted by law, notice of the Annual Installments shall be sent by, or on behalf of, the City to the affected property owners on the same statement or such other mechanism that is used by the City, so that such Annual Installments are collected simultaneously with ad valorem taxes and shall be subject to the same penalties, procedures, and foreclosure sale in case of delinquencies as are provided for ad valorem taxes of the City.

(c) The City will determine or cause to be determined, no later than February 15 of each year, whether or not any Annual Installment is delinquent and, if such delinquencies exist, the City will order and cause to be commenced as soon as practicable any and all appropriate and legally permissible actions to obtain such Annual Installment, and any delinquent charges and interest thereon, including diligently prosecuting an action in district court to foreclose the currently delinquent Annual Installment. Notwithstanding the foregoing, the City shall not be required under any circumstances to purchase or make payment for the purchase of the delinquent Improvement Area #1 Assessments or the corresponding property.

(d) The City shall not be required under any circumstances to expend any funds for Delinquent Collection Costs or Annual Collection Costs in connection with its covenants and agreements under this Section or otherwise other than funds on deposit in the Administrative Fund.

Section 7.3. Against Encumbrances.

(a) The City shall not create and shall not suffer to remain, any lien, encumbrance or charge upon the Trust Estate or upon any other property pledged under this Indenture, except the pledge created for the security of the Bonds Similarly Secured, or any Refunding Bonds, and other than a lien or pledge subordinate to the lien and pledge of such property related to the Bonds Similarly Secured.

(b) So long as Bonds Similarly Secured are Outstanding hereunder, the City shall not issue any bonds, notes or other evidences of indebtedness, other than the Bonds, and Refunding Bonds, secured by any pledge of or other lien or charge on the Trust Estate or other property pledged under this Indenture, other than a lien or pledge subordinate to the lien and pledge of such property related to the Bonds Similarly Secured.

Section 7.4. Records, Accounts, Accounting Reports.

The City hereby covenants and agrees that so long as any Bonds Similarly Secured are Outstanding, it will keep and maintain a proper and complete system of records and accounts pertaining to the Improvement Area #1 Assessments. The Trustee and holder or holders of any Bonds Similarly Secured or any duly authorized agent or agents of such holders shall have the right at all reasonable times to inspect all such records, accounts, and data relating thereto, upon written request to the City by the Trustee or duly authorized representative, as applicable. The City shall provide the Trustee or duly authorized representative, as applicable, an opportunity to inspect such books and records relating to the Bonds Similarly Secured during the City's regular business hours and on a mutually agreeable date not later than thirty days after the City receives such request.

Section 7.5. Covenants Regarding Tax Exemption of Interest on Bonds.

(a) The City covenants to take any action necessary to assure, or refrain from any action that would adversely affect, the treatment of the Bonds as an obligation described in section 103 of the Code, the interest on which is not includable in the "gross income" of the holder for purposes of federal income taxation. In furtherance thereof, the City covenants as follows:

(1) to take any action to assure that no more than 10 percent of the proceeds of the Bonds (less amounts deposited to a reserve fund, if any) are used for any "private business use," as defined in section 141(b)(6) of the Code or, if more than 10 percent of the proceeds or the projects financed therewith are so used, such amounts, whether or not received by the City, with respect to such private business use, do not, under the terms of this Article or any underlying arrangement, directly or indirectly, secure or provide for the payment of more than 10 percent of the debt service on the Bonds, in contravention of section 141(b)(2) of the Code;

(2) to take any action to assure that in the event that the "private business use" described in subsection (1) hereof exceeds 5 percent of the proceeds of the Bonds or the projects financed therewith (less amounts deposited into a reserve fund, if any) then the amount in excess of 5 percent is used for a "private business use" that is "related" and not "disproportionate," within the meaning of section 141(b)(3) of the Code, to the governmental use;

(3) to take any action to assure that no amount that is greater than the lesser of \$5,000,000, or 5 percent of the proceeds of the Bonds (less amounts deposited into a reserve fund, if any) is directly or indirectly used to finance loans to persons, other than state or local governmental units, in contravention of section 141(c) of the Code;

(4) to refrain from taking any action that would otherwise result in the Bonds being treated as a "private activity bond" within the meaning of section 141(b) of the Code;

(5) to refrain from taking any action that would result in the Bonds being "federally guaranteed" within the meaning of section 149(b) of the Code;

(6) to refrain from using any portion of the proceeds of the Bonds, directly or indirectly, to acquire or to replace funds that were used, directly or indirectly, to acquire investment property (as defined in section 148(b)(2) of the Code) that produces a materially higher yield over the term of the Bonds, other than investment property acquired with –

(A) proceeds of the Bonds invested for a reasonable temporary period of 3 years or less or, for a period of 90 days or less until such proceeds are needed for the purpose for which the Bonds is issued,

(B) amounts invested in a bona fide debt service fund, within the meaning of section 1.148-1(b) of the Treasury Regulations, and

(C) amounts deposited in any reasonably required reserve or replacement fund to the extent such amounts do not exceed 10 percent of the proceeds of the Bonds;

(7) to otherwise restrict the use of the proceeds of the Bonds or amounts treated as proceeds of the Bonds, as may be necessary, so that the Bonds do not otherwise contravene the requirements of section 148 of the Code (relating to arbitrage) and, to the extent applicable, section 149(d) of the Code;

(8) to pay to the United States of America at least once during each five-year period (beginning on the date of delivery of the Bonds) an amount that is at least equal to 90 percent of the "Excess Earnings," within the meaning of section 148(f) of the Code and to pay to the United States of America, not later than 60 days after the Bonds has been paid in full, 100 percent of the amount then required to be paid as a result of Excess Earnings under section 148(f) of the Code; and,

(9) to refrain from using the proceeds of the Bonds or proceeds of any prior bonds to pay debt service on another issue more than 90 days after the date of issue of the Bonds in contravention of the requirements of section 149(d) of the Code.

(b) In order to facilitate compliance with the above covenant (a)(8), the Rebate Fund is established by the City pursuant to Section 6.1 for the sole benefit of the United States of America, and such Rebate Fund shall not be subject to the claim of any other person, including without limitation the Registered Owner. The Rebate Fund is established for the additional purpose of compliance with section 148 of the Code.

(c) The City understands that the term "proceeds" includes "disposition proceeds" as defined in the Treasury Regulations and, in the case of refunding bonds, transferred proceeds (if any) and proceeds of the refunded bonds expended prior to the date of issuance of the Bonds. It is the understanding of the City that the covenants contained herein are intended to assure compliance with the Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto (the "*Treasury Regulations*"). In the event that regulations or rulings are hereafter promulgated that modify or expand provisions of the Code, as applicable to the Bonds, the City will not be required to comply with any covenant contained herein to the extent

that such failure to comply, in the opinion of nationally recognized bond counsel, will not adversely affect the exemption from federal income taxation of interest on the Bonds under section 103 of the Code. In the event that regulations or rulings are hereafter promulgated that impose additional requirements applicable to the Bonds, the City agrees to comply with the additional requirements to the extent necessary, in the opinion of nationally recognized bond counsel, to preserve the exemption from federal income taxation of interest on the Bonds under section 103 of the Code. In furtherance of such intention, the City hereby authorizes and directs the Mayor or Mayor Pro-Tem to execute any documents, certificates or reports required by the Code and to make such elections, on behalf of the City, that may be permitted by the Code as are consistent with the purpose for the issuance of the Bonds.

(d) The City covenants to account for the expenditure of sale proceeds and investment earnings to be used for Actual Costs Improvement Area #1 Projects on its books and records in accordance with the requirements of the Code. The City recognizes that in order for the proceeds to be considered used for the reimbursement of costs, the proceeds must be allocated to expenditures within 18 months of the later of the date that (1) the expenditure is made, or (2) the Improvement Area #1 Projects are completed; but in no event later than three years after the date on which the original expenditure is paid. The foregoing notwithstanding, the City recognizes that in order for proceeds to be expended under the Code, the sale proceeds or investment earnings must be expended no more than 60 days after the earlier of (1) the fifth anniversary of the delivery of the Bonds, or (2) the date the Bonds is retired. The City agrees to obtain the advice of nationally-recognized bond counsel if such expenditure fails to comply with the foregoing to assure that such expenditure will not adversely affect the tax-exempt status of the Bonds. For purposes hereof, the City shall not be obligated to comply with this covenant if it obtains an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

(e) The City covenants that the projects funded with the proceeds of the Bonds will not be sold or otherwise disposed in a transaction resulting in the receipt by the City of cash or other compensation, unless the City obtains an opinion of nationally-recognized bond counsel that such sale or other disposition will not adversely affect the tax-exempt status of the Bonds. For purposes of the foregoing, the portion of the property comprising personal property and disposed in the ordinary course shall not be treated as a transaction resulting in the receipt of cash or other compensation. For purposes hereof, the City shall not be obligated to comply with this covenant if it obtains a legal opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

ARTICLE VIII

LIABILITY OF CITY

Section 8.1. Liability of City.

(a) Neither the full faith and credit nor the general taxing power of the City is pledged to the payment of the Bonds Similarly Secured, and no City taxes, fee or revenues from any source are pledged to the payment of, or available to pay any portion of, the Bonds Similarly Secured or

any other obligations relating to the District. The City shall never be liable for any obligations relating to the Bonds Similarly Secured or other obligations relating to the District, other than as specifically provided for in this Indenture.

(b) The City shall not incur any responsibility in respect of the Bonds Similarly Secured or this Indenture other than in connection with the duties or obligations explicitly herein or in the Bonds Similarly Secured assigned to or imposed upon it. The City shall not be liable in connection with the performance of its duties hereunder, except for its own willful default or act of bad faith. The City shall not be bound to ascertain or inquire as to the performance or observance of any of the terms, conditions covenants or agreements of the Trustee herein or of any of the documents executed by the Trustee in connection with the Bonds Similarly Secured, or as to the existence of a default or event of default thereunder.

(c) In the absence of bad faith, the City may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the City and conforming to the requirements of this Indenture. The City shall not be liable for any error of judgment made in good faith unless it shall be proved that it was negligent in ascertaining the pertinent facts.

(d) No provision of this Indenture, the Bonds Similarly Secured, the Assessment Ordinance, or any agreement, document, instrument, or certificate executed, delivered or approved in connection with the issuance, sale, delivery, or administration of the Bonds Similarly Secured (collectively, the "*Bond Documents*"), shall require the City to expend or risk its own general funds or other funds or otherwise incur any financial liability (other than with respect to the Trust Estate) in the performance of any of its obligations hereunder, or in the exercise of any of its rights or powers, if in the judgment of the City there are reasonable grounds for believing that the repayment of such funds or liability is not reasonably assured to it.

(e) Neither the Owners nor any other Person shall have any claim against the City or any of its officers, officials, agents, or employees for damages suffered as a result of the City's failure to perform in any respect any covenant, undertaking, or obligation under any Bond Documents or as a result of the incorrectness of any representation in, or omission from, any of the Bond Documents, except to the extent that any such claim relates to an obligation, undertaking, representation, or covenant of the City, in accordance with the Bond Documents and the PID Act. Any such claim shall be payable only from Trust Estate. Nothing contained in any of the Bond Documents shall be construed to preclude any action or proceeding in any court or before any governmental body, agency, or instrumentality against the City or any of its officers, officials, agents, or employees to enforce the provisions of any of the Bond Documents or to enforce all rights of the Owners of the Bonds Similarly Secured by mandamus or other proceeding at law or in equity.

(f) The City may rely on and shall be protected in acting or refraining from acting upon any notice, resolution, request, consent, order, certificate, report, warrant, bond, or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or proper parties. The City may consult with counsel with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action

taken or suffered by it hereunder in good faith and in accordance therewith. Whenever in the administration of its duties under this Indenture the City shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of willful misconduct on the part of the City, be deemed to be conclusively proved and established by a certificate of the Trustee, an Independent Financial Consultant, an independent inspector or City Manager or other independent person designated by the City Council to so act on behalf of the City, and such certificate shall be full warrant to the City for any action taken or suffered under the provisions of this Indenture upon the faith thereof, but in its discretion the City may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may deem reasonable.

(g) In order to perform its duties and obligations hereunder, the City may employ such persons or entities as it deems necessary or advisable. The City shall not be liable for any of the acts or omissions of such persons or entities employed by it in good faith hereunder, and shall be entitled to rely, and shall be fully protected in doing so, upon the opinions, calculations, determinations, and directions of such persons or entities.

ARTICLE IX

THE TRUSTEE

Section 9.1. Acceptance of Trust; Trustee as Registrar and Paying Agent.

(a) The Trustee accepts and agrees to execute the respective trusts imposed upon it by this Indenture, but only upon the terms and conditions and subject to the provisions of this Indenture to all of which the parties hereto and the respective Owners of the Bonds Similarly Secured agree. The Trustee undertakes to perform such duties and only such duties as are specifically set forth herein. No implied covenants or obligations shall be read into this Indenture against the Trustee.

(b) The Trustee is hereby designated and agrees to act as Paying Agent/Registrar for and in respect to the Bonds Similarly Secured.

Section 9.2. Trustee Entitled to Indemnity.

The Trustee shall be under no obligation to institute any suit, or to undertake any proceeding under this Indenture, or to enter any appearance or in any way defend in any suit in which it may be made defendant, or to take any steps in the execution of the trusts hereby created or in the enforcement of any rights and powers hereunder, until it shall be indemnified to its satisfaction by the Owners against any and all costs and expenses, outlays, and counsel fees and other reasonable disbursements, and against all liability except as a consequence of its own negligence or willful misconduct; provided, however, that in no event shall the Trustee request or require indemnification as a condition to making scheduled debt service payments prior to the occurrence of a default, or to delivering any notice when required hereunder. Nevertheless, the Trustee may begin suit, or appear in and defend suit, or do anything else in its judgment proper to

be done by it as the Trustee, without indemnity, and in such case the Trustee may make transfers from the Administrative Fund to pay all fees, costs, and expenses, outlays, and counsel fees and other reasonable disbursements properly incurred in connection therewith and shall be entitled to a preference therefor over any Bonds Similarly Secured Outstanding hereunder on amounts held within the Administrative Fund.

Section 9.3. Responsibilities of the Trustee.

(a) The recitals contained in this Indenture and in the Bonds Similarly Secured shall be taken as the statements of the City and the Trustee assumes no responsibility for the correctness of the same. The Trustee makes no representations as to the validity or sufficiency of this Indenture or the Bonds Similarly Secured or with respect to the security afforded by this Indenture, and the Trustee shall incur no liability with respect thereto. Except as otherwise expressly provided in this Indenture, the Trustee shall have no responsibility or duty with respect to: (i) the issuance of Bonds Similarly Secured for value; (ii) the application of the proceeds thereof, except to the extent that such proceeds are received by it in its capacity as Trustee; (iii) the application of any moneys paid to the City or others in accordance with this Indenture, except as to the application of any moneys paid to it in its capacity as Trustee; (iv) any calculation of arbitrage or rebate under the Code; or (v) any loss suffered in connection with any investment of funds.

(b) The duties and obligations of the Trustee shall be determined by the express provisions of this Indenture, and the Trustee shall not be liable except for the performance of such duties and obligations as are specifically set forth in this Indenture.

(c) The Trustee shall not be liable for any action taken or omitted by it in the performance of its duties under this Indenture, except for its own negligence or willful misconduct. In no event shall the Trustee be liable for incidental, indirect, special or consequential damages in connection with or arising from this Indenture for the existence, furnishing or use of the Project. If an Event of Default has occurred and is continuing, the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of his own affairs.

(d) The Trustee shall not be liable for any action taken, or errors of judgment made in good faith by any one of its officers, agents, or employees unless it shall be established that the Trustee was negligent in ascertaining the pertinent facts.

(e) The Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Owners of at least a Quarter in Interest of the Bonds Similarly Secured relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Indenture.

(f) The Trustee shall not be required to take notice, and shall not be deemed to have notice, of any default or Event of Default unless the Trustee has actual knowledge thereof or shall be notified specifically of the default or Event of Default in a written instrument or document delivered to it by the City or by the Owners of at least Quarter in Interest of the Bonds Similarly

Secured at that time. The Trustee may assume conclusively that there is no Event of Default, except as noted above.

(g) The Trustee's immunities and protections from liability and its right to indemnification in connection with the performance of its duties under this Indenture shall extend to the Trustee's officers, directors, agents, attorneys and employees. Such immunities and protections and rights to indemnification, together with the Trustee's right to compensation, shall survive the Trustee's resignation or removal, the discharge of this Indenture, and final payment of the Bonds Similarly Secured.

(h) The permissive rights of the Trustee to do things enumerated in this Agreement shall not be construed as a duty and, with respect to such permissive rights, the Trustee shall not be answerable for other than its negligence or willful misconduct.

(i) The Trustee may act through attorneys or agents and shall not be responsible for the acts or omissions of any such attorney or agent appointed with due care.

(j) Neither the Trustee nor any of its directors, officers, employees, agents or affiliates shall be responsible for nor have any duty to monitor the performance or any action of the City, the Developer, or any of their directors, members, officers, agents, affiliates or employees, nor shall it have any liability in connection with the malfeasance or nonfeasance by such party. The Trustee may assume performance by all such Persons of their respective obligations. The Trustee shall have no enforcement or notification obligations relating to breaches of representations or warranties of any other Person.

(k) In the event that any of the Trust Estate shall be attached, garnished or levied upon by any court order, or the delivery thereof shall be stayed or enjoined by an order of a court, or any order, judgment or decree shall be made or entered by any court order affecting the such assets, the Trustee is hereby expressly authorized, in its sole discretion, to respond as it deems appropriate or to comply with all writs, orders or decrees so entered or issued, or which it is advised by legal counsel of its own choosing is binding upon it, whether with or without jurisdiction. In the event that the Trustee obeys or complies with any such writ, order or decree it shall not be liable to any of the Parties or to any other person, firm or corporation, should, by reason of such compliance notwithstanding, such writ, order or decree be subsequently reversed, modified, annulled, set aside or vacated.

(l) The Trustee shall not be responsible or liable for any failure or delay in the performance of its obligations under this Agreement arising out of or caused, directly or indirectly, by circumstances beyond its control, including without limitation, any act or provision of any present or future law or regulation or governmental authority; acts of God; earthquakes; fires; floods; wars; terrorism; civil or military disturbances; sabotage; epidemics; riots; interruptions, loss or malfunctions of utilities, computer (hardware or software) or communications service; accidents; labor disputes; acts of civil or military authority or governmental actions; or the unavailability of the Federal Reserve Bank wire or telex or other wire or communication facility; it being understood that the Trustee shall use its best efforts to resume performance as soon as practicable under the circumstances.

Section 9.4. Property Held in Trust.

All moneys and securities held by the Trustee at any time pursuant to the terms of this Indenture shall be held by the Trustee in trust for the purposes and under the terms and conditions of this Indenture.

Section 9.5. Trustee Protected in Relying on Certain Documents.

(a) The Trustee may conclusively rely and shall be protected in acting or refraining from acting upon any order, notice, request, consent, waiver, certificate, statement, affidavit, requisition, bond, resolution, direction, or other document provided to the Trustee in accordance with the terms of this Indenture that it shall in good faith believe to be genuine and to have been adopted or signed by the proper board or Person or to have been prepared and furnished pursuant to any of the provisions of this Indenture, or upon the written opinion of any counsel, architect, engineer, insurance consultant, management consultant, or accountant believed by the Trustee to be qualified in relation to the subject matter, and the Trustee shall be under no duty to make any investigation or inquiry into any statements contained or matters referred to in any such instrument. Subject to Section 9.1 and 9.3, the Trustee may, at the expense of the City, consult with counsel selected by the Trustee with due care, who may or may not be Bond Counsel, and any advice from such counsel with respect to compliance with the provisions of this Indenture shall be full and complete authorization and protection in respect of any action taken, suffered or omitted to be taken by it hereunder, reasonably and in good faith, in accordance with such advice.

(b) Whenever the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action under this Indenture, such matter may be deemed to be conclusively proved and established by a City Certificate, unless other evidence in respect thereof be hereby specifically prescribed. Such City Certificate shall be full warrant for any action taken or suffered in good faith under the provisions hereof, but in its discretion the Trustee may in lieu thereof accept other evidence of such fact or matter or may require such further or additional evidence as it may deem reasonable. Except as otherwise expressly provided herein, any request, order, notice, or other direction required or permitted to be furnished pursuant to any provision hereof by the City to the Trustee shall be sufficiently executed if executed in the name of the City by the City Representative. the Trustee shall be entitled to conclusively rely upon the foregoing as sufficient evidence of the facts set forth herein. The execution of any City Certificate shall constitute, unto the Trustee, an irrevocable determination that all conditions precedent thereto have occurred.

(c) The Trustee shall not be under any obligation to see to the recording or filing of this Indenture, or otherwise to the giving to any Person of notice of the provisions hereof except as expressly required in Section 9.13.

Section 9.6. Compensation.

The City hereby agrees to compensate the Trustee, from the amount collected each year for Annual Collection Costs and in the manner set forth in this section, for the Trustee's services

as Trustee and as Paying Agent/Registrar; provided, however, notwithstanding anything herein to the contrary, the aggregate value of this Indenture shall not exceed the dollar limitation set forth in Section 2274.002(a)(2) of the Texas Government Code.

Unless otherwise provided by contract with the Trustee, and subject to the limitations set forth above, the Trustee shall transfer from the Administrative Fund, from time to time, reasonable compensation for all services rendered by it hereunder, including its services as Paying Agent/Registrar, together with all its reasonable expenses, charges, and other disbursements and those of its counsel, agents and employees, incurred in and about the administration and execution of the trusts hereby created and the exercise of its powers and the performance of its duties hereunder, which, with respect to ordinary fees and expenses incurred prior to an Event of Default hereunder, shall be transferred pursuant to a City Certificate and subject to any limit on the amount of such compensation or recovery of expenses or other charges as shall be prescribed by such City Certificate, and the Trustee shall have a lien therefor on any and all funds at any time held by it in the Administrative Fund prior to any Bonds Similarly Secured Outstanding. Following an Event of Default, the foregoing limitation on expenses shall not apply, however any such fees or expenses must be reasonable. None of the provisions contained in this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers, if in the judgment of the Trustee there are reasonable grounds for believing that the repayment of such funds or liability is not reasonably assured to it. If the City shall fail to make any payment required by this Section, the Trustee may make such payment from any moneys in its possession in the Administrative Fund, subject to the limitations set forth herein, and shall be entitled to a preference therefor over any Bonds Similarly Secured Outstanding hereunder.

In the event that the Trustee renders any service not contemplated in this Agreement, or if any material controversy arises hereunder, or the Trustee is made a party to any litigation pertaining to this Agreement or the subject matter hereof, then the Trustee shall, subject to the limitations set forth herein, be compensated for such extraordinary services and any services or work performed by the Trustee in connection with any delay, controversy, litigation or event, and reimbursed for all costs and expenses, including reasonable attorneys' fees and expenses, occasioned by any such delay, controversy, litigation or event. The right of the Trustee to fees, expense, and indemnification shall survive the release, discharge, and satisfaction of the Indenture.

Section 9.7. Permitted Acts.

The Trustee and its directors, officers, employees, or agents may become the owner of or may in good faith buy, sell, own, hold and deal in Bonds Similarly Secured and may join in any action that any Owner of Bonds Similarly Secured may be entitled to take as fully and with the same rights as if it were not the Trustee. The Trustee may act as depository, and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, the City or any committee formed to protect the rights of holders of Bonds Similarly Secured or to effect or aid in any reorganization growing out of the enforcement of the Bonds Similarly Secured or this Indenture, whether or not such committee shall represent the holders of a Quarter in Interest of the Bonds Similarly Secured.

Section 9.8. Resignation of Trustee.

The Trustee may at any time resign and be discharged of its duties and obligations hereunder by giving not fewer than 30 days' notice, specifying the date when such resignation shall take effect, to the City and each Owner of any Outstanding Bonds Similarly Secured. Such resignation shall take effect upon the appointment of a successor as provided in Section 9.10 and the acceptance of such appointment by such successor.

Section 9.9. Removal of Trustee.

The Trustee may be removed by giving not fewer than 30 days' notice, specifying the date when such removal shall take effect at any time by (i) the Owners of at least a Quarter in Interest of the Bonds Similarly Secured by an instrument or concurrent instruments in writing signed and acknowledged by such Owners or by their attorneys-in-fact, duly authorized and delivered to the City, or (ii) so long as the City is not in default under this Indenture, the City. Copies of each such instrument shall be delivered by the City to the Trustee and any successor thereof. The Trustee may also be removed at any time for any breach of trust or for acting or proceeding in violation of, or for failing to act or proceed in accordance with, any provision of this Indenture with respect to the duties and obligations of the Trustee by any court of competent jurisdiction upon the application of the City or the Owners of not less than 10% of the aggregate principal amount of Bonds Similarly Secured then Outstanding.

Section 9.10. Successor Trustee.

(a) If the Trustee shall resign, be removed, be dissolved, or become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver, liquidator, or conservator of the Trustee or of its property shall be appointed, or if any public officer shall take charge or control of the Trustee or of its property or affairs, the position of the Trustee hereunder shall thereupon become vacant.

(b) If the position of Trustee shall become vacant for any of the foregoing reasons or for any other reason, a successor Trustee may be appointed within one year after any such vacancy shall have occurred by the Owners of at least a Quarter in Interest of the Bonds Similarly Secured by an instrument or concurrent instruments in writing signed and acknowledged by such Owners or their attorneys-in-fact, duly authorized and delivered to such successor Trustee, with notification thereof being given to the predecessor Trustee and the City.

(c) Until such successor Trustee shall have been appointed by the Owners of the Bonds Similarly Secured, the City shall forthwith appoint a Trustee to act hereunder. Copies of any instrument of the City providing for any such appointment shall be delivered by the City to the Trustee so appointed. The City shall mail notice of any such appointment to each Owner of any Outstanding Bonds Similarly Secured within 30 days after such appointment. Any appointment of a successor Trustee made by the City immediately and without further act shall be superseded and revoked by an appointment subsequently made by the Owners of Bonds Similarly Secured.

(d) If in a proper case no appointment of a successor Trustee shall be made within 45 days after the giving by any Trustee of any notice of resignation in accordance with Section 9.8 or after the occurrence of any other event requiring or authorizing such appointment, the Trustee or any Owner of Bonds Similarly Secured may apply to any court of competent jurisdiction for the appointment of such a successor, and the court may thereupon, after such notice, if any, as the court may deem proper, appoint such successor and the City shall be responsible for the costs of such appointment process.

(e) Any successor Trustee appointed under the provisions of this Section shall be a commercial bank or trust company or national banking association (i) having a capital and surplus and undivided profits aggregating at least \$50,000,000, if there be such a commercial bank or trust company or national banking association willing and able to accept the appointment on reasonable and customary terms, and (ii) authorized by law to perform all the duties of the Trustee required by this Indenture.

(f) Each successor Trustee shall mail, in accordance with the provisions of the Bonds Similarly Secured, notice of its appointment to the Trustee, any rating agency which, at the time of such appointment, is providing a rating on the Bonds Similarly Secured and each of the Owners of the Bonds Similarly Secured.

Section 9.11. Transfer of Rights and Property to Successor Trustee.

Any successor Trustee appointed under the provisions of Section 9.10 shall execute, acknowledge, and deliver to its predecessor and the City an instrument in writing accepting such appointment, and thereupon such successor, without any further act, deed, or conveyance, shall become fully vested with all moneys, estates, properties, rights, immunities, powers, duties, obligations, and trusts of its predecessor hereunder, with like effect as if originally appointed as Trustee. However, the Trustee then ceasing to act shall nevertheless, on request of the City or of such successor and upon receipt of its outstanding charges, execute, acknowledge, and deliver such instruments of conveyance and further assurance and do such other things as may reasonably be required for more fully and certainly vesting and confirming in such successor all the rights, immunities, powers, and trusts of such Trustee and all the right, title, and interest of such Trustee in and to the Trust Estate, and shall pay over, assign, and deliver to such successor any moneys or other properties subject to the trusts and conditions herein set forth. Should any deed, conveyance, or instrument in writing from the City be required by such successor for more fully and certainly vesting in and confirming to it any such moneys, estates, properties, rights, powers, duties, or obligations, any and all such deeds, conveyances, and instruments in writing, on request and so far as may be authorized by law, shall be executed, acknowledged, and delivered by the City.

Section 9.12. Merger, Conversion or Consolidation of Trustee.

Any corporation or association into which the Trustee may be merged or with which it may be consolidated or any corporation or association resulting from any merger, conversion or consolidation to which it shall be a party or any corporation or association to which the Trustee may sell or transfer all or substantially all of its corporate trust business shall be the successor to such Trustee hereunder, without any further act, deed or conveyance, provided that such

corporation or association shall be a commercial bank or trust company or national banking association qualified to be a successor to such Trustee under the provisions of Section 9.10, or a trust company that is a wholly-owned subsidiary of any of the foregoing.

Section 9.13. Trustee To File Continuation Statements.

The City will cause to be filed all appropriate financing statements. If necessary, the Trustee shall file or cause to be filed, at the City's expense, such continuation statements as may be delivered to the Trustee and which may be required by the Texas Uniform Commercial Code, as from time to time in effect (the "UCC"), in order to continue perfection of the security interest and rights of the Trustee in such items of tangible or intangible personal property and any fixtures as may have been granted to the Trustee pursuant to this Indenture in the time, place and manner required by the UCC. Unless otherwise notified in writing by the City or an Owner, the Trustee may conclusively rely upon the initial financing statements in filing any continuation statements hereunder. The Trustee shall have no responsibility to file financing statements or continuation statements other than to file continuation statements that are delivered to it.

If applicable, but immediately upon its receipt thereof, the City, or an authorized third-party representative thereof, shall deliver to the Trustee file-stamped copies of each UCC initial financing statement recorded in the jurisdictions applicable thereto.

The Trustee's UCC filing requirements are limited to those responsibilities as set forth in this Section 9.13.

Section 9.14 Offering Documentation.

The Trustee shall have no responsibility with respect to any information, statement, or recital in any official statement, offering memorandum, or any other disclosure material prepared or distributed with respect to the Bonds Similarly Secured and shall have no responsibility for compliance with any State or federal securities laws in connection with the Bonds Similarly Secured.

Section 9.15 Expenditure of Funds and Risk.

None of the provisions of this Indenture shall require the Trustee to expend or risk its own funds or otherwise to incur any liability, financial or otherwise, in the performance of any of its duties hereunder, or in the exercise of its rights or powers if the Trustee shall have reasonable grounds for believing that the repayment of such funds or indemnity against such risk or liability is not assured.

Section 9.16 Environmental Hazards.

The Trustee may inform any Owner of environmental hazards that the Trustee has reason to believe exist, and the Trustee has the right to take no further action and in such event, no fiduciary duty exists which imposes any obligation for further action with respect to the Trust Estate or any portion thereof if the Trustee, in its individual capacity, determines that any such

action would materially and adversely subject the Trustee to environmental or other liability for which the Trustee has not been adequately indemnified.

The Trustee shall not be responsible or liable for the environmental condition related to the improvements to any real property or for diminution in value of the same, or for any claims by or on behalf of the owners thereof as the result of any contamination by a hazardous substance, hazardous material, pollutant, or contaminant. The Trustee assumes no duty or obligation to assess the environmental condition of any improvements or with respect to compliance thereof under State or federal laws pertaining to the transport, storage, treatment, or disposal of hazardous substances, hazardous materials, pollutants, or contaminants or regulations, permits, or licenses issued under such laws.

Section 9.17. Accounts, Periodic Reports and Certificates.

The Trustee shall keep or cause to be kept proper books of record and account (separate from all other records and accounts) in which complete and correct entries shall be made of its transactions relating to the Funds and Accounts established by this Indenture and which shall at all times be subject to inspection by the City, and the Owner or Owners of not less than 10% in principal amount of the Bonds Similarly Secured then Outstanding or their representatives duly authorized in writing.

Section 9.18. Construction of Indenture.

The Trustee may construe any of the provisions of this Indenture insofar as the same may appear to be ambiguous or inconsistent with any other provision hereof, and any construction of any such provisions hereof by the Trustee in good faith shall be binding upon the Owners of the Bonds Similarly Secured.

ARTICLE X

MODIFICATION OR AMENDMENT OF THIS INDENTURE

Section 10.1. Amendments Permitted.

(a) This Indenture and the rights and obligations of the City and of the Owners of the Bonds Similarly Secured may be modified or amended at any time by a Supplemental Indenture, except as provided below, pursuant to the affirmative vote at a meeting of Owners of the Bonds Similarly Secured, or with the written consent without a meeting, of the Owners of the Bonds Similarly Secured of at least a majority of the aggregate outstanding principal of the Bonds Similarly Secured at that time and City approval of such modification or amendment. No such modification or amendment shall (i) extend the maturity of any Bond Similarly Secured or reduce the interest rate thereon, or otherwise alter or impair the obligation of the City to pay the principal of, and the interest and any premium on, any Bond Similarly Secured, without the express consent of the Owner of such Bond Similarly Secured, or (ii) permit the creation by the City of any pledge or lien upon the Trust Estate superior to or on a parity with the pledge and lien created for the benefit of the Bonds Similarly Secured (except as otherwise permitted by Applicable Laws and

this Indenture), or reduce the percentage of Bonds Similarly Secured required for the amendment hereof. Any such amendment shall not modify any of the rights or obligations of the Trustee without its written consent. In executing or accepting any Supplemental Indenture, the Trustee shall be fully protected in relying upon an opinion of qualified counsel addressed and delivered to the Trustee stating that (a) the execution of such Supplemental Indenture is permitted by and in compliance with this Indenture, (b) the execution and delivery of will not adversely affect the exclusion from federal gross income of the interest on the Bonds Similarly Secured, and (c) such Supplemental Indenture will, upon the execution and delivery thereof, to be a valid and binding obligation of the City.

(b) This Indenture and the rights and obligations of the City and of the Owners may also be modified or amended at any time by a Supplemental Indenture, without the consent of any Owners, only to the extent permitted by Applicable Laws, and only for anyone or more of the following purposes:

(i) to add to the covenants and agreements of the City in this Indenture contained, other covenants and agreements thereafter to be observed, or to limit or surrender any right or power herein reserved to or conferred upon the City;

(ii) to make modifications not adversely affecting any Outstanding Bonds Similarly Secured in any material respect;

(iii) to make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained in this Indenture, or in regard to questions arising under this Indenture, as the City may deem necessary or desirable and not inconsistent with this Indenture, and that shall not adversely affect the rights of the Owners of the Bonds Similarly Secured; and

(iv) to make such additions, deletions or modifications as may be necessary or desirable to assure exemption from federal income taxation of interest on the Bonds Similarly Secured.

(c) Notwithstanding anything to the contrary herein, no Supplemental Indenture entered into in accordance with Section 10.1(b) above shall be effective unless the City first delivers to the Trustee an opinion of Bond Counsel to the effect that such amendment will not adversely affect the: (i) interests of the Owners in any material respect, or (ii) exclusion of interest on any Bond Similarly Secured from gross income for purposes of federal income taxation.

Section 10.2. Owners' Meetings.

The City may at any time call a meeting of the Owners of the Bonds Similarly Secured. In such event the City is authorized to fix the time and place of said meeting and to provide for the giving of notice thereof, and to fix and adopt rules and regulations for the conduct of said meeting.

Section 10.3. Procedure for Amendment with Written Consent of Owners.

(a) The City and the Trustee may at any time adopt a Supplemental Indenture amending the provisions of the Bonds Similarly Secured or of this Indenture, to the extent that such amendment is permitted by Section 10.1, to take effect when and as provided in this Section. A copy of such Supplemental Indenture, together with a request to Owners for their consent thereto, if such consent is required pursuant to Section 10.1, shall be mailed by first class mail, by the Trustee to each Owner of Bonds Similarly Secured from whom consent is required under this Indenture, but failure to mail copies of such Supplemental Indenture and request shall not affect the validity of the Supplemental Indenture when assented to as in this Section provided.

