



## **Notice of Public Hearing and Special Meeting The Board of Trustees Lago Vista ISD**

---

A regular meeting of the Board of Trustees of Lago Vista ISD will be held on August 28, 2012, beginning at 6:00 PM in the Board Room in Viking Hall, 8039 Bar K Ranch Road, Lago Vista, Texas 78645.

The subjects to be discussed or considered or upon which any formal action may be taken are as listed below. Items do not have to be taken in the order shown on this meeting notice.

---

1. Invocation
2. Welcome visitors/public participation /Recognition
3. Public Hearing for Proposed Budget and Tax Rate for SY 12-13
4. Proposed Budget for SY 12-13
5. Adoption of tax rate for SY 12-13
6. Budget Amendments for SY 11-12
7. Cancel November Board of Trustee Election
8. Interlocal Agreement with City of Lago Vista
9. Closed Session: Personnel Matters
10. Superintendent Contract and Assistant Superintendent Compensation
11. Adjourn

*If, during the course of the meeting, discussion of any item on the agenda should be held in a closed meeting, the Board will conduct a closed meeting in accordance with the Texas Open Meetings Act, Government Code, Chapter 551, Subchapters D and E. Before any closed meeting is convened, the presiding officer will publicly identify the section or sections of the Act authorizing the closed meeting. All final votes, actions, or decisions will be taken in open meeting.*

---

Matt Underwood  
Superintendent

---

Date

**Difference Expenditure Report By Function / Major Object  
Using NY Recommended and TY Amend Budget**

Func	Description	Payroll Costs 6100	Contracted Services 6200	Supplies & Materials 6300	Other Oper Expenses 6400	Debt Service 6500	Capital Outlay 6600	Other Uses 8900	Total
11	INSTRUCTION								
	NY Recommended	5,799,785	119,950	381,190	22,975	0	7,000	0	6,330,900
	TY Amend Budget	5,777,303	138,875	164,365	20,475	0	0	0	6,101,018
	Difference	22,482	-18,925	216,825	2,500	0	7,000	0	229,882
12	LIBRARY								
	NY Recommended	119,073	6,300	25,500	1,280	0	0	0	152,153
	TY Amend Budget	122,276	5,250	26,550	1,280	0	0	0	155,356
	Difference	-3,203	1,050	-1,050	0	0	0	0	-3,203
13	CURRICULUM								
	NY Recommended	0	17,500	3,250	18,875	0	0	0	39,625
	TY Amend Budget	0	10,000	3,000	13,125	0	0	0	26,125
	Difference	0	7,500	250	5,750	0	0	0	13,500
21	INSTRUCTIONAL ADMINISTRATION								
	NY Recommended	167,192	1,600	2,000	2,000	0	0	0	172,792
	TY Amend Budget	171,290	1,569	12,000	2,031	0	0	0	186,890
	Difference	-4,098	31	-10,000	-31	0	0	0	-14,098
23	CAMPUS ADMINISTRATION								
	NY Recommended	689,586	625	7,625	6,905	0	0	0	704,741
	TY Amend Budget	679,366	625	8,625	6,905	0	0	0	695,521
	Difference	10,220	0	-1,000	0	0	0	0	9,220
31	GUIDANCE AND COUNSELING SVS								
	NY Recommended	324,697	8,250	8,625	6,175	0	0	0	347,747
	TY Amend Budget	320,642	9,150	7,725	6,175	0	0	0	343,692
	Difference	4,055	-900	900	0	0	0	0	4,055
33	HEALTH SERVICES								
	NY Recommended	60,623	0	2,500	250	0	0	0	63,373
	TY Amend Budget	72,406	0	2,500	250	0	0	0	75,156
	Difference	-11,783	0	0	0	0	0	0	-11,783
34	PUPIL TRANSPORTATION-REGULAR								
	NY Recommended	0	275,000	70,000	150	0	0	0	345,150
	TY Amend Budget	0	265,000	60,000	150	0	0	0	325,150
	Difference	0	10,000	10,000	0	0	0	0	20,000
36	CO-CURRICULAR ACTIVITIES								
	NY Recommended	229,327	62,950	98,150	162,535	0	0	0	552,962
	TY Amend Budget	234,773	86,200	96,660	147,495	0	0	0	565,128
	Difference	-5,446	-23,250	1,490	15,040	0	0	0	-12,166
41	GENERAL ADMINISTRATION								
	NY Recommended	382,400	89,950	9,750	46,800	0	0	0	528,900
	TY Amend Budget	389,496	78,450	10,250	40,000	0	0	0	518,196
	Difference	-7,096	11,500	-500	6,800	0	0	0	10,704
51	PLANT MAINTENANCE & OPERATION								
	NY Recommended	153,982	765,000	63,000	50,350	0	0	0	1,032,332
	TY Amend Budget	206,159	765,000	68,000	40,350	0	0	0	1,079,509
	Difference	-52,177	0	-5,000	10,000	0	0	0	-47,177

