


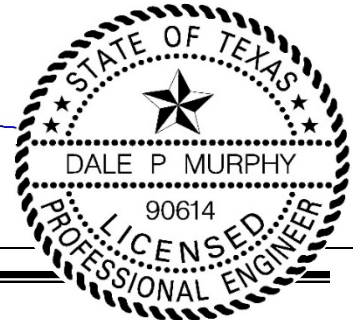
MEMORANDUM

TO: Amber Lewis – City of Rollingwood

FROM: Dale Murphy, PE 

DATE: April 12, 2021

SUBJECT: Overall Wastewater Capacity for the City of Rollingwood



Background

The City of Rollingwood owns and operates the wastewater collection system within its City Limits. As the City has no wastewater treatment infrastructure, all wastewater collected in Rollingwood's system is delivered to the City of Austin collection system through Lift Station #1. Additionally, several properties within Rollingwood's City Limits tie directly to the City of Austin collection system. This memorandum will discuss and evaluate the overall wastewater flows versus the capacity limitations of the Agreement with the City of Austin for wholesale wastewater service. Note that a system wide wastewater model is being created to look at the capacity of specific elements (pipelines and lift stations) within the system, this memorandum does not address this modeling effort. Additionally, review of the operations of Lift Station No. 1 is needed with the City's operations contractor to review the facility and how the controls are currently working compared to the original design as it relates to flow control.

Agreement for Wholesale Wastewater Service Summary

The City of Rollingwood and the City of Austin entered into the Agreement for Wholesale Wastewater Service (Agreement) in 1999 which allows for untreated wastewater from Rollingwood to be delivered to the City of Austin collection system. The maximum level of wholesale service is defined as a not to exceed peak flow limitation of 300 gallons per minute.

Since the original agreement, four Amendments have been executed. Instances where the Amendments have modified the Agreement in ways that affect overall system capacity include:

- Definition of "peak flow" to mean the average of flows taken every second for a 60 second period.
- Clarification that the 300 gpm peak flow rate encompasses both the flow rate from Lift Station #1 and the properties within Rollingwood that connect directly to the City of Austin system. This is further broken down as a peak flow limit of 255 gpm from Lift Station #1, and 45 gpm from all other properties that connect directly to the City of Austin system without going through Lift Station #1.

- Flows from Lift Station #1 will be metered directly by the City of Austin in calculating the peak flow rates. Flow rates from properties connecting directly to the City of Austin system will be calculated through winter water averaging. Typically, the City of Austin utilizes a 4.0 multiplier on winter water averaged flows to calculate peak flows, but this does not appear to be defined in the Agreement or Amendments.

Lift Station #1 – Original Design

Per the original design drawings for Lift Station No. 1 (March 2002), the lift station has dual pumps with a design capacity of approximately 300 gpm at 88 feet of head that discharges through a 6-inch diameter force main to the City of Austin collection system. The design includes a 100,000 gallon peak overflow tank that is connected to the wet well influent piping. The apparent purpose of the overflow tank is to allow storage of peak influent flows that are in excess of the 300 gpm design capacity of the lift station. In addition, the lift station design includes an electric actuated pinch valve on the force main which is controlled by the metered force main flow rate to modulate and maintain flows under 300 gpm. In reviewing the design calculations, the original sizing of the overflow tank appears to be based around serving a total of 1,100 Living Unit Equivalents (LUEs) in the full system buildout, assuming a lift station capacity of 300 gpm and 245 gpd/LUE of average flows. Note that 1 LUE is equal to the average flows that a single family home produces.

As noted above, subsequent Amendments to the Agreement with Austin reduced the peak flow limitation from Lift Station No. 1 to 255 gpm, and record of adjusted calculations related to Lift Station No. 1 have not been found/reviewed to date.

Current City of Rollingwood Living Unit Equivalents

Based on the wastewater accounts and LUE assignments to its customers, the total current LUEs in Rollingwood are as follows (table attached):

- | | |
|---|------------|
| • Residential LUEs that flow through Lift Station No. 1: | 475 |
| • Commercial LUEs that flow through Lift Station No. 1: | <u>118</u> |
| • <i>Total LUEs that flow through Lift Station No. 1:</i> | 593 |
| • Residential LUEs that connect directly to Austin's system: | 20 |
| • Commercial LUEs that connect directly to Austin's system: | <u>64</u> |
| • <i>Total LUEs that connect directly to Austin's system:</i> | 84 |
| • <i>Total Current LUEs in Rollingwood:</i> | 677 |

Overall Rollingwood Wastewater Flow Development & Evaluation

For purposes of this evaluation, average day flows of 245 gallons/day per LUE have been used in calculating the total flows in the City to match with previous calculations. This number should be reevaluated and updated based on current water usage trends within the City going forward.

The peak wastewater flow development has been broken into two methods, one for flows that are routed through Rollingwood's Lift Station No. 1, and another for flows from properties that connect directly to the City of Austin collection system. These calculations are based on the assumption that each single family property connected to the system is equivalent to 1 LUE, and each commercial property is utilizing its full assigned LUE allotment.

Flow Summary through Lift Station No. 1 (255 gpm peak flow limitation)

Wastewater flows collected by Rollingwood's system all go to Lift Station No. 1 to be pumped to the Austin collection system. Flow development for the collection system is based on the City of Austin Utility Criteria Manual.

TOTAL SYSTEM WASTEWATER FLOWS			
Total Average Dry Weather Flows (ADWF)			
Number of LUEs (Residential)	475		
Number of LUEs (Commercial)	118		
Number of LUEs (Total)	593		
Ave. Wastewater Flow/Connection	245	gpd	
ADWF (gpd)	145,285	gpd	
ADWF (gpm)	101	gpm	
Total Peak Dry Weather Flows (PDWF)			
Peaking Factor (City of Austin calc)	3.57		
PDWF (gpd)	519,066	gpd	
PDWF (gpm)	360	gpm	
Inflow & Infiltration (I&I)			
Acres in Service Area	420	acres	
I&I (gpd/acre)	750	gpd/acre	
I&I (gpd)	315,000	gpd	
I&I (gpm)	219	gpm	
Peak Wet Weather Flow (PWWF)			
PWWF (gpd) = I&I + PDWF	834,066	gpd	
PWWF (gpm) = I&I + PDWF	579	gpm	

As can be seen, the current Peak Wet Weather Flow to Lift Station No. 1 is 579 gpm, which is well in excess of the original design capacity (300 gpm) of the lift station, and is also in excess of the flow limitation that Rollingwood can deliver to Austin at this location (255 gpm). As described above, the original design of Lift Station No. 1 included a 100,000 gallon peak overflow tank to attenuate and store peak flows in excess of 300 gpm. Updated modeling and calculations are needed to determine the exact remaining capacity that can be handled by Lift Station No. 1 and its peak overflow tank. This will primarily be accomplished via a system model that will calculate the peak levels of wastewater stored in the overflow tank during peak day flow events.

Based on the original design calculations for flows stored in the overflow tank, and adjusting for a peak flow from Lift Station No. 1 of 255 gpm, it is roughly estimated that Lift Station No. 1 could serve in the range of 700 to 800 LUEs. Which results in an excess capacity of approximately 100 to 200 LUEs over the current number of connections that flow to Lift Station No. 1. Note that increased usage of the peak overflow tank may have impacts on odor and wastewater strength resulting in additional ongoing chemical costs, etc. at Lift Station No. 1.

Flow Summary for Direct Connection to Austin (45 gpm peak flow limitation)

The calculation of peak flows for properties connected directly to the City of Austin collection system (unmetered) is based on winter water averaging and a 4.0 multiplier of that average to find the peak flows per the Agreement.

- Total LUEs Allotted: 84
- Average Daily Flows/LUE: 245 gallons/day
- Total Average Daily Flows: 14.3 gpm
- Total Peak Flows (at 4.0 Multiplier): 57.2 gpm

This shows that if all connections are producing flow equivalent to the number of LUEs assigned to these properties, that the calculated peak flow would be in excess of the 45 gpm limitation in the current Agreement.

Summary of Findings

After reviewing the Agreement and Amendments, looking at the LUEs connected to Rollingwood's system and that flow directly to Austin's system, reviewing the design of Lift Station No. 1, and calculating estimated peak flows in the system, the following is a list of conclusions and recommendations:

- A full system model and updated calculations are needed to evaluate the system, and especially the operations of Lift Station No. 1 and its peak overflow tank to determine available capacity in the system.

- Updated models/calculations will need to account for the change from 300 gpm to 255 gpm flow limitation from Lift Station No. 1, and should review current wastewater flow data (based on winter water average usage).
- Rough/preliminary calculations of the flows to Lift Station No. 1 and its peak overflow tank indicate that Rollingwood would be able to connect an additional 100 to 200 LUEs to this system assuming 245 gpd/LUE and a 255 gpm discharge from the lift station.
- A closer review of the actual current wastewater flows from properties that connect directly to Austin is needed as it appears that current connections/LUEs could already be in excess of the 45 gpm limitation for these properties. If confirmed, it would likely mean that Rollingwood would need to request and increase over the 45 gpm, which would likely result in a corresponding decrease from the peak flow rate from Lift Station No. 1.

THE STATE OF TEXAS)

COUNTY OF TRAVIS)

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**AGREEMENT FOR WHOLESALE WASTEWATER
SERVICE BETWEEN THE CITY
OF ROLLINGWOOD, TEXAS AND THE
CITY OF AUSTIN, TEXAS**

THIS WHOLESALE WASTEWATER AGREEMENT ("Agreement") is made and entered by and between the **City of Austin**, Texas, a Texas home rule municipal corporation ("Austin") and the **City of Rollingwood**, Texas ("Rollingwood"), a Texas general law municipal corporation.

WHEREAS, Austin and Rollingwood have previously entered into a wholesale wastewater contract dated September 3, 1987 ("1987 Agreement") pursuant to which Austin provides wastewater collection and treatment services to a tract of land within the corporate boundaries of Rollingwood; and

WHEREAS, the Agreement was amended several times since that date to provide additional wastewater service to certain lots located within the corporate boundaries of Rollingwood (the “Amendments”); and

WHEREAS, Rollingwood has requested that Austin provide wastewater service to Rollingwood on a wholesale basis for all lands within its corporate limits and extraterritorial jurisdiction (the “Wholesale Service Area”); and

WHEREAS, the Report of the Consensus Building Group for the Robert E. Lee Road Relief Interceptor Planning Study, completed October 7, 1997 and signed by all 15 of its members (“Consensus Report”), states in part that “central sewer service within the Robert E. Lee Road Interceptor Study Area (the ‘Study Area’) will be limited to jurisdictions designated on the map as the City of Austin Retail, the City of West Lake Hills Wholesale, and the City of Rollingwood Wholesale areas (which collectively are defined as the ‘Service Area’);” and

WHEREAS, the Consensus Report also states that “wholesale central sewer service will be defined by interlocal or other appropriate agreements which shall also include assurance of enforcement of service levels agreed upon;” and that “the City of Austin will not provide any additional retail central sewer service within the City of West Lake Hills and the City of Rollingwood, unless existing contractual agreements are in place;” and

WHEREAS, the Austin City Council on February 4, 1998, approved the Consensus Report and authorized the Austin City Manager to initiate negotiations with Rollingwood to implement the terms of the Consensus Report through interlocal agreements for wholesale wastewater service and construction of facilities, with certain conditions contained in the resolution; and

WHEREAS, Rollingwood has adopted an industrial waste ordinance that conforms to Chapter 18-2 of the 1992 Austin City Code, as amended, and has entered into an Interlocal Agreement for Industrial Waste Control Services with Austin, under which Austin will perform industrial waste services on behalf of Rollingwood; and

WHEREAS, the Austin City Council on August 12, 1998, approved the negotiation of a wholesale wastewater agreement with Rollingwood, which agreement was to contain the conditions contained in that resolution; and

WHEREAS, Austin is willing to contract with Rollingwood to provide wholesale wastewater service to Rollingwood for the Wholesale Service Area, subject to certain terms and conditions; and

WHEREAS, Austin and Rollingwood desire to enter into this new Agreement which sets forth the terms and conditions to govern the provision of wholesale wastewater service from Austin to Rollingwood for the Wholesale Service Area and, upon the commencement of service under this Agreement, to terminate the 1987 Agreement, as amended;

NOW, THEREFORE, in consideration of the terms, conditions, and covenants contained in this Agreement, Austin and Rollingwood agree as follows:

ARTICLE 1: DEFINITIONS

1.01. Definition of Terms. The terms used in this Agreement shall have the meanings set forth below, unless otherwise defined in the Agreement:

- (a) Austin: a Texas home rule municipal corporation acting through its City Manager or the City Manager's designee, unless otherwise indicated.
- (b) Austin's System or Austin System: the wastewater collection and treatment system of the City of Austin.
- (c) BOD (Biochemical Oxygen Demand): the quantity of oxygen, expressed in milligrams per liter (mg/l), utilized in the biochemical oxidation of organic matter as determined by standard methods procedure in five days at twenty (20) degrees centigrade.
- (d) Calibration: the utilization of check meters, velocity tests, or verification of secondary instrumentation accuracy using a standard signal at the transmitter or a calibrated primary sensor (manometer).
- (e) COD (Chemical Oxygen Demand): the measure of the oxygen consuming capacity of inorganic and organic matter present in wastewater, sewage, industrial waste, or other liquid as determined in milligrams per liter (mg/l) by standard laboratory procedure according to Austin's Industrial Waste Ordinance, Chapter 18-2 of the 1992 Austin City Code, as amended.

(f) Connecting Facilities:

- (1) any lift station constructed by Rollingwood at the point of entry into the Austin System which lift station will be owned and operated by Rollingwood;
- (2) any wastewater main constructed by Rollingwood that will connect to the Austin System;
- (3) any metering facility constructed by Rollingwood that is associated with these facilities, which metering facility will be dedicated to Austin by Rollingwood; and
- (4) any repairs or replacements of these facilities.

(g) Director: the Director of the City of Austin Water and Wastewater Utility or the Director's authorized designee.

(h) Environmental Protection Agency or EPA: the United States Environmental Protection Agency.

(i) Industrial waste: industrial waste as defined in Chapter 18-2 of the 1992 Austin City Code, as amended.

(j) Infiltration and inflow: water that has migrated from the ground into a wastewater system.

(k) Interference: an inhibition or disruption of Austin's System, treatment processes, or operations that causes or contributes to a violation of any requirement of Austin's wastewater discharge permit(s).

(l) Metering facility: the meter, meter vault, and all metering and telemetering equipment required to measure wholesale wastewater service to Rollingwood at the point of entry.

(m) Point of Entry: the manhole on the Austin gravity line located in Zilker Park designated by Austin at which wastewater will pass from Rollingwood's System into Austin's System. All wastewater flows from Rollingwood will be directed to this Point of Entry.

(n) Pretreatment Requirements: the pollutant concentration, discharge limitations and other requirements described in Chapter 18-2 of the Austin City Code, as amended, and the Federal Pretreatment and Monitoring Regulations promulgated by the EPA.

0• C

mins/hr	60•	x
hrs/day	24•	=
= mins/day	1,440•	+

0• C

mins/day	1,440•	x
* 365 days/yr	365•	=
= mins/yr	525,600•	+

0• C

mins/yr	525,600•	÷
÷ mins/yr	12•	=
= mins/mo	43,800•	+

0• C

mins/mo	43,800•	x
* 300 GPM (2.01 A)	300•	=
= GPMs/mo	13,140,000•	+

- (o) Prohibited Waste: those substances prohibited from being discharged into Austin's System and Rollingwood's System except in accordance with Chapter 18-2 of the Austin City Code, as amended.
- (p) Rollingwood: the City of Rollingwood, Texas.
- (q) Rollingwood's System or Rollingwood System: the wastewater facilities of Rollingwood for collection and transportation of wastewater from its customers to the Point of Entry into the Austin System.
- (r) Sewage: water borne human excreta and gray water.
- (s) TSS (Total Suspended Solids): the amount of solids expressed in milligrams per liter (mg/l) that float on the surface of or in suspension in water, sewage, industrial waste, or other liquid that are removable by laboratory filtering following standard methods.
- (t) Waste or Wastewater: liquid or water borne waste, including, without limitation, sewage, industrial waste or other wastes, whether separate or commingled.
- (u) Wastewater Capital Recovery Fee: a charge imposed on each service unit of new development pursuant to Chapter 13-3A of the 1992 Austin City Code, as amended, to generate revenue for funding or recouping the costs of capital improvements or facility expansions of Austin's System.
- (v) Wholesale Service Area: Rollingwood's corporate city limits and extraterritorial jurisdiction, as they exist from time to time.

ARTICLE 2: PROVISION OF WHOLESALE SERVICE

2.01. Maximum Level of Wholesale Service.

- (a) Subject to the terms and conditions of this Agreement and the requirements of applicable law, Austin commits and agrees to provide wholesale wastewater service to Rollingwood for the Wholesale Service Area and to accept and treat all wastewater delivered by Rollingwood to the Point of Entry. Wholesale wastewater service provided by Austin to Rollingwood under this Agreement shall not exceed a peak flow of 300 gallons per minute (gpm).
- (b) Any permanent increase in the maximum level of wholesale wastewater service Austin provides to Rollingwood shall require a written amendment of this Agreement duly authorized by the governing bodies of Austin and Rollingwood and executed by the authorized representatives of Austin and Rollingwood.

- (c) Rollingwood and Austin will each monitor the wastewater flows from Rollingwood into the Austin System, and will give written notice to the other party in the event such monitoring indicates that Rollingwood's peak flow has reached 75% of the 300 gpm peak flow.

2.02. Consideration for Wholesale Wastewater Service.

- (a) Rollingwood acknowledges that Austin has entered into this Agreement based in part on Rollingwood's agreement to limit its Wholesale Service Area to its city limits and extraterritorial jurisdiction and to limit its peak wastewater flows into Austin's System.
- (b) Additionally, as consideration for service under this Agreement, Rollingwood will either contribute \$200,000 to Austin for the development of a reclaimed water project, or provide such other consideration in lieu of this contribution as may be mutually agreed to by Rollingwood and Austin. If the parties do not mutually agree to the alternative consideration, the \$200,000 will be paid in accordance with Section 2.07.
- (c) Austin confirms that it has, and will have, adequate wastewater capacity to accept and treat 300 gpm peak flow of wastewater from Rollingwood through the existing Austin System, and that Rollingwood is relying on this representation in entering into this Agreement.

2.03. Wholesale Service Commitment Not Transferable. Austin's commitment to provide wholesale wastewater service is solely with Rollingwood. Rollingwood may not assign or transfer in whole or in part Austin's service commitment without Austin's City Council approval. The commitment of service made in conformance with Section 2.01 shall continue and run with the land to which it was assigned within the Wholesale Service Area regardless of changes in ownership of the land. Rollingwood will not provide wastewater service to any areas outside the Wholesale Service Area without Austin's City Council approval.

2.04. Rollingwood Responsible for Approval of Retail Connections. Rollingwood shall be solely responsible for the appropriate allocation of wastewater capacity by and among its retail customers. Rollingwood shall be responsible for ensuring compliance by its retail customers with the applicable terms of this Agreement and for the proper and lawful application of Rollingwood policies and ordinances governing connection to the Rollingwood System.

2.05. Retail Billing and Collection. Rollingwood agrees that it shall be solely responsible for retail billings to and collections from its customers.

2.06. Retail Service Commitments.

- (a) Rollingwood shall be responsible for the approval and performance of any retail service contracts or commitments made by and between Rollingwood and its retail customers within the Wholesale Service Area.
- (b) There are several properties within Rollingwood's Wholesale Service Area that are currently connected to Austin's System and are being provided service under the 1987 Agreement and the Amendments. Rollingwood agrees that it will connect all those properties to Rollingwood's System within two years of service being initiated to other portions of the Wholesale Service Area under this Agreement.
- (c) Rollingwood agrees to limit the aggregate flows from Rollingwood's System into Austin's system to 300 gallons per minute (gpm) peak flow. This flow limit includes the flows from all existing customers under the 1987 Agreement and Amendments.
- (d) Austin shall have no liability or obligation to provide service above the levels described in this Agreement nor will Austin provide direct retail service to any property within the Wholesale Service Area.

2.07. Conditions Precedent for Commencement of Wholesale Wastewater Service.

- (a) The parties agree that they each commit to use their best efforts to perform every obligation described in this Agreement as efficiently as possible in as short a time as reasonably possible. Austin shall cooperate with Rollingwood in accomplishing the matters described in this Section and this Agreement and otherwise assist with obtaining the necessary approvals and satisfying the requirements to obtain wastewater service. Austin and Rollingwood specifically agree that the commencement of wholesale wastewater service to the Wholesale Service Area beyond the existing service provided under the 1987 Agreement and the Amendments shall be subject to the following conditions precedent:
 - (1) Rollingwood's payment of the \$200,000, or providing the alternative consideration, referenced in Section 2.02(b) to Austin;
 - (2) Rollingwood's adoption of the water conservation program described in Sections 18.01(b) and 18.02;
 - (3) Rollingwood's construction of the Connecting Facilities, at no cost to Austin, which shall be built in accordance with plans and specifications approved by the Director;

- (4) final inspection and approval by Austin of the Connecting Facilities required to transport wastewater to the Point of Entry to the Austin System;
 - (5) dedication by Rollingwood to Austin of all Connecting Facilities located within Austin's city limits;
 - (6) installation by Rollingwood, at its sole expense, and final inspection and acceptance by Austin of wastewater flow meter of size, make, design, and location approved by the Director at or near the Point of Entry to meter accurately wastewater flows transported from Rollingwood's System to the Austin System and dedication of this metering facility to Austin;
 - (7) dedication by Rollingwood to Austin an easement, if necessary, to provide access for operation and maintenance of the wastewater flow meter;
 - (8) acquisition by Rollingwood and dedication of all easements or license agreements, if any, required for lawful construction, installation, operation, and maintenance of the Connecting Facilities to be dedicated to Austin; and
 - (9) written authorization from the Director acknowledging that Rollingwood has satisfied all conditions and requirements of this Agreement for connection to the Austin System and commencement of wholesale wastewater service and that wholesale service to Rollingwood shall commence, which authorization shall not be unreasonably withheld or delayed.
- (b) Austin shall commence wholesale service to Rollingwood within three business days after satisfaction of the conditions set forth in this Section.

2.08. Curtailment of Service. Rollingwood agrees that, if wastewater service is curtailed within Austin or to other customers of the Austin System, Austin may impose a like curtailment on wholesale wastewater service delivered to Rollingwood. Austin shall impose such curtailments in a nondiscriminatory fashion. The parties agree that they will not construe this Agreement to prohibit Austin from curtailing service completely in the event of a maintenance operation or emergency for a reasonable period necessary to complete such maintenance operations or repairs or respond to an emergency circumstance.

2.09. Cooperation During Maintenance or Emergency. Rollingwood shall cooperate with Austin during periods of emergency or required maintenance. If necessary, upon prior notice sufficient to allow Rollingwood to notify its customers, Rollingwood shall operate and maintain its lift stations or other equipment at its expense in a manner reasonably determined by the Director to be necessary to the safe and efficient completion of repairs or the replacement of facilities, the restoration of service, and the protection of the public health, safety, and welfare. Rollingwood may be required to:

- (a) discontinue use of;
- (b) cycle;
- (c) test;
- (d) inspect; or
- (e) otherwise operate and maintain its lift stations or other equipment in a manner determined by the Director.

ARTICLE 3: SERVICE AREA AND LIMITATIONS ON SERVICE

3.01. Limitation on Service Area.

- (a) Rollingwood acknowledges that, as the provider of wastewater service to other properties in this region, Austin must retain the ability to plan, fund, and operate Austin's wastewater facilities needed to serve not only Rollingwood but all other customers of Austin's wastewater system and that the expansion of customer service areas by any customer without the consent of Austin detrimentally affects the capability of Austin to plan, fund and operate its wastewater system for the benefit of all Austin's customers.
- (b) Accordingly, the parties agree:
 - (1) this Agreement is for a specific level of wholesale wastewater service for the Wholesale Service Area. Rollingwood may not provide service outside the Wholesale Service Area without the prior approval of the Austin City Council.
 - (2) Austin's City Council reserves the right to deny for any reason any or all requests by Rollingwood to expand the level of the wholesale wastewater service under this Agreement or to serve outside its Wholesale Service Area.
 - (3) if Rollingwood provides wastewater service outside the Wholesale Service Area, without the approval of Austin, as reflected by an amendment to the Agreement duly approved by the governing bodies of Austin and Rollingwood, Austin may terminate, or require Rollingwood to terminate, service to the land outside the Wholesale Service Area.
 - (4) Rollingwood may not connect any customer that Rollingwood knows provides wastewater service directly or indirectly to another person or entity

outside the Wholesale Service Area. Rollingwood will terminate the service of any such customer once it discovers any such connection.

ARTICLE 4: DESIGN AND CONSTRUCTION OF WASTEWATER FACILITIES

4.01. Point of Entry. Subject to the terms of this Agreement, Austin agrees to accept and treat wastewater delivered from the Rollingwood System to the Point of Entry approved by Austin.

4.02. Construction of Rollingwood System and Facilities to Connect to Austin System.

- (a) Rollingwood agrees to design and construct the Rollingwood System so that it will not deliver more than 300 gpm peak flow to the Austin System. No wastewater pipe in Rollingwood's System or in the Connecting Facilities shall be larger than 15 inches in diameter.
- (b) Rollingwood agrees that Austin is not required to design and construct any delivery, metering, pretreatment or other facilities necessary to the provision of wholesale wastewater service to Rollingwood.

4.03. Costs of Rollingwood System and Connecting Facilities.

- (a) Rollingwood shall be responsible for and shall pay all costs for rights-of-way, design, engineering, contracting, construction and inspection of the Connecting Facilities required to be constructed for the connection of Rollingwood's System to the Austin System. At the time of the execution of this Agreement, all facilities to be constructed for the connection to the Austin System have not been identified. Rollingwood will fund and construct any Connecting Facilities required to connect the Rollingwood System to Austin's existing gravity main in Zilker Park.
- (b) Rollingwood shall be responsible for and shall pay all costs for rights-of-way, design, engineering, contracting, construction and inspection of delivery, metering, pretreatment, and other facilities required to be constructed for Rollingwood's System upstream from the Point of Entry to the Austin System.

4.04. Standards for Review of Plans.

- (a) Rollingwood must submit for Austin's review the design of any Connecting Facilities.
- (b) Plans and specifications for Connecting Facilities shall conform to Austin's standard specifications and comply with applicable federal, state and local laws, ordinances,

and regulations in effect at the time of submission or resubmission as contemplated in Section 4.05(b). Physical layout and spacing of facilities within all lift station sites may be determined by Rollingwood.

- (c) Instrumentation and communication equipment will be paid for and installed by Rollingwood at all lift stations that constitute Connecting Facilities, but Austin will be responsible for connecting this equipment to the Austin system and testing Austin's equipment and communication signals from this equipment to the Austin System. Austin will pay the connection charges and monthly telephone charges for this equipment.
- (d) Rollingwood shall use reasonable efforts to design all Connecting Facilities to include the best leak prevention technology available at the time of plan submission that is practicable and financially feasible. Submersible pumps will be acceptable, but all lift stations at the Point of Entry will otherwise conform to Austin's standard specifications, and include dual power feeds or other back-up power supply, which requirement may be satisfied through Rollingwood's purchase of a portable back-up generator, accurate flow measuring instrumentation for billing, and telemetry and alarms similar to what Austin now designs for its new lift stations. These lift stations will be built outside of the 100-year flood plains.
- (e) All force mains constructed by Rollingwood that constitute Connecting Facilities will be constructed with double-walled pipes or meet alternative Austin-approved specifications which are of equal or better effectiveness for leak prevention.
- (f) The maximum total firm capacity of the lift station pumping from Rollingwood's System to the Austin System will not exceed the peak capacity allocations for Rollingwood.