(b) Such Supplemental Indenture shall not become effective unless there shall be filed with the Trustee the written consents of the Owners as required by this Indenture and a notice shall have been mailed as hereinafter in this Section provided. Each such consent shall be effective only if accompanied by proof of ownership of the Bonds Similarly Secured for which such consent is given, which proof shall be such as is permitted by Section 11.6. Any such consent shall be binding upon the Owner of the Bonds Similarly Secured giving such consent and on any subsequent Owner (whether or not such subsequent Owner has notice thereof), unless such consent is revoked in writing by the Owner giving such consent or a subsequent Owner by filing such revocation with the Trustee prior to the date when the notice hereinafter in this Section provided for has been mailed.

(c) After the Owners of the required percentage of Bonds Similarly Secured shall have filed their consents to the Supplemental Indenture, the City shall mail a notice to the Owners in the manner hereinbefore provided in this Section for the mailing of the Supplemental Indenture, stating in substance that the Supplemental Indenture has been consented to by the Owners of the required percentage of Bonds Similarly Secured and will be effective as provided in this Section (but failure to mail copies of said notice shall not affect the validity of the Supplemental Indenture or consents thereto). Proof of the mailing of such notice shall be filed with the Trustee. A record, consisting of the papers required by this Section 10.3 to be filed with the Trustee, shall be proof of the matters therein stated until the contrary is proved. The Supplemental Indenture shall become effective upon the filing with the Trustee of the proof of mailing of such notice, and the Supplemental Indenture shall be deemed conclusively binding (except as otherwise hereinabove specifically provided in this Article) upon the City and the Owners of all Bonds Similarly Secured at the expiration of sixty (60) days after such filing, except in the event of a final decree of a court of competent jurisdiction setting aside such consent in a legal action or equitable proceeding for such purpose commenced within such sixty-day period.

Section 10.4. Procedure for Amendment Not Requiring Owner Consent.

(a) The City and the Trustee may at any time adopt a Supplemental Indenture amending the provisions of the Bonds Similarly Secured or of this Indenture, to the extent that such amendment is permitted by Section 10.1, to take effect when and as provided in this Section. A copy of such Supplemental Indenture, together with a notice stating that the Supplemental Indenture does not require Owner consent, shall be mailed by first class mail by the Trustee to each Owner of Bonds Similarly Secured, but failure to mail copies of such Supplemental Indenture shall not affect the validity of the Supplemental Indenture. The Trustee shall retain the proof of its mailing of such notice. A record, consisting of the papers required by this Section 10.4, shall be proof of the matters therein stated until the contrary is proved.

(b) The Supplemental Indenture shall become effective upon the execution and delivery of such Supplemental Indenture by the Trustee and the City, and the Supplemental Indenture shall be deemed conclusively binding upon the City, the Trustee and the Owners of all Bonds Similarly Secured as of the date of such execution and delivery.

Section 10.5. Effect of Supplemental Indenture.

From and after the time any Supplemental Indenture becomes effective pursuant to this Article X, this Indenture shall be deemed to be modified and amended in accordance therewith, the respective rights, duties, and obligations under this Indenture of the City, the Trustee and all Owners of Bonds Similarly Secured Outstanding shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modifications and amendments, and all the terms and conditions of any such Supplemental Indenture shall be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

Section 10.6. Endorsement or Replacement of Bonds Similarly Secured Issued After Amendments.

The City may determine that Bonds Similarly Secured issued and delivered after the effective date of any action taken as provided in this Article X shall bear a notation, by endorsement or otherwise, in form approved by the City, as to such action. In that case, upon demand of the Owner of any Bonds Similarly Secured Outstanding at such effective date and presentation of his Bond Similarly Secured for that purpose at the designated office of the Trustee or at such other office as the City may select and designate for that purpose, a suitable notation shall be made on such Bond Similarly Secured. The City may determine that new Bonds Similarly Secured, so modified as in the opinion of the City is necessary to conform to such Owners' action, shall be prepared, executed, and delivered. In that case, upon demand of the Owner of any Bonds Similarly Secured then Outstanding, such new Bonds Similarly Secured shall be exchanged at the designated office of the Trustee without cost to any Owner, for Bonds Similarly Secured then Outstanding, upon surrender of such Bonds Similarly Secured.

Section 10.7. Amendatory Endorsement of Bonds Similarly Secured.

The provisions of this Article X shall not prevent any Owner from accepting any amendment as to the particular Bonds Similarly Secured held by such Owner, provided that due notation thereof is made on such Bonds Similarly Secured.

Section 10.8. Waiver of Default.

Subject to Section 10.1, with the written consent of at least a majority of the aggregate outstanding principal of the Bonds Similarly Secured at that time, the Owners may waive compliance by the City with certain past defaults under this Indenture and their consequences. Any such consent shall be conclusive and binding upon the Owners and upon all future Owners.

Section 10.9. Execution of Supplemental Indenture.

In executing, or accepting the additional trusts created by, any Supplemental Indenture permitted by this Article or the modification thereby of the trusts created by this Indenture, the Trustee shall receive, and shall be fully protected in relying upon, an opinion of counsel addressed and delivered to the Trustee and the City stating that the execution of such Supplemental Indenture is permitted by and in compliance with this Indenture. The Trustee may, but shall not be obligated to, enter into any such Supplemental Indenture which affects the Trustee's own rights, duties or immunities under this Indenture or otherwise.

ARTICLE XI

DEFAULT AND REMEDIES

Section 11.1. Events of Default.

Each of the following occurrences or events shall be and is hereby declared to be an "Event of Default," to wit:

- (i) The failure of the City to deposit the Pledged Revenues to the Pledged Revenue Fund;
- (ii) The failure of the City to enforce the collection of the Improvement Area #1 Assessments including the prosecution of foreclosure proceedings, in accordance with Section 7.2;
- (iii) Default in the performance or observance of any covenant, agreement or obligation of the City under this Indenture other than a default under (i) above or (iv) below, and the continuation thereof for a period of ninety (90) days after written notice specifying such default and requiring same to be remedied shall have been given to the City by the Trustee, which may give such notice in its discretion and shall give such notice at the written request of the Owners of at least a majority of the aggregate outstanding principal of the Bonds Similarly Secured then Outstanding; and

(iv) The failure to make payment of the principal of or interest on any of the Bonds Similarly Secured when the same becomes due and payable and such failure is not remedied within thirty (30) days thereafter.

Section 11.2. Immediate Remedies for Default.

(a) Subject to Article VIII, upon the happening and continuance of any of the Events of Default described in Section 11.1, then and in every such case the Trustee may proceed, and upon the written request of the Owners of at least a Quarter in Interest of the Bonds Similarly Secured then Outstanding hereunder and its receipt of indemnity satisfactory to it shall proceed, to protect and enforce the rights of the Owners under this Indenture, by action seeking mandamus or by other suit, action, or special proceeding in equity or at law, in any court of competent jurisdiction, for any relief to the extent permitted by Applicable Laws, including, but not limited to, the specific performance of any covenant or agreement contained herein, or injunction; provided, however, that any action for money damages against the City shall be limited to recovery from the Trust Estate may be sought or shall be permitted. The Trustee retains the right to obtain the advice of counsel in its exercise of remedies for default.

(b) PURSUANT TO SECTION 11.7, THE PRINCIPAL OF THE BONDS SIMILARLY SECURED SHALL NOT BE SUBJECT TO ACCELERATION UNDER ANY CIRCUMSTANCES.

(c) Whenever moneys are to be applied pursuant to this Article XI, irrespective of and whether other remedies authorized under this Indenture shall have been pursued in whole or in part, the Trustee may cause any or all of the assets of the Trust Estate, including Investment Securities, to be sold. The Trustee may so sell the assets of the Trust Estate and all right, title, interest, claim and demand thereto and the right of redemption thereof, in one or more parts, at any such place or places, and at such time or times and upon such notice and terms as the Trustee may deem appropriate and as may be required by law and apply the proceeds thereof in accordance with the provisions of this Section. The Trustee shall sell Trust Estate assets, according to the appraised value thereof, beginning with the asset of the highest value and continuing such sales in the order of next succeeding most valuable asset until satisfaction of debts pertaining to the outstanding Bonds Similarly Secured. Upon such sale, the Trustee may make and deliver to the purchaser or purchasers a good and sufficient assignment or conveyance for the same, which sale shall be a perpetual bar both at law and in equity against the City, and all other Persons claiming such properties. No purchaser at any sale shall be bound to see to the application of the purchase money proceeds thereof or to inquire as to the authorization, necessity, expediency, or regularity of any such sale. Nevertheless, if so requested by the Trustee, the City shall ratify and confirm any sale or sales by executing and delivering to the Trustee or to such purchaser or purchasers all such instruments as may be necessary or, in the judgment of the Trustee, proper for the purpose which may be designated in such request.

(d) In an Event of Default shall have occurred and be continuing, the City, upon demand of the Trustee, shall surrender the possession of, and it shall be lawful for the Trustee, by such officer or agent as it may appoint, to take possession of all or any part of the Trust Estate,

together with the books, papers, and accounts of the City pertaining thereto, and including the rights and the position of the City, and to hold, operate, and manage the same, and from time to time make all needed repairs and improvements, as well as set up proper reserve for the payment of all proper costs and expenses, holding and managing the same, including (i) reasonable compensation to the Trustee, its agents, and counsel, (ii) any reasonable charges of the Trustee hereunder, (iii) any taxes and assessments and other charges prior to the lien of this of Indenture, and (iv) all expenses of such repairs and improvements. After payment in full of the foregoing, the Trustee shall surrender possession of the Trust Estate to the City, its successors or assigns.

Section 11.3. Restriction on Owner's Action.

(a) No Owner shall have any right to institute any action, suit or proceeding at law or in equity for the enforcement of this Indenture or for the execution of any trust thereof or any other remedy hereunder, unless (i) a default has occurred and is continuing of which the Trustee has actual knowledge thereof or has been notified in writing as provided in Section 9.3(f), or of which by such Section it is deemed to have notice, (ii) such default has become an Event of Default and the Owners of at least a Quarter in Interest of the Bonds Similarly Secured then Outstanding have made written request to the Trustee and offered it reasonable opportunity either to proceed to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name, (iii) the Owners have furnished to the Trustee indemnity as provided in Section 9.2, (iv) the Trustee has for 60 days after such notice failed or refused to exercise the powers hereinbefore granted, or to institute such action, suit, or proceeding in its own name, (v) no direction inconsistent with such written request has been given to the Trustee during such 60-day period by the Owners of at least a Quarter in Interest of the Bonds Similarly Secured then Outstanding, and (vi) notice of such action, suit, or proceeding is given to the Trustee; however, all proceedings at law or in equity shall be instituted and maintained in the manner provided herein and for the equal benefit of the Owners of all Bonds Similarly Secured then Outstanding. The notification, request and furnishing of indemnity set forth above shall, at the option of the Trustee, be conditions precedent to the execution of the powers and trusts of this Indenture and to any action or cause of action for the enforcement of this Indenture or for any other remedy hereunder.

(b) Subject to Article VIII, nothing in this Indenture shall affect or impair the right of any Owner to enforce, by action at law, payment of any Bond Similarly Secured at and after the maturity thereof, or on the date fixed for redemption or the obligation of the City to pay each Bond Similarly Secured issued hereunder to the respective Owners thereof at the time and place, from the source and in the manner expressed herein and in the Bonds Similarly Secured.

(c) In case the Trustee or any Owners of Bonds Similarly Secured shall have proceeded to enforce any right under this Indenture and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Trustee or any Owners of Bonds Similarly Secured, then and in every such case the City, the Trustee and the Owners of Bonds Similarly Secured shall be restored to their former positions and rights hereunder, and all rights, remedies and powers of the Trustee shall continue as if no such proceedings had been taken.

Section 11.4. Application of Revenues and Other Moneys After Default.

(a) All moneys, securities, funds and Pledged Revenues and the income therefrom received by the Trustee pursuant to any right given or action taken under the provisions of this Article shall, after payment of the cost, liabilities, advances and expenses of the proceedings resulting in the collection of such amounts, the expenses (including its counsel), liabilities, and advances incurred or made by the Trustee and the fees of the Trustee in carrying out this Indenture, during the continuance of an Event of Default, notwithstanding Section 11.2, be applied by the Trustee, on behalf of the City, to the payment of interest and principal or Redemption Price then due on Bonds Similarly Secured, as follows:

FIRST: To the payment to the Owners entitled thereto all installments of interest then due in the direct order of maturity of such installments, and, if the amount available shall not be sufficient to pay in full any installment, then to the payment thereof ratably, according to the amounts due on such installment, to the Owners entitled thereto, without any discrimination or preference; and

SECOND: To the payment to the Owners entitled thereto of the unpaid principal of Outstanding Bonds Similarly Secured, or Redemption Price of any Bonds Similarly Secured which shall have become due, whether at maturity or by call for redemption, in the direct order of their due dates and, if the amounts available shall not be sufficient to pay in full all the Bonds Similarly Secured due on any date, then to the payment thereof ratably, according to the amounts of principal due and to the Owners entitled thereto, without any discrimination or preference.

Within thirty (30) days of receipt of such good and available funds, the Trustee may fix a record date and a payment date for any payment to be made to Owners of Bonds Similarly Secured pursuant to this Section 11.4.

(b) In the event funds are not adequate to cure any of the Events of Default described in Section 11.1, the available funds shall be allocated to the Bonds Similarly Secured that are Outstanding in proportion to the quantity of Bonds Similarly Secured that are currently due and in default under the terms of this Indenture.

(c) The restoration of the City to its prior position after any and all defaults have been cured, as provided in Section 11.3, shall not extend to or affect any subsequent default under this Indenture or impair any right consequent thereon.

Section 11.5. Effect of Waiver.

The Trustee may, with the prior written consent of at least a majority of the aggregate outstanding principal of the Bonds Similarly Secured at that time, waive an Event of Default occurring hereunder. No delay or omission of the Trustee, or any Owner, to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein; and every power and remedy given by

this Indenture to the Trustee or the Owners, respectively, may be exercised from time to time and as often as may be deemed expedient.

Section 11.6. Evidence of Ownership of Bonds Similarly Secured.

(a) Any request, consent, revocation of consent or other instrument which this Indenture may require or permit to be signed and executed by the Owners of Bonds Similarly Secured may be in one or more instruments of similar tenor, and shall be signed or executed by such Owners in person or by their attorneys duly appointed in writing. Proof of the execution of any such instrument, or of any instrument appointing any such attorney, or the holding by any Person of the Bonds Similarly Secured shall be sufficient for any purpose of this Indenture (except as otherwise herein expressly provided) if made in the following manner:

(i) The fact and date of the execution of such instruments by any Owner of Bonds Similarly Secured or the duly appointed attorney authorized to act on behalf of such Owner may be provided by a guarantee of the signature thereon by a bank or trust company or by the certificate of any notary public or other officer authorized to take acknowledgments of deeds, that the Person signing such request or other instrument acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer. Where such execution is by an officer of a corporation or association or a member of a partnership, on behalf of such corporation, association or partnership, such signature guarantee, certificate, or affidavit shall also constitute sufficient proof of his authority.

(ii) The ownership of Bonds Similarly Secured and the amount, numbers and other identification and date of holding the same shall be proved by the Register.

(b) Except as otherwise provided in this Indenture with respect to revocation of a consent, any request or consent by an Owner of any Bond Similarly Secured shall bind all future Owners of the same Bond Similarly Secured in respect of anything done or suffered to be done by the City or the Trustee in accordance therewith.

Section 11.7. No Acceleration.

In the event of the occurrence of an Event of Default under Section 11.1, the right of acceleration of any Stated Maturity is not granted as a remedy hereunder and the right of acceleration under this Indenture is expressly denied.

Section 11.8. Mailing of Notice.

Any provision in this Article for the mailing of a notice or other document to Owners shall be fully complied with if it is mailed, first class postage prepaid, only to each Owner at the address appearing upon the Register.

Section 11.9. Exclusion of Bonds Similarly Secured.

Bonds Similarly Secured owned or held by or for the account of the City will not be deemed Outstanding for any purpose. The City shall promptly deliver any such Bonds Similarly Secured to the Trustee for cancellation.

Section 11.10. Remedies Not Exclusive.

Subject to Section 11.2, no remedy herein conferred upon or reserved to the Trustee or to the Owners is intended to be exclusive of any other remedy and each and every such remedy shall be cumulative and shall be in addition to any other remedy given hereunder or now or hereafter existing at law or in equity, by statute or by contract.

Section 11.11. Direction by Owners.

Anything herein to the contrary notwithstanding, the Owners of a Quarter in Interest of the Bonds Similarly Secured shall have the right by an instrument in writing executed and delivered to the Trustee, to direct the choice of remedies and the time, method and place of conducting any proceeding for any remedy available to the Trustee hereunder, under each Supplemental Indenture or otherwise, or exercising any trust or power conferred upon the Trustee, including the power to direct or withhold directions with respect to any remedy available to the Trustee or the Owners, provided, (i) such direction shall not be otherwise than in accordance with law and the provisions hereof, (ii) that the Trustee may take any other action deemed proper by the Trustee which is not inconsistent with such direction, and (iii) that the Trustee shall have the right to decline to follow any such direction which in the opinion of the Trustee would be unjustly prejudicial to Owners not parties to such direction.

ARTICLE XII

GENERAL COVENANTS AND REPRESENTATIONS

Section 12.1. Representations as to Pledged Revenues.

(a) The City represents and warrants that it is authorized by Applicable Laws to authorize and issue the Bonds Similarly Secured, to execute and deliver this Indenture and to pledge the Trust Estate in the manner and to the extent provided in this Indenture, and that the Trust Estate are and will be and remain free and clear of any pledge, lien, charge, or encumbrance thereon or with respect thereto prior to, or of equal rank with, the pledge and lien created in or authorized by this Indenture except as expressly provided herein.

(b) The City shall at all times, to the extent permitted by Applicable Laws, defend, preserve and protect the pledge of the Trust Estate and all the rights of the Owners and the Trustee, under this Indenture against all claims and demands of all Persons whomsoever.

(c) Subject to Section 7.2(d), the City will take all steps reasonably necessary and appropriate, and will direct the Trustee to take all steps reasonably necessary and appropriate, to

collect all delinquencies in the collection of the Improvement Area #1 Assessments and any other amounts pledged to the payment of the Bonds Similarly Secured to the fullest extent permitted by the PID Act and other Applicable Laws.

Section 12.2. General.

The City shall do and perform or cause to be done and performed all acts and things required to be done or performed by or on behalf of the City under the provisions of this Indenture.

ARTICLE XIII

SPECIAL COVENANTS

Section 13.1. Further Assurances; Due Performance.

(a) At any and all times the City will duly execute, acknowledge and deliver, or will cause to be done, executed and delivered, all and every such further acts, conveyances, transfers, and assurances in a manner as the Trustee shall reasonably require for better conveying, transferring, pledging, and confirming unto the Trustee, all and singular, the revenues, Funds, Accounts and properties constituting the Pledged Revenues, and the Trust Estate hereby transferred and pledged, or intended so to be transferred and pledged.

(b) The City will duly and punctually keep, observe and perform each and every term, covenant and condition on its part to be kept, observed and performed, contained in this Indenture.

Section 13.2. Other Obligations or Other Liens; Refunding Bonds; Future Bonds.

(a) The City reserves the right to issue obligations under other indentures, assessment ordinances, or similar agreements or other obligations which do not constitute or create a lien on any portion of the Trust Estate and are not payable from the Trust Estate.

(b) Other than Refunding Bonds, the City will not create or voluntarily permit to be created any debt, lien or charge on the Trust Estate, and will not do or omit to do or suffer to be done or omit to be done any matter or things whatsoever whereby the lien of this Indenture or the priority hereof might or could be lost or impaired; and further covenants that it will pay or cause to be paid or will make adequate provisions for the satisfaction and discharge of all lawful claims and demands which if unpaid might by law be given precedence over or any equality with this Indenture as a lien or charge upon the Trust Estate; provided, however, that nothing in this Section shall require the City to apply, discharge, or make provision for any such lien, charge, claim, or demand so long as the validity thereof shall be contested by it in good faith, unless thereby, in the opinion of counsel to the Trustee, the same would endanger the security for the Bonds Similarly Secured.

(c) The City reserves the right to issue Future Bonds for any purpose permitted by the PID Act, pursuant to a separate indenture, for any Future Improvement Areas subject to the conditions of the Financing and Reimbursement Agreement and the Reimbursement Agreement.

(d) Notwithstanding anything to the contrary herein no Refunding Bonds may be issued by the City unless: (1) the principal (including any principal amounts to be redeemed on a mandatory sinking fund redemption date) of such Refunding Bonds is scheduled to mature on September 1 of the years in which principal is scheduled to mature and (2) the interest on such Refunding Bonds must be scheduled to be paid on March 1 and September 1 of the years in which interest is scheduled to be paid.

Section 13.3. Books of Record.

(a) The City shall cause to be kept full and proper books of record and accounts, in which full, true and proper entries will be made of all dealings, business and affairs of the City, which relate to the Pledged Revenues, the Pledged Funds, and the Bonds Similarly Secured.

(b) The Trustee shall have no responsibility with respect to the financial and other information received by it pursuant to this Section 13.3 except to receive and retain same, subject to the Trustee's document retention policies, and to distribute the same in accordance with the provisions of this Indenture.

ARTICLE XIV

PAYMENT AND CANCELLATION OF THE BONDS AND SATISFACTION OF THE INDENTURE

Section 14.1. Trust Irrevocable.

The trust created by the terms and provisions of this Indenture is irrevocable until the Bonds Similarly Secured that are secured hereby are fully paid or provision is made for their payment as provided in this Article.

Section 14.2. Satisfaction of Indenture.

If the City shall pay or cause to be paid, or there shall otherwise be paid to the Owners, principal of and interest on all of the Bonds Similarly Secured, at the times and in the manner stipulated in this Indenture, and all amounts due and owing with respect to the Bonds Similarly Secured have been paid or provided for, then the pledge of the Trust Estate and all covenants, agreements, and other obligations of the City to the Owners of such Bonds Similarly Secured, shall thereupon cease, terminate, and become void and be discharged and satisfied. In such event, the Trustee shall execute and deliver to the City copies of all such documents as it may have evidencing that principal of and interest on all of the Bonds Similarly Secured has been paid so that the City may determine if this Indenture is satisfied; if so, the Trustee shall pay over or deliver all moneys held by it in the Funds and Accounts held hereunder as directed in writing by the City.

Section 14.3. Bonds Similarly Secured Deemed Paid.

(a) Any Outstanding Bonds Similarly Secured shall, prior to the Stated Maturity or redemption date thereof, be deemed to have been paid and no longer Outstanding within the meaning of this Trust Indenture (a "*Defeased Debt*"), and particularly this Article XIV, when payment of the principal of, premium, if any, on such Defeased Debt, plus interest thereon to the due date thereof (whether such due date be by reason of maturity, redemption, or otherwise), either (1) shall have been made in accordance with the terms thereof, or (2) shall have been provided by irrevocably depositing with the Trustee, in trust, and irrevocably set aside exclusively for such payment, (A) money sufficient to make such payment or (B) Defeasance Securities, certified by an independent public accounting firm of national reputation to mature as to principal and interest in such amount and at such times as will insure the availability, without reinvestment, of sufficient money to make such payment, and all necessary and proper fees, compensation, and expenses of the Trustee pertaining to the Bonds Similarly Secured with respect to which such deposit is made shall have been paid or the payment thereof provided for to the satisfaction of the Trustee. Neither Defeasance Securities nor moneys deposited with the Trustee pursuant to this Section nor principal or interest payments on any such Defeasance Securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal of and interest on the Bonds Similarly Secured. Any cash received from such principal of and interest on such Defeasance Securities deposited with the Trustee, if not then needed for such purpose, shall, be reinvested in Defeasance Securities as directed by the City maturing at times and in amounts sufficient to pay when due the principal of and interest on the Bonds Similarly Secured on and prior to such redemption date or maturity date thereof, as the case may be. Any payment for Defeasance Securities purchased for the purpose of reinvesting cash as aforesaid shall be made only against delivery of such Defeasance Securities.

(b) Any determination not to redeem Defeased Debt that is made in conjunction with the payment arrangements specified in Sections 14.3(a)(1) or 14.3(a)(2) shall not be irrevocable, provided that: (1) in the proceedings providing for such defeasance, the City expressly reserves the right to call the Defeased Debt for redemption; (2) the City gives notice of the reservation of that right to the Owners of the Defeased Debt immediately following the defeasance; (3) the City directs that notice of the reservation be included in any defeasance or redemption notices that it authorizes; and (4) at or prior to the time of the redemption, the City satisfies the conditions of clause (a) of this Section 14.3 with respect to such Defeased Debt as though it was being defeased at the time of the exercise of the option to redeem the Defeased Debt, after taking the redemption into account in determining the sufficiency of the provisions made for the payment of the Defeased Debt.

ARTICLE XV

MISCELLANEOUS

Section 15.1. Benefits of Indenture Limited to Parties.

Nothing in this Indenture, expressed or implied, is intended to give to any Person other than the City, the Trustee and the Owners, any right, remedy, or claim under or by reason of this

Indenture. Any covenants, stipulations, promises or agreements in this Indenture by and on behalf of the City shall be for the sole and exclusive benefit of the Owners and the Trustee. This Indenture and the exhibits hereto set forth the entire agreement and understanding of the parties related to this transaction and supersedes all prior agreements and understandings, oral or written.

Section 15.2. Successor is Deemed Included in All References to Predecessor.

Whenever in this Indenture or any Supplemental Indenture either the City or the Trustee is named or referred to, such reference shall be deemed to include the successors or assigns thereof, and all the covenants and agreements in this Indenture contained by or on behalf of the City or the Trustee shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

Section 15.3. Execution of Documents and Proof of Ownership by Owners.

(a) Any request, declaration, or other instrument which this Indenture may require or permit to be executed by Owners may be in one or more instruments of similar tenor, and shall be executed by Owners in person or by their attorneys duly appointed in writing.

(b) Except as otherwise expressly provided herein, the fact and date of the execution by any Owner or his attorney of such request, declaration, or other instrument, or of such writing appointing such attorney, may be proved by the certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which he purports to act, that the Person signing such request, declaration, or other instrument or writing acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer.

(c) Except as otherwise herein expressly provided, the ownership of registered Bonds Similarly Secured and the amount, maturity, number, and date of holding the same shall be proved by the Register.

(d) Any request, declaration or other instrument or writing of the Owner of any Bond Similarly Secured shall bind all future Owners of such Bond Similarly Secured in respect of anything done or suffered to be done by the City or the Trustee in good faith and in accordance therewith.

Section 15.4. No Waiver of Personal Liability.

No member, officer, agent, or employee of the City shall be individually or personally liable for the payment of the principal of, or interest or any premium on, the Bonds Similarly Secured; but nothing herein contained shall relieve any such member, officer, agent, or employee from the performance of any official duty provided by law.

Section 15.5. Notices to and Demands on City and Trustee.

(a) Except as otherwise expressly provided herein, all notices or other instruments required or permitted under this Indenture shall be in writing and shall be faxed, delivered by hand, or mailed by first class mail, postage prepaid, and addressed as follows:

If to the City	City of Hutto, Texas 500 W. Live Oak St. Hutto, Texas 78634 Attn: City Manager Telephone: 512-759-4031
If to the Trustee Or the Paying Agent/Registrar	Wilmington Trust 15950 North Dallas Parkway Suite 550 Dallas, Texas Attn: Dayna Smith Telephone: 972-381-3154

(b) Any such notice, demand, or request may also be transmitted to the appropriate party by telephone and shall be deemed to be properly given or made at the time of such transmission if, and only if, such transmission of notice shall be confirmed in writing and sent as specified above.

(c) Any of such addresses may be changed at any time upon written notice of such change given to the other party by the party effecting the change. Notices and consents given by mail in accordance with this Section shall be deemed to have been given five Business Days after the date of dispatch; notices and consents given by any other means shall be deemed to have been given when received.

(d) The Trustee shall mail to each Owner of a Bond Similarly Secured notice of (1) any substitution of the Trustee; or (2) the redemption or defeasance of all Outstanding Bonds Similarly Secured.

Section 15.6. Partial Invalidity.

If any Section, paragraph, sentence, clause, or phrase of this Indenture shall for any reason be held illegal or unenforceable, such holding shall not affect the validity of the remaining portions of this Indenture. The City hereby declares that it would have adopted this Indenture and each and every other Section, paragraph, sentence, clause, or phrase hereof and authorized the issue of the Bonds Similarly Secured pursuant thereto irrespective of the fact that anyone or more Sections, paragraphs, sentences, clauses, or phrases of this Indenture may be held illegal, invalid, or unenforceable.

Section 15.7. Applicable Laws; Jurisdiction.

THIS INDENTURE SHALL BE CONSTRUED AND INTERPRETED IN ACCORDANCE WITH THE LAW OF THE STATE OF TEXAS AND THE OBLIGATIONS OF THE PARTIES HERETO ARE AND SHALL BE PERFORMABLE IN THE COUNTY WHEREIN THE PROPERTY IS LOCATED, AND IF LEGAL ACTION IS NECESSARY BY EITHER PARTY WITH RESPECT TO THE ENFORCEMENT OF ANY TERM OF THIS INDENTURE, EXCLUSIVE VENUE FOR SAME SHALL LIE IN THE COURTS OF WILLIAMSON COUNTY, TEXAS. BY EXECUTING THIS AGREEMENT, EACH PARTY HERETO EXPRESSLY (a) CONSENTS AND SUBMITS TO PERSONAL JURISDICTION AND VENUE CONSISTENT WITH THE PREVIOUS SENTENCE, (b) WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ALL CLAIMS AND DEFENSES THAT SUCH JURISDICTION AND VENUE ARE NOT PROPER OR CONVENIENT, AND (c) CONSENTS TO THE SERVICE OF PROCESS IN ANY MANNER AUTHORIZED BY TEXAS LAW.

Section 15.8. Payment on Business Day.

In any case where the date of the maturity of interest or of principal (and premium, if any) of the Bonds Similarly Secured or the date fixed for redemption of any Bonds Similarly Secured or the date any action is to be taken pursuant to this Indenture is other than a Business Day, the payment of interest or principal (and premium, if any) or the action need not be made on such date but may be made on the next succeeding day that is a Business Day with the same force and effect as if made on the date required and no interest shall accrue for the period from and after such date.

Section 15.9. Counterparts.

This Indenture may be executed in counterparts, each of which shall be deemed an original.

Section 15.10. No Boycott of Israel; No Terrorist Organization.

(a) Pursuant to Section 2270.002, Texas Government Code, the Trustee hereby represents that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and, to the extent this Indenture is a contract for goods or services, will not boycott Israel during the term of this Indenture. The foregoing verification is made solely to comply with Section 2270.002, Texas Government Code, and to the extent such Section does not contravene applicable Federal law. As used in the foregoing verification, "boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. The Trustee understands "affiliate" to mean an entity that controls, is controlled by, or is under common control with the Trustee and exists to make a profit.

(b) Pursuant to Subchapter F, Chapter 2252, Texas Government Code, the Trustee represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas

Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website:
<https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf>,
<https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, or
<https://comptroller.texas.gov/purchasing/docs/fto-list.pdf>.

The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable Federal law and excludes the Trustee and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Trustee understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with the Trustee and exists to make a profit."

Section 15.11. Verification Regarding Discrimination Against Firearm Entity or Trade Association.

To the extent this Indenture constitutes a contract for the purchase of goods or services for which a written verification is required under Section 2274.002, Texas Government Code, (as added by Senate Bill 19, 87th Texas Legislature, Regular Session, "SB 19"), as amended, the Trustee hereby verifies that it and its parent company, wholly- or majority- owned subsidiaries, and other affiliates, if any,

- (1) do not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association; and
- (2) will not discriminate during the term of this Indenture against a firearm entity or firearm trade association.

The foregoing verification is made solely to comply with Section 2274.002, Texas Government Code, as amended, to the extent Section 2274.002, Texas Government Code does not contravene applicable Texas or federal law. As used in the foregoing verification, "discriminate against a firearm entity or firearm trade association" shall have the meaning assigned to such term in Section 2274.001(3), Texas Government Code (as added by SB 19). The Trustee understands "affiliate" to mean an entity that controls, is controlled by, or is under common control with the Trustee and exists to make a profit.

Section 15.12. Verification Regarding Energy Company Boycotts.

To the extent this Indenture constitutes a contract for goods or services for which a written verification is required under Section 2274.002, Texas Government Code, (as added by Senate Bill 13, 87th Texas Legislature, Regular Session) as amended, the Trustee hereby verifies that it and its parent company, wholly- or majority- owned subsidiaries, and other affiliates, if any, do not boycott energy companies and, will not boycott energy companies during the term of this Indenture. The foregoing verification is made solely to comply with Section 2274.002, Texas Government Code, as amended, to the extent Section 2274.002, Texas Government Code does not contravene applicable Texas or federal law. As used in the foregoing verification, "boycott energy

companies" shall have the meaning assigned to the term "boycott energy company" in Section 809.001, Texas Government Code. The Trustee understands "affiliate" to mean an entity that controls, is controlled by, or is under common control with the Trustee and exists to make a profit.

Section 15.13. Electronic Storage.

The parties agree that the transaction described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files, and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action, or suit in the appropriate court of law.

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IN WITNESS WHEREOF, the City and the Trustee have caused this Indenture of Trust to be executed as of the date hereof.

CITY OF HUTTO, TEXAS

By: _____
Mike Snyder, Mayor

Attest:

Holly Nagy, City Secretary

(CITY SEAL)

Wilmington Trust,
as Trustee

By: _____
Authorized Officer

Trustee Signature Page to Indenture of Trust

EXHIBIT A

**DESCRIPTION OF THE PROPERTY WITHIN
THE COTTONWOOD CREEK PUBLIC IMPROVEMENT DISTRICT**

EXHIBIT B

FORM OF CERTIFICATION FOR PAYMENT

(Certification for Payment – Cottonwood Creek)

CERTIFICATION FOR PAYMENT FORM NO.

The undersigned _____ (the "**Construction Manager**") requests payment from [the applicable account of the Project Fund] [the Operating Account] from the City of Hutto (the "**City**") in the amount of \$ _____ for labor, design, materials, fees, and/or other general costs related to the acquisition or construction of certain Authorized Improvements providing a special benefit to property within the Cottonwood Creek Public Improvement District (the "**District**"). Unless otherwise defined, any capitalized terms used herein shall have the meanings ascribed to them in the Cottonwood Creek Public Improvement District Financing and Reimbursement Agreement between the Owner and the City (the "**PID Financing Agreement**").

In connection with the above referenced payment, the Construction Manager represents and warrants to the City as follows:

1. The undersigned is a duly authorized officer of the Construction Manager, is qualified to execute this Certification for Payment Form No. _____ on behalf of the Construction Manager, and is knowledgeable as to the matters set forth herein.
2. The work described in Attachment A has been completed in the percentages stated therein.
3. The Certification for Payment for the below referenced Authorized Improvements has not been the subject of any prior Certification for Payment submitted for the same work to the City or, if previously requested, no disbursement was made with respect thereto.
4. The amounts listed for Actual Costs of the Authorized Improvements, as set forth in Attachment A, is a true and accurate representation of the Actual Costs associated with the acquisition, design or construction of said Authorized Improvements, and such costs (i) are in compliance with the PID Financing Agreement, and (ii) are consistent with the Service and Assessment Plan.
5. The Construction Manager is in compliance with the terms and provisions of the PID Financing Agreement and the Service and Assessment Plan.
6. The Construction Manager has timely paid all ad valorem taxes and annual installments of Assessments it owes or an entity under common control with the Construction

Manager owes, located in the District and has no outstanding delinquencies for such taxes and assessments.