Difference Expenditure Report By Function / Major Object  
 Using NY Recommended and TY Amend Budget

Func	Description	Payroll Costs 6100	Contracted Services 6200	Supplies & Materials 6300	Other Oper Expenses 6400	Debt Service 6500	Capital Outlay 6600	Other Uses 8900	Total
52 SECURITY									
	NY Recommended	0	10,000	250	0	0	0	0	10,250
	TY Amend Budget	0	10,000	0	0	0	0	0	10,000
	Difference	0	0	250	0	0	0	0	250
53 DATA PROCESSING									
	NY Recommended	144,919	47,732	12,000	1,000	0	0	0	205,651
	TY Amend Budget	162,775	67,350	20,000	1,000	0	0	0	251,125
	Difference	-17,856	-19,618	-8,000	0	0	0	0	-45,474
61 COMMUNITY SERVICES									
	NY Recommended	3,000	0	0	0	0	0	0	3,000
	TY Amend Budget	6,867	0	0	0	0	0	0	6,867
	Difference	-3,867	0	0	0	0	0	0	-3,867
71 DEBT SERVICES									
	NY Recommended	0	0	0	0	155,000	0	0	155,000
	TY Amend Budget	0	0	0	0	155,000	0	0	155,000
	Difference	0	0	0	0	0	0	0	0
81 CAPITAL PROJECTS									
	NY Recommended	0	0	0	0	0	120,000	0	120,000
	TY Amend Budget	0	0	0	0	0	395,000	0	395,000
	Difference	0	0	0	0	0	-275,000	0	-275,000
91 CHAPTER 41 PAYMENT									
	NY Recommended	0	4,756,079	0	0	0	0	0	4,756,079
	TY Amend Budget	0	5,885,132	0	0	0	0	0	5,885,132
	Difference	0	-1,129,053	0	0	0	0	0	-1,129,053
99 PAYMENT TO OTHER GOVERN ENT									
	NY Recommended	0	90,000	0	0	0	0	0	90,000
	TY Amend Budget	0	70,000	0	0	0	0	0	70,000
	Difference	0	20,000	0	0	0	0	0	20,000
<b>Sub Totals</b>									
	<b>NY Recommended</b>	<b>8,074,584</b>	<b>6,250,936</b>	<b>683,840</b>	<b>319,295</b>	<b>155,000</b>	<b>127,000</b>	<b>0</b>	<b>15,610,655</b>
	<b>TY Amend Budget</b>	<b>8,143,353</b>	<b>7,392,601</b>	<b>479,675</b>	<b>279,236</b>	<b>155,000</b>	<b>395,000</b>	<b>0</b>	<b>16,844,865</b>
	<b>Difference</b>	<b>-68,769</b>	<b>-1,141,665</b>	<b>204,165</b>	<b>40,059</b>	<b>0</b>	<b>-268,000</b>	<b>0</b>	<b>-1,234,210</b>
00 Other Uses									
	NY Recommended	0	0	0	0	0	0	0	0
	TY Amend Budget	0	0	0	0	0	0	0	0
	Difference	0	0	0	0	0	0	0	0
<b>Final Totals</b>									
	<b>NY Recommended</b>	<b>8,074,584</b>	<b>6,250,936</b>	<b>683,840</b>	<b>319,295</b>	<b>155,000</b>	<b>127,000</b>	<b>0</b>	<b>15,610,655</b>
	<b>TY Amend Budget</b>	<b>8,143,353</b>	<b>7,392,601</b>	<b>479,675</b>	<b>279,236</b>	<b>155,000</b>	<b>395,000</b>	<b>0</b>	<b>16,844,865</b>
	<b>Difference</b>	<b>-68,769</b>	<b>-1,141,665</b>	<b>204,165</b>	<b>40,059</b>	<b>0</b>	<b>-268,000</b>	<b>0</b>	<b>-1,234,210</b>

End of Report

Total Estimated Revenues by Fund, Function

711/3 LITTLE VIKINGS DAYCARE

Function	Description	Recommended	
		Estimated Revenues	Percent of Total Fund
00	DISTRICT WIDE	116,825.00	100.00%
<b>711/3 Total</b>		<b>116,825.00</b>	<b>100.00%</b>
<b>Total Estimated Revenue</b>		<b>116,825.00</b>	

