

## FIRST AMENDMENT TO UTILITY AND INFRASTRUCTURE AGREEMENT

This First Amendment to Utility and Infrastructure Agreement (this "First Amendment") is entered into by and between the City of Fort Worth, Texas, a home-rule municipal corporation situated in Tarrant, Denton, Johnson, Parker, and Wise Counties, Texas (the "City"), acting by and through its duly authorized Assistant City Manager, Northstar Ranch, LLC, a Texas limited liability company ("Owner"); and Far North Fort Worth Municipal Utility District No. 1 of Tarrant and Wise Counties, a municipal utility district created pursuant to Article XVI, Section 59, of the Texas Constitution, and Chapters 49 and 54 of the Texas Water Code, located within Tarrant, Denton and Wise counties (the "District"), effective upon execution by all parties (the "Effective Date").

### RECITALS

WHEREAS, the City, Owner and the District entered into that certain Utility and Infrastructure Agreement dated October 12, 2017 (City Secretary Contract No. 49784) (the "Agreement"); and

WHEREAS, the Agreement provides that the City will provide retail water and wastewater treatment services to the Property and sets out requirements for the District to construct off-site water and wastewater infrastructure; and

WHERE, the Property is in the area for which the City holds the certificate of convenience and necessity ("CCN") to provide retail water service and in the area for which the City intends to apply for a CCN to provide retail wastewater treatment service; and

WHEREAS, the City is able to provide retail water service and wastewater treatment service to a portion of the Property utilizing connections to existing water and sewer mains in the Sendera Ranch development; and

WHEREAS, retail water and wastewater service by the City to the remainder of the Property is subject to construction of off-site water and wastewater infrastructure by the District or other parties; and

WHEREAS, pending construction of off-site wastewater infrastructure, wastewater treatment service will be provided to up to 20 model homes constructed on a single final platted lot (the "Model Home Lot") on a temporary basis utilizing an on-site sanitary disposal system; and

WHEREAS, no model home may be sold to an end-user until the Model Home Lot is replatted into a separate lot for each model home, the wastewater main constructed to

serve such lots is re-inspected with closed circuit television video (CCTV), and the model home is connected to the City's wastewater treatment system; and

WHEREAS, the City approved the water study for the Property prepared by Pacheco Koch on July 9, 2018 (the "Approved Water Study"); and

WHEREAS, the City approved the sewer study for the Property prepared by Peloton Land Solutions on June 21, 2017 (the "Approved Sewer Study"); and

WHEREAS, the City, Owner and District wish to amend the Agreement concerning construction of off-site water and wastewater infrastructure and provision of retail water and wastewater treatment service by the City; and

WHEREAS, the Parties desire to clarify the District's ability to finance roadways;

NOW, THEREFORE, in consideration of the premises, mutual promises, covenants, obligations, and benefits herein contained, the City, Owners, and District agree as follows:

#### AGREEMENT

1. Recital D is amended to read as follows:

Owner intends to develop the Property as a mixed-use master-planned community to be known as "Northstar" (the "Development") pursuant to a Development Agreement with the City dated October 12, 2017 (CSC No. 49783) in accordance with Section 212.171, et seq., Texas Local Government Code, as amended by that certain First Amendment dated \_\_\_\_\_, 2018 (CSC No. 49783-A1) (the "Development Agreement").

2. The following definitions are added to Article II:

"Approved Sewer Study" means the sewer study for the Property prepared by Peloton Land Solutions approved by the City on June 21, 2017.

"Approved Water Study" means the water study for the Property prepared by Pacheco Koch approved by the City on July 9, 2018.

"East Tract" means an approximately 402.614-acre portion of the Property located east of the BNSF Railroad, as shown on **Exhibit H**.

"Model Homes" means up to 20 model homes to be constructed on the West Tract, as shown on **Exhibit H**.

“Revised Design Criteria and Policy” means the revised water and wastewater design criteria and policy the City plans to adopt effective January 1, 2019.

“West Tract” means an approximately 331.034-acre portion of the Property located west of the BNSF Railroad, as shown on **Exhibit H**

3. Section 3.01, “Retail Water Service,” is amended in its entirety to read as follows:

(a) The City shall provide retail water service to 1,285 single-family residential lots or their equivalent in the East Tract and up to 20 model homes in the West Tract, as shown in **Exhibit H** (the “Model Homes”), on the same terms and at the City’s generally applicable rates for comparable classes of customers outside the City’s corporate limits upon (i) completion of construction and acceptance by the City of On-Site Water Infrastructure; (ii) connection of such On-Site Infrastructure to the existing 24-inch water line in the Sendera Ranch development and acceptance by the City; and (iii) payment of the fees described in Sections 3.10-3.12 for such lots.

