

**INTERLOCAL AGREEMENT REGARDING
RELOCATION OF WATER SYSTEM IMPROVEMENTS
(Sam Bass Road)**

THE STATE OF TEXAS
COUNTY OF WILLIAMSON

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KNOW ALL BY THESE PRESENTS:

THIS INTERLOCAL AGREEMENT REGARDING RELOCATION OF WATER SYSTEM IMPROVEMENTS ("Agreement") is entered into between Brushy Creek Municipal Utility District, a conservation and reclamation district of the State of Texas (the "**District**") and Williamson County, a political subdivision of the State of Texas (the "**County**"). In this Agreement, the District and the County are sometimes individually referred to as a "**Party**" and collectively referred to as the "**Parties**".

Recitals

WHEREAS, the District is the owner of certain waterline improvements located adjacent to Sam Bass Road in Williamson County that it utilizes to transport groundwater to the District's water treatment plant facility for treatment and subsequent distribution to the District's customers;

WHEREAS, the District's waterline improvements are located within one or more easements held by the District;

WHEREAS, the County has expanded the right-of-way for Sam Bass Road to include the lands in which the District's easement and waterline improvements are located, and the County has commenced construction of certain drainage improvements within said right-of-way area;

WHEREAS, the County desires to proceed with construction of certain drainage culvert improvements that necessitate the relocation and protection of the District's existing waterline improvements that are in conflict with the drainage improvements, all of which shall be undertaken at the sole cost and expense of the County; and

WHEREAS, this Agreement sets forth the terms and conditions pursuant to which the District's existing water system improvements shall be relocated and protected at the County's sole cost and expense so that the County may proceed with construction of the drainage improvements.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual promises and agreements of the Parties contained in this Agreement, the Parties agree as follows:

**I.
DEFINITIONS**

When used in this Agreement, capitalized terms not otherwise defined shall have the meanings set forth below:

1.01 "Agreement" means this Interlocal Agreement Regarding Relocation of Water System Improvements.

1.02 "Bid Documents" means the plans and specifications, together with all contract documents and bid instructions, relating to construction of the Waterline Improvements.

1.03 "Conflict Area" means the area in which the County's construction of drainage culverts and other drainage improvements necessitates relocation and/or protection of the Existing Waterline Improvements, as more particularly identified in Exhibit "A" attached hereto.

1.04 "County" means Williamson County, Texas.

1.05 "District Waterline Costs" means all costs and expenses incurred by the District relating to or arising out of the Project, whether incurred before or after the Effective Date of this Agreement. By way of example and without limitation, the District Costs shall include the following costs and expenses: (i) all costs and expenses incurred by the District for Waterline Design Work; and (ii) all legal fees and expenses incurred by the District relating to the negotiation and preparation of this Agreement and otherwise incurred with respect to the Project. Notwithstanding the foregoing, the District agrees that: (i) it shall not seek to recover any internal administrative and employee costs relating to the Project; and (ii) the total District Waterline Costs for which the County is responsible for reimbursement shall not exceed \$35,000.00.

1.06 "Drainage Improvements" means the construction of culverts and other drainage improvements to be undertaken by the County within the Conflict Area.

1.07 "Effective Date" means the last date of execution of this Agreement by the Parties; provided both of the Parties must execute this Agreement for it to be effective.

1.08 "Engineering Services Agreement" means the contract for engineering services relating to the Waterline Improvements entered into by the District and Bury + Partners, Inc. In the event of termination of such contract for any reason, the phrase Engineering Services Agreement shall refer to any subsequent engineering services contract entered into by the District relating to the Waterline Improvements.

1.09 "Existing Easement" means the easement(s) held by the District in which the Existing Waterline Improvements are located.

1.10 "Existing Waterline Improvements" means the existing water transmission line improvements and related facilities, equipment and appurtenances owned and operated by the District that are located in the Conflict Area. The Existing Waterline Improvements generally consist of a 12-inch waterline and related facilities, equipment and appurtenances located in the Conflict Area.