4.05. Approval of Plans.

- (a) All plans and specifications for Connecting Facilities to be constructed by Rollingwood shall be subject to review and approval of the Director prior to commencement of construction, which approval will not be unreasonably withheld or delayed. The Director will review any plans submitted under this subsection within 30 days of submittal. If any plans are not approved, the Director will provide written comments to Rollingwood, specifying in detail the changes that will be required for approval of the plans and specifications. Rollingwood agrees not to advertise for bids until approval from the Director has been secured with respect to the plans and specifications.
- (b) If after approval of plans and specifications for particular Connecting Facilities by Austin, Rollingwood fails to enter a construction contract for those facilities within

two years, Rollingwood must resubmit the plans and specifications for review and approval by the Director to assure their conformity with Austin's then current specifications, current laws, ordinances, and regulations. If such plans and specifications do not conform to the then existing standards, then, upon request of the Director, Rollingwood agrees to revise the plans and specifications to meet Austin's standards before commencement of construction.

- 4.06. Notification of Commencement of Construction. After all required approvals for construction of the Connecting Facilities are obtained but prior to commencement of construction, Rollingwood shall provide written notice to the Director of the date on which construction of same is scheduled to commence to allow the City to assign an inspector.
- 4.07. Inspection and Acceptance of Connecting Facilities.
- (a) Rollingwood agrees that Austin has the right to make periodic inspections during the construction phase of the Connecting Facilities. Upon request, Rollingwood shall arrange to provide lawful access to Austin for such purposes. Rollingwood will pay all applicable inspection fees of the Connecting Facilities to be transferred to Austin. Austin will use reasonable efforts to conduct its inspections in a manner to minimize interference with or delay the construction of the Connecting Facilities. Acceptance of the Connecting Facilities is subject to final inspection by Austin and issuance of the letter from the Director specified in Section 2.07(a)(9).
 - (b) Any portion of any wastewater line that constitutes a Connecting Facility and is located within the Austin city limits will be dedicated to Austin by Rollingwood for ownership, operation, and maintenance.
- 4.08. As-Built or Record Drawings Required. Rollingwood shall provide as-built or record drawings of all completed lift stations, force mains, and other facilities comprising Rollingwood's System to the Director within 30 days of Rollingwood receiving them.
- 4.09. City Review and Approval of Easements for Facilities to Be Dedicated to Austin. The form and content of easements for any Connecting Facilities to be dedicated to Austin under this Agreement shall be subject to review and approval by the Director and the City Attorney of Austin or his designee before final acceptance of such facilities by Austin, which approval will not be unreasonably withheld or delayed.

ARTICLE 5: METERING OF WASTEWATER FLOWS

- 5.01. Wastewater Flow Meter Necessary. The Point of Entry to the Austin System from Rollingwood will have accurate flow metering equipment installed at the expense of Rollingwood.

- 5.02. Wastewater Flow Meter Installation. Austin shall monitor wastewater entering the Austin System from the Rollingwood System by a wastewater flow meter of a size, make, and design installed according to plans and specifications approved by the Director at or near the Point of Entry. Rollingwood shall install at its sole expense all metering facilities required to monitor its wastewater flows, and will dedicate those metering facilities and any necessary easements to Austin for ownership, operation, and maintenance.
- 5.03. Meter Calibration and Testing. It shall be the duty of either party to this Agreement to notify the other party in the event the party becomes aware that a flow meter is registering inaccurately or malfunctioning so that Austin can promptly repair the meter. Either party shall have the right to test a flow meter at any time. Notification of a proposed test shall be provided at least 48 hours before conduct of the test except in the case of emergencies. Either party shall have the right to witness flow meter tests. Payment for meter calibration and testing under this Section will be the responsibility of the party requesting the meter calibration and testing.
- 5.04. Ownership, Operation and Maintenance of the Flow Meter. Following completion and final acceptance of the flow meter by Austin, Austin shall be solely responsible for ownership, operation, and maintenance of the flow meter installed at the Point of Entry. Austin agrees to calibrate and routinely service the flow meter no less than once during each 12-month period at its expense. Calibration shall be accomplished according to Austin's standard methods. Austin shall notify Rollingwood of proposed calibrations in advance of such occurrence so that Rollingwood may observe if it desires.
- 5.05. Billing Adjustments. If, for any reason, a flow meter is out of service or inoperative, or if, upon any test, any meter is found to be inaccurate, Austin shall correct the registration. Correction of inaccurate meter registration will normally be based on the most recent correct registration if such is reasonably ascertainable. Alternatively, Rollingwood and Austin may agree to use future meter registrations as the basis for correction. If future registrations are to be used as a basis for correction, Austin shall be allowed to bill Rollingwood based on estimated amounts prior to rendering a corrected billing. If it is determined that Rollingwood has been overbilled, Austin agrees to refund or credit overcharges following Austin's Utility Service Regulations, Chapter 18-4 of the 1992 Austin City Code, as amended.

ARTICLE 6: RATES AND CHARGES

- 6.01. Wholesale Wastewater Rates. The rate charged Rollingwood for wholesale wastewater service shall be the wholesale wastewater rate established by ordinance from time to time by the City Council of Austin for Rollingwood pursuant to the exercise of Austin's original ratemaking jurisdiction. Austin's rates shall be developed pursuant to a cost of service study performed by Austin. Rollingwood will be given notice of and an opportunity to participate in the wholesale ratemaking process.

- 6.02. Rollingwood Right of Appeal. Rollingwood retains such rights as it may possess under applicable law to seek appellate review of the reasonableness of Austin's wholesale wastewater rate by the Texas Natural Resource Conservation Commission ("TNRCC").
- 6.03. Review by Rollingwood. Rollingwood will have the right to inspect and copy, at its expense, Austin's books and records to verify any statement, billing, charge, computation or demand made to Rollingwood by Austin.
- 6.04. Austin Capital Recovery Fees For New Connections to Rollingwood System.
- (a) Commencement of service under this Agreement is subject to payment of Austin's Wastewater Capital Recovery Fee as adopted by Chapter 13-3A of the 1992 Austin City Code, as amended. Pursuant to Chapter 13-3A, Austin requires that its Wastewater Capital Recovery Fee be collected from each service unit of new development connected within its service area and § 13-3A-20(a) mandates that contracts for wholesale service provide for collection of its Wastewater Capital Recovery Fee.
 - (b) The parties agree that, under the 1987 Agreement and Amendments, certain property within the Wholesale Service Area has been receiving wastewater service through Austin's System prior to the date of this Agreement. A list of those properties is attached as Exhibit A and incorporated herein by reference. No Wastewater Capital Recovery Fee will be payable with respect to existing development within the properties listed on Exhibit A. If any of those properties increase the service units due to new development, Rollingwood will collect the additional Wastewater Capital Recovery Fee due for the incremental increase.
 - (c) Rollingwood agrees that new wastewater connections added to Rollingwood's System after the date of this Agreement shall be considered additional service units of new development connected to the Austin System that are subject to payment of Austin's Wastewater Capital Recovery Fee.
- 6.05. Collection and Remittance of Austin's Wastewater Capital Recovery Fee.
- (a) The parties agree that the assessment and collection of Austin's Wastewater Capital Recovery Fee within the Wholesale Service Area is authorized by Texas Local Government Code, §394.011(b) or (c). After the Rollingwood System is connected to the Austin System and Austin begins to provide new wholesale wastewater service to Rollingwood under this Agreement, Rollingwood shall collect from its customers Austin's Wastewater Capital Recovery Fee for each service unit of new development connected to Rollingwood's System in the Wholesale Service Area at the time Rollingwood connection is made.

- (b) The amount of the Wastewater Capital Recovery Fee shall be calculated per service unit in accordance with the provisions of Chapter 13-3A of the 1992 Austin City Code, as amended. As of the date of this Agreement, the applicable wastewater impact fee is \$787. The amount collected by Rollingwood shall be the amount of Austin's Wastewater Capital Recovery Fee in effect at the time each connection of a new service unit is made, following notice to Rollingwood of any change as provided in this subsection. The number of service units for which the fee is charged shall be calculated in accordance with Chapter 13-3A of the 1992 Austin City Code, as amended.
 - (c) Austin agrees to provide Rollingwood with written notice of any change in the amount of the Wastewater Capital Recovery Fee to be collected by Rollingwood under this Agreement, and such change will be effective on the date received by Rollingwood or the effective date of Austin's ordinance, whichever is later.
 - (d) Rollingwood agrees to remit all Wastewater Capital Recovery Fees collected to Austin monthly together with a report of all new wastewater connections made within each calendar month. Rollingwood shall retain no portion of the Austin Wastewater Capital Recovery Fees collected.
- 6.06. Other Service Fees. Rollingwood shall make timely payment to Austin of all review fees, inspection fees, and other service fees or charges applicable to Rollingwood for construction of facilities within Austin.
- 6.07. Rollingwood Wastewater Rates and Charges.
- (a) Rollingwood shall determine and charge its retail wastewater customers such rates as the Rollingwood City Council shall determine.
 - (b) During the tenure hereof, Rollingwood shall fix and collect rates and charges for retail wastewater service that are, in the opinion of the Rollingwood City Council, sufficient, together with any other revenues available to Rollingwood, to produce the amount necessary to operate, repair, and maintain the Rollingwood System, and to pay the cost of wholesale wastewater from Austin.
 - (c) Rollingwood shall be solely responsible for ensuring that its retail rates and charges are determined and collected in accordance with applicable law.
- 6.08. Rollingwood Connection Fees. Austin acknowledges that Rollingwood has the right under applicable law to assess, charge, and collect such impact fees, capital recovery fees, connection fees, meter fees, or other service fees, rates, taxes, or other charges as the Rollingwood City Council shall deem appropriate. This Agreement shall not be construed to require, limit, or restrict the governmental power of Rollingwood to implement the same.

Rollingwood shall be solely responsible for the proper exercise of its governmental power to assess and collect such fees and charges and for ensuring that all fees, taxes, rates, and charges Rollingwood elects to charge are in compliance with applicable law.

- 6.09. Verification of Rollingwood Connections. Rollingwood shall make available for inspection and copying during regular business hours, at Austin's expense, all records for retail connections to the Rollingwood System. In addition, Austin shall have the right to inspect the Rollingwood System at any time, at Austin's sole expense, after giving Rollingwood written notice of its intention to inspect and allowing the opportunity for Rollingwood to be present, to verify the type and amount of retail connections made or the condition of the Rollingwood System and Rollingwood shall provide lawful access to Austin for this purpose.

ARTICLE 7: WHOLESALE BILLING METHODOLOGY

- 7.01. Monthly Statement. For each monthly billing period, Austin will forward to Rollingwood a bill providing a statement of charges for wholesale wastewater service provided to Rollingwood within such monthly billing period. Rollingwood agrees to make timely payment for wholesale wastewater service. Payment shall be considered past due 30 days from the date of receipt of each such monthly bill for wholesale wastewater service. Austin may apply a late charge on past due payments in accordance with its policies and ordinances applicable to other customers of Austin.
- 7.02. Monthly Billing Calculations. Austin shall compute the monthly billing for wholesale wastewater service on the basis of monthly readings of metered wastewater flows at the Point of Entry and the wholesale wastewater rate set from time to time by the Austin City Council.
- 7.03. Infiltration and Inflow. Rollingwood acknowledges that water entering the Austin System from the Rollingwood System emanating from any source whatsoever must be given treatment and handling whether or not its source is revenue producing for Rollingwood. Therefore, Rollingwood agrees to pay for infiltration and inflow without abatement in the same manner and cost as other wastewater entering Austin's System from the Rollingwood System. It shall be Rollingwood's responsibility to undertake such measures as are necessary or prudent to minimize infiltration and inflow to its collection system. Rollingwood shall prohibit the discharge of drainage water, as defined in Chapter 18-2 of the Austin City Code, as amended, into Rollingwood's System.
- 7.04. Effect of Nonpayment. With respect to monthly billings, if Austin has not received payment from Rollingwood by the due date, the bill shall be considered delinquent, unless contested in good faith. In such event, Austin shall notify Rollingwood of such delinquency in writing, if Rollingwood fails to make payment of the delinquent billing within 30 calendar days from the date of transmittal of such written notice of delinquency from Austin, then Austin may, at its discretion, temporarily terminate service to Rollingwood until payment is made, subject to Rollingwood's right to continuity of service during a good faith appeal of a disputed bill

as provided by applicable state laws and regulations and Austin's Utility Service Regulations, Chapter 18-4 of the 1992 Austin City Code, as amended.

7.05. Billing Disputes. Rollingwood has the right to appeal a disputed bill as provided in Austin's Utility Service Regulations, Chapter 18-4 of the 1992 Austin City Code, as amended. Rollingwood shall have the right to continuity of service pending the resolution of a good faith appeal of a disputed bill in accordance with such Utility Service Regulations.

7.06. Penalty For Exceeding Flow Limits.

(a) In the event Rollingwood's limit of 300 gpm peak flow is ever exceeded, Rollingwood agrees to pay a penalty as follows:

- (1) if Rollingwood's peak flow exceeds 300 gpm, but does not exceed 329 gpm, Rollingwood will pay a penalty of \$500 per day for each day of excess flow; or
- (2) if Rollingwood's peak flow exceeds 329 gpm, Rollingwood will pay a penalty of \$1,000 per day for each day of excess flow.

(b) Additionally, Rollingwood must:

- (1) within 30 days of the excess flow, escrow the sum of \$5,000 with Austin, and retain an engineer to prepare a report explaining the reasons for the excess flow and proposing solutions to prevent future occurrences of excess flows;
- (2) within 60 days of the excess flow, present the engineer's report and proposed solutions to Austin; and
- (3) within 120 days of the excess flow, take appropriate corrective action, as detailed in the engineer's report.

(c) If Rollingwood either completes the curative action required under subparagraph (b) within 120 days or, if the curative action cannot reasonably be completed within 120 days, commences the curative action within 120 days and thereafter diligently pursues the curative action to completion, Austin will return the \$5,000 escrow deposited with Austin under subparagraph (b)(1) to Rollingwood. If Rollingwood fails to act within 120 days as required by the preceding sentence, then the \$5,000 escrow will be retained by Austin as an additional penalty for Rollingwood's violation of the flow limits contained in this Agreement.

(d) Based on the engineer's report and following written request by Austin, Rollingwood will take immediate corrective action to reduce the excess flows to Austin's System.

- (e) The return or forfeiture of the \$5,000 escrow amount shall not exempt Rollingwood from the requirement of escrowing another \$5,000 with Austin should any subsequent incident of peak flow occur in excess of 300 gpm.

ARTICLE 8: WASTEWATER QUALITY

8.01. Condition of Wastewater Delivered.

- (a) Rollingwood agrees to operate and maintain the Rollingwood System so as to ensure that wastewater delivered to the Austin System will have a sulfide concentration no greater than two milligrams per liter (2 mg/l) and a pH factor of between six and eleven and otherwise be in a condition that is noncorrosive and otherwise noninjurious to the publicly owned treatment works or any portion of the sanitary sewer constituting the Austin System. In the event wastewater delivered from the Rollingwood System to the Austin System fails to meet the specified standards, and the Director determines that the addition of oxidizing chemicals or another acceptable method of pretreatment of wastewater or operation of the Rollingwood System is necessary in order for wastewater delivered to the Austin System to be noncorrosive and noninjurious to the Austin System, Rollingwood agrees to install such facilities or implement such methods of operation and maintenance, at its sole expense, as are reasonably deemed by the Director to be necessary in order to meet such standards and render wastewater from Rollingwood noncorrosive and noninjurious to the Austin System. Rollingwood further agrees that the Director may set appropriate limits for dissolved oxygen, sulfides, or other substances in the event such limits are reasonably deemed by the Director to be necessary to protect the Austin System.
- (b) Rollingwood agrees to pay for all damage and the cost of repair to the Austin System that Austin can prove is caused by Rollingwood's delivery of wastewater that is corrosive or otherwise injurious to the Austin System.
- (c) This Section shall apply whether or not Rollingwood is a permittee or is required to obtain a permit under Austin's Sewer Use Ordinance, Chapter 18-2 of the 1992 Austin City Code, as amended. In the event Rollingwood fails to implement the foregoing measures required for protection of the Austin System, Austin may require Rollingwood to implement an operation and maintenance plan to ensure that flows received from Rollingwood are noncorrosive or otherwise noninjurious to the Austin System, require payment of the cost of repair of damaged facilities as a condition to the further receipt of wastewater service, restrict Rollingwood's flows to the extent necessary to protect its system, file suit to recover for any and all damages to the Austin System caused by such failure on the part of Rollingwood, or seek such other and further relief, at law or in equity, as the Director shall deem advisable.

8.02. Industrial Discharges and Prohibited Wastes.

- (a) Rollingwood acknowledges that Austin has the responsibility and authority under federal and state law to establish:
 - (1) types and quantities of discharges that are prohibited for entry into the Austin System;
 - (2) discharge prohibitions for certain substances, as may be amended from time to time;
 - (3) pretreatment, permitting, monitoring, and other requirements for persons who discharge prohibited substances; and
 - (4) measures to protect Austin's System, including, without limitation, any portion of the sanitary sewer, and any receiving stream receiving a discharge of wastewater effluent from harmful discharges.
- (b) Rollingwood shall require all persons discharging wastewater containing industrial waste or other prohibited waste to its system that ultimately discharges into the Austin System to obtain a wastewater permit upon application providing, at a minimum, information in the nature and detail required by Chapter 18-2 of the 1992 Austin City Code, as amended. Such permit shall require persons discharging prohibited waste to abate prohibited substances from their wastestream and conform such discharges to EPA regulations, the requirements of Chapter 18-2, as amended, and Rollingwood's regulations respecting the discharge of industrial waste and other prohibited waste.
- (c) If it does not have a pretreatment program approved by the EPA, Rollingwood agrees to enact and enforce rules, at least as stringent as those adopted by Austin, requiring those users connected to the Rollingwood System that ultimately discharge into the Austin System to comply with the provisions of all Rollingwood regulations as well as prevailing Austin ordinances and applicable Federal regulations respecting the pretreatment, monitoring, and discharge of prohibited waste, as amended, including, without limitation, those rules respecting prohibited discharges, pretreatment requirements, wastewater discharge permit system, self-monitoring reports, and pretreatment plans. Rollingwood acknowledges that a true copy of Chapter 18-2 of the 1992 Austin City Code, as amended, has been provided to Rollingwood. Austin shall give written notice to Rollingwood of any future ordinance changes governing the pretreatment, monitoring, or discharge of wastewater containing industrial waste or other prohibited waste, and those changes shall become applicable to wastewater discharges into the Rollingwood System that ultimately discharge into the Austin

System 60 days after the delivery of such notice to Rollingwood.

- (d) Rollingwood agrees to seek injunctive or other appropriate relief to prohibit wastewater discharges that Rollingwood becomes aware will damage or pass through Austin's System without adequate treatment, interfere with the treatment system, or otherwise pose an imminent danger to public health or when the specific person or industry is not making sufficient progress toward implementing an approved pretreatment system.
- (e) Rollingwood shall provide to the Industrial Waste Control Section of Austin's Water and Wastewater Utility, or its successor, copies of all monitoring data and pretreatment enforcement actions by Rollingwood for each fiscal quarter during the tenure of this Agreement.
- (f) The parties agree that they will not construe this Agreement to limit, modify, restrict, or otherwise alter the responsibility or authority of Austin to enforce its ordinances governing the pretreatment, monitoring and discharge of wastewater containing industrial waste or other prohibited waste, as amended, with respect to Rollingwood when and as such action is deemed necessary by the Director.

8.03. Sampling and Testing.

- (a) Rollingwood agrees that Austin shall have the right, at its option and expense, to sample wastewater discharges within the Rollingwood System at:
 - (1) the site of discharge;
 - (2) points of entry to the Austin System; and
 - (3) other locations as required for the purpose of determining the source, type, and strength of discharge.
- (b) Rollingwood shall make necessary arrangements and provide assistance to Austin in obtaining lawful access to sampling points within areas served by Rollingwood.
- (c) Rollingwood agrees that any of its individual customers found in violation of allowable discharges or any of its individual customers who refuse access for the purpose of sampling may be disconnected from Rollingwood and Austin's wastewater system in accordance with applicable regulations of Rollingwood or Austin.
- (d) In addition to other samples taken and tests made on an as required basis, Austin shall regularly take twenty-four hour composite samples of wastewater discharges

at points of entry no less frequently than semiannually. Costs of sampling and testing at the point of entry shall be borne by Austin.

- (e) Rollingwood, however, may request Austin to perform tests within areas served by Rollingwood pursuant to a separate interlocal agreement.
- (f) Rollingwood shall be provided with a copy of the results of each sample test within 30 days of the date of taking of such sample.
- (g) Unless otherwise stipulated in the wastewater discharge permit issued by Austin to Rollingwood, all samples shall be collected and analyzed in accordance with the methods approved by E.P.A. as set forth in Title 40, Code of Federal Regulations, Part 136, as amended.

8.04. Surcharge for Excess Strength Wastewater.

- (a) In accordance with the provisions of Austin's Industrial Waste Ordinance, Chapter 18-2 of the 1992 Austin City Code, as amended, an additional charge (surcharge) shall be billed to Rollingwood by Austin not as a penalty but as an additional charge for handling and treatment of wastewater of abnormal or excess strength discharged by Rollingwood into Austin's System. This charge is intended to defray the added cost of sampling, testing, transporting and treating such extra strength wastewater. The surcharge shall be in addition to the usual monthly charge for wholesale wastewater service.
- (b) A surcharge for each mg/l of BOD in excess of 200 mg/l, for each mg/l of TSS in excess of 200 mg/l, and for each mg/l of COD in excess of 450 mg/l shall be assessed and collected. The excess strength determination will be based on a minimum of two (2) days average data or as otherwise provided in Chapter 18-2, as amended.
- (c) Rollingwood shall pay Austin for concentrations of BOD and TSS exceeding 200 mg/l and for COD concentrations exceeding 450 mg/l at the rate provided in the prevailing ordinances of Austin, subject to increase or decrease without formal amendment of this Agreement, as said ordinance might be amended from time to time. The industrial waste surcharge will be calculated and billed to Rollingwood each month in accordance with the formula set forth below.

8.05. Computation of Surcharge.

- (a) For excess strength wastewater having a COD concentration of 2.25 or more times that of the BOD concentration, the surcharge will be based on the COD category in lieu of the BOD category. The computations of the surcharge shall be based on the following formula:

$$S = V \times 8.34 (A [\text{BOD} - 200] + B [\text{SS} - 200])$$

or

$$S = V \times 8.34 (C [\text{COD} - 450] + B [\text{SS} - 200])$$

S	-	Surcharge in dollars that will appear on Rollingwood's monthly bills.
V	-	Wastewater actually billed during the billing period or the wastewater average in millions of gallons.
8.34	-	Pounds per gallons of water.
A	-	Unit charge in dollars per pound of BOD.
BOD	-	BOD strength in milligrams per liter (mg/l) by weight.
200	-	Normal BOD strength in milligrams per liter (mg/l) by weight.
B	-	Unit charge in dollars per pound for Suspended Solids (SS).
SS	-	Suspended solids concentration in milligrams per liter (mg/l) by weight.
200	-	Normal SS strength in milligrams per liter (mg/l) by weight.
C	-	Unit charge in dollars per pound for COD.
COD	-	COD strength in milligrams per liter (mg/l) by weight.
450	-	Normal COD strength in milligrams per liter (mg/l) by weight.

ARTICLE 9: STANDARDS FOR CONNECTIONS TO ROLLINGWOOD SYSTEM

9.01. Rollingwood Prevention of Infiltration and Inflow. It is understood and agreed that Rollingwood shall undertake reasonable measures to prevent entrance of infiltration and inflow into local wastewater facilities within the Rollingwood System that discharge to the Austin System.

9.02. Construction and Testing Criteria for Rollingwood Sewer Connections.

- (a) Rollingwood agrees that all sewer connections which ultimately discharge to the Austin System will be constructed with a permanent type material, carefully bedded to prevent over-stressing of the material, and utilizing a joint that will provide a permanent water-tight connection. Rollingwood agrees that such installation shall pass an air test performed in accordance with applicable A.S.T.M. Standards and shall be done under the supervision of Rollingwood's authorized representative at the time of installation. All such tests shall be at Rollingwood's or its customer's expense. Each building lateral which interconnects private property to the public sewer shall be excluded from the air test requirements.
- (b) Rollingwood agrees that the physical connection of each service line to the local wastewater facility shall be the responsibility of Rollingwood and shall not be left to the discretion of the plumber or contractor unless said plumber or contractor is under the direct supervision of or whose work is inspected by Rollingwood's authorized

representative.

- (c) Rollingwood further covenants that all future trunk sewer lines added to a local wastewater facility that will discharge into the Austin System shall be built in accordance with appropriate State of Texas design criteria including infiltration/exfiltration limitations and that representative sections of each new line shall be subject to an air test or infiltration or exfiltration test at the time of installation at the option of Austin and at the sole expense of Rollingwood to assure the standards are met.
- (d) Rollingwood agrees that it will maintain strict supervision and maintenance of its local wastewater facilities to prevent connections such as roof drains or any other means by which surface drainage can enter local wastewater facilities and then discharge to the Austin System.
- (e) Connections made to the Rollingwood System after the date of execution of this Agreement will be made using only materials permitted by applicable codes and development criteria manuals in existence at the time such connection is made. Rollingwood will inspect all connections to its system in accordance with its own rules and regulations in order to insure compliance with same.
- (f) A failure on the part of Rollingwood to provide and enforce such regulations governing connections to the Rollingwood System shall, at the option of Austin after (i) notice to Rollingwood in writing of the specific violation, and (ii) failure within 30 days to correct said violation or, if the violation is of a nature that it cannot be corrected within 30 days, to begin to correct such violation and to diligently pursue such curative action, constitutes sufficient grounds for Austin to restrict or limit wastewater flows to such extent Austin deems reasonably necessary in order to protect the Austin System from damage or excessive flows.

ARTICLE 10: LIABILITY FOR DAMAGES AND RESPONSIBILITY FOR TREATMENT AND DISPOSAL OF WASTEWATER

- 10.01. Liability of Rollingwood. Liability for damages to third persons arising from the reception, transportation, delivery, and disposal of all wastewater discharged shall remain with Rollingwood to the Austin city limit line. With the exception of incompatible wastes or the delivery by Rollingwood of prohibited wastes or wastewater that is corrosive or otherwise injurious to the Austin System or to persons or property, upon passing over the Austin city limit line, liability for damages to third persons shall pass to Austin. Incompatible wastes are substances not amenable to wastewater treatment processes that will damage or interfere with the operation of the publicly owned treatment works or any portion of the Austin System, including interference with the use or disposal of municipal sludge as well as pollutants that will pass through the treatment works unchanged by the treatment processes.

- 10.02. Liability of Austin. Subject to the foregoing, Austin shall bear the responsibility as between the parties for the proper reception, transportation, treatment, and disposal of all such wastewater received by it at points of entry. However, the parties agree that they will not construe this Agreement to absolve Rollingwood of liability for damages to the Austin System or to third persons arising from the delivery by Rollingwood of prohibited wastes or wastewater that is corrosive or otherwise damaging to the Austin System or to persons or property.

ARTICLE 11: RIGHT OF ENTRY

- 11.01. Right of Entry. In cooperation with and after notice to Rollingwood, Austin shall have the right of entry and access to the Connecting Facilities at all times in order to inspect those facilities, to investigate the source of operational or maintenance problems or for preventive purposes intended to detect, minimize, or avert operational or maintenance problems, or for any other purpose reasonably related to the provision of wholesale wastewater service. Rollingwood shall make all arrangements reasonably required to provide such access, provided that Austin provides at least one working day written notice or, in the event of an emergency, prior notice by telephone or confirmed facsimile, to Rollingwood of its need for such access.