7. The work with respect to the Authorized Improvements referenced below (or its Segment) has been completed, and the City has inspected [and accepted] such Authorized Improvements (or its completed Segment). ***[Include bracketed language if final progress payment for such Authorized Improvement]***

8. No more than ninety-five percent (95%) of the budgeted or contracted hard costs for the Authorized Improvements identified may be paid until the work with respect to such Authorized Improvements (or Segment thereof) has been completed and the City has accepted such Authorized Improvements (or Segment thereof). One hundred percent (100%) of soft costs (e.g., engineering costs, inspection fees and the like) may be paid prior to City acceptance of such Authorized Improvements (or Segment thereof).

9. [Attached hereto as Attachment B is a true and correct copy of a bills paid affidavit evidencing that any contractor or subcontractor having performed work described in Attachment A has been paid in full for all work completed through the previous Certification for Payment.]***[Include bracketed language if final progress payment for such Authorized Improvement]***

10. Attached hereto as Attachment C are invoices, receipts, purchase orders, change orders, and similar instruments, which are in sufficient detail to allow the City to verify the Actual Costs for which payment is requested.

11. Also attached hereto as Attachment D are any lender consents or approvals that the Construction Manager may be required to obtain under any loan documents relating to the District.

Pursuant to the PID Financing Agreement, after receiving this Certification for Payment, the City has inspected [and accepted] the Completed Authorized Improvements and confirmed that said work has been completed in accordance with approved plans and all applicable governmental laws, rules, and regulations. ***[Include bracketed language if final progress payment for such Authorized Improvement]***

(Signature pages follow)

I hereby declare that the above representations and warranties are true and correct.

**Lennar Homes of Texas Land and Construction,
a Texas limited partnership, as
CONSTRUCTION MANAGER**

By: _____
Name: _____
Title: _____

JOINDER OF PROJECT ENGINEER

The undersigned Project Engineer joins this Certification for Payment solely for the purposes of certifying that the representations made by Construction Manager in Paragraph 2 above are true and correct in all material respects.

By:

Name: _____

Title: _____

APPROVAL OF CERTIFICATION FOR PAYMENT

The City is in receipt of the attached Certification for Payment Form No. ____, acknowledges the Certification for Payment, acknowledges that the Authorized Improvements (or its Segment) covered by the certificate have been inspected by the City, and otherwise finds the Certification for Payment Form No. ____ to be in order. After reviewing the Certification for Payment Form, the City approves the Certification for Payment Form No. ____ and shall direct the Trustee to make payment from the appropriate account of the Project Fund to the Construction Manager or to any person designated by the Construction Manager.

CITY OF HUTTO, TEXAS

By: _____
Name: _____
Title: _____

Date: _____

ATTACHMENT A

TO CERTIFICATION FOR PAYMENT FORM NO. _____

<u>Segment</u>	<u>Description of Work Completed under this Certification for Payment</u>	<u>Actual Costs</u>
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ATTACHMENT B

TO CERTIFICATION FOR PAYMENT FORM NO. _____

[Include Attachment B bracketed if final progress payment for such Authorized Improvement]

[bills paid affidavit and release of liens - attached]

ATTACHMENT C

TO CERTIFICATION FOR PAYMENT FORM NO. ____

INVOICE LEDGER

Invoice Ledger Entity: Lennar Homes of Texas Land and Construction, Ltd. Project: Cottonwood Creek Public Improvement District								
Certification of Payment Form No. ____	Date	Vendor	Invoice #	Invoice Amount	Requested Amount	Approved Amount	Budget Sub- Category	Budget Description

[INVOICES AND/OR RECEIPTS - ATTACHED]

ATTACHMENT D

TO CERTIFICATION FOR PAYMENT FORM NO. _____

[lender consents or approvals - attached]

\$ _____
CITY OF HUTTO, TEXAS
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2021
(COTTONWOOD CREEK PUBLIC IMPROVEMENT DISTRICT IMPROVEMENT
AREA #1 PROJECT)

BOND PURCHASE AGREEMENT

October 21, 2021

City of Hutto, Texas
500 West Live Oak Street
Hutto, Texas 78634

Ladies and Gentlemen:

The undersigned, FMSbonds, Inc. (the “Underwriter”), offers to enter into this Bond Purchase Agreement (this “Agreement”) with the City of Hutto, Texas (the “City”), which will be binding upon the City and the Underwriter upon the acceptance of this Agreement by the City. This offer is made subject to its acceptance by the City by execution of this Agreement and its delivery to the Underwriter on or before 10:00 p.m., Central Time, on the date hereof and, if not so accepted, will be subject to withdrawal by the Underwriter upon written notice delivered to the City at any time prior to the acceptance hereof by the City. All capitalized terms not otherwise defined herein shall have the meanings given to such terms in the Indenture (as defined herein) between the City and Wilmington Trust, National Association, as trustee (the “Trustee”), authorizing the issuance of the Bonds (as defined herein), and in the Limited Offering Memorandum (as defined herein).

1. Purchase and Sale of Bonds. Upon the terms and conditions and upon the basis of representations, warranties, and agreements hereinafter set forth, the Underwriter hereby agrees to purchase from the City, and the City hereby agrees to sell to the Underwriter, all (but not less than all) of the \$_____ aggregate principal amount of the City of Hutto, Texas, Special Assessment Revenue Bonds, Series 2021 (Cottonwood Creek Public Improvement District Improvement Area #1 Project) (the “Bonds”), at a purchase price of \$_____ (representing the aggregate principal amount of the Bonds, less an Underwriter’s discount of \$_____).

Inasmuch as this purchase and sale represents a negotiated transaction, the City understands, and hereby confirms, that the Underwriter is not acting as a municipal advisor or fiduciary of the City (including, without limitation, a “municipal advisor” (as such term is defined in Section 975(e) of the Dodd Frank Wall Street Reform and Consumer Protection Act)), but rather is acting solely in its capacity as Underwriter for its own account. The City acknowledges and

agrees that (i) the purchase and sale of the Bonds pursuant to this Agreement is an arm's length commercial transaction between the City and the Underwriter, (ii) in connection with the discussions, undertakings, and procedures leading up to the consummation of this transaction, the Underwriter is and has been acting solely as a principal and is not acting as the agent, municipal advisor, financial advisor, or fiduciary of the City, (iii) the Underwriter has not assumed an advisory or fiduciary responsibility in favor of the City with respect to the offering described herein or the discussions, undertakings, and procedures leading thereto (regardless of whether the Underwriter has provided other services or is currently providing other services to the City on other matters) and the Underwriter has no obligation to the City with respect to the offering described herein except the obligations expressly set forth in this Agreement, (iv) the City has consulted its own legal, financial and other advisors to the extent it has deemed appropriate, (v) the Underwriter has financial and other interests that differ from those of the City, and (vi) the Underwriter has provided to the City prior disclosures under Rule G-17 of the Municipal Securities Rulemaking Board ("MSRB"), which have been received by the City. The City further acknowledges and agrees that following the issuance and delivery of the Bonds, the Underwriter has indicated that it may have periodic discussions with the City regarding the expenditure of Bond proceeds and the construction of the Improvement Area #1 Projects financed with the Bonds and, in connection with such discussions, the Underwriter shall be acting solely as a principal and will not be acting as the agent or fiduciary of, and will not be assuming an advisory or fiduciary responsibility in favor of, the City.

The Bonds shall be dated November 18, 2021 and shall have the maturities and redemption features, if any, and bear interest at the rates per annum shown on Schedule I hereto. Payment for and delivery of the Bonds, and the other actions described herein, shall take place on November 18, 2021 (or such other date as may be agreed to by the City and the Underwriter) (the "Closing Date").

2. Authorization Instruments and Law. The Bonds were authorized by an ordinance enacted by the City Council of the City (the "City Council") on October 21, 2021 (the "Bond Ordinance") and shall be issued pursuant to the provisions of the Public Improvement District Assessment Act, Subchapter A of Chapter 372, Texas Local Government Code, as amended (the "Act"), and the Indenture of Trust, dated as of October 1, 2021, between the City and the Trustee, authorizing the issuance of the Bonds (the "Indenture"). The Bonds shall be substantially in the form described in, and shall be secured under the provisions of, the Indenture.

The Bonds and interest thereon shall be secured by the Trust Estate (as defined in the Indenture) consisting primarily of revenue from proceeds of special assessments (the "Assessments") levied on the assessable parcels within Improvement Area #1 of the Cottonwood Creek Public Improvement District (the "District"). The District was established by a resolution (the "Creation Resolution"), enacted by the City Council on April 1, 2021, in accordance with the Act. The Assessments were levied in accordance with a service and assessment plan, adopted by the City Council on June 3, 2021, as subsequently amended (the "Service and Assessment Plan"), pursuant to an ordinance (the "Assessment Ordinance" and, together with the Creation Resolution, the Indenture and the Bond Ordinance, the "Authorizing Documents"). The Bonds shall be further secured by certain applicable funds and accounts created pursuant to the Indenture.

The Bonds shall be as described in Schedule I attached hereto, the Indenture, and the Limited Offering Memorandum. The proceeds of the Bonds shall be used for (1) the Actual Costs of the Improvement Area #1 Improvements, (2) Improvement Area #1's allocable share of District Formation Expenses, and (3) the Bond Issuance Costs of the Bonds, including funding a reserve fund for the payment of principal of and interest on the Bonds.

3. Public Offering. The Underwriter agrees to make a bona fide limited public offering of all of the Bonds in accordance with Section 4 hereof and to no more than thirty-five (35) persons that qualify as “Accredited Investors” (as defined in Rule 501 of Regulation D under the Securities Act (as defined herein) or “Qualified Institutional Buyers” (as defined in Rule 144A under the Securities Act). On or before the third (3rd) business day prior to the Closing Date, the Underwriter shall execute and deliver to Bond Counsel (as defined herein) the Issue Price Certificate (as defined herein), in substantially the form attached hereto as Appendix B.

4. Establishment of Issue Price. Notwithstanding any provision of this Agreement to the contrary, the following provisions related to the establishment of the issue price of the Bonds apply:

a. *Definitions*. For purposes of this Paragraph, the following definitions apply:

(i) “*Public*” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than a Participating Underwriter or a Related Party to a Participating Underwriter.

(ii) “*Participating Underwriter*” means (A) any person that agrees pursuant to a written contract with the City to participate in the initial sale of the Bonds to the Public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the public).

(iii) “*Related Party*” means any two or more persons who are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interest or profits interest of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).

(iv) “*Sale Date*” means the date of execution of this Purchase Agreement by all parties.

b. *Issue Price Certificate*. The Underwriter, agrees to assist the City in establishing the issue price of the Bonds and to execute and deliver to the City at Closing

an “issue price” or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as *Appendix B*, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the City and Bond Counsel, to accurately reflect, as applicable, the initial offering price (the “Initial Offering Price”) or prices or the sales price or prices to the Public of the Bonds.

c. *Substantial Amount Test.* The City will treat the first price at which at least ten percent (a "Substantial Amount") in principal amount of each maturity of the Bonds is sold to the Public as of the Sale Date (the “*Substantial Amount Test*”) as the issue price of that maturity (or each separate CUSIP number within that maturity). At or promptly after the execution of this Purchase Agreement, the Underwriter will report to the City the price or prices at which the Participating Underwriters have offered and sold to the Public each maturity of the Bonds. If at that time the Substantial Amount Test has not been satisfied as to any maturity of the Bonds, the Underwriter agrees to promptly report to the City the prices at which the Bonds have been sold by the Participating Underwriters to the Public. That reporting obligation will continue, whether or not the Closing Date has occurred, until the Substantial Amount Test has been satisfied as to the Bonds of that maturity or until all Bonds of that maturity have been sold to the Public.

d. *Hold-The-Price Restriction.* The Underwriter agrees, on behalf of the Participating Underwriters, that each Participating Underwriter will neither offer nor sell any of the Hold-the-Price Maturities to any person at a price that is higher than the applicable Initial Offering Price for such maturity during the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date, or (ii) the date on which the Participating Underwriters have sold a Substantial Amount of such a Maturity to the Public at a price that is no higher than the Initial Offering Price of such Maturity (the "Hold-the-Price Restriction").

The Underwriter shall promptly advise the City when the Participating Underwriters have sold a Substantial Amount of each such Hold-The-Price Maturity to the Public at a price that is no higher than the applicable Initial Offering Price such Hold-The-Price Maturity, if that occurs prior to the close of the fifth business day after the Sale Date.

The City acknowledges that, in making the representation set forth in this subparagraph, the Underwriter will rely on (A) the agreement of each Participating Underwriter to comply with the Hold-The-Price Restriction, as set forth in an agreement among underwriters and the related pricing wires, (B) in the event a selling group has been created in connection with the sale of the Bonds to the Public, the agreement of each dealer who is a member of the selling group to comply with the Hold-The-Price Restriction, as set forth in a selling group agreement and the related pricing wires, and (C) in the event that a Participating Underwriter is a party to a third-party distribution agreement that was employed in connection with the sale of the Bonds, the agreement of each such underwriter, dealer or broker-dealer that is a party to such agreement to comply with the Hold-The-Price Restriction, as set forth in the third-party distribution agreement and the related pricing wires. The City further acknowledges that each Participating Underwriter will be solely liable for its failure to comply with its agreement regarding the Hold-the-Price Restriction

and that no Participating Underwriter will be liable for the failure of any other Participating Underwriter to comply with its corresponding agreement regarding the Hold-The-Price Restriction as applicable to the Bonds.

e. *Agreements Among Participating Underwriters.* The Underwriter confirms that (i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement to which the Underwriter is a party relating to the initial sale of the Bonds to the Public, together with related pricing wires, contains or will contain language obligating each Participating Underwriter, each dealer who is a member of any selling group, and each broker-dealer that is a party to any such retail distribution agreement, as applicable, to (A) report the prices at which it sells to the Public the unsold Bonds of each maturity allocated to it until it is notified by the Underwriter that either the Substantial Amount Test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the Public, (B) comply with the Hold-the-Price Restriction, if applicable, in each case if and for so long as directed by the Underwriter and as set forth in the relating pricing wires, and (C) acknowledge that, unless otherwise advised by the Participating Underwriter, the Underwriter will assume that based on such agreement each order submitted by the underwriter, dealer or broker-dealer is a sale to the Public; and (ii) any agreement among underwriters relating to the initial sale of the Bonds to the Public, together with related pricing wires, contains or will contain language obligating each Participating Underwriter that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the Public to require each underwriter or broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the Public the unsold Bonds of each maturity allotted to it until it is notified by the Underwriter or the applicable Participating Underwriter that either the Substantial Amount Test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the Public and (B) comply with the Hold-the-Price Restriction, if applicable, in each case if and for so long as directed by the Underwriter or the applicable Participating Underwriter and as set forth in the relating pricing wires, and

f. *Sale to Related Party not a Sale to the Public.* The Participating Underwriters acknowledge that sales of any Bonds to any person that is a Related Party to a Participating Underwriter do not constitute sales to the Public for purposes of this Section. If a Related Party to a Participating Underwriter purchases during the initial offering period all of a Hold-The-Price Maturity, the related Participating Underwriter will notify the Underwriter and will take steps to confirm in writing that such Related Party will either (i) hold such Bonds for its own account, without present intention to sell, reoffer, or otherwise dispose of such Bonds for at least five business days from the Sale Date, or (ii) comply with the Hold-The-Price Restriction. The Underwriter will notify the Issuer if any of the Hold-the-Price Maturities are allotted to a Participating Underwriter or sold or allotted to a Related Party of the Underwriter.

5. Limited Offering Memorandum.

a. Delivery of Limited Offering Memorandum. The City previously has delivered, or caused to be delivered, to the Underwriter the Preliminary Limited Offering

Memorandum for the Bonds dated October 12, 2021, (the “Preliminary Limited Offering Memorandum”), in a “designated electronic format,” as defined in the MSRB Rule G-32 (“Rule G-32”). The City will prepare, or cause to be prepared, a final Limited Offering Memorandum relating to the Bonds (as more particularly defined below, the “Limited Offering Memorandum”) which will be (i) dated the date of this Agreement, (ii) complete within the meaning of the United States Securities and Exchange Commission’s Rule 15c2-12, as amended (“Rule 15c2-12”), (iii) in a “designated electronic format,” and (iv) substantially in the form of the most recent version of the Preliminary Limited Offering Memorandum provided to the Underwriter before the execution hereof, except for the inclusion of the information permitted to be excluded from the Preliminary Limited Offering Memorandum by Section (b)(1) of Rule 15c2-12. The Limited Offering Memorandum, including the cover page thereto, all exhibits, schedules, appendices, maps, charts, pictures, diagrams, reports, and statements included or incorporated therein or attached thereto, and all amendments and supplements thereto that may be authorized for use with respect to the Bonds are collectively referred to herein as the “Limited Offering Memorandum.” Until the Limited Offering Memorandum has been prepared and is available for distribution, the City shall provide to the Underwriter, upon request, sufficient quantities (which may be in electronic format) of the Preliminary Limited Offering Memorandum as the Underwriter reasonably deems necessary to satisfy the obligation of the Underwriter under Rule 15c2-12 with respect to distribution to each potential customer.

b. Preliminary Limited Offering Memorandum Deemed Final. The Preliminary Limited Offering Memorandum has been prepared for use by the Underwriter in connection with the public offering, sale, and distribution of the Bonds. The City hereby represents and warrants that the Preliminary Limited Offering Memorandum has been deemed final by the City as of its date, except for the omission of such information which is dependent upon the final pricing of the Bonds for completion, all as permitted to be excluded by Section (b)(1) of Rule 15c2-12.

c. Use of Limited Offering Memorandum in Offering and Sale. The City hereby authorizes the Limited Offering Memorandum and the information therein contained to be used by the Underwriter in connection with the public offering and the sale of the Bonds. The City consents to the use by the Underwriter prior to the date hereof of the Preliminary Limited Offering Memorandum in connection with the public offering of the Bonds. The City shall provide, or cause to be provided, to the Underwriter as soon as practicable after the date of the City’s acceptance of this Agreement (but, in any event, not later than the earlier of the Closing Date or seven (7) business days after the City’s acceptance of this Agreement) copies of the Limited Offering Memorandum which is complete as of the date of its delivery to the Underwriter. The City shall provide the Limited Offering Memorandum, or cause the Limited Offering Memorandum to be provided, (i) in a “designated electronic format” consistent with the requirements of Rule G-32 and (ii) in a printed format in such quantity as the Underwriter shall reasonably request in order for the Underwriter to comply with Section (b)(4) of Rule 15c2-12 and the rules of the MSRB.

d. Updating of Limited Offering Memorandum. If, after the date of this Agreement, up to and including the date the Underwriter is no longer required to provide

a Limited Offering Memorandum to potential customers who request the same pursuant to Rule 15c2-12 (the earlier of (i) ninety (90) days from the “end of the underwriting period” (as defined in Rule 15c2-12) and (ii) the time when the Limited Offering Memorandum is available to any person from the MSRB, but in no case less than the twenty-fifth (25th) day after the “end of the underwriting period” for the Bonds), the City becomes aware of any fact or event which might or would cause the Limited Offering Memorandum, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, or if it is necessary to amend or supplement the Limited Offering Memorandum to comply with law, the City will notify the Underwriter promptly (and for the purposes of this clause provide the Underwriter with such information as it may from time to time reasonably request), and if, in the reasonable judgment of the Underwriter, such fact or event requires preparation and publication of a supplement or amendment to the Limited Offering Memorandum, the City will forthwith prepare and furnish, at no expense to the Underwriter (in a form and manner approved by the Underwriter), either an amendment or a supplement to the Limited Offering Memorandum so that the statements therein as so amended and supplemented will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading or so that the Limited Offering Memorandum will comply with law; provided, however, that for all purposes of this Agreement and any certificate delivered by the City in accordance herewith, the City makes no representations with respect to the following information (collectively, the “Non-City Disclosures”) (i) the descriptions in the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum of The Depository Trust Company, New York, New York (“DTC”), or its book-entry-only system, and (ii) the information in the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum in any maps included therein or under the captions and subcaptions “PLAN OF FINANCE — Development Plan,” and “— Developer as Homebuilder,” “LIMITATIONS APPLICABLE TO INITIAL PURCHASERS,” “BOOK-ENTRY ONLY SYSTEM,” “THE IMPROVEMENT AREA #1 PROJECTS,” “THE DEVELOPMENT,” “THE DEVELOPER,” “PID ADMINISTRATOR,” “THE SPECIAL ASSESSMENT CONSULTANT,” “APPRAISAL OF PROPERTY WITHIN IMPROVEMENT AREA #1,” “BONDHOLDERS’ RISKS” (only as it pertains to the Developer, The Improvement Area #1 Projects and the Development, as defined in the Limited Offering Memorandum), “LEGAL MATTERS — Litigation – The Developer,” “CONTINUING DISCLOSURE — The Developer” and “— The Developer’s Compliance with Prior Undertakings,” “INFORMATION RELATING TO THE TRUSTEE,” “APPENDIX E-2” and “APPENDIX G.” If such notification shall be subsequent to the Closing (as defined herein), the City, at no expense to the Underwriter, shall furnish such legal opinions, certificates, instruments, and other documents as the Underwriter may reasonably deem necessary to evidence the truth and accuracy of such supplement or amendment to the Limited Offering Memorandum. The City shall provide any such amendment or supplement, or cause any such amendment or supplement to be provided, (i) in a “designated electronic format” consistent with the requirements of Rule G-32 and (ii) in a printed format in such quantity as the Underwriter shall reasonably

request in order for the Underwriter to comply with Section (b)(4) of Rule 15c2-12 and the rules of the MSRB.

e. Filing with MSRB. The Underwriter hereby agrees to timely file the Limited Offering Memorandum with the MSRB through its Electronic Municipal Market Access system within one (1) business day after receipt but no later than the Closing Date. Unless otherwise notified in writing by the Underwriter, the City can assume that the “end of the underwriting period” for purposes of Rule 15c2-12 is the Closing Date.

f. Limited Offering. The Underwriter hereby represents, warrants and covenants that the Bonds were initially sold pursuant to a limited offering. The Bonds were sold to not more than thirty-five (35) persons that qualify as “Accredited Investors” (as defined in Rule 501 of Regulation D under the Securities Act) or “Qualified Institutional Buyers” (as defined in Rule 144A under the Securities Act).

6. City Representations, Warranties and Covenants. The City represents, warrants and covenants that:

a. Due Organization, Existence and Authority. The City is a political subdivision of the State of Texas (the “State”), and has, and at the Closing Date will have, full legal right, power and authority:

(i) to enter into and perform its duties and obligations under:

(1) this Agreement;

(2) the Indenture;

(3) the “Cottonwood Creek Public Improvement District Financing and Reimbursement Agreement,” effective as of June 3, 2021 (the “Financing and Reimbursement Agreement”) executed and delivered by the City and Lennar Homes of Texas Land and Construction, Ltd., a Texas limited partnership (the “Developer”);

(4) the “Second Amended and Restated Development Agreement” dated as of September 16, 2021 (the “Development Agreement”), executed and delivered by the City and the Developer;

(5) the “Cottonwood Creek Public Improvement District Improvement Area #1 Landowner Agreement and Notice of Improvement Area #1 Assessments,” dated as of October 21, 2021 (the “Landowner Agreement”), executed and delivered by the City and the Developer; and

(6) the Continuing Disclosure Agreement of Issuer with respect to the Bonds, dated as of November 1, 2021 (the “Continuing Disclosure Agreement of Issuer”), executed and delivered by the City, P3Works, LLC, (the “PID Administrator”) and Wilmington Trust, National Association, as dissemination agent.

(ii) to issue, sell, and deliver the Bonds to the Underwriter as provided herein; and

(iii) to carry out and consummate the transactions on its part described in (1) the Authorizing Documents, (2) this Agreement, (3) the Financing and Reimbursement Agreement, (4) the Development Agreement, (5) the Landowner Agreement, (6) the Continuing Disclosure Agreement of Issuer, and (7) the Limited Offering Memorandum (the documents described by subclauses (1) through (7) being referred to collectively herein as the “City Documents”).

b. Due Authorization and Approval of City. By all necessary official action of the City, the City has duly authorized and approved the adoption or execution and delivery by the City of, and the performance by the City of the obligations on its part contained in, the City Documents and, as of the date hereof, such authorizations and approvals are in full force and effect and have not been amended, modified or rescinded, except as may have been approved by the Underwriter. When validly executed and delivered by the other parties thereto, the City Documents will constitute the legally valid and binding obligations of the City enforceable upon the City in accordance with their respective terms, except insofar as enforcement may be limited by principles of sovereign immunity, bankruptcy, insolvency, reorganization, moratorium, or similar laws or equitable principles relating to or affecting creditors’ rights generally. The City has complied, and will at the Closing be in compliance, in all material respects, with the obligations on its part to be performed on or prior to the Closing Date under the City Documents.

c. Due Authorization for Issuance of the Bonds. The City has duly authorized the issuance and sale of the Bonds pursuant to the Bond Ordinance, the Indenture, and the Act. The City has, and at the Closing will have, full legal right, power and authority (i) to enter into, execute, deliver, and perform its obligations under this Agreement and the other City Documents, (ii) to issue, sell and deliver the Bonds to the Underwriter pursuant to the Indenture, the Bond Ordinance, the Act, and as provided herein, and (iii) to carry out, give effect to and consummate the transactions on the part of the City described by the Bond Ordinance and the other City Documents.

d. No Breach or Default. As of the time of acceptance hereof, and to its knowledge, the City is not, and as of the Closing Date the City will not be, in breach of or in default in any material respect under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States, or any applicable judgment or decree or any trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument related to the Bonds and to which the City is a party or is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument which breach, default or event could have a material adverse effect on the City’s ability to perform its obligations under the Bonds or the City Documents; and, as of such times, the authorization, execution and delivery of the Bonds and the City Documents and compliance by the City with obligations on its part to be performed in each of such agreements or instruments does not and will not conflict with or

constitute a breach of or default under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States, or any applicable judgment, decree, license, permit, trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the City (or any of its officers in their respective capacities as such) is subject, or by which it or any of its properties are bound, nor will any such authorization, execution, delivery or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of its assets or properties or under the terms of any such law, regulation or instrument, except as may be permitted by the City Documents.

e. No Litigation. At the time of acceptance hereof there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body (collectively and individually, an “Action”) pending against the City with respect to which the City has been served with process, nor to the knowledge of the City is any Action threatened against the City, in which any such Action (i) in any way questions the existence of the City or the rights of the members of the City Council to hold their respective positions, (ii) in any way questions the formation or existence of the District, (iii) affects, contests or seeks to prohibit, restrain or enjoin the issuance or delivery of any of the Bonds, or the payment or collection of any amounts pledged or to be pledged to pay the principal of and interest on the Bonds, or in any way contests or affects the validity of the City Documents or the consummation of the transactions on the part of the City described therein, or contests the exclusion of the interest on the Bonds from federal income taxation, or (iv) which may result in any material adverse change in the financial condition of the City; and, as of the time of acceptance hereof, to the City’s knowledge, there is no basis for any action, suit, proceeding, inquiry, or investigation of the nature described in clauses (i) through (iv) of this sentence.

f. Bonds Issued Pursuant to Indenture. The City represents that the Bonds, when issued, executed, and delivered in accordance with the Indenture and sold to the Underwriter as provided herein, will be validly issued and outstanding obligations of the City subject to the terms of the Indenture, entitled to the benefits of the Indenture and the security of the pledge of the proceeds of the levy of the Assessments received by the City, all to the extent provided for in the Indenture. The Indenture creates a valid pledge of certain revenues and the monies in certain funds and accounts established pursuant to the Indenture to the extent provided for in the Indenture, including the investments thereof, subject in all cases to the provisions of the Indenture permitting the application thereof for the purposes and on the terms and conditions set forth therein.

g. Assessments. The Assessments constituting the security for the Bonds have been levied by the City in accordance with the Assessment Ordinance and the Act on those parcels of land identified in the Assessment Roll (as defined in the Service and Assessment Plan). According to the Act, such Assessments constitute a valid and legally binding first and prior lien against the properties assessed, superior to all other liens and claims, except liens or claims for state, county, school district, or municipality ad valorem taxes.

h. Consents and Approvals. All authorizations, approvals, licenses, permits, consents, elections, and orders of or filings with any governmental authority, legislative

body, board, agency, or commission having jurisdiction in the matters which are required by the Closing Date for the due authorization of, which would constitute a condition precedent to or the absence of which would adversely affect the due performance by the City of, its obligations in connection with the City Documents have been duly obtained or made and are in full force and effect, except the approval of the Bonds by the Attorney General of the State, registration of the Bonds by the Comptroller of Public Accounts of the State, and the approvals, consents and orders as may be required under Blue Sky or securities laws of any jurisdiction.

i. Public Debt. Prior to the Closing, the City will not offer or issue any bonds, notes or other obligations for borrowed money or incur any material liabilities, direct or contingent, payable from or secured by a pledge of the Assessments which secure the Bonds without the prior approval of the Underwriter.

j. Preliminary Limited Offering Memorandum. The information contained in the Preliminary Limited Offering Memorandum is true and correct in all material respects, and such information does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the City makes no representations with respect to the Non-City Disclosures.

k. Limited Offering Memorandum. At the time of the City's acceptance hereof and (unless the Limited Offering Memorandum is amended or supplemented pursuant to Section 5(d) of this Agreement) at all times subsequent thereto during the period up to and including the twenty-fifth (25th) day subsequent to the "end of the underwriting period," the information contained in the Limited Offering Memorandum does not and will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the City makes no representations with respect to the Non-City Disclosures; and further provided, however, that if the City notifies the Underwriter of any fact or event as required by Section 5(d) hereof, and the Underwriter determines that such fact or event does not require preparation and publication of a supplement or amendment to the Limited Offering Memorandum, then the Limited Offering Memorandum in its then-current form shall be conclusively deemed to be complete and correct in all material respects.

l. Supplements or Amendments to Limited Offering Memorandum. If the Limited Offering Memorandum is supplemented or amended pursuant to paragraph (d) of Section 5 of this Agreement, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such paragraph) at all times subsequent thereto during the period up to and including the twenty-fifth (25th) day subsequent to the "end of the underwriting period," the Limited Offering Memorandum as so supplemented or amended will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that if the City notifies the Underwriter of any fact or event as required by Section 5(d) hereof, and the Underwriter determines that such fact or event does not

require preparation and publication of a supplement or amendment to the Limited Offering Memorandum, then the Limited Offering Memorandum in its then-current form shall be conclusively deemed to be complete and correct in all material respects.

m. Compliance with Rule 15c2-12. During the past five (5) years, the City has complied in all material respects with its previous continuing disclosure undertakings made by it in accordance with Rule 15c2-12, except as described in the Limited Offering Memorandum.

n. Use of Bond Proceeds. The City will apply, or cause to be applied, the proceeds from the sale of the Bonds as provided in and subject to all of the terms and provisions of the Indenture and will not take or omit to take any action which action or omission will adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Bonds.

o. Blue Sky and Securities Laws and Regulations. The City will furnish such information and execute such instruments and take such action in cooperation with the Underwriter as the Underwriter may reasonably request, at no expense to the City, (i) to (y) qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions in the United States as the Underwriter may designate and (z) determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions and (ii) to continue such qualifications in effect so long as required for the initial distribution of the Bonds by the Underwriter (provided, however, that the City will not be required to qualify as a foreign corporation or to file any general or special consents to service of process under the laws of any jurisdiction) and will advise the Underwriter immediately of receipt by the City of any notification with respect to the suspension of the qualification of the Bonds for sale in any jurisdiction or the initiation or threat of any proceeding for that purpose.

p. Certificates of the City. Any certificate signed by any official of the City authorized to do so in connection with the transactions described in this Agreement shall be deemed a representation and/or warranty, as applicable in the legal context, by the City to the Underwriter as to the statements made therein and can be relied upon by the Underwriter as to the statements made therein.

q. Intentional Actions Regarding Representations and Warranties. The City covenants that between the date hereof and the Closing it will not intentionally take actions which will cause the representations and warranties made in this Section to be untrue as of the Closing.

r. Financial Advisor. The City has engaged Hilltop Securities Inc. as its financial advisor (the "Financial Advisor") in connection with its offering and issuance of the Bonds.

By delivering the Limited Offering Memorandum to the Underwriter, the City shall be deemed to have reaffirmed, with respect to the Limited Offering Memorandum, the representations, warranties and covenants set forth above.

7. Developer Letter of Representations. At the signing of this Agreement, the City and Underwriter shall receive from the Developer an executed Developer Letter of Representations (the “Developer Letter of Representations”) in the form of Appendix A hereto, and at the Closing, a certificate signed by the Developer as set forth in Section 10(e) hereof (the “Developer Closing Certificate”).

8. The Closing. At 10:00 a.m., Central time, on the Closing Date, or at such other time or on such earlier or later business day as shall have been mutually agreed upon by the City and the Underwriter, (i) the City will deliver or cause to be delivered to DTC through its “FAST” System, the Bonds in the form of one fully registered Bond for each maturity, registered in the name of Cede & Co., as nominee for DTC, duly executed by the City and authenticated by the Trustee as provided in the Indenture, and (ii) the City will deliver the closing documents hereinafter mentioned to McCall, Parkhurst & Horton L.L.P. (“Bond Counsel”), or a place to be mutually agreed upon by the City and the Underwriter. Settlement will be through the facilities of DTC. The Underwriter will accept delivery and pay the purchase price of the Bonds as set forth in Section 1 hereof by wire transfer in federal funds payable to the order of the City or its designee. These payments and deliveries, together with the delivery of the aforementioned documents, are herein called the “Closing.” The Bonds will be made available to the Underwriter or Underwriter’s Counsel (as defined herein) for inspection not less than twenty-four (24) hours prior to the Closing.

