

RESOLUTION NO. 2021-06R

A RESOLUTION OF THE BOARD OF DIRECTORS OF WYLIE NORTHEAST SPECIAL UTILITY DISTRICT OF COLLIN COUNTY, TEXAS, APPROVING THE THIRD AMENDMENT OF NON-STANDARD SERVICE CONTRACT FOR THE INSPIRATION DEVELOPMENT; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Wylie Northeast Special Utility District (the "District") entered into a Non-standard Service Contract by and between and Hanover Property Company, LLC and Lavon 593 Land Investment Partners, L.P. (collectively the "Assignors") dated September 3, 2008 (the "Contract"), to provide water and sewer service to what is now the Inspiration residential subdivision; and

WHEREAS, the Assignors entered into an Assignment of Non-standard Service Contract with Collin County Water Control and Improvement District No. 3 (the "WCID"), effective March 29, 2013, under which Assignors sold, transferred, assigned and conveyed to the WCID all of Assignor's rights, obligations, and duties under the Contract, and the WCID assumed the foregoing rights, obligations, and duties of Assignors under the Contract; and

WHEREAS, the District approved the Contract assignment from Assignors to the WCID; and

WHEREAS, the District and WCID entered into a First Amendment of Non-standard Service Contract for Inspiration, dated October 14, 2014, adjusting certain payment obligations on the part of the WCID to give the District more flexibility in planning for and constructing certain water Infrastructure required to serve Inspiration; and

WHEREAS, the District and WCID entered into a Second Amendment of Non-standard Service Contract for Inspiration, dated April 12, 2016, related to the District providing solid waste pickup services to residents of Inspiration; and

WHEREAS, the District and WCID desire to enter into this Third Amendment of the Contract to make further adjustments to certain WCID payment obligations to give the District and more flexibility in planning for and constructing certain water Infrastructure required to serve the Property.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF WYLIE NORTHEAST SPECIAL UTILITY DISTRICT THAT:

SECTION 1. The findings and recitals stated above are incorporated herein by reference.

SECTION 2. The attached Third Amendment of Non-standard Service Contract for Inspiration is hereby approved and the President of the Board is hereby authorized to execute the contract on behalf of the District.

SECTION 3. This Resolution shall become effective from and after its passage by the Board of Directors of the District.

PASSED and ADOPTED on the _____ day of June, 2021, by the Board of Directors of Wylie Northeast Special Utility District.

Jimmy C. Beach, President

ATTEST:

APPROVED AS TO FORM:

Lance Ainsworth, Secretary,
or Amanda Horst, Assistant Secretary

James W. Wilson, Attorney

**THIRD AMENDMENT TO
NON-STANDARD SERVICE CONTRACT**

This Third Amendment to Non-Standard Service Contract (this "Third Amendment") is entered into by and between Collin County Water Control and Improvement District No. 3, a political subdivision of the State of Texas, operating under the provisions of Article XVI, Section 59, and Article III, Section 52, of the Texas Constitution and Chapters 49 and 51, Texas Water Code (the "WCID") and Wylie Northeast Special Utility District, a political subdivision of the State of Texas, operating under the provisions of Article XVI, Section 59, and Article III, Section 52, of the Texas Constitution and Chapters 49 and 65, Texas Water Code ("Wylie Northeast SUD").

WHEREAS, Wylie Northeast SUD and Hanover Property, LLC ("Hanover"), and Lavon 593 Land Investment Partners, L.P. ("Lavon"), previously entered into that certain Non-Standard Service Contract, dated September 3, 2008 (the "Contract"); and

WHEREAS, Hanover and Lavon entered into that certain Assignment of Non-Standard Service Contract with the WCID, effective March 29, 2013, under which Hanover and Lavon sold, transferred, assigned and conveyed to the WCID all of Hanover's and Lavon's rights, obligations, and duties under the Contract, and the WCID assumed the foregoing rights, obligations, and duties of Hanover and Lavon under the Contract; and

WHEREAS, Wylie Northeast SUD approved the Contract assignment from Assignors to the WCID; and

WHEREAS, Wylie Northeast SUD and the WCID previously entered into that certain First Amendment of Non-Standard Service Contract dated October 14, 2014 (the "First Amendment"); and

WHEREAS, Wylie Northeast SUD and the WCID previously entered into that certain Second Amendment of Non-Standard Service Contract dated April 12, 2016 (the "Second Amendment"); and

WHEREAS, the WCID has adopted certain Water Connection Fees for a specified number of units under the First Amendment; and

WHEREAS, Wylie Northeast SUD and the WCID (hereinafter collectively referred to as the "Parties") desire to amend the Contract to provide for an increase in the number of water service connections for which Water Connection Fees can be collected by Wylie Northeast SUD from the WCID.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Paragraph 1.06(a) of the Contract is hereby amended and replaced in its entirety with the following:

"1.06 Connection Fees, Deposits, and Other Service Fees.

