PARTICIPATION AGREEMENT (BELLAIRE BOULEVARD RIGHT TURN LANE - WATER LINE AND SANITARY SEWER LINE RELOCATION PROJECTS)

This PARTICIPATION AGREEMENT (the "Agreement") is made and entered into as of the date signed by the last party hereto, by and between FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 50, a conservation and reclamation district of the State of Texas, organized pursuant to the provisions of Article XVI, Section 59 of the Texas Constitution and Chapter 54 of the Texas Water Code, as amended (the "District"), and FORT BEND COUNTY, a political subdivision of the State of Texas (the "County"). The District and the County are collectively referred to herein as the "Parties," or individually as a "Party."

RECITALS

WHEREAS, in connection with the design and construction by the County of new right turn lanes upon Bellaire Boulevard at its intersection with State Highway 99, the Parties desire to (1) relocate a 12-inch District water line from its current location at approximately Sta 114+20 to at Sta 111+00 between the right-of-way line and the proposed sidewalk (the "Water Line Project"), as generally shown on Exhibit A; and (2) relocate an 18-inch District sanitary sewer line from its current location at the existing manhole located in the turnaround intersection with the State Highway 99 frontage road west to a new location at the existing manhole located at approximately Sta 103+00 (the "Sewer Line Project" and together with the Water Line Project, the "Project"), as generally shown on Exhibit B; and

WHEREAS, the District and the County desire to enter into this Agreement to define the respective responsibilities and financial obligations of the Parties regarding the design and construction of the Project;

NOW, THEREFORE, in consideration of the mutual promises, covenants, obligations, and benefits in this Agreement, the Parties hereby agree as follows:

AGREEMENT

<u>Section 1</u>. <u>Recitals</u>. The recitals set forth above are declared true and correct and are hereby incorporated as part of this Agreement.

Section 2. Plans and Specifications for Project. The duly engaged engineer for the County, Schaumburg & Polk, Inc. (or its duly engaged successor, the "County Engineer"), has been and will continue to be responsible for the preparation of plans and specifications for the Project, which plans and specifications shall be based on the Fort Bend County Engineering Design Manual and shall otherwise be in accordance with all applicable rules and regulations. The District shall have 45 days following

receipt to review and approve the final plans and specifications related to the Project, which approval shall not be unreasonably withheld, conditioned, or delayed. Following receipt of all applicable approvals, the County will promptly advertise the Project for bids, and will award the construction contract(s) for the Project to the lowest and most advantageous bidder in accordance with all applicable rules and regulations. The District must consent to the award of the construction contract related to the Water Line Project, which consent shall not be unreasonably withheld, conditioned, or delayed. The County has been and will be responsible for all costs related to the preparation of plans and specifications for the Project; provided, however, that the District agrees to pay an amount in cash equal to \$2,433.00 to the County within 45 days of the Effective Date in consideration of additional work incurred at the request of the District by the duly engaged design consultant of the County.

<u>Section 3</u>. <u>Contract Administration</u>. On behalf of itself and the District, the County will prosecute the construction contract(s) related to the Project in accordance with all applicable rules and regulations. The District's engineer will be afforded by the County Engineer all reasonably requested construction oversight related to the Project. The County Engineer will provide copies of all reasonably requested documentation relating to construction of the Project to the District.

Section 4. Allocation of Construction Costs. The County shall be responsible for all of the construction costs (such costs, "Construction Costs") related to the Sewer Line Project (the "Sewer Line Construction Costs"). The District shall be responsible for all of the Construction Costs related to the Water Line Project (the "Water Line Construction Costs"), as generally shown on Exhibit C. The District shall be responsible for its construction oversight engineering services costs related to the Water Line Project, which shall be billed to the District pursuant to separate documentation between the District and the District's engineer.

Section 5. Payments. Prior to award of the construction contract related to the Water Line Project, the District will pay to the County the estimated amount of Water Line Construction Costs as shown on Exhibit C. The County agrees that the District's funds paid pursuant to this Section 5 will be used only for purposes of making payment for Water Line Construction Costs.

Section 6. Pay Estimates and Construction Services. The County has the right to approve or deny all pay applications, change orders and requests for extensions of time, and shall pay all valid pay applications issued under the applicable construction contract(s) for the Project. The County will promptly notify the District in writing of any change order that increases the costs associated with the Water Line Project, in order to obtain the approval of the District, which shall not be unreasonably withheld, conditioned, or delayed. In the event that the Project is prosecuted pursuant to a construction contract that contemplates both the Water Line Project and the Sewer Line

Project, the County will annotate each pay estimate in order to reflect each Party's share of payment under the applicable invoice.

