

INTERLOCAL AGREEMENT FOR
REGIONAL ROAD IMPROVEMENTS

This Interlocal Agreement for Regional Road Improvements (the "Agreement") is entered into by Fort Bend County (the "County"), Fort Bend County Levee Improvement District No. 19 ("LID 19"), and Sienna Plantation Management District ("SPMD") (each a "Party" and collectively, the "Parties").

RECITALS

WHEREAS, LJ Parkway is a major thoroughfare located in Fort Bend County and will serve the residents of the County, LID 19 and SPMD; and

WHEREAS, as development in the region has progressed, the Parties have determined that the construction of Fort Bend County Mobility Project #751 as defined in Section 1 below ("Mobility Project #751") is necessary to serve the developed areas of the County, LID 19 and SPMD; and

WHEREAS, the Parties have determined that it would be economically advantageous to each Party to construct Project #751 pursuant to one or more construction contracts administered by LID 19 or SPMD and subject to the oversight by the County as provided herein; and

WHEREAS, the Parties are political subdivisions or special districts of the State of Texas and are authorized to provide certain governmental functions, including, but not limited to the provision of road improvements; and

WHEREAS, the Parties have current revenue available to pay for the costs of such bridge and related improvements, as proposed under this Agreement.

AGREEMENT

NOW THEREFORE, in consideration of the mutual promises, obligations, and benefits herein set forth, the Parties contract and agree as follows:

Section 1. Scope of Project. Mobility Project #751 includes the design and construction of a four-lane, boulevard-type road, beginning at the intersection of LJ Parkway and Hagerson Road, and continuing south and east to the intersection of Sienna Ranch Road, including a four-lane bridge over the Flat Bank Creek Diversion Channel, and other related improvements thereto, including drainage and landscaping.

Section 2. Mobility Project #751 Contracts. The Parties agree that Mobility Project #751 may be completed pursuant to multiple construction contracts, as deemed to be economically advantageous to the Parties. Mobility Project #751 will be completed in phases as described below and as shown on Exhibit A.

a. Phase 1. The Parties acknowledge that LID 19 has heretofore constructed and financed all Project Costs (as defined below) for a portion of Mobility Project #751 for improvements to LJ Parkway from Hagerson Road west to Herrin Landing Boulevard (Phase 1).

b. Phase 2. The Parties agree that LID 19 has designed and is in the process of constructing the segment of Mobility Project #751 from Herrin Landing Boulevard south and east to Thompson Ferry Road (Phase 2).

c. Phase 3. The Parties agree that LID 19 will design and construct the segment of Mobility Project #751 from Thompson Ferry Road south and east to approximately the western toe of the levee owned by Sienna Plantation Levee Improvement District, including the bridge over Flat Bank Creek (Phase 3), as provided in this Agreement.

d. Phase 4. The Parties agree that SMPD will design and construct the segment of Mobility Project #751 from the completed bridge described in Phase 3, located approximately at the toe of the levee owned by Sienna Plantation Levee Improvement District to the current terminus of Sienna Springs Boulevard immediately west of Sienna Ranch Road (Phase 4), as provided in this Agreement.

Section 3. Allocation of Project Costs. The Parties hereby agree to participate in the cost of the Mobility Project #751, including but not limited to design, construction, engineering, testing, land or other related costs (the "Project Costs") as follows:

County	<u>Lesser</u> of (i) \$2,400,000 or (ii) 38% of total Project Costs for Phase 1, 2, 3 and 4
LID 19	All Project Costs for Phase 1 and Phase 2 Project Costs for Phase 3 less County participation
SMPD	Project Costs for Phase 4 less County participation if County funds remain unspent from Phase 3

Section 4 Design, Competitive Bid and Award of Phase 3.

a. LID 19's engineer shall design Phase 3 to meet all requirements of the County and City of Missouri City (the "City"). The plans and specifications shall be subject to review and approval by the County and City, or their respective authorized agents, which review and approvals will not be unreasonably withheld or delayed.

b. Upon approval by the County and City, LID 19 may advertise for competitive bids for the construction of Phase 3 (together or in separate contracts) in accordance with the requirements of Section 49.273, Texas Water Code. Upon receipt of

bids for Phase 3, LID 19 will notify the County of the amount of the recommended bid (the "Notice of Bid"). If the County desires to object to the award of the contract, it must provide written notice to LID 19 within fifteen (15) days of County's receipt of the Notice of Bid. Otherwise, the County will be deemed to have approved the award of the contract to the lowest responsible bidder, in LID 19's judgment, who would be most advantageous to the Parties and would result in the best and most economical completion of Phase 3.

c. If there are no objections to the award of the contract to the recommended bidder, the County will advance the Initial Payment (as described in Section 6 below) to LID 19 within thirty (30) days of the date the Notice of Bid is sent to the County.

d. Upon receipt of the Initial Payment from the County, LID 19 will enter into a contract with the qualified bidder (the "Construction Contract"), which may be subject to change orders that increase, decrease, or otherwise alter the Project Costs under such contract. If LID 19 constructs the Project in multiple contracts, the provisions of this Agreement shall apply to each construction contract.