9. Underwriter’s Closing Conditions. The Underwriter has entered into this Agreement in reliance upon the representations and covenants herein and in the Developer Letter of Representations and the performance by the City of its obligations under this Agreement, both as of the date hereof and as of the Closing Date. Accordingly, the Underwriter’s obligations under this Agreement to purchase, accept delivery of, and pay for the Bonds shall be conditioned upon the performance by the City of its obligations to be performed hereunder at or prior to Closing and shall also be subject to the following additional conditions:

a. Bring-Down Representations of the City. The representations and covenants of the City contained in this Agreement shall be true and correct in all material respects as of the date hereof and at the time of the Closing, as if made on the Closing Date.

b. Executed Agreements and Performance Thereunder. At the time of the Closing (i) the City Documents shall be in full force and effect, and shall not have been amended, modified, or supplemented except with the written consent of the Underwriter; (ii) the Authorizing Documents shall be in full force and effect; (iii) there shall be in full force and effect such other resolutions or actions of the City as, in the opinion of Bond Counsel and Underwriter’s Counsel, shall be necessary on or prior to the Closing Date in connection with the transactions on the part of the City described in this Agreement and the City Documents; (iv) there shall be in full force and effect such other resolutions or actions of the Developer as, in the opinion of Metcalfe Wolff Stuart & Williams, LLP (“Developer’s Counsel”), shall be necessary on or prior to the Closing Date in connection with the transactions on the part of the Developer described in the Developer Letter of Representations, the Financing and Reimbursement Agreement, the Development Agreement, the Landowner Agreement, and the Continuing Disclosure Agreement of Developer with respect to the Bonds, dated as of November 1, 2021, executed and delivered by the Developer, P3Works, LLC, as PID Administrator, and Wilmington Trust, National

Association as dissemination agent (the “Continuing Disclosure Agreement of Developer” and, together with the Developer Letter of Representations, the Financing and Reimbursement Agreement, the Development Agreement, and the Landowner Agreement, the “Developer Documents”); and (v) the City shall perform or have performed its obligations required or specified in the City Documents to be performed at or prior to Closing.

c. No Default. At the time of the Closing, no default shall have occurred or be existing and no circumstances or occurrences that, with the passage of time or giving of notice, shall constitute an event of default under this Agreement, the Indenture, the City Documents, the Developer Documents or other documents relating to the financing and construction of the Improvement Area #1 Improvements and the Development (as defined in the Limited Offering Memorandum), and the Developer shall not be in default in the payment of principal or interest on any of its indebtedness which default shall materially adversely impact the ability of the Developer to pay the Assessments when due or complete the Improvement Area #1 Improvements.

d. Closing Documents. At or prior to the Closing, the Underwriter shall have received each of the documents required under Section 10 below.

e. Termination Events. The Underwriter shall have the right to cancel its obligation to purchase the Bonds and to terminate this Agreement without liability therefor by written notification to the City if, between the date of this Agreement and the Closing, in the Underwriter’s reasonable judgment, any of the following shall have occurred:

(i) the market price or marketability of the Bonds, or the ability of the Underwriter to enforce contracts for the sale of the Bonds, shall be materially adversely affected by the occurrence of any of the following:

(1) legislation shall have been introduced in or enacted by the Congress of the United States or adopted by either House thereof, or legislation pending in the Congress of the United States shall have been amended, or legislation shall have been recommended to the Congress of the United States or otherwise endorsed for passage (by press release, other form of notice, or otherwise) by the President of the United States, the Treasury Department of the United States, or the Internal Revenue Service or legislation shall have been proposed for consideration by either the U.S. Senate Committee on Finance or the U.S. House of Representatives Committee on Ways and Means or legislation shall have been favorably reported for passage to either House of the Congress of the United States by a Committee of such House to which such legislation has been referred for consideration, or a decision by a court of the United States or the Tax Court of the United States shall be rendered or a ruling, regulation, or official statement (final, temporary, or proposed) by or on behalf of the Treasury Department of the United States, the Internal Revenue Service, or other federal agency shall be made, which would result in federal taxation of revenues or other income of the general character expected to be derived by

the City or upon interest on securities of the general character of the Bonds or which would have the effect of changing, directly or indirectly, the federal income tax consequences of receipt of interest on securities of the general character of the Bonds in the hands of the holders thereof, and which in either case, makes it, in the reasonable judgment of the Underwriter, impracticable or inadvisable to proceed with the offer, sale, or delivery of the Bonds on the terms and in the manner described in the Limited Offering Memorandum; or

(2) legislation shall be enacted by the Congress of the United States, or a decision by a court of the United States shall be rendered, or a stop order, ruling, regulation or official statement by, or on behalf of, the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall be issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds, including all underlying obligations, as described herein or by the Limited Offering Memorandum, is in violation or would be in violation of, or that obligations of the general character of the Bonds, or the Bonds, are not exempt from registration under, any provision of the federal securities laws, including the Securities Act of 1933, as amended and as then in effect (the “Securities Act”), or that the Indenture need to be qualified under the Trust Indenture Act of 1939, as amended and as then in effect (the “Trust Indenture Act”); or

(3) a general suspension of trading in securities on the New York Stock Exchange, the establishment of minimum prices on such exchange, the establishment of material restrictions (not in force as of the date hereof) upon trading securities generally by any governmental authority or any national securities exchange, a general banking moratorium declared by federal, State of New York, or State officials authorized to do so; provided, however that such suspension in trading or any disruption in securities settlement, payment or clearance service is not in force on the date hereof; or

(4) there shall have occurred (whether or not foreseeable) (i) any outbreak of hostilities (including, without limitation, an act of terrorism) including, but not limited to, an escalation of hostilities that existed prior to the date hereof, (ii) national or international calamity or crisis, including, but not limited to, an escalation in the scope or magnitude of any pandemic or natural disaster, or (iii) material financial crisis or adverse change in the financial or economic conditions affecting the United States government or the securities markets in the United States, and the effect of any such event on the financial markets of the United States shall be such as would make it impracticable, in the reasonable judgment of the Underwriter, for it to sell the Bonds on the terms and in the manner described in the Limited Offering Memorandum; or

(5) there shall have occurred since the date of this Agreement any materially adverse change in the affairs or financial condition of the City, except as disclosed in or described in the Limited Offering Memorandum; or

(6) any state blue sky or securities commission or other governmental agency or body in any state in which more than ten percent (10%) of the Bonds have been offered and sold shall have withheld registration, exemption or clearance of the offering of the Bonds as described herein, or issued a stop order or similar ruling relating thereto; or

(7) any amendment to the federal or State Constitution or action by any federal or State court, legislative body, regulatory body, or other authority materially adversely affecting the tax status of the City, its property, income, securities (or interest thereon), or the validity or enforceability of the Assessments pledged to pay principal of and interest on the Bonds; or

(ii) the New York Stock Exchange or other national securities exchange or any governmental authority shall impose, as to the Bonds or as to obligations of the general character of the Bonds, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of, the Underwriter; or

(iii) any event occurring, or information becoming known which, in the reasonable judgment of the Underwriter, makes untrue in any material respect any statement or information contained in the Limited Offering Memorandum, or has the effect that the Limited Offering Memorandum contains any untrue statement of material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, which change shall occur subsequent to the date of this Agreement and shall not be due to the malfeasance, misfeasance or nonfeasance of the Underwriter; or

(iv) any fact or event shall exist or have existed that, in the Underwriter's reasonable judgment, requires or has required an amendment of or supplement to the Limited Offering Memorandum; or

(v) a general banking moratorium shall have been declared by federal or State authorities having jurisdiction and shall be in force; or

(vi) a material disruption in securities settlement, payment or clearance services shall have occurred; or

(vii) a decision by a court of the United States shall be rendered, or a stop order, release, regulation or no-action letter by or on behalf of the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall have been issued or made, to the effect that the issuance, offering

or sale of the Bonds, including the underlying obligations as described in this Agreement or in the Limited Offering Memorandum, or any document relating to the issuance, offering or sale of the Bonds, is or would be in violation of any provision of the federal securities laws on the Closing Date, including the Securities Act, the Securities Exchange Act of 1934 and the Trust Indenture Act; or

(viii) the purchase of and payment for the Bonds by the Underwriter, or the resale of the Bonds by the Underwriter, on the terms and conditions herein provided shall be prohibited by any applicable law, governmental authority, board, agency or commission, which prohibition shall occur subsequent to the date hereof and shall not be due to the malfeasance, misfeasance, or nonfeasance of the Underwriter.

With respect to the conditions described in subparagraphs (ii), (vii) and (viii) above, the Underwriter is not aware of any current, pending or proposed law or government inquiry or investigation as of the date of execution of this Agreement which would permit the Underwriter to invoke its termination rights hereunder.

10. Closing Documents. At or prior to the Closing, the Underwriter (or Underwriter's Counsel on behalf of the Underwriter) shall receive the following documents:

a. Bond Opinion. The approving opinion of Bond Counsel, dated the Closing Date and substantially in the form included as Appendix D to the Limited Offering Memorandum, together with a reliance letter from Bond Counsel, dated the Closing Date and addressed to the Underwriter, which may be included in the supplemental opinion required by Section 10(b) hereof, to the effect that the foregoing opinion may be relied upon by the Underwriter to the same extent as if such opinion were addressed to it.

b. Supplemental Opinion. A supplemental opinion of Bond Counsel dated the Closing Date and addressed to the City and the Underwriter, in form and substance acceptable to Underwriter's Counsel, to the following effect:

(i) Except to the extent noted therein, Bond Counsel has not verified and is not passing upon, and does not assume any responsibility for, the accuracy, completeness or fairness of the statements and information contained in the Preliminary Limited Offering Memorandum and in the Limited Offering Memorandum but that Bond Counsel has reviewed the statements and information appearing in the Preliminary Limited Offering Memorandum and in the Limited Offering Memorandum under the captions and subcaptions "PLAN OF FINANCE — The Bonds," "DESCRIPTION OF THE BONDS," "SECURITY FOR THE BONDS SIMILARLY SECURED," "ASSESSMENT PROCEDURES" (except for the subcaptions "Assessment Methodology" and "Assessment Amounts"), "THE DISTRICT," "TAX MATTERS," "LEGAL MATTERS — Legal Proceedings" (first paragraph only) and "— Legal Opinions" (except for the final paragraph thereof), "CONTINUING DISCLOSURE — The City," "REGISTRATION AND QUALIFICATION OF BONDS FOR SALE," "LEGAL INVESTMENTS AND ELIGIBILITY TO SECURE PUBLIC FUNDS IN TEXAS," and "APPENDIX B" and Bond Counsel is of the opinion that the information relating to the Bonds and

legal issues contained under such captions and subcaptions is an accurate and fair description of the laws and legal issues addressed therein and, with respect to the Bonds, such information conforms to the Bond Ordinance, the Assessment Ordinance, Service and Assessment Plan, and the Indenture;

(ii) The Bonds are not subject to the registration requirements of the Securities Act, and the Indenture is exempt from qualification pursuant to the Trust Indenture Act;

(iii) The City has or at the time of the adoption thereof had full power and authority to adopt the Creation Resolution, the Assessment Ordinance, the Service and Assessment Plan, and the Bond Ordinance (collectively, the foregoing documents are referred to herein as the “City Actions”) and perform its obligations thereunder and the City Actions have been duly adopted, are in full force and effect and have not been modified, amended or rescinded; and

(iv) The Indenture, the Financing and Reimbursement Agreement, the Development Agreement, the Continuing Disclosure Agreement of Issuer, and this Agreement have been duly authorized, executed and delivered by the City and, assuming the due authorization, execution and delivery of such instruments, documents, and agreements by the other parties thereto, constitute the legal, valid, and binding agreements of the City, enforceable in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency, or other laws affecting enforcement of creditors’ rights, or by the application of equitable principles if equitable remedies are sought and to the application of Texas law relating to governmental immunity applicable to governmental entities.

c. City Legal Opinion. An opinion of Bojorquez Law Firm, the attorney for the City, dated the Closing Date and addressed to the Underwriter, the City and the Trustee, with respect to matters relating to the City, substantially in the form of Appendix C hereto or in form otherwise agreed upon by the Underwriter.

d. Opinions of Developer’s Counsels. Opinions of (i) Developer’s Counsel, substantially in the form of Appendix D hereto, dated the Closing Date and addressed to the City, Bond Counsel, the attorney for the City, the Underwriter, and the Trustee.

e. Developer Closing Certificate. The Developer Closing Certificate dated as of the Closing Date, signed by authorized officers of the Developer in substantially the form of Appendix E hereto.

f. City Closing Certificate. A certificate of the City, dated the Closing Date, signed by an appropriate City official, to the effect that:

(i) the representations and warranties of the City contained herein and in the City Documents are true and correct in all material respects on and as of the Closing Date as if made on the date thereof;

(ii) the Authorizing Documents and City Documents are in full force and effect and have not been amended, modified, or supplemented;

(iii) except as disclosed in the Limited Offering Memorandum, no litigation or proceeding against the City is pending or, to the best of the knowledge of such person, threatened in any court or administrative body nor is there a basis for litigation which would (a) contest the right of the members or officials of the City to hold and exercise their respective positions, (b) contest the due organization and valid existence of the City or the establishment of the District, (c) contest the validity, due authorization and execution of the Bonds or the City Documents, or (d) attempt to limit, enjoin or otherwise restrict or prevent the City from levying and collecting the Assessments pledged to pay the principal of and interest on the Bonds, or the pledge thereof; and

(iv) the City has, to the best of such person's knowledge, complied with all agreements and covenants and satisfied all conditions set forth in the City Documents, on its part to be complied with or satisfied hereunder at or prior to the Closing.

g. Trustee's Counsel Opinion. An opinion, dated the Closing Date and addressed to the Underwriter, the City and Bond Counsel, in form and substance acceptable to Underwriter's Counsel, the City and Bond Counsel to the following effect:

(i) The Trustee is duly organized, validly existing and in good standing as a national banking association organized under the laws of the United States of America, with full corporate power and authority to conduct its business and affairs as Trustee;

(ii) The Trustee has full right, power, and authority to enter into the Indenture, to perform its obligations under, and to carry out and consummate all of the transactions involving the Trustee contemplated by, the Indenture;

(iii) The Indenture has been duly authorized, executed and delivered by the Trustee and is valid and enforceable against the Trustee in accordance with its terms; and

(iv) No consent, approval, authorization or other action by any governmental authority having jurisdiction over the Trustee that has not been obtained is or will be required for the authentication of the Bonds or the consummation by the Trustee of the other transactions contemplated to be performed by the Trustee in connection with the authentication of the Bonds and the acceptance and performance of the obligations created by the Indenture.

h. Trustee's Certificate. A customary authorization and incumbency certificate dated prior to the Closing Date, signed by authorized officers of the Trustee in form and substance acceptable to the Underwriter, Underwriter's Counsel and Bond Counsel.

i. Underwriter Counsel's Opinion. An opinion, dated the Closing Date and addressed to the Underwriter, of Norton Rose Fulbright US LLP ("Underwriter's Counsel"), to the effect that:

(i) The Bonds are not subject to the registration requirements of the Securities Act, and the Indenture is exempt from qualification pursuant to the Trust Indenture Act;

(ii) Such counsel is not passing upon and does not assume any responsibility for the accuracy, completeness or fairness of any of the statements contained in the Preliminary Limited Offering Memorandum or in the Limited Offering Memorandum and makes no representation that it has independently verified the accuracy, completeness or fairness of any such statements. In its capacity as counsel to the Underwriter, to assist the Underwriter in part of its responsibility with respect to the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum, such counsel has participated in conferences with representatives of the Underwriter, representatives of the City, and its counsel, McCall, Parkhurst & Horton L.L.P., as bond counsel, Hilltop Securities Inc., as financial advisor, the public improvement district administrator, the Developer, and its engineers and others, during which the contents of the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum and related matters were discussed. Based on such counsel's participation in the above-mentioned conferences (which, with respect to the Preliminary Limited Offering Memorandum, did not extend beyond October 21, 2021, and, with respect to the Limited Offering Memorandum, did not extend beyond its date), and in reliance thereon, on oral and written statements and representations of the City, the Developer and others and on the records, documents, certificates, opinions and matters herein mentioned, such counsel advises the Underwriter as a matter of fact and not opinion that, during the course of such counsel's representation of the Underwriter on this matter, (a) no facts had come to the attention of the attorneys in such counsel's firm rendering legal services to the Underwriter in connection with the Preliminary Limited Offering Memorandum which caused such counsel to believe, as of the date of the Preliminary Limited Offering Memorandum and as of October 21, 2021, based on the documents, drafts, and facts in existence and reviewed as of those dates, that the Preliminary Limited Offering Memorandum contained any untrue statement of a material fact or omitted to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading (except any information marked as preliminary or subject to change, any information permitted to be omitted by Securities and Exchange Commission Rule 15c2-12 or otherwise left blank and any other differences with the information in the Limited Offering Memorandum), and (b) no facts had come to the attention of the attorneys in such counsel's firm rendering legal service to the Underwriter in connection with the Limited Offering Memorandum which caused such counsel to believe that the Limited Offering Memorandum contained or contains any untrue statement of a material fact or omitted or omits to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that, such counsel expressly excludes from the scope

of this paragraph and expresses no view or opinion, with respect to both the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum, about any CUSIP numbers, financial, accounting, statistical or economic, engineering or demographic data or forecasts, numbers, charts, tables, graphs, estimates, projections, assumptions or expressions of opinion, any information about verification, feasibility, valuation, appraisals, absorption, real estate or environmental matters, relationship among the parties, Appendices, or any information about book-entry, DTC, Cede & Co., tax matters, included or referred to therein or omitted therefrom. No responsibility is undertaken or view expressed with respect to any other disclosure document, materials or activity, or as to any information from another document or source referred to by or incorporated by reference in the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum; and

(iii) The Continuing Disclosure Agreement of Issuer satisfies the requirements contained in Securities and Exchange Commission Rule 15c2-12(b)(5) for an undertaking for the benefit of the holders of the Bonds to provide the information at the times and in the manner required by said Rule; provided that, for purposes of this opinion, such counsel is not expressing any view regarding the content of the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum that is not expressly stated in numbered paragraph ii, above.

j. Limited Offering Memorandum. The Limited Offering Memorandum and each supplement or amendment, if any, thereto.

k. Delivery of City Documents and Developer Documents. The City Documents and Developer Documents shall have been executed and delivered in form and content satisfactory to the Underwriter.

l. Form 8038-G. Evidence that the federal tax information form 8038-G has been prepared by Bond Counsel for filing.

m. Federal Tax Certificate. A certificate of the City in form and substance satisfactory to Bond Counsel and Underwriter's Counsel setting forth the facts, estimates and circumstances in existence on the Closing Date, which establish that it is not expected that the proceeds of the Bonds will be used in a manner that would cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), and any applicable regulations (whether final, temporary or proposed), issued pursuant to the Code.

n. Attorney General Opinion and Comptroller Registration. The approving opinion of the Attorney General of the State regarding the Bonds and the Comptroller of the State's Certificate of Registration for the Initial Bond.

o. Continuing Disclosure Agreements. The Continuing Disclosure Agreement of Issuer and the Continuing Disclosure Agreement of Developer shall have been executed

by the parties thereto in substantially the forms attached to the Limited Offering Memorandum as Appendix E-1 and Appendix E-2.

p. Letter of Representation of the Appraiser. (i) Letter of Representation of the Appraiser, substantially in the form of Appendix F hereto, addressed to the City, Bond Counsel, the Underwriter, and the Trustee, or in form otherwise agreed upon by the Underwriter, and (ii) a copy of the real estate appraisal of the property in the District dated as of July 1, 2021.

q. Letter of Representation of PID Administrator. Letter of Representation of PID Administrator, substantially in the form of Appendix G hereto, addressed to the City, Bond Counsel, the Underwriter, and the Trustee, or in form otherwise agreed upon by the Underwriter.

r. Letter of Representation of Special Assessment Consultant. Letter of Representation of Special Assessment Consultant, substantially in the form of Appendix H hereto, addressed to the City, Bond Counsel, the Underwriter, and the Trustee, or in form otherwise agreed upon by the Underwriter.

s. Evidence of Filing of Creation Resolution and Assessment Ordinance. Evidence that (i) the Creation Resolution including a legal description of the District by metes and bounds and (ii) the Assessment Ordinance, including the legal description of the property within the District, the Assessment Roll and a statement indicating the contact for and address of where a copy of the Service and Assessment Plan, and any updates thereto may be obtained or viewed have been filed of record in the real property records of Williamson County, Texas.

t. Developer Organizational Documents. The Developer shall have delivered to the Underwriter and the City, (i) fully executed copies of the Developer's organizational documents, (ii) a Certificate of Status from the Texas Secretary of State for the Developer, and (iii) verification of franchise tax account status from the Texas Comptroller of Public Accounts for the Developer.

u. Rule 15c2-12 Certification. A resolution, ordinance or certificate whereby the City has deemed the Preliminary Limited Offering Memorandum final as of its date, except for permitted omissions, as contemplated by Rule 15c2-12 in connection with the offering of the Bonds, which certification may be included in the Bond Ordinance.

v. Dissemination Agent. Evidence acceptable to the Underwriter in its sole discretion that the City has engaged a dissemination agent acceptable to the Underwriter for the Bonds, with the execution of the Continuing Disclosure Agreement of Issuer and the Continuing Disclosure Agreement of Developer by other parties thereto being conclusive evidence of such acceptance by the Underwriter.

w. BLOR. A copy of the current Blanket Issuer Letter of Representation to DTC signed by the City.

x. Additional Documents. Such additional legal opinions, certificates, instruments, and other documents as the Underwriter or Underwriter's Counsel may reasonably deem necessary.

11. City's Closing Conditions. The obligation of the City hereunder to deliver the Bonds shall be subject to receipt on or before the Closing Date of the purchase price set forth in Section 1 hereof, the Attorney General Opinion, the opinion of Bond Counsel described in Section 10(a) hereof and all documents required to be delivered by the Developer.

12. Consequences of Termination. If the City shall be unable to satisfy the conditions contained in this Agreement or if the obligations of the Underwriter shall be terminated for any reason permitted by this Agreement, this Agreement shall terminate and the Underwriter and the City shall have no further obligation hereunder, except as further set forth in Sections 13, 15 and 16 hereof.

13. Costs and Expenses.

a. The Underwriter shall be under no obligation to pay, and the City shall cause to be paid from proceeds of the Bonds the following expenses incident to the issuance of the Bonds and performance of the City's obligations hereunder: (i) the costs of the preparation and printing of the Bonds; (ii) the cost of preparation, printing, and mailing of the Preliminary Limited Offering Memorandum, the final Limited Offering Memorandum and any supplements and amendments thereto; (iii) the fees and disbursements of the City's Financial Advisor, the Trustee's counsel, Bond Counsel, Developer's General Counsel, Developer's Special Counsel, and the Trustee relating to the issuance of the Bonds; (iv) the Attorney General's review fees; (v) the fees and disbursements of accountants, advisers and any other experts or consultants retained by the City or the Developer, including but not limited to the fees and expenses of the Appraiser and the PID Administrator; and (vi) the expenses incurred by or on behalf of City employees and representatives that are incidental to the issuance of the Bonds and the performance by the City of its obligations under this Agreement.

b. The Underwriter shall pay the following expenses: (i) all advertising expenses in connection with the limited offering of the Bonds; (ii) fees of Underwriter's Counsel; and (iii) all other expenses, including CUSIP fees (including out-of-pocket expenses and related regulatory expenses), incurred by it in connection with its public offering and distribution of the Bonds, except as noted in Subsection 13(a) above.

c. The City acknowledges that the Underwriter will pay from the Underwriter's expense allocation of the underwriting discount the applicable per bond assessment charged by the Municipal Advisory Council of Texas, a nonprofit corporation whose purpose is to collect, maintain and distribute information relating to issuing entities of municipal securities.

14. Notice. Any notice or other communication to be given to the City under this Agreement may be given by delivering the same in writing to: City of Hutto, 500 W. Live Oak St., Hutto, Texas 78634, Attention: City Manager.

Any notice or other communication to be given to the Underwriter under this Agreement may be given by delivering the same in writing to: FMSbonds, Inc., 5 Cowboys Way, Suite 300-25, Frisco, Texas 75034, Attention: Tripp Davenport, Director.

15. Entire Agreement. This Agreement is made solely for the benefit of the City and the Underwriter (including their respective successors and assigns), and no other person shall acquire or have any right hereunder or by virtue hereof. All of the City's representations, warranties, and agreements contained in this Agreement shall remain operative and in full force and effect regardless of: (i) any investigations made by or on behalf of the Underwriter, provided the City shall have no liability with respect to any matter of which the Underwriter has actual knowledge prior to the purchase of the Bonds; or (ii) delivery of any payment for the Bonds pursuant to this Agreement. The agreements contained in this Section and in Section 16 shall survive any termination of this Agreement.

16. Survival of Representations and Warranties. All representations and warranties of the parties made in, pursuant to or in connection with this Agreement shall survive the execution and delivery of this Agreement, notwithstanding any investigation by the parties. All statements contained in any certificate, instrument, or other writing delivered by a party to this Agreement or in connection with the transactions described in or by this Agreement constitute representations and warranties by such party under this Agreement to the extent such statement is set forth as a representation and warranty in the instrument in question.

17. Counterparts. This Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

18. Severability. In case any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof.

19. State Law and Venue. The validity, interpretation, and performance of this Agreement shall be governed by the laws of the State and venue shall lie in Williamson County, Texas.

20. No Assignment. The rights and obligations created by this Agreement shall not be subject to assignment by the Underwriter or the City without the prior written consent of the other party hereto.

21. No Personal Liability. None of the members of the City Council, nor any officer, representative, agent, or employee of the City, shall be charged personally by the Underwriter with any liability, or be held liable to the Underwriter under any term or provision of this Agreement, or because of execution or attempted execution, or because of any breach or attempted or alleged breach of this Agreement.

22. Anti-Boycott Verification. To the extent this Agreement constitutes a contract for goods or services for which a written verification is required under Section 2271.002, Texas Government Code, the Underwriter hereby verifies that it and its parent company, wholly- or

majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and will not boycott Israel during the term of this Agreement. The foregoing verification is made solely to enable the City to comply with such Section and to the extent such Section does not contravene applicable Federal law. As used in the foregoing verification, ‘boycott Israel’ means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. The Underwriter understands “affiliate” to mean any entity that controls, is controlled by, or is under common control with the Underwriter within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit.

23. Iran, Sudan and Foreign Terrorist Organizations. The Underwriter represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer’s internet website:

<https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf>,
<https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, or
<https://comptroller.texas.gov/purchasing/docs/fto-list.pdf>.

The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable State or Federal law and excludes the Underwriter and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Underwriter understands “affiliate” to mean any entity that controls, is controlled by, or is under common control with the Underwriter within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit.

24. Section 2274.002 as added by Senate Bill 13 (No Discrimination Against Fossil-Fuel Companies) Verification. To the extent this Agreement constitutes a contract for goods or services for which a written verification is required under Section 2274.002 (as added by Senate Bill 13 in the 87th Texas Legislature, Regular Session), Texas Government Code, as amended, the Underwriter hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies during the term of this Agreement. The foregoing verification is made solely to enable the City to comply with such Section and to the extent such Section does not contravene applicable Texas or federal law. As used in the foregoing verification, “boycott energy companies” shall mean, without an ordinary business purpose, refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with a company because the company (A) engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law; or (B) does business with a company described by (A) above. The Underwriter understands “affiliate” to mean any entity that controls, is controlled by, or is under common

control with the Underwriter within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit.

25. Section 2274.002 as added by Senate Bill 19 (No Discrimination Against Firearm Entities and Firearm Trade Associations) Verification. To the extent this Agreement constitutes a contract for goods or services for which a written verification is required under Section 2274.002 (as added by Senate Bill 19 in the 87th Texas Legislature, Regular Session), Texas Government Code, as amended, the Underwriter hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate during the term of this Agreement against a firearm entity or firearm trade association. The foregoing verification is made solely to enable the City to comply with such Section and to the extent such Section does not contravene applicable Texas or federal law. As used in the foregoing verification, ‘discriminate against a firearm entity or firearm trade association’ (A) means, with respect to the firearm entity or firearm trade association, to (i) refuse to engage in the trade of any goods or services with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, (ii) refrain from continuing an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, or (iii) terminate an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association and (B) does not include (i) the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories and (ii) a company’s refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship (aa) to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency or (bb) for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity’s or association’s status as a firearm entity or firearm trade association. As used in the foregoing verification, (b) ‘firearm entity’ means a manufacturer, distributor, wholesaler, supplier, or retailer of firearms (i.e., weapons that expel projectiles by the action of explosive or expanding gases), firearm accessories (i.e., devices specifically designed or adapted to enable an individual to wear, carry, store, or mount a firearm on the individual or on a conveyance and items used in conjunction with or mounted on a firearm that are not essential to the basic function of the firearm, including detachable firearm magazines), or ammunition (i.e., a loaded cartridge case, primer, bullet, or propellant powder with or without a projectile) or a sport shooting range (as defined by Section 250.001, Texas Local Government Code), and (c) ‘firearm trade association’ means a person, corporation, unincorporated association, federation, business league, or business organization that (i) is not organized or operated for profit (and none of the net earnings of which inures to the benefit of any private shareholder or individual), (ii) has two or more firearm entities as members, and (iii) is exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c) of that code. The Underwriter understands “affiliate” to mean any entity that controls, is controlled by, or is under common control with the Underwriter within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit.

26. Form 1295. Submitted herewith is a completed Form 1295 in connection with the Underwriter’s participation in the execution of this Agreement 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 Underwriter, and the City agrees to acknowledge such form with the TEC through its electronic filing application not later than the thirtieth (30th) day after the receipt of such form. The Underwriter and the City 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 Underwriter; and, neither the City nor its consultants have verified such information.

[Signature pages follow.]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the date first set forth above.

FMSbonds, Inc.,
as Underwriter

By
:

Name: Theodore A. Swinarski
Title: Senior Vice President – Trading

Accepted at _____ a.m./p.m. central time on the
date first stated above.

City of Hutto, Texas

By
:

Mike Snyder, Mayor

SCHEDULE I

\$ _____

CITY OF HUTTO, TEXAS

(a municipal corporation of the State of Texas located in Williamson County)

SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2021

(COTTONWOOD CREEK PUBLIC IMPROVEMENT DISTRICT IMPROVEMENT AREA #1
PROJECT)

Interest Accrues From: Closing Date

\$[_____] [_____] % Term Bonds, Due September 1, 20__ Priced to Yield [_____] % (a)(b)(c)(d)

\$[_____] [_____] % Term Bonds, Due September 1, 20__ Priced to Yield [_____] % (a)(b)(c)(d)

- (a) [The initial reoffering prices or yields of the Bonds have been determined in accordance with the 10% test.]
- (b) The Bonds maturing on or after September 1, 20__ are subject to redemption, in whole or in part, prior to stated maturity, at the option of the City, on any date on or after September 1, 20__, at the redemption price of 100% of the principal amount of such Bonds, or portion thereof, to be redeemed, plus accrued interest to date of redemption.
- (c) The Bonds are also subject to extraordinary optional redemption as described in the Limited Offering Memorandum under "DESCRIPTION OF THE BONDS — Redemption Provisions."
- (d) The Bonds maturing September 1, 20__, are also subject to mandatory sinking fund redemption on the dates and in the respective Sinking Fund Installment as set forth in the following schedule.

\$[_____] | Bonds Maturing September 1,

**Sinking Fund
Installment**

Redemption Date

September 1, 20__

\$[_____]

September 1, 20__

[_____]

September 1, 20__

[_____]

September 1, 20__ †

[_____]

† Stated Maturity

The Bonds maturing September 1, 20__, are also subject to mandatory sinking fund redemption on the dates and in the respective Sinking Fund Installment as set forth in the following schedule.

\$[_____] | Bonds Maturing September 1,

**Sinking Fund
Installment**

Redemption Date

September 1, 20__

\$[_____]

September 1, 20__

[_____]

September 1, 20__

[_____]

September 1, 20__ †

[_____]

† Stated Maturity

APPENDIX A

FORM OF DEVELOPER LETTER OF REPRESENTATIONS

§ _____
CITY OF HUTTO, TEXAS
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2021
(COTTONWOOD CREEK PUBLIC IMPROVEMENT DISTRICT IMPROVEMENT
AREA #1 PROJECT)

DEVELOPER LETTER OF REPRESENTATIONS

October 21, 2021

City of Hutto, Texas
500 W. Live Oak St.
Hutto, Texas 78634

FMSbonds, Inc.
5 Cowboys Way, Suite 300-25
Frisco, Texas 75034

Ladies and Gentlemen:

This letter is being delivered to the City of Hutto, Texas (the “City”) and FMSbonds, Inc. (the “Underwriter”), in consideration for your entering into the Bond Purchase Agreement dated the date hereof (the “Bond Purchase Agreement”) for the sale and purchase of the \$ _____ “City of Hutto, Texas Special Assessment Revenue Bonds, Series 2021 (Cottonwood Creek Public Improvement District Improvement Area #1 Project)” (the “Bonds”). Pursuant to the Bond Purchase Agreement, the Underwriter has agreed to purchase from the City, and the City has agreed to sell to the Underwriter the Bonds. In order to induce the City to enter into the Bond Purchase Agreement and as consideration for the execution, delivery, and sale of the Bonds by the City and the purchase of them by the Underwriter, the undersigned, Lennar Homes of Texas Land and Construction, Ltd., a Texas limited partnership (the “Developer”), makes the representations, warranties, and covenants contained in this Developer Letter of Representations. Unless the context clearly indicates otherwise, each capitalized term used in this Developer Letter of Representations will have the meaning set forth in the Bond Purchase Agreement.

1. Purchase and Sale of Bonds. Inasmuch as the purchase and sale of the Bonds represents a negotiated transaction, the Developer understands, and hereby confirms, that the Underwriter is not acting as a fiduciary of the Developer, but rather is acting solely in its capacity as Underwriter of the Bonds for its own account.

2. Updating of the Limited Offering Memorandum. If, after the date of this Developer Letter of Representations, up to and including the date the Underwriter is no longer required to provide a Limited Offering Memorandum to potential customers who request the same pursuant to Rule 15c2-12 (the earlier of (i) ninety (90) days from the “end of the underwriting period” (as defined in Rule 15c2-12) and (ii) the time when the Limited Offering Memorandum is available to any person from the MSRB, but in no case less than twenty-five (25) days after the “end of the underwriting period” for the Bonds), the Developer becomes aware of any fact or event which might or would cause the Limited Offering Memorandum, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, or if it is necessary to amend or supplement the Limited Offering Memorandum to comply with law, the Developer will notify the Underwriter promptly (and for the purposes of this clause provide the Underwriter with such information as it may from time to time request); however, that for the purposes of this Developer Letter of Representations and any certificate delivered by the Developer in accordance with the Bond Purchase Agreement, the Developer makes no representations with respect to the information appearing in the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum except for the information set forth in all of the maps included therein and under the captions and subcaptions “PLAN OF FINANCE — Development Plan” and “— Developer as Homebuilder,” “THE IMPROVEMENT AREA #1 PROJECTS,” “THE DEVELOPMENT,” “THE DEVELOPER,” and “THE LANDOWNER” and, to the Developer’s knowledge after due inquiry, under the captions “BONDHOLDERS’ RISKS” (only as it pertains to the Developer, the Improvement Area #1 Projects and the Development, as defined in the Limited Offering Memorandum), “LEGAL MATTERS — Litigation – The Developer,” “CONTINUING DISCLOSURE — The Developer” and “ — The Developer’s Compliance with Prior Undertakings,” “SOURCES OF INFORMATION — Source of Certain Information,” “APPENDIX E-2” and “APPENDIX G” (collectively, the “Developer Disclosures”) in accordance with subsection 4(f) herein.

3. Developer Documents. The Developer has executed and delivered each of the below listed documents (individually, a “Developer Document” and collectively, the “Developer Documents”) in the capacity provided for in each such Developer Document, and each such Developer Document constitutes a valid and binding obligation of the Developer, enforceable against the Developer in accordance with its terms:

- a. this Developer Letter of Representations;
- b. the “Cottonwood Creek Public Improvement District Financing and Reimbursement Agreement,” effective as of June 3, 2021 (the “Financing and Reimbursement Agreement”) executed and delivered by the City and the Developer;
- c. the “Second Amended and Restated Development Agreement” dated as of September 16, 2021 (the “Development Agreement”), executed and delivered by the City and the Developer;
- d. the “Cottonwood Creek Public Improvement District Improvement Area #1 Landowner Agreement and Notice of Improvement Area #1 Assessments,” dated as of

October 21, 2021 (the “Landowner Agreement”), executed and delivered by the City and the Developer; and

e. the Continuing Disclosure Agreement of Developer with respect to the Bonds, dated as of November 1, 2021 (the “Continuing Disclosure Agreement of Developer”), executed and delivered by the Developer, P3Works, LLC, as PID Administrator, and Wilmington Trust, National Association, as dissemination agent.

The Developer has complied in all material respects with all of the Developer’s agreements and covenants and satisfied all conditions required to be complied with or satisfied by the Developer under the Developer Documents on or prior to the date hereof.

The representations and warranties of the Developer contained in the Developer Documents are true and correct in all material respects on and as of the date hereof.