1.11 "Party" or "Parties" means the District and/or the County, individually or collectively, as applicable.

1.12 "Project" means, collectively, the Drainage Improvements and the Waterline Improvements, all as set forth in this Agreement.

1.13 "Project Contractor" means the contractor(s) that enter into a contract with the County for construction of the Waterline Improvements.

1.14 "Waterline Design Work" means the engineering consulting and design services to be undertaken by the District's engineering consultants in connection with the Project, including the Waterline Improvements; participation in meetings relating to the Project; and all other engineering and consultant services performed relating to the District's interests in the Project.

1.15 "Waterline Improvements" means the design and construction of the improvements to the District's water system to be undertaken by the Project Contractor as part of the Project, at the County's sole cost and expense. The Waterline Improvements are more particularly described on Exhibit "B" attached hereto and generally consist of the following: (i) the removal of the Existing Waterline Improvements in the Conflict Area; (ii) the construction of new 12-inch ductile iron water transmission line and related equipment, facilities, and appurtenances within the Existing Easement in the Conflict Area at a depth not less than 84 inches below surface grade for purposes of accommodating the County's Drainage Improvements. If, during the course of the design and/or construction of the Drainage Improvements, it becomes apparent that the proposed Drainage Improvements would conflict with the design, operation, maintenance or repair of additional District facilities, or if in connection with the construction of the Drainage Improvements the County damages any water facilities or equipment of the District, then any such additional water system improvements that must be relocated, modified, protected, repaired or replaced will be deemed Waterline Improvements to be undertaken by the County at the County's sole cost and expense for purposes of, and in accordance with, this Agreement.

II. STATEMENT OF INTENT

2.01 General. The purpose of this Agreement is to provide for the construction of a replacement water transmission line and related improvements by the County at a lower depth within the Existing Easement, at the County's sole cost and expense, so that the County may proceed with construction of the Drainage Improvements. The District shall prepare the plans and specifications for the Waterline Improvements, at the County's sole cost and expense. The Parties further agree that: (i) the District shall not release, modify, or diminish any of its rights under the Existing Easement; and (ii) the County shall not undertake the Drainage Improvements without first, or simultaneously, completing the Waterline Improvements.

III. PROJECT COMMITTEE

3.01 Composition of Project Committee. There is hereby created a Project Committee to be composed of not less than one representative appointed by each Party. The following persons are hereby designated as the initial members of the Project Committee: the General Manager on behalf of the District, and Joe England on behalf of the County. Each such representative may appoint additional representatives on behalf of its Party. Each representative of a Party shall serve at the will of the governing body that the person represents. Upon the death, resignation, or revocation of the power of such representative, the governing body (or other authorized representative) of the appropriate Party shall promptly appoint a new representative (or alternate representative) to the Project Committee, and shall immediately notify the other Party of such appointment.

3.02 Responsibility of Project Committee. The Project Committee shall represent the individual and collective interests of the Parties with respect to the following matters:

- (i) The design of the Waterline Improvements;
- (ii) The review and approval of the Bid Documents, as related to the Waterline Improvements;
- (iii) The periodic review of the status of construction of the Waterline Improvements;
- (iv) The review and approval of change orders relating to the construction of the Waterline Improvements;
- (v) The confirmation of final completion of construction of the Waterline Improvements; and
- (vi) Any other pertinent matters relating to the construction or operation of the Waterline Improvements, or the Project to the extent any such matters impacts the Waterline Improvements.

The Project Committee shall meet at regular intervals to review the matters over which it has authority. The Project Committee shall be diligent, prompt and timely in reviewing and acting on matters submitted to it.

IV. DESIGN OF PROJECT

4.01 Design of Waterline Improvements. Promptly after execution of this Agreement by the Parties, the District will authorize its engineering consultants to provide engineering consulting services for the Waterline Design Work in accordance with the Engineering Services Agreement.