Section 7. Accounting of Construction Costs. The County agrees to cause a final accounting of Construction Costs upon final completion of any construction contract related the Project. In the event that the final applicable Construction Costs, as adjusted for final quantities and properly approved change orders, results in funds that should be refunded to the District in accordance with the cost allocations set forth in the Agreement, the County shall refund to the District any such funds within 60 calendar days of final completion under the applicable construction contract. If the final project costs under such construction contract, as adjusted for final quantities and properly approved change orders, exceed the amounts paid by District for its share of the applicable Construction Costs in accordance with this Agreement, the County may issue an additional invoice to the District for any such costs, which shall be payable by the District within 45 calendar days of receipt of the invoice.

<u>Section 8</u>. <u>Ownership, Operation and Maintenance</u>. By entering into this Agreement, the County is not assuming any maintenance, ownership, or operation for the improvements contemplated by the Project once completed. It is anticipated that District will continue to maintain the improvements contemplated by the Project.

Section 9. Covenant to Prepare Real Property Documentation for Water Line Project. The District agrees to pay an amount in cash equal to \$5,000.00 to the County within 45 days of the Effective Date in consideration of the preparation by the County of a legal description for a customary District water line easement to be recorded by the District and mutually approved by the Parties in connection with the Water Line Project. The County shall provide such a legal description to the District within 45 calendar days of the Effective Date. The Parties shall collaborate in good faith to incorporate any reasonable comments of the District's engineer to such legal description and to otherwise effectuate the recording of such easement in the real property records of Fort Bend County. In addition, the County, at its expense, will prepare a legal description for a customary District sanitary sewer line easement to be recorded by the District and mutually approved by the Parties in connection with the Sewer Line Project.

<u>Section 10</u>. <u>Notice</u>. All notices, requests, demands, and other communications under this Agreement shall be given by (i) electronic mail, (ii) overnight courier or (iii) hand delivery addressed as follows:

If to the County: Fort Bend County

301 Jackson, 4th Floor Richmond, TX 77469 Attn: Ike Akinwande, PE

Email: ike.akinwande@fbctx.gov

If to the District: Fort Bend County Municipal Utility District No. 50

c/o Allen Boone Humphries Robinson LLP

3200 Southwest Freeway, Suite 2600

Houston, Texas 77027 Attn: Christina Miller Email: CMiller@abhr.com

Section 11. <u>Termination of Agreement</u>. This Agreement is to remain in full force and effect unless terminated by mutual agreement of the Parties, or upon the expiration of all rights and obligations of the Parties related to the Project.

Section 12. Entire Agreement; Modification. This Agreement, including the exhibits that are attached hereto and incorporated herein for all purposes, constitutes the entire agreement between the Parties concerning the matters contemplated herein. 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 both of the Parties.

<u>Section 13.</u> <u>Parties in Interest.</u> This Agreement shall be for the sole and exclusive benefit of the Parties and shall not be construed to confer any benefit or right upon any other person.

Section 14. 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.

<u>Section 15</u>. <u>Further Assurances</u>. In connection with this Agreement, as well as all transactions contemplated by this Agreement, each Party agrees to take all actions and execute (and acknowledge, if requested) and deliver all documents and instruments as may be necessary or appropriate to effectuate, perform and fully carry out the purposes, intent, terms, conditions, and provisions of this Agreement and the transactions contemplated herein.

<u>Section 16</u>. <u>Counterparts</u>. This Agreement may be executed in any number of counterparts with the same effect as if the Parties signed the same document. All counterparts shall be construed together and shall constitute one and the same instrument.

<u>Section 17</u>. <u>Applicable Law</u>. This Agreement shall be governed and construed in accordance with the laws of the State of Texas. Venue shall be in Fort Bend County.

<u>Section 18.</u> <u>Effective Date</u>. This Agreement will be effective as of the date first written above.

[EXECUTION PAGES FOLLOW]

IN WITNESS WHEREOF, the Parties have executed this Agreement to be effective on the date signed by the last Party hereto.

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 50

By:

Name: Graig Lewis

Title President, Board of Directors

FORT BEND COUNTY

EXHIBIT "A" DEPICTION OF WATER LINE PROJECT

See attached.