4. Developer Representations, Warranties and Covenants. The Developer represents, warrants, and covenants to the City and the Underwriter that:

a. Due Organization and Existence. The Developer is duly formed and validly existing as a limited partnership under the laws of the State of Texas.

b. Organizational Documents. The copies of the organizational documents of the Developer provided by the Developer (the “Developer Organizational Documents”) to the City and the Underwriter are fully executed, true, correct, and complete copies of such documents and such documents have not been amended or supplemented since delivery to the City and the Underwriter and are in full force and effect as of the date hereof.

c. No Breach. The execution and delivery of the Developer Documents by Developer does not violate any judgment, order, writ, injunction or decree binding on Developer or any indenture, agreement, or other instrument to which the Developer is a party.

d. No Litigation. Other than as described in the Preliminary Limited Offering Memorandum and in the Limited Offering Memorandum, there are no proceedings pending or threatened in writing before any court or administrative agency against the Developer that are either not covered by insurance or which singularly or collectively would have a material, adverse effect on the ability of the Developer to perform its obligations under the Developer Documents in all material respects or that would reasonably be expected to prevent or prohibit the development of the District in accordance with the description thereof in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum.

e. Information. The information prepared and submitted by the Developer to the City or the Underwriter in connection with the preparation of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum was, and is, as of this date, true and correct in all material respects.

f. Preliminary Limited Offering Memorandum and Limited Offering Memorandum. The Developer represents and warrants that the information set forth in the Developer Disclosures in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum is true and correct and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. The Developer agrees to provide a certificate dated the Closing Date affirming, as of such date, the representations contained in this subsection (f) with respect to the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum.

g. Events of Default. To the Developer's knowledge, no "Event of Default" or "event of default" by the Developer under any of the Developer Documents or under any material documents relating to the financing and construction of the Improvement Area #1 Improvements to which the Developer is a party, or event that, with the passage of time or the giving of notice or both, would constitute such "Event of Default" or "event of default" by the Developer, has occurred and is continuing.

5. Indemnification.

a. The Developer will indemnify and hold harmless the City and the Underwriter and each of their officers, directors, employees and agents against any losses, claims, damages or liabilities to which any of them may become subject, under the Securities Act of 1933 or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained or incorporated by reference in the Developer Disclosures in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum, or any amendment or supplement to the Limited Offering Memorandum amending or supplementing the information contained under the aforementioned captions (as qualified above), or arise out of or are based upon the omission, untrue statement or alleged untrue statement or omission to state therein a material fact necessary to make the statements under the aforementioned captions (as qualified above) not misleading under the circumstances under which they were made and will reimburse any indemnified party for any reasonable legal or other expenses reasonably incurred by them in connection with investigating or defending any such action or claim as such expenses are incurred.

b. Promptly after receipt by an indemnified party under subsection (a) above of notice of the commencement of any action, such indemnified party shall, if a claim in respect thereof is to be made against the indemnifying party under such subsection, notify the indemnifying party in writing of the commencement thereof; but the omission so to notify the indemnifying party shall not relieve the indemnifying party from any liability which it may have to the indemnified party otherwise than under such subsection, unless such indemnifying party was prejudiced by such delay or lack of notice. In case any such action shall be brought against an indemnified party, it shall promptly notify the indemnifying party of the commencement thereof, the indemnifying party shall be entitled to participate therein and, to the extent that it shall wish, to assume the defense thereof, with counsel reasonably satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnifying party), and, after

notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party shall not be liable to such indemnified party under such subsection for any legal expenses of other counsel or any other expenses, in each case subsequently incurred by such indemnified party, in connection with the defense thereof other than reasonable costs of investigation. The indemnifying party shall not be liable for any settlement of any such action effected without its consent, but if settled with the consent of the indemnifying party or if there is a final judgment for the plaintiff in any such action, the indemnifying party will indemnify and hold harmless any indemnified party from and against any loss or liability by reason of such settlement or judgment. The indemnity herein shall survive delivery of the Bonds and shall survive any investigation made by or on behalf of the City, the Developer or the Underwriter.

6. Survival of Representations, Warranties and Covenants. All representations, warranties, and agreements in this Developer Letter of Representations will survive regardless of (a) any investigation or any statement in respect thereof made by or on behalf of the Underwriter, (b) delivery of any payment by the Underwriter for the Bonds hereunder, and (c) any termination of the Bond Purchase Agreement.

7. Binding on Successors and Assigns. This Developer Letter of Representations will be binding upon the Developer and its successors and assigns and inure solely to the benefit of the Underwriter and the City, and no other person or firm or entity will acquire or have any right under or by virtue of this Developer Letter of Representations.

[Signature page follows.]

**Lennar Homes of Texas Land and
Construction, Ltd.**
a Texas limited partnership

By: Lennar Texas Holding Company
a Texas corporation
Its: General Partner

By: _____
Name: _____
Title: _____

APPENDIX B

\$ _____
CITY OF HUTTO, TEXAS
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2021
(COTTONWOOD CREEK PUBLIC IMPROVEMENT DISTRICT IMPROVEMENT
AREA #1 PROJECT)

ISSUE PRICE CERTIFICATE

The undersigned, as the duly authorized representative of FMSbonds, Inc. (“Purchaser”), with respect to the City of Hutto, Texas Special Assessment Revenue Bonds, Series 2021 (Cottonwood Creek Public Improvement District Improvement Area #1 Project) issued by the City of Hutto, Texas (“Issuer”) in the principal amount of \$ _____ (“Bonds”), hereby certifies, based on its records and information, as follows:

(a) The first price at which at least ten percent (“Substantial Amount”) of the principal amount of each maturity of the Bonds having the same credit and payment terms (a “Maturity”) was sold to a person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter (the “Public”) is set forth in the final Official Statement relating to the Bonds.

A copy of the pricing wire or equivalent communication for the Bonds is attached to this Certificate as Schedule A.

For purposes of this Issue Price Certificate, the term “Underwriter” means (1) (i) a person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, or (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (1)(i) of this paragraph (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public) to participate in the initial sale of the Bonds to the Public, and (2) any person who has more than 50% common ownership, directly or indirectly, with a person described in clause (1) of this paragraph.

[Remainder of this page intentionally left blank.]

The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Federal Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by McCall, Parkhurst & Horton L.L.P. in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds. Notwithstanding anything set forth herein, the Purchaser is not engaged in the practice of law and makes no representation as to the legal sufficiency of the factual matters set forth herein.

FMSbonds, Inc.,
as Underwriter

By: _____
—

Name: Theodore A. Swinarski
Title: Senior Vice President - Trading

Dated: _____

SCHEDULE A

PRICING WIRE OR EQUIVALENT COMMUNICATION

(Attached)

APPENDIX C

[LETTERHEAD OF BOJORQUEZ LAW FIRM]

November __, 2021

FMSbonds, Inc.
5 Cowboys Way, Suite 300-25
Frisco, Texas 75034

Wilmington Trust, National Association
15950 North Dallas Parkway, Suite 550
Dallas, Texas 75248

City of Hutto, Texas
500 W. Live Oak St.
Hutto, Texas 78634

\$ _____
CITY OF HUTTO, TEXAS
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2021
(COTTONWOOD CREEK PUBLIC IMPROVEMENT DISTRICT IMPROVEMENT AREA #1
PROJECT)

Ladies and Gentlemen:

We are the Attorney for the City of Hutto, Texas (the “City”) for limited purposes, and are rendering this opinion in connection with the issuance and sale of \$ _____ “City of Hutto, Texas Special Assessment Revenue Bonds, Series 2021 (Cottonwood Creek Public Improvement District Improvement Area #1 Project)” (the “Bonds”), by the City, a political subdivision of the State of Texas.

The Bonds are authorized pursuant to Ordinance No. O-2021-__ and enacted by the City Council of the City (the “City Council”) on October 21, 2021 (the “Bond Ordinance”) and shall be issued pursuant to the provisions of Subchapter A of the Public Improvement District Assessment Act, Chapter 372, Texas Local Government Code, as amended (the “Act”) and the Indenture of Trust dated as of October 1, 2021 (the “Indenture”) by and between the City and Wilmington Trust, National Association, as trustee (the “Trustee”). Capitalized terms not defined herein shall have the same meanings as in the Indenture, unless otherwise stated herein.

In connection with rendering this opinion, we have reviewed the:

- (a) The Resolution No. R-2021-029 (the “Creation Resolution”) enacted by the City Council on April 1, 2021;
- (b) The Ordinance No. O-2021-032 accepted and approved by City Council on June 3, 2021 (the “Assessment Ordinance”), and the Service and Assessment Plan attached as an exhibit thereto;

- (c) The Bond Ordinance;
- (d) The Indenture;
- (e) the “Cottonwood Creek Public Improvement District Financing and Reimbursement Agreement,” effective as of June 3, 2021 (the “Financing and Reimbursement Agreement”) executed and delivered by the City and Lennar Homes of Texas Land and Construction, Ltd., a Texas limited partnership (the “Developer”);
- (f) the “Second Amended and Restated Development Agreement” dated as of September 16, 2021 (the “Development Agreement”), executed and delivered by the City and the Developer;
- (g) the “Cottonwood Creek Public Improvement District Improvement Area #1 Landowner Agreement and Notice of Improvement Area #1 Assessments,” dated as of October 21, 2021 (the “Landowner Agreement”), executed and delivered by the City and the Developer; and
- (h) The Continuing Disclosure Agreement of the Issuer with respect to the Bonds, dated as of November 1, 2021 (the “Continuing Disclosure Agreement of Issuer”), executed and delivered by the City, P3Works, LLC as PID Administrator and Wilmington Trust, National Association (the “Continuing Disclosure Agreement of Issuer”).

The Creation Resolution, the Assessment Ordinance, the Indenture and the Bond Ordinance shall herein after be referred to as the “Authorizing Documents” and the remaining documents shall herein after be collectively referred to as the “City Documents.”

In all such examinations, we have assumed that all signatures on documents and instruments executed by the City are genuine and that all documents submitted to me as copies conform to the originals. In addition, for purposes of this opinion, we have assumed the due authorization, execution and delivery of the City Documents by all parties other than the City.

Based upon and subject to the foregoing and the additional qualifications and assumptions set forth herein, we are of the opinion that:

1. The City is a Texas political subdivision and has all necessary power and authority to enter into and perform its obligations under the Authorizing Documents and the City Documents. The City has taken or obtained all actions, approvals, consents and authorizations required of it by applicable laws in connection with the execution of the Authorizing Documents and the City Documents and the performance of its obligations thereunder.

2. To the best of our knowledge, there is no action, suit, proceeding, inquiry or investigation at law or in equity, before or by any court, public board or body, pending, or threatened against the City: (a) affecting the existence of the City or the titles of its officers to their respective offices, (b) in any way questioning the formation or existence of the District, (c) affecting, contesting or seeking to prohibit, restrain or enjoin the delivery of any of the Bonds, or

the payment, collection or application of any amounts pledged or to be pledged to pay the principal of and interest on the Bonds, including the Assessments in the District pursuant to the provisions of the Assessment Ordinance, the Bond Ordinance and the Service and Assessment Plan referenced therein, (d) contesting or affecting the validity or enforceability or the City's performance of the City Documents, (e) contesting the exclusion of the interest on the Bonds from federal income taxation, or (f) which may result in any material adverse change relating to the financial condition of the City.

3. The Authorizing Documents were duly enacted by the City and remain in full force and effect on the date hereof.

4. The City Documents have been duly authorized, executed and delivered by the City and remain legal, valid and binding obligations of the City enforceable against the City in accordance with their terms. However, the enforceability of the obligations of the City under such City Documents may be limited or otherwise affected by (a) bankruptcy, insolvency, reorganization, moratorium and other laws affecting the rights of creditors generally, (b) principles of equity, whether considered at law or in equity, and (c) the application of Texas law relating to action by future councils and relating to governmental immunity applicable to governmental entities.

5. The performance by the City of the obligations under the Authorizing Documents and the City Documents will not violate any provision of any federal or Texas constitutional or statutory provision.

6. No further consent, approval, authorization, or order of any court or governmental agency or body or official is required to be obtained by the City as a condition precedent to the performance by the City of its obligations under the Authorizing Documents and the City Documents.

7. The City has duly authorized and delivered the Preliminary Limited Offering Memorandum.

8. Based upon our limited participation in the preparation of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum (collectively, the "Limited Offering Memorandum"), the statements and information contained in the Limited Offering Memorandum with respect to the City under the captions and subcaptions "ASSESSMENT PROCEDURES," "THE CITY," "THE DISTRICT," "LEGAL MATTERS — Litigation — The City," "CONTINUING DISCLOSURE — The City" and " — The City Compliance with Prior Undertakings" and "APPENDIX A" is a fair and accurate summary of the law and the documents and facts summarized therein.

9. The adoption of the Authorizing Documents and the execution and delivery of the City Documents and the compliance with the provisions of the Authorizing Documents and the City Documents under the circumstances contemplated thereby, to the best of our knowledge: (a) do not and will not in any material respect conflict with or constitute on the part of the City a breach of or default under any agreement to which the City is a party or by which it is bound, and (b) do not and will not in any material respect conflict with or constitute on the part of the City a

violation, breach of or default under any existing law, regulation, court order or consent decree to which the City is subject.

This opinion may not be relied upon by any other person except those specifically addressed in this letter.

Very truly yours,

ATTORNEY FOR THE CITY

APPENDIX D

[LETTERHEAD OF DEVELOPER'S COUNSEL]

November __, 2021

City of Hutto, Texas
500 W. Live Oak St.
Hutto, Texas 78634

FMSbonds, Inc.
5 Cowboys Way, Suite 300-25
Frisco, Texas 75034

Wilmington Trust, National Association
15950 North Dallas Parkway, Suite 550
Dallas, Texas 75248

McCall, Parkhurst & Horton L.L.P.
600 Congress Ave, Suite 2150
Austin, TX 78701

Bojorquez Law Firm
12325 Hymeadow Dr,
Austin, TX 78750

\$ _____
CITY OF HUTTO, TEXAS
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2021
(COTTONWOOD CREEK PUBLIC IMPROVEMENT DISTRICT IMPROVEMENT
AREA #1 PROJECT)

Ladies and Gentlemen:

We have acted as special counsel to Lennar Homes of Texas Land and Construction, Ltd., a Texas limited partnership (the "*Developer*") in connection with the issuance and sale by the City of Hutto, Texas (the "*Issuer*"), of \$ _____ City of Hutto, Texas Special Assessment Revenue Bonds, Series 2021 (Cottonwood Creek Public Improvement District Improvement Area #1 Project) (the "*Bonds*"), pursuant to the Indenture of Trust dated as of October 1, 2021 (the "*Indenture*"), by and between the Issuer and Wilmington Trust, National Association, as trustee (the "*Trustee*"). Proceeds from the sale of the Bonds will be used, in part, to fund certain public infrastructure improvements in the development known as "Cottonwood Creek" (the "*Development*") located in the City of Hutto, Texas.

The Bonds are being sold to FMSbonds, Inc. (the "*Underwriter*"), pursuant to that certain Bond Purchase Agreement dated October 21, 2021 (the "*Bond Purchase Agreement*"), between the Issuer and the Underwriter. This opinion is being delivered pursuant to Section 10(d) of the Bond Purchase Agreement.

All capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Bond Purchase Agreement.

In our capacity as special counsel to the Developer, and for purposes of rendering the opinions set forth herein, we have examined originals or copies, certified or otherwise identified to our satisfaction, of:

(a) The following documents (collectively, the “*Material Documents*”):

(1) the “Cottonwood Creek Public Improvement District Financing and Reimbursement Agreement,” effective as of June 3, 2021 (the “*Financing and Reimbursement Agreement*”), executed and delivered by the City and the Developer;

(2) Continuing Disclosure Agreement of the Developer, dated as of October 21, 2021; by and between Developer, P3Works, LLC, as PID Administrator, and Wilmington Trust, National Association, as dissemination agent;

(3) the “Second Amended and Restated Development Agreement” dated as of September 16, 2021 (the “*Development Agreement*”), executed and delivered by the City and the Developer;

(4) the “Cottonwood Creek Public Improvement District Improvement Area #1 Landowner Agreement and Notice of Improvement Area #1 Assessments,” dated as of October 21, 2021 (the “*Landowner Agreement*”), executed and delivered by the City and the Developer;

(5) The Bond Purchase Agreement; and

(6) The Developer Letter of Representations dated October 21, 2021.

(b) The General Certificate and Closing Certificate of Developer, dated as of the date hereof (the “*Closing Certificate of Developer*”);

(c) The Preliminary Limited Offering Memorandum, dated October 12, 2021 relating to the issuance of the Bonds (the “*Preliminary Limited Offering Memorandum*”);

(d) The final Limited Offering Memorandum, dated October 21, 2021, relating to the issuance of the Bonds (collectively with the Preliminary Limited Offering Memorandum, the “*Limited Offering Memorandum*”); and

(e) Such other documents, records, agreements and certificates of the Developer as we have deemed necessary or appropriate to enable us to render the opinions expressed below.

In basing the opinions and other matters set forth herein on “our knowledge,” the words “our knowledge” signify that, in the course of our representation of the Developer, the principal attorneys in this firm involved in the current actual transaction do not have actual knowledge or actual notice that any such opinions or other matters are not accurate or that any of the documents, certificates, reports, and information on which we have relied are not accurate and complete. Except as otherwise stated herein, we have undertaken no independent investigation or certification of such matters. The words “our knowledge” and similar language used herein are intended to be limited to the knowledge of the attorneys within our firm who have worked on the matters contemplated by our representation as special counsel.

In rendering the opinions set forth herein, we have assumed, without independent investigation (other than the Developer): (i) the due authorization, execution, and delivery of each of the documents referred to in this opinion letter by all parties thereto (other than the Developer) and that each such document constitutes a valid, binding, and enforceable obligation of each party thereto (other than the Developer), (ii) that all of the parties (other than the Developer) to the documents referred to in this opinion letter are duly organized, validly existing, in good standing and have the requisite power, authority (corporate, limited liability company, partnership or other) and legal right to execute, deliver, and perform its obligations under such documents (except to the extent set forth in our opinions set forth herein regarding valid existence and power and authority of the Developer to execute, deliver, and perform its obligations under the Material Documents), (iii) that each certificate from governmental officials reviewed by us is accurate, complete, and authentic, and all official public records are accurate and complete, (iv) the legal capacity of all natural persons, (v) the genuineness of all signatures (other than those of the Developer in respect of the Material Documents), (vi) the authenticity and accuracy of all documents submitted to us as originals, (vii) the conformity to original documents of all documents submitted to us as photostatic or certified copies, (viii) that no laws or judicial, administrative, or other action of any governmental authority of any jurisdiction not expressly opined to herein would adversely affect the opinions set forth herein, and (ix) that the execution and delivery by each party (other than the Developer) of, and performance of its agreements in, the Material Documents do not breach or result in a default under any existing obligation of such party under any agreements, contracts, or instruments to which such party is a party to or otherwise subject to or any order, writ, injunction or decree of any court applicable to such party.

In addition, we have assumed that the Material Documents accurately reflect the complete understanding of the parties with respect to the transactions contemplated thereby and the rights and obligations of the parties thereunder. We have also assumed that the terms and conditions of the transaction as reflected in the Material Documents have not been amended, modified or supplemented, directly or indirectly, by any other agreement or understanding of the parties or waiver of any of the material provisions of the Material Documents.

We assume that none of the parties to the Material Documents (other than the Developer) is a party to any court or regulatory proceeding relating to or otherwise affecting the Material Documents or is subject to any order, writ, injunction or decree of any court or federal, state or local governmental agency or commission that would prohibit the execution and delivery of the Material Documents, or the consummation of the transactions therein contemplated in the manner therein provided, or impair the validity or enforceability thereof. We assume that each of the parties to the Material Documents (other than the Developer) has full authority to close this transaction in accordance with the terms and provisions of the Material Documents.

We assume that neither the Underwriter nor the Issuer nor their respective counsel has any current actual knowledge of any facts not known to us or any law or judicial decision which would make the opinions set forth herein incorrect, and that no party upon whom we have relied for purposes of this opinion letter has perpetrated a fraud.

We have only been engaged by our clients in connection with the Material Documents (and the transactions contemplated in the Material Documents) and do not represent these clients generally.

Opinions and Assurances

Based solely upon the foregoing, and subject to the assumptions and limitations set forth herein, we are of the opinion that:

1. The Developer is (i) a limited liability company, (ii) qualified to do business in the State of Texas and (iii) in good standing under the laws of the State of Texas.

2. The Developer has the full legal right, power, and authority to execute, deliver, and perform its obligations, as applicable, under each of the Material Documents to which it is a party and has taken all necessary actions to authorize the execution, distribution, and delivery by the Developer of such Material Documents and the performance by the Developer of such obligations.

3. The execution and delivery by the Developer of the Material Documents and the performance by the Developer of its obligations under the Material Documents will not (i) violate any applicable law; (ii) conflict with or result in the breach of any court decree or order of any governmental body identified in the Closing Certificate of Developer or otherwise actually known to the lawyers who have provided substantive attention to the representation reflected in this opinion binding upon or affecting the Developer, the conflict with which or breach of which would have a material, adverse effect on the ability of the Developer to perform its obligations under the Material Documents to which it is a party; or (iii) constitute a violation of its limited partnership agreement or certificate of formation.

4. No governmental approval which has not been obtained or taken is required to be obtained or taken by the Developer on or before the date hereof as a condition to (a) the execution and delivery by the Developer of the Material Documents to which it is a party, or (b) the performance by the Developer of its obligations under the Material Documents to which it is a party, except for governmental approvals that may be required to comply with certain covenants contained in the Material Documents (including, without limitation, covenants to comply with applicable laws).

5. The Developer has duly executed and delivered each of the Material Documents to which it is a party, and each of the Material Documents constitutes the legal, valid, and binding obligation of the Developer, enforceable against the Developer in accordance with its respective terms, subject to the following qualifications: (i) the effect of applicable bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the rights of creditors generally, (ii) the effect of the exercise of judicial discretion in accordance with general principles of equity (whether applied by a court of law or of equity), and (iii) the effect that enforceability of the indemnification provisions therein may be limited, in whole or in part.

6. There are no actions, suits, or proceedings pending or, to our knowledge after reasonable inquiry, threatened against the Developer identified in the Closing Certificate of

Developer or otherwise actually known to the lawyers who have provided substantive attention to the representation reflected in this opinion in any court of law or equity, or before or by any governmental instrumentality with respect to (i) its organization or existence or qualification to do business in the State of Texas; (ii) its authority to execute or deliver the Material Documents to which it is a party; (iii) the validity or enforceability against it of such Documents or the transactions contemplated thereby; (iv) the titles of its officers executing the Material Documents; (v) the execution and delivery of the Material Documents on behalf of the Developer; or (vi) the operations or financial condition of the Developer that would materially adversely affect those operations or the financial condition of the Developer; or (vii) the acquisition and construction of the property and improvements identified in the Limited Offering Memorandum the cost of which is to be funded or reimbursed, in whole or in part, by proceeds of the Bonds.

7. To our knowledge, no taxes or other charges, including, without limitation, intangible or documentary stamp taxes, mortgage or recording taxes, transfer taxes or similar charges, are payable to the State of Texas by the Developer on account of its execution or delivery of any of the Material Documents or the creation of the indebtedness evidenced or secured by any of the Material Documents or the recording or filing of any of the Material Documents, except for normal filing or recording fees.

8. To our knowledge, the execution and delivery of the Material Documents do not, and the transactions described therein may be consummated and the terms and conditions thereof may be observed and performed in a manner that does not, conflict with or constitute a breach of or default under any loan agreement, trust agreement, bond note, resolution, agreement, or other instrument to which the Developer is a party or is otherwise subject and which have been identified in the Closing Certificate of Developer which violation, breach or default would materially adversely affect the Developer or its performance of its obligations under the transactions described in the Material Documents; nor will any such execution, delivery, adoption, fulfillment, or compliance result in the creation or imposition of any lien, charge, or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the Developer, except as expressly described in the Material Documents (a) under applicable law, or (b) under any such loan agreement, indenture, bond note, resolution, agreement, or other instrument.

9. The information set forth in the Limited Offering Memorandum under the captions "PLAN OF FINANCE — Development Plan," and "— Developer as Homebuilder," "LIMITATIONS APPLICABLE TO INITIAL PURCHASERS," "BOOK-ENTRY ONLY SYSTEM," "THE IMPROVEMENT AREA #1 PROJECTS," "THE DEVELOPMENT," "THE DEVELOPER," and "CONTINUING DISCLOSURE — The Developer" and "— The Developer's Compliance with Prior Undertakings", insofar as such statements constitute matters of law, summaries solely of legal matters, provisions of the Developer's certificate of formation or agreement of limited partnership or legal proceedings fairly summarize those matters of law, legal matters, provisions of the Developer's certificate of formation, agreement of limited partnership or legal proceedings in all material respects.

In addition, based upon our participation at conferences with representatives of the City and its counsel, and with representatives of the Developer at which the Preliminary Limited

Offering Memorandum, the Limited Offering Memorandum and related matters were discussed, and although we have not independently verified the information in the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum and are not passing upon and do not assume any responsibility for the accuracy, completeness or fairness of the statements contained in the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum and any amendment or supplement thereto, no facts have come to our attention that lead us to believe that the information set forth under the captions referenced in the preceding paragraph with respect to the Preliminary Limited Offering Memorandum, as of the date of the Preliminary Limited Offering Memorandum and as of October 21, 2021, and with respect to the Limited Offering Memorandum, as of the date of the Limited Offering Memorandum and the date hereof, contained or contains any untrue statement of a material fact, or omitted or omits to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

Qualifications

In addition to any assumptions, qualifications and other matters set forth elsewhere herein, the opinions set forth above are subject to the following assumptions and qualifications:

(a) We have not examined any court dockets, agency files, or other public records regarding the entry of any judgments, writs, decrees or orders or the pendency of any actions, proceedings, investigations, or litigation.

(b) We have relied upon the Closing Certificate of Developer, as well as the representations of the Developer contained in the Material Documents, with respect to certain facts material to our opinion. Except as otherwise specifically indicated herein, we have made no independent investigation regarding any of the foregoing documents or the representations contained therein.

(c) Our opinion delivered pursuant to Section 3 above is subject to the effect of any applicable bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium or other laws affecting creditors' rights generally and to the effect of general principles of equity, including (without limitation) remedies of specific performance and injunctive relief and concepts of materiality, reasonableness, good faith and fair dealing (regardless of whether considered in a proceeding in equity or at law).

(d) Except for the Material Documents, we have not reviewed, and express no opinion as to, any other contracts or agreements to which the Developer is a party or by which the Developer is or may be bound.

(e) The opinions expressed herein are based upon and limited to the applicable laws of the State of Texas and the laws of the United States of America, excluding the principles of conflicts of laws thereof, as in effect as of the date hereof, and our knowledge of the facts relevant to such opinions on such date. In this regard, we note that we are members of the Bar of the State of Texas, we do not express any opinion herein as to matters governed by the laws of any other jurisdiction, except the United States of America, we do not purport to be experts in any other laws and we can accept no responsibility for the applicability or effect of any such laws. In addition, we assume no obligation to supplement the opinions expressed herein if any applicable laws

change after the date hereof, or if we become aware of any facts or circumstances that affect the opinions expressed herein.

(f) This letter is strictly limited to the matters expressly set forth herein and no statements or opinions should be inferred beyond such matters.

(g) Notwithstanding anything contained herein to the contrary, we express no opinion whatsoever concerning the status of title to any real or personal property.

(h) The opinions expressed herein regarding the enforceability of the Material Documents are subject to the qualification that certain of the remedial, waiver or other provisions thereof may not be enforceable; but such unenforceability will not, in our judgment, render the Material Documents invalid as a whole or substantially interfere with the practical realization of the principal legal benefits provided in the Material Documents, except to the extent of any economic consequences of any procedural delays which may result therefrom.

(i) The opinion expressed herein as to the enforceability of the Material Documents is specifically subject to the qualification that enforceability of the Material Documents is limited by the following: (i) the rights of the United States under the Federal Tax Lien Act of 1966, as amended; (ii) principles of equity, public policy and unconscionability which may limit the availability of certain remedies; (iii) bankruptcy, insolvency, reorganization, fraudulent conveyance, liquidation, probate, conservatorship and other laws applicable to creditors' rights or the collection of debtors' obligations generally; and (iv) requirements of due process under the United States Constitution, the Constitution of the State of Texas and other laws or court decisions limiting the rights of creditors to repossess, foreclose or otherwise realize upon the property of a debtor without appropriate notice or hearing or both.

(j) We express no opinion as to whether a court would grant specific performance or any other equitable remedy with respect to the enforcement of the Material Documents.

(k) We express no opinion as to the validity, binding effect, or enforceability of: (i) provisions which purport to waive rights or notices, including rights to trial by jury, counterclaims or defenses, jurisdiction or venue; (ii) provisions relating to consent judgments, waivers of defenses or the benefits of statutes of limitations, marshaling of assets, the transferability of any assets which by their nature are nontransferable, sales in inverse order of alienation, or severance; (iii) provisions purporting to waive the benefits of present or of future laws relating to exemptions, appraisal, valuation, stay of execution, redemption, extension of time for payment, setoff and similar debtor protection laws; or (iv) provisions requiring a party to pay fees and expenses regardless of the circumstances giving rise to such fees or expenses or the reasonableness thereof.

(l) The opinions expressed herein are subject to the effect of generally applicable rules of law that provide that forum selection clauses in contracts are not necessarily binding on the court(s) in the forum selected.

(m) We express no opinion as to the enforceability of any provisions in the Material Documents purporting to entitle a party to indemnification in respect of any matters arising in whole or in part by reason of any negligent, illegal or wrongful act or omission of such party.

This opinion is furnished to those parties addressed in this letter solely in connection with the transactions, for the purposes and on the terms described above and may not be relied upon for any other purpose or by any other person in any manner or for any purpose.

Subject to the above qualifications and based upon our participation in the preparation of the Limited Offering Memorandum and our participation at conferences with representatives of the Issuer and its counsel, and with representatives of the Developer at which the Limited Offering Memorandum and related matters were discussed, and although we have not independently verified the information in the Limited Offering Memorandum and are not passing upon and do not assume any responsibility for the accuracy, completeness or fairness of the statements contained in the Limited Offering Memorandum and any amendment or supplement thereto, no facts have come to our attention that lead us to believe that the information set forth under the captions referenced in the preceding paragraph 9 as of the date of the Limited Offering Memorandum and the date hereof, contained or contains any untrue statement of a material fact, or omitted or omits to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

Sincerely,

Metcalfe Wolff Stuart & Williams, LLP

APPENDIX E

CLOSING CERTIFICATE OF DEVELOPER

Lennar Homes of Texas Land and Construction, Ltd., a Texas limited partnership (the “Developer”), DOES HEREBY CERTIFY the following as of the date hereof. All capitalized terms not otherwise defined herein shall have the meaning given to such term in the Limited Offering Memorandum.

1. The Developer is a limited liability company organized, validly existing and in good standing under the laws of the State of Delaware.

2. Representatives of the Developer have provided information to the City of Hutto, Texas (the “City”) and FMSbonds, Inc. (the “Underwriter”) to be used in connection with the offering by the City of its \$_____ principal amount of Special Assessment Revenue Bonds, Series 2021 (Cottonwood Creek Public Improvement District Improvement Area #1 Project) (the “Bonds”), pursuant to the Preliminary Limited Offering Memorandum, dated October 12, 2021 (the “Preliminary Limited Offering Memorandum”), and Limited Offering Memorandum dated October 21, 2021 (the “Limited Offering Memorandum”).

3. The Developer has delivered to the Underwriter and the City true, correct, complete and fully executed copies of the Developer’s organizational documents, and such documents have not been amended or supplemented since delivery to the Underwriter and the City and are in full force and effect as of the date hereof.

4. The Developer has delivered to the Underwriter and the City a (i) Certificate of Status from the Texas Secretary of State and (ii) verification of franchise tax account status from the Texas Comptroller of Public Accounts for the Developer.

5. The Developer has executed and delivered each of the below listed documents (individually, a “Developer Document” and collectively, the “Developer Documents”) in the capacity provided for in each such Developer Document, and each such Developer Document constitutes a valid and binding obligation of the Developer, enforceable against the Developer in accordance with its terms:

(a) the Developer Letter of Representations dated October 21, 2021;

(b) the “Cottonwood Creek Public Improvement District Financing and Reimbursement Agreement,” effective as of June 3, 2021 (the “Financing and Reimbursement Agreement”) executed and delivered by the City and the Developer;

(c) the “Second Amended and Restated Development Agreement” dated as of September 16, 2021 (the “Development Agreement”), executed and delivered by the City and the Developer;

(d) the “Cottonwood Creek Public Improvement District Improvement Area #1 Landowner Agreement and Notice of Improvement Area #1 Assessments,” dated as of October 21, 2021 (the “Landowner Agreement”), executed and delivered by the City and the Developer; and

(e) the Continuing Disclosure Agreement of Developer with respect to the Bonds, dated as of November 1, 2021 (the “Continuing Disclosure Agreement of Developer”), executed and delivered by the Developer, P3Works, LLC, as PID Administrator, and Wilmington Trust, National Association, as dissemination agent.

6. The Developer has complied in all material respects with all of the Developer’s agreements and covenants and satisfied all conditions required to be complied with or satisfied by the Developer under the Developer Documents on or prior to the date hereof.

7. The representations and warranties of the Developer contained in the Developer Documents are true and correct in all material respects on and as of the date hereof.

8. The execution and delivery of the Developer Documents by the Developer does not violate any judgment, order, writ, injunction or decree binding on the Developer or any indenture, agreement, or other instrument to which the Developer is a party. There are no proceedings pending or threatened in writing before any court or administrative agency against the Developer that is either not covered by insurance or which singularly or collectively would have a material, adverse effect on the ability of the Developer to perform its obligations under the Developer Documents in all material respects or that would reasonably be expected to prevent or prohibit the development of the District in accordance with the description thereof in the Limited Offering Memorandum.

9. The Developer has reviewed and approved the information contained in the Preliminary Limited Offering Memorandum in all of the maps included therein and under the captions and subcaptions “PLAN OF FINANCE — Development Plan” and “— Developer as Homebuilder,” “THE IMPROVEMENT AREA #1 PROJECTS,” “THE DEVELOPMENT,” “THE DEVELOPER,” and “THE LANDOWNER” and, to the Developer’s knowledge after due inquiry, under the captions “BONDHOLDERS’ RISKS” (only as it pertains to the Developer, the Improvement Area #1 Projects and the Development, as defined in the Limited Offering Memorandum), “LEGAL MATTERS — Litigation – The Developer,” “CONTINUING DISCLOSURE — The Developer” and “ — The Developer’s Compliance with Prior Undertakings,” “SOURCES OF INFORMATION — Source of Certain Information,” “APPENDIX E-2” and “APPENDIX G” (collectively, the “Developer Disclosures”) and certifies that the same does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they are made, not misleading, as of the date of the Preliminary Limited Offering Memorandum and as of the date of the Limited Offering Memorandum; provided, however, that the foregoing certification is not a certification as to the accuracy, completeness or fairness of any of the other statements contained in the Preliminary Limited Offering Memorandum.

10. The Developer has reviewed and approved the information contained in the Developer Disclosures in the Limited Offering Memorandum and certifies that the same does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they are made, not misleading, as of the date of the Limited Offering Memorandum and as of the date hereof; provided, however, that the foregoing certification is not a certification as to the accuracy, completeness or fairness of any of the other statements contained in the Limited Offering Memorandum.

11. To the Developer's knowledge, the Developer is in compliance in all material respects with all provisions of applicable law relating to the Developer in connection with the Development. Except as otherwise described in the Limited Offering Memorandum: (a) to the Developer's knowledge, there is no default of any zoning condition, land use permit or development agreement binding upon the Developer or any portion of the Development that would materially and adversely affect the Developer's ability to complete or cause to be completed the development of the property within the District as described in the Limited Offering Memorandum; and (b) the Developer has no reason to believe that any additional permits, consents and licenses required to complete the development of the property within the District as and in the manner described in the Limited Offering Memorandum will not be reasonably obtainable in due course.