ARTICLE 12: ROLLINGWOOD TO PROVIDE DATA

- 12.01. Classification of Customers. For each calendar year, Rollingwood shall forward to Austin an annual report containing the following data not later than February 28 of the following year:
- (a) actual number of Rollingwood connections ultimately discharging into Austin's System as of the end of the calendar year for which report is made;
 - (b) number of new wastewater connections made in the previous calendar year;
 - (c) classification, by number and percentage, of accounts feeding to Austin's System according to the following:
 - (1) residential;
 - (2) multi-family;
 - (3) business/commercial; and
 - (4) other.

- (d) if business or commercial connections were made, a description of the operations believed to be conducted on the premises, the volume of flow anticipated, and a copy of any Rollingwood industrial waste discharge permit issued to such premises.

ARTICLE 13: FORCE MAJEURE

- 13.01. Force Majeure. If, by reason of force majeure, either party shall be rendered unable, in whole or in part, to carry out its obligations under this Agreement, the party whose performance is so affected shall give notice and the full particulars of such force majeure to the other party within a reasonable time after the occurrence of the event or cause relied on, the obligation of the party giving such notice, so far as it is affected by such force majeure, shall be suspended during the continuance of the inability then claimed but for no longer period and such party shall endeavor to remove or overcome such inability with all reasonable dispatch.

The term "force majeure" shall mean Acts of God, strikes, lockouts, or other industrial disturbances, acts of the public enemy, orders of any kind of the government of the United States or the State of Texas, or of any court or agency of competent jurisdiction or any civil or military authority, insurrection, riots, epidemics, landslides, lightning, earthquake, fires, hurricanes, storms, floods, washouts, droughts, arrests, restraints of government and people, civil disturbances, vandalism, explosions, breakage or accidents to machinery, pipelines or canals, or inability on the part of a party to perform due to any other causes not reasonably within the control of the party claiming such inability.

ARTICLE 14: REGULATORY COMPLIANCE

- 14.01. Agreement Subject to Applicable Law. This Agreement shall be subject to all valid rules, regulations, and applicable laws of the United States of America, the State of Texas, Austin, Rollingwood, or any other governmental body or agency having lawful jurisdiction or any authorized representative or agency of any of them.
- 14.02. Rollingwood Cooperation to Assure Regulatory Compliance. Since both parties must comply with all federal, state, and local requirements to obtain permits, grants, and assistance for system construction, studies, etc., Rollingwood and Austin shall cooperate in good faith at all times to assure compliance with any such governmental requirements where noncompliance or non-cooperation may subject the parties to penalties, loss of grants or other funds, or other adverse regulatory action.
- 14.03. Sewer System Overflows. Rollingwood shall notify Austin of any sewer system overflows inside Rollingwood's Wholesale Service Area. Rollingwood is responsible for timely providing any required notice to the United States Environmental Protection Agency (EPA) and the TNRCC regarding any overflows.

- 14.04. Responsibility for Events Inside Rollingwood's System. In the event the EPA or TNRCC issues any form of order or penalty for violations of applicable law resulting from operation, maintenance, or other program associated with the Rollingwood System, Rollingwood shall take all necessary action to comply with the order. To the extent permitted by law, Rollingwood agrees to hold Austin harmless for violations that occur within the Rollingwood System.

ARTICLE 15: TERM OF AGREEMENT

- 15.01. Term of Agreement. Unless earlier terminated under the provisions of this Agreement, the term of this Agreement shall commence as of the effective date of this Agreement and shall remain in effect for a period of 30 years after the effective date. This Agreement may be extended for up to ten additional years by Rollingwood, by giving written notice to Austin of its election to extend, if Rollingwood demonstrates to Austin that a longer term of Agreement it is necessary or beneficial for Rollingwood's financing of the Rollingwood System. In addition, this Agreement may be extended by mutual agreement of the parties in writing for such period as is mutually agreed upon and duly authorized by their respective governing bodies.
- 15.02. Termination of 1987 Agreement and Amendments.
- (a) The 1987 Agreement and Amendments will terminate two years after the Rollingwood System is connected to the Austin System through the Connecting Facilities. Rollingwood will, thereafter, receive wastewater service from Austin for the customers currently served under the 1987 Agreement and Amendments under the terms of this Agreement.
 - (b) In the event Rollingwood chooses to terminate the Agreement under the terms of Section 16.01(b), Rollingwood and Austin agree to amend and restate the 1987 Agreement and Amendments to substantially conform with the provisions of this Agreement with respect to Section 2.03, 2.04, 2.05, 2.08 and 2.09, Article 5 relating to wastewater meterings however with more than one point of entry, Article 6, Article 7 except for Section 7.06, Articles 8 through 14, and 20. Rollingwood must prepare a draft contract, conforming to this subparagraph (b) and submit it to Austin within 60 days of the date of delivery of notice of termination under Section 16.01(b), and Austin and Rollingwood will cooperate and use good faith efforts to finalize the amended contract within 90 days thereafter. No new connections within Rollingwood to the Austin System, except for connections expressly set forth on the attached Exhibit A, will be permitted to be made until this amended contract is completed and executed by both parties.

ARTICLE 16: TERMINATION

16.01. Termination.

- (a) Both parties have entered into this Agreement with the intent to maintain this contractual relationship for 30 years.
- (b) Rollingwood shall have the right, however, to terminate this Agreement by giving written notice to Austin at any time prior to the physical connection of the Rollingwood System to the Austin System through the Connecting Facilities and the commencement of wastewater service to new units of development within the Rollingwood Wholesale Service Area. Rollingwood will provide Austin with at least six months notice of its intent to terminate under this subsection.
- (c) This Agreement may also be terminated by mutual agreement of the parties in writing. In the event that the parties mutually elect to terminate this Agreement, Rollingwood shall exercise reasonable diligence to timely construct or otherwise secure an alternative source of wastewater treatment service prior to the effective date of such termination.
- (d) In the event of termination of this Agreement for any reason, each party shall be responsible for its costs and expenses related, directly or indirectly, to constructing or securing an alternative source of wastewater treatment.

16.02. Material Breach.

- (a) In the event that one party believes the other party has materially breached one of the provisions of this Agreement, the non-defaulting party will make written demand to cure and give the defaulting party up to 90 days to cure such material breach or, if the curative action cannot reasonably be completed within 90 days, the defaulting party will commence the curative action within 90 days and thereafter diligently pursue the curative action to completion. This period must pass before the non-defaulting party may initiate any remedies available to the non-defaulting party due to such breach.
- (b) The non-defaulting party shall mitigate direct or consequential damages arising from any breach or default to the extent reasonably possible under the circumstances.
- (c) The parties agree that they will use their best efforts to resolve any disputes and may engage in non-binding arbitration or other alternative dispute resolution methods as recommended by the laws of the State of Texas before initiating any lawsuit to enforce their rights under this Agreement. Nothing in this Agreement shall be construed to limit either parties' right to recover damages or to seek other appropriate curative remedies if a breach of contract action is filed.

- (d) A breach is material if a party violates its obligations and responsibilities identified in Section 2.03 and Section 3.01 of this Agreement relating to the limitations on the Wholesale Service Area. A breach is not material if Rollingwood is ordered to provide service by a court or regulatory agency. For breach of other terms of the Agreement, the parties agree that specific performance or injunctive relief will be the remedy of the parties. The parties acknowledge that termination of this Agreement should be considered a drastic remedy, with significant detrimental effects likely to impact both parties and agree to cooperate with each other to ensure no material breach occurs that would result in termination for material breach. The parties agree that they will use their best efforts to resolve any disputes and may engage in binding arbitration or other alternative dispute resolution methods as recommended by the laws of the State of Texas before they commence procedures for termination of service. Upon mutual agreement or upon a final court adjudication that there is an uncured material breach of the Agreement, Austin, at its option, may terminate service, and in either event, neither party will pay costs incurred by the other in adapting to an alternative arrangement for the provision of wastewater services. Rollingwood will have 60 months in which to disconnect from the Austin System.

ARTICLE 17: STATEMENT OF PURPOSE AND AUTHORITY .AND PLEDGE OF GOOD FAITH AND FAIR DEALING

- 17.01. Statement of Purpose. This Agreement is intended to set forth a comprehensive statement of all terms and conditions applicable to the provision of wholesale wastewater service by Austin to Rollingwood.
- 17.02. Authority. This Agreement is made and entered into pursuant to the provisions of the Interlocal Cooperation Act, V.T.C.A. Government Code, Chapter 791; V.T.C.A. Local Government Code, Chapter 402; V.T.C.A. Water Code, §54.218, and other applicable law.
- 17.03. Covenant of Good Faith and Fair Dealing. Austin and Rollingwood agree to cooperate and to deal with one another fairly and in good faith at all times to effectuate the purposes and intent of this Agreement.

ARTICLE 18: WATER CONSERVATION

- 18.01. Water Conservation Program.
- (a) Rollingwood will adopt a water conservation program sufficient to meet the requirements of the TNRCC water conservation rules, as amended.
- (b) Rollingwood will also adopt water conservation measures that meet or exceed the following standards:

- (1) promote the participation of its citizens in the water conservation programs offered by Austin with bill stuffers (4 times/year minimum) and advertising;
- (2) adopt an incentive plan for low-flush toilet retrofits that will include Austin rebates plus matching Rollingwood rebates (would currently add \$60 per toilet, for a total rebate of \$120);
- (3) send letters to high volume water users offering irrigation audits;
- (4) review its landscaping ordinances to promote water conservation, with the consideration of recommendations by the Austin Water Conservation Office;
- (5) adopt an ordinance requiring separate water meters for commercial irrigation where feasible;
- (6) in consultation with the Austin Water Conservation Office, adopt a conservation water rate ordinance that is effective in promoting water conservation;
- (7) provide a rebate for purchasing horizontal axis washing machines (now set at \$50).

18.02. Water Conservation Ordinance.

- (a) Separate from the requirements of the last Section , Rollingwood agrees to adopt and enforce an ordinance with similar provisions to Austin's emergency and peak day water management provisions, Chapter 4-2, Article II, 1992 City Code, as in effect on the date of this Agreement, within its Wholesale Service Area.
- (b) In the event that ordinance is amended, Austin will give written notice to Rollingwood of those amendments and will request that Rollingwood amend its ordinance to include similar provisions.

18.03. Timely Adoption of Conservation Plan. All ordinances and programs to be adopted by Rollingwood relating to toilet retrofits, emergency and peak day water management, conservation water rate, horizontal axis washing machines, and separate water meters for commercial irrigation, must be adopted prior to the start of the construction of the Connecting Facilities.

18.04. Penalty Provision.

- (a) If Rollingwood fails to comply with all of the terms of this Agreement with respect

to adopting and imposing water conservation measures in ways that are substantial and material, Austin may impose on Rollingwood a monthly wastewater surcharge equal to 25% of the rate determined by cost of service methodology, for as long as Rollingwood remains out of compliance.

- (b) Before imposing such a surcharge, Austin will give Rollingwood written notice of any such failure, specifying in detail the alleged non-compliance. Rollingwood will have 120 days from the date of the notice to cure the failure.
- (c) In the event Austin or Rollingwood do not agree on the satisfaction of any of the terms of this Section, either party may request mandatory mediation to resolve the conflict.

ARTICLE 19: SEPTIC TANK PROGRAM

- 19.01. Septic Tank Ordinance. Rollingwood will adopt and enforce an ordinance relating to septic tank inspection.

ARTICLE 20: GENERAL PROVISIONS

- 20.01. Interpretation. The parties recognize that this Agreement is voluntary and consensual on the part of each party, that, absent this Agreement, Austin is not required by law to provide wholesale wastewater service to Rollingwood; that Rollingwood is not required by law to obtain wastewater service from Austin; and that each party has been represented by legal counsel who have participated throughout the formulation, drafting, and approval of this Agreement. Accordingly, this Agreement shall not be interpreted more favorably in favor of one party than the other.
- 20.02. Assignment. One party may not assign or otherwise transfer in whole or in part the Agreement or its other rights and obligations under this Agreement without the approval of the governing body of other party prior to the assignment.
- 20.03. Amendment. This Agreement may be amended or modified only by written agreement duly authorized by the respective governing bodies of Rollingwood and Austin and executed by the duly authorized representative of each.
- 20.04. Necessary Documents and Actions. Each party agrees to execute and deliver all such other and further instruments and undertake such actions as are or may become necessary or convenient to effectuate the purposes and intent of this Agreement.
- 20.05. Entire Agreement. This Agreement constitutes the entire agreement of the parties and supersedes any prior or contemporaneous oral or written understandings or representations of the parties regarding wastewater service by Austin to the Wastewater Service Area.

20.06. Applicable Law. This Agreement shall be construed under and in accordance with the laws of the State of Texas.

20.07. Venue. All obligations of the parties created in this Agreement are performable in Travis County, Texas and venue for any action arising shall be in Travis County.

20.08. No Third Party Beneficiaries. Nothing in this Agreement, express or implied, is intended to confer upon any person or entity, other than to the parties, any rights, benefits, or remedies under or by reason of this Agreement.

20.09. Duplicate Originals. This Agreement may be executed in duplicate originals each of equal dignity.

20.10. Notices. Until changed by written notice, any notice required under this Agreement may be given to the respective parties by certified mail, postage prepaid, or by hand-delivery to the address of the other party shown below:

ROLLINGWOOD:

City of Rollingwood
403 Nixon Drive
Rollingwood, Texas 78746
Attention: City Administrator

AUSTIN:

City of Austin, Texas
P. O. Box 1088
Austin, Texas 78767-8828
Attn.: Director
Water and Wastewater Utility

Each party shall forward to the other, within twenty-four (24) hours of filing, a true copy of any petition, application, or other communication to the TNRCC relating to this Agreement, whether directly or indirectly.

20.11. Effective Date. This Agreement shall be effective from and after the last date of due execution by all parties.

CITY OF AUSTIN:

APPROVED AS TO FORM:

By: Nancy K Matchus
Assistant City Attorney

By: Toby H Hammett Futrell
Toby Hammett Futrell
Assistant City Manager

Date: 1/27/99

APPROVED AS TO FORM:

By: *Gloria L. Aguilera*
Attorney for Rollingwood

CITY OF ROLLINGWOOD:

By: *Tom Farrell*

Name: THOM FARRELL

Title: Mayor City of Rollingwood

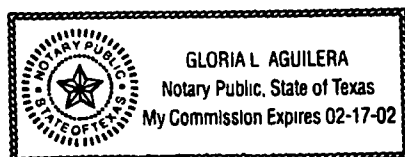
Date: January 22, 1999

THE STATE OF TEXAS

COUNTY OF TRAVIS

THIS INSTRUMENT was acknowledged before me on this the 27 day of January, 1999, by Toby Hammett Futrell, as Assistant City Manager of the City of Austin, Texas, a municipal corporation, on behalf of said municipal corporation.

(SEAL)



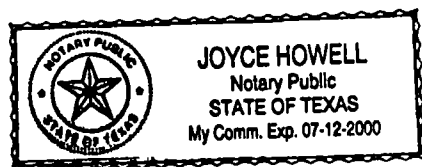
Gloria L. Aguilera
Notary Public, State of Texas

THE STATE OF TEXAS

COUNTY OF TRAVIS

THIS INSTRUMENT was acknowledged before me on this the 22 day of January, 1999, by Thom Farrell as Mayor of City of Rollingwood, on behalf of said corporation.

(SEAL)



Joyce Howell
Notary Public, State of Texas

J:\CONTRACT\MATCHUS\ROLLING9.FIN

EXHIBIT A
Rollingwood's Existing Customers and
Number of Units per Customer Where Applicable

1. 3103 Bee Caves Road ✓
2. 3101 Bee Caves Road ✓
3. 1015 Beecave Woods Drive ✓
4. 3003 Bee Caves Road ✓
5. 2900 Bee Caves Road ✓
6. 2826 Bee Caves Road ✓
7. 2824 Bee Caves Road - Village at Treemont Lots 1 - 22 ✓
8. 3004 Chatelaine Drive ✓
9. 3001 Bee Caves Road ✓
10. 2901 Bee Caves Road -- Heritage Square Lots 1 - 9 ✓
11. 203 Vale Street
12. Lot 1, Treemont Phase C - (up to 10 LUEs only) ✓

RESOLUTION

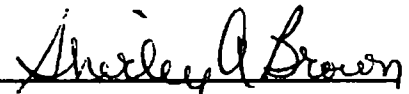
NO. 990114-21

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

The City Council approves the negotiation and execution of an interlocal agreement with the City of Rollingwood for the provision of wholesale wastewater service; and authorizes the City Manager or his designee to enter into the Agreement substantially similar to the agreement found in Attachment A, and on such terms and conditions as may be reasonable, necessary or required. Water and Wastewater Utility.

ADOPTED: January 14, 1999

ATTEST:



Shirley A. Brown
City Clerk

NKM:nkm
J:\COMMON\RESOLUTION\ROLLCON.RES

Adopted by
Rollingwood City Council
9/15/99

ORDINANCE NO. 332

AN ORDINANCE OF THE CITY OF ROLLINGWOOD, TEXAS, AMENDING CHAPTER 10, SUBCHAPTER C, OF THE CODE OF ORDINANCES OF THE CITY OF ROLLINGWOOD; ADOPTING A DROUGHT CONTINGENCY PLAN; ESTABLISHING CRITERIA FOR THE INITIATION AND TERMINATION OF DROUGHT RESPONSE STAGES; ESTABLISHING RESTRICTIONS ON CERTAIN WATER USES; ESTABLISHING A PENALTY NOT TO EXCEED \$2,000 FOR THE VIOLATION OF AND PROVISIONS FOR ENFORCEMENT OF THESE RESTRICTIONS; ESTABLISHING PROCEDURES FOR GRANTING VARIANCES; AND PROVIDING FOR SEVERABILITY AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, safe, high-quality drinking water is a precious resource and the general welfare requires that the water resources available to the City be put to the maximum beneficial use; therefore, it is the City's policy that the waste, unreasonable use, or unreasonable method of use of water be prevented and the conservation of water is to be encouraged, with a view to its reasonable and beneficial use in the interests of the people of the City and for the public health and welfare; and

WHEREAS, the City Council has recognized that the amount of water available to the City and its water utility customers is limited and subject to depletion during periods of extended drought or other water supply emergencies; and

WHEREAS, Section 11.1272 of the Texas Water Code and applicable rules of the Texas Natural Resource Conservation Commission require all public water supply systems in Texas to adopt a drought contingency plan; and

WHEREAS, in compliance with applicable legal requirements and the City's wholesale wastewater contract with the City of Austin, the City Council desires to adopt a drought contingency plan;

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

SECTION 1. Chapter 10, Subchapter C, of the Code of Ordinances of the City of Rollingwood, Texas, is hereby deleted in its entirety, and the Drought Contingency Plan attached hereto as Exhibit "A" is hereby adopted in lieu thereof.

SECTION 2. Public Notice of Adoption. This Plan was adopted at a public meeting, notice of which was given in accordance with the requirements of the Texas Open Meetings Act.

SECTION 3. Coordination with Regional Water Planning Groups. The City's water service area is located within the Lower Colorado Regional Water Planning Area and the City Administrator is hereby directed to forward a copy of this Plan to the regional water planning group.

SECTION 4. Severability. If any provision of this Ordinance or its application to any person or circumstances is held to be illegal, invalid or unenforceable, the validity of the other provisions of this Ordinance will not be affected, it being the intent of the City Council that the provisions of this Ordinance be severable, and that such illegality, invalidity or unenforceability not affect the other provisions of this Ordinance.

EXHIBIT "A"

Subchapter C

Emergency and Peak Day Water Use Management and Drought Contingency Plan

Section 1 **Scope**

This Subchapter is established as the City's Emergency and Peak Day Water Use and Drought Contingency Plan (the "Plan"). Copies of this Plan will be available for inspection or reproduction in the office of the City Secretary.

Section 2 **Declaration of Policy, Purpose, and Intent**

Safe, high-quality drinking water is a precious resource and the general welfare requires that the water resources available to the City be put to the maximum beneficial use; therefore, it is the City's policy that the waste, unreasonable use, or unreasonable method of use of water be prevented and that the conservation of water is to be encouraged, with a view to its reasonable and beneficial use in the interests of the people of the City and for the public health and welfare. The City has adopted the regulations and restrictions on the delivery and consumption of water contained in this Subchapter in order to conserve the available water supply and protect the integrity of water supply facilities, with particular regard for domestic water use, sanitation, and fire protection, and to protect and preserve public health, welfare, and safety and minimize the adverse impacts of water supply shortage or other water supply emergency conditions.

Water uses regulated or prohibited under this Subchapter are considered to be non-essential and continuation of such uses during times of water shortage or other emergency water supply conditions are deemed to constitute a waste of water, which will subject the offender to penalties as provided in Section 10 of this Plan.

Section 3 **Public Information; Notice of Implementation or Termination of Drought Response Stages**

The City will periodically provide the public with information about this Plan, including information on the conditions under which each stage of this Plan is to be initiated or terminated and the drought response measures required to be implemented in each stage. This information will be provided by means of utility bill inserts. Public notification of the initiation or termination of drought response stages will be given by signs posted in public places.

Section 4 **Authorization**

The Mayor, or the Mayor's designee, may implement the applicable provisions of this Plan and initiate or terminate drought or other water supply emergency response measures described in this Plan upon determination that implementation is necessary to protect public health, safety, and welfare. Any water rationing or service termination ordered by the Mayor under this Plan will be reviewed by the City Council at the next regular City Council meeting.

Section 5 **Application**

The provisions of this Plan apply to all persons, customers, and property utilizing water provided by the City.

Section 6 **Definitions**

For the purposes of this Plan, the following definitions will apply:

- (a) **Aesthetic water use**: water use for ornamental or decorative purposes such as fountains, reflecting pools, and water gardens.
- (b) **Commercial and institutional water use**: water use that is integral to the operations of commercial and non-profit establishments and governmental entities, including retail establishments, commercial businesses, restaurants, and office buildings.
- (c) **Conservation**: practices, techniques, and technologies that reduce the consumption of water, reduce the loss or waste of water, improve the efficiency of water use or increase the recycling and reuse of water.
- (d) **Customer**: any person, company, or organization using water directly or indirectly supplied by the City, including individuals, corporations, partnerships, associations, and all other legal entities.
- (e) **Domestic water use**: water use for personal needs or for household or sanitary purposes, including drinking, bathing, cooking, sanitation, or for cleaning a residence, business, industry, or institution.
- (f) **Industrial water use**: the use of water in processes designed to convert materials of lower value into forms having greater usability and value.
- (g) **Landscape irrigation use**: water used for the irrigation and maintenance of landscaped areas, whether publicly or privately owned, including residential and commercial lawns, gardens, golf courses, parks, and rights-of-way and medians.

(h) Non-essential water use: water uses that are not required for the protection of public, health, safety, and welfare, including:

(1) irrigation of landscape areas, including parks, athletic fields, and golf courses, except otherwise provided under this Plan;

(2) use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle, except this restriction does not apply to the washing of vehicles or mobile equipment when conducted on the immediate premises of a commercial carwash or a commercial service station or to the washing of automobiles, trucks, trailers, boats, airplanes, and other types of mobile equipment (such as garbage trucks and vehicles to transport food and perishables) when the washing is necessary on a more regular and frequent basis in order to protect the health, safety, and welfare of the public;

(3) use of water to wash down any sidewalks, walkways, driveways, parking lots, tennis courts, or other hard-surfaced areas;

(4) use of water to wash down buildings or structures for purposes other than immediate fire protection;

(5) flushing gutters or permitting water to run or accumulate in any gutter or street;

(6) use of water to fill, refill, or add to any indoor or outdoor swimming pools or jacuzzi-type pools;

(7) use of water in a fountain or pond for aesthetic or scenic purposes except where necessary to support aquatic life;

(8) failure to repair any controllable leak within a reasonable period after being given notice to repair the leak; and

(9) use of water from hydrants for construction purposes or any other purposes other than fire fighting.

(i) Outdoor Water Use Day: the day on which a Customer may use water outdoors for purposes permitted by this Subchapter. Addresses ending in the following number are assigned the following days for outdoor water use on a repeating cycle as determined by the City Administrator:

1 or 2	day 1
3 or 4	day 2
5 or 6	day 3
7 or 8	day 4
9 or 0	day 5

Section 7 **Triggering Criteria for Initiation and Termination of Drought Response Stages**

The City Administrator will monitor water supply and/or demand conditions on a daily basis and advise the Mayor when conditions warrant initiation or termination of each stage of this Plan. The Mayor may order that the appropriate stage of water conservation be implemented or terminated in accordance with the applicable provisions of this Subchapter by public notification. The triggering criteria described below are based on a statistical analysis of the vulnerability of the City's water source under drought of record conditions.

(a) **Stage 1 - Mild Water Shortage Conditions.** Customers must comply with the restrictions on certain water uses and prohibitions against waste contained in Section 8(a) from May 1 to September 30 of each year.

(b) **Stage 2 - Moderate Water Shortage Conditions.**

(1) **Requirements for initiation.** Customers must comply with the restrictions on water uses and prohibitions against waste contained in Section 8(b) when the Mayor, or the Mayor's designee, determines that Stage 2 implementation is necessary under the City's wholesale water purchase contract with the City of Austin.

(2) **Requirements for termination.** Stage 2 may be terminated when all of the conditions listed as triggering events have ceased to exist for a period of three consecutive days. Upon termination of Stage 2, Stage 1 is automatically initiated if applicable.

(c) **Stage 3 - Severe Water Shortage Conditions.**

(1) **Requirements for initiation.** Customers must comply with the restrictions on water uses and prohibitions against waste contained in Section 8(c) when the Mayor, or the Mayor's designee, determines that Stage 3 implementation is necessary under the City's wholesale water purchase contract with the City of Austin.

(2) **Requirements for termination.** Stage 3 may be rescinded when all of the conditions listed as triggering events have ceased to exist for a period of three consecutive days. Upon termination of Stage 3, Stage 2 is automatically initiated.

(d) **Stage 4 - Emergency Water Shortage Conditions.**

(1) **Requirements for initiation.** Customers must comply with the restrictions contained in Section 8(e) when the Mayor, or the Mayor's designee, determines that a water supply emergency exists based on:

(i) Major water line breaks, or pump or system failures, which cause unprecedented loss of capability to provide water service; or

(ii) Natural or man-made contamination of the City's water supply.

(2) Requirements for termination. Stage 4 may be terminated when all of the conditions listed as triggering events have ceased to exist for a period of three consecutive days.

(e) Water Rationing.

(1) Requirements for initiation. Customers must comply with the water allocation plan contained in Section 9 of this Plan when the Mayor, or the Mayor's designee, determines that water rationing is necessary.

(2) Requirements for termination. Water rationing may be terminated when all of the conditions listed as triggering events have ceased to exist for a period of three consecutive days.

Section 8 Drought Response Stages

The City Administrator will monitor the City's water supply and demand conditions on a daily basis and, based on the triggering criteria set forth in Section 7, will recommend to the Mayor the extent of the conservation required through the implementation or termination of particular conservation stages in order for the City to prudently plan for and supply water to its Customers. The Mayor may order the appropriate stage of water conservation implemented or terminated under this Subchapter by public announcement. Such conservation stage will take effect immediately upon the Mayor's announcement:

(a) Stage 1 - Mild Water Shortage Conditions.

(1) Goal. Achieve a 5 percent reduction in average daily water use (e.g., total water use, daily water demand, etc.).

(2) Supply Management Measures. Water use restrictions will be applicable from May 1 to September 30 of each year.

(3) Required Water Use Restrictions. Outdoor irrigation by a permanently installed automatic irrigation system is prohibited between the hours of 10:00 a.m. and 7:00 p.m. This prohibition does not apply to irrigation:

- (i) at a single family, duplex, triplex, or fourplex residence;
- (ii) using treated wastewater effluent or raw water;
- (iii) of a new landscape:
 - (a) during landscape installation; and
 - (b) within the first seven days after installation is complete;

- (iv) during repair or testing of a new or existing irrigation system; or
- (v) at a commercial plant nursery.

(4) Voluntary Water Use Restrictions.

(i) Customers where use is not restricted by subsection (a)(3) are requested to voluntarily comply with the restrictions in Section 8(b).