4.02 Design of Drainage Improvements. The County shall be solely responsible for all engineering services relating to the Project except for the Waterline Design Work, including without limitation, the design of the Drainage Improvements.

4.03 Cost of Design.

(a) The District will advance and pay the cost of the Waterline Design Work, subject to its right to reimbursement from the County as set forth in Section 4.04 below. The costs of all Waterline Design Work shall qualify as District Waterline Costs for purposes of this Agreement, and the County shall reimburse the District for 100% of the payment made by the District for such services in accordance with Section 4.04 below.

(b) The County shall pay all engineering and design costs relating to the Project other than those initially paid by the District for the Waterline Improvements. Without limitation, the County shall pay all engineering and design costs relating to the Drainage Improvements.

4.04 Reimbursement of District Waterline Costs.

(a) Upon the District's approval of each invoice for the Waterline Design Work, the District will transmit a copy of the invoice to the County Auditor at the address set forth below. In addition to any costs incurred by the District under the Engineering Services Agreement, the District shall identify any additional District Waterline Costs incurred by the District for which the County is responsible for payment. Each invoice submitted by the District for reimbursement will describe in reasonable detail the work done for which reimbursement is sought, and will not seek reimbursement or payment for any costs or expenses other than District Waterline Costs. Each invoice shall also include a copy of the cancelled check tendered by the District to its engineering or other consultants evidencing the District's payment for which reimbursement is sought. The Parties agree that such check, along with an invoice from the District's consultant requesting payment from the District for District Waterline Costs, and which identifies in reasonable detail the services for which payment is sought, shall be deemed sufficient detail to support an invoice for reimbursement for such work.

(b) All invoices for reimbursement of District Waterline Costs shall be sent or delivered by the District to the County Auditor at the following address:

Williamson County Auditor
710 S. Main Street, Suite 301
Georgetown, Texas 78626

(c) The County's payment for goods and services shall be governed by Chapter 2251 of the Texas Government Code. An invoice shall be deemed overdue the 31st day after the date the Williamson County Auditor receives an invoice for the services. Interest charges for any overdue payments shall be paid by County in accordance with Texas Government Code Section 2251.025. More specifically, the rate of interest that shall accrue on a late payment is the rate in effect on September 1 of County's fiscal year in which the payment becomes due. The said rate in effect on September 1 shall be equal to the sum of one percent (1%); and (2) the prime rate published in the Wall Street Journal on the first day of July of the preceding fiscal year that does

not fall on a Saturday or Sunday. In the event that an error appears in an invoice submitted by the District, the County Auditor shall notify the District of the error not later than the twenty first (21st) day after the date the County Auditor receives the invoice. If the error is resolved in favor of the District, the District shall be entitled to receive interest on the unpaid balance of the invoice submitted by the District beginning on the date that the payment for the invoice became overdue. If the error is resolved in favor of the County, the District shall submit a corrected invoice that must be paid in accordance within the time set forth above. The unpaid balance accrues interest as provided by Chapter 2251 of the Texas Government Code if the corrected invoice is not paid by the appropriate date.

(d) The District agrees that: (i) it shall not seek to recover any internal administrative and employee costs relating to the Project; and (ii) the total District Waterline Costs for which the County is responsible for reimbursement shall not exceed \$35,000.00.

4.05 Work Product. Upon receipt of a request from the County, the District agrees to promptly make available to the County a copy of any work product produced by its engineering consultant in connection with the Waterline Design Work. The County shall pay all reasonable costs incurred by the District in preparing and furnishing the copies.

V. EASEMENT MATTERS

5.01 Existing Easement. The Parties acknowledge and agree that the District shall not release any existing easement rights in the Conflict Area or elsewhere, and the Existing Easement shall remain in full force and effect for all purposes. The County specifically acknowledges and agrees as follows with respect to the Existing Easement:

(i) The County agrees that the District is not releasing, relinquishing, waiving or abandoning any of its rights or interests under the Existing Easement in whole or in part, and all such rights and interests shall remain in full force and effect notwithstanding the prior or future acquisition of right-of-way lands by the County.