(a) Water Service. *Wylie Northeast will charge the WCID a Water Connection Fee of \$4,100.00 per connection for the initial 1513 water service connections on the Property and then a Water Connection Fee of \$385.00 for each subsequent service connection until build-out or for a period of twenty (20) years, whichever occurs first, which amounts include a standard residential meter to be installed by Wylie Northeast at each lot. The WCID will install a meter vault, tap, meter riser with appurtenances, and service line for all service connections during construction of the on-site distribution system portion of the water Infrastructure. In addition to Water Connection Fees, the WCID shall pay a Deposit to Wylie Northeast for each water service connection. Wylie Northeast will refund the Deposit, less outstanding charges for any water usage at standard rates, within a reasonable time after Wylie Northeast receives a completed application for permanent service and Deposit payment from the ultimate purchaser of each lot. For every water service connection on the Property, Developer shall be responsible for all water usage charges prior to the establishment of permanent service to the ultimate purchaser."*

2. Paragraph 7.02 of the Contract is hereby restated in its entirety to read as follows:

"7.02 Notice.

(a) *Every notice to be given under this Contract must be in writing and may be delivered to the other party (i) by personal delivery, (ii) by commercial delivery service, (iii) by fax, (iv) by email, or (v) by certified mail, return receipt requested, to the corresponding telephone number or address as follows:*

To Wylie Northeast:

Wylie Northeast SUD
c/o General Manager
745 Parker Road
Wylie, Texas 75098
Fax: (972) 429-9413
Phone: (972) 442-2075

with a copy to:

The Law Office of James W. Wilson
c/o James W. Wilson
103 W. Main Street
Allen, Texas 75013
Fax: (972) 755-0904
Phone: (972) 727-9904
Email: jwilson@jww-law.com

To the WCID:

Collin County WCID No. 3
c/o Coats Rose, P.C.
14755 Preston Road, Suite 600
Dallas, Texas 75254
Attn: Mindy Koehne
Fax: (972) 702-0662
Email: mkoehne@coatsrose.com

with a copy to:

Huffines Communities
c/o Barry Jameson
724 Savannah Blvd.
Savannah, Texas 76227
Email: bjameson@huffinescommunities.com

(b) Delivery by certified mail or commercial delivery service shall be complete upon deposit of the document, postpaid and properly addressed, in the mail or with a commercial delivery service. Delivery by other permissible means shall be complete upon receipt by the party being notified. Either party may change or add a delivery or mailing address, email address, or fax number for receiving notice by giving

written notice of the changes to the other party in accordance with the provisions of this paragraph."

3. Miscellaneous.

- A. Except as expressly amended by this Third Amendment, all terms and conditions of the Agreement shall remain in full force and effect, provided, in the event of any conflict, this Third Amendment shall govern.
- B. All capitalized terms used in this Third Amendment shall have the same meanings given to them in the Agreement, unless otherwise expressly provided in this Third Amendment.
- C. This Third Amendment may be executed in one or more counterparts, each of which shall be deemed an original and all of which shall be deemed one and the same agreement. This Third Amendment is executed on the respective dates of acknowledgment set forth below and shall be effective as of the latest date of acknowledgment set forth below (the "Effective Date").
- D. All recitals in the preamble of this Third Amendment are incorporated herein as if set forth in full.

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EXECUTED on the ___ day of _____, 2021

WYLIE NORTHEAST SPECIAL UTILITY DISTRICT, a political subdivision of the State of Texas

By: _____
Name: Jimmy C. Beach
Title: President

STATE OF TEXAS §
 §
COUNTY OF COLLIN §

Before me, the undersigned authority, on this day personally appeared Jimmy C. Beach, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same as the act of WYLIE NORTHEAST SPECIAL UTILITY DISTRICT, a Texas political subdivision, as its President, for the purposes and consideration therein expressed.

Given under my hand and seal of office this _____ day of _____, 2021.

Notary Public, State of Texas

[SEAL]

EXECUTED on the ___ day of _____, 2021.

COLLIN COUNTY WATER CONTROL AND
IMPROVEMENT DISTRICT NO. 3, a political
subdivision of the State of Texas

By: _____

Name: Tommy Thomas

Title: President

STATE OF TEXAS §

§

COUNTY OF _____ §

Before me, the undersigned authority, on this day personally appeared Tommy Thomas, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same as the act of COLLIN COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 3, as its President, for the purposes and consideration therein expressed.

Given under my hand and seal of office this _____ day of _____, 2021.

Notary Public, State of Texas

[SEAL]