(ii) All City operations will comply with the water use restrictions prescribed for Stage 1 of the Plan.

(iii) Water Customers are requested to practice water conservation and to minimize or discontinue water use for non-essential purposes.

(5) Prohibited Waste of Water. The following uses constitute a waste of water and are prohibited:

(i) failing to repair a controllable leak, including a broken sprinkler head, a leaking valve, or a leaking faucet;

(ii) operating a permanently installed irrigation system with a broken head, with a head that is out of adjustment and spraying more than 10 percent of the spray on a street or parking lot, or that is misting;

(iii) during irrigation:

(a) allowing a substantial amount of water to run off a property; or

(b) allowing water to pond in the street or parking lot to a depth greater than 1/4 of an inch

(b) Stage 2 - Moderate Water Shortage Conditions.

(1) Goal. Achieve a 10 percent reduction in average daily water use (e.g., total water use, daily water demand, etc.).

(2) Supply Management Measures. The City will reduce or discontinue flushing of water mains; reduce or discontinue irrigation of public landscaped areas; use an alternative water supply source, where possible; and use reclaimed water for non-potable purposes, where possible. The City will comply with the water use restrictions for Stage 2 when Stage 2 is implemented.

(3) Water Use Restrictions. The water use and waste restrictions in Section 8(a) and the following water use restrictions will apply to all Customers during Stage 2:

(i) Outdoor irrigation is permitted at anytime if it is by means of a hand-held hose, a faucet-filled bucket or watering can of five gallons or less.

(ii) Outdoor irrigation is permitted by a hose end sprinkler, a soaker hose, or drip irrigation, from 12:00 midnight to 10:00 a.m. and 7:00 p.m. to 12:00 midnight on an outdoor water use day as designated by the City Administrator.

(iii) Outdoor irrigation is permitted by a permanently installed automatic irrigation system from 12:00 midnight to 10:00 a.m. on an outdoor water use day as designated by the City Administrator.

(iv) Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle is prohibited except on designated watering days between the hours of 7:00 p.m. and 10:00 a.m. Such washing, when allowed, must be done with a hand-held bucket or a hand-held hose equipped with a positive shutoff nozzle. This restriction does not apply to a commercial carwash or a commercial service station or if washing is necessary to protect the health, safety, and welfare of the public. Charity car washes are prohibited.

(v) Watering the ground around a foundation to prevent foundation cracking is prohibited except on a designated outdoor water use day from 12:00 midnight to 10:00 a.m.

(vi) Use of water to fill, refill, or add to any indoor or outdoor swimming pools, wading pools, or jacuzzi-type pools is prohibited. This prohibition does not apply to a public swimming or wading pool if the water is taken from the City's water distribution system, the pool is equipped with a gutter drain system and it does not leak.

(vii) Operation of any ornamental fountain or pond for aesthetic or scenic purposes is prohibited, except where necessary to support aquatic life or where such fountains or ponds are equipped with a recirculation system.

(viii) Use of water from hydrants will be limited to fire-fighting and related activities, or other activities necessary to maintain public health, safety, and welfare, except that use of water from designated fire hydrants for construction purposes may be allowed under special permit from the City.

(ix) Use of water for the irrigation of golf course greens, tees, and fairways is prohibited except on designated watering days between the hours 7:00 p.m. and 10:00 a.m.

(x) All restaurants are prohibited from serving water to their customers except upon the customer's request.

(xi) The following uses of water are non-essential and prohibited except to alleviate an immediate health or safety hazard:

(A) wash down of any sidewalks, walkways, driveways, parking lots, tennis courts, patios or other hard-surfaced areas;

(B) use of water to wash down buildings or structures for purposes other than immediate fire protection.

(C) use of water for dust control;

(D) flushing gutters or permitting water to run or accumulate in any gutter or street; and

(E) failure to repair a controllable leak within a reasonable period after being given notice to repair such leak.

(4) Notwithstanding the prohibitions in this section, irrigation of new landscape installation is permitted if the City Administrator determines that the installation cannot be postponed. In that event, irrigation may only occur during the hours permitted under Subsection 8(b)(3)(ii) and (iii) (Stage 2 – Mandatory Water Use Management) and in accordance with the following 30 day irrigation schedule:

(i) for the first ten days after installation, once a day;

(ii) for day 11 through 20 after installation, once every other day; and

(iii) for day 21 through 30 after installation, once every third day.

(5) The Stage 2 restrictions do not apply to the following:

(i) the necessary use of water other than for landscape irrigation, by a governmental entity in pursuit of a governmental function for the benefit of the public, including for a capital improvement construction project;

(ii) the necessary use of water, other than for landscape irrigation, for land development including roadway base preparation, flushing utility lines, dust control, concrete or asphalt work and building construction;

(iii) the necessary use of water for repair of a water distribution facility, residential and commercial plumbing, or a permanently installed landscape irrigation system; and

(iv) the use of water under a variance granted by the Review Board in accordance with Section 11.

(c) Stage 3 - Severe Water Shortage Conditions.

(1) **Goal.** Achieve a 25 percent reduction in average daily water usage (e.g., total water use, daily water demand, etc.).

(2) **Supply Management Measures.** The City will reduce or discontinue flushing of water mains; reduce or discontinue irrigation of public landscaped areas; use an alternative water supply source, where possible; and use reclaimed water for non-potable purposes, where possible. The City must comply with the water use restrictions for Stage 3 when Stage 3 is implemented.

(3) **Water Use Restrictions.** All requirements of Stage 2 will remain in effect during Stage 3 except:

(i) Irrigation of landscaped areas is limited to the designated watering days and hours specified in Subsection (8)(b)(3)(ii) and must be by means of hand-held hoses or hand-held buckets of five gallons or less only. The use of hose-end sprinklers, drip-irrigation systems, or permanently installed automatic sprinkler systems is prohibited at all times.

(ii) The washing of automobiles, trucks, trailers, boats, airplanes, and other types of mobile equipment not occurring on the immediate premises of a commercial carwash or a commercial service station and not in the immediate interest of the public health, safety, and welfare are prohibited.

(iii) The washing of automobiles, trucks, trailers, boats, airplanes, or other types of mobile equipment on the immediate premises of a commercial carwash or a commercial service station in the immediate interest of the public health, safety, and welfare, may occur between 12:00 noon and 5:00 p.m.

(iv) Commercial plant nurseries, may use only hand-held hoses, hand-held watering cans, or drip irrigation.

(v) The filling, refilling, or adding of potable water to public swimming or wading pools is established.

(vi) No new landscapes of any type may be established.

(vii) Irrigation of new landscape installation under Subsection 8(b)(4) is prohibited.

(d) **Stage 4 - Emergency Water Shortage Conditions.**

(1) **Goal.** Achieve a 75 percent reduction in average daily water use (e.g., total water use, daily water demand, etc.).

(2) **Supply Management Measures.** The City must reduce or discontinue flushing of water mains; reduce or discontinue irrigation of public landscaped areas; use an alternative water

supply source, where possible; and use reclaimed water for non-potable purposes, where possible. The City must comply with the water use restrictions for Stage 4 when the restrictions are implemented.

(3) Water Use Restrictions. All requirements of Stage 2 and 3 will remain in effect during Stage 4 except:

- (i) Irrigation of landscaped areas is absolutely prohibited.
- (ii) Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle is absolutely prohibited.

Section 9 Water Rationing

If water shortage conditions threaten public health, safety, and welfare, the Mayor may ration water according to the following water allocation plan:

(a) Single-Family Residential Customers.

(1) Allocation. The allocation to residential water Customers residing in a single-family dwelling will be as follows:

Persons per Household	Gallons per Month
1 or 2	6,000
3 or 4	7,000
5 or 6	8,000
7 or 8	9,000
9 or 10	10,000
11 or more	12,000

(2) Household. "Household" means the residential premises served by the Customer's meter. "Persons per household" includes only those persons currently physically residing at the premises and expected to reside there for the entire billing period. It will be assumed that a particular Customer's household is comprised of two persons unless the Customer notifies the City that a greater number of persons reside in the household on a form prescribed by the City Administrator. The City Administrator will use reasonable efforts to provide such forms to every residential Customer. If, however, a Customer does not receive a form, it will be the Customer's responsibility to go to the City offices to obtain and complete the form claiming more than two persons per household. New Customers may claim more persons per household at the time of applying for water service on the form prescribed by the City Administrator. If the number of persons in a household increases so as to place the Customer in a different allocation category, the Customer may notify the City Administrator and the change will be implemented in the next practicable billing period. If the number of persons in a household is reduced, the Customer must

notify the City Administrator in writing within two days. In prescribing the method for claiming more than two persons per household, the City Administrator will adopt methods designed to assure the accuracy of the claim. Any person who falsely reports the number of persons in his or her household or fails to timely notify the City Administrator of a reduction in the number of persons in his or her household will be subject to the penalties prescribed in Section 10.

(3) Surcharge. Residential water Customers will be subject to the following surcharges during periods of water rationing:

- \$ 25.00 for the first 1,000 gallons over allocation.
- \$ 50.00 for the second 1,000 gallons over allocation.
- \$ 75.00 for the third 1,000 gallons over allocation.
- \$100.00 for each additional 1,000 gallons over allocation.

Surcharges will be cumulative.

(b) Master-Metered Multi-Family Residential Customers.

(1) Allocation. The allocation to a Customer billed from a master meter that measures water to multiple permanent residential dwelling units (e.g., apartments, mobile homes) will be allocated based on 6,000 gallons per month for each dwelling unit. It will be assumed that a Customer's meter serves two dwelling units unless the Customer notifies the City of a greater number on a form prescribed by the City Administrator. The City Administrator will use reasonable efforts to provide such forms to every such Customer. If, however, a Customer does not receive a form, it will be the Customer's responsibility to go to the City offices to obtain and complete the form claiming more than two dwellings. A dwelling unit may be claimed under this provision whether it is occupied or not. New Customers may claim more dwelling units at the time of applying for water service on the form prescribed by the City Administrator. If the number of dwelling units served by a master meter is reduced, the Customer must notify the City Administrator in writing within two days. In prescribing the method for claiming more than two dwelling units, the City Administrator will adopt methods designed to assure the accuracy of the claim. Any person who falsely reports the number of dwelling units served by a master meter or fails to timely notify the City Administrator of a reduction in the number of dwelling units served by a master meter will be subject to the penalties prescribed in Section 10.

(2) Surcharge. Customers billed from a master meter under this subsection will be subject to the following monthly surcharges:

- \$ 25.00 for 1,000 gallons over allocation up through 1,000 gallons for each dwelling unit.
- \$ 50.00, thereafter, for each additional 1,000 gallons over allocation up through a second 1,000 gallons for each dwelling unit.
- \$ 75.00, thereafter, for each additional 1,000 gallons over allocation up through a third 1,000 gallons for each dwelling unit.
- \$100.00, thereafter for each additional 1,000 gallons over allocation.

Surcharges will be cumulative.

(c) Commercial Customers.

(1) Allocation. A monthly water usage allocation will be established by the City Administrator for each nonresidential commercial Customer, other than an industrial Customer who uses water for processing purposes. A commercial Customer's allocation will be approximately 75% of the Customer's water usage for corresponding month's billing period for the previous 12 months. If the Customer's billing history is shorter than 12 months, the monthly average for the period for which there is a record will be used for any monthly period for which no history exists. The City Administrator will use reasonable efforts to give notice of each commercial Customer's allocation to such Customer. If, however, a Customer does not receive notice, it will be the Customer's responsibility to contact the City to determine its allocation. Upon request of the Customer or at the initiative of the City Administrator, an allocation may be reduced or increased if: (i) the designated period does not accurately reflect the Customer's normal water usage; (ii) one commercial Customer agrees to transfer part of its allocation to another commercial Customer; or (iii) other objective evidence demonstrates that the designated allocation is not reasonable under present conditions. A Customer may appeal an allocation established by the City Administrator to the City Council.

(2) Surcharge. Nonresidential commercial Customers will be subject to the following surcharges:

(i) Customers whose allocation is 0 gallons through 10,000 gallons per month:

\$ 25.00 per thousand gallons for the first 1,000 gallons over allocation.
\$ 50.00 per thousand gallons for the second 1,000 gallons over allocation.
\$ 75.00 per thousand gallons for the third 1,000 gallons over allocation.
\$100.00 per thousand gallons for each additional 1,000 gallons over

allocation.

(ii) Customers whose allocation is 10,001 gallons per month or more:

\$ 50.00 per 1,000 gallons in excess of the allocation up through 5 percent above allocation
\$100.00 per 1,000 gallons from 5 percent through 10 percent above allocation.
\$150.00 per 1,000 gallons from 10 percent through 15 percent above allocation.
\$200.00 per 1,000 gallons more than 15 percent above allocation.

The surcharges will be cumulative.

(d) Industrial Customers.

(1) Allocation. A monthly water usage allocation will be established by the City Administrator for each industrial Customer that uses water for processing purposes. The industrial Customer's allocation will be approximately 90% of the Customer's water usage baseline. Ninety days after the initial imposition of the allocation for industrial Customers, the industrial Customer's allocation will be further reduced to 85% of the Customer's water usage baseline. The industrial Customer's water usage baseline will be computed on the average water usage for the 12-month period ending prior to the date of implementation of Stage 2 of the Plan. If the industrial Customer's billing history is shorter than 12 months, the monthly average for the period for which there is a record will be used for any monthly period for which no billing history exists. The City Administrator will use reasonable efforts to give notice of each industrial Customer's allocation to such Customer. If, however, a Customer does not receive notice, it will be the Customer's responsibility to contact the City to determine its allocation, and the allocation will be effective notwithstanding the lack of receipt of written notice. Upon request of the Customer or at the initiative of the City Administrator, an allocation may be reduced or increased: (i) if the designated period does not reasonably reflect the Customer's normal water usage because the Customer has shutdown a major processing unit for repair or overhaul during the period; (ii) the Customer has added or is in the process of adding significant additional processing capacity; (iii) the Customer has shutdown or significantly reduced the production of a major processing unit; (iv) the Customer has previously implemented significant permanent water conservation measures that limit its ability to further reduce usage; (v) the Customer agrees to transfer part of its allocation to another industrial Customer; or (vi) other objective evidence demonstrates that the designated allocation is not reasonable under present conditions. A Customer may appeal an allocation to the City Council.

(2) Surcharge. Industrial Customers will be subject to the following surcharges:

(i) Customers whose allocation is 0 gallons through 20,000 gallons per month:

\$ 25.00 per thousand gallons for the first 1,000 gallons over allocation.

\$ 50.00 per thousand gallons for the second 1,000 gallons over allocation.

\$ 75.00 per thousand gallons for the third 1,000 gallons over allocation.

\$100.00 per thousand gallons for each additional 1,000 gallons over

allocation.

(ii) Customers whose allocation is 20,001 gallons per month or more:

\$50.00 per 1,000 gallons in excess of the allocation up through 5 percent above allocation.

\$100.00 per 1,000 gallons from 5 percent through 10 percent above allocation.

\$150.00 per 1,000 gallons from 10 percent through 15 percent above allocation.

\$200.00 per 1,000 gallons more than 15 percent above allocation.

Surcharges will be cumulative.

Section 10 Enforcement

(a) No person may use or allow the use of water from the City in a manner contrary to any provision of this Subchapter, or in an amount in excess of that permitted by the drought response stage in effect in accordance with provisions of this Subchapter.

(b) Proof of a culpable mental state is not required for the conviction of an offense under this Subchapter. Any person in apparent control of the property where a violation occurs or originates will be presumed to be the violator, and proof that the violation occurred on the person's property will constitute a rebuttable presumption that the person in apparent control of the property committed the violation. Parents will be presumed to be responsible for violations of their minor children and proof that a violation, committed by a child, occurred on property within the parents' control will constitute a rebuttable presumption that the parent committed the violation.

(c) Any person who violates any provision of this Subchapter is guilty of a Class C misdemeanor, punishable by a fine not to exceed \$2,000. Prosecution of an offense under this subsection (c) does not preclude the pursuit of any other remedies the City may have, including the right to seek injunctive relief. The enforcement of other remedies by the City will not prevent prosecution for a violation of this Subchapter under this subsection (c).

(d) Each day will constitute a separate offense. If a person is convicted of three or more distinct violations of this Subchapter, the City may, following notice to the Customer, discontinue or restrict water service to the premises where the violations occurred.

(e) Any City employee or police officer may issue a citation to a person he or she reasonably believes to be in violation of this Subchapter. A citation will be prepared in duplicate and will contain the name and address of the alleged violator, if known, and the offense charged, and will direct the violator to appear in the City's municipal court on the date shown on the citation, which will not be less than three days nor more than 30 days from the date the citation was issued. The alleged violator will be served a copy of the citation. Service of the citation will be complete upon delivery of the citation to the alleged violator, to an agent or employee of the alleged violator, or to a person over the age of 14 who is a member of the alleged violator's immediate family or is a resident of the alleged violator's residence. The alleged violator must appear in the City's municipal court to enter a plea of guilty or not guilty for the violation of this Subchapter. If the alleged violator fails to appear, a warrant for his or her arrest may be issued, or a summons to appear may be issued in lieu of an arrest warrant. Cases for violation of this Subchapter will be expedited and given preferential setting in the City's municipal court.

(f) If a Customer is irrigating during a time period or on a day when irrigation is not permitted for the street address of that Customer and a City worker cannot find any person at that street address to turn off the irrigation system, the City worker may enter the property and turn off the irrigation system.

Section 11 Variances

(a) A Review Board consisting of the City Administrator, the City Secretary, and the Mayor is established to review hardship and special cases that cannot strictly comply with this Subchapter to determine whether the cases warrant a variance, permit, or compliance agreement (collectively, "Variance").

(b) The Review Board will make its determination no later than the 15th working day after receipt of a properly completed "Application for Variance/Permit/Compliance Agreement" form. A variance may be granted only for reasons of economic hardship. In this section, "economic hardship" means a threat to a person or entity's primary source of income. Inconvenience or the potential for damage to landscaping does not constitute an economic hardship under this section. All applications must include the following:

- (1) Name and address of the applicant;
- (2) Purpose of water use;
- (3) Specific provision of the Plan from which the applicant is requesting relief;
- (4) Detailed statement as to how the specific provision of the Plan adversely affects the applicant or what damage or harm will occur to the applicant or others if applicant is required to comply with the Plan;
- (5) Description of the relief requested;
- (6) Period of time for which the variance is sought;
- (7) Alternative water use restrictions or other measures the applicant is taking or proposes to take to meet the intent of this Plan and the compliance date; and
- (8) Other pertinent information requested by the Review Board.

(c) Until the Review Board has acted on an application, the applicant must comply with all provisions of this Subchapter. The Review Board may not approve a variance if the terms and conditions do not meet or exceed the purpose and intent of this Subchapter.

(d) If the Review Board determines there is an economic hardship, it may authorize the implementation of alternative water use restrictions that further the purposes of the Plan. The alternative water use restrictions must be set forth on the face of the variance and the Customer must keep a copy of the variance in a location that is accessible by and visible to the public.

(e) The Review Board may, in writing, grant a temporary variance for existing water uses otherwise prohibited under this Plan if it determines that failure to grant the variance would cause an emergency condition adversely affecting the health, sanitation, or fire protection for the public or the person requesting the variance and if one or more of the following findings is made:

(1) Compliance with this Plan cannot be technically accomplished during the duration of the water supply shortage or other condition for which the Plan is in effect.

(2) Alternative methods can be implemented which will achieve the same level of reduction in water use.

(f) Variances will be subject to the following conditions, unless waived or modified by the Review Board:

(1) A timetable for compliance; and

(2) Expiration when the Plan is no longer in effect, unless the applicant fails to meet specified requirements.

(g) No variance may be retroactive or otherwise justify any violation of this Plan occurring prior to the issuance of the variance.

AGREEMENT FOR TRANSFER OF THE METERING FACILITY

STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

This agreement is between the City of Austin, Texas referred to as "City", and the City of Rollingwood, Texas referred to as "Rollingwood", collectively "Parties".

RECITALS

A. Rollingwood, for a full and valuable consideration in hand paid by the City, agreed to sell, transfer, and deliver to the City all of its rights, title, and interest in and to the Metering Facility defined in the Agreement for Wholesale Wastewater Service Between the City of Rollingwood, Texas and the City of Austin, Texas, dated January 27, 1999, as amended, which is incorporated by reference for all purposes, and more particularly described in Exhibit A. The City and Rollingwood executed a Bill of Sale on March 8, 2002 to transfer the Metering Facility from Rollingwood to the City, which is incorporated by reference for all purposes. The Parties agreed that the executed bill of sale is subject to this Agreement by the Parties regarding the obligations and responsibilities of the Parties concerning the operation and maintenance of the Metering Facility.

TERMS OF AGREEMENT

The parties to this agreement, in consideration of the mutual covenants and agreements to be performed, as set forth below, agree as follows:

1. Rollingwood agrees to pay all costs that arise out of the failure of the Metering Facility to perform in accordance with its intended use for a 30 day period, after the execution of this agreement, in consideration of which the City agrees to accept the transfer of the Metering Facility, and the obligations and responsibilities related to its operation and maintenance after the thirty day time period. The Parties acknowledge and agree that the City's acceptance of the Metering Facility is subject to Rollingwood's resolution, to the City's satisfaction, of any problems identified by the City, in writing, during the above-mentioned thirty-day time period. Rollingwood agrees that during any time period within the 30-day period in which the Metering Facility has failed to perform in accordance with its intended use and Rollingwood is paying all costs for repairs, that the City may estimate Rollingwood's wastewater bill in accordance with City policies and procedures.
2. Rollingwood agrees to immediately transfer and assign all contractor's warranties received by Rollingwood from any contractor or subcontractor furnishing labor and materials in connection with the Metering Facilities to the City.
3. Rollingwood agrees that it shall not use the Lift Station Site (as defined in the Wastewater Facilities Easement, which is incorporated by reference for all purposes) in any manner that interferes in any manner or is inconsistent with the rights and interests granted to the City in the Bill of Sale, Wastewater Facilities Easement, or this Agreement.
4. Rollingwood agrees that it shall not erect or permit to be erected a building, structure or

wastewater facilities on any portion of the Lift Station Site that interferes in any manner or is inconsistent with the rights and interests granted to the City in the Bill of Sale, Wastewater Facilities Easement, or this Agreement.

5. Rollingwood agrees to warrant and forever defend all the rights, title, and interest of the City in this Agreement against every person whomsoever lawfully claiming, or to claim the same or any part thereof.

6. The Parties agree that the terms of this Agreement bind the Parties to this Agreement, their heirs, executors, administrators, and assigns.

7. The Parties agree that this Agreement contains the ENTIRE AGREEMENT between the Parties, and that the terms of this Agreement are contractual and not a mere recital. The Parties recognize that this Agreement is a legally binding document and is enforceable under the laws of the State of Texas. The Parties agree that nothing in this Agreement shall limit the rights of either Party to seek damages or any other remedy under Texas law that is available in the event of a breach of this Agreement by a Party. In the event a dispute shall arise over the meaning of performance under this Agreement, the Parties agree that venue for any lawsuits shall be in Travis County, Texas. The prevailing party in such a dispute shall be entitled to costs and attorney's fees, in addition to any damages or specific performance.

8. Should any court declare or determine that any provisions of this Agreement is invalid or unenforceable under present or future laws, that provision shall be fully severable; this Agreement shall be construed and enforced as if the illegal, invalid, or unenforceable provision had never comprised a part of this Agreement; and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid, or unenforceable provision or by its severance from this Agreement. Furthermore, in place of each such illegal, invalid, or unenforceable provision, there shall be added automatically as a part of this Agreement a provision as similar in terms to such illegal, invalid, or unenforceable provision as may be possible and be legal, valid, and enforceable. Texas law shall govern the validity and interpretation of this Agreement.

9. The Agreement will be effective from and after the last date of due execution by the Parties.

CITY OF AUSTIN:

By: Roger Chan
Roger Chan
Assistant City Manager

Date: 03/08/02

CITY OF ROLLINGWOOD:

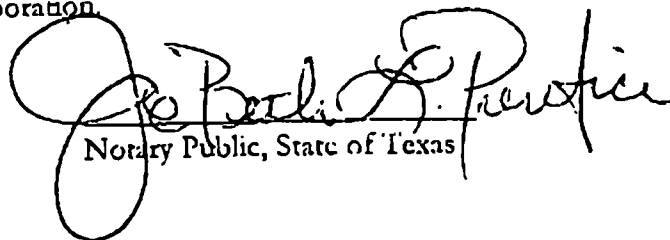
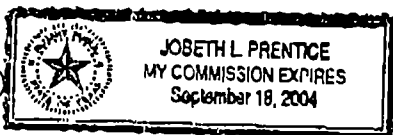
By: Thom Farrell
MayorDate: 3/12/02

THE STATE OF TEXAS §

COUNTY OF TRAVIS §

THIS INSTRUMENT was acknowledged before me on this the 8th day of March, 2002, by Roger Chan, as Assistant City Manager of the City of Austin, Texas, a municipal corporation, on behalf of said municipal corporation.

(SEAL)


Notary Public, State of Texas

THE STATE OF TEXAS §

COUNTY OF TRAVIS §

THIS INSTRUMENT was acknowledged before me on this the 8th day of March, 2002, by Thom Farrell, as Mayor of the City of Rollingwood, Texas, a municipality, on behalf of said municipality.

(SEAL)

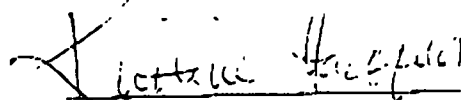

Notary Public, State of Texas

EXHIBIT "A"

Metering Facility: The meter vault at Station 0+67.00, as shown and described on plan sheet C-4 and E-2 of the Rollingwood Lift Station No. 1 and Force Main plans prepared by PBS&J and dated September 4, 2001, and Change Order #2 under the Contract, which are incorporated by reference for all purposes, including: the vault, meter, and all appurtenances thereto; including piping, the electrical and metering and telemetering equipment required to measure wholesale wastewater service to Rollingwood, at the point of entry; and a sump pump for the vault.

BILL OF SALE

THE STATE OF TEXAS

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COUNTY OF TRAVIS

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KNOW ALL MEN BY THESE PRESENTS: That the City of Rollingwood, a Texas municipality, hereinafter referred to as "Grantor", whose address for purposes of notice hereunder is a 403 Nixon Dr., Rollingwood, TX 78746, for a full valuable consideration in hand paid by the City of Austin, a Texas home-rule municipal corporation, hereinafter referred to as "Grantee", the receipt and sufficiency of which are hereby acknowledged, and for the payment of which no lien, express or implied, is retained against the property hereby conveyed, has SOLD, TRANSFERRED AND DELIVERED and, by these presents, does SELL, TRANSFER AND DELIVER unto Grantee all of Grantor's right, title and interest in and to the Metering Facility as defined in the contract listed below and described on Exhibit "A", attached hereto and incorporated herein by reference for all purposes (the "Facilities"), together with any and all benefits, including representations and warranties, express, implied or statutory hereunder, and under the contract(s) listed below relating to the physical condition, operating history, valuation, governmental approvals, governmental regulations, or environmental or physical condition of the Facilities upon which Grantee has relied. The Facilities hereby conveyed include, without limitation, the Metering Facility acquired or constructed under the following contract: Agreement for Wholesale Wastewater Service Between the City of Rollingwood, Texas and the City of Austin, Texas, dated January 27, 1999, as amended ("Contract").