(ii) The County further acknowledges and agrees that the District acquired its rights under, and interests to, the Existing Easement prior to the date on which the County secured or will secure public right-of-way for the Drainage Improvements, and specifically acknowledges and agrees that the lands within the Existing Easement did not constitute public right-of-way at the time the District secured the Existing Easement.

(iii) The County acknowledges and agrees that the District shall have the right to construct additional infrastructure improvements within, and to otherwise exercise all rights under, the Existing Easement.

(iv) The County agrees that the District is not releasing its rights to future relocation of the Waterline Improvements (and for any additional facilities constructed within the Existing Easement) at the sole cost and expense of the entity requiring future relocation, and the District expressly reserves such rights. In the event

the County expands the right-of-way so as to require future relocation of the Waterline Improvements or any other facilities located within the Existing Easement, then the County agrees to pay all costs and expenses associated with relocating the District's facilities or construction of new facilities in a location that does not conflict with the County right-of-way, including the costs of acquisition of new easements.

(v) The County acknowledges and agrees that the District shall retain all rights to enforce the terms of the Existing Easement, and this Agreement does not constitute any waiver or relinquishment of any such rights.

(vi) The District shall have no obligation to repair or replace any damage to the Drainage Improvements caused by the exercise of the District's rights under the Existing Easement, and the County expressly releases the District from any liability or costs associated therewith.

(vii) The County agrees that it shall not authorize or permit any other parallel subsurface utilities to be located within the Existing Easement.

(viii) The County agrees that it shall be responsible for all costs or expenses incurred by the District associated with the repair or replacement of any District facilities located within the Existing Easement that are caused by, arise out of, or are otherwise related to, the construction, operation or maintenance of the Drainage Improvements (or any other improvements constructed by or on behalf of the County within the Existing Easement, whether before or after the Effective Date).

VI. CONSTRUCTION OF PROJECT

6.01 General. The County shall construct all physical improvements that constitute the Project, including the Waterline Improvements. The County shall construct the Waterline Improvements either before, or simultaneously with, construction of the Drainage Improvements.

6.02 Approval of Bid Documents.

(a) Without limitation, the Bid Documents must include the following requirements relating to the construction of the Waterline Improvements:

(i) The Existing Waterline Improvements shall be kept operational to the maximum extent practicable, and water service to existing customers of the District from such facilities shall continue, until the Waterline Improvements are completed, become operational, and are accepted;

(ii) The design, plans, and specifications of the Waterline Improvements included within the Bid Documents shall be in the forms prepared by the District;

(iii) The form of construction contract and related Bid Documents for the Waterline Improvements shall be the forms promulgated by the Engineers' Joint Contract Document Committee (EJCDC).

(iv) The District shall be named as an additional insured on the contractor's insurance policies;

(v) The District shall be named as additional beneficiary under the contractor's performance and payment bonds with respect to the Waterline Improvements; and

(vi) The District shall be named as a third party beneficiary under the contract for construction of the Project, as it relates to the Waterline Improvements only.

(b) The County agrees that it shall not amend any part of the Bid Documents as they relate to the Waterline Improvements without the District's prior written consent.

(c) The District agrees that it shall not have any right of approval with respect to the design and construction of the Drainage Improvements, and the County agrees that the District shall not have any duty, obligation or responsibility with respect the design or construction of the Drainage Improvements.

6.03 Bid Award.

(a) All construction contracts for the Project will be competitively bid and awarded by the County in the manner provided by State laws and in accordance with this Section. The Project Contractor shall be an independent and qualified construction contractor, and the County shall not undertake the Waterline Improvements utilizing its own staff or employees.