Total Appropriations by Fund, Function

711/3 LITTLE VIKINGS DAYCARE

Function	Description	Recommended	
		Appropriations	Percent of Total Fund
61	COMMUNITY SERVICES	116,825.00	100.00%
<b>711/3 Total</b>		<b>116,825.00</b>	<b>100.00%</b>
<b>Total Appropriations</b>		<b>116,825.00</b>	
<b>End of Report</b>			

Total Estimated Revenues by Fund, Function

199/3 GENERAL FUND

Function	Description	Recommended	
		Estimated Revenues	Percent of Total Fund
00	DISTRICT WIDE	15,610,655.00	100.00%
<b>199/3 Total</b>		<b>15,610,655.00</b>	<b>100.00%</b>
<b>Total Estimated Revenue</b>		<b>15,610,655.00</b>	

Total Appropriations by Fund, Function

199/3 GENERAL FUND

Function	Description	Recommended	
		Appropriations	Percent of Total Fund
00	DISTRICT WIDE	.00	.00%
11	INSTRUCTION	6,330,900.00	40.55%
12	LIBRARY	152,153.00	.97%
13	CURRICULUM	39,625.00	.25%
21	INSTRUCTIONAL	172,792.00	1.11%
23	CAMPUS ADMINISTRATION	704,741.00	4.51%
31	GUIDANCE AND COUNSELING	347,747.00	2.23%
33	HEALTH SERVICES	63,373.00	.41%
34	PUPIL TRANSPORTATION-	345,150.00	2.21%
36	CO-CURRICULAR ACTIVITIES	552,962.00	3.54%
41	GENERAL ADMINISTRATION	528,900.00	3.39%
51	PLANT MAINTENANCE &	1,032,332.00	6.61%
52	SECURITY	10,250.00	.07%
53	DATA PROCESSING	205,651.00	1.32%
61	COMMUNITY SERVICES	3,000.00	.02%
71	DEBT SERVICES	155,000.00	.99%
81	CAPITAL PROJECTS	120,000.00	.77%
91	CHAPTER 41 PAYMENT	4,756,079.00	30.47%
99	PAYMENT TO OTHER	90,000.00	.58%

199/3 Total 15,610,655.00 100.00%

Total Appropriations 15,610,655.00

End of Report

Total Estimated Revenues by Fund, Function

240/3 SCHOOL BRKFST & LUNCH PROGRAM

Function	Description	Recommended	
		Estimated Revenues	Percent of Total Fund
00	DISTRICT WIDE	602,545.00	100.00%
<b>240/3 Total</b>		<b>602,545.00</b>	<b>100.00%</b>
<b>Total Estimated Revenue</b>		<b>602,545.00</b>	



Total Appropriations by Fund, Function

240/3 SCHOOL BRKFST & LUNCH PROGRAM

Function	Description	Recommended	
		Appropriations	Percent of Total Fund
35	FOOD SERVICES	602,545.00	100.00%
<b>240/3 Total</b>		<b>602,545.00</b>	<b>100.00%</b>
<b>Total Appropriations</b>		<b>602,545.00</b>	
<b>End of Report</b>			

Total Estimated Revenues by Fund, Function

599/3 DEBT SERVICE FUND

Function	Description	Recommended	
		Estimated Revenues	Percent of Total Fund
00	DISTRICT WIDE	3,483,910.00	100.00%
<b>599/3 Total</b>		<b>3,483,910.00</b>	<b>100.00%</b>
<b>Total Estimated Revenue</b>		<b>3,483,910.00</b>	

Total Appropriations by Fund, Function

599/3 DEBT SERVICE FUND

Function	Description	Recommended	
		Appropriations	Percent of Total Fund
71	DEBT SERVICES	3,483,910.00	100.00%
<b>599/3 Total</b>		<b>3,483,910.00</b>	<b>100.00%</b>
<b>Total Appropriations</b>		<b>3,483,910.00</b>	
<b>End of Report</b>			

Total Estimated Revenues by Fund, Function

698/3 CONSTRUCTION 2012

Function	Description	Recommended	
		Estimated Revenues	Percent of Total Fund
00	DISTRICT WIDE	.00	.00%
<b>698/3 Total</b>		<b>.00</b>	<b>.00%</b>
<b>Total Estimated Revenue</b>		<b>.00</b>	