(b) The City shall provide retail water service to the remainder of the West Tract, on the same terms and at the City’s generally applicable rates for comparable classes of customers outside the City’s corporate limits upon (i) completion of construction and acceptance by the City of On-Site Water Infrastructure; (ii) completion of construction and acceptance by the City of the Off-Site Water Infrastructure; and (iii) payment of the fees described in Sections 3.10-3.12.

(c) The On-Site Water Infrastructure and Off-Site Water Infrastructure shall be constructed based on the Approved Water Study; provided, however (i) if Owner does not submit the On-Site Water Infrastructure construction plans to the City prior to the effective date of the Revised Design Criteria and Policy, Owner shall redesign the On-Site Water Infrastructure construction plans in accordance with the Revised Design Criteria and Policy; and (ii) if Owner does not submit the Off-Site Water Infrastructure construction plans to the City prior to the effective date of the Revised Design Criteria and Policy, Owner shall redesign the Off-Site Water Infrastructure construction plans in accordance with the Revised Design Criteria and Policy.

4. Section 3.03, “Off-Site Water Infrastructure,” is amended in its entirety to read as follows:

The District shall design and construct approximately 10,200 linear feet of 16-inch main from the Crumb Elevated Tank to the Property, as shown on **Exhibit C**, in (the “Off-Site Water Infrastructure”). The schedule for construction of the Off-Site

Water Infrastructure shall be determined by the District in its sole discretion, provided, however, the District and Owner acknowledge that the City's obligation to provide retail water service to the West Tract (other than the Model Homes that will be served pursuant to Section 3.01) is subject to construction and acceptance of the Off-Site Water Infrastructure. If construction of the Off-Site Water Infrastructure does not commence by December 31, 2019 based on construction plans approved by the City, as evidenced by the signed coversheet, Owner and the District shall submit revised construction plans in accordance with the Revised Design Criteria and Policy. The City may modify the alignment shown on **Exhibit C** after consulting with Owner and District and making reasonable efforts to address their concerns regarding the alignment and to select a cost-effective alignment.

5. Section 4.01, "Retail Wastewater Service," is amended in its entirety to read as follows:

(a) The City shall provide wastewater treatment services within the East Tract on the same terms and at the City's generally applicable rates for comparable classes of customers outside the City's corporate limits upon (i) completion of construction and acceptance by the City of On-Site Wastewater Infrastructure; (ii) connection to the existing 18-inch sanitary sewer main stubbed out from the Sendera Ranch development; and (iii) payment of the fees described in Sections 3.10-3.12.

(b) Wastewater treatment services will be provided to the Model Homes by using an on-site sanitary disposal system until the Off-Site Wastewater Infrastructure is constructed in accordance with Subsection (c). Developer shall not sell a model home to an end-user until the Model Home Lot is replatted into a separate lot for each model home, the wastewater main constructed to serve such lots is re-inspected with closed circuit television video (CCTV), and the model home is connected to the City's wastewater treatment system.

(c) The City shall provide wastewater treatment services within the West Tract, including the Model Homes, on the same terms and at the City's generally applicable rates for comparable classes of customers outside the City's corporate limits upon (i) completion of construction and acceptance by the City of On-Site Wastewater Infrastructure; (ii) design and construction by the District of the Off-Site Force Main, as hereafter defined; (iii) design and construction of the Off-Site Gravity Main, as hereafter defined (provided, however, Owner and the District have no obligation to design and construct or contribute to the costs associated with design and construction of the Off-Site Gravity Main); and (iv) payment of the fees described in Sections 4.07-4.09.

(d) The On-Site Wastewater Infrastructure and Off-Site Wastewater Infrastructure shall be constructed based on the Approved Sewer Study; provided, however, if Owner does not submit the On-Site Wastewater Infrastructure construction plans to the City prior to the effective date of the Revised Design Criteria and Policy, Owner shall redesign the On-Site Wastewater Infrastructure construction plans in accordance with the Revised Design Criteria and Policy; and (ii) if Owner does not submit the Off-Site Wastewater Infrastructure construction plans to the City prior to the effective date of the Revised Design Criteria and Policy, Owner shall redesign the Off-Site Wastewater Infrastructure construction plans in accordance with the Revised Design Criteria and Policy.