(b) The bid tabulation, contractor references, and related information concerning the bids, and recommended award for the construction of the Waterline Improvements, will be submitted by the District's engineering consultant to the Project Committee for review and consideration. The County shall consider the advice and recommendations of the Project Committee and engineering consultant, but the decision as to the acceptance of any bid shall be within the sole discretion of the County.

6.04 Construction of Waterline Improvements.

(a) **General.** The County shall be responsible for constructing, or causing to be constructed, the Project, including the Waterline Improvements, and all related equipment, materials and supplies. In connection with the construction of the Waterline Improvements, the County agrees to use its best efforts to ensure that the Project Contractor completes construction of the Waterline Improvements in accordance with the plans and specifications and other requirements set forth in the Bid Documents. The County will be responsible for payment of any and all costs associated with the construction of the Project.

(b) **Inspection.**

(i) The County will notify the Project Committee of any construction defects relating to the Waterline Improvements coming to its attention as soon as practicable and in no event later than five calendar days (excluding official holidays) after obtaining knowledge of the defect. The District may elect to have its employees or engineering consultants inspect or observe construction of the Waterline Improvements from time to time and the value thereof shall be reimbursed by the County as District Waterline Costs (although the total reimbursement obligation of the County shall not exceed the amounts set forth herein).

(ii) The District's representatives shall have a reasonable right to access and inspect the Waterline Improvements as construction progresses, and the County shall not interfere with such access or inspection by the District or its designated representative(s).

(c) Change Orders.

(i) During construction, any change orders related to the Waterline Improvements will be subject to review and prior written approval by the District. The District's representatives on the Project Committee will review any change orders and either approve the change order or provide written comments specifically identifying the changes required within 10 working days of submittal. If the District's representatives fail to either approve the submittal or provide written comments specifically identifying the required changes within 10 working days, the change order in question will be deemed approved.

(ii) During construction, any change orders related to the Drainage Improvements or impacting the costs thereof (and which do not relate to or impact the Waterline Improvements) will be made in the County's sole discretion.

(d) Insurance. The County shall require that all workers involved with the installation and construction of the Project are covered by workers' compensation insurance as required by the laws of the State of Texas. The County shall also require that the contractors procure and maintain comprehensive general liability insurance insuring against the risk of bodily injury, property damage, and personal injury liability occurring from, or arising out of, construction of the Project, with such insurance in the amount of a combined single limit of liability of at least \$1,000,000 and a general aggregate limit of at least \$5,000,000. Such insurance coverage shall be maintained in force at least until the completion, inspection and acceptance of the Project. The District shall be named as an additional insured on all such insurance coverages.

6.05 Payment of Construction Costs. All construction contracts and other agreements relating to the construction of the Project will contain provisions to the effect that the Project Contractor will look solely to the County for payment of all sums coming due thereunder. The County shall pay 100 percent of all construction costs relating to the Project, including the costs of Waterline Improvements.

6.06 Acceptance.

(a) Upon completion of construction of the Project, the County shall obtain the written approval of the District of the Waterline Improvements prior to acceptance and final payment of retainage to the Project Contractor.

(b) Within 30 days after completion of construction and prior to final payment to the engineers for the Project, the County will cause the Project engineers to provide to the District a sealed concurrence letter from the Project engineers certifying that the construction of the Waterline Improvements has been completed in accordance with the approved plans, specifications and change orders, that the facilities have been tested and approved for use in accordance with the approved contract documents, and that such facilities are properly located within the Existing Easement.

(c) Within 60 days after substantial completion of construction of the Project, the County will cause the Project engineers to provide to the District a copy of the final "record" drawings of the completed Waterline Improvements in an electronic format requested by the District.

6.07 Warranties. The County agrees to cause the Project Contractor to repair all defects in materials, equipment or workmanship appearing within one year from the date of acceptance of the Waterline Improvements. Upon receipt of written notice from the District of the discovery of any defects during this period, the County shall promptly cause the Project Contractor to remedy the defects and repair or replace any property damaged as a result thereof.