Total Appropriations by Fund, Function

698/3 CONSTRUCTION 2012

Function	Description	Recommended	
		Appropriations	Percent of Total Fund
71	DEBT SERVICES	.00	.00%
81	CAPITAL PROJECTS	28,092,652.49	100.00%
<b>698/3 Total</b>		<b>28,092,652.49</b>	<b>100.00%</b>
<b>Total Appropriations</b>		<b>28,092,652.49</b>	
<b>End of Report</b>			



## ORDINANCE TO SET TAX RATE

August 28, 2012

On this date, we, the Board of Trustees of Lago Vista Independent School District, hereby levy or set the tax rate on \$100 valuation for the District for the tax year 2012-2013 at a total tax rate of **\$1.32**, to be assessed and collected by the duly specified assessor and collector as follows:

**\$1.04** for the purpose of maintenance and operation, and

**\$0.28** for the purpose of payment of principal and interest on debts.

Such taxes are to be assessed and collected by the tax officials designated by the District.

IN CERTIFICATION THEREOF:

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

Attest: \_\_\_\_\_  
Secretary

<b>Lago Vista ISD</b>				
<b>Budget Amendments</b>				
<b>2011-2012</b>				
<b>AMENDMENT #5</b>				
<b>Fund 599</b>				
<b>Account Code</b>	<b>Description</b>	<b>Budget</b>	<b>Amendment</b>	<b>New Balance</b>
599-00-5742-00-000-200-000	I & S Interest	\$ 3,000.00	\$ 800.00	\$ 3,800.00
				\$ -
599-71-6599-00-999-299-000	Debt Service Fees	\$ 1,200.00	\$ 800.00	\$ 2,000.00
599-00-3480-00-000-200-000	Fund Balance Restriced for Debt Service	\$601,774.00	(\$80,000.00)	\$521,774.00
599-00-3700-00-000-200-000	Budgetary Fund Balance	\$0.00	\$80,000.00	\$80,000.00
Explanation:				
Fees associated with the Bonds in 2011 and 2012 were not originally budgeted.				
Will need to approve approximately \$80,000 out of Fund balance to make up the difference in tax collections.				

<b>Lago Vista ISD</b>				
<b>Budget Amendments</b>			8/28/2012	
<b>2011-2012</b>				
<b>AMENDMENT #6</b>				
<b>Fund 698</b>				
<b>Account Code</b>	<b>Description</b>	<b>Budget</b>	<b>Amendment</b>	<b>New Balance</b>
698-00-5742-00-999-200-000	Interest Contruction 2012	\$ -	\$ 24,000.00	\$ 24,000.00
698-00-5742-01-000-200-000	Interest Construction 2012 Wells Fargo	\$ -	\$ 14,000.00	\$ 14,000.00
				\$ -
				\$ -
				\$ -
				\$ -
		\$ -		\$ -
Explanation:				
No amount was budgeted for interest on the Bond 2011-2012 accounts.				



<b>Lago Vista ISD</b>				
<b>Budget Amendments</b>			8/28/2012	
<b>2011-2012</b>				
<b>AMENDMENT #7</b>				
<b>Fund 240</b>				<b>New</b>
<b>Account Code</b>	<b>Description</b>	<b>Budget</b>	<b>Amendment</b>	<b>Balance</b>
240-35-6219-00-999-299-000	Contracted Services	\$ 507,093.00	\$ 47,603.00	\$ 554,696.00
240-35-6344-00-999-299-000	Commodities	\$ 23,750.00	\$ 4,000.00	\$ 27,750.00
			\$ 51,603.00	\$ 51,603.00
				\$ -
240-00-5751-00-000-200-000	Revenue - Sales	\$ 329,884.00	\$ (6,397.00)	\$ 323,487.00
240-00-5922-00-000-200-000	National School Lunch Program	\$ 135,792.00	\$ 45,000.00	\$ 180,792.00
240-00-5921-00-000-200-000	School Breakfast Program	\$ 38,212.00	\$ 9,000.00	\$ 47,212.00
240-00-5923-00-000-200-000	Commodities	\$ 23,750.00	\$ 4,000.00	\$ 27,750.00
		\$ -	\$ 51,603.00	\$ 51,603.00
Explanation:				
Adjusting to reflect actual numbers.				
Expect sales to be below budget.				
Breakeven cost to Sodexo approximately		\$25,000-\$30,000		

