

SANITARY SEWER LINE EXTENSION ASSESSMENT AGREEMENT  
(WITH LIEN)

STATE OF TEXAS }

COUNTY OF GALVESTON }

This agreement ("Agreement") is entered into as of the date of execution by both parties hereto, between the City of League City, Texas (the "City"), a municipal corporation situated primarily in Galveston County, Texas, and \_\_\_\_\_ (the "Property Owner", whether one or more), owner(s) of property fronting on Leisure Lane and/or an existing private drive ("Private Drive") lying east of and intersecting Leisure Lane, all in the City.

WITNESSETH

Section 1.     EFFECTIVE DATE OF AGREEMENT: The effective date of this Agreement shall be date the Agreement is fully executed by both Parties.

Section 2.     PROJECT ADMINISTRATION AND COORDINATION: Pursuant to this terms and conditions set forth under this Agreement and to the City's utility extension policy established by Section 114-91 of the Code of Ordinances, the City hereby agrees to administer and coordinate the engineering design, surveying, construction bidding and award, construction contract administration, construction inspections, and deed preparation and recordation for a municipal sanitary sewer line extension (the "Project") to serve residential properties abutting or adjacent to Leisure Lane and the Private Drive.

Section 2.     PROJECT: The general location of the Project is depicted on Exhibit "A" attached hereto. The Project consists of the design and construction of approximately 650 linear feet of 8-inch diameter PVC sanitary sewer line and appurtenances.

Section 3.     PROPERTY OWNERS AND BENEFITTED PROPERTIES: A list of the property owners with a general description of their respective individual properties ("Benefitted Properties") that will benefit from the Project is attached as hereto as Exhibit "B" and made a part hereof for all purposes. One property owner owns two of the Benefitted Properties. None of the other property owners own more than one of the other four Benefitted Properties. Prior to beginning construction of the Project, fifty percent (50%) of the listed property owners must agree through execution of written agreement with the City, to pay their proportionate share of the Project costs within the period set forth under Section 10 of this Agreement.

Section 4.     PROJECT COST ESTIMATE: The Project's estimated cost for design and construction is \$91,417.00 and is depicted on Exhibit "C" attached hereto.

Section 5.     CITY'S COSTS: The City agrees to be responsible for:

- a. 100% of the costs associated with deed preparation and recordation; and
- b. 10% of all other actual total costs of the Project, such City share of the Project's cost currently estimated at \$ 9,141.70.

Section 6.     **PROPERTY OWNER COSTS:**     Property Owner agrees to be responsible for:

- a. 0% of the costs associated with deed preparation and recordation;
- b. Property Owner's Equitable Share which shall be 90% of all other actual total costs of the Project, currently estimated at \$20,568.83 for each Benefitted Property, together with the cost of a Wastewater Connection Fee of \$250.00, together with the cost of one single-family Wastewater Capital Recovery Fee of \$ 2,419.00, for a subtotal of \$23,237.83.
- c. Payment of interest at 3% per annum, if Property Owner makes installment payments as set forth under Section 12.c. below.
- d. Note: Currently there are five Benefitted Properties. One property owner owns two of the Benefitted Properties. None of the other property owners own more than one of the other four Benefitted Properties.

Section 7.     **EASEMENT DONATION(S) DOCUMENTS:**     Property Owner agrees to execute such easement donation documents required by the City to construct the Project. The City shall prepare and record such easement donation documents.

Section 8.     **ESTIMATED PROJECT COST:**     The estimated cost for the Project and Property Owner's estimated equitable share of the cost of the Project are denoted on Exhibit "C" attached hereto.

Section 9.     **ADJUSTMENT TO PROPERTY OWNER'S EQUITABLE SHARE OF PROJECT COST.**

- (a) Should the actual cost of the Project be less than the estimated cost, each Property Owner's equitable share of the cost shall be decreased accordingly. Such adjustment shall also be applied to Property Owner's installment payment plan.
- (b) Should the actual cost of the Project be more than the estimated cost, each Property Owner's equitable share of the cost shall be increased accordingly. Such adjustment shall also be applied to Property Owner's installment payment plan.

Section 10.     **PROPERTY OWNER'S EQUITABLE SHARE OF PROJECT COST AN ASSESSMENT:**     To the extent allowable by law, the Property Owner's equitable share of the project cost is hereby considered and declared an assessment levied and taxed against the Property Owner's benefitting property and against the real and true owners thereof, whether they be named or correctly named, or said properties be correctly described herein, or not. Further, if default be made in the assessments when due, reasonable attorney's fees and collection costs actually incurred shall be due additionally thereon.

Section 11.     **LIEN AND PERSONAL LIABILITY:**     To the extent allowable by law, the assessments hereby levied are hereby declared to be and made a first and prior lien upon the Property Owner's benefitting property against which same are assessed, and a personal liability and charge against the real and true owner(s) thereof, paramount and superior to all other liens, claims or titles except for lawful ad valorem taxes.