6.08 Continuation of Service. The County agrees that the Project shall be undertaken so as to minimize any disruption of water service to existing customers of the District and will not result in the permanent loss of water service to any such customers. In the event that the construction of the Drainage Improvements or Waterline Improvements requires any water service lines to be replaced or relocated, the County will undertake and perform the replacement and/or relocation of the service lines as part of the Waterline Improvements at the County's sole cost and expense, regardless of whether such service lines are identified as Existing Waterline Improvements or Waterline Improvements in this Agreement.

VII. CONVEYANCE

7.01 Conveyance. Within thirty (30) days after receipt of the engineer's concurrence letter pursuant to Section 6.06(b) above, the County will convey the Waterline Improvements to the District by Bill of Sale and Assignment substantially in the form attached hereto as **Exhibit "C"**.

7.02 Risks Pending Conveyance. The County agrees that, until conveyance, it will maintain, or cause to be maintained, insurance in such amounts as are reasonable and prudent on the Waterline Improvements. If any part, whether substantial or minor, of the Waterline Improvements are destroyed or rendered useless by fire, flood, wind, or other casualty after completion but prior to conveyance to the District, the County will make repairs and replacements to restore the Waterline Improvements to their prior condition.

7.03 Ownership Interests. After conveyance, the District shall hold an 100% undivided ownership interest in the Waterline Improvements. The County shall own an 100% undivided ownership interest in the Drainage Improvements.

VIII. DISPUTES

8.01 Material Breach; Notice and Opportunity to Cure.

(a) In the event that one Party believes that another 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 30 days to cure such material breach or, if the curative action cannot reasonably be completed within 30 days, the defaulting Party will commence the curative action within 30 days and thereafter diligently pursue the curative action to completion. Notwithstanding the foregoing, any matters specified in the default notice which may be cured solely by the payment of money must be cured within 10 days after receipt of the notice. This applicable time period must pass before the non-defaulting Party may initiate any remedies available to the non-defaulting party due to such breach.

(b) Any non-defaulting Party will mitigate direct or consequential damage arising from any breach or default to the extent reasonably possible under the circumstances.

(c) The Parties agree that they will negotiate in good faith to resolve any disputes and may engage in non-binding mediation, arbitration or other alternative dispute resolution methods as recommended by the laws of the State of Texas.

8.02 Equitable Relief. In recognition that failure in the performance of the Parties' respective obligations could not be adequately compensated in money damages alone, the Parties agrees that after providing notice and an opportunity to cure in accordance with Section 8.01 above, the Parties shall have the right to request any court, agency or other governmental authority of appropriate jurisdiction to grant any and all remedies which are appropriate to assure conformance to the provisions of this Agreement. The defaulting Party shall be liable to the other for all costs actually incurred in pursuing such remedies, including reasonable attorney's fees, and for any penalties or fines as a result of the failure to comply with the terms including, without limitation, the right to obtain a writ of mandamus or an injunction requiring the governing body of the defaulting party to levy and collect rates and charges or other revenues sufficient to pay the amounts owed under this Agreement.

8.03 Waiver of Governmental Immunity. The County and the District agree that this Agreement constitutes an agreement for the provision of goods and services and is subject to the provisions of the Subchapter I, Chapter 271, Texas Local Government Code, as amended, and any successor statute. In accordance with Sections 271.152 and 271.153 thereof, and as between the Parties, the County hereby waives and acknowledges waiver of all constitutional, statutory, or common law right to sovereign or governmental immunity from liability or suit and expressly consents to be sued and to be liable to the limited extent necessary for the District to enforce this Agreement against the County.

8.04 Costs. If either Party prevails in any judicial, administrative, or other legal proceedings against the other Party brought under or arising out of this Contract, such prevailing Party shall additionally be entitled to recover court and administrative agency costs and reasonable and necessary attorney fees from the non-prevailing Party to such proceedings.