12. The Developer is not insolvent and has not made an assignment for the benefit of creditors, filed or consented to a petition in bankruptcy, petitioned or applied (or consented to any third party petition or application) to any tribunal for the appointment of a custodian, receiver or any trustee or commenced any proceeding under any bankruptcy, reorganization, arrangement, readjustment of debt, dissolution or liquidation law or statute of any jurisdiction.

13. The levy of the Assessments on property in the District owned by the Developer will not conflict with or constitute a breach of or default under any agreement, mortgage, deed of trust, indenture or other instrument to which the Developer is a party or to which the Developer or any of its property or assets is subject.

14. The Developer is not in default under any mortgage, trust indenture, lease or other instrument to which it or any of its assets is subject, which default would have a material and adverse effect on the Bonds or the Developer's ability to perform its obligations under the Developer Documents.

15. The Developer has no knowledge of any physical condition of the Development owned or to be developed by the Developer that currently requires, or currently is reasonably expected to require in the process of development investigation or remediation under any applicable federal, state or local governmental laws or regulations relating to the environment in any material and adverse respect.

[SIGNATURE PAGE FOLLOWS.]

Dated: November 18, 2021

DEVELOPER:

**Lennar Homes of Texas Land and
Construction, Ltd.**
a Texas limited partnership

By: Lennar Texas Holding Company
a Texas corporation
Its: General Partner

By: _____
Name: _____
Title: _____

APPENDIX F

[LETTERHEAD OF AEGIS GROUP, INC.]

_____, 2021

City of Hutto, Texas
500 W. Live Oak St.
Hutto, Texas 78634

FMSbonds, Inc.
5 Cowboys Way, Suite 300-25
Frisco, Texas 75034

McCall, Parkhurst & Horton L.L.P.
600 Congress Ave, Suite 2150
Austin, TX 78701

Wilmington Trust, National Association
15950 North Dallas Parkway, Suite 550
Dallas, Texas 75248

Re: City of Hutto, Texas Special Assessment Revenue Bonds, Series 2021
(Cottonwood Creek Public Improvement District Improvement Area #1 Project)
(the “Bonds”)

Ladies and Gentlemen:

The undersigned, _____, representative of Aegis Group, Inc. (“Aegis Group”), the appraiser of the undeveloped property contained in Cottonwood Creek Public Improvement District (the “District”), does hereby represent the following:

1. Aegis Group has supplied certain information contained in the Preliminary Limited Offering Memorandum for the Bonds, dated October 12, 2021 and the Limited Offering Memorandum for the Bonds, dated October 21, 2021 (together, the “Limited Offering Memorandum”), relating to the issuance of the Bonds by the City of Hutto, Texas, as described above. The information Aegis Group provided for the Limited Offering Memorandum is the real estate appraisal of the property in the District (the “Appraisal”), located in APPENDIX G to the Limited Offering Memorandum, and the description thereof, set forth under the caption “APPRAISAL OF PROPERTY WITHIN IMPROVEMENT AREA #1 — The Appraisal.”

2. To the best of my professional knowledge and belief, as of the date of the Appraisal, the portion of the Limited Offering Memorandum described above does not contain an untrue statement of a material fact as to the information and data set forth therein, and does not omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

3. Aegis Group agrees to the inclusion of the Appraisal in the Limited Offering Memorandum and the use of its name in the Limited Offering Memorandum for the Bonds.

4. Aegis Group agrees that, to the best of its ability, it will inform you immediately should it learn of any event(s) or information of which you are not aware subsequent to the date of this letter and prior to the actual time of delivery of the Bonds (anticipated to occur on or about November 18, 2021) which would render any such information in the Limited Offering

Memorandum untrue, incomplete, or incorrect, in a material fact or render any statement in the appraisal materially misleading.

5. The undersigned hereby represents that he or she has been duly authorized to execute this letter of representations.

Sincerely yours,

Aegis Group, Inc.

By: _____
Its: _____

APPENDIX G

[LETTERHEAD OF P3WORKS, LLC]

_____, 2021

City of Hutto, Texas
500 W. Live Oak St.
Hutto, Texas 78634

FMSbonds, Inc.
5 Cowboy Way, Suite 300-25
Frisco, Texas 75034

McCall, Parkhurst & Horton L.L.P.
600 Congress Ave, Suite 2150
Austin, TX 78701

Wilmington Trust, National Association
15950 North Dallas Parkway, Suite 550
Dallas, Texas 75248

Re: City of Hutto, Texas Special Assessment Revenue Bonds, Series 2021
(Cottonwood Creek Public Improvement District Improvement Area #1 Project)
(the “Bonds”)

Ladies and Gentlemen:

The undersigned, _____, representative of P3Works, LLC (“P3Works”), consultant in connection with the creation by the City of Hutto, Texas (the “City”), of Cottonwood Creek Public Improvement District (the “District”), does hereby represent the following:

1. P3Works has supplied certain information contained in the Preliminary Limited Offering Memorandum for the Bonds, dated October 12, 2021, and the final Limited Offering Memorandum for the Bonds, dated October 21, 2021 (together, the “Limited Offering Memorandum”), relating to the issuance of the Bonds by the City, as described above. The information P3Works provided for the Limited Offering Memorandum is located (a) under the captions “ASSESSMENT PROCEDURES” and “PID ADMINISTRATOR” and (b) in the Service and Assessment Plan (the “SAP”) for the City located in APPENDIX C to the Limited Offering Memorandum.

2. At the request of the City, P3Works has prepared the SAP and acknowledges and agrees that the SAP will be included in the Limited Offering Memorandum for the Bonds.

3. To the best of my professional knowledge and belief, the portions of the Limited Offering Memorandum described in paragraph 1 above do not contain an untrue statement of a material fact as to the information and data set forth therein, and does not omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

4. P3Works agrees to the use of its name in the Limited Offering Memorandum for the Bonds.

5. P3Works agrees that, to the best of its ability, it will inform you immediately should it learn of any event(s) or information of which you are not aware subsequent to the date of this

letter and prior to the actual time of delivery of the Bonds (anticipated to occur on or about November 18, 2021) which would render any such information in the Limited Offering Memorandum untrue, incomplete, or incorrect, in a material fact or render any such information materially misleading.

6. The undersigned hereby represents that he or she has been duly authorized to execute this letter of representation.

Sincerely yours,

P3Works, LLC

By

:

Its: _____

APPENDIX H

[LETTERHEAD OF DEVELOPMENT PLANNING & FINANCING GROUP, INC.]

_____, 2021

City of Hutto, Texas
500 W. Live Oak St.
Hutto, Texas 78634

FMSbonds, Inc.
5 Cowboy Way, Suite 300-25
Frisco, Texas 75034

McCall, Parkhurst & Horton L.L.P.
600 Congress Ave, Suite 2150
Austin, TX 78701

Wilmington Trust, National Association
15950 North Dallas Parkway, Suite 550
Dallas, Texas 75248

Re: City of Hutto, Texas Special Assessment Revenue Bonds, Series 2021
(Cottonwood Creek Public Improvement District Improvement Area #1 Project)
(the “Bonds”)

Ladies and Gentlemen:

The undersigned, _____, representative of Development Planning & Financing Group, Inc. (“DPFG”), consultant in connection with the creation by the City of Hutto, Texas (the “City”), of Cottonwood Creek Public Improvement District (the “District”), does hereby represent the following:

1. DPFG has supplied certain information contained in the Preliminary Limited Offering Memorandum for the Bonds, dated October 12, 2021, and the final Limited Offering Memorandum for the Bonds, dated October 21, 2021 (together, the “Limited Offering Memorandum”), relating to the issuance of the Bonds by the City, as described above. The information DPFG provided for the Limited Offering Memorandum is located (a) under the captions “ASSESSMENT PROCEDURES” and “THE SPECIAL ASSESSMENT CONSULTANT” and (b) in the Service and Assessment Plan (the “SAP”) for the City located in APPENDIX C to the Limited Offering Memorandum.

2. To the best of my professional knowledge and belief, the portions of the Limited Offering Memorandum described in paragraph 1 above do not contain an untrue statement of a material fact as to the information and data set forth therein, and does not omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

3. DPFG agrees to the use of its name in the Limited Offering Memorandum for the Bonds.

4. DPFG agrees that, to the best of its ability, it will inform you immediately should it learn of any event(s) or information of which you are not aware subsequent to the date of this letter and prior to the actual time of delivery of the Bonds (anticipated to occur on or about November 18, 2021) which would render any such information in the Limited Offering

Memorandum untrue, incomplete, or incorrect, in a material fact or render any such information materially misleading.

6. The undersigned hereby represents that he or she has been duly authorized to execute this letter of representation.

Sincerely yours,

**Development Planning & Financing Group,
Inc.**

By

:

Its:

COTTONWOOD CREEK PUBLIC IMPROVEMENT DISTRICT

CONSENTING PARTY LANDOWNER AGREEMENT

between

THE CITY OF HUTTO, TEXAS

and

HUTTO 372, LTD.

Dated to be effective as of:

June 3, 2021

**CONSENTING PARTY LANDOWNER AGREEMENT
(Cottonwood Creek Public Improvement District)**

This **CONSENTING PARTY LANDOWNER AGREEMENT** (the “**Agreement**”) is entered into among the CITY OF HUTTO, TEXAS, a home-rule municipal corporation of the State of Texas (the “**City**”), and Hutto 372, Ltd., a Texas limited partnership (the “**Landowner**”) (individually a “**Party**” or collectively the “**Parties**”). Upon execution by all the Parties, this Agreement shall be effective on June 3, 2021 (“**Effective Date**”).

RECITALS

WHEREAS, the Landowner, along with Lennar Homes of Texas Land and Construction, Ltd.(“**Lennar**”), own approximately 370.312 acres of land located in Hutto, Williamson County, Texas which is more particularly described in “**Exhibit A**” attached hereto (the “**Land**”); and

WHEREAS, Lennar owns all the land within the hereinafter defined Improvement Area #1 containing approximately 186.341 as shown on “**Exhibit A**” attached hereto; and

WHEREAS, the Landowner owns all the land within the hereinafter defined Improvement Area #2 and Improvement Area #3, totaling approximately 183.971 acres as is shown on “**Exhibit A**” attached hereto; and

WHEREAS, on April 1, 2021, the City Council of the City (the “**City Council**”) passed and approved Resolution No. R-2021-029 authorizing the creation of the Cottonwood Creek Public Improvement District (the “**District**”) pursuant to Chapter 372 of the Texas Local Government Code (the “**PID Act**”), with the boundaries of such District being coterminous with the boundaries of the Land; and

WHEREAS, development of the District is anticipated to progress in phases, with the District being divided, for development planning purposes, into three (3) distinct improvement areas consisting of “**Improvement Area #1**”, “**Improvement Area #2**”, and “**Improvement Area #3**” (each an “**Improvement Area**”), with the boundaries of such Improvement Areas being reflected in “**Exhibit A-1**”; and

WHEREAS, Lennar and the City entered into that certain Cottonwood Creek Public Improvement District Financing and Reimbursement Agreement on even date herewith (as such agreement may be amended from time to time as provided therein, the “**PID Financing Agreement**”), to which the Landowner is a consenting party to, relating to, among other matters, the construction of the Improvement Area #1 “**Authorized Improvements**” as defined therein, the levy of assessments on property within the Improvement Area #1, the reimbursement of the Lennar for the costs of the Improvement Area #1 Authorized Improvements and the issuance of Improvement Area #1 revenue bonds secured by such assessments (“**PID Bonds**”);

WHEREAS, certain of the Improvement Area #1 Authorized Improvements will confer benefit only to property within Improvement Area #1 (the “**Improvement Area #1 Improvements**”); and

WHEREAS, on even date herewith, the City Council passed and approved Ordinance No. _____ (the “**Assessment Ordinance**”) that, among other things, approved the Service and Assessment Plan that identified the amount of certain assessments on parcels within Improvement Area #1 corresponding to the benefit thereon attributable to one or more of the Improvement Area #1 Improvements (the “**Improvement Area #1 Assessments**”), and established the dates upon which interest on Improvement Area #1 Assessments will begin to accrue and upon which collection of Improvement Area #1 Assessments will begin; and

WHEREAS, the Parties desire to memorialize the formation of the District in connection with the levy of the Improvement Area #1 Assessments; and

WHEREAS, the City is not considering the levy of any assessments on Improvement Area #2 or Improvement Area #3 at this time, and for so long as Landowner owns land within any Improvement Area, the City shall not levy any assessments on an Improvement Area in which Landowner owns any land without Landowner’s prior written consent.

NOW THEREFORE, for and in consideration of the mutual promises, covenants, obligations, and benefits hereinafter set forth, the Parties agree as follows:

ARTICLE I **APPROVAL OF AGREEMENTS**

The matters set forth in the recitals of this Agreement are true and correct and are incorporated in this Agreement as official findings of the City Council.

ARTICLE II **AGREEMENT OF LANDOWNER**

A. Landowner ratifies, confirms, accepts, agrees to, and approves:

- (i) the creation of the District and the boundaries of the District; and
- (ii) the boundaries of the Improvement Areas reflecting Exhibit A-1.

B. Landowner consents, acknowledges, accepts, and agrees:

(i) that the Landowner has received all notices required by State law (including, but not limited to the PID Act) in connection with the creation of the District on March 8, 2021 including the notice required pursuant to Section 372.009 of the PID Act, and to the extent there was any irregularity, omission, or other issue regarding such notices, the Landowner hereby waives any such irregularity, omission, or other issue regarding such notices;

(ii) the Assessment Ordinance and Service and Assessment Plan address assessments and services in Improvement Area #1, which is entirely owned by Lennar; and

(iii) that this Agreement may be recorded in the Official Public Records of Williamson County.

C. Landowner hereby waives:

(i) any and all defects, irregularities, illegalities or deficiencies in the proceedings creating and establishing the District and defining the Improvement Areas; and,

(ii) any and all notices and time periods provided by the PID Act including, but not limited to, notice of the establishment of the District; and

(iii) any right to receive notice of the assessments levied on Improvement Area #1.

ARTICLE IV SPECIAL COVENANTS AND WARRANTIES OF LANDOWNER

A. Landowner represents and warrants to the City as follows:

(i) Landowner is duly organized, validly existing and, as applicable, in good standing under the laws of the state of its organization and has the full right, power and authority to enter into this Agreement, and to perform all the obligations required to be performed by Landowner hereunder.

(ii) This Agreement has been duly and validly executed and delivered by, and on behalf of, Landowner and, assuming the due authorization, execution and delivery thereof by and on behalf of the City and the Landowner constitutes a valid, binding and enforceable obligation of such party enforceable in accordance with its terms. This representation and warranty is qualified to the extent the enforceability of this Agreement may be limited by applicable bankruptcy, insolvency, moratorium, reorganization or other similar laws of general application affecting the rights of creditors in general.

(iii) Neither the execution and delivery hereof, nor the taking of any actions contemplated hereby, will conflict with or result in a breach of any of the provisions of, or constitute a default, event of default or event creating a right of acceleration, termination or cancellation of any obligation under, any instrument, note, mortgage, contract, judgment, order, award, decree or other agreement or restriction to which Landowner is a party, or by which Landowner or Landowner's Assessed Parcel is otherwise bound.

(iv) Landowner is the sole owner of land within Improvement Area #2 and Improvement Area #3 and does not own any land within Improvement Area #1.

B. Landowner covenants and agrees to execute any and all documents necessary, appropriate or incidental to the purposes of this Agreement, as long as such documents are

consistent with this Agreement and do not create additional liability of any type to, or reduce the rights of, such Landowner by virtue of execution thereof.

C. Landowner hereby agrees that Landowner shall not have any rights or remedies against the City with respect to the formation of the District.

ARTICLE V

AGREEMENT OF THE CITY

A. The City covenants and agrees the City will not levy any assessments on an Improvement Area in which Landowner owns any land without Landowner's prior written consent.

ARTICLE VI **MISCELLANEOUS**

A. Notices. Any notice or other communication (a "**Notice**") required or contemplated by this Agreement shall be given at the addresses set forth below. Notices shall be in writing and shall be deemed given: (i) five business days after being deposited in the United States Mail, Registered or Certified Mail, Return Receipt Requested; or (ii) when delivered by a nationally recognized private delivery service (e.g., FedEx or UPS) with evidence of delivery signed by any person at the delivery address. Each Party may change its address by written notice to the other Parties in accordance with this section.

If to Landowner:

Hutto 372, Ltd.
Attn: John Lewis
3839 Bee Cave Road, Suite 205
Austin, Texas 78746

With a copy to:
Austin Bay, Inc.
Attn: Henry W. Branson III
PO Box 3342
Chapel Hill, NC 27515

With a copy to:
William D. Brown
Sneed, Vine & Perry, P.C.
900 Congress Avenue, Suite 300
Austin, Texas 78701

If to City:

City of Hutto
 Attn: City Manager
 500 West Live Oak Street
 Hutto, Texas 78634
 Email: warren.hutmacher@huttotx.gov

With a copy to:
 Bojorquez Law Firm, PC
 Attn: Alan Bojorquez, City Attorney
 11675 Jollyville Road, Suite 300
 Austin, Texas 78759
 Email: dottie@texasmunicipallawyers.com

B. Amendments. This Agreement may be amended only by a written instrument executed by all the Parties. No termination or amendment shall be effective until a written instrument setting forth the terms thereof has been executed by the then-current owners of the Land and recorded in the Official Public Records of Williamson County, Texas.

C. Estoppels. Within ten days after written request from any Party, the other Parties shall provide a written certification indicating whether this Agreement remains in effect as to Improvement Area #2 or Improvement Area #3 and whether any Party is then in default hereunder.

D. Termination. This Agreement shall terminate 45 years after the effective date of this Agreement, or upon the mutual written agreement of the Parties.

E. If applicable, the Landowner hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and, to the extent this Agreement is a contract for goods or services, will not boycott Israel during the term of this Agreement. The foregoing verification is made solely to comply with Section 2271.002, Texas Government Code, and to the extent such Section does not contravene applicable State or federal law. As used in the foregoing verification, 'boycott Israel' means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. The Landowner understands 'affiliate' to mean an entity that controls, is controlled by, or is under common control with the Landowner and exists to make a profit.

F. If applicable, the Landowner represents that neither it nor any of its respective parent companies, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website: <https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf>, <https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, or <https://comptroller.texas.gov/purchasing/docs/fto-list.pdf>. The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent

such Section does not contravene applicable Federal law and excludes the Landowner and its respective parent companies, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Landowner understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with the Landowner and exists to make a profit.

[SIGNATURE PAGES TO FOLLOW]

EXECUTED by the Parties on the dates stated below.

THE CITY OF HUTTO, TEXAS

By: _____

Mike Snyder
Mayor

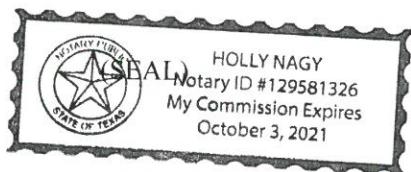
STATE OF TEXAS

§
§
§

COUNTY OF WILLIAMSON

BEFORE ME, a Notary Public, on this day personally appeared Mike Snyder, Mayor of the City of Hutto, a Texas home-rule municipal corporation, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed on behalf of that municipal corporation.

GIVEN UNDER MY HAND AND SEAL of office this 7 day of June, 2021



Notary Public, State of Texas

[SIGNATURE PAGE TO CONSENTING PARTY LANDOWNER AGREEMENT]

LANDOWNER:

Hutto 372, Ltd.

a Texas limited partnership

By: 501 W. 15th Inc.,
a Texas corporation
Its: General Partner

By: John Lewis
Name: John Lewis
Title: President

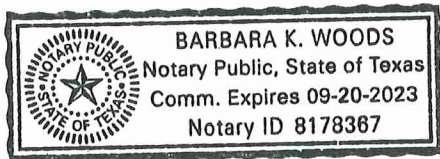
STATE OF TEXAS

§
§
§

COUNTY OF Harris

This instrument was acknowledged before me, the undersigned authority, this 27 day
of May, 2021, by John Lewis, as president of 501 W. 15th, Inc., as general partner of
Hutto 372, Ltd., a Texas limited partnership, on behalf of said entities.

[Seal]



Barbara K. Woods
Notary Public ★ State of Texas

[SIGNATURE PAGE TO CONSENTING PARTY LANDOWNER AGREEMENT]

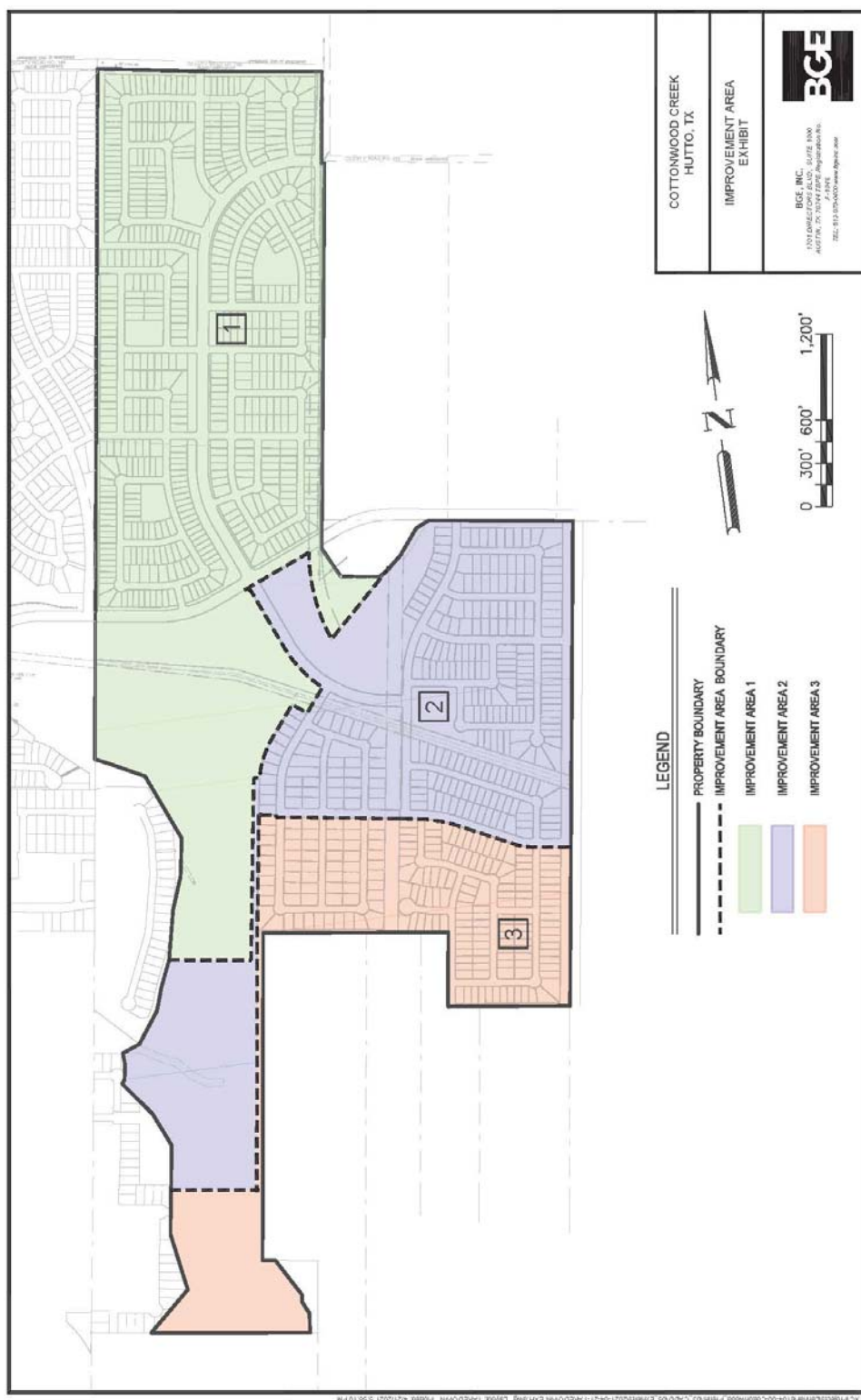
EXHIBIT A to LANDOWNER AGREEMENT

LEGAL DESCRIPTION

[See Attached]

EXHIBIT A-1

IMPROVEMENT AREA BOUNDARIES



COTTONWOOD CREEK PUBLIC IMPROVEMENT DISTRICT

**IMPROVEMENT AREA #1 LANDOWNER AGREEMENT
AND NOTICE OF IMPROVEMENT AREA #1 ASSESSMENTS**

between

THE CITY OF HUTTO, TEXAS

and

LENNAR HOMES OF TEXAS LAND AND CONSTRUCTION, LTD.

Dated as of:

June 3, 2021

**IMPROVEMENT AREA #1 LANDOWNER AGREEMENT AND NOTICE OF
IMPROVEMENT AREA #1 ASSESSMENTS
(Cottonwood Creek Public Improvement District)**

This **IMPROVEMENT AREA #1 LANDOWNER AGREEMENT AND NOTICE OF IMPROVEMENT AREA #1 ASSESSMENTS** (the “**Agreement**”) is entered into among the CITY OF HUTTO, TEXAS, a home-rule municipal corporation of the State of Texas (the “**City**”), and Lennar Homes of Texas Land and Construction, Ltd., a Texas limited partnership (the “**Landowner**”) (individually a “**Party**” or collectively the “**Parties**”). This Agreement shall be effective on the latest date it is executed by all the Parties.

RECITALS

WHEREAS, the Landowner, along with Hutto 372, Ltd., own approximately 370.27 acres of land located in Hutto, Williamson County, Texas which is more particularly described in “**Exhibit A**” attached hereto (the “**Land**”); and

WHEREAS, the Landowner owns all the land within the hereinafter defined Improvement Area #1, totally approximately 186.341 acres; and

WHEREAS, on April 1, 2021, the City Council of the City (the “**City Council**”) passed and approved Resolution No. R-2021-029 authorizing the creation of the Cottonwood Creek Public Improvement District (the “**District**”) pursuant to Chapter 372 of the Texas Local Government Code (the “**PID Act**”), with the boundaries of such District being coterminous with the boundaries of the Land; and

WHEREAS, development of the District is anticipated to progress in phases, with the District being divided, for development planning purposes, into four distinct improvement areas consisting of “**Improvement Area #1**”, “**Improvement Area #2**”, and “**Improvement Area #3**” (each an “**Improvement Area**”), with the boundaries of such Improvement Areas being reflected in “**Exhibit A-1**”, “**Exhibit A-2**”, and “**Exhibit A-3**”, respectively; and

WHEREAS, Landowner and the City entered into that certain Cottonwood Creek Public Improvement District Financing and Reimbursement Agreement on even date herewith (as such agreement may be amended from time to time as provided therein, the “**PID Financing Agreement**”), relating to, among other matters, the construction of the “**Authorized Improvements**” as defined therein, the levy of assessments within the Land, the reimbursement of the Landowner for the costs of the Authorized Improvements and the issuance of revenue bonds secured by such assessments (“**PID Bonds**”);

WHEREAS, certain of the Authorized Improvements will confer benefit only to property within Improvement Area #1 (the “**Improvement Area #1 Improvements**”); and

WHEREAS, on even date herewith, the City Council passed and approved Ordinance No. _____ (the “**Assessment Ordinance**”) that, among other things, approved the Service and Assessment Plan that identified the amount of certain assessments on parcels within the District,

including the amount of those certain assessments on the property within Improvement Area #1 corresponding to the benefit thereon attributable to one or more of the Improvement Area #1 Improvements (the “**Improvement Area #1 Assessments**”), and established the dates upon which interest on Improvement Area #1 Assessments will begin to accrue and upon which collection of Improvement Area #1 Assessments will begin; and

WHEREAS, in addition to approving the Service and Assessment Plan, the Assessment Ordinance levied the Improvement Area #1 Assessments against certain parcels within the boundaries of Improvement Area #1 to finance the Improvement Area #1 Improvements in accordance with the Service and Assessment Plan; and

WHEREAS, a copy of the Assessment Ordinance is attached hereto as “**Exhibit B**”; and

WHEREAS, the Service and Assessment Plan includes an “**Assessment Roll**” setting forth, among other things, the amount of the Improvement Area #1 Assessment for each parcel subject to an Improvement Area #1 Assessment (an “**Improvement Area #1 Assessed Parcel**”), including the amount of the “**Annual Installment**” (as that term is defined in the Service and Assessment Plan, but only with respect to Improvement Area #1 Assessments) for each Improvement Area #1 Assessment paid in installments.

NOW THEREFORE, for and in consideration of the mutual promises, covenants, obligations, and benefits hereinafter set forth, the Parties agree as follows:

ARTICLE I **APPROVAL OF AGREEMENTS**

The matters set forth in the recitals of this Agreement are true and correct and are incorporated in this Agreement as official findings of the City Council.

ARTICLE II **AGREEMENT OF LANDOWNER**

A. Landowner ratifies, confirms, accepts, agrees to, and approves:

- (i) the creation of the District, the boundaries of the District, and the boundaries of the Improvement Area #1 Assessed Parcels;
- (ii) the location and construction of the Improvement Area #1 Improvements;
- (iii) the determinations and findings of special benefit to the Improvement Area #1 Assessed Parcels made by the City Council in the Assessment Ordinance and Service and Assessment Plan; and
- (iv) the Assessment Ordinance and the Service and Assessment Plan.

B. Landowner consents, acknowledges, accepts, and agrees:

(i) to the Improvement Area #1 Assessments to be levied against the applicable Improvement Area #1 Assessed Parcels as shown on the Assessment Roll, as the Assessment Roll may be amended from time to time;

(ii) that the Improvement Area #1 Improvements and administration and operation of the District confer a special benefit on the Improvement Area #1 Assessed Parcels in an amount that exceeds the Improvement Area #1 Assessments against the Improvement Area #1 Assessed Parcels as shown on the Assessment Roll;

(iii) that the Improvement Area #1 Assessments against the Improvement Area #1 Assessed Parcels are final, conclusive, and binding upon the Landowner and its successors and assigns;

(iv) to pay the Improvement Area #1 Assessments and Annual Installments against the Improvement Area #1 Assessed Parcels when due and in the amounts stated in the Assessment Ordinance, Service and Assessment Plan, and Assessment Roll;

(v) that each Improvement Area #1 Assessment or reassessment against the Improvement Area #1 Assessed Parcels, with interest, the expense of collection, and reasonable attorney's fees, if incurred, is a first and prior lien against the Improvement Area #1 Assessed Parcels, superior to all other liens and monetary claims except liens or monetary claims for state, county, school district, or municipal ad valorem taxes, and is a personal liability of and charge against the owner of the Improvement Area #1 Assessed Parcels regardless of whether the owner is named;

(vi) that the Improvement Area #1 Assessment liens on the Improvement Area #1 Assessed Parcels are liens and covenants that run with the land and are effective from the date of the Assessment Ordinance and continue until the Improvement Area #1 Assessments are paid in full and may be enforced by the governing body of the City in the same manner that ad valorem tax liens against real property may be enforced;

(vii) that delinquent installments of Improvement Area #1 Assessments against the Improvement Area #1 Assessed Parcels shall incur and accrue interest, penalties, and attorney's fees as provided in the PID Act;

(viii) that the owner of an Improvement Area #1 Assessed Parcel may pay at any time the entire Assessment against the Improvement Area #1 Assessed Parcel, with interest that has accrued on the Assessment to the date of such payment, however, prior to the approval of a final subdivision plat, the City, or its designated third party administrator of the District, shall certify that the final plat will not cause the Assessment for any lot type to exceed the Maximum Assessment, as defined in the Service and Assessment Plan. If the subdivision of any Assessed Parcel by a final subdivision plat causes the Assessment per lot for any lot type to exceed the applicable Maximum Assessment for such lot type, the landowner shall partially prepay the Assessment for each Assessed Parcel that exceeds the applicable Maximum Assessment for such lot type in an amount sufficient to reduce the Assessment to the applicable Maximum Assessment for such lot type. The City's

approval of a final subdivision plat without payment of such amounts does not eliminate the obligation of the person or entity filing the plat to pay such Assessments.

(ix) that Annual Installments may be adjusted, decreased, and extended and that owners of the Improvement Area #1 Assessed Parcels shall be obligated to pay such Annual Installments as adjusted, decreased, or extended, when due and without the necessity of further action, assessments, or reassessments by the City Council;

(x) that the Landowner has received all notices required by State law (including, but not limited to the PID Act) in connection with the creation of the District on ____, 2021 and the adoption and approval by the City Council of the Assessment Ordinance, the Service and Assessment Plan, and the Assessment Roll on ____, 2021, including the notice required pursuant to Section 372.016 of the PID Act, and to the extent there was any irregularity, omission, or other issue regarding such notices, the Landowner hereby waives any such irregularity, omission, or other issue regarding such notices; and

(xi) that this Agreement may be recorded in the Official Public Records of Williamson County (the contents of which shall be consistent with the Assessment Ordinance, the Service and Assessment Plan, and this Agreement) and shall evidence the lien and encumbrance created upon the Landowner's Improvement Area #1 Assessed Parcels by the Assessment Ordinance.

C. Landowner hereby waives:

(i) any and all defects, irregularities, illegalities or deficiencies in the proceedings creating and establishing the District, defining the Improvement Area #1 Assessed Parcels, adopting the Assessment Ordinance, Service and Assessment Plan, and Assessment Roll, levying of the Improvement Area #1 Assessments, and determining the amount of the Annual Installments of the Improvement Area #1 Assessments;

(ii) any and all notices and time periods provided by the PID Act including, but not limited to, notice of the establishment of the District and notice of public hearings regarding the approval of the Assessment Ordinance, Service and Assessment Plan, and Assessment Roll and regarding the levying of the Improvement Area #1 Assessments and determining the amount of the Annual Installments of the Improvement Area #1 Assessments;

(iii) any and all actions and defenses against the adoption or amendment of the Assessment Ordinance, Service and Assessment Plan, and Assessment Roll;

(iv) any and all actions and defenses against the City's finding of "special benefit" pursuant to the PID Act and as set forth in the Service and Assessment Plan and the levying of the Improvement Area #1 Assessments and determining the amount of the Annual Installment of the Improvement Area #1 Assessments; and

(v) any right to object to the legality of the Assessment Ordinance, Service and Assessment Plan, Assessment Roll, or Improvement Area #1 Assessments or to any proceedings connected therewith.

ARTICLE III
TEXAS PROPERTY CODE SECTION 5.014 NOTICE

A. Section 5.014 of the Texas Property Code requires that a seller of residential real property that is located in a public improvement district and that consists of not more than one dwelling unit shall give to the purchaser of the property written notice of the district in substantially the form set forth on Exhibit C hereto. The seller is required to deliver the notice to the purchaser before the effective date of an executory contract binding the purchaser to purchase the property. The notice may be given separately, as part of the contract during negotiations, or as part of any other notice the seller delivers to the purchaser. If the notice is included as part of the executory contract or another notice, the title of the required notice, the references to the street address, the date in the notice, and the purchaser's signature may be omitted.

B. As the property in the District is developed, a notice substantially in the form as the notice attached hereto as Exhibit "C" (as may be updated and amended from time to time) will be prepared and provided to any purchaser of an Assessed Parcel located in the District. If Section 5.014 of the Texas Property Code is amended, said amendment will control the notice to be provided as of the effective date of such amendment.

ARTICLE IV
SPECIAL COVENANTS AND WARRANTIES OF LANDOWNER

A. Landowner represents and warrants to the City as follows:

(i) Landowner is duly organized, validly existing and, as applicable, in good standing under the laws of the state of its organization and has the full right, power and authority to enter into this Agreement, and to perform all the obligations required to be performed by Landowner hereunder.