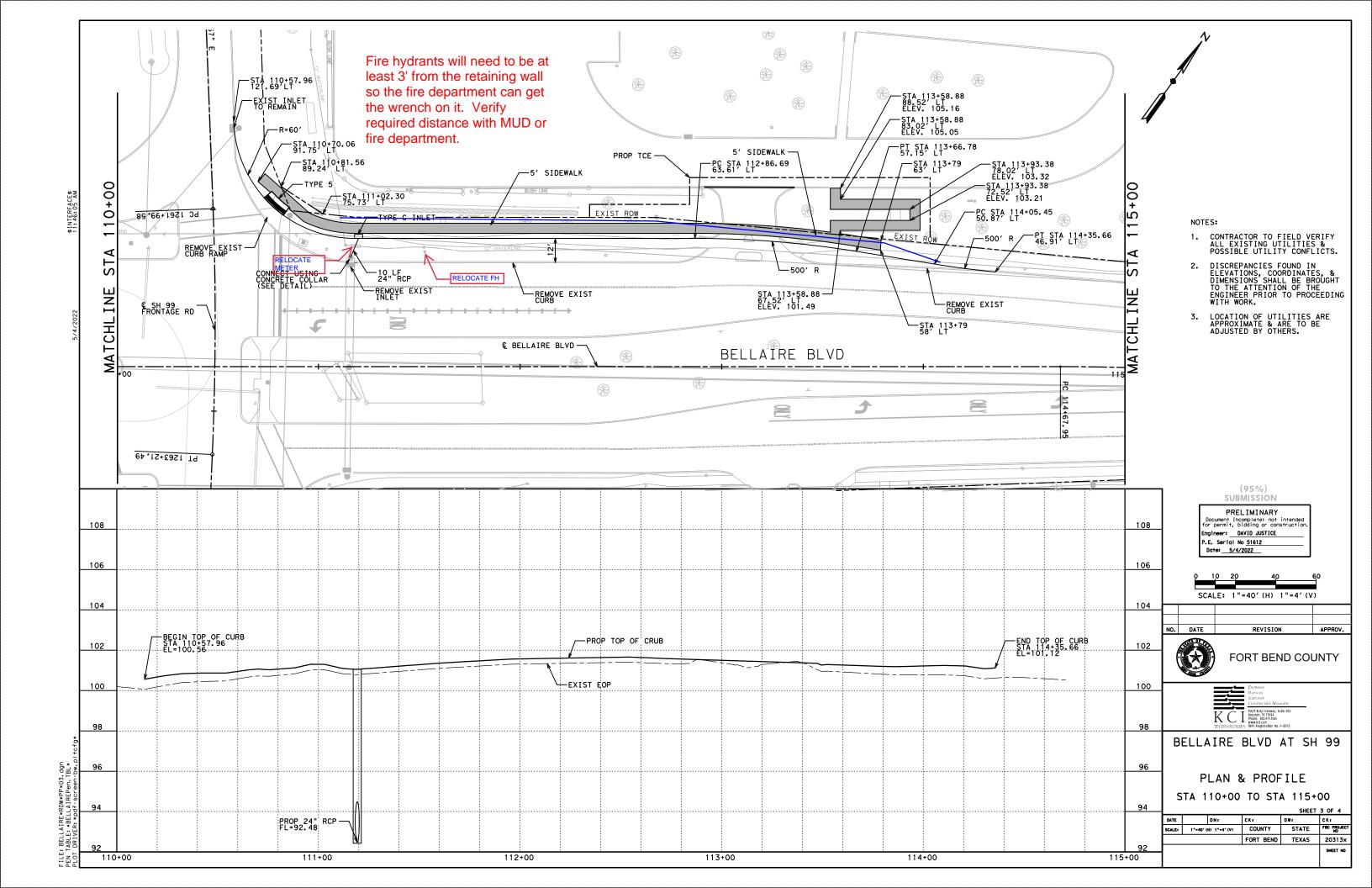


EXHIBIT "B" DEPICTION OF SEWER LINE PROJECT

See attached.