8.05 Agreement's Remedies Not Exclusive. The provisions of this Agreement providing remedies in the event of a Party's breach are not intended to be exclusive remedies. The Parties retain, except to the extent released or waived by the express terms of this Agreement, all rights at law and in equity to enforce the terms of this Agreement.

IX. GENERAL PROVISIONS

9.01 Audits. The District agrees that the County or its duly authorized representatives shall, until the expiration of three (3) years after final payment under this Agreement, have access to and the right to examine and photocopy any and all books, documents, papers and records of the District which are directly pertinent to the services to be performed under this Agreement for the purposes of making audits, examinations, excerpts, and transcriptions. The District agrees that County shall have access during normal working hours to all necessary District facilities and shall be provided adequate and appropriate work space in order to conduct audits in compliance with the provisions of this section. County shall give District reasonable advance notice of intended audits.

9.02 Authority. This Agreement is made in part under the authority conferred in Chapter 791, *Texas Government Code*.

9.03 Severability. The provisions of this Agreement are severable and, if any provision of this Agreement is held to be invalid for any reason by a court or agency of competent jurisdiction, the remainder of this Agreement will not be affected and this Agreement will be construed as if the invalid portion had never been contained herein.

9.04 Assignment. Except as otherwise provided herein, the assignment of this Agreement by any Party is prohibited without the prior written consent of the other Party. All of the respective covenants, undertakings, and obligations of each of the Parties will bind that Party and will apply to and bind any successors or assigns of that Party.

9.05 Payments from Current Revenues. Any payments required to be made by a Party under this Agreement will be paid from current revenues or other funds lawfully available to the Party for such purpose.

9.06 Cooperation. The Parties agree to cooperate at all times in good faith to effectuate the purposes and intent of this Agreement.

9.07 Entire Agreement. This Agreement contains the entire agreement of the Parties regarding the subject matter hereof and supersedes all prior or contemporaneous understandings or representations, whether oral or written, regarding the subject matter.

9.08 Amendments. Any amendment of this Agreement must be in writing and will be effective if signed by the authorized representatives of the Parties.

9.09 Applicable Law; Venue. This Agreement will be construed in accordance with Texas law. Venue for any action arising hereunder will be in Williamson County, Texas.

9.10 Notices. Any notices given under this Agreement will be effective if (i) forwarded to a Party by hand-delivery; (ii) transmitted to a Party by confirmed telecopy; or (iii) deposited with the U.S. Postal Service, postage prepaid, certified, to the address of the Party indicated below:

DISTRICT:

Brushy Creek Municipal Utility District
16318 Great Oaks Drive
Round Rock, Texas 78681-5685
Attn: General Manager
Telephone: (512) 255-7871
Facsimile: (512) 255-0332

COUNTY:

Williamson County
710 Main Street, Suite 101
Attn: Judge Dan A. Gattis
Telephone: (512) 943-1577
Facsimile: (512) 943-1662

9.11 Exhibits. The following exhibits are attached to this Agreement and incorporated herein by reference:

Exhibit A - Conflict Area
Exhibit B - Waterline Improvements
Exhibit C- Form of Bill of Sale

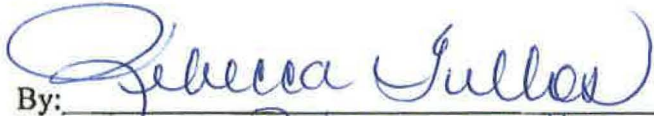
9.12 Counterparts; Effect of Partial Execution. This Agreement may be executed simultaneously in multiple counterparts, each of which will be deemed an original, but all of which will constitute the same instrument.

9.13 Authority. Each Party represents and warrants that it has the full right, power and authority to execute this Agreement.