TO HAVE AND TO HOLD the above-described Facilities, together with all and singular the rights and appurtenances thereto in anywise belonging, including all necessary rights of ingress, egress and access unto Grantee, its successors and assigns forever; and Grantor hereby covenants for itself, its successors and assigns, that it is the owner of the above conveyed Facilities and has full right and authority to convey the same; that it has a valid title and has no knowledge of any title defects; that the Facilities are free and clear of the rights of persons other than Grantor and unencumbered; that its interest is free and clear of all mechanic's liens, liens, mortgages, or encumbrances of any nature and no materials have been furnished which might give rise to mechanic's, materialman's, or other liens against the Facilities, or Grantee's title therein, or any portion thereof; that Grantor has neither assigned, pledged or otherwise in any manner whatsoever sold or agreed to sell or transfer by an instrument in writing or otherwise the Facilities to any other person or entity; that all of the Facilities not located on property owned by Grantee lie within the confines of sufficient easement areas conveyed, transferred, assigned, and delivered unto Grantee by Grantor, and Grantee shall have full rights and interest to the same in their present location; and Grantor further hereby binds itself, its successors and assigns, to WARRANT AND FOREVER DEFEND all and singular the Facilities and easements unto Grantee, its successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof.

Grantor shall assign to Grantee all contractor's warranties received by Grantor, if any, from any contractor or subcontractor furnishing labor and materials in connection with the Facilities.

Further, Grantee accepts the transfer of the Metering Facility subject to the "Agreement For Transfer of The Metering Facility" executed by Grantor and Grantee, which is incorporated by reference for all purposes.

Grantee's address: Chris Lippe, Director
City of Austin's Water and Wastewater Utility
625 E. 10th Street, 8th Floor
Austin, Texas 78701

Ronnie Jones
Assistant City Attorney
P.O. Box 1546
Austin, Texas 78767

EXECUTED this the 8th day of March, 2002, to be effective March 8, 2002.

CITY OF ROLLINGWOOD, TEXAS

By: 

Thom Farrell, Mayor

ACCEPTED:

CITY OF AUSTIN

By: 

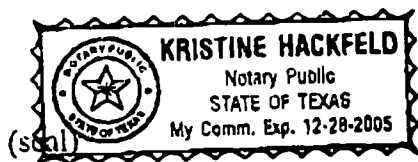
Roger Chan, Assistant City Manager

THE STATE OF TEXAS

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COUNTY OF TRAVIS

This instrument was acknowledged before me on March 7, 2002, by
Thom Farrell, Mayor of City of Rollingwood, Texas, on behalf of said municipality.



Kristine Hackfeld

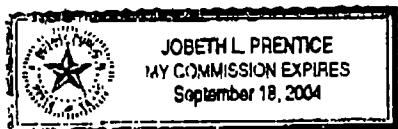
Notary Public Signature

THE STATE OF TEXAS

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COUNTY OF TRAVIS

This instrument was acknowledged before me on 8th day of March, 2002, by
Roger Chan, Assistant City Manager of City of Austin, Texas, on behalf of said municipal
corporation.



Jobeth L. Prentice

Notary Public Signature

EXHIBIT "A"

Metering Facility: The meter vault at Station 0+67.00, as shown and described on plan sheet C-4 and E-2 of the Rollingwood Lift Station No. 1 and Force Main plans prepared by PBS&J and dated September 4, 2001, and Change Order #2 under the Contract, which are incorporated by reference for all purposes, including: the vault, meter, and all appurtenances thereto; including piping, the electrical and metering and telemetering equipment required to measure wholesale wastewater service to Rollingwood at the point of entry; and a sump pump for the vault.

WASTEWATER FACILITIES EASEMENT**THE STATE OF TEXAS**

)

KNOW ALL BY THESE PRESENTS:

)

COUNTY OF TRAVIS

)

THAT the CITY OF ROLLINGWOOD, a Texas municipality, of the County of Travis, State of Texas, hereinafter referred to as "**Grantor**," whose address for purposes of notice hereunder is 403 Nixon Drive, Rollingwood, Texas 78746, for a full valuable consideration in hand paid by the CITY OF AUSTIN, TEXAS, a Texas home-rule municipal corporation, hereinafter referred to as "**Grantee**", whose address for purposes of notice hereunder is P.O. Box 1088, Austin, Texas 78767, the receipt and sufficiency of which is hereby acknowledged and confessed and for which no lien, express or implied, is retained, have this day **SOLD, TRANSFERRED, AND DELIVERED**, and by these present does **SELL, TRANSFER, AND DELIVER** unto Grantee, its successors and assigns, a non-exclusive easement for the construction, operation, maintenance, repair, replacement, upgrade, decommissioning and removal of the Metering Facility ("**Easement**") (as defined in the Agreement for Wholesale Wastewater Service Between the City of Rollingwood, Texas and the City of Austin dated January 27, 1999, as amended, and incorporated herein by reference for all purposes) and making connections therewith, in, under, upon and across the following described land, to wit:

All that certain tract on the Lift Station Area, piece or parcel of land, lying and being situated in the County of Travis, State of Texas, described in **EXHIBIT A** attached hereto and incorporated by reference for all purposes, to which reference is hereby made for a more particular description of said property (the "**Lift Station Area**").

TO HAVE AND TO HOLD the same perpetually to Grantee and its successors and assigns together with the right and privilege at any and all times to enter the Lift Station Area, or any part thereof, for the purpose of construction, operation, maintenance, repair, replacement, upgrade, decommissioning and removal of the Metering Facility and making connections therewith provided, however, that Grantor reserve the right to enter upon and use the Lift Station Area to provide retail wastewater service to customers within Grantor's jurisdiction but in no event shall Grantor (i) use the Lift Station Area in any manner that interferes in any manner or is inconsistent with the rights and interests granted hereunder to Grantee, or (ii) erect or permit to be erected a building, structure or wastewater facilities on any portion of the Lift Station Area that interferes in any manner or is inconsistent with the rights and interest granted to Grantee hereunder .

Grantor, for itself, its successors and assigns, agrees to **WARRANT AND FOREVER DEFEND** all title, rights, and interest to the Easement herein granted unto the Grantee, its successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof.

IN WITNESS WHEREOF, Grantor has caused this instrument to be executed on this 8th day of March, 2002. ("**Effective Date**")

GRANTOR:By: 

Thom Farrell, Mayor

GRANTEE:**CITY OF AUSTIN, TEXAS**By: 

Roger Chan, Assistant City Manager

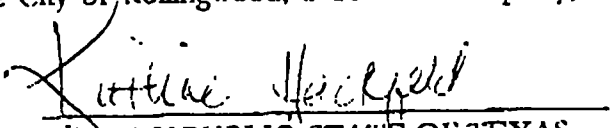
ACKNOWLEDGEMENT

THE STATE OF TEXAS)

COUNTY OF TRAVIS)

THIS INSTRUMENT was acknowledged before me on this 8th day of March, 2002, by Thom Farrell, as Mayor of the City of Rollingwood, a Texas municipality, on behalf of said municipality.

(seal)

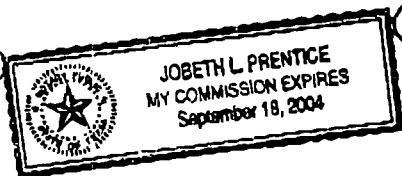
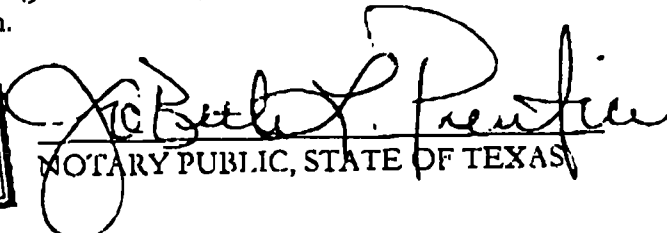


 NOTARY PUBLIC, STATE OF TEXAS
ACKNOWLEDGEMENT

THE STATE OF TEXAS)

COUNTY OF TRAVIS)

THIS INSTRUMENT was acknowledged before me on this 8th day of March, 2002, by Roger Chan, Assistant City Manager of the City of Austin, a Texas municipal corporation, on behalf of said municipal corporation.

(seal)



 NOTARY PUBLIC, STATE OF TEXAS

RETURN TO:

Ronnie Jones
Assistant City Attorney
P.O. Box 1546
Austin, Texas 78767

EXHIBIT "A"

LIFT STATION AREA

0.1604 Acres
 Lifting Easement
 Page 1

Henry P. Hill Survey No. 21 Abstract No. 14
 Project No. 99513 40
 April 17, 2001

STATE OF TEXAS
 COUNTY OF TRAVIS

FIELDNOTE DESCRIPTION of a tract or parcel of land for a proposed lifting easement containing 0.1604 acres situated in the Henry P. Hill Survey No. 21, Abstract No. 14, Travis County, Texas, being a portion of Lot 2A and Lot 3A, "Resubdivision of Lot 2 & Lot 3 Rollingwood Engineering Center", a subdivision recorded in Book 83, Page 17 of the Plat Records of Travis County, Texas, and is more particularly described as follows:

BEGINNING, at a 1/2" iron rod found for the common corner of above said Lot 2A and said Lot 3A, being on the northerly right-of-way line of Dellana Road, from which a cotton gin spindle found for the common corner of said Lot 3A and Lot 4, "Rollingwood Engineering Center", a subdivision recorded in Book 86, Page 115A of the Plat Records of Travis County, Texas, bears S54°14'03"W, a distance of 146.42 feet,

THENCE, S54°14'03"W, with the common line between said Lot 3A and Dellana Road, a distance of 123.61 feet to a calculated point for the southwest corner of the herein described tract,

THENCE, N33°30'10"E, leaving the said common line between said Lot 3A and Dellana Road and across Lot 3A, a distance of 150.23 feet pass the common easterly line of said Lot 3A and westerly line of said Lot 2A, for a total distance of 152.36 feet to a calculated point the most northerly corner of the herein described tract,

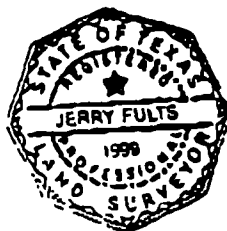
THENCE, crossing said Lot 2A, for the following two (2) courses:

1. S65°40'28"E, a distance of 77.57 feet to a calculated angle point;
2. S34°45'13"E, a distance of 12.88 feet to a calculated point for the southeast corner of the herein described tract on the common line between said Lot 2A and Dellana Road, from which a 1/2" iron rod found for southeast corner of said Lot 2A, bears N54°14'03"E, a distance of 23.20 feet;

THENCE, S54°14'03"W, with the common line between said Lot 3A and Dellana Road, a distance of 44.43 feet to the POINT OF BEGINNING, CONTAINING within these miles and bounds 0.1604 acres of land and

I, Jerry Folts, a Registered Professional Land Surveyor, do hereby certify that the above description is true and correct to the best of my knowledge and that the property described herein was determined by a survey made on the ground under my direction and supervision.

WITNESS MY HAND AND SEAL at Austin, Travis County, Texas this the 12
 day of APRIL, 2001

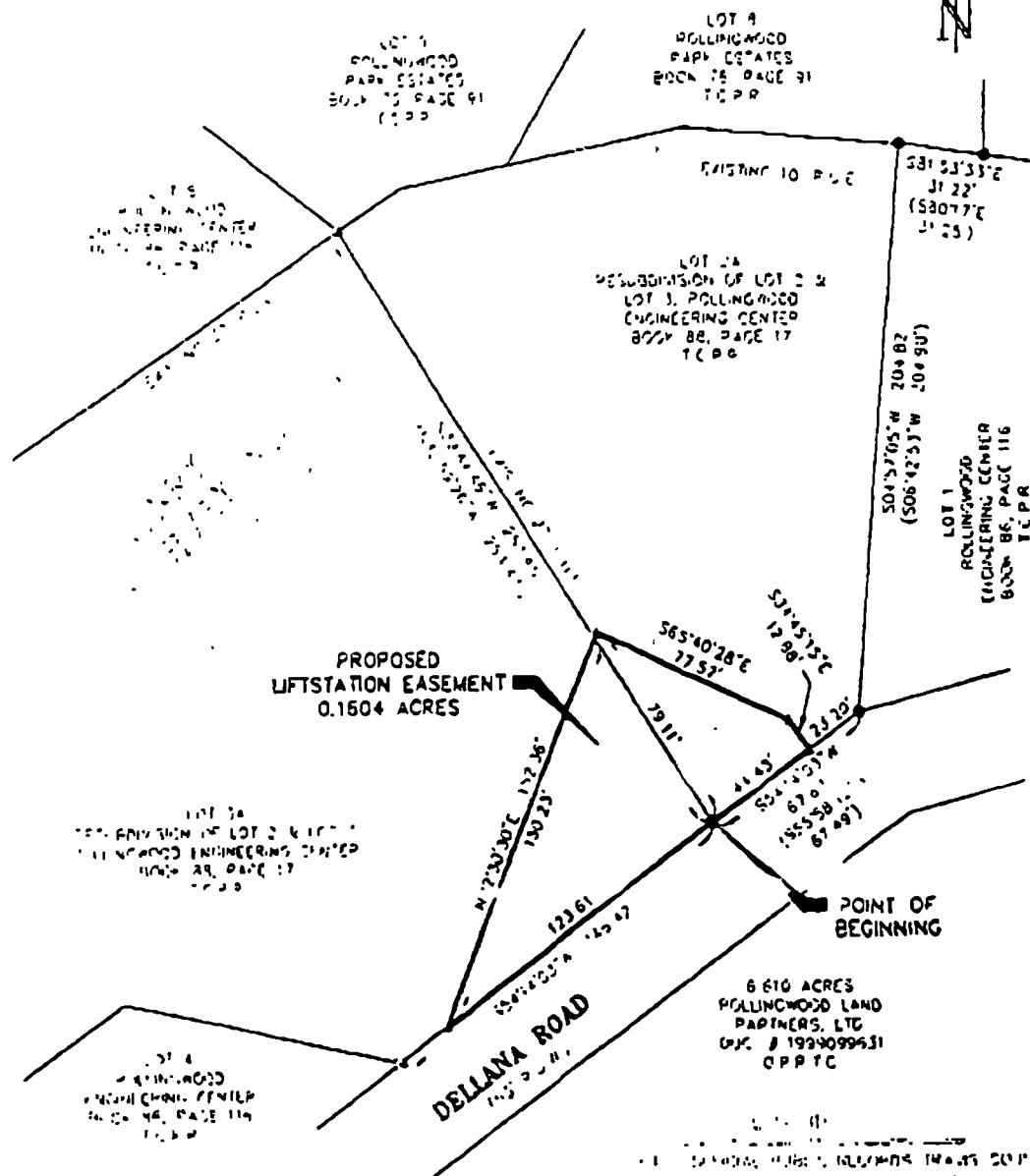


Jerry Folts
 JERRY W. FOLTS
 Registered Professional Land Surveyor
 No. 1999 State of Texas

EXHIBIT A

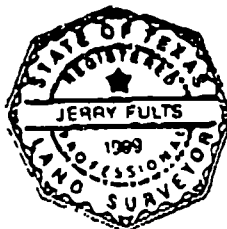
SKETCH TO ACCOMPANY FIELDNOTES
LIFTSTATION EASEMENT
OUT OF THE
HENRY P. HILL SURVEY NO. 21, A-14
CITY OF ROLLINGWOOD
TRAVIS COUNTY, TEXAS

SCALE 1" = 50'



I, Jerry Fults, a Registered Professional Land Surveyor in the State of Texas, do hereby certify that the foregoing is a true and correct copy of the original field notes and that the same were made by me or under my supervision and that the same were made on the ground after a personal inspection of the same.

WITNESSED my hand and seal at Austin, Travis County, Texas, this 11th day of March, 2001.



Jerry Fults
1099
Professional Land Surveyor
State of Texas

CSEI		CAPITAL SURVEYING COMPANY	
1101 Capital Building		1101 Capital Building	
Project No.	00313	Scale	1" = 50'
Date	APRIL 10, 2001	Sheet No.	
Project Name	ROLLINGWOOD ENGINEERING CENTER	Project No.	00313-02

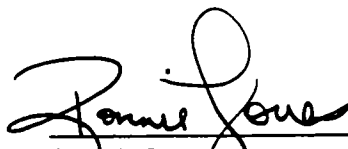
STATE OF TEXAS §

COUNTY OF TRAVIS §

AFFIDAVIT OF RECORDS

I hereby certify that:

My name is Ronnie Jones; I am over eighteen (18) years of age and competent of making this affidavit. I am an Assistant City Attorney for the City of Austin, Texas. I am the custodian of the document entitled **BILL OF SALE** between the City of Austin, Texas and the City of Rollingwood, Texas; and that the copy attached herewith is an exact and true duplicate of the original.


Ronnie Jones
Assistant City Attorney

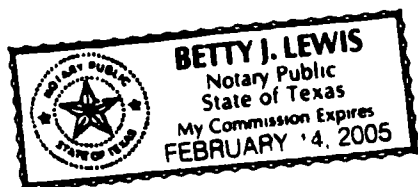
3/12/2002
Date

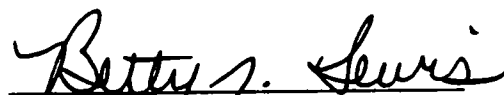
STATE OF TEXAS §

COUNTY OF TRAVIS §

Before me, the undersigned Notary Public of the State of Texas, on this day personally appeared Ronnie Jones, Assistant City Attorney for the City of Austin, Texas, personally 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 purposes and consideration therein expressed.

Given under my hand and seal of office this 12th day of March, 2002.




Notary Public, State of Texas

CCPY

BILL OF SALE

THE STATE OF TEXAS

§

§

COUNTY OF TRAVIS

§

KNOW ALL MEN BY THESE PRESENTS: That the City of Rollingwood, a Texas municipality, hereinafter referred to as "**Grantor**", whose address for purposes of notice hereunder is a 403 Nixon Dr., Rollingwood, TX 78746, for a full valuable consideration in hand paid by the City of Austin, a Texas home-rule municipal corporation, hereinafter referred to as "**Grantee**", the receipt and sufficiency of which are hereby acknowledged, and for the payment of which no lien, express or implied, is retained against the property hereby conveyed, has SOLD, TRANSFERRED AND DELIVERED and, by these presents, does SELL, TRANSFER AND DELIVER unto Grantee all of Grantor's right, title and interest in and to the Metering Facility as defined in the contract listed below and described on Exhibit "A", attached hereto and incorporated herein by reference for all purposes (the "Facilities"), together with any and all benefits, including representations and warranties, express, implied or statutory hereunder, and under the contract(s) listed below relating to the physical condition, operating history, valuation, governmental approvals, governmental regulations, or environmental or physical condition of the Facilities upon which Grantee has relied. The Facilities hereby conveyed include, without limitation, the Metering Facility acquired or constructed under the following contract: Agreement for Wholesale Wastewater Service Between the City of Rollingwood, Texas and the City of Austin, Texas, dated January 27, 1999, as amended ("Contract").

TO HAVE AND TO HOLD the above-described Facilities, together with all and singular the rights and appurtenances thereto in anywise belonging, including all necessary rights of ingress, egress and access unto Grantee, its successors and assigns forever; and Grantor hereby covenants for itself, its successors and assigns, that it is the owner of the above conveyed Facilities and has full right and authority to convey the same; that it has a valid title and has no knowledge of any title defects; that the Facilities are free and clear of the rights of persons other than Grantor and unencumbered; that its interest is free and clear of all mechanic's liens, liens, mortgages, or encumbrances of any nature and no materials have been furnished which might give rise to mechanic's, materialman's, or other liens against the Facilities, or Grantee's title therein, or any portion thereof; that Grantor has neither assigned, pledged or otherwise in any manner whatsoever sold or agreed to sell or transfer by an instrument in writing or otherwise the Facilities to any other person or entity; that all of the Facilities not located on property owned by Grantee lie within the confines of sufficient easement areas conveyed, transferred, assigned, and delivered unto Grantee by Grantor, and Grantee shall have full rights and interest to the same in their present location; and Grantor further hereby binds itself, its successors and assigns, to WARRANT AND FOREVER DEFEND all and singular the Facilities and easements unto Grantee, its successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof.

Grantor shall assign to Grantee all contractor's warranties received by Grantor, if any, from any contractor or subcontractor furnishing labor and materials in connection with the Facilities.

Further, Grantee accepts the transfer of the Metering Facility subject to the "Agreement For Transfer of The Metering Facility" executed by Grantor and Grantee, which is incorporated by reference for all purposes.

Grantee's address: Chris Lippe, Director
City of Austin's Water and Wastewater Utility
625 E. 10th Street, 8th Floor
Austin, Texas 78701

Ronnie Jones
Assistant City Attorney
P.O. Box 1546
Austin, Texas 78767

EXECUTED this the 8th day of March, 2002, to be effective March 8, 2002.

CITY OF ROLLINGWOOD, TEXAS

By: 

Thom Farrell, Mayor

ACCEPTED:

CITY OF AUSTIN

By: 

Roger Chan, Assistant City Manager

THE STATE OF TEXAS

§
§
§

COUNTY OF TRAVIS

This instrument was acknowledged before me on 11.11.11, 2002, by
Thom Farrell, Mayor of City of Rollingwood, Texas, on behalf of said municipality.



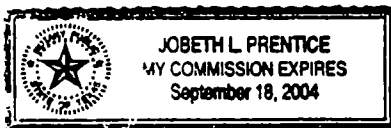
[Signature]
Notary Public Signature

THE STATE OF TEXAS

§
§
§

COUNTY OF TRAVIS

This instrument was acknowledged before me on 8th day of March, 2002, by
Roger Chan, Assistant City Manager of City of Austin, Texas, on behalf of said municipal
corporation.



[Signature]
Notary Public Signature

EXHIBIT "A"

Metering Facility:

The meter vault at Station 0+67.00, as shown and described on plan sheet C-4 and E-2 of the Rollingwood Lift Station No. 1 and Force Main plans prepared by PBS&J and dated September 4, 2001, and Change Order #2 under the Contract, which are incorporated by reference for all purposes, including: the vault, meter, and all appurtenances thereto; including piping, the electrical and metering and telemetering equipment required to measure wholesale wastewater service to Rollingwood at the point of entry; and a sump pump for the vault.

ORIGINAL
FILED FOR RECORD

FILED AND RECORDED
OFFICIAL PUBLIC RECORDS

Dana Debeauvoir

03-13-2002 01:59 PM 2002047899
BAZANJ \$17.00
DANA DEBEAUVOIR, COUNTY CLERK
TRAVIS COUNTY, TEXAS



March 1, 2002

Mr. Bart Jennings
Wholesale Services
City of Austin Water and Wastewater Utility
625 East 10th Street
Austin, Texas 78767

Via Hand Delivery March 1, 2002

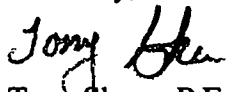
Re: Rollingwood Lift Station

Dear Mr. Jennings:

Enclosed, please find a check in the amount of \$200,000 as required for initiation of wholesale wastewater service to the City of Rollingwood. This payment is in accordance with the wholesale wastewater service agreement between the City of Austin and the City of Rollingwood, and satisfies Item 5 of the letter from you to Mayor Thom Farrell dated January 30, 2002. It is my understanding that all other items referenced in the January 30 letter have been provided to you under separate cover. We request that you acknowledge receipt of this check by executing in the space provided and returning one cope of the acknowledgement to me. The second copy is for your files.

It is our intent to commence wastewater service immediately upon authorization by the City of Austin. If you need any additional information, or if we can assist you in any way in an effort to expedite your authorization, please contact me at 473-3567.

Sincerely,


Tony Skeen, P.E.
Sr. Engineer


Receipt Acknowledged: 

Bart Jennings

Date: 3/1/02



February 28, 2002


Mr. Thom Farrell, Mayor
City of Rollingwood
403 Nixon Drive
Rollingwood, TX 78X746

Dear Mr. Farrell:

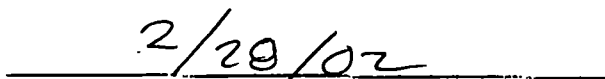
LCRA and the City of Rollingwood have agreed that LCRA will pay, on behalf of Rollingwood, \$200,000 to the City of Austin as partial consideration for wholesale wastewater service under Section 2.02 (b) of the Agreement for Wholesale Wastewater Service Between the City of Rollingwood, Texas and the City of Austin, Texas, dated January 27, 1999. The payment by LCRA of this amount will be recorded on LCRA's books as a deferred charge and amortized into O&M Expense over the remaining term of the Wastewater Collection and Transportation Agreement Between the City of Rollingwood, Texas and the Lower Colorado River Authority at the time the payment is made and applying the then-current interest rate. This amount will be considered an O&M Expense (not a Capital Expense) and will be recovered from the City of Rollingwood in the rates that LCRA charges to the City. If this letter represents your understanding of our agreement, please sign below on two originals, return both originals to LCRA for execution, and one original will be returned to you for your files after execution by LCRA.

Agreed to as represented above:



(NAME)


(TITLE)


CITY OF ROLLINGWOOD


(DATE)


(NAME)


(TITLE)

LOWER COLORADO RIVER AUTHORITY


(DATE)





LOWER COLORADO RIVER AUTHORITY
REVENUE FUND

DATE	CHECK NO.
03-01-02	2100418

DATE	INVOICE / CREDIT MEMO	TYPE	DESCRIPTION	GROSS	DISCOUNT	NET
03-01-02	V# 135723		City of Rollingwood Wstwr/collection	\$200000.00		\$200000.00
TOTAL						

THE ATTACHED CHECK IS IN PAYMENT FOR ITEMS DESCRIBED ABOVE.

THIS CHECK HAS A COLORED BACKGROUND • THE BACK OF THIS CHECK CONTAINS A LCRA FACSIMILE WATERMARK • CAN BE SEEN AT AN ANGLE



LOWER COLORADO RIVER AUTHORITY
REVENUE FUND



Texas Comptroller Bank, N.A.
San Angelo, Texas 76901

CHECK NO.
2100418

03-01-02

PAY Two Hundred Thousand Dollars and No/100 *****\$200,000.00*****

TO THE ORDER OF City of Austin
P.O. Box 2267
Austin, TX 78768-2267



VOID AFTER 90 DAYS

⑈ 31001181⑈ ⑈ 1111300880⑈ ⑈ 06300025783⑈

**City of Austin
Public Works and
Transportation
Construction Inspection Division
Fee Summary Sheet**

Project Name: Site - Rollingwood Lift Station No. 1 & Force Main (Contract)
Site Development File Number: N/A - Permitted by City of Rollingwood
Date: 1/31/02
Prepared By: James Lund

Total Construction Cost	\$29,000.00	7.00%
Water Construction Cost	0.00	0%
Wastewater Construction Cost	\$29,000.00	100%
Street, Drainage, Erosion, Misc.	0.00	0%
Total Fee	\$2,030.00	
Prior Payment	0.00	
Amount Due	\$2,030.00	

Water	394	227	9900	\$0.00	0%
Wastewater	451	237	9900	\$2,030.00	100%
Street & Drg	546	600	9320	\$0.00	

Water	Wastewater	Street & Drg
\$0.00	\$2,030.00	\$0.00
		0.00
\$0.00	\$2,030.00	\$0.00

Totals
\$2,030.00
0.00
0.00
0.00
0.00
\$2,030.00

PAID
2/6/02

CRQ - CITY OF AUSTIN - QUICK CASH RECEIPT

CR DATE:

2/6/02

BANK
CODE

22

CASH
ACCT.