6. Section 4.02, "Off-Site Wastewater Infrastructure," is amended in its entirety to read as follows:

(a) The District shall design and construct approximately 24,000 linear feet of 12-inch force main commencing at the lift station to be built by the District near the U.S. 81/287 right-of-way, as shown on **Exhibits D1 and D2** to serve the West Tract (the "Off-Site Force Main"). The schedule for construction of the Off-Site Force Main shall be determined by the District in its sole discretion. If construction of the Off-Site Force Main does not commence by December 31, 2019 based on construction plans approved by the City, as evidenced by the signed coversheet, Owner and the District shall submit revised construction plans in accordance with the Revised Design Criteria and Policy. The City may modify the alignment shown on **Exhibit D1 and D2** after consulting with Owner and District and making reasonable efforts to address their concerns regarding the alignment and to select a cost-effective alignment; provided, however, Owner and the District agree to make any modifications required by Tarrant County.

(b) The District and Owner acknowledge that, in addition to the Off-Site Force Main, approximately 22,000 linear feet of 12-inch to 21-inch gravity sewer main must be constructed from the end of the Off-Site Force Main to the existing 27-inch sewer main at Wagley Robertson Road (the "Off-Site Gravity Main"), as generally shown on **Exhibit D2**, in order for the City to provide retail wastewater treatment services to the West Tract. The District and Owner have no obligation to design and construct or contribute to the costs associated with design and construction of the Off-Site Gravity Main; provided, however, the District and Owner acknowledge that the City will not provide retail wastewater treatment services within the West Tract until the Off-Site Gravity Main is constructed and accepted by the City. If Owner and the District elect to design and construct the Off-Site Gravity Main, they will coordinate with adjacent landowners concerning design and installation of such main. If construction of the Off-Site Gravity Main does

not commence by December 31, 2019 based on construction plans approved by the City, as evidenced by the signed coversheet, Owner and the District shall submit revised construction plans in accordance with the Revised Design Criteria and Policy. The City may modify the alignment shown on **Exhibit D2** after consulting with Owner and District and making reasonable efforts to address their concerns regarding the alignment and to select a cost-effective alignment.

(c) The Off-Site Force Main and the Off-Site Gravity Main are hereafter referred to, collectively, as the “Off-Site Wastewater Infrastructure,” except where inconsistent with this Section 4.02.

7. Section 4.03, “On-Site Wastewater Infrastructure,” is amended to modify the last sentence of that section to read as follows:

On-site sewage treatment and disposal facilities are prohibited on the Property, save and except on-site sewage treatment disposal facilities provided to Model Homes pursuant to Section 4.01(b) above.

8. Section 5.01(a) is amended to add the following as the last sentence of the section:

City, District and Owner acknowledge that the obligation to extend the two-way frontage road from Northstar Parkway to Ramhorn Hill Road shall be that of TxDOT, not the City or Owner.

9. Section 5.01(b) is amended in its entirety to read as follows:

Owner and District shall construct the following infrastructure concurrently with the first phase of the Development, as depicted on **Exhibit E**: (i) north bound deceleration lane at U.S. Highway 81/287 NBF; (ii) north bound right turn deceleration lane at U.S. Highway 81/287 and Northstar Parkway 4D (four lane divided); (iii) extension of two-way operation of U.S. Highway 81/287 north bound frontage road to Northstar Parkway; (iv) the two (2) south lanes of Northstar Parkway from U.S. 81/287 to Sendera Ranch Boulevard; and (v) realignment of the intersection with Bates Aston.

10. Section 5.01(c) is amended in its entirety to read as follows:

Owner and District shall construct a north bound on-ramp to U.S. Highway 81/287, as depicted on **Exhibit E**, before the City issues a building permit for the 858<sup>th</sup> single-family residence within the Development.

11. Section 5.01(d) is deleted.

12. Section 5.01(e) is amended in its entirety to read as follows:

Owner and District shall complete the two (2) northern lanes of Northstar Parkway from U.S. 81/287 to Sendera Ranch Boulevard before the City issues a building permit for the 1,000<sup>th</sup> single-family residence within the Development.

13. Section 5.01(f) is deleted.

14. Section 5.02, "Dedication," is amended in its entirety to read as follows:

Within thirty (30) days after the District, the City, and/or Tarrant, Denton or Wise County approve Road Improvements, Owner or District shall dedicate such roads to Tarrant County, Denton County, or Wise County, as applicable, along with all appurtenant easements and rights-of-way. If a County does not accept such Road Improvements, the District shall assume maintenance responsibilities.

15. A new section, 5.05 "Roadways" is hereby added as follows:

The District has the authority to finance and sell bonds to finance all roadways included within the definition of Infrastructure, including those specifically required to be built per his Agreement, within the parameters of tax rate and other financing conditions imposed on the District by the City in this or any other agreements.