(ii) This Agreement has been duly and validly executed and delivered by, and on behalf of, Landowner and, assuming the due authorization, execution and delivery thereof by and on behalf of the City and the Landowner constitutes a valid, binding and enforceable obligation of such party enforceable in accordance with its terms. This representation and warranty is qualified to the extent the enforceability of this Agreement may be limited by applicable bankruptcy, insolvency, moratorium, reorganization or other similar laws of general application affecting the rights of creditors in general.

(iii) Neither the execution and delivery hereof, nor the taking of any actions contemplated hereby, will conflict with or result in a breach of any of the provisions of, or constitute a default, event of default or event creating a right of acceleration, termination or cancellation of any obligation under, any instrument, note, mortgage, contract, judgment, order, award, decree or other agreement or restriction to which Landowner is a party, or by which Landowner or Landowner's Assessed Parcel is otherwise bound.

(iv) Landowner is the sole owner of each Assessed Parcel shown on Exhibit A to this Agreement.

(v) No Assessed Parcel owned by Landowner is subject to, or encumbered by, any covenant, lien, encumbrance or agreement which would prohibit (i) the creation of the District, (ii) the levy of the Assessments, or (iii) the construction of the Public Improvements on those portions of the Property which are to be owned by the City, as generally described on the current plats of the Property (or, if subject to any such prohibition, the approval or consent of all necessary parties thereto has been obtained).

B. Landowner covenants and agrees to execute any and all documents necessary, appropriate or incidental to the purposes of this Agreement, as long as such documents are consistent with this Agreement and do not create additional liability of any type to, or reduce the rights of, such Landowner by virtue of execution thereof.

C. Waiver of Claims Concerning Public Improvements. The Landowner, with full knowledge of the provisions, and the rights thereof pursuant to such provisions, of applicable law, waives any claims against the City and its successors, assigns and agents, pertaining to the installation of the Public Improvements that are not based on the intentional misconduct or sole gross negligence by the City or its successors, assigns, and agents.

ARTICLE V OWNERSHIP, CONSTRUCTION AND DEDICATION OF AUTHORIZED IMPROVEMENTS

Landowner acknowledges that the Improvement Area #1 Improvements, together with the land, easements, or other rights-of-way needed for the Improvement Area #1 Improvements, will be determined in accordance with the provisions of the PID Financing Agreement and Landowner will execute such conveyances and/or dedications of public rights of way and easements as may be reasonably required to evidence such ownership, as generally described on the current plats of the Property.

Any subsequent owner of an Assessed Parcel hereby agrees, upon the request of the City or Landowner, to grant and convey to the City or Landowner and its contractors, materialmen and workmen a temporary license and/or easement, as appropriate, to construct the Public Improvements on the Property, to stage on the Property construction trailers, building materials and equipment to be used in connection with such construction of the Public Improvements and for passage and use over and across parts of the Property as shall be reasonably necessary during the construction of the Public Improvements. Any subsequent owner of an Assessed Parcel may require that each contractor constructing the Public Improvements cause such owner of an Assessed Parcel to be indemnified and/or named as an additional insured under liability insurance reasonably acceptable to such owner of an Assessed Parcel. The right to use and enjoy any easement and license provided above shall continue until the construction of the Public

Improvements is complete; provided, however, any such license or easement shall automatically terminate upon the recording of the final plat dedicating the Public Improvements and underlying Property for that Assessed Parcel in the real property records of Williamson County.

Landowner hereby agrees that any right or condition imposed by the PID Financing Agreement, with respect solely to the Assessment and the levy thereof, has been satisfied as of the date hereof, and that Landowner shall not have any rights or remedies against the City under the PID Financing Agreement, or under any law or principles of equity concerning the Assessments, each and solely with respect to (i) the formation of the District, (ii) approval of the Service and Assessment Plan and (iii) the City's levy of the Assessments.

ARTICLE VI **MISCELLANEOUS**

A. Notices. Any notice or other communication (a “**Notice**”) required or contemplated by this Agreement shall be given at the addresses set forth below. Notices as to one or more Improvement Area #1 Assessed Parcels shall only be given to the Landowner that owns the applicable Improvement Area #1 Assessed Parcels. Notices shall be in writing and shall be deemed given: (i) five business days after being deposited in the United States Mail, Registered or Certified Mail, Return Receipt Requested; or (ii) when delivered by a nationally recognized private delivery service (e.g., FedEx or UPS) with evidence of delivery signed by any person at the delivery address. Each Party may change its address by written notice to the other Parties in accordance with this section.

If to Landowner:

Lennar Homes of Texas Land and Construction, Ltd.
Attn: Chase Kohlhoff
12401 Research Blvd, Building 1 Ste. 300
Austin, Texas 78759
Email: Chase.Kohlhoff@Lennar.com

With a copy to:
Metcalf Wolff Stuart & Williams, LLP
Attn: Steve Metcalfe
221 West 6th Street, Suite 1300
Austin, Texas 78701
E-Mail: SMetcalfe@mwswtexas.com

If to City:

City of Hutto
 Attn: City Manager
 500 West Live Oak Street
 Hutto, Texas 78634
 Email: warren.hutmacher@huttotx.gov

With a copy to:
 Bojorquez Law Firm, PC
 Attn: Alan Bojorquez, City Attorney
 11675 Jollyville Road, Suite 300
 Austin, Texas 78759
 Email: dottie@texasmunicipallawyers.com

B. Parties in Interest. In the event of the sale or transfer of an Improvement Area #1 Assessed Parcel or any portion thereof, the purchaser or transferee shall be deemed to have assumed the obligations of the Landowner with respect to such Improvement Area #1 Assessed Parcel or such portion thereof, and the seller or transferor shall be released with respect to such Improvement Area #1 Assessed Parcel or portion thereof. Notwithstanding the foregoing, the holders of Improvement Area #1 PID Bonds are express beneficiaries of this Agreement and shall be entitled to pursue any and all remedies at law or in equity to enforce the obligations of the Parties, subject to the limitations set forth in the Indenture.

C. Amendments. This Agreement may be amended only by a written instrument executed by all the Parties. No termination or amendment shall be effective until a written instrument setting forth the terms thereof has been executed by the then-current owners of the Land and recorded in the Official Public Records of Williamson County, Texas.

D. Estoppels. Within ten days after written request from any Party, the other Parties shall provide a written certification indicating whether this Agreement remains in effect as to an Improvement Area #1 Assessed Parcel and whether any Party is then in default hereunder.

E. Termination. This Agreement shall terminate as to each Improvement Area #1 Assessed Parcel upon payment in full of the Improvement Area #1 Assessment against the Improvement Area #1 Assessed Parcel.

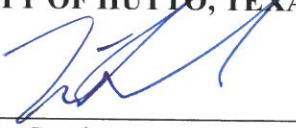
F. The Landowner hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and, to the extent this Agreement is a contract for goods or services, will not boycott Israel during the term of this Agreement. The foregoing verification is made solely to comply with Section 2271.002, Texas Government Code, and to the extent such Section does not contravene applicable State or federal law. As used in the foregoing verification, 'boycott Israel' means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. The Landowner understands 'affiliate' to mean an entity that controls, is controlled by, or is under common control with the Landowner and exists to make a profit.

G. The Landowner represents that neither it nor any of its respective parent companies, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website: <https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf>, <https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, or <https://comptroller.texas.gov/purchasing/docs/fto-list.pdf>. The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable Federal law and excludes the Landowner and its respective parent companies, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Landowner understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with the Landowner and exists to make a profit.

[SIGNATURE PAGES TO FOLLOW]

EXECUTED by the Parties on the dates stated below.

THE CITY OF HUTTO, TEXAS

By: 
Mike Snyder
Mayor

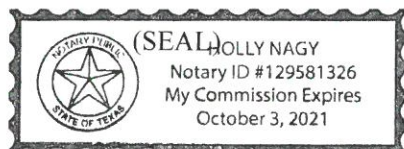
STATE OF TEXAS

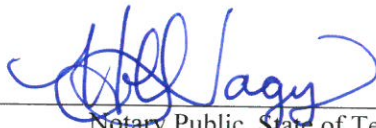
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COUNTY OF WILLIAMSON

BEFORE ME, a Notary Public, on this day personally appeared Mike Snyder, Mayor of the City of Hutto, a Texas home-rule municipal corporation, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed on behalf of that municipal corporation.

GIVEN UNDER MY HAND AND SEAL of office this 7 day of June, 2021




Notary Public, State of Texas

[SIGNATURE PAGE TO LANDOWNER AGREEMENT]

LANDOWNER:

**Lennar Homes of Texas Land and
Construction, Ltd.**
a Texas limited partnership

By: Lennar Texas Holding
Company
a Texas corporation
Its: General Partner

By: [Signature]
Name: KEVIN PAPE
Title: AUTHORIZED AGENT

STATE OF TEXAS

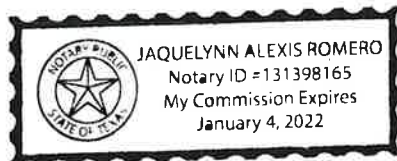
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COUNTY OF Travis

This instrument was acknowledged before me, the undersigned authority, this 3 day
of June, 2021, by Kevin Pape, as Authorized Agent of Lennar Texas Holding
Company, a Texas corporation, as general partner of Lennar Homes of Texas Land and
Construction, Ltd., a Texas limited partnership, on behalf of said entities.

[Seal]

[Signature]



Notary Public ★ State of Texas

[SIGNATURE PAGE TO LANDOWNER AGREEMENT]

EXHIBIT A to IMPROVEMENT AREA #1 LANDOWNER AGREEMENT

Legal Description

EXHIBIT A-1

BOUNDARIES OF IMPROVEMENT AREA #1

EXHIBIT A-2

BOUNDARIES OF IMPROVEMENT AREA #2

EXHIBIT A-3

BOUNDARIES OF IMPROVEMENT AREA #3

EXHIBIT B to IMPROVEMENT AREA #1 LANDOWNER AGREEMENT

Assessment Ordinance

EXHIBIT C to IMPROVEMENT AREA #1 LANDOWNER AGREEMENT**Homebuyer Disclosure**

COTTONWOOD CREEK PUBLIC IMPROVEMENT DISTRICT LOT TYPE __ HOMEBUYER DISCLOSURE
--

SECTION 5.014 TEXAS PROPERTY CODE NOTICE

NOTICE OF OBLIGATION TO PAY PUBLIC IMPROVEMENT DISTRICT ASSESSMENT TO THE CITY OF HUTTO, TEXAS, CONCERNING THE PROPERTY AT THE FOLLOWING STREET ADDRESS AND TAX ID:

Street Address

Tax ID

As the purchaser of this parcel of residential real property located in a public improvement district, you are obligated to pay an Assessment to the City of Hutto, Texas for improvement projects undertaken by the Cottonwood Creek Public Improvement District under Subchapter A, Chapter 372, Local Government Code. Information about the Assessment (such as its due date, the amount of the Assessment, or how it is paid) may be obtained by contacting the City. The Assessment against your parcel may be paid in full at any time together with interest through the date of payment. If you do not elect to pay the Assessment in full, it will be due and payable in annual installments, including interest and collection costs. The amount of the Assessments is subject to change. Your failure to pay the Assessment or any annual installment could result in a lien on and the foreclosure of your property.

Date: _____

Purchaser

**CITY OF HUTTO, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2021
(COTTONWOOD CREEK PUBLIC IMPROVEMENT DISTRICT
IMPROVEMENT AREA #1 PROJECT)**

CONTINUING DISCLOSURE AGREEMENT OF ISSUER

This Continuing Disclosure Agreement of Issuer dated as of [October 21], 2021 (this “Disclosure Agreement”) is executed and delivered by and between the City of Hutto, Texas (the “Issuer”), P3Works, LLC (the “Administrator”), and Wilmington Trust, National Association, Dallas, Texas (acting solely in its capacity as the “Dissemination Agent”) with respect to the Issuer’s “Special Assessment Revenue Bonds, Series 2021 (Cottonwood Creek Public Improvement District Improvement Area #1 Project)” (the “Bonds”). The Issuer, the Administrator and the Dissemination Agent covenant and agree as follows:

SECTION 1. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the Issuer, the Administrator and the Dissemination Agent for the benefit of the Owners (defined below) and beneficial owners of the Bonds. Unless and until a different filing location is designated by the MSRB (defined below) or the SEC (defined below), all filings made by the Dissemination Agent pursuant to this Disclosure Agreement shall be filed with the MSRB through EMMA (defined below).

SECTION 2. Definitions. In addition to the definitions set forth above and in the Indenture of Trust dated as of [October 1], 2021, relating to the Bonds (the “Indenture”), which apply to any capitalized term used in this Disclosure Agreement, including the Exhibits hereto, unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Administrator” shall mean the Issuer or the person or independent firm designated by the Issuer who shall have the responsibility provided in the Service and Assessment Plan, the Indenture, or any other agreement or document approved by the Issuer related to the duties and responsibilities of the administration of the District. The Issuer has selected P3Works, LLC as the current Administrator.

“Annual Collection Costs” shall have the meaning assigned to such term in the Indenture.

“Annual Financial Information” shall mean annual financial information as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 4(a) of this Disclosure Agreement.

“Annual Installment” shall have the meaning assigned to such term in the Indenture.

“Annual Issuer Report” shall mean any Annual Issuer Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

“Business Day” shall mean any day other than a Saturday, Sunday or legal holiday in the State of Texas observed as such by the Issuer or the Trustee.

“Developer” shall mean Lennar Homes of Texas Land and Construction, Ltd., a Texas limited partnership, and its designated successors and assigns.

“Disclosure Agreement of Developer” shall mean the Continuing Disclosure Agreement of Developer relating to the Bonds dated as of [October 21], 2021 executed and delivered by the Developer, the Administrator and the Dissemination Agent.

“Disclosure Representative” shall mean the Director of Finance of the Issuer or his or her designee, or such other officer or employee as the Issuer may designate in writing to the Dissemination Agent from time to time.

“Dissemination Agent” shall mean Wilmington Trust, National Association, Dallas, Texas, a national banking association duly organized and existing under the laws of the United States, acting solely in its capacity as dissemination agent, or any successor Dissemination Agent designated in writing by the Issuer and which has filed with the Trustee a written acceptance of such designation.

“District” shall mean Cottonwood Creek Public Improvement District.

“EMMA” shall mean the Electronic Municipal Market Access System available on the internet at <http://emma.msrb.org>.

“Financial Obligation” shall mean a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of a debt obligation or any such derivative instrument; provided that “financial obligation” shall not include municipal securities as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

“Fiscal Year” shall mean the Issuer’s fiscal year, currently the calendar year from October 1 through September 30.

“Improvement Area #1” shall have the meaning assigned to such term in the Indenture.

“Improvement Area #1 Assessment” shall have the meaning assigned to such term in the Indenture.

“Listed Events” shall mean any of the events listed in Section 5(a) of this Disclosure Agreement.

“MSRB” shall mean the Municipal Securities Rulemaking Board or any other entity designated or authorized by the SEC to receive reports pursuant to the Rule.

“Outstanding” shall mean, as of any particular date when used with reference to Bonds, all Bonds authenticated and delivered under the Indenture except (i) any Bond that has been canceled by the Trustee (or has been delivered to the Trustee for cancellation) at or before such date, (ii) any Bond for which the payment of the principal or Redemption Price of and interest on such Bond shall have been made as provided in the Indenture, (iii) any Bond in

lieu of or in substitution for which a new Bond shall have been authenticated and delivered pursuant to the Indenture, and (iv) Bonds alleged to have been mutilated, destroyed, lost or stolen which have been paid as provided in the Indenture.

“Owner” shall mean the registered owner of any Bonds.

“Participating Underwriter” shall mean FMSbonds, Inc. and its successors and assigns.

“Rule” shall mean Rule 15c2-12 adopted by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“SEC” shall mean the United States Securities and Exchange Commission.

“Service and Assessment Plan” shall have the meaning assigned to such term in the Indenture.

“Trustee” shall mean Wilmington Trust, National Association, Dallas, Texas, a national banking association duly organized and existing under the laws of the United States, acting solely in its capacity as trustee, or any successor trustee pursuant to the Indenture.

SECTION 3. Provision of Annual Issuer Reports.

(a) The Issuer shall, not later than six (6) months after the end of the Issuer’s Fiscal Year, commencing with the Fiscal Year ending September 30, 2021, provide or cause to be provided to the MSRB, in the electronic or other format required by the MSRB, an Annual Issuer Report which is consistent with the requirements of Section 4 of this Disclosure Agreement. In each case, the Annual Issuer Report may be submitted as a single document or as separate documents comprising a package and may include by reference other information as provided in Section 4 of this Disclosure Agreement. If the Issuer’s Fiscal Year changes, it shall file notice of such change (including the date of the new Fiscal Year) with the MSRB prior to the next date by which the Issuer otherwise would be required to provide the Annual Issuer Report pursuant to Section 4 of this Disclosure Agreement. All documents provided to the MSRB shall be accompanied by identifying information as prescribed by the MSRB.

(b) Upon delivery by the Issuer of the Annual Issuer Report to the Dissemination Agent together with written instructions to file such report with the MSRB, the Dissemination Agent shall:

(i) determine the filing address or other filing location of the MSRB each year prior to filing the Annual Issuer Report on the date required in subsection (a); and

(ii) file the Annual Issuer Report containing or incorporating by reference the information set forth in Section 4 hereof;

(c) If the Issuer has provided the Dissemination Agent with the completed Annual Issuer Report together with written instructions to file such with the MSRB and the Dissemination Agent has filed such Annual Issuer Report with the MSRB, then the Dissemination Agent shall file a report with the Issuer certifying that the Annual Issuer Report has been provided pursuant to

this Disclosure Agreement, stating the date it was provided and that it was filed with the MSRB, which report shall include a filing receipt from the MSRB.

SECTION 4. Content and Timing of Annual Issuer Reports. The Annual Issuer Report for the Bonds shall contain or incorporate by reference, and the Issuer agrees to provide or cause to be provided to the Dissemination Agent, the following:

(a) Within six (6) months after the end of each Fiscal Year the Annual Financial Information of the Issuer (any or all of which may be unaudited) being:

(i) Tables setting forth the following information, as of the end of such Fiscal Year:

(A) For the Bonds, the maturity date or dates, the interest rate or rates, the original aggregate principal amount and principal amount remaining Outstanding;

(B) The amounts in the funds and accounts under the Indenture securing the Bonds and a description of the related investments; and

(C) The assets and liabilities of the Trust Estate.

(ii) Financial information and operating data with respect to the Issuer of the general type, in substantially similar form to that shown in the tables provided under Sections 4(a)(ii)(A) and 4(a)(ii)(B) of Exhibit B attached hereto. Such information shall be provided: (a) as of the end of the Fiscal Year (for tables in Section 4(a)(ii)(A) of Exhibit B), and (b) both as of the end of the Fiscal Year and through February 1 of the calendar year immediately succeeding such Fiscal Year (for tables in Section 4(a)(ii)(B) of Exhibit B).

(iii) Updates to the information in the Service and Assessment Plan as most recently amended or supplemented (a "SAP Update"), including any changes to the methodology for levying the Improvement Area #1 Assessments in Improvement Area #1.

(iv) Until building permits have been issued for parcels or lots representing, in the aggregate, ninety-five percent (95%) of the total Improvement Area #1 Assessments levied within Improvement Area #1, the Annual Issuer Report (in the SAP Update or otherwise) shall include the number of certificates of occupancy ("COs") issued for new homes completed in Improvement Area #1 during such Fiscal Year and the aggregate number of COs issued for new homes completed within Improvement Area #1 since filing the initial Annual Issuer Report for Fiscal Year ending September 30, 2021.

(v) If the total amount of delinquencies greater than 150 days equals or exceeds ten percent (10%) of the amount of Improvement Area #1 Assessments due in any fiscal year, a list of delinquent property owners.

(vi) A description of any amendment to this Disclosure Agreement and a copy of any restatements to the Issuer's audited financial statements during such Fiscal Year.

(b) If not provided with the financial information provided under subsection 4(a) above, if prepared and when available, the audited financial statements of the Issuer for the most recently ended Fiscal Year, prepared in accordance with generally accepted accounting principles applicable from time to time to the Issuer. If such audited financial statements are not complete within the 12-month period after the end of the Fiscal Year, then the Issuer shall provide unaudited financial statements within such 12-month period and shall provide audited financial statements for the applicable Fiscal Year when and if the audit report on such statements becomes available.

See Exhibit B hereto for a form for submitting the information set forth in the preceding paragraphs.

(c) The Issuer has designated P3Works, LLC as the initial Administrator. The Administrator shall prepare and provide the Annual Financial Information required (except for the information of the type included under the heading “Debt Service Requirements on the Bonds” and audited or unaudited financial statements of the Issuer) under Section 4(a) above to the Dissemination Agent no later than five (5) Business Days prior to the day that is six (6) months after the end of each Fiscal Year. If no Administrator has been designated, the Issuer shall prepare and provide the Annual Financial Information required under Section 4(a) above to the Dissemination Agent no later than five (5) Business Days prior to the day that is six (6) months after the end of each Fiscal Year.

Any or all of the items listed above may be included by specific reference to other documents, including disclosure documents of debt issues of the Issuer, which have been submitted to and are publicly accessible from the MSRB. If the document included by reference is a final offering document, it must be available from the MSRB. The Issuer shall clearly identify each such other document so included by reference.

SECTION 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, each of the following is a Listed Event with respect to the Bonds:

1. Principal and interest payment delinquencies.
2. Non-payment related defaults, if material.
3. Unscheduled draws on debt service reserves reflecting financial difficulties.
4. Unscheduled draws on credit enhancements reflecting financial difficulties.
5. Substitution of credit or liquidity providers, or their failure to perform.
6. Adverse tax opinions, the issuance by the IRS of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds.
7. Modifications to rights of Owners, if material.

8. Bond calls, if material, and tender offers.
9. Defeasances.
10. Release, substitution, or sale of property securing repayment of the bonds, if material.
11. Rating changes.
12. Bankruptcy, insolvency, receivership or similar event of the Issuer.
13. The consummation of a merger, consolidation, or acquisition of the Issuer, or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.
14. Appointment of a successor or additional trustee under the Indenture or the change of name of a trustee, if material.
15. Incurrence of a Financial Obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer, any of which affect security holders, if material.
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties.

The Issuer does not intend for any sale by the Developer of real property within Improvement Area #1 in the ordinary course of the Developer's business to be considered a significant event for the purposes of paragraph (10) above.

For these purposes, any event described in paragraph (12) above is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the Issuer in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer.

The Issuer intends the words used in paragraphs (15) and (16) above and the definition of Financial Obligation to have the same meanings as when they are used in the Rule, as evidenced by SEC Release No. 34-83885, dated August 20, 2018.

Upon the occurrence of a Listed Event, the Issuer shall promptly notify the Dissemination Agent in writing and the Issuer shall direct the Dissemination Agent in writing to immediately file a notice of such occurrence with the MSRB. The Dissemination Agent shall file such notice no

later than the Business Day immediately following the day on which it receives written notice of such occurrence from the Issuer. Any such notice is required to be filed within ten (10) Business Days of the occurrence of such Listed Event.

Additionally, the Issuer shall notify the MSRB, in a timely manner, of any failure by the Issuer to provide annual audited financial statements (or unaudited financial statements, if audited financial statements are not available) or Annual Financial Information as required under this Disclosure Agreement. See Exhibit A hereto for a form for submitting “Notice To MSRB of Failure To File.”

Any notice under the preceding paragraphs shall be accompanied with the text of the disclosure that the Issuer desires to make, the written authorization of the Issuer for the Dissemination Agent to disseminate such information as provided herein, and the date the Issuer desires for the Dissemination Agent to disseminate the information (which date shall not be more than ten (10) Business Days after the occurrence of the Listed Event or failure to file).

In all cases, the Issuer shall have the sole responsibility for the content, design and other elements comprising substantive contents of all disclosures made pursuant to Sections 4 and 5 of this Disclosure Agreement. In addition, the Issuer shall have the sole responsibility to ensure that any notice required to be filed under this Section 5 is filed within ten (10) Business Days of the occurrence of the Listed Event.

(b) The Dissemination Agent shall, promptly, and not more than five (5) Business Days after obtaining actual knowledge of the occurrence of any Listed Event with respect to the Bonds, notify the Disclosure Representative in writing of such Listed Event. The Dissemination Agent shall not be required to file a notice of the occurrence of such Listed Event with the MSRB unless and until it receives written instructions from the Disclosure Representative to do so. If the Dissemination Agent has been instructed by the Disclosure Representative on behalf of the Issuer to report the occurrence of a Listed Event under this subsection (b), the Dissemination Agent shall file a notice of such occurrence with the MSRB no later than the Business Day immediately following the day on which it receives written instructions from the Issuer. It is agreed and understood that the duty to make or cause to be made the disclosures herein is that of the Issuer and not that of the Trustee or the Dissemination Agent. It is agreed and understood that the Dissemination Agent has agreed to give the foregoing notice to the Issuer as an accommodation to assist it in monitoring the occurrence of such event but is under no obligation to investigate whether any such event has occurred. As used above, “actual knowledge” means the actual fact or statement of knowing, without a duty to make any investigation with respect thereto. In no event shall the Dissemination Agent be liable in damages or in tort to the Issuer, the Participating Underwriter, the Trustee, or any Owner or beneficial owner of any interests in the Bonds as a result of its failure to give the foregoing notice or to give such notice in a timely fashion.

(c) If in response to a notice from the Dissemination Agent under subsection (b), the Issuer determines that the Listed Event under number 2, 7, 8 (as to bond calls only), 10, 13, 14, or 15 of subparagraph (a) above is not material under applicable federal securities laws, the Issuer shall promptly, but in no case more than five (5) Business Days after occurrence of the event, notify the Dissemination Agent and the Trustee (if the Dissemination Agent is not the Trustee) in

writing and instruct the Dissemination Agent not to report the occurrence pursuant to subsection (b).

SECTION 6. Termination of Reporting Obligations. The obligations of the Issuer, the Administrator and the Dissemination Agent under this Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds, when the Issuer is no longer an obligated person with respect to the Bonds, or upon delivery by the Disclosure Representative to the Dissemination Agent of an opinion of nationally recognized bond counsel to the effect that continuing disclosure is no longer required. So long as any of the Bonds remain Outstanding, the Dissemination Agent may assume that the Issuer is an obligated person with respect to the Bonds until it receives written notice from the Disclosure Representative stating that the Issuer is no longer an obligated person with respect to the Bonds, and the Dissemination Agent may conclusively rely upon such written notice with no duty to make investigation or inquiry into any statements contained or matters referred to in such written notice. If such termination occurs prior to the final maturity of the Bonds, the Issuer shall give notice of such termination in the same manner as for a Listed Event with respect to the Bonds under Section 5(a).

SECTION 7. Dissemination Agent. The Issuer may, from time to time, appoint or engage a Dissemination Agent or successor Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge such Dissemination Agent, with or without appointing a successor Dissemination Agent. If at any time there is not any other designated Dissemination Agent, the Issuer shall be the Dissemination Agent. The initial Dissemination Agent appointed hereunder shall be Wilmington Trust, National Association, Dallas, Texas.

SECTION 8. Amendment; Waiver. Notwithstanding any other provisions of this Disclosure Agreement, the Issuer and the Dissemination Agent may amend this Disclosure Agreement (and the Dissemination Agent shall not unreasonably withhold its consent to any amendment so requested by the Issuer), and any provision of this Disclosure Agreement may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the delivery of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the Owners of the Bonds in the same manner as provided in the Indenture for amendments to the Indenture with the consent of Owners, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Owners or beneficial owners of the Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Agreement, the Issuer shall describe such amendment in the next related Annual Issuer Report, and shall include,

as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5(a), and (ii) the Annual Issuer Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. No amendment which adversely affects the Dissemination Agent may be made without its prior written consent (which consent will not be unreasonably withheld or delayed).

SECTION 9. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Issuer Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If the Issuer chooses to include any information in any Annual Issuer Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Agreement, the Issuer shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Issuer Report or notice of occurrence of a Listed Event.

SECTION 10. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Agreement, the Trustee may (and, at the request of any Participating Underwriter or the Owners of at least twenty-five percent (25%) aggregate principal amount of Outstanding Bonds, shall, upon being indemnified to its satisfaction), or any Owner or beneficial owner of the Bonds may, take such actions as may be necessary and appropriate to cause the Issuer, as the case may be, to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Indenture with respect to the Bonds, and the sole remedy under this Disclosure Agreement in the event of any failure of the Issuer to comply with this Disclosure Agreement shall be an action for mandamus or specific performance. A default under this Disclosure Agreement by the Issuer shall not be deemed a default under the Disclosure Agreement of Developer by the Developer, and a default under the Disclosure Agreement of Developer by the Developer shall not be deemed a default under this Disclosure Agreement by the Issuer.

SECTION 11. Duties, Immunities and Liabilities of Dissemination Agent and Administrator.

(a) The Dissemination Agent shall not be responsible in any manner for the content of any notice or report (including without limitation the Annual Issuer Report) prepared by the Issuer pursuant to this Disclosure Agreement. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement, and no implied covenants shall be read into this Disclosure Agreement with respect to the Dissemination Agent. To the extent permitted by law, the Issuer agrees to hold harmless the Dissemination Agent, its officers, directors, employees and agents, but only with funds to be provided by the Developer or from Annual Collection Costs collected from the property owners in Improvement Area #1, against any loss, expense and

liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct; provided, however, that nothing herein shall be construed to require the Issuer to indemnify the Dissemination Agent for losses, expenses or liabilities arising from information provided to the Dissemination Agent by the Developer or the failure of the Developer to provide information to the Dissemination Agent as and when required under the Disclosure Agreement of Developer. The obligations of the Issuer under this Section shall survive resignation or removal of the Dissemination Agent and payment in full of the Bonds. Nothing in this Disclosure Agreement shall be construed to mean or to imply that the Dissemination Agent is an "obligated person" under the Rule. The Dissemination Agent shall not be responsible for the Issuer's failure to submit a complete Annual Issuer Report to the MSRB. The Dissemination Agent is not acting in a fiduciary capacity in connection with the performance of its respective obligations hereunder. The fact that the Dissemination Agent may have a banking or other business relationship with the Issuer or any person with whom the Issuer contracts in connection with the transaction described in the Indenture, apart from the relationship created by the Indenture or this Disclosure Agreement, shall not be construed to mean that the Dissemination Agent has actual knowledge of any event described in Section 5 above, except as may be provided by written notice to the Dissemination Agent pursuant to this Disclosure Agreement.

The Dissemination Agent may, from time to time, consult with legal counsel of its own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions hereof or their respective duties hereunder, and the Dissemination Agent shall not incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel.

(b) Except as otherwise provided herein, the Administrator shall not have any duty with respect to the content of any disclosures made pursuant to the terms hereof. The Administrator shall have only such duties as are specifically set forth in this Disclosure Agreement, and no implied covenants shall be read into this Disclosure Agreement with respect to the Administrator. To the extent permitted by law, the Issuer agrees to hold harmless the Administrator, its officers, directors, employees and agents, but only with funds to be provided by the Developer or from Annual Collection Costs collected from the property owners in Improvement Area #1, against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including reasonable attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Administrator's negligence or willful misconduct; provided, however, that nothing herein shall be construed to require the Issuer to indemnify the Administrator for losses, expenses or liabilities arising from information provided to the Administrator by third parties, or the failure of any third party to provide information to the Administrator as and when required under this Disclosure Agreement, or the failure of the Developer to provide information to the Administrator as and when required under the Disclosure Agreement of Developer. The obligations of the Issuer under this Section shall survive resignation or removal of the Administrator and payment in full of the Bonds. Nothing in this Disclosure Agreement shall be construed to mean or to imply that the Administrator is an "obligated person" under the Rule. The Administrator is not acting in a fiduciary capacity in connection with the performance of its respective obligations hereunder. The Administrator shall not in any event incur any liability with respect to (i) any action taken or omitted to be taken in

good faith upon advice of legal counsel given with respect to any question relating to duties and responsibilities of the Administrator hereunder, or (ii) any action taken or omitted to be taken in reliance upon any document delivered to the Administrator and believed to be genuine and to have been signed or presented by the proper party or parties.

The Administrator may, from time to time, consult with legal counsel of its own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions hereof or their respective duties hereunder, and the Administrator shall not incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel.

(c) UNDER NO CIRCUMSTANCES SHALL THE DISSEMINATION AGENT, THE ADMINISTRATOR, OR THE ISSUER BE LIABLE TO THE OWNER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE ISSUER, THE ADMINISTRATOR, OR THE DISSEMINATION AGENT, RESPECTIVELY, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS DISCLOSURE AGREEMENT, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE. THE DISSEMINATION AGENT OR THE ADMINISTRATOR IS UNDER NO OBLIGATION NOR IS IT REQUIRED TO BRING SUCH AN ACTION.

SECTION 12. Assessment Timeline. The basic expected timeline for the collection of Improvement Area #1 Assessments and the anticipated procedures for pursuing the collection of delinquent Improvement Area #1 Assessments is set forth in Exhibit C which is intended to illustrate the general procedures expected to be followed in enforcing the payment of delinquent Improvement Area #1 Assessments. Failure to adhere to such expected timeline shall not constitute a default by the Issuer under this Disclosure Agreement, the Indenture, the Bonds or any other document related to the Bonds.

SECTION 13. No Personal Liability. No covenant, stipulation, obligation or agreement of the Issuer, the Administrator, or Dissemination Agent contained in this Disclosure Agreement shall be deemed to be a covenant, stipulation, obligation or agreement of any past, present or future council members, officer, agent or employee of the Issuer, the Administrator, or Dissemination Agent in other than that person's official capacity.

SECTION 14. Severability. In case any section or provision of this Disclosure Agreement, or any covenant, stipulation, obligation, agreement, act or action, or part thereof made, assumed, entered into, or taken thereunder or any application thereof, is for any reasons held to be illegal or invalid, such illegality or invalidity shall not affect the remainder thereof or any other section or provision thereof or any other covenant, stipulation, obligation, agreement, act or action, or part thereof made, assumed, entered into, or taken thereunder (except to the extent that such remainder or section or provision or other covenant, stipulation, obligation, agreement, act or action, or part thereof is wholly dependent for its operation on the provision determined to be invalid), which shall be construed and enforced as if such illegal or invalid portion were not contained therein, nor

shall such illegality or invalidity of any application thereof affect any legal and valid application thereof, and each such section, provision, covenant, stipulation, obligation, agreement, act or action, or part thereof shall be deemed to be effective, operative, made, entered into or taken in the manner and to the full extent permitted by law.

SECTION 15. Sovereign Immunity. The Dissemination Agent and the Administrator agree that nothing in this Disclosure Agreement shall constitute or be construed as a waiver of the Issuer's sovereign or governmental immunities regarding liability or suit.

SECTION 16. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Issuer, the Administrator, the Dissemination Agent, the Participating Underwriter, and the Owners and the beneficial owners from time to time of the Bonds and shall create no rights in any other person or entity. Nothing in this Disclosure Agreement is intended or shall act to disclaim, waive or otherwise limit the duties of the Issuer under federal and state securities laws.

SECTION 17. Dissemination Agent and Administrator Compensation. The fees and expenses incurred by the Dissemination Agent and the Administrator for their respective services rendered in accordance with this Disclosure Agreement constitute Annual Collection Costs and will be included in the Annual Installments as provided in the annual updates to the Service and Assessment Plan. The Issuer shall pay or reimburse the Dissemination Agent and the Administrator, but only with funds to be provided from the Annual Collection Costs component of the Annual Installments collected from the property owners in Improvement Area #1, for the fees and expenses for their respective services rendered in accordance with this Disclosure Agreement.