Section 5. Construction of Phase 3.

a. After award of the Construction Contract, LID 19 shall administer the Construction Contract for the benefit of the Parties. LID 19, through its engineer or authorized representative, shall provide on-site inspection of the construction of the Improvements in accordance with the Construction Contract. LID 19 shall approve or deny all pay applications and requests for extensions of time and shall pay all valid pay applications issued under the Construction Contract within forty-five (45) days of receipt.

b. Change orders submitted under the Construction Contract and recommended by LID 19 shall be subject to review and approval by the County, or its authorized agent, which review and approvals will not be unreasonably withheld or delayed. If the County desires to object to a proposed change order, it must provide written notice to LID 19 within fifteen (15) days of the County's receipt of the proposed change order. Otherwise, the County will be deemed to have approved the change order.

c. The County or City, through their respective authorized representatives, may observe all construction for conformity with applicable City and County standards and shall immediately request changes or corrections to work performed under the Construction Contract if the City or County finds such changes or corrections to be necessary upon such inspection. Any change orders for work requested by the City or County shall be subject to review and approval by LID 19, which shall not be unreasonably withheld if the work being performed is clearly shown to be out of compliance with applicable City and County standards.

d. The Parties agree that LID 19 does not warrant the quality of any engineering or construction work done by any third party in connection with, or materials provided for, the Improvements, nor for compliance of same with City or County standards and other governmental codes and regulations applicable thereto, nor shall LID 19 be deemed to be responsible for any such compliance.

e. LID 19 shall have the right to terminate the Construction Contract and to enforce its remedies thereunder, as determined by LID 19 to be necessary. In the event of any such termination, LID 19 shall have the right to complete and/or cause the completion of the Project itself and/or through such other contractor(s) as LID 19 determines to be appropriate and as are approved by the County; provided that all work done in connection with such completion shall be in compliance with the City and County's standards for road work. The costs of any necessary and approved completion work shall be considered an Improvement Cost.

Section 6. Administration of County Funds for Phase 3. The County's sole financial obligation under this Agreement is to provide the funding specified in this Section 3. The County is not obligated to expend any further funds on Mobility Project #751 other than what has been allocated in the County's 2007 General Obligation Bonds for Mobility Projects. The County agrees to provide funds as follows:

(1) Twenty-Five percent (25%) of the \$2,400,000 within thirty (30) days of the County's receipt of LID 19's Notice of Bid for Phase 3 (the "Initial Payment"); and

(2) An additional fifty percent (50%) of the \$2,400,000 when twenty-five percent (25%) of the construction has been completed for Phase 3; and

(3) An additional twenty-five percent (25%) of the \$2,400,000 when seventy-five percent (75%) of the construction has been completed for Phase 3.

LID 19 will forward to the County a request for payment that includes sufficient detail for the County to determine whether the requirements describe above have been met for the particular payment request. The County will forward payment to LID 19 within 30 days of the County's receipt of the request and detail from LID 19.

Within 30 days of the completion of Phase 3, LID 19 shall submit to the County for approval a final accounting of the County's allocated costs under Section 3 above. The County's allocated share of Project Costs for Phase 3 shall be based on all Project Costs incurred to date for Phases 1, 2 and 3. If the final accounting shows that the amount owed by the County is more than \$2,400,000, the County shall not be liable for any additional amounts. If the final accounting shows that the amount owed by the County for the Phase 3 Project Costs is less than \$2,400,000, LID 19 shall remit any overage to SPMD within sixty (60) days of the submission of the final accounting.

SPMD shall dedicate any remaining County funds received from LID 19 for the design and construction of Phase 4 as described below.