Section 12.     **PAYMENT TERMS FOR PROPERTY OWNER'S ASSESSMENT CREATED BY THIS AGREEMENT:**     Upon the final completion of the Project, Property Owner agrees to pay Property Owner's equitable share of the actual costs of the Project, subject to the following terms and conditions:

- (a) **FINAL COMPLETION:** “Final completion” means: (i) the City has made final payment to the City’s contractor that was contracted to construct the Project; and (ii) City Council has accepted the Project into the City’s system for maintenance and operations.
- (b) **FULL PAYMENT DUE:** Full payment of the Property Owner’s proportionate share of the actual costs of the Project must be made to the City within ten (10) years after the date of final completion of the Project.
- (c) **INSTALLMENT PAYMENT PLAN, WITH INTEREST:** For each Benefitted Property, the Property Owner may make ONE HUNDRED TWENTY (120) monthly installment payments to the City equal to their equitable share of the cost of the Project plus an annual rate of interest of 3%, such installments currently estimated at \$223.95 per month for the first 119 monthly payments, with the final (120<sup>th</sup>) payment at \$223.34, with each payment due to the City on the last business day of each month. (For each Benefitted Property, the total cost to Property Owner using the 120-month installment plan = Equitable share at \$23,237.83 per Benefitted Property, plus 3% interest cost at \$3,635.56, for a total cost of \$26,873.39 per Benefitted Property over the 120-month span). (See Exhibit “D” attached for installment calculation spreadsheet).
- (d) **TERMINATION OF UTILITY SERVICE:** If after ten (10) years from the date of the completion of the Project the Property Owner owes the City a balance on Property Owner’s equitable share of the cost of the Project, the City may terminate utility service to the Property Owner until the remainder of the balance is paid to the City.
- (e) **WASTEWATER CONNECTION FEES AND IMPACT FEES:** The cost of Wastewater Connection Fees and Impact fees for the Benefitted Properties with existing residences currently receiving metered City potable water service have been included in the Property Owner’s equitable share. The cost of Wastewater Connection Fees and Impact fees have not been imposed for Owner’s undeveloped properties located adjacent to the Project, but will be assessed at the time such undeveloped properties are platted or developed, and at the rates in effect at that time.
- (f) **NON-WAIVER OF FEES:** The Property Owner’s payment of Property Owner’s equitable share of the cost of the Project will not waive, eliminate, or otherwise affect payments of connection fees, capital recovery fees, permit fees, or any other payments required by City ordinance for the Property Owner to receive service from the City.

**Section 13. PROPERTY OWNER CONNECTION TO CITY SYSTEM:** Within sixty (60) days of completion of the Project, Property Owner shall properly connect Property Owner’s private residence to the City’s system, all at Property Owner’s sole cost and expense, including payment of applicable City connection fees, capital recovery fees, and permit fees, or any other payments necessary to connect to the City’s system, and shall properly abandon privately-owned septic system components in accordance with applicable State and local criteria. In the event a

Property Owner owns undeveloped property that does not have a residence situated upon it, connection to the City's system will be required at such time that a residential structure constructed upon or moved to such undeveloped property.

Section 14. EVIDENCE OF ASSESSMENT AND LIEN: To evidence the assessment and lien securing same for the sums assessed against the benefitting property and the real and true owners thereof, this Agreement shall be recorded in the Official Records of the County Clerk of Galveston County, Texas.

FOR PROPERTY OWNER:

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

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

#### ACKNOWLEDGMENT

STATE OF TEXAS                                }  
  }  
COUNTY OF GALVESTON                    }      KNOW ALL MEN BY THESE PRESENTS

BEFORE ME, a notary public, on this day personally appeared \_\_\_\_\_, known to me or having proved to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument and acknowledged to me that he/they executed the same for the purposes and considerations therein expressed.

GIVEN MY hand and seal of office this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

(SEAL)

\_\_\_\_\_  
Notary Public in and for the State of Texas

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

FOR THE CITY OF LEAGUE CITY:

Signed: \_\_\_\_\_

John Baumgartner  
City Manager

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

ACKNOWLEDGMENT

STATE OF TEXAS }

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KNOW ALL MEN BY THESE PRESENTS

COUNTY OF GALVESTON }

BEFORE ME, a notary public, on this day personally appeared John Baumgartner, City Manager of the City of League City, known to me or having proved to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same on behalf of said City for the purposes and considerations therein expressed.

GIVEN MY hand and seal of office this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

(SEAL)

\_\_\_\_\_  
Notary Public in and for the State of Texas

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

Approved as to form:

\_\_\_\_\_  
Nghiem V. Doan  
City Attorney