16. Sections 6.02 (b), (c) and (d) are amended in their entirety and a new Section 6.02(e) is added, to read as follows.

(b) The City Water Department will not allow On-Site Water Infrastructure to serve the West Tract (other than the Model Homes) to proceed to construction until the Off-Site Water Infrastructure is under construction. Commencement of construction of the On-Site Water Infrastructure to serve 1,285 single-family residential lots or their equivalent in the East Tract and the Model Homes in the West Tract is not conditioned on commencement of construction of, or greensheeting, any off-site water infrastructure.

(c) The City Water Department will not allow On-Site Wastewater Infrastructure to serve the West Tract to proceed to construction until the Off-Site Wastewater Infrastructure is under construction. Commencement of construction of On-Site Wastewater Infrastructure to serve the East Tract is not conditioned on commencement of construction of, or greensheeting, any off-site wastewater infrastructure.

(d) The City Water Department will not greensheet On-Site Water Infrastructure within the West Tract, except the infrastructure needed to serve the

Model Homes, until the Off-Site Water Infrastructure is greensheeted. The City Water Department will not greensheet On-Site Wastewater Infrastructure within the West Tract until the Off-Site Wastewater Infrastructure is greensheeted.

(e) Final plats may be submitted to the City for review while construction plans for On-Site Water and Wastewater Infrastructure and Off-Site Water and Wastewater Infrastructure, if any, required to serve land covered by the final plat are being reviewed and approved. No building permits will be issued for the East Tract until the portion of the On-Site Water Infrastructure and the On-Site Wastewater Infrastructure within the final platted area for which building permits are being issued are greensheeted by the City. No building permits will be issued for the Model Homes until the portion of the On-Site Water Infrastructure within the final platted area for which building permits are being issued is greensheeted by the City. No building permits will be issued for the West Tract, other than for the Model Homes, until the Off-Site Water Infrastructure and the Off-Site Wastewater Infrastructure are greensheeted by the City.

17. Exhibits C, D1 and D2 and E attached hereto supersede and replace Exhibits C, D1, D2 and E attached to the Agreement.
18. Except as specifically amended in this First Amendment, the Agreement shall remain in full force and effect in accordance with its original terms and conditions.

IN WITNESS WHEREOF, each Party has caused this Agreement to be executed by its undersigned duly authorized representative in multiple copies on the date or dates indicated below.



**ATTEST:**

**CITY OF FORT WORTH**

\_\_\_\_\_  
Mary J. Kayser, City Secretary

By: \_\_\_\_\_  
Jay Chapa, Assistant City Manager

Date: \_\_\_\_\_

**APPROVED AS TO FORM AND  
LEGALITY:**

\_\_\_\_\_  
Assistant City Attorney

STATE OF TEXAS                   §  
  §  
COUNTY OF TARRANT         §

This instrument was acknowledged before me, on the \_\_\_ day of \_\_\_\_\_,  
2018, by Jay Chapa, Assistant City Manager of the City of Fort Worth, Texas on behalf of  
said city.

[SEAL]

\_\_\_\_\_  
Notary Public, State of Texas

Printed Name: \_\_\_\_\_

My Commission Expires: \_\_\_\_\_

**NORTHSTAR RANCH, LLC**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

STATE OF TEXAS §

§

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me, on the \_\_\_\_\_ day of \_\_\_\_\_, 2018, by \_\_\_\_\_, \_\_\_\_\_ of Northstar Ranch, LLC, a Texas limited liability company, on behalf of said limited liability company.

\_\_\_\_\_  
Notary Public, State of Texas

[SEAL]

Printed Name: \_\_\_\_\_

My Commission Expires: \_\_\_\_\_

**FAR NORTH FORT WORTH MUNICIPAL  
UTILITY DISTRICT NO. 1 OF TARRANT AND  
WISE COUNTIES**

By: \_\_\_\_\_  
President, Board of Directors

Date: \_\_\_\_\_

STATE OF TEXAS                   §  
  §  
COUNTY OF TARRANT         §

This instrument was acknowledged before me, on the \_\_\_ day of \_\_\_\_\_,  
2018, by \_\_\_\_\_, President, Board of Directors of Far North Fort Worth  
Municipal Utility District No. 1 of Tarrant and Wise Counties, on behalf of said district.

\_\_\_\_\_  
Notary Public, State of Texas

[SEAL]

Printed Name: \_\_\_\_\_

My Commission Expires: \_\_\_\_\_

**Exhibit C**  
**Off-Site Water Infrastructure**

**Exhibits D1 and D2**  
**Off-Site Wastewater Infrastructure**

**Exhibit E**  
**Roadway Improvements**

**Exhibit H**  
**Map of East Tract and West Tract**