Section 7. Design, Competitive Bid, Award, and Construction of Phase 4. SPMD shall have the same rights and obligations for the design and construction of Phase 4 as LID 19 for Phase 3, as described in Section 4 and 5 above. However, the County's obligation to remit funds described in Section 4(c) shall not apply to Phase 4

Section 8. Administration of County Funds for Phase 4. If any County funds are transferred from LID 19 to SPMD upon the conclusion of Phase 3, within 30 days of the completion of Phase 4 (or 30 days of the receipt of funds from LID 19 if Phase 4 is completed prior to Phase 3), SPMD shall submit to the County for approval a final accounting of the County's allocated costs under Section 3 above. The County's allocated share of Project Costs for Phase 4, if any, shall be based on all Project Costs incurred to date for Phases 1, 2, 3, and 4. If the final accounting shows that the amounts owed by the County for the Project Costs are more than \$2,400,000, the County shall not be liable for any additional amounts. If the final accounting shows that the amounts owed by the County for the Project Costs is less \$2,400,000, SPMD shall remit any overage to the County within sixty (60) days of the submission of the final accounting.

Section 9. Acquisition of Road Right of Way. The Parties agree that the County is responsible for the acquisition of any necessary right of way for Mobility Project #751. To the extent any right of way is owned by a developer of land within LID 19 or served by Sienna Plantation Management District, LID 19 and SPMD agree to cause the developer of such land to dedicate any necessary road right of way necessary for the Improvements.

Section 10. Ownership of Improvements. Initially, LID 19 will own the Phase 1, Phase 2, and Phase 3 improvements, and SPMD will own the Phase 4 improvements, other than any easements or right of way acquired by the County. Upon the County's approval of the final accounting described in Section 8, LID 19 and SPMD shall convey Mobility Project #751 to the County. Upon conveyance of Mobility Project #751 to the County, the County shall be responsible, as applicable, for the maintenance of Mobility Project #751.

Section 11. Notices. All notices, requests, demands and other communications under this Agreement shall be given by electronic mail and either (i) overnight courier or (ii) hand delivery addressed as follows:

If to LID 19: Fort Bend County Levee Improvement District No. 19
c/o Allen Boone Humphries Robinson LLP
3200 Southwest Freeway, Suite 2600
Houston, Texas 77027
Attn: Richard L. Muller, Jr.
rmuller@abhr.com
Tel: (713) 860-6415
Fax: (713) 860-6615

With a copy to
Costello, Inc.
9990 Richmond Ave., Suite 450, North Building
Houston, TX 77042
Attn: Chad Hablinski
chablinski@costello.com
Tel: (713) 783-7788
Fax: (713) 783-3580

If to SPMD: Sienna Plantation Management District
c/o Allen Boone Humphries Robinson LLP
3200 Southwest Freeway, Suite 2600
Houston, Texas 77027
Attn: Richard L. Muller, Jr.
rmuller@abhr.com
Tel: (713) 860-6415
Fax: (713) 860-6615

With a copy to
LJA Engineering & Surveying, Inc.
2929 Briarpark Drive, Suite 600
Houston, TX 77042
Attn: James Brown
jbrown@ljaengineering.com
Tel: (713) 953-5284
Fax: (713) 953-5026

If to the County: Fort Bend County, Precinct 4
12919 Dairy Ashford, Suite 200
Sugar Land, Texas 77478
Attn: The Honorable James Patterson
pattersj@co.fort-bend.tx.us
Tel: (281) 980-2235
Fax: (281) 275-2771

With copies to:
Fort Bend County Judge
301 Jackson Street, Suite 719
Richmond, Texas 77469
Attn: The Honorable Robert Hebert
hebertb@co.fort-bend.tx.us
Tel: (281) 341-8608
Fax: (281) 341-8609

D. Jesse Hegemier
Fort Bend County Engineer
1124-52 Blume Road
Rosenberg, Texas 77471

Section 12. Termination of Agreement. This Agreement is subject to termination by any Party if construction of the Project does not begin within twelve (12) months from the effective date hereof. Otherwise, this Agreement is to remain in full force and effect unless terminated by mutual agreement of the parties hereto.

Section 13. Entire Agreement; Modification. This Agreement constitutes the entire agreement between the Parties concerning the Improvements. There have been and are no agreements, covenants, representations, or warranties between the parties other than those expressly stated or provided for herein. No modification hereof or subsequent agreement relative to the subject matter hereof shall be binding on any party unless reduced to writing and signed by the parties.

Section 14. Parties in Interest. This Agreement shall be for the sole and exclusive benefit of LID 19, SPMD, and the County and shall not be construed to confer any benefit or right upon any other party, including particularly any resident of LID 19, SPMD, or the County.