COMMENT

City of Rollinwood

PAGE

1

OF

1

DOCUMENT

TOTAL

\$ 2030.00

AGCY DEPT

DOCUMENT
ID

CRQ

600

600

2004171

LN	CD	REFERENCE NO.	LN	FUND	AGCY	ORGN	S/O	ACTV	FUNC	RSRC	S/R	JOB NUMBER	RPTG	B ACCT
XX	XX	XXXXXXXXXX	XX	XXXX	XXX	XXXX	XX	XXXX	XXXX	XXXX	XX	XXXXXX	XXXX	XXXX
OBJT	S/O	VENDOR/PROVIDER	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	AMOUNT	I/	D F
XXXX	XX	XXXXXXXXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXXXXXXXXXX	XXXX	XXXX
01				4510	2370	9900		2700		4104				
01												\$ 2030.00		
02														
02														
03														
03														
04														
04														
05														
05														
06														
06														

NOTES: Check # 10375		COLLECTIONS		CASH REGISTER	
Currency		Currency		FOR DEPOSIT ONLY	
Coin		Coin		CITY OF AUSTIN	
Checks		Checks		PUBLIC WORKS DEPARTMENT	
Charge		Charge		CONSTRUCTION INSPECTION DIV.	
TOTAL \$		TOTAL \$			
Prepared by & date: James L. 2/6/02					
Approved by & date:					

10375⁵

BANK ONE
AUSTIN, TEXAS 78746
32-61/1110

CITY OF ROLLINGWOOD
403 NIXON DR. PH. (512) 327-1838
ROLLINGWOOD, TX 78746

***Two Thousand Thirty and 00/100 Dollars

DATE 02/04/2002
AMOUNT \$2,030.00

PAY
TO THE
ORDER
OF

City of Austin
One Texas Center
505 Barton Springs Rd.
Suite 1000
Austin, Texas 78767

CITY OF ROLLINGWOOD TREAS.-MAYOR



AUTHORIZED SIGNATURE

MP

⑈0⑈0375⑈ ⑈1⑈1⑈000614⑈ ⑈7883015246⑈

MEC

Murfee Engineering Company

February 19, 2002

Tony Canales
City of Austin Water and Wastewater – Industrial Waste Control Division
P.O. Box 1088
Austin, Texas 78767

RE: Rollingwood Wastewater Collection System
Planned Non-Residential Discharges
MECI File No. 99018.10

Dear Mr. Canales:

The purpose of this letter is to fulfill the City of Rollingwood's obligation regarding any planned non-residential wastewater discharge into the lift station connecting to the City of Austin. Enclosed please find a list of customers and estimated equivalent LUEs into the Rollingwood lift station that Murfee Engineering is currently aware of. This list is complete for the proposed commercial customers but does not include potential future development, as the size and nature of those facilities is not known at this time.

Thank you for your help in this matter. Call if you have any questions.

Sincerely,



Daniel Ryan, P.E.

cc: David Malish, P.E.
Thom Farrell

City of Rollingwood - Existing Commercial Customers

Address	Legal Description	Business Name	Rollingwood Service Units	Current CoA Customer?
Dellana Lane	Rollingwood Engineering Center		4	n
	Resubd. Of Lots 2 and 3, Rollingwood Eng. Ctr		1	n
2700 Bee Caves Road		RWF Investments	6	n
2710 Bee Caves Road	Westpark Square Professional Center		1	n
2710 Bee Caves Road	Westpark Square Professional Center Ph. 2	Broadus Bee Caves	9	n
2712 Bee Caves Road	Timberline Terrace, Section 3A Amend.	B. Kendrick	7	n
2712 Bee Caves Road	Resub. Of Lots 5A and 6A, Westpark SPC Ph 2	Rollingwood Plaza	1	n
2714 Bee Caves Road		Progressive Realty	3	n
2720 Bee Caves Road		Michael Quigley	1	n
2724 Bee Caves Road		Tor Gotun	1	n
2800 Bee Caves Road	Timberline Terrace Commercial	Kovar Texaco	1	n
2802 Bee Caves Road	Timberline Terrace Commercial Sec. 1	Shelnutt & Gen.	1	n
2804 Bee Caves Road		Ed Ingram	1	n
2806 Bee Caves Road		Quick Print	1	n
2814 Bee Caves Road		D S Residential	1	n
2824 Bee Caves Road	Resub. Of Lot 2, Rollingwood West	Goodyear Tire	1	y
2826 Bee Caves Road		Quick Lube	1	y
2900 Bee Caves Road	Rollingwood West	Finish Line	26	y
2901 Bee Caves Road	Treemont Phase C	Heritage Square	8	y
3001 Bee Caves Road	Unknown	Avallon-Brake	11	y
3006 Bee Caves Road	Timberline Terrace	The Palisades	10	y
3008 Bee Caves Road	Bee Caves Bend	Pamela Reese	1	n
3010 Bee Caves Road	Bee Cave Road Office Park	Clay Morgan	1	n
3101 Bee Caves Road	The Corners (Amended Plat)	Harbinger Center	2	y
3101 Bee Caves Road			9	y
3101 Bee Caves Road	Renaissance Women's Center of Austin		9	y
3101 Bee Caves Road			10	y
3101 Bee Caves Road	Village at Treemont		1	y
3102 Bee Caves Road		Texas ERW	1	n
3103 Bee Caves Road	Treemont Phase D	Bee Cave Properties	1	y
3103 Bee Caves Road			4	y
3103 Bee Caves Road			12	y
3104 Bee Caves Road		Chas Diseker	1	n
3106 Bee Caves Road		Dr Buckman	1	n
4801 Rollingwood Drive	Resubd. Of Blk A, Timberline Terrace Sec. 1	Western Hills	5	n
			<hr/> 154	

** Note: This list includes all current commercial customers but does not include future development.



An employee-owned company

March 6, 2002

Mr. Bart Jennings, P.E.
Water and Wastewater Utility
City of Austin
625 East 10th Street
Austin, Texas 78701

Re: Rollingwood Lift Station No. 1 and Force Main
PBS&J Project No. 440129.02 0201

Dear Bart,

The purpose of this letter is to certify that the connecting and metering facilities to be conveyed to the City of Austin (COA) were constructed in accordance with the design plans approved and signed by the COA on October 26, 2001. This certification is based on a combination of the daily inspection reports provided to us by the LCRA's Project Inspector, and our own periodic observation of the construction of these facilities. Testing and calibration of the metering facility was conducted on March 5, 2002, and all indications from the City's staff were that the testing was successful and that the facility was constructed to their satisfaction.

The facilities to be conveyed to the COA include the connecting manhole adjacent to Barton Springs Road at about Station 34+47 of the force main, and the metering station located within the fenced lift station site boundary. Attached with this letter are the record drawings for these facilities.

We further certify that the remainder of the lift station facility was constructed in accordance with the design plans approved and signed by the COA on October 26, 2001, with the following exceptions:

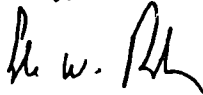
- a. The Contractor will verify that certain hardware supporting the panels containing the metering equipment is stainless steel.
- b. The load bank for the emergency generator has not been installed.
- c. The jib crane has not been painted.
- d. The access drive has not been paved.
- e. The electrical controls for the overflow basin washdown system were reinstated into the project and constructed for potential future use. However, the waterline connection to the system is disconnected. The LCRA will reevaluate the need for this system in the future and, should it become necessary to utilize it, compliance with TNRCC rules pertaining to backflow prevention will be satisfied.
- f. The flow control valve will require additional calibration, but it was successfully demonstrated during start-up that the valve can limit flow to contractual limitations.
- g. Restoration and re-vegetation have not been successfully completed along a section of MOPAC.
- h. Miscellaneous punch list items affecting the appearance of the lift station site will have to be addressed by the Contractor.

This certification is also based on a combination of the daily inspection reports provided to us by the LCRA's Project Inspector and our own periodic observation of the construction of these facilities.

Mr. Bart Jennings, P.E, City of Austin
Rollingwood, Letter of Certification, Add'l. Items
March 7, 2002
Page 2

If you have any questions, please do not hesitate to contact me.

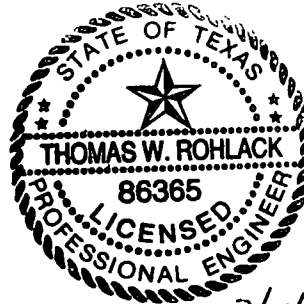
Sincerely,



Thomas W. Rohlack, P.E.
Project Engineer

Attachments

CC: Robert McCarty, P.E., PBS&J
James King, P.E., LCRA
Dan Ryan, P.E., Murfee Engineering



3/7/2002



City of Austin

Founded by Congress, Republic of Texas, 1839
Municipal Building, Eighth at Colorado, P.O. Box 1088, Austin, Texas 78767 Telephone 512/499-2000

March 8, 2002

Honorable Mayor Thom Farrell
City of Rollingwood
403 Nixon Drive
Rollingwood, TX 78746

Re: Agreement For Wholesale Wastewater Service Between The City Of Rollingwood, Texas
And The City Of Austin, Texas, as amended

Dear Mayor Farrell:

Pursuant to Section 2.07 (a 9) of the Agreement For Wholesale Wastewater Service Between The City Of Rollingwood, Texas And The City Of Austin, Texas executed on January 27, 1999, as amended, the City of Austin's Water and Wastewater Utility hereby authorizes the City of Rollingwood to connect to the City's wastewater system and the commencement of wholesale wastewater service to the City of Rollingwood beginning on March 8, 2002.

According to information provided to the City of Austin's Water and Wastewater Utility by the City of Rollingwood, the City of Rollingwood has satisfied all the conditions and requirements of the contract that were conditions precedent for commencement of wholesale wastewater service.

I appreciate you and your staff's assistance and cooperation in this endeavor. If you have any further questions or concerns, please contact Bart Jennings at 972-0118 or me at 972-0108.
Thank you.

Sincerely,

Chris Lippe, P.E., Director
Water and Wastewater Utility

cc: Bart Jennings, Water and Wastewater Utility
Andrew P. Covar, P.E., Assistant Director
Reynaldo Cantu, P.E., Assistant Director
Ronnie Jones, Assistant City Attorney

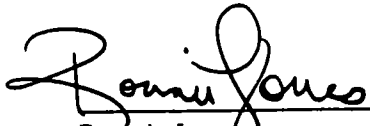
STATE OF TEXAS §

COUNTY OF TRAVIS §

AFFIDAVIT OF RECORDS

I hereby certify that:

My name is Ronnie Jones; I am over eighteen (18) years of age and competent of making this affidavit. I am an Assistant City Attorney for the City of Austin, Texas. I am the custodian of the document entitled **WASTEWATER FACILITIES EASEMENT** between the City of Austin, Texas and the City of Rollingwood, Texas; and that the copy attached herewith is an exact and true duplicate of the original.


Ronnie Jones
Assistant City Attorney

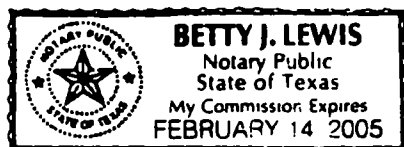
3/12/2002
Date

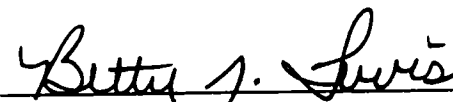
STATE OF TEXAS §

COUNTY OF TRAVIS §

Before me, the undersigned Notary Public of the State of Texas, on this day personally appeared Ronnie Jones, Assistant City Attorney for the City of Austin, Texas, personally 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 purposes and consideration therein expressed.

Given under my hand and seal of office this 12th day of March, 2002.




Notary Public, State of Texas

WASTEWATER FACILITIES EASEMENT

THE STATE OF TEXAS)

)

KNOW ALL BY THESE PRESENTS:

COUNTY OF TRAVIS)

THAT the CITY OF ROLLINGWOOD, a Texas municipality, of the County of Travis, State of Texas, hereinafter referred to as "**Grantor**," whose address for purposes of notice hereunder is 403 Nixon Drive, Rollingwood, Texas 78746, for a full valuable consideration in hand paid by the CITY OF AUSTIN, TEXAS, a Texas home-rule municipal corporation, hereinafter referred to as "**Grantee**", whose address for purposes of notice hereunder is P.O. Box 1088, Austin, Texas 78767, the receipt and sufficiency of which is hereby acknowledged and confessed and for which no lien, express or implied, is retained, have this day SOLD, TRANSFERRED, AND DELIVERED, and by these present does SELL, TRANSFER, AND DELIVER unto Grantee, its successors and assigns, a non-exclusive easement for the construction, operation, maintenance, repair, replacement, upgrade, decommissioning and removal of the Metering Facility ("Easement") (as defined in the Agreement for Wholesale Wastewater Service Between the City of Rollingwood, Texas and the City of Austin dated January 27, 1999, as amended, and incorporated herein by reference for all purposes) and making connections therewith, in, under, upon and across the following described land, to wit:

All that certain tract on the Lift Station Area, piece or parcel of land, lying and being situated in the County of Travis, State of Texas, described in **EXHIBIT A** attached hereto and incorporated by reference for all purposes, to which reference is hereby made for a more particular description of said property (the "Lift Station Area").

TO HAVE AND TO HOLD the same perpetually to Grantee and its successors and assigns together with the right and privilege at any and all times to enter the Lift Station Area, or any part thereof, for the purpose of construction, operation, maintenance, repair, replacement, upgrade, decommissioning and removal of the Metering Facility and making connections therewith provided, however, that Grantor reserve the right to enter upon and use the Lift Station Area to provide retail wastewater service to customers within Grantor's jurisdiction but in no event shall Grantor (i) use the Lift Station Area in any manner that interferes in any manner or is inconsistent with the rights and interests granted hereunder to Grantee, or (ii) erect or permit to be erected a building, structure or wastewater facilities on any portion of the Lift Station Area that interferes in any manner or is inconsistent with the rights and interest granted to Grantee hereunder .

Grantor, for itself, its successors and assigns, agrees to **WARRANT AND FOREVER DEFEND** all title, rights, and interest to the Easement herein granted unto the Grantee, its successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof.

IN WITNESS WHEREOF, Grantor has caused this instrument to be executed on this 8th day of March, 2002. ("Effective Date")

GRANTOR:

By: _____

Thom Farrell, Mayor

GRANTEE:

CITY OF AUSTIN, TEXAS

By: _____

Roger Chan, Assistant City Manager

ACKNOWLEDGEMENT

THE STATE OF TEXAS)
COUNTY OF TRAVIS)

THIS INSTRUMENT was acknowledged before me on this 5th day of March, 2002, by Thom Farrell, as Mayor of the City of Rollingwood, a Texas municipality, on behalf of said municipality.

(seal)



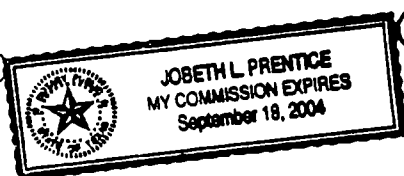
Kristine Hackfeld
NOTARY PUBLIC, STATE OF TEXAS

ACKNOWLEDGEMENT

THE STATE OF TEXAS)
COUNTY OF TRAVIS)

THIS INSTRUMENT was acknowledged before me on this 8th day of March, 2002, by Roger Chan, Assistant City Manager of the City of Austin, a Texas municipal corporation, on behalf of said municipal corporation.

(seal)



JoBeth L. Prentice
NOTARY PUBLIC, STATE OF TEXAS

RETURN TO:

Ronnie Jones
Assistant City Attorney
P O. Box 1546
Austin, Texas 78767

EXHIBIT "A"

LIFT STATION AREA

0.1604 Acres
Easement
Page 1

Henry P. Hill Survey No. 21 Abstract No. 14
Project No. 99513-40
April 17, 2001

STATE OF TEXAS

COUNTY OF TRAVIS

FIELDNOTE DESCRIPTION of a tract or parcel of land for a proposed easement containing 0.1604 acres situated in the Henry P. Hill Survey No. 21, Abstract No. 14, Travis County, Texas, being a portion of Lot 2A and Lot 3A, "Resubdivision of Lot 2 & Lot 3 Rollingwood Engineering Center", a subdivision recorded in Book 88, Page 17 of the Plat Records of Travis County, Texas, and is more particularly described as follows:

BEGINNING at a 1/2" iron rod found for the common corner of above said Lot 2A and said Lot 3A, being on the northerly right-of-way line of Dellana Road, from which a cotton gin spindle found for the common corner of said Lot 3A and Lot 4, "Rollingwood Engineering Center", a subdivision recorded in Book 86, Page 115A of the Plat Records of Travis County, Texas, bears S54°14'03"W, a distance of 146.42 feet,

THENCE, S54°14'03"W, with the common line between said Lot 3A and Dellana Road, a distance of 123.51 feet to a calculated point for the southwest corner of the herein described tract,

THENCE, N22°30'30"E, leaving the said common line between said Lot 3A and Dellana Road and across Lot 3A, a distance of 150.23 feet pass the common easterly line of said Lot 3A and westerly line of said Lot 2A, for a total distance of 152.36 feet to a calculated point the most northerly corner of the herein described tract,

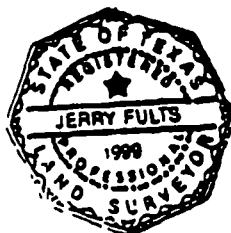
THENCE, crossing said Lot 2A, for the following two (2) courses:

1. S65°40'28"E, a distance of 77.57 feet to a calculated angle point;
2. S14°45'15"E, a distance of 12.88 feet to a calculated point for the southeast corner of the herein described tract on the common line between said Lot 2A and Dellana Road, from which a 1/2" iron rod found for southeast corner of said Lot 2A, bears N54°14'03"E, a distance of 23.20 feet;

THENCE, S54°14'03"W, with the common line between said Lot 3A and Dellana Road, a distance of 44.43 feet to the POINT OF BEGINNING, CONTAINING within these metes and bounds 0.1604 acres of land area.

I, Jerry Fults, a Registered Professional Land Surveyor, do hereby certify that the above description is true and correct to the best of my knowledge and that the property described herein was determined by a survey made on the ground under my direction and supervision.

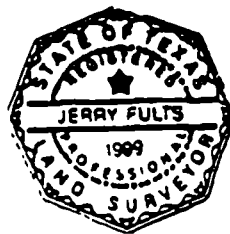
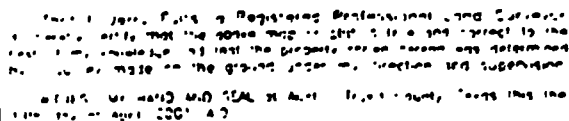
WITNESS MY HAND AND SEAL at Austin, Travis County, Texas this the 19
day of APRIL, 2001



Jerry Fults
JERRY W. FULTS
Registered Professional Land Surveyor
No. 1999 State of Texas

EXHIBIT A

SCALE : = 50'



Isaac Tuba
1800-1815
Isaac Tuba, born 1800, died 1815
Isaac Tuba, born 1800, died 1815

CSEI		CAPITAL SURVEYING COMPANY INCORPORATED	
1100 Capital of Texas Highway South Austin, Texas 78748		Building 100 (512) 337-1100	
CRATE #	QLE	SCALE	1" = 30'
JOB #	89513	DATE	APRIL 18, 2001
CRATE #	8951324.dwg	BY	30513 ad
		SHEET NO	

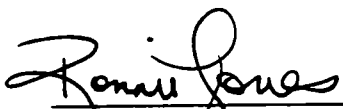
STATE OF TEXAS §

COUNTY OF TRAVIS §

AFFIDAVIT OF RECORDS

I hereby certify that:

My name is Ronnie Jones; I am over eighteen (18) years of age and competent of making this affidavit. I am an Assistant City Attorney for the City of Austin, Texas. I am the custodian of the document entitled **AGREEMENT FOR TRANSFER OF THE METERING FACILITY** between the City of Austin, Texas and the City of Rollingwood, Texas; and that the copy attached herewith is an exact and true duplicate of the original.



Ronnie Jones
Assistant City Attorney

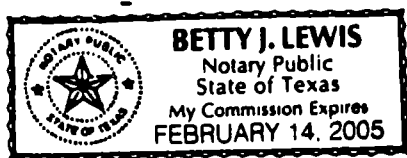
3/12/2002
Date

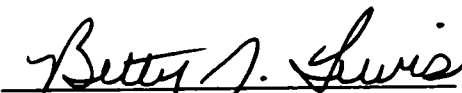
STATE OF TEXAS §

COUNTY OF TRAVIS §

Before me, the undersigned Notary Public of the State of Texas, on this day personally appeared Ronnie Jones, Assistant City Attorney for the City of Austin, Texas, personally 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 purposes and consideration therein expressed.

Given under my hand and seal of office this 12th day of March, 2002.





Notary Public, State of Texas

AGREEMENT FOR TRANSFER OF THE METERING FACILITY

STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

This agreement is between the City of Austin, Texas referred to as "City", and the City of Rollingwood, Texas referred to as "Rollingwood", collectively "Parties".

RECITALS

A. Rollingwood, for a full and valuable consideration in hand paid by the City, agreed to sell, transfer, and deliver to the City all of its rights, title, and interest in and to the Metering Facility defined in the Agreement for Wholesale Wastewater Service Between the City of Rollingwood, Texas and the City of Austin, Texas, dated January 27, 1999, as amended, which is incorporated by reference for all purposes, and more particularly described in Exhibit A. The City and Rollingwood executed a Bill of Sale on March 8, 2002 to transfer the Metering Facility from Rollingwood to the City, which is incorporated by reference for all purposes. The Parties agreed that the executed bill of sale is subject to this Agreement by the Parties regarding the obligations and responsibilities of the Parties concerning the operation and maintenance of the Metering Facility.

TERMS OF AGREEMENT

The parties to this agreement, in consideration of the mutual covenants and agreements to be performed, as set forth below, agree as follows:

1. Rollingwood agrees to pay all costs that arise out of the failure of the Metering Facility to perform in accordance with its intended use for a 30 day period, after the execution of this agreement, in consideration of which the City agrees to accept the transfer of the Metering Facility, and the obligations and responsibilities related to its operation and maintenance after the thirty day time period. The Parties acknowledge and agree that the City's acceptance of the Metering Facility is subject to Rollingwood's resolution, to the City's satisfaction, of any problems identified by the City, in writing, during the above-mentioned thirty-day time period. Rollingwood agrees that during any time period within the 30-day period in which the Metering Facility has failed to perform in accordance with its intended use and Rollingwood is paying all costs for repairs, that the City may estimate Rollingwood's wastewater bill in accordance with City policies and procedures.

2. Rollingwood agrees to immediately transfer and assign all contractor's warranties received by Rollingwood from any contractor or subcontractor furnishing labor and materials in connection with the Metering Facilities to the City.

3. Rollingwood agrees that it shall not use the Lift Station Site (as defined in the Wastewater Facilities Easement, which is incorporated by reference for all purposes) in any manner that interferes in any manner or is inconsistent with the rights and interests granted to the City in the Bill of Sale, Wastewater Facilities Easement, or this Agreement.

4. Rollingwood agrees that it shall not erect or permit to be erected a building, structure or

wastewater facilities on any portion of the Lift Station Site that interferes in any manner or is inconsistent with the rights and interests granted to the City in the Bill of Sale, Wastewater Facilities Easement, or this Agreement.

5. Rollingwood agrees to warrant and forever defend all the rights, title, and interest of the City in this Agreement against every person whomsoever lawfully claiming, or to claim the same or any part thereof


6. The Parties agree that the terms of this Agreement bind the Parties to this Agreement, their heirs, executors, administrators, and assigns.

7. The Parties agree that this Agreement contains the ENTIRE AGREEMENT between the Parties, and that the terms of this Agreement are contractual and not a mere recital. The Parties recognize that this Agreement is a legally binding document and is enforceable under the laws of the State of Texas. The Parties agree that nothing in this Agreement shall limit the rights of either Party to seek damages or any other remedy under Texas law that is available in the event of a breach of this Agreement by a Party. In the event a dispute shall arise over the meaning of performance under this Agreement, the Parties agree that venue for any lawsuits shall be in Travis County, Texas. The prevailing party in such a dispute shall be entitled to costs and attorney's fees, in addition to any damages or specific performance.

8. Should any court declare or determine that any provisions of this Agreement is invalid or unenforceable under present or future laws, that provision shall be fully severable; this Agreement shall be construed and enforced as if the illegal, invalid, or unenforceable provision had never comprised a part of this Agreement; and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid, or unenforceable provision or by its severance from this Agreement. Furthermore, in place of each such illegal, invalid, or unenforceable provision, there shall be added automatically as a part of this Agreement a provision as similar in terms to such illegal, invalid, or unenforceable provision as may be possible and be legal, valid, and enforceable. Texas law shall govern the validity and interpretation of this Agreement.

9. The Agreement will be effective from and after the last date of due execution by the Parties.

CITY OF AUSTIN:

By: 
Roger Chan
Assistant City Manager

Date: 03/08/02

CITY OF ROLLINGWOOD:

By: _____

Thom Farrell
Mayor

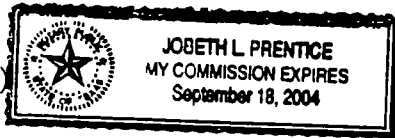
Date: 2/2/02

THE STATE OF TEXAS §

COUNTY OF TRAVIS §

THIS INSTRUMENT was acknowledged before me on this the 8th day of March, 2002, by Roger Chan, as Assistant City Manager of the City of Austin, Texas, a municipal corporation, on behalf of said municipal corporation.

(SEAL)



JoBeth L. Prentice
Notary Public, State of Texas

THE STATE OF TEXAS §

COUNTY OF TRAVIS §

THIS INSTRUMENT was acknowledged before me on this the 8th day of March, 2002, by Thom Farrell, as Mayor of the City of Rollingwood, Texas, a municipality, on behalf of said municipality.

(SEAL)



Kristine Hackfeld
Notary Public, State of Texas

EXHIBIT "A"

Metering Facility:

The meter vault at Station 0+67.00, as shown and described on plan sheet C-4 and E-2 of the Rollingwood Lift Station No. 1 and Force Main plans prepared by PBS&J and dated September 4, 2001, and Change Order #2 under the Contract, which are incorporated by reference for all purposes, including: the vault, meter, and all appurtenances thereto; including piping, the electrical and metering and telemetering equipment required to measure wholesale wastewater service to Rollingwood at the point of entry; and a sump pump for the vault.

ORIGINAL
FILED FOR RECORD

FILED AND RECORDED
OFFICIAL PUBLIC RECORDS

Dana Debeauvoir

03-13-2002 01:58 PM 2002047898
BAZANJ \$17.00
DANA DEBEAUVOIR, COUNTY CLERK
TRAVIS COUNTY, TEXAS

**FIRST AMENDMENT TO AGREEMENT FOR WHOLESALE
WASTEWATER SERVICE BETWEEN THE CITY OF ROLLINGWOOD, TEXAS
AND THE CITY OF AUSTIN, TEXAS**

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

This First Amendment to Agreement for Wholesale Wastewater Service Between the City of Rollingwood, Texas and the City of Austin, Texas ("First Amendment") is entered into between the City of Austin, a Texas home rule municipality ("Austin") and the City of Rollingwood, a Texas general law municipality ("Rollingwood"), collectively Parties, to modify certain rights and responsibilities of the Parties under a previous agreement for wholesale wastewater service.

WHEREAS, Austin and Rollingwood previously entered into an Agreement for Wholesale Wastewater Service Between the City of Rollingwood, Texas and the City of Austin, Texas ("1999 Wastewater Contract") dated January 27, 1999, that is currently in full force and effect, setting forth certain terms and conditions under which Austin agreed to provide wastewater collection and treatment services, on a wholesale basis, for all lands within Rollingwood's extraterritorial jurisdiction and city limits; and

WHEREAS, the City Councils of Rollingwood and Austin now mutually desire to modify certain rights and responsibilities of the Parties under the 1999 Wastewater Contract as hereinafter set forth;

NOW, THEREFORE, for good and valuable consideration, including the mutual agreements, covenants and conditions set forth in this First Amendment to the 1999 Wastewater Contract, Austin and Rollingwood agree as follows:

1. Ownership, Operation and Maintenance of Connecting Facilities. Section 4.07(b) of the 1999 Wastewater Contract is modified as follows:

Any portion of any wastewater line that constitutes a Connecting Facility, other than the Connecting Facilities located between the lift station and the Point of Entry, and is located within the Austin city limits will be dedicated to Austin by Rollingwood for ownership, operation, and maintenance. Rollingwood is responsible for the ownership, operation and maintenance of Connecting Facilities, other than Metering Facilities, located between the lift station and the Point of Entry. Any easements required in connection with such Connecting Facilities will be acquired by Rollingwood, at its cost, and dedicated to Rollingwood. Rollingwood is also responsible for all sanitary and regulatory obligations that arise out of or are related to the operation and maintenance of the Connecting Facilities located between the lift station and Point of Entry. Rollingwood will install, operate and maintain, at all times, an Odor Control System, approved by Austin, which approval will not be unreasonably withheld or delayed, to reduce odors that may originate in the lift

station, or from the flow equalization basin, pumping from the Rollingwood System to the Austin System.

