CONSENT TO USE THE EASEMENT AREA

(Encroachment Agreement)

| STATE OF TEXAS | § |
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COUNTY OF GALVESTON §

THIS CONSENT TO USE THE EASEMENT AREA (hereinafter the "Agreement"), made this _____ day of ______, 2019, by and between CITY OF LEAGUE CITY, having an address at 1505 Dickinson Avenue, League City, TX 77573 ("CITY") and T Construction, LLC, having an address at 12605 McNair St. #3H, Houston, TX 77015 ("CONTRACTOR") (hereinafter jointly referred to as "OWNER"), and Genesis Pipeline Texas, L.P., a Delaware limited partnership, having offices at 919 Milam Street, Suite 2100, Houston, Texas 77002, (hereinafter sometimes referred to as "GPLTX").

WHEREAS, GPLTX is the holder of that certain Right-of-Way Grant and Easement that crosses property located at Highway 3 and Byron Street in League City, Texas upon which it now maintains and operates a crude oil pipeline within said right-of-way area and commonly refers to said pipeline(s) as its Webster to Texas City Legacy 8 Inch system; and,

WHEREAS, OWNER proposes to construct, install, and maintain certain improvements consisting of a sanitary sewer line, of the size and construction as more specifically described in the attached Exhibit B, (hereinafter referred to as "FACILITY"), within GPLTX'S right-of-way and easement; and,

WHEREAS, GPLTX has consented to the construction, installation, and utilization thereof, subject to the following terms and conditions:

WITNESSETH

- (1) Subject to the terms and conditions stated herein, consent is hereby given by GPLTX to OWNER, insofar as it has the right to do so, to maintain the FACILITY within GPLTX'S Right-of-Way and Easement.
- (2) OWNER accepts this consent with full knowledge of GPLTX'S prior rights and existing facilities.
- (3) OWNER acknowledges receipt of GPLTX'S "General Requirements for Crossing Genesis Pipelines" describing and setting forth its minimum requirements and warrants that any construction and/or maintenance of the FACILITY performed or which may be performed in the future in the area of GPLTX'S right-of-way, will conform to the conditions and requirements listed in said "General Requirements for Crossing Genesis Pipelines". (SEE EXHIBIT "A") Additionally, OWNER shall cross under GPLTX'S pipeline(s) such that the total cover from the bottom of the Genesis Pipeline(s) to the top of the FACILITY is at least one and six tenths (1.6) feet; OWNER shall provide a peep hole for GPLTX to confirm depth prior to bursting the existing sewer pipe under the GPLTX pipeline(s): OWNER shall provide GPLTX notice and a reasonable opportunity

to inspect the Genesis Pipeline(s); and OWNER shall provide a revised drawing to indicate the above requirements.

- (4) GPLTX shall not be liable for any destruction of or damages to the FACILITY and/or injury to or death of any person arising out of or in connection with the construction, installation, replacement, changing the size of, repair, maintenance, operation or removal of any pipeline or pipelines presently or hereafter located within the Right-of-Way and Easement, except where such injuries, death, or damages are caused solely by the negligence of GPLTX.
- (5) CONTRACTOR covenants and agrees to protect, indemnify and save GPLTX, its contractors and subcontractors, and its and their respective owners, partners, shareholders, officers, directors, employees, agents, representatives and servants (collectively, the "INDEMNIFIED PARTIES") harmless from and against any and all claims, demands, lawsuits, arbitrations, proceedings, judgments, awards, damages, losses, costs and expenses (including attorneys' fees and disbursements) for injury to or death of any person or for damage to property arising out of or in any way connected with its services performed on and/or use of the Right-of-Way; howsoever caused, INCLUDING, WITHOUT LIMITATION, THAT CAUSED BY THE SOLE, CONCURRENT OR COMPARATIVE NEGLIGENCE OF ANY ONE OR MORE OF THE INDEMNIFIED PARTIES, but not their gross negligence.
- (6) OWNER warrants that prior to any contractor or subcontractor(s) performing any construction over or in the vicinity of GPLTX'S right-of-way, said contractor and/or subcontractor(s) shall furnish to GPLTX verification of comprehensive general liability insurance in an amount not less than (i) one million dollars (\$1,000,000) each occurrence, and (ii) one million dollars (\$1,000,000) aggregate combined single limit, and (iii) with excess liability in the amount of four million dollars (\$4,000,000). Said verification of liability is to be submitted on a GPLTX approved form.
- (7) GPLTX shall not be liable for any destruction of or damages to the FACILITY and/or injury to or death of any person or for damage to property arising out of or in any way connected with the construction, utilization and/or maintenance of the FACILITY on GPLTX'S right-of-way, except where such injuries, death, or damages are caused solely by the negligence of GPLTX.
- (8) Any notice required or permitted to be given under this Agreement shall be in writing, and shall be deemed to have been given when delivered by hand delivery, or when deposited in the United States Post Office, by registered or certified mail, postage prepaid, return receipt requested, if mailed. Notices shall be addressed as follows:

If to GPLTX:

Genesis Pipeline Texas, L.P. Attention: General Counsel 919 Milam, Suite 2100 Houston, TX 77002 If to OWNER: CITY OF LEAGUE CITY 1505 Dickinson Avenue League City, TX 77573

Any party may designate a different address by giving the other party ten (10) days written notice in the manner provided above.

- (9) This Agreement is made in Texas and shall be construed, interpreted, and governed by Texas law. The parties shall consent to the jurisdiction and venue of the Courts of Harris County, Texas, for any action under this Agreement.
- (10) The prevailing party in any judicial proceeding arising from this Agreement shall recover its reasonable and necessary attorneys' fees pursuant to Texas Local Government Code Section 271.159.
- (11) This Agreement and all Exhibits and Amendments thereto shall constitute the complete understanding of GPLTX and OWNER. This Agreement constitutes the sole and only agreement of the parties to it and supersedes any prior understandings or written or oral agreements between the parties respecting the subject matter of this Agreement.

THIS AGREEMENT shall not serve to diminish or affect the rights granted to GPLTX by the hereinabove-referenced original Right-of-Way Grant.

THIS AGREEMENT shall be binding upon and shall inure to the benefit of the parties hereto, their heirs, assigns, agents, administrators, successors or grantees, with the same force and effect as if specifically mentioned in each instance where OWNER or GPLTX is named.

EXECUTED this _____ day of , 2019.

CITY OF LEAGUE CITY

| By: | | |
|--------|--|--|
| Name: | | |
| Title: | | |
| | | |

| EXECUTED this | day of | , 2019. |
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T CONSTRUCTION, LLC

| By: | | |
|----------|--|---|
| Name: | | |
| Title: _ | | _ |

EXECUTED this _____ day of ______, 2019.

GENESIS PIPELINE TEXAS, L.P., a Delaware limited partnership

By:

Karen Pape Controller and Senior Vice President

STATE OF TEXAS §

COUNTY OF HARRIS §

This instrument was acknowledged before me on the _____ day of _____ 2019, by CITY OF LEAGUE CITY on behalf of said city.

My Commission Expires:

Notary Public in and for the State of Texas

STATE OF TEXAS §

COUNTY OF HARRIS §

This instrument was acknowledged before me on the ____ day of _____ 2019, by T Construction, LLC on behalf of said limited liability company.

My Commission Expires:

Notary Public in and for the State of Texas

STATE OF TEXAS §

COUNTY OF HARRIS §

This instrument was acknowledged before me on the _____ day of _____, 2019, by Karen Pape, Controller and Senior Vice President of Genesis Pipeline Texas, L.P., a Delaware limited partnership, on behalf of said partnership.

My Commission Expires:

Notary Public in and for the State of Texas