Section 15. Severability. The provisions of this Agreement are severable, and if any word, phrase, clause, sentence, paragraph, section, or other part of this Agreement or the application thereof to any other person or circumstance shall ever be held by any court of competent jurisdiction to contravene or be invalid under the constitution or laws of the State of Texas for any reason, that contravention or invalidity shall not invalidate the entire Agreement. Instead, this Agreement shall be construed as if it did not contain the particular provision or provisions held to be invalid, the rights and obligations of the parties shall be enforced accordingly, and this Agreement shall remain in full force and effect, as construed. The remainder of this Agreement and the application of such word, phrase, clause, sentence, paragraph, section, or other part of this Agreement to the other parties or circumstances shall not be affected thereby.

Section 16. Successors and Assigns. This Agreement shall apply to and be binding upon the parties hereto and their respective officers, directors, successors, and assigns. This Agreement and any of the rights obtained hereunder are not assignable by any party hereto without the express written consent of the other parties, which consent shall not be unreasonably withheld.

Section 17. Authorization. Each party represents that (i) execution and delivery of this Agreement by it has been duly authorized by its governing body or other persons from whom such party is legally bound to obtain authorization; (ii) that the consummation of the contemplated transactions will not result in a breach or violation of, or a default under, any agreement by which it or any of its properties is bound, or by any statute, rule, regulation, order, or other law to which it is subject; and (iii) this Agreement is a binding and enforceable agreement on its part.

Section 18. Applicable Law. This Agreement shall be governed and construed in accordance with the laws of the State of Texas. Venue shall be in Fort Bend County.

Section 19. Effective Date. This Agreement will be effective as of the date of the execution by the last party to execute this Agreement.

[EXECUTION PAGES FOLLOW]

IN WITNESS WHEREOF, the Parties have executed this Agreement in multiple counterparts, each of which shall be deemed to be an original.

FORT BEND COUNTY LEVEE
IMPROVEMENT DISTRICT NO. 19



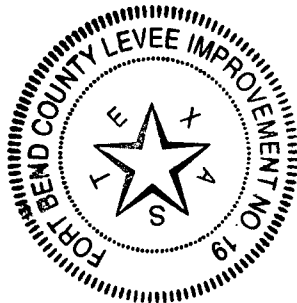
President, Board of Directors

Date: 9/26/2011

ATTEST:

Robb A. Cuelice
Asst Secretary, Board of Directors

(SEAL)



SIENNA PLANTATION MANAGEMENT
DISTRICT

Linda Beal

President, Board of Directors

Date: March 1, 2012

ATTEST:

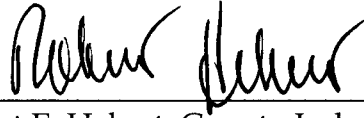
[Signature]

Secretary, Board of Directors

(SEAL)