2. Dedication of Facilities. Section 2.07(a)(5) of the 1999 Wastewater Contract is amended to read as follows:

dedication by Rollingwood to Austin of all Connecting Facilities located within Austin's city limits, except those facilities located between the lift station and the Point of Entry that are to be owned, operated and maintained by Rollingwood in accordance with Section 4.07(b).

3. Defined Terms. All terms delineated with initial capital letters in this First Amendment that are defined in the 1999 Wastewater Contract have the same meanings in this First Amendment as in the 1999 Wastewater Contract. Other terms have the meanings commonly ascribed to them.

4. Effect of First Amendment. Except as specifically provided in this First Amendment, the terms of the 1999 Wastewater Contract continue to govern the rights and obligations of the parties, and all terms of the 1999 Wastewater Contract, as modified by this First Amendment, remain in full force and effect. If there is any conflict or inconsistency between the revisions to Section 4.07(b) in this First Amendment and the 1999 Wastewater Contract, this First Amendment will control. The 1999 Wastewater Contract is incorporated by referenced for all purposes. The Parties recognize that this First Amendment is a legally binding document and is enforceable under the laws of the State of Texas. The Parties agree that nothing in this First Amendment shall limit the rights of the non-defaulting party to seek damages or any other remedy under Texas law that is available in the event of a breach of this Agreement by a defaulting Party. In the event a dispute shall arise over the meaning or performance of this Agreement, the Parties agree that venue for any lawsuits shall be in Travis County, Texas. The prevailing Party in such a dispute shall be entitled to costs and attorney's fees, in addition to any damages or specific performance.

5. Multiple Originals. This First Amendment may be executed in multiple counterparts, each of which will constitute an original.

6. Effective Date. This First Amendment will be effective from and after the date of due execution by the authorized representatives of Austin and Rollingwood.

IN WITNESS WHEREOF, the authorized representatives of Austin and Rollingwood have executed this First Amendment, as authorized by the City Councils of Austin and Rollingwood, on the date(s) indicated below.

CITY OF AUSTIN:

By: Toby Futrell

Toby Futrell
Deputy City Manager

Date: 11/5/01

THE STATE OF TEXAS

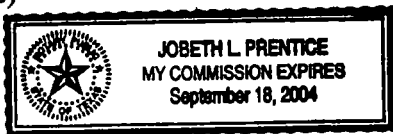
§

COUNTY OF TRAVIS

§

THIS INSTRUMENT was acknowledged before me on this 5th day of November, 2001,
by Toby Futrell as Deputy City Manager of the City of Austin, Texas, a municipal corporation, on
behalf of said municipal corporation.

(SEAL)



Jobeth L. Prentice
Notary Public, State of Texas

CITY OF ROLLINGWOOD

By: _____

Thom Farrell
Mayor

Date: _____

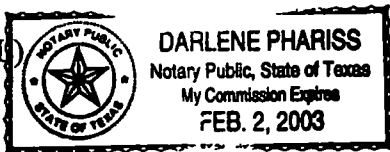
10/25/01

THE STATE OF TEXAS §

COUNTY OF TRAVIS §

THIS INSTRUMENT was acknowledged before me on this 25th day of October, 2001, by Thom Farrell as Mayor of the City of Rollingwood, a municipal corporation, on behalf of said municipal corporation.

(SEAL)



Notary Public, State of Texas


RESOLUTION NO. 011025-48

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

The Council authorizes the City Manager, or his designee, to negotiate and execute an amendment to the 1999 Wholesale Wastewater Service Agreement between the City of Austin (City) and the City of Rollingwood (Rollingwood) to modify Rollingwood's ownership, operation and maintenance obligations under the Agreement; and authorizes the City Manager or his designee to enter into the agreement on such terms and conditions as may be reasonable, necessary, or required.

ADOPTED: October 25, 2001

ATTEST:


Shirley A. Brown
City Clerk

CERTIFICATE FOR COUNCIL ACTION

THE STATE OF TEXAS §
COUNTY OF TRAVIS §

The undersigned City Secretary of the City of Rollingwood, Texas, hereby certifies as follows:

1. The City Council of the City of Rollingwood, Texas, convened in regular session on the 17th day of October, 2001, at 403 Nixon, Rollingwood, Texas, and the roll was called of the duly-elected aldermen for the City, to wit:

Thom Farrell	-	Mayor
Hollis Jeffries	-	Mayor Pro-tem
John Lindell	-	Alderman
Bill Hamilton	-	Alderman
Leslie Davis	-	Alderman
Melissa Morrow	-	Alderman

and all of said persons were present, thus constituting a quorum. Whereupon, among other business, the following matter was considered:

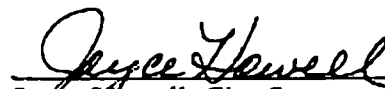
**FIRST AMENDMENT TO AGREEMENT FOR WHOLESALE
WASTEWATER SERVICE BETWEEN THE CITY OF ROLLINGWOOD, TEXAS
AND THE CITY OF AUSTIN, TEXAS.**

Upon motion and second that the First Amendment be approved and that the Mayor be authorized to execute the document, after due discussion, the motion was passed unanimously by the City Council.

2. A true, full and correct copy of the First Amendment described in the above paragraph is attached to this certificate; the persons named in the above and foregoing paragraph are the duly elected, qualified and acting officers and members of the City Council as indicated therein; each of the officers and members of the City Council was duly and sufficiently notified officially and personally, in advance, of the time, place and purpose of the aforesaid meeting and that the First Amendment would be introduced and considered for adoption at the meeting, and each of the officers and members consented, in advance, to the holding of the meeting for such purpose; the meeting was open to the public as required by law; and public notice of the time, place and subject of the meeting was given as required by Chapter 551 of the Government Code.

SIGNED AND SEALED this 26th day of October, 2001

(SEAL)


 Joyce Howell, City Secretary
 City of Rollingwood, Texas

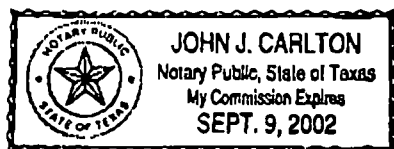
THE STATE OF TEXAS §

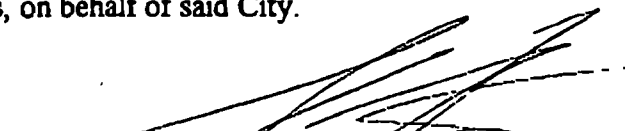
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COUNTY OF TRAVIS §

This instrument was acknowledged before me on October 26th, 2001, by Joyce Howell, City Secretary of the City of Rollingwood, Texas, on behalf of said City.

(Seal)




 Notary Public

**SECOND AMENDMENT TO AGREEMENT FOR WHOLESALE
WASTEWATER SERVICE BETWEEN THE CITY OF ROLLINGWOOD, TEXAS
AND THE CITY OF AUSTIN, TEXAS**

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

This Second Amendment to Agreement for Wholesale Wastewater Service Between the City of Rollingwood, Texas and the City of Austin, Texas ("Second Amendment") is entered into between the City of Austin, a Texas home rule municipality ("Austin") and the City of Rollingwood, a Texas general law municipality ("Rollingwood"), collectively Parties, to modify and amend certain rights and responsibilities of the Parties under a previous agreement for wholesale wastewater service.

WHEREAS, Austin and Rollingwood previously entered into an Agreement for Wholesale Wastewater Service Between the City of Rollingwood, Texas and the City of Austin, Texas, dated January 27, 1999, and the First Amendment to Agreement for Wholesale Wastewater Service, dated November 5, 2001, which are currently in full force and effect, setting forth certain terms and conditions under which Austin agreed to provide wastewater collection and treatment services, on a wholesale basis, for all lands within Rollingwood's extraterritorial jurisdiction and city limits ("1999 Wastewater Contract"); and

WHEREAS, the City Councils of Rollingwood and Austin now mutually desire to modify and amend certain rights and responsibilities of the Parties under the 1999 Wastewater Contract as hereinafter set forth;

NOW, THEREFORE, for good and valuable consideration, including the mutual agreements, covenants and conditions set forth in this Second Amendment to the 1999 Wastewater Contract, the adequacy and sufficiency of which is hereby acknowledged by the Parties, Austin and Rollingwood agree as follows:

1. Definition of Terms. Section 1.01 of the 1999 Wastewater Contract is modified and amended as follows:

A. Section 1.01(m) is amended to read as follows:

Point of Entry: the locations of facilities that are approved in writing by the Director prior to their connection to Austin's System in which wastewater will pass from Rollingwood's System into Austin's System.

B. Section 1.01(w) is added to read as follows:

Peak Flow: the maximum calculated wastewater flow by Austin. The Peak Flow at Rollingwood's lift station, as shown on Exhibit B, will be calculated by Austin by collecting flow readings taken every second when the lift station pumps are

operating and averaging sixty readings for each minute. Austin will calculate the Peak Flow for the addresses listed in Exhibit C based upon winter month averaging, as described below in section 1.01(x), and multiplied by the number four.

C. Section 1.01(x) is added to read as follows:

Winter Month Averaging: Austin's method of calculating wastewater usage for a billing period using the prior average winter month water usage, as determined by water meter readings for the billing periods ending in the months of December, January, and February, unless the Austin City Council or its designee approves a different period.

2. Maximum Level of Wastewater Service. Section 2.01(a) of the 1999 Wastewater Contract is modified to read as follows:

Subject to the terms and conditions of this Agreement and the requirements of applicable law, Austin commits and agrees to provide wholesale wastewater service to Rollingwood for the Wholesale Service Area and to accept and treat all wastewater delivered by Rollingwood to the Point of Entry. Wholesale wastewater service provided by Austin to Rollingwood under this Agreement shall not exceed a Peak Flow of 300 gallons per minute (gpm). Wholesale wastewater service provided by Austin to Rollingwood shall not exceed a Peak Flow of 255 gpm as measured at Austin's wastewater meter located near Rollingwood's lift station as identified on Exhibit B. The Peak Flow limit of 255 gpm is hereby deemed to be exceeded if the Peak Flow as measured at Austin's wastewater meter exceeds 255 gpm for at least two consecutive minutes. Rollingwood and Austin agree that wholesale wastewater service provided by Austin for the addresses listed in Exhibit C shall not exceed a Peak Flow of 45 gpm. Rollingwood and Austin further agree that the total Peak Flow from all wastewater flows generated within the Wholesale Service Area shall not exceed 300 gpm.

3. Consideration for Wholesale Wastewater Service. Section 2.02 of the 1999 Wastewater Contract is amended by adding a new section 2.02(d) as follows:

As additional consideration for Austin's agreement to continue wastewater service to the properties connected to Austin's system that are listed in Exhibit C of this Agreement, Rollingwood agrees to pay Austin a monthly amount of \$2,000.00 starting December 1, 2003. Austin will add the above-referenced monthly payment to Rollingwood's monthly wholesale bill. The Parties agrees that the above-referenced payment to Austin by Rollingwood is reasonable and enforceable in light of anticipated construction costs by Rollingwood, Austin's costs for the provision of wastewater service, and the inconvenience to Austin. Additionally, as further consideration for this Agreement, Rollingwood will TV and smoke test it's System for each of the properties listed on Exhibit C within every five years from the execution date of this amendment to the Agreement. If

Rollingwood has not performed such activities, Austin may perform such activities and bill Rollingwood for all expenses incurred by Austin. Rollingwood must pay Austin for the expenses for services provided in this section within 30 days of receipt of a bill from Austin. Rollingwood also agrees that Austin may apply a late charge on any past due payments or fees owed to Austin by Rollingwood.

4. Retail Service Commitments. Section 2.06(b) of the 1999 Wastewater Contract is modified as follows:

There are several properties within Rollingwood's Wholesale Service Area that are currently connected to Austin's System and are being provided service under the 1987 Agreement and Amendments. Rollingwood agrees that it will connect the properties listed in Exhibit A to Rollingwood's System by June 6, 2004. The Parties agree that the properties listed in Exhibit C shall remain connected to Austin's System. Rollingwood and Austin agree that Austin will use Winter Month Averaging and Austin's policies and procedures for billing purposes and the calculation of flows for the properties listed in Exhibit C.

5. Liquidated Damages For Non-compliance with Agreement. Article 7 of the 1999 Wastewater Contract is amended by adding new section 7.07 as follows:

If Rollingwood breaches any of the terms and conditions in this Agreement, except those breaches described in Section 7.06, Rollingwood agrees to pay Austin liquidated damages in the amount of \$1,000 per day for each day of non-compliance. The Parties agree that this amount is reasonable liquidated damages for Rollingwood's breach of this Agreement, as amended, in light of the anticipated or actual harm caused by a breach, the difficulties of proof of loss, and the inconvenience or nonfeasibility of otherwise obtaining an adequate remedy.

6. Exhibits. The Parties agree that Exhibit A of the 1999 Wastewater Contract is hereby deleted and replaced by new Exhibit A that is attached to this Second Amendment as Exhibit 1 and incorporated by reference for all purposes. The Parties also agree that new Exhibit B, which is attached to this Second Amendment as Exhibit 2 and incorporated by reference for all purposes, is hereby added to the 1999 Wastewater Contract. The Parties further agree that new Exhibit C, which is attached to this Second Amendment as Exhibit 3 and incorporated by reference for all purposes, is hereby added to the 1999 Wastewater Contract.

7. Defined Terms. All terms delineated with initial capital letters in this Second Amendment that are defined in the 1999 Wastewater Contract have the same meanings in this Second Amendment as in the 1999 Wastewater Contract. Other terms have the meanings commonly ascribed to them.

8. Effect of Second Amendment. Except as specifically provided in this Second Amendment, the terms of the 1999 Wastewater Contract continue to govern the rights and obligations of the parties, and all terms of the 1999 Wastewater Contract as modified by this Second Amendment, remain in full force and effect. If there is any conflict or inconsistency


between the revisions in this Second Amendment and the 1999 Wastewater Contract, this Second Amendment will control. The 1999 Wastewater Contract is incorporated by reference for all purposes. The Parties recognize that this Second Amendment is a legally binding document and is enforceable under the laws of the State of Texas. The Parties agree that nothing in this Second Amendment shall limit the rights of the non-defaulting party to seek damages or any other remedy under Texas law that is available in the event of a breach of this Agreement by a defaulting Party. In the event a dispute shall arise over the meaning or performance of this Agreement, the Parties agree that venue for any lawsuits shall be in Travis County, Texas.

9. **Multiple Originals.** This Second Amendment may be executed in multiple counterparts, each of which will constitute an original.

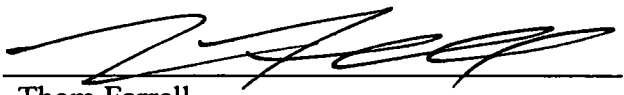
10. **Effective Date.** This Second Amendment will be effective from and after the date of due execution by the authorized representatives of Austin and Rollingwood.

IN WITNESS WHEREOF, the authorized representatives of Austin and Rollingwood have executed this Second Amendment, as authorized by the City Councils of Austin and Rollingwood, on the date(s) indicated below.

CITY OF AUSTIN:

By: 
Joe E. Canales
Deputy City Manager
Date: 12.04.03

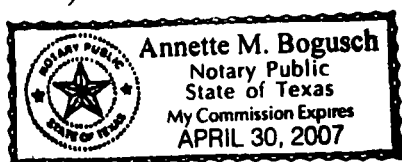
CITY OF ROLLINGWOOD

By: 
Thom Farrell
Mayor
Date: 11-19-03

THE STATE OF TEXAS §
COUNTY OF TRAVIS §

THIS INSTRUMENT was acknowledged before me on this 4th day of December, 2003, by Joe Canales as Deputy City Manager of the City of Austin, Texas, a municipal corporation, on behalf of said municipal corporation.

(SEAL)



Annette M. Bogusch
Notary Public, State of Texas

THE STATE OF TEXAS §
COUNTY OF TRAVIS §

THIS INSTRUMENT was acknowledged before me on this 19th day of November, 2003, by Thom Farrell as Mayor of the City of Rollingwood, a municipal corporation, on behalf of said municipal corporation.

(SEAL)



Susan Palmer
Notary Public, State of Texas

Exhibit 1 (Exhibit A)
Rollingwood's Existing Customers Whose Wastewater Flows Will be Directed to
Rollingwood's Lift Station by June 6, 2004

2901 Bee Cave Road (Lots 1-8, Heritage Square, Section 1)

2900 Bee Cave Road (Lot 1, Rollingwood West Subdivision)

2826 Bee Cave Road (Lot 2A-1, Rollingwood West Subdivision)

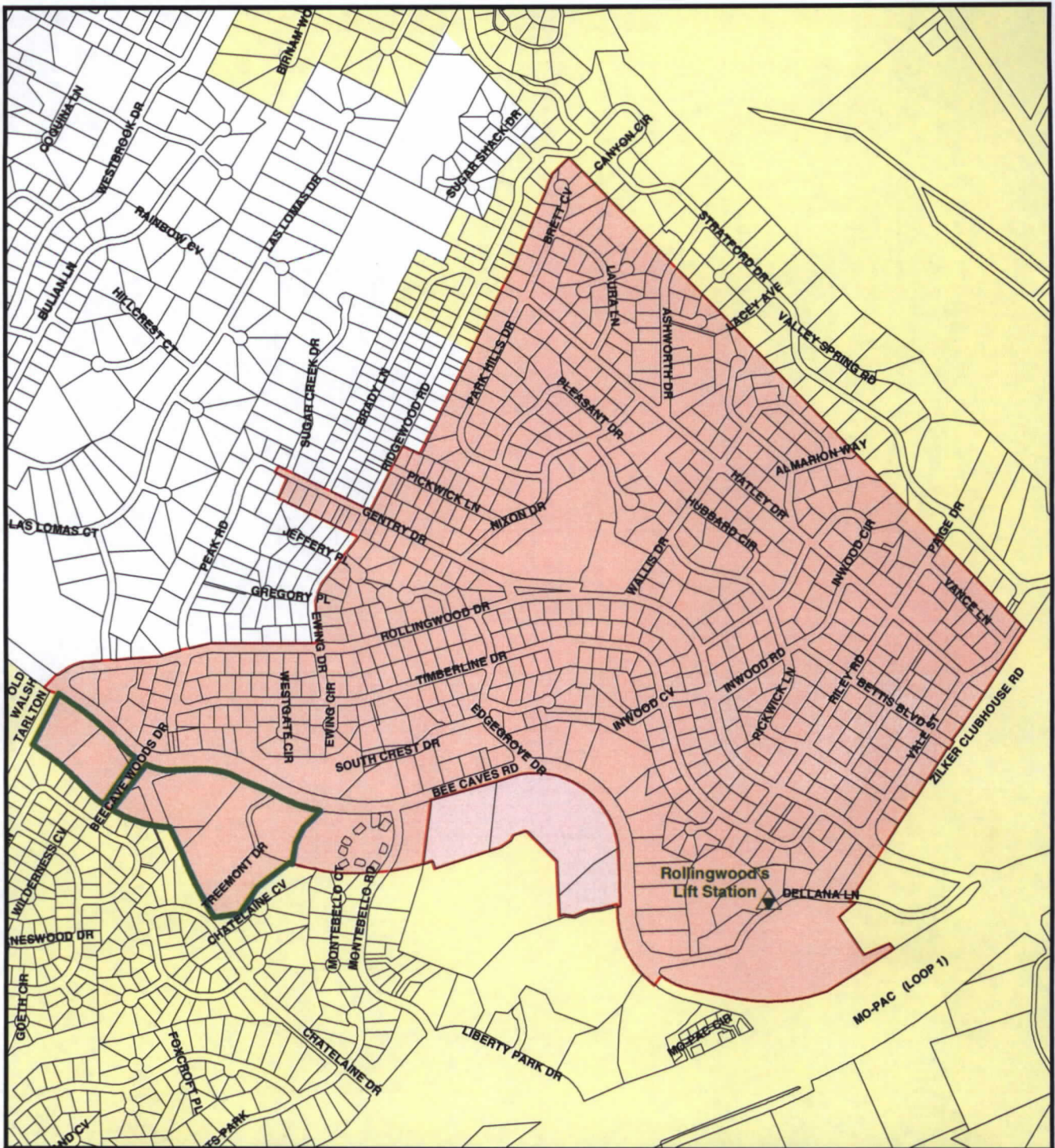
2824 Bee Cave Road (Lot 2A-1, Lot 2B, Rollingwood West Subdivision)

101 Vale Street (Lot 1, Garwood Oaks Addition)







2401 Vance Lane (Lot 1, Hoffman Addition)

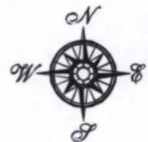
2829 Bee Cave Road (Lot 1, Treemont Phase C--up to 10 LUEs only)

EXHIBIT B



Areas of Rollingwood to be Served by the City of Austin

-  Rollingwood's Lift Station
-  Lots to be provided wastewater service directly by the City of Austin
-  Rollingwood City Limits
-  Rollingwood ETJ
-  City of Austin ETJ
-  Austin City Limits



This map has been produced by the City of Austin for its needs and purposes and is not warranted for any other use. No warranty is made by the City regarding its accuracy or completeness.



Exhibit 3 (Exhibit C)
**Rollingwood's Existing Customers Whose Wastewater Flows Will Continue To Be Directly
Connected to Austin's Wastewater System**

3103 Bee Cave Road (Lot 1, Block 1, The Corners Amended)

3101 Bee Cave Road (Lot 2, Block 1, The Corners Amended)

1015 Beecave Woods Road (Lot 1, Block 2, The Corners)

3003 Bee Cave Road (Unit 1 Renaissance Womens Center of Austin
Condominium Plus 65% Interest in Common Areas, Unit 2 Renaissance Womens
Center of Austin Condominium Plus 35% Interest in Common Areas,
Renaissance Womens Center of Austin Condominium)

3001 Bee Cave Road (Lot 3, Treemont, Phase D)

Lots 1 through 24, A, Village at Treemont

**THIRD AMENDMENT TO AGREEMENT FOR WHOLESALE
WASTEWATER SERVICE BETWEEN THE CITY OF ROLLINGWOOD, TEXAS
AND THE CITY OF AUSTIN, TEXAS**

THE STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

This Third Amendment to Agreement for Wholesale Wastewater Service Between the City of Rollingwood, Texas and the City of Austin, Texas ("Third Amendment") is entered into between the City of Austin, a Texas home rule municipality ("Austin") and the City of Rollingwood, a Texas general law municipality ("Rollingwood"), collectively the "Parties", to modify and amend certain rights and responsibilities of the Parties under a previous agreement for wholesale wastewater service.

RECITALS

A. Austin and Rollingwood previously entered into an Agreement for Wholesale Wastewater Service Between the City of Rollingwood, Texas and the City of Austin, Texas (the "Agreement"), dated January 27, 1999, which was amended by the (i) First Amendment to Agreement for Wholesale Wastewater Service ("First Amendment"), dated November 5, 2001, and (ii) Second Amendment to Agreement for Wholesale Water Service ("Second Amendment") dated December 4, 2003, which are currently in full force and effect, setting forth certain terms and conditions under which Austin agreed to provide wastewater collection and treatment services, on a wholesale basis, for all lands within Rollingwood's extraterritorial jurisdiction and city limits (the Agreement, First Amendment and Second Amendment are hereinafter collectively called the "1999 Wastewater Contract").

B. Austin and Rollingwood have entered into a 2000 Agreement for Wholesale Water Service Between the City of Austin, Texas and the City of Rollingwood, Texas, dated effective February 3, 2000 (the "Contract"), as amended by a First Amendment to Agreement for Wholesale Water Service (the "Contract First Amendment"), dated effective _____, 2004. The Contract and Contract First Amendment are hereinafter collectively called the "2000 Water Contract"). The 2000 Water Contract provides for the possibility of Rollingwood providing an alternative source of raw water to Austin in order for Austin to provide treated water to Rollingwood for its distribution system serving retail connections within Rollingwood's corporate boundaries and extraterritorial jurisdiction.

C. The City Councils of Rollingwood and Austin now mutually desire to modify and amend certain rights and responsibilities of the Parties under the 1999 Wastewater Contract as hereinafter set forth;

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, including the mutual agreements, covenants and conditions set forth in this Third Amendment to the 1999 Wastewater Contract, the adequacy and sufficiency of which is hereby acknowledged by the Parties, Austin and Rollingwood agree as follows:

1. Retail Service Commitments. Section 2.06(b) of the 1999 Wastewater Contract is modified as follows:

There are several properties within Rollingwood's Wholesale Service Area that are currently connected to Austin's System and are being provided service under the 1987 Agreement and Amendments. Rollingwood agrees that it will connect the properties listed in Exhibit A to Rollingwood's System by October 1, 2004. The Parties agree that the properties listed in Exhibit C shall remain connected to Austin's System. Rollingwood and Austin agree that Austin will use Winter Month Averaging and Austin's policies and procedures for billing purposes and the calculation of flows for the properties listed in Exhibit C.

2. Exhibits. The Parties agree that Exhibit A of the 1999 Wastewater Contract is hereby deleted and replaced by the new Exhibit A that is attached to this Third Amendment as Exhibit 1 and incorporated by reference for all purposes. The Parties agree that Exhibit B of the 1999 Wastewater Contract is hereby deleted and replaced by the new Exhibit B that is attached to this Third Amendment as Exhibit 2 and incorporated by reference for all purposes. The Parties further agree that new Exhibit C, which is attached to this Third Amendment as Exhibit 3 and incorporated by reference for all purposes, is hereby added to the 1999 Wastewater Contract.

3. Defined Terms. All terms delineated with initial capital letters in this Third Amendment that are defined in the 1999 Wastewater Contract have the same meanings in this Third Amendment as in the 1999 Wastewater Contract. Other terms have the meanings commonly ascribed to them.

4. Effect of Third Amendment. Except as specifically provided in this Third Amendment, the terms of the 1999 Wastewater Contract continue to govern the rights and obligations of the parties, and all terms of the 1999 Wastewater Contract as modified by this Third Amendment, remain in full force and effect. If there is any conflict or inconsistency between the revisions in this Third Amendment and the 1999 Wastewater Contract, this Third Amendment will control. The 1999 Wastewater Contract is incorporated by reference for all purposes. The Parties recognize that this Third Amendment is a legally binding document and is enforceable under the laws of the State of Texas. The Parties agree that nothing in this Third Amendment shall limit the rights of the non-defaulting party to seek damages or any other remedy under Texas law that is available in the event of a breach of this Agreement by a defaulting Party. In the event a dispute shall arise over the meaning or performance of this Agreement, the Parties agree that venue for any lawsuits shall be in Travis County, Texas.

5. Multiple Originals. This Third Amendment may be executed in multiple counterparts, each of which will constitute an original.

6. Effective Date. This Third Amendment will be effective on the date the last party signs.

IN WITNESS WHEREOF, the authorized representatives of Austin and Rollingwood have executed this Third Amendment, as authorized by the City Councils of Austin and Rollingwood, on the date(s) indicated below.

CITY OF AUSTIN:

OK
Jmt

By: Jose E. Canales
Jose E. Canales, Deputy City Manager
Date: 11-29-04

THE STATE OF TEXAS §
COUNTY OF TRAVIS §

THIS INSTRUMENT was acknowledged before me on this 29 day of November, 2004, by Jose E. Canales as Deputy City Manager of the City of Austin, Texas, a municipal corporation, on behalf of said municipal corporation.