ATTEST:


Secretary


**BRUSHY CREEK MUNICIPAL UTILITY
DISTRICT:**


By: _____
Printed Name: Rebecca Tullios
Title: President
Date: 5-24-12

ATTEST:


County Clerk

WILLIAMSON COUNTY:


By: _____
Printed Name: DAVID GATTI
Title: County Judge
Date: 05-18-2012

**RETURN TO:
Brushy Creek M.U.D.
16318 Great Oaks Drive
Round Rock, TX 78681**

EXHIBIT "A"

CONFLICT AREA



EXHIBIT

A

tabbies

EXHIBIT "B"

WATERLINE IMPROVEMENTS

Brushy Creek MUD Sam Bass Well Water Line Improvements Preliminary Construction Cost Estimate				
Description	Quantity	Unit	Unit Cost	Total Cost
12" Waterline	80	LF	\$ 72.50	\$ 5,800
12" 45 deg. DI Fittings	8	EA	\$ 1,200	\$ 9,600
Concrete Thrust Blocks	4	EA	\$ 1,750	\$ 7,000
Air Release Valve & Vault	2	EA	\$ 3,000	\$ 6,000
AC Pipe Removal & Disposal	1	LS	\$ 4,000	\$ 4,000
Mobilization	10%			\$ 3,600
Contingency	20%			\$ 7,200
Total Estimated Construction Cost			\$	43,200

Note:

- 1 The length of pipe to be replace will be based on existing joint locations and determined in the field, therefore the actual quantity of 12" waterline will vary.
- 2 Williamson County is currently working the site, therefore no silt fence or site restoration is required.

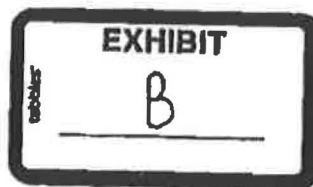


EXHIBIT "C"

FORM BILL OF SALE

BILL OF SALE AND ASSIGNMENT

Date: _____

Grantor: WILLIAMSON COUNTY, TEXAS

Grantor's Mailing Address (including county):

Williamson County
710 Main Street, Suite 101
Attn: Judge Dan A. Gattis
Williamson County, Texas

Grantee: BRUSHY CREEK MUNICIPAL UTILITY DISTRICT

Grantee's Mailing Address (including county):

16318 Great Oaks Drive
Round Rock, Texas 78681-5685
Williamson County, Texas

Consideration: Ten Dollars (\$10.00) and other good and valuable consideration in hand paid by Grantee.

Facilities: See Exhibit "A" attached hereto.

Intangible Assets: See Exhibit "B" attached hereto.

Grantor, for the consideration herein expressed, sells, assigns, and transfers to Grantee:

1. the Facilities as described on Exhibit "A"; and,
2. All rights, including but not limited to those rights arising under all bonds, warranties or other guarantees, held by Grantor pertaining to the Facilities.

Reference is hereby made to that certain "Interlocal Agreement Regarding Relocation of Water System Improvements (Sam Bass Road)" dated _____, 2012, between Grantor and Grantee ("Agreement"). The covenants and representations set forth in the Agreement are hereby incorporated herein by reference as if such covenants and representations were fully set out herein.

Grantor agrees to hereafter cooperate with Grantee, take such actions and execute such other specific documents as may be necessary or appropriate to accomplish the transfers contemplated in the Agreement and this document.

When the context requires, singular nouns and pronouns include the plural. References to defined terms shall refer to those terms as defined in the Agreement.

Executed effective _____.

GRANTOR:

WILLIAMSON COUNTY, TEXAS

By: _____

Printed Name: _____

Title: _____

Date: _____

GRANTEE:

BRUSHY CREEK MUNICIPAL UTILITY DISTRICT

By: _____

Printed Name: _____

Title: _____

Date: _____

Exhibit "A" to Bill of Sale

Description of Facilities

100% undivided interest in all water facilities, improvements, equipment, and appurtenances constructed pursuant to that certain construction contract between Williamson County and _____ with an effective date of _____.