SECTION 18. Anti-Boycott Verification. To the extent this Agreement constitutes a contract for goods or services for which a written verification is required under Section 2271.002, Texas Government Code, the Dissemination Agent hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and will not boycott Israel during the term of this Agreement. The foregoing verification is made solely to enable the City to comply with such Section and to the extent such Section does not contravene applicable Federal law. As used in the foregoing verification, 'boycott Israel' means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes..

SECTION 19. Iran, Sudan and Foreign Terrorist Organizations. Pursuant to Subchapter F, Chapter 2252, Texas Government Code, the Dissemination Agent and the Administrator represent that neither the Dissemination Agent, the Administrator nor any parent company, wholly- or majority-owned subsidiaries, and other affiliates of the Dissemination Agent or the Administrator is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website:

<https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf>,
<https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, or

<https://comptroller.texas.gov/purchasing/docs/fto-list.pdf>.

The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable State or federal law and excludes the Dissemination Agent, the Administrator and each parent company, wholly- or majority-owned subsidiaries, and other affiliates of the Dissemination Agent or the Administrator, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Dissemination Agent and the Administrator understand “affiliate” to mean any entity that controls, is controlled by, or is under common control with the Dissemination Agent or the Administrator and exists to make a profit.

SECTION 20. Section 2274.002 as added by Senate Bill 13 (No Discrimination Against Fossil-Fuel Companies) Verification. To the extent this Agreement constitutes a contract for goods or services for which a written verification is required under Section 2274.002 (as added by Senate Bill 13 in the 87th Texas Legislature, Regular Session), Texas Government Code, as amended, Dissemination Agent hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies during the term of this Agreement. The foregoing verification is made solely to enable the City to comply with such Section and to the extent such Section does not contravene applicable Texas or federal law. As used in the foregoing verification, “boycott energy companies” shall mean, without an ordinary business purpose, refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with a company because the company (A) engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law; or (B) does business with a company described by (A) above.

SECTION 21. Section 2274.002 as added by Senate Bill 19 (No Discrimination Against Firearm Entities and Firearm Trade Associations) Verification. To the extent this Agreement constitutes a contract for goods or services for which a written verification is required under Section 2274.002 (as added by Senate Bill 19 in the 87th Texas Legislature, Regular Session), Texas Government Code, as amended, the Dissemination Agent hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate during the term of this Agreement against a firearm entity or firearm trade association. The foregoing verification is made solely to enable the City to comply with such Section and to the extent such Section does not contravene applicable Texas or federal law. As used in the foregoing verification, ‘discriminate against a firearm entity or firearm trade association’ (A) means, with respect to the firearm entity or firearm trade association, to (i) refuse to engage in the trade of any goods or services with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, (ii) refrain from continuing an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, or (iii) terminate an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association and (B) does not include (i) the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition,

firearms, or firearm accessories and (ii) a company's refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship (aa) to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency or (bb) for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity's or association's status as a firearm entity or firearm trade association. As used in the foregoing verification, (b) 'firearm entity' means a manufacturer, distributor, wholesaler, supplier, or retailer of firearms (i.e., weapons that expel projectiles by the action of explosive or expanding gases), firearm accessories (i.e., devices specifically designed or adapted to enable an individual to wear, carry, store, or mount a firearm on the individual or on a conveyance and items used in conjunction with or mounted on a firearm that are not essential to the basic function of the firearm, including detachable firearm magazines), or ammunition (i.e., a loaded cartridge case, primer, bullet, or propellant powder with or without a projectile) or a sport shooting range (as defined by Section 250.001, Texas Local Government Code), and (c) 'firearm trade association' means a person, corporation, unincorporated association, federation, business league, or business organization that (i) is not organized or operated for profit (and none of the net earnings of which inures to the benefit of any private shareholder or individual), (ii) has two or more firearm entities as members, and (iii) is exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c) of that code.

SECTION 22. Disclosure of Interested Parties. Pursuant to Section 2252.908(c)(4), Texas Government Code, as amended, the Dissemination Agent hereby certifies it is a publicly traded business entity and is not required to file a Certificate of Interested Parties Form 1295 related to this Disclosure Agreement.

SECTION 23. Governing Law. This Disclosure Agreement shall be governed by the laws of the State of Texas and all obligations of the Parties are performable in Williamson County, Texas. Venue for any action to enforce or construe this Agreement shall be in Williamson County, Texas.

SECTION 24. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[Signature pages follow.]

CITY OF HUTTO, TEXAS

By: _____
Mayor

ATTEST:

By: _____
Holly Nagy, City Secretary

WILMINGTON TRUST, NATIONAL
ASSOCIATION
(solely in its capacity as Dissemination Agent)

By: _____
Authorized Officer

SIGNATURE PAGE OF CONTINUING DISCLOSURE AGREEMENT OF THE ISSUER

S-2

P3WORKS, LLC
(as Administrator)

By: _____
Authorized Officer

EXHIBIT A

**NOTICE TO MSRB OF FAILURE TO FILE
ANNUAL ISSUER REPORT**

Name of Issuer: City of Hutto, Texas
Name of Bond Issue: Special Assessment Revenue Bonds, Series 2021 (Cottonwood
Creek Public Improvement District Improvement Area #1 Project)
Date of Delivery: _____, 20____
CUSIP Numbers: [Insert CUSIP Numbers]

NOTICE IS HEREBY GIVEN that the City of Hutto, Texas, has not provided [an Annual Issuer Report] [annual audited financial statements] with respect to the above-named bonds as required by the Continuing Disclosure Agreement of Issuer dated as of [October 21], 2021, between the Issuer, P3Works, LLC, as Administrator and Wilmington Trust, National Association, as Dissemination Agent. The Issuer anticipates that [the Annual Issuer Report] [annual audited financial statements] will be filed by _____.

Dated: _____

Wilmington Trust, National Association,
on behalf of the City of Hutto, Texas
(solely in its capacity as Dissemination Agent)

By: _____

Title: _____

cc: City of Hutto, Texas

EXHIBIT B

CITY OF HUTTO, TEXAS, SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2021 (COTTONWOOD CREEK PUBLIC IMPROVEMENT DISTRICT IMPROVEMENT AREA #1 PROJECT)

ANNUAL ISSUER REPORT*

Delivery Date: _____, 20__

CUSIP Numbers: [insert CUSIP Numbers]

DISSEMINATION AGENT

Name: Wilmington Trust, National Association
Address: 15950 North Dallas Parkway Suite 550
City: Dallas, Texas 75248
Telephone: 972-381-3154
Contact Person: Attn: _____

Section 4(a)(i)(A)

BONDS OUTSTANDING

CUSIP Number	Maturity Date	Interest Rate	Original Principal Amount	Outstanding Principal Amount	Outstanding Interest Amount

Section 4(a)(i)(B)

INVESTMENTS

Fund/Account Name	Investment Description	Par Value	Book Value	Market Value

* Excluding Audited Financial Statements of the Issuer

Section 4(a)(i)(C)**ASSETS AND LIABILITIES OF PLEDGED TRUST ESTATE****ASSETS**

Bonds (Principal Balance)	_____
Funds and Accounts [list]	_____
TOTAL ASSETS	_____

LIABILITIES

Outstanding Bond Principal	_____
Outstanding Program Expenses (if any)	_____
TOTAL LIABILITIES	_____

EQUITY

Assets Less Liabilities	_____
Parity Ratio	_____

Form of Accounting ☐ Cash ☐ Accrual ☐ Modified Accrual

Section 4(a)(ii)(A)**FINANCIAL INFORMATION AND OPERATING DATA WITH RESPECT TO THE ISSUER OF THE GENERAL TYPE AS OF THE END OF THE FISCAL YEAR****Debt Service Requirements on the Bonds**

<u>Year Ending</u> <u>(September 30)</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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Top Improvement Area #1 Assessment Payers⁽¹⁾

<u>Property Owner</u>	<u>No. of</u> <u>Parcels/Lots</u>	<u>Percentage of</u> <u>Parcels/Lots</u>	<u>Outstanding</u> <u>Improvement</u> <u>Area #1</u> <u>Assessments</u>	<u>Percentage of</u> <u>Total</u> <u>Improvement</u> <u>Area #1</u> <u>Assessments</u>
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⁽¹⁾ Does not include those owing less than one percent (1%) of total Improvement Area #1 Assessments.

Assessed Value of the Improvement Area #1 of the District

The [YEAR] certified total assessed value for the land in the Improvement Area #1 of the District is approximately \$[AMOUNT] according to the Williamson Central Appraisal District.

Section 4(a)(ii)(B)

FINANCIAL INFORMATION AND OPERATING DATA WITH RESPECT TO THE ISSUER OF THE GENERAL TYPE AS OF THE END OF THE FISCAL YEAR AND AS OF FEBRUARY 1 OF THE NEXT SUCCEEDING YEAR

Foreclosure History Related to the Improvement Area #1 Assessments

<u>Time Period</u>	<u>Parcels in Foreclosure Proceedings</u>	<u>Delinquent Improvement Area #1 Assessment Amount in Foreclosure Proceedings</u>	<u>Foreclosure Sales</u>	<u>Foreclosure Proceeds Received</u>
[FISCAL YEAR END]		\$		\$
[FEB. 1 OF CURRENT YEAR] ⁽¹⁾		\$		\$

⁽¹⁾ As of February 1, 20__.

Collection and Delinquency History of Improvement Area #1 Assessments

<u>Time Period</u>	<u>Total Improvement Area #1 Assessment Levied</u>	<u>Parcels Levied⁽¹⁾</u>	<u>Delinquent Amount as of 2/1</u>	<u>Delinquent % as of 2/1</u>	<u>Delinquent Amount as of 9/1</u>	<u>Delinquent % as of 9/1</u>	<u>Total Improvement Area #1 Assessments Collected⁽²⁾</u>
[FISCAL YEAR END]	\$		\$	%	\$	%	\$
[FEB. 1. OF CURRENT YEAR] ⁽³⁾	\$		\$	%	N/A	N/A	\$

⁽¹⁾ Pursuant to Section 31.031, Texas Tax Code, certain veterans, persons aged 65 or older, and the disabled, who qualify for an exemption under either Section 11.13(c), 11.32, or 11.22, Texas Tax Code, are eligible to pay property taxes in four equal installments ("Installment Payments"). Pursuant to Section 31.031(a-1), Texas Tax Code, the Installment Payments are each due before February 1, _____, June 1, and August 1. Each unpaid Installment Payment is delinquent and incurs penalties and interest if not paid by the applicable date.

⁽²⁾ [Does/does not] include interest and penalties.

⁽³⁾ Collected as of February 1, 20__.

History of Prepayment of Improvement Area #1 Assessments

<u>Time Period</u>	<u>Number of Prepayments</u>	<u>Amount of Prepayments</u>	<u>Bond Call Date</u>	<u>Amount of Bonds Redeemed</u>
[FISCAL YEAR END]		\$		\$
[FEB. 1 OF CURRENT YEAR] ⁽¹⁾		\$		\$

⁽¹⁾ As of February 1, 20__.

ITEMS REQUIRED BY SECTION 4(a)(iii) - (vi)
[Insert a line item for each applicable listing]

EXHIBIT C

BASIC EXPECTED TIMELINE FOR IMPROVEMENT AREA #1 ASSESSMENT COLLECTIONS AND PURSUIT OF DELINQUENCIES*

<u>Date</u>	<u>Delinquency Clock (Days)</u>	<u>Activity</u>
January 31		Improvement Area #1 Assessments are due.
February 1	1	Improvement Area #1 Assessments delinquent if not received.
February 15	15	Issuer forwards payment to Trustee for all collections received as of February 15, along with detailed breakdown. Subsequent payments and relevant details will follow monthly thereafter. Issuer and/or Administrator should be aware of actual and specific delinquencies Administrator should be aware if Reserve Fund needs to be utilized for debt service payments during the corresponding Fiscal Year. If there is to be a shortfall of any Annual Installments due to be paid that Fiscal Year, the Dissemination Agent should be immediately notified in writing. Administrator should determine if previously collected surplus funds, if any, plus actual Annual Installment collections will be fully adequate for debt service in the corresponding March and September. At this point, if total delinquencies are under 5% and if there is adequate funding for March and September payments, no further action is anticipated for collection of Improvement Area #1 Assessments except that the Issuer or Administrator, working with the City Attorney or an appropriate designee, will begin process to cure deficiency. For properties delinquent by more than one year or if the delinquency exceeds \$10,000 the matter will be referred for commencement of foreclosure. If there are over 5% delinquencies or if there is insufficient funding in the Pledged Revenue Fund

* Illustrates anticipated dates and procedures for pursuing the collection of delinquent Improvement Area #1 Assessments, which dates and procedures are subject to adjustment.

		for transfer to the Principal and Interest Account of such amounts as shall be required for the full March and September payments, the collection-foreclosure procedure will proceed against all delinquent properties.
March 15	43/44	Trustee pays bond interest payments to Owners. Issuer, or the Trustee on behalf of the Issuer, to notify Dissemination Agent in writing of the occurrence of draw on the Reserve Fund and, following receipt of such notice, Dissemination Agent to notify MSRB of such draw or the Reserve Fund.
July 1	152/153	Issuer, or the Administrator on behalf of the Issuer, determines whether or not any Annual Installments are delinquent and, if such delinquencies exist, the Issuer commences as soon as practicable appropriate and legally permissible actions to obtain such delinquent Annual Installments. Issuer and/or Administrator to notify Dissemination Agent in writing for disclosure to MSRB of all delinquencies. Preliminary Foreclosure activity commences, and Issuer to notify Dissemination Agent in writing of the commencement of preliminary foreclosure activity. If Dissemination Agent has not received Foreclosure Schedule and Plan of Collections, Dissemination Agent to request same from the Issuer. If the Issuer has not provided the Dissemination Agent with Foreclosure Schedule and Plan of Collections, and if instructed by the Owners under Section 11.2 of the Indenture, Dissemination Agent requests that the Issuer commence foreclosure or provide plan for collection.
August 15	197/198	The designated lawyers or law firm will be preparing the formal foreclosure documents and will provide periodic updates to the Dissemination Agent for dissemination to those Owners who have requested to be notified of collections progress. The goal for the foreclosure actions is a filing by no later than August 15 (day 197/198).

Foreclosure action to be filed with the court.

Issuer notifies Trustee and Dissemination Agent of Foreclosure filing status in writing. Dissemination Agent notifies Owners.

If Owners and Dissemination Agent have not been notified of a foreclosure action, Dissemination Agent will notify the Issuer that it is appropriate to file action.

AGENDA ITEM REPORT



To: City Council
Subject: Consideration and possible action on Ordinance No. O-2021-065 to dispense with second reading pursuant to Hutto City Charter Article 3, Section 3.13.
Meeting: Thursday, October 21, 2021
Department: City Secretary
Staff Contact:

BACKGROUND INFORMATION:

SUMMARY OF REQUEST:

STAFF REVIEW:

FINANCIAL IMPACT:

POLICY IMPLICATIONS:

ATTACHMENTS:

None

AGENDA ITEM REPORT



To: City Council
Subject: Consideration and possible action on Resolution R-2021-159 selecting DCS Engineering as the engineering firm for the design of an Aquifer Storage and Recovery Well project. (Wade Benton)
Meeting: Thursday, October 21, 2021
Department: Engineering
Staff Contact:

BACKGROUND INFORMATION:

In July, the City of Hutto released a Request for Qualifications (RFQ) # 21-03 for design engineering services of a potable water well at the Frame Switch Pumping Station and other system improvements associated with Phase 1 of the Aquifer Storage and Recovery (ASR) project. Evaluation Personnel reviewed each respondent's submission to ascertain their capability to perform all the requirements contemplated by the solicitation.

Upon approval of selected consultant by city council, city staff will negotiate a Master Services Agreement with the selected consultant and present the final contract to City Council for approval at a future date.

SUMMARY OF REQUEST:

There were 2 responses to the RFQ.

- KSA Engineers
- DCS Engineering, LLC

STAFF REVIEW:

Staff recommends award to DCS Engineering, LLC.

FINANCIAL IMPACT:

POLICY IMPLICATIONS:

ATTACHMENTS:

1. ARS Water Well RFQ



REQUEST FOR QUALIFICATIONS

RFQ 21-03

PROFESSIONAL ENGINEERING SERVICES FOR DESIGN AND CONSTRUCTION OF POTABLE WATER WELL

IMPORTANT DATES

Solicitation Release Date _____ July 14, 2021

Second Notification Date _____ July 21, 2021

Deadline for Questions (5:00 p.m.) _____ July 23, 2021

City's Response to Questions _____ July 28, 2021

Submittal Deadline (10:00 a.m.) _____ August 04, 2021

CITY CONTACT

La'Mar Kemp, Procurement

City of Hutto

Phone: 512-759-4841

500 W Live Oak Street

Email: Procurement@Huttotx.gov

Hutto, Texas 78634

PART I
GENERAL INFORMATION

1. Project Description:

The City of Hutto (City) is engaging a CONSULTANT to design a potable water well to be located at the Existing City of Hutto Frameswitch Pumping Station site in addition to system improvements as described in scope of services consistent with standards, procedures, and best management practices in Texas. The water well will be utilized for Aquifer Storage and Recovery. The project design area includes multiple City facilities as identified by the City.

Solicitation Release Date	July 14, 2021
Second Notification Date	July 18, 2021
Deadline for Questions (5:00 p.m.)	July 23, 2021
City's Response to Questions	July 28, 2021
Submittal Deadline (10:00 a.m.)	August 4, 2021

2. Project Timeline:

Design of this project shall be completed by January 1, 2022. Construction of this project shall begin in March 2022 and be completed by January 2023.

3. CONFLICT OF INTEREST:

Effective March 1, 2006, Chapter 176 of the Texas Local Government Code (House Bill 914) requires that any vendor or person considering doing business with a local government entity disclose the vendor or person's affiliation or business relationship that might cause a conflict of interest with a local government entity. The Conflict of Interest Questionnaire form is available from the Texas Ethics Commission at www.ethics.state.tx.us. Completed Conflict of Interest Questionnaires may be mailed or delivered by hand to the City Secretary. If mailing a completed form, please mail to:

**City of Hutto
City Secretary
500 W. Live Oak
Hutto, Texas 78634**

- 3.1.** Any attempt to intentionally or unintentionally conceal or obfuscate a conflict of interest may automatically result in the disqualification of the vendor's Submittal.

PART II
STANDARD TERMS AND CONDITIONS

1. ABANDONMENT OR DEFAULT:

A Consultant who abandons or defaults the work on the contract and causes the City to purchase the services elsewhere may be charged the difference in service if any and shall not be considered in the re-advertisement of the service and may not be considered in future proposals for the same type of work unless the scope of work is significantly changed.

2. CANCELLATION:

Either party reserves the right to cancel the Agreement without penalty by providing thirty (30) days prior written notice to the other party. Termination under this paragraph shall not relieve the Consultant of any obligation or liability that has occurred prior to cancellation. **NOTE: This Agreement is subject to cancellation, without penalty, at any time the City deems the vendor to be non-compliant with contractual obligations.**

3. CODES, PERMITS AND LICENSES:

The successful Proposer shall comply with all National, State and Local standards, codes and ordinances as well as other authorities that have jurisdiction pertaining to equipment and materials used and their application. None of the terms or provisions of the specification shall be construed as waiving any rules, regulations or requirements of these authorities. The successful Proposer shall be responsible for obtaining all necessary permits, certificates and/or licenses to fulfill contractual obligations.

4. COMPLIANCE WITH LAWS:

The successful Proposer shall comply with all federal, state, and local laws, statutes, ordinances, rules and regulations. When requested, the Contractor shall furnish the City with satisfactory proof of its compliance.

5. CONSULTANT RESPONSIBILITIES:

- 5.1. The Consultant shall provide all goods and labor necessary to perform the service.
- 5.2. The Consultant shall employ all personnel for work in accordance with the requirements set forth by the United States Department of Labor.
- 5.3. The Consultant shall be responsible and liable for the safety, injury and health of its working personnel while its employees are performing service work.
- 5.4. The City is committed to maintaining an alcohol and drug free workplace. Possession, use, or being under the influence of alcohol or controlled substances by Consultant, Consultant's employees, subconsultant(s) or subconsultant(s') employees while in the performance of the service is prohibited. Violation of this requirement shall constitute grounds for termination of the service.

6. **DEFINITIONS:**

The following definitions will be used for identified terms throughout the Specification and Submittal document:

City – identifies the City of Hutto, Williamson County, Texas.

Deliverables - the goods, products, materials, and/or services to be provided to the City under a Purchase Order, Contract, or Master Agreement.

Responder - identifies persons and entities that submit a Submittal.

Services - work performed to meet a demand. The furnishing of labor, time, or effort by the vendor and their ability to comply with promised delivery dates, specification and technical assistance specified.

Submittal - complete, properly signed Submittal to a Solicitation that if accepted, would bind the Responder to perform the resulting agreement.

7. **DISCLOSURE OF LITIGATION:**

Each Responder shall include in its Submittal a complete disclosure of any civil or criminal litigation or investigation pending which involves the Responder or in which the Responder has been judged guilty.

8. **INDEMNIFICATION:**

The successful Responder shall indemnify, save harmless and exempt the City, its officers, agents, servants, and employees from and against any and all suits, actions, legal proceedings, claims, demands, damages, costs, expenses, attorney fees and any and all other costs or fees incident to any work done as a result of this response and arising out of a willful or negligent act or omission of the successful Responder, its officers, agents, servants, and employees; provided, however, that the successful Responder shall not be liable for any suits, actions, legal proceedings, claims, demands, damages, costs, expenses and attorney fees arising out of a willful or negligent act or omission of the City, its officers, agents, servants and employees, or third parties.

9. **INSURANCE:**

The Responder agrees to carry adequate General Liability, Automobile Liability and Professional Liability Insurance as mandated by state law, as well as, Worker's Compensation insurance as mandated by Preamble 110.110.

- Worker's Compensation Insurance as mandated by the State of Texas.
- Comprehensive General Liability Insurance Amount
 - Bodily Injury - \$1,000,000 each occurrence
 - Property Damage - \$1,000,000 each occurrence
 - Comprehensive Automobile Liability Insurance

- Bodily Injury - \$1,000,000 each person
- Property Damage - \$1,000,000 each occurrence
- Professional Liability
- Minimum amount of \$1,000,000

10. LEGAL REQUIREMENTS:

All parties offering Submittals shall comply with federal, state and local laws and mandates relative to the preparation of Submittals and the services to be provided and all applicable federal laws and regulations. Specifically the services to be provided are expected to be in compliance with the: American with Disabilities Act (ADA); Age Discrimination in Employment Act (ADEA); Consolidated Omnibus Budget Reconciliation Act (COBRA); Family and Medical Leave Act (FMLA); Health Portability and Accountability Act of 1996 (HIPAA) and all applicable federal and state requirements, including without limitation, ERISA, the Internal Revenue Code and its corresponding regulations, Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA), insurance laws and regulations, and state anti-discrimination requirements. All Submittals will be presumed to be in compliance with all applicable laws.

11. LIENS:

Consultant agrees to and shall indemnify and save harmless the City against any and all liens and encumbrances for all labor, goods and services which may be provided under the resulting Agreement. At the City's request, the Consultant or subcontractors shall provide a proper release of all liens or satisfactory evidence of freedom from liens shall be delivered to the City.

12. PROFESSIONAL REGISTRATION:

Persons or firms practicing Architectural and/or Engineering Services in the State of Texas must possess proper registration in accordance with Texas Laws.

13. VENUE:

Both the City and the Consultant agree that venue for any litigation arising from a resulting Agreement shall lie in Williamson County.

PART III
SUBMITTAL INSTRUCTIONS

1. SUBMITTAL SCHEDULE:

It is the City's intent to comply with the following Submittal timeline:

Solicitation Release Date	July 14, 2021
Second Notification Date	July 18, 2021
Deadline for Questions (5:00 p.m.)	July 23, 2021
City's Response to Questions	July 28, 2021
Submittal Deadline (10:00 a.m.)	August 4, 2021

NOTE: These dates represent a tentative schedule of events. The City reserves the right to modify these dates at any time, with appropriate notice to prospective Responders.

- 1.1. **All questions regarding the Request for Qualifications shall be submitted in writing electronically by 5:00 pm CST on July 23, 2021** to above named City Contact. All known participating firms will be provided with a copy of the questions submitted and the City's Response.

2. **SUBMITTAL DUE DATE:**

Sealed Submittals are due no later than **10:00 a.m. CDT on August 4, 2021** to the City of Hutto. Submittals received after this time and date will not be considered. Mail or carry sealed Submittals to:

**City of Hutto
Attn: Procurement Department
500 W. Live Oak
Hutto, Texas 78634**

- 2.1. Sealed Submittals shall be clearly marked **"DO NOT OPEN – RFQ 21-03 DESIGN AND CONSTRUCTION OF POTABLE WATER WELL"**.
- 2.2. Facsimile or electronically transmitted Submittals are **not acceptable**.
- 2.3. Each Submittal shall contain one (1) original and one (1) digital copy on a USBdrive.

3. **SUBMITTAL FORMAT:**

It is intended that this RFQ describe the requirements and submittal format in sufficient detail to secure comparable submittals. Interested and qualified firms shall:

- 3.1. Submit one (1) original and one (1) digital copy of materials that demonstrate experience in performing projects of this scale and complexity.
 - 3.1.1. Submittal document shall not exceed 10 single sided or 5 double-sided pages (excluding transmittal letter, index sheets, insurance certificates, financial statements, litigation summaries, and supporting appendices, if any). Submittals shall be bound using GBC or similar semi-permanent binding. A page is considered 8.5" x 11", single-sided, 12-point font size (or larger), single-spaced and in portrait orientation;
 - 3.1.2. Responders may also include documentation, photographs, artwork, or other supporting materials as Appendices to the Submittal. Appendices are not counted in the 10-page count limitation. However, the Appendices page count shall not exceed 5 pages for a total of no more than 15 pages per eachresponse.
- 3.2. Submittals to the RFQ shall require the consultant to provide sufficient information to determine that the Responder understands the City of Hutto's general vision for the scope of work. **Responding firms shall deliver Submittals in the following format and sequence:**

Letter of Submittal:

- 3.2.1. A brief statement of understanding of the RFQ and commitment to perform the services requested within the response;

- 3.2.2. A brief summary of the types of professional services for which the respondent wishes to be considered;
- 3.2.3. Name of the principal point(s) of contact for the respondent (i.e., firm, title, physical address, fax number, phone number, and e-mail address). State whether the contact person is authorized to bind the firm. If the signer of the transmittal letter is not so authorized, identify the person(s) authorized to execute contracts on behalf of the firm(s).

Executive Summary:

Statement of Work:

- 3.2.4. A statement of the firm's understanding of the Project objectives;
- 3.2.5. Describe the firm's approach to performing all of the Scope of Services being proposed;
- 3.2.6. A statement of the Firm's potential project approach;
- 3.2.7. A statement of the extent to which the firm has a place of business within the City;
- 3.2.8. A statement of the existence of or potential for any conflict of interest with any work the firm might perform for the City;

Project Organization:

- 3.2.9. Provide the Corporate name(s), responsible corporate officer(s) who would be responsible for the work, office location(s) where the majority of the work would be performed/ and the general capabilities of the firm(s) for the lead firm;
- 3.2.10. Provide the Corporate name(s), responsible corporate officer(s) who would be responsible for the work, office location(s) where the majority of the work would be performed/ and the general capabilities of the firm(s) for sub-consultant(s) (any entities that will be responsible for at least 2% of the billable work);
- 3.2.11. Project organizational structure (including the proposed project manager(s) and key personnel to be committed to specific project disciplines);
- 3.2.12. Resumes of key personnel listing roles and responsibilities (including professional credentials that demonstrate competencies directly related to the Scope of Services being proposed.
- 3.2.13. Current workload of key personnel.
- 3.2.14. Succession plan in the event of key personnel inability to perform or continue with the project.

Past Project Experience:

- 3.2.15. A list of experience of the firm in providing comparable services for projects of similar size and scope. The project description should detail approximate project costs and dates of completion. The firm may include up to 5 relevant projects.;
- 3.2.16. A list of project references with names, addresses, phone numbers and e-mail addresses.

Insurance:

- 3.2.17. Certificates of insurance evidencing minimum coverage for the types and limits of liability specified in this RFQ.

Financial Statements:

- 3.2.18. Audited financial statement(s) for the lead firm(s). Submitted in a separate envelope clearly marked "Confidential".

Litigation Summary:

- 3.2.19. Summary of current or past project-necessitated litigation pursued by or brought

against the firm in the previous five (5) years.

- 3.3. Submission of a Response to this RFQ shall affirm that the vendor shall not discriminate against any employee or applicant for employment because of race, religion, sex, sexual preference, color or national origin and that the firm will make efforts to ensure that employment is offered to applicants without regard to race, religion, sexual preference, color and national origin.
- 3.4. A Responder may withdraw their Submittal by submitting a written request for its withdrawal by the signature of an authorized individual as described above, to the Internal Services Manager any time prior to the submission deadline. The prospective Responder may thereafter offer a new Submittal prior to the deadline. Modifications offered in any manner will not be considered if submitted after the deadline.

4. **CONFIDENTIALITY OF RESPONSE CONTENT:**

All Submittals offered in response to this RFQ shall be held confidential until an agreement is awarded. Following the agreement award, Submittals are subject to release as public information unless the Submittal or specific parts of the Submittal can be shown to be exempt from the Texas Public Information Act. Responders are advised to consult with their legal counsel regarding disclosure issues and take the appropriate precautions to safeguard trade secrets or any other proprietary information. The City assumes no obligation or responsibility for asserting legal arguments on behalf of potential Responders.

- 4.1. If a Responder believes that a Submittal or parts of a Submittal are confidential, then the Responder shall so specify. The Responder shall stamp in bold red letters the term "**CONFIDENTIAL**" on that part of the Submittal, which the Responder believes to be confidential. Vague and general claims as to confidentiality shall not be accepted. All Submittals and parts of Submittals that are not marked as confidential will be automatically considered public information after the agreement is awarded.
- 4.2. All Submittals become the property of the City and will not be returned to the vendor.

5. **CLARIFICATION OF SUBMITTAL:**

The City, in its sole discretion, expressly reserves the right to request and/or require any additional information from the Responder(s) that it deems relevant with respect to this RFQ. The contents of the Submittal and any clarification or counter Submittal thereto submitted by the successful vendor shall become part of the contractual obligation and incorporated by reference into the ensuing contract.

6. **EVALUATION CRITERIA:**

The City seeks to select the team that best demonstrates the following:

- A prior history of success with projects of similar size, type and character.
- An understanding of the broader objectives that the project will accomplish, and the ability to assist with the realization of these goals.

The City reserves the right to award a Project, in whole or in part, to those Responders who demonstrate appropriate, verifiable professional qualifications and experience, as well as business integrity, in their Submittals and that best address the intent and objectives of this

Project. Selection criteria will be evaluated in terms of such considerations as number of years in business; size of agency and staff; experience of staff; and professional servicing capability. Submittals will be carefully evaluated in terms of effectiveness and compliance with the requirements set forth in this RFQ. Award will be made to the Responder(s) submitting the best and most responsible Submittal. Criteria for award are as follows:

- 6.1. **Statement of Qualifications completed in the format and sequence specified in this RFQ (10%)**
- 6.2. **Demonstrated experience in providing the service proposed as related to this RFQ (30%)**
- 6.3. **Experience in design and technology relating to various types of municipal projects as related to this RFQ (10%)**
- 6.4. **Capability to perform all tasks outlined in this RFQ either directly or through sub-consultants (20%)**
- 6.5. **Key personnel professional background and experience (10%)**
- 6.6. **Quality and competency of work on project previously undertaken (10%)**
- 6.7. **Familiarity with, and proximity to the geographic location of the City of Hutto (10%)**

7. **EVALUATION PROCESS:**

A committee comprised of City Staff will review the Submittals to the RFQ and may develop a short list of firms/teams. Interviews and/or demonstrations may be conducted with any responding firms/teams to discuss their qualifications, resources, and availability to provide the services requested.

- 7.1. If selection committee deems that no qualified firms have responded, the RFQ will be reissued at a later date.
- 7.2. The City will not provide compensation or defray any cost incurred by any firm related to the Submittal of this request.
- 7.3. The City reserves the right to negotiate with any and all persons or firms.
- 7.4. The City also reserves the right to reject any or all Submittals, or to accept any Submittal deemed most advantageous, or to waive any irregularities or informalities in the Submittal received, and to revise the process and/or schedule as circumstances require.

8. **EX PARTE COMMUNICATION:**

Please note that to insure the proper and fair evaluation of a Submittal, the City prohibits ex parte communication (e.g., unsolicited) initiated by the Responder to a City Official or Employee evaluating or considering the Submittal prior to the time a formal decision has been made. Questions and other communication from vendors will be permissible until 5:00 pm on the day specified as the deadline for questions. Any communication between Responder and the City after the deadline for questions will be initiated by the appropriate City Official or Employee in order to obtain information or clarification needed to develop a proper and accurate evaluation of the Submittal. Ex parte communication may be grounds for disqualifying the offending Responder from consideration or award of the solicitation then in evaluation, or any future solicitation.

PART IV
SCOPE OF WORK

1. PROJECT SCOPE:

The City of Hutto is requesting Statements of Qualifications from qualified firms who can demonstrate that they have the resources, experience and qualifications to enter into Professional Services Agreements, pursuant to Texas Government Code to perform permitting, design, bidding, and construction administration services for the construction of a potable water well to be located at the City of Hutto's Frameswitch Pumping Station as part of the City's Water Supply Strategy. The project will increase water supply at the Frameswitch Pumping Station to provide water service to future water users in the City's Water CCN by utilizing Aquifer Storage and Recovery.

Professional services for this project include, but are not limited to, coordination with wholesale entities, changes to the City operational control logic to make recommended improvements to distribution system SCADA programming controls, coordination with applicable agencies to obtain all required water well permits, Schematic Design, Design Development, Construction Documents, Bidding, and Contract Administration Services.

Project development will include the preparation of specifications, plans, permitting, identification of utility conflicts, City utility adjustments, coordination with utility companies and attending of utility coordination meetings, public involvement, and any other items necessary to successfully develop the project.

PROJECT MANAGEMENT:

The selected responder shall provide a Project Manager for the duration of the Project. The Project Manager shall work closely with the City to develop a project plan, statement of work, detailed work breakdown structure, costs, code, zoning or regulatory challenges, task durations and dependencies matrix and risk management plan.

PART V
INVOICING AND PAYMENT

1. **INVOICING:** Consultant shall submit one original and one copy of each invoice on a monthly basis to the following address:

City of Hutto
Attn: Accounts Payable
500 W. Live Oak
Hutto, Texas 78634
AccountsPayable@huttotx.gov

2. **PROMPT PAYMENT POLICY:** Payments shall be made within thirty days after the City receives the supplies, materials, equipment, or the day on which the performance of services was completed or the day on which the City receives a correct invoice for the supplies, materials, equipment or services, whichever is later. The Consultant may charge a late fee (fee shall not be greater than that which is permitted by Texas law) for payments not made in accordance with this prompt payment policy; however, this policy does not apply to payments made by the City in the event:
 - 2.1. There is a bona fide dispute between the City and Consultant concerning the supplies, materials, services or equipment delivered or the services performed that causes the payment to be late; or
 - 2.2. The terms of a federal agreement, grant, regulation, or statute prevent the City from making a timely payment with Federal Funds; or
 - 2.3. There is a bona fide dispute between the Consultant and a subconsultant or between a subconsultant and its suppliers concerning supplies, material, or equipment delivered or the services performed which caused the payment to be late; or
 - 2.4. The invoice is not mailed to the City in strict accordance with instructions, if any, on the purchase order or agreement or other such contractual agreement.