FORT BEND COUNTY, TEXAS

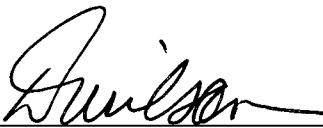


Robert E. Hebert, County Judge

Date: March 14, 2012

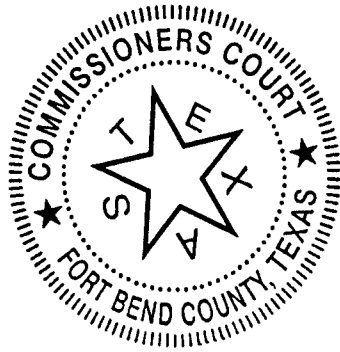
Approved by Commissioners Court 2-28-12

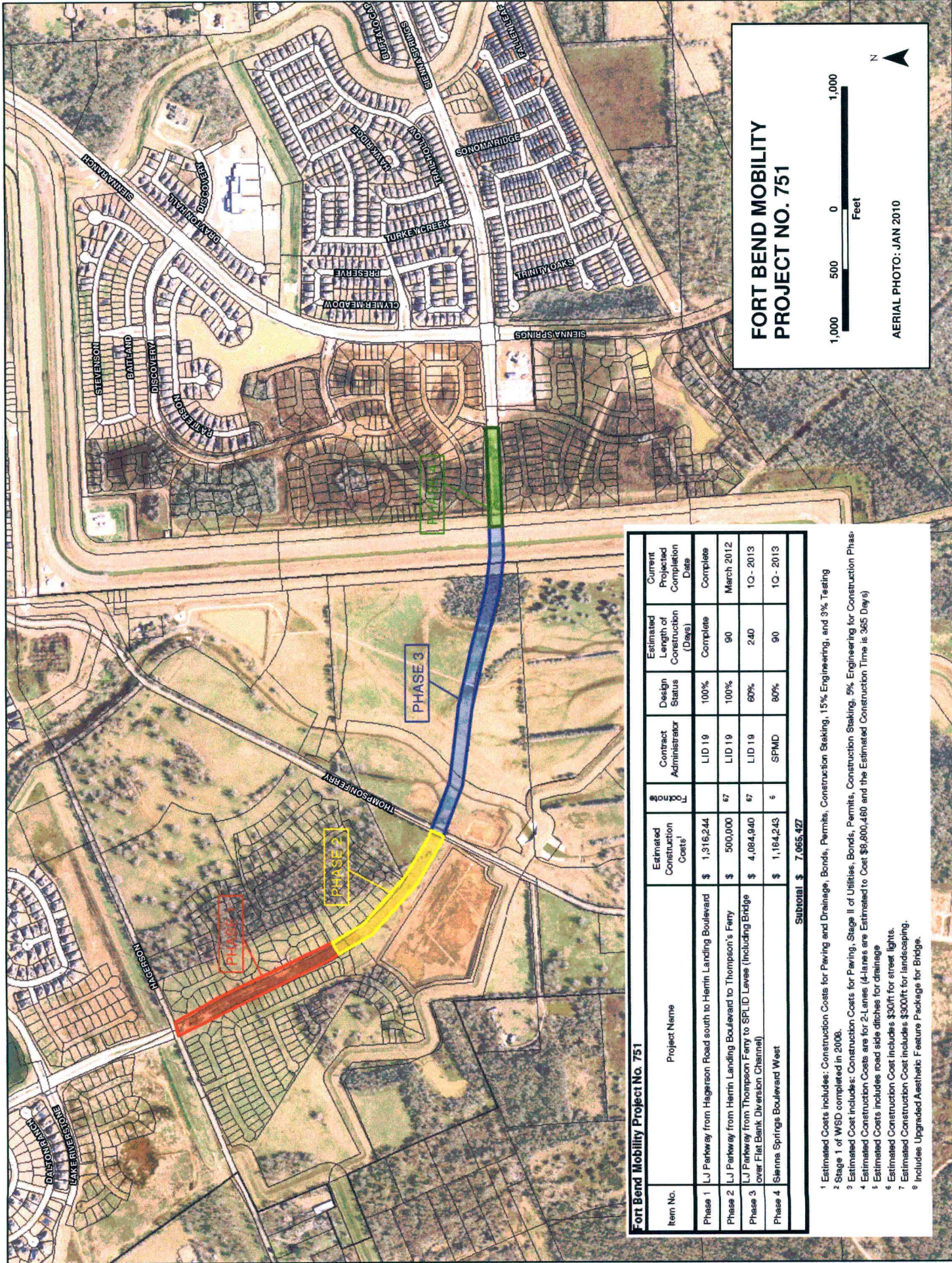
ATTEST:



Dianne Wilson, County Clerk

(SEAL)





**FORT BEND MOBILITY
PROJECT NO. 751**

1,000 500 0 1,000
Feet

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AERIAL PHOTO: JAN 2010

Fort Bend Mobility Project No. 751

Item No.	Project Name	Estimated Construction Costs ¹	Footnote	Contract Administrator	Design Status	Estimated Length of Construction (Days)	Current Projected Completion Date
Phase 1	LJ Parkway from Hagerston Road south to Herrin Landing Boulevard	\$ 1,316,244		LID 19	100%	Complete	Complete
Phase 2	LJ Parkway from Herrin Landing Boulevard to Thompson's Ferry	\$ 500,000	67	LID 19	100%	90	March 2012
Phase 3	LJ Parkway from Thompson Ferry to SPLID Levee (Including Bridge over Flat Bank Diversion Channel)	\$ 4,084,940	67	LID 19	80%	240	1Q - 2013
Phase 4	Sienna Springs Boulevard West	\$ 1,184,243	6	SPMD	80%	90	1Q - 2013
		Subtotal \$ 7,065,427					

¹ Estimated Costs includes: Construction Costs for Paving and Drainage, Bonds, Permits, Construction Staking, 15% Engineering, and 3% Testing
² Stage 1 of WSD completed in 2008.
³ Estimated Cost includes: Construction Costs for Paving, Stage II of Utilities, Bonds, Permits, Construction Staking, 5% Engineering for Construction Phase
⁴ Estimated Construction Costs are for 2-Lanes (4-lanes are Estimated to Cost \$9,800,480 and the Estimated Construction Time is 365 Days)
⁵ Estimated Costs includes road side ditches for drainage
⁶ Estimated Construction Cost includes \$300/ft for street lights.
⁷ Estimated Construction Cost includes \$300/ft for landscaping.
⁸ Includes Upgraded Aesthetic Feature Package for Bridge.