(SEAL)



Sandra L. Ramirez
Notary Public, State of Texas

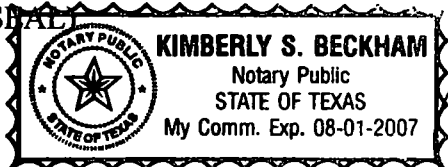
CITY OF ROLLINGWOOD

By: Hollis Jefferies
Hollis Jefferies, Mayor
Date: 11/17/04

THE STATE OF TEXAS §
COUNTY OF TRAVIS §

THIS INSTRUMENT was acknowledged before me on this 17th day of November, 2004, by Hollis Jefferies as Mayor of the City of Rollingwood, a municipal corporation, on behalf of said municipal corporation.

(SEAL)



Kimberly S. Beckham
Notary Public, State of Texas

EXHIBIT 1 (EXHIBIT A)

**Rollingwood's Existing Customers Whose Wastewater Flows Will Be Directed to
Rollingwood's Lift Station by October 1, 2004**

2900 Bee Cave Road (Lot 1, Rollingwood West Subdivision)

2826 Bee Cave Road (Lot 2A-1, Rollingwood West Subdivision)

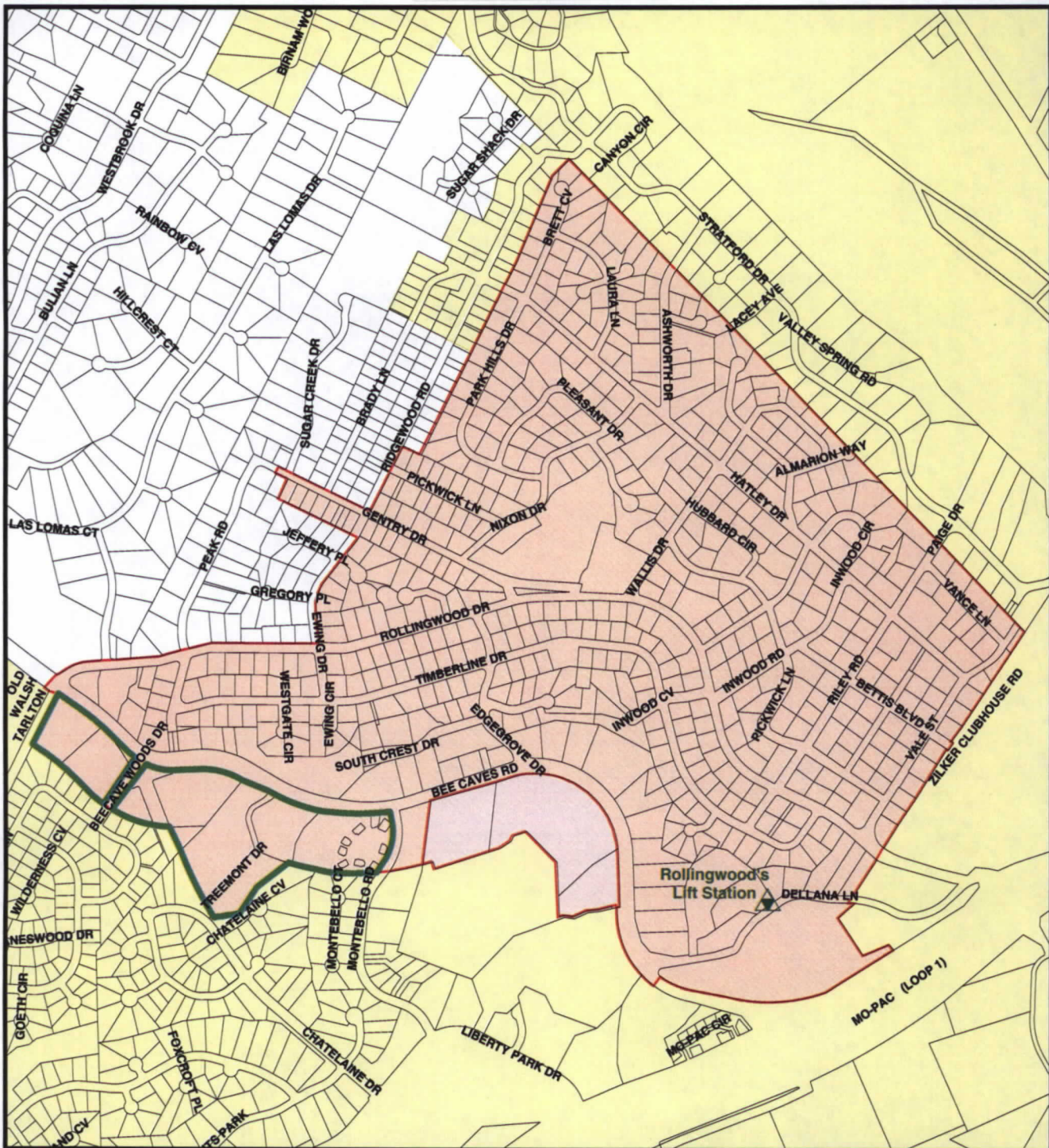
2824 Bee Cave Road (Lot 2A-1, Lot 2B, Rollingwood West Subdivision)

101 Vale Street (Lot 1, Garwood Oaks Addition)

2401 Vance Lane (Lot 1, Hoffman Addition)

2829 Bee Cave Road (Lot 1, Treemont Phase C---up to 10 LUEs only)

EXHIBIT 2 (EXHIBIT B)



Areas of Rollingwood to be Served by the City of Austin



Lift Station



Lots to be provided wastewater service directly by the City of Austin

Rollingwood City Limits

Rollingwood ETJ

Austin City Limits

City of Austin ETJ



September 29, 2004

Produced by the Systems Analysis Division

This map has been produced by the City of Austin for its needs and purposes and is not warranted for any other use. No warranty is made by the City regarding its accuracy or completeness.

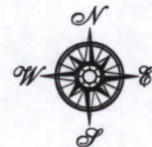


EXHIBIT 3 (EXHIBIT C)

**Rollingwood's Existing Customers Whose Wastewater Flows Will Continue To Be
Directly Connected to Austin's Wastewater System**

2901 Bee Cave Road (Lots 1-8, Heritage Square, Section 1)

3103 Bee Cave Road (Lot 1, Block 1, The Corners Amended)

3101 Bee Cave Road (Lot 2, Block 1, The Corners Amended)

1015 Beecave Woods Road (Lot 1, Block 2, The Corners)

3003 Bee Cave Road (Unit 1 Renaissance Womens Center of Austin Condominium Plus
65% Interest in Common Areas, Unit 2 Renaissance Womens Center of Austin
Condominium Plus 35% Interest in Common Areas, Renaissance Womens Center of
Austin Condominium)

3001 Bee Cave Road (Lot 3, Treemont, Phase D)

Lots 1-24, A, Village at Treemont

RESOLUTION 2006-7-1

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST LAKE HILLS AUTHORIZING THE CITY TO PROVIDE SANITARY SEWER SERVICE TO ONE CERTAIN RESIDENTIAL ADDRESS IN THE CITY OF ROLLINGWOOD, BEING 5100 ROLLINGWOOD DRIVE, PROVIDING FOR PAYMENT OF SAME BY THE CITY OF ROLLINGWOOD, AND PROVIDING FOR BILLING AND ADMINISTRATION OF THE ACCOUNT BY THE CITY OF ROLLINGWOOD.

WHEREAS, the City of Rollingwood operates a residential sanitary sewer system adjacent to the corporate limits of the City of West Lake Hills; and

WHEREAS, the City of West Lake Hills operates a residential sanitary sewer system adjacent to the corporate limits of the City of Rollingwood; and

WHEREAS, both sanitary sewer systems ultimately discharge into the LCRA-managed sanitary sewer system that discharges ultimately into the City of Austin wastewater system; and

WHEREAS, the owner of a residence located at 5100 Rollingwood Drive within the City of Rollingwood has heretofore paid a connection fee to the City of Rollingwood for the purpose of being connected to the sanitary sewer system at such time that service is extended to that location; and

WHEREAS, sanitary sewer service has not been extended to that location by the City of Rollingwood and, in order to be extended, will cost far in excess of the amount of the connection fee heretofore paid; and

WHEREAS, 5100 Rollingwood Drive is located in close proximity to a sanitary sewer main owned and operated by the City of West Lake Hills; and

WHEREAS, the City of West Lake Hills is willing to extend sanitary sewer service to 5100 Rollingwood Drive; and

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WEST LAKE HILLS, TEXAS that:

The foregoing recitals are adopted and incorporated herein for all purposes.

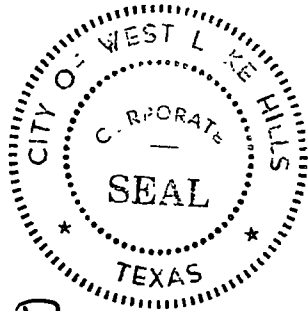
The City of West Lake Hills, Texas agrees to provide sanitary sewer service within the corporate limits of the City of Rollingwood at and only at the residence located at 5100 Rollingwood Drive.

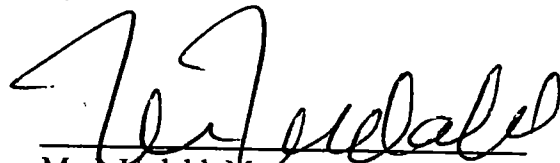
The City of Rollingwood will pay all costs necessary for the City of West Lake Hills to connect sanitary sewer service to said location, will cooperate with the City of West Lake Hills to accomplish such connection and maintenance of such service, and will thereafter administer said account, including metering of water usage and billing for sanitary sewer service based upon such water usage.

The City Council of the City of West Lake Hills reserves the right to terminate the permission and authority granted herein to the City of Rollingwood in the event that sanitary service becomes available from the City of Rollingwood system or in the event that such termination is otherwise in the best interest of the City of Rollingwood or the customer located at 5100 Rollingwood Drive.

ADOPTED THIS THE 26th DAY OF JULY, 2006.

Attest:




Mark Urdahl, Mayor


Janet Rogers, City Secretary

7/21/06

18. Discussion/decision on Resolution 2006-7-1, a resolution of the City Council of the City of West Lake Hills authorizing the City to provide sanitary sewer service to one certain residential address in the City of Rollingwood, being 5100 Rollingwood Drive, providing for payment of same by the City of Rollingwood, and providing for billing and administration of the account by the City of Rollingwood.

City Administrator Barker gave background information on the above resolution, stating that City of Austin legal department was ok with this hookup and the resolution as proposed except for the last paragraph which is to be deleted.

MAYOR PRO TEM LOAYZA MADE A MOTION, SECONDED BY COUNCIL MEMBER PROBST, TO APPROVE RESOLUTION 2006-7-1 WITH DELETED LANGUAGE AS STATED ABOVE. MOTION PASSED WITH A (4-0) VOTE WITH COUNCIL MEMBER NOBLE AWAY FROM THE DAIS.

RESOLUTION NO. 2006-07

CITY OF ROLLINGWOOD

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROLLINGWOOD AUTHORIZING THE CITY OF WESTLAKE HILLS TO PROVIDE SANITARY SEWER SERVICE TO ONE CERTAIN RESIDENTIAL ADDRESS IN THE CITY OF ROLLINGWOOD, BEING 5100 ROLLINGWOOD DRIVE, PROVIDING FOR PAYMENT OF SAME BY THE CITY OF ROLLINGWOOD: PROVIDING FOR BILLING AND ADMINISTRATION OF THE ACCOUNT BY THE CITY OF ROLLINGWOOD, AND REPEALING RESOLUTION NO. 2006-06

WHEREAS, the City of Rollingwood operates a residential sanitary sewer system adjacent to the corporate limits of the City of West Lake Hills; and

WHEREAS, the City of West Lake Hills operates a residential sanitary sewer system adjacent to the corporate limits of the City of Rollingwood, and

WHEREAS, both sanitary sewer systems ultimately discharge into the LCRA-managed sanitary sewer system that discharges ultimately into the City of Austin wastewater system, and

WHEREAS, the owner of a residence located at 5100 Rollingwood Drive within the City of Rollingwood has heretofore paid a connection fee to the City of Rollingwood for the purpose of being connected to the sanitary sewer system at such time that service is extended to that location; and

WHEREAS, sanitary sewer service has not been extended to that location by the City of Rollingwood and, in order to be extended, will cost far in excess of the amount of the connection fee heretofore paid; and

WHEREAS, 5100 Rollingwood Drive is located in close proximity to a sanitary sewer main owned and operated by the City of West Lake Hills; and

WHEREAS, the City of West Lake Hills is willing to extend sanitary sewer service to 5100 Rollingwood Drive; and

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

The foregoing recitals are adopted and incorporated herein for all purposes.

Permission is granted and authorization is hereby granted to the City of West Lake Hills, Texas to provide sanitary sewer services within the corporate limits of the City of Rollingwood at and only at the residence located at 5100 Rollingwood Drive.

The City of West Lake Hills, Texas agrees to provide sanitary sewer service within the corporate limits of the City of Rollingwood at and only at the residence located at 5100 Rollingwood Drive.

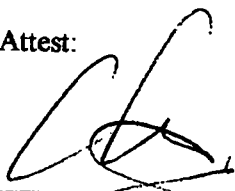
The City of Rollingwood will pay all costs, up to \$25,000, necessary to connect sanitary sewer service to said location. Any expenditure over \$25,000 will require prior approval from the Rollingwood City Council. The City of Rollingwood will cooperate with the City of West Lake Hills to accomplish such connection and maintenance of such service, and thereafter will administer said account, including metering of water usage and billing for sanitary sewer service based upon such water usage.

The City Council of the City of Rollingwood reserves the right to terminate the permission and authority granted herein to the City of West Lake Hills in the event that sanitary service becomes available from the City of Rollingwood system or in the event that such termination is otherwise in the best interest of the City of Rollingwood or the customer located at 5100 Rollingwood Drive.

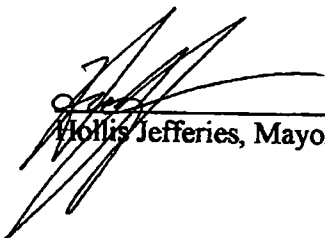
This Resolution repeals and replaces Resolution No. 2006-06 adopted on July 19, 2006.

ADOPTED THIS THE 16th DAY OF August, 2006.

Attest:



Don Ferguson, City Administrator



Hollis Jefferies, Mayor

**FOURTH AMENDMENT TO AGREEMENT FOR WHOLESALE
WASTEWATER SERVICE BETWEEN THE CITY OF ROLLINGWOOD, TEXAS
AND THE CITY OF AUSTIN, TEXAS**

THE STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

This Fourth Amendment to Agreement for Wholesale Wastewater Service Between the City of Rollingwood, Texas and the City of Austin, Texas ("Fourth Amendment") is entered into between the City of Austin, a Texas home rule municipality ("Austin") and the City of Rollingwood, a Texas general law municipality ("Rollingwood"), collectively the "Parties," to modify and amend certain rights and responsibilities of the Parties under a previous agreement for wholesale wastewater service.

RECITALS

A. Austin and Rollingwood previously entered into an Agreement for Wholesale Wastewater Service Between the City of Rollingwood, Texas and the City of Austin, Texas (the "Agreement"), dated January 27, 1999, which was amended by the (i) First Amendment to Agreement for Wholesale Wastewater Service ("First Amendment"), dated November 5, 2001, (ii) Second Amendment to Agreement for Wholesale Wastewater Service ("Second Amendment") dated December 4, 2003, and (iii) Third Amendment to Agreement for Wholesale Wastewater Service ("Third Amendment") dated November 29, 2004, which are currently in full force and effect, setting forth certain terms and conditions under which Austin agreed to provide wastewater collection and treatment services, on a wholesale basis, for all lands within Rollingwood's extraterritorial jurisdiction and city limits (the Agreement, First Amendment, Second Amendment, and Third Amendment are hereinafter collectively called the "1999 Wastewater Contract").

B. The governing bodies of Rollingwood and the City of West Lake Hills ("West Lake Hills") adopted a joint resolution on ~~Aug. 16, 2004~~ ^{July 26, 2004} and ~~July 26, 2004~~ ^{July 26, 2004}, respectively in which West Lake Hills agreed to allow pass-through wastewater service for a single family residence located at 5100 Rollingwood Drive. A copy of the resolution is attached as Exhibit 1 to this Fourth Amendment.C. The City Councils of Rollingwood and Austin now mutually desire to modify and amend certain rights and responsibilities of the Parties under the 1999 Wastewater Contract as hereinafter set forth;

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, including the mutual agreements, covenants, and conditions set forth in this Fourth Amendment to the 1999 Wastewater Contract, the adequacy and sufficiency of which is hereby acknowledged by the Parties, Austin and Rollingwood agree as follows:

2. **Exhibits.** The Parties agree that new Exhibit C, which is attached to this Fourth Amendment as Exhibit 2 and incorporated by reference for all purposes, is hereby added to the 1999 Wastewater Contract.

3. **Defined Terms.** All terms delineated with initial capital letters in this Fourth Amendment that are defined in the 1999 Wastewater Contract have the same meanings in this Fourth Amendment as in the 1999 Wastewater Contract. Other terms have the meanings commonly ascribed to them.

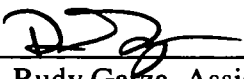
4. **Effect of Fourth Amendment.** Except as specifically provided in this Fourth Amendment, the terms of the 1999 Wastewater Contract continue to govern the rights and obligations of the parties, and all terms of the 1999 Wastewater Contract as modified by this Fourth Amendment, remain in full force and effect. If there is any conflict or inconsistency between the revisions in this Fourth Amendment and the 1999 Wastewater Contract, this Fourth Amendment will control. The 1999 Wastewater Contract is incorporated by reference for all purposes. The Parties recognize that this Fourth Amendment is a legally binding document and is enforceable under the laws of the State of Texas. The Parties agree that nothing in this Fourth Amendment shall limit the rights of the non-defaulting party to seek damages or any other remedy under Texas law that is available in the event of a breach of this Agreement by a defaulting Party. In the event a dispute shall arise over the meaning or performance of this Agreement, the Parties agree that venue for any lawsuits shall be in Travis County, Texas.

5. **Multiple Originals.** This Fourth Amendment may be executed in multiple counterparts, each of which will constitute an original.

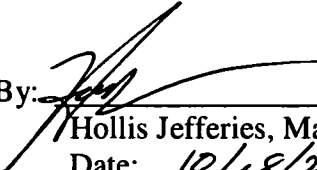
6. **Effective Date.** This Fourth Amendment will be effective from and after the date of due execution by the authorized representatives of Austin and Rollingwood.

IN WITNESS WHEREOF, the authorized representatives of Austin and Rollingwood have executed this Fourth Amendment, as authorized by the City Councils of Austin and Rollingwood, on the date(s) indicated below.

CITY OF AUSTIN:

By: 
Rudy Garza, Assistant City Manager
Date: 11/6/06

CITY OF ROLLINGWOOD

By: 
Hollis Jefferies, Mayor
Date: 10/18/2006

THE STATE OF TEXAS §
COUNTY OF TRAVIS §

THIS INSTRUMENT was acknowledged before me on this 10th day of November, 2006, by Rudy Garza as Assistant City Manager of the City of Austin, Texas, a municipal corporation, on behalf of that municipal corporation.

(SEAL)





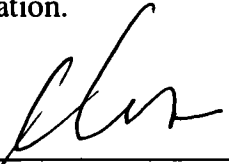
Notary Public, State of Texas

THE STATE OF TEXAS §
COUNTY OF TRAVIS §

THIS INSTRUMENT was acknowledged before me on this 25th day of October, 2006, by Hollis Jefferies as Mayor of the City of Rollingwood, a municipal corporation, on behalf of that municipal corporation.

(SEAL)





Notary Public, State of Texas

EXHIBIT 2 (EXHIBIT C)

Rollingwood's Existing Customers Whose Wastewater Flows Will Continue To Be Directly Connected to Austin's Wastewater System or Will Be Connected Through Pass-Through Wastewater Service by West Lake Hills

2901 Bee Cave Road (Lots 1-8, Heritage Square, Section 1)

3103 Bee Cave Road (Lot 1, Block 1, The Corners Amended)

3101 Bee Cave Road (Lot 2, Block 1, The Corners Amended)

1015 Beecave Woods Road (Lot 1, Block 2, The Corners)

3003 Bee Cave Road (Unit 1 Renaissance Womens Center of Austin Condominium Plus 65% Interest in Common Areas, Unit 2 Renaissance Womens Center of Austin Condominium Plus 35% Interest in Common Areas, Renaissance Womens Center of Austin Condominium)

3001 Bee Cave Road (Lot 3, Treemont, Phase D)

Lots 1-24, A, Village at Treemont

5100 Rollingwood Drive (This address will be connected as a pass-through West Lake Hills' wastewater system)

RESOLUTION 2006-7-1

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST LAKE HILLS AUTHORIZING THE CITY TO PROVIDE SANITARY SEWER SERVICE TO ONE CERTAIN RESIDENTIAL ADDRESS IN THE CITY OF ROLLINGWOOD, BEING 5100 ROLLINGWOOD DRIVE, PROVIDING FOR PAYMENT OF SAME BY THE CITY OF ROLLINGWOOD, AND PROVIDING FOR BILLING AND ADMINISTRATION OF THE ACCOUNT BY THE CITY OF ROLLINGWOOD.

WHEREAS, the City of Rollingwood operates a residential sanitary sewer system adjacent to the corporate limits of the City of West Lake Hills; and

WHEREAS, the City of West Lake Hills operates a residential sanitary sewer system adjacent to the corporate limits of the City of Rollingwood; and

WHEREAS, both sanitary sewer systems ultimately discharge into the LCRA-managed sanitary sewer system that discharges ultimately into the City of Austin wastewater system; and

WHEREAS, the owner of a residence located at 5100 Rollingwood Drive within the City of Rollingwood has heretofore paid a connection fee to the City of Rollingwood for the purpose of being connected to the sanitary sewer system at such time that service is extended to that location; and

WHEREAS, sanitary sewer service has not been extended to that location by the City of Rollingwood and, in order to be extended, will cost far in excess of the amount of the connection fee heretofore paid; and

WHEREAS, 5100 Rollingwood Drive is located in close proximity to a sanitary sewer main owned and operated by the City of West Lake Hills; and

WHEREAS, the City of West Lake Hills is willing to extend sanitary sewer service to 5100 Rollingwood Drive; and

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WEST LAKE HILLS, TEXAS that:

The foregoing recitals are adopted and incorporated herein for all purposes.

The City of West Lake Hills, Texas agrees to provide sanitary sewer service within the corporate limits of the City of Rollingwood at and only at the residence located at 5100 Rollingwood Drive.

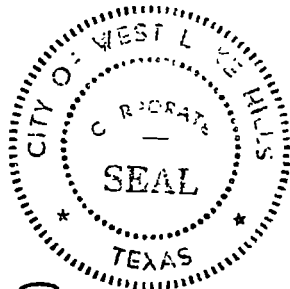
EXHIBIT "A"

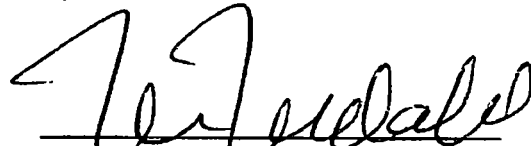
The City of Rollingwood will pay all costs necessary for the City of West Lake Hills to connect sanitary sewer service to said location, will cooperate with the City of West Lake Hills to accomplish such connection and maintenance of such service, and will thereafter administer said account, including metering of water usage and billing for sanitary sewer service based upon such water usage.

The City Council of the City of West Lake Hills reserves the right to terminate the permission and authority granted herein to the City of Rollingwood in the event that sanitary service becomes available from the City of Rollingwood system or in the event that such termination is otherwise in the best interest of the City of Rollingwood or the customer located at 5100 Rollingwood Drive.

ADOPTED THIS THE 26th DAY OF JULY, 2006.

Attest:




Mark Urdahl, Mayor


Janet Rogers, City Secretary

7/21/06

18. Discussion/decision on Resolution 2006-7-1, a resolution of the City Council of the City of West Lake Hills authorizing the City to provide sanitary sewer service to one certain residential address in the City of Rollingwood, being 5100 Rollingwood Drive, providing for payment of same by the City of Rollingwood, and providing for billing and administration of the account by the City of Rollingwood.

City Administrator Barker gave background information on the above resolution, stating that City of Austin legal department was ok with this hookup and the resolution as proposed except for the last paragraph which is to be deleted.

MAYOR PRO TEM LOAYZA MADE A MOTION, SECONDED BY COUNCIL MEMBER PROBST, TO APPROVE RESOLUTION 2006-7-1 WITH DELETED LANGUAGE AS STATED ABOVE. MOTION PASSED WITH A (4-0) VOTE WITH COUNCIL MEMBER NOBLE AWAY FROM THE DAIS.

RESOLUTION NO. 2006-07

CITY OF ROLLINGWOOD

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROLLINGWOOD AUTHORIZING THE CITY OF WESTLAKE HILLS TO PROVIDE SANITARY SEWER SERVICE TO ONE CERTAIN RESIDENTIAL ADDRESS IN THE CITY OF ROLLINGWOOD, BEING 5100 ROLLINGWOOD DRIVE, PROVIDING FOR PAYMENT OF SAME BY THE CITY OF ROLLINGWOOD: PROVIDING FOR BILLING AND ADMINISTRATION OF THE ACCOUNT BY THE CITY OF ROLLINGWOOD, AND REPEALING RESOLUTION NO. 2006-06

WHEREAS, the City of Rollingwood operates a residential sanitary sewer system adjacent to the corporate limits of the City of West Lake Hills; and

WHEREAS, the City of West Lake Hills operates a residential sanitary sewer system adjacent to the corporate limits of the City of Rollingwood, and

WHEREAS, both sanitary sewer systems ultimately discharge into the LCRA-managed sanitary sewer system that discharges ultimately into the City of Austin wastewater system, and

WHEREAS, the owner of a residence located at 5100 Rollingwood Drive within the City of Rollingwood has heretofore paid a connection fee to the City of Rollingwood for the purpose of being connected to the sanitary sewer system at such time that service is extended to that location; and

WHEREAS, sanitary sewer service has not been extended to that location by the City of Rollingwood and, in order to be extended, will cost far in excess of the amount of the connection fee heretofore paid; and

WHEREAS, 5100 Rollingwood Drive is located in close proximity to a sanitary sewer main owned and operated by the City of West Lake Hills; and

WHEREAS, the City of West Lake Hills is willing to extend sanitary sewer service to 5100 Rollingwood Drive; and

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

The foregoing recitals are adopted and incorporated herein for all purposes.

Permission is granted and authorization is hereby granted to the City of West Lake Hills, Texas to provide sanitary sewer services within the corporate limits of the City of Rollingwood at and only at the residence located at 5100 Rollingwood Drive.

The City of West Lake Hills, Texas agrees to provide sanitary sewer service within the corporate limits of the City of Rollingwood at and only at the residence located at 5100 Rollingwood Drive.

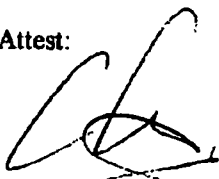
The City of Rollingwood will pay all costs, up to \$25,000, necessary to connect sanitary sewer service to said location. Any expenditure over \$25,000 will require prior approval from the Rollingwood City Council. The City of Rollingwood will cooperate with the City of West Lake Hills to accomplish such connection and maintenance of such service, and thereafter will administer said account, including metering of water usage and billing for sanitary sewer service based upon such water usage.

The City Council of the City of Rollingwood reserves the right to terminate the permission and authority granted herein to the City of West Lake Hills in the event that sanitary service becomes available from the City of Rollingwood system or in the event that such termination is otherwise in the best interest of the City of Rollingwood or the customer located at 5100 Rollingwood Drive.

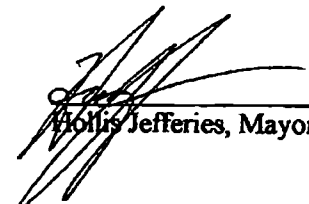
This Resolution repeals and replaces Resolution No. 2006-06 adopted on July 19, 2006.

ADOPTED THIS THE 16th DAY OF August, 2006.

Attest:



Don Ferguson, City Administrator



Hollis Jefferies, Mayor