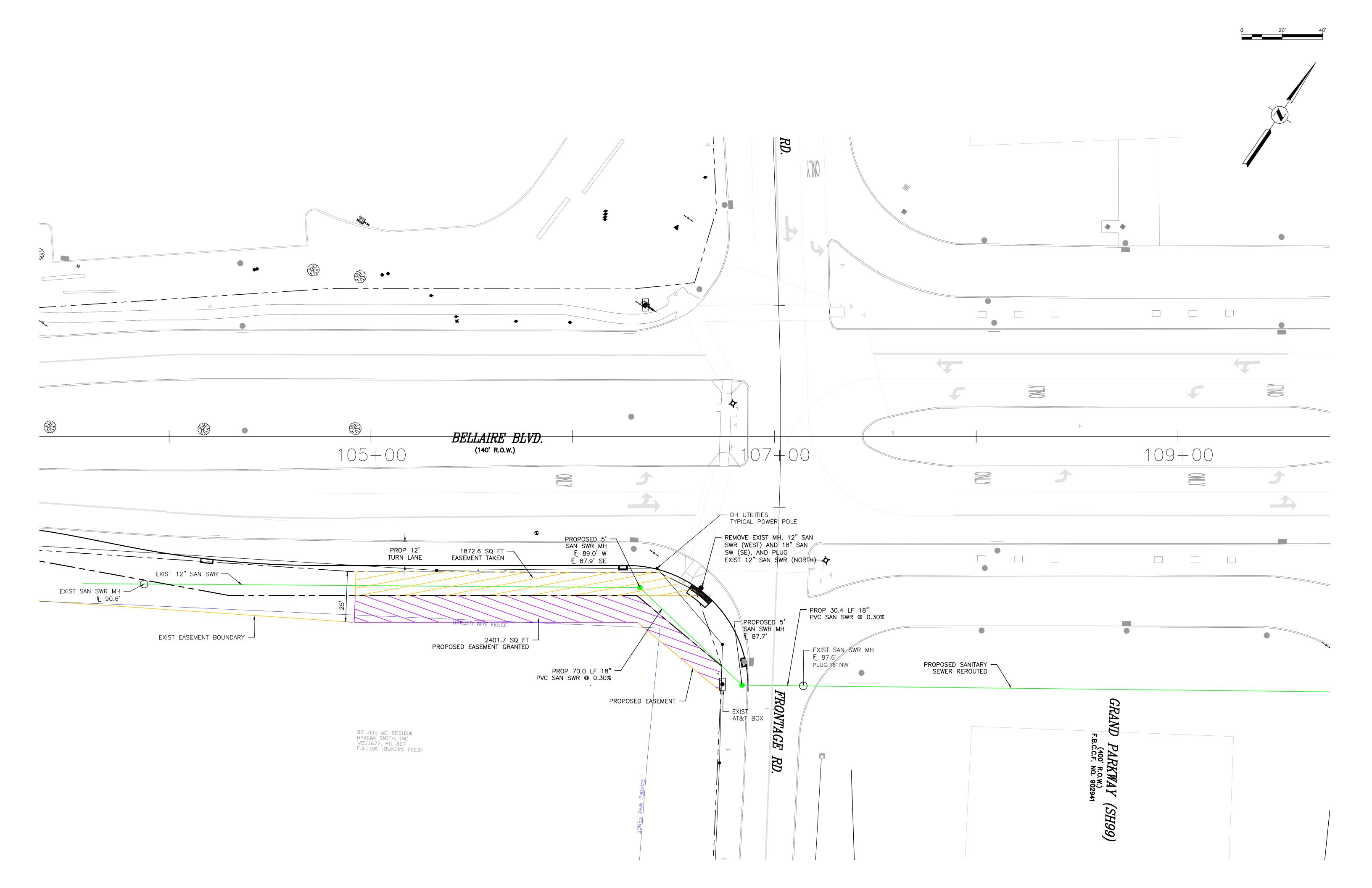


EXHIBIT "C" COST ALLOCATION

See attached.

EXHIBIT "C"- ESTIMATED CONSTRUCTION COSTS

Item	Spec	Unit	Quantity	Unit Cost	Total
12" C-900 PVC DR-18, Class 150 Waterline, installed under sidewalk, including tracer wire, fiiting, and valves.	СОН 2511	LF	350	\$100.00	\$35,000.00
1" Service Line, short side	COH 2512	EA	1	\$900.00	\$900.00
12" Wet Connection	COH 2513	EA	2	\$1,500.00	\$3,000.00
12" Cut, Plug and Abandon	COH 2516	EA	2	\$750.00	\$1,500.00
Fire Hydrant Assembly	COH 2520	EA	1	\$6,000.00	\$6,000.00
Fire Hydrant, Salvage and return to the MUD	СОН 2520	EA	1	\$500.00	\$500.00
1" Irrigation Backflow Preventer	COH 2523	EA	1	\$3,000.00	\$3,000.00
Waterline Testing and Inspection	COH 2525	LS	1	\$4,000.00	\$4,000.00
1" Meter	COH 2526	EA	1	\$1,500.00	\$1,500.00

\$55,400.00

10% Contingency

\$5,540.00

\$60,940.00