<b>Lago Vista ISD</b>				
<b>Budget Amendments</b>				8/28/2012
<b>2011-2012</b>				
<b>AMENDMENT #8</b>				
<b>Fund 199</b>				<b>New</b>
<b>Account Code</b>	<b>Description</b>	<b>Budget</b>	<b>Amendment</b>	<b>Balance</b>
199-00-5745-00-000-200-000	Insurance Recovery	\$ -	\$ 68,000.00	\$ 68,000.00
				\$ -
199-13-6499-00-101-211-000	Elementary Staff Development	\$ 5,125.00	\$ 3,000.00	\$ 8,125.00
199-34-6219-00-940-223-000	Special Ed Transportation	\$ 65,000.00	\$ 10,000.00	\$ 75,000.00
199-34-6311-00-940-299-000	Gas & Oil	\$ 60,000.00	\$ 10,000.00	\$ 70,000.00
199-36-6119-00-820-291-000	Salaries	\$ 180,000.00	\$ 10,000.00	\$ 190,000.00
199-36-6218-08-820-291-000	Contracted Baseball Coach	\$ -	\$ 6,200.00	\$ 6,200.00
199-36-6399-01-820-291-000	Athletic Supplies	\$ 23,510.00	\$ 10,000.00	\$ 33,510.00
199-36-6219-01-820-291-000	Officials	\$ 6,500.00	\$ 1,500.00	\$ 8,000.00
199-41-6211-00-701-299-000	Legal Services	\$ 15,000.00	\$ 11,000.00	\$ 26,000.00
199-41-6499-01-750-299-000	Newspaper Notices	\$ 2,000.00	\$ 6,300.00	\$ 8,300.00
			\$ 68,000.00	
Explanation:				
Train Reading Specialist @ Elementary				
Transportation costs more than anticipated				
Cost of fuel				
Change in personnel throughout year.				
Replenish supplies lost in fire				
Cost of officials increased				
Legal Services need increased				
No LOG				

## **Order of Cancellation** *(Orden de Cancelación)*

The Lago Vista ISD Board of Trustees hereby cancels the Election scheduled to be held on November 6, 2012 in accordance with Section 2.053(a) of the Texas Election Code. The following candidates have been certified as unopposed and are hereby elected as follows:

*Vista del Lago ISD Junta de Síndicos la presente cancela la elección que se celebrará el 6 de noviembre 2012 de conformidad con la Sección 2.053 (a) del Código de Elecciones de Texas. Los siguientes candidatos han sido certificados como sin oposición y se eligió como sigue:*

<u>Candidate</u>	<u>Office Sought</u>
David Scott 2406 Farragret Cove Lago Vista, TX 78645	Place Seven (6) Lago Vista ISD Board of Trustees
Stacy Eleuterius 5609 Lakeshore Drive Lago Vista, TX 78645	Place Seven (7) Lago Vista ISD Board of Trustees

A copy of this order will be posted on Election Day at each polling place that would have been used in the election.

*El Dia de las Elecciones se exhibirá una copia de esta orden en todas las mesas electorales que se hubieran utilizado en la elección.*

\_\_\_\_\_  
President *(Presidente)*

\_\_\_\_\_  
Secretary *(Secretario)*

\_\_\_\_\_  
*Date of adoption (Fecha de adopción)*

**INTERLOCAL AGREEMENT REGARDING CONSTRUCTION OF WATER  
AND WASTEWATER SYSTEM IMPROVEMENTS**

**THE STATE OF TEXAS**                   §  
   §  
**COUNTY OF TRAVIS**                   §

This Interlocal Agreement Regarding Construction of Water and Wastewater System Improvements (this “Agreement”) is entered into as of the Effective Date, by and between the **City of Lago Vista**, a home rule municipal corporation of the State of Texas (the “City”) and the **Lago Vista Independent School District**, an independent school district and a political subdivision of the State of Texas (“LVISD”) [contingent upon the Parties also entering into a Joint Facilities Use Agreement.](#)

Recitals

A. WHEREAS, the City is a political subdivision of the State of Texas and the owner of certain water and wastewater facilities that it utilizes to provide water service to its retail and wholesale customers, including LVISD; and

B. WHEREAS, LVISD owns that approximate 101-acre tract of land located in Travis County being more particularly described in **Exhibit “A”** (the “Property”) attached hereto on which it proposes to construct a high school and related facilities; and

C. WHEREAS, the Parties desire to enter into this Agreement pursuant to the Interlocal Cooperation Act in order to set forth the terms and conditions pursuant to which the Parties will provide for the design, construction and payment of improvements to facilities necessary for the City to expand its retail water and wastewater service to LVISD to include the Property; and

D. WHEREAS, the Parties have agreed to enter into a Joint Facilities Use Agreement allowing the City to make available additional funds from the City’s Park Fund to LVISD.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereafter set forth, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

**I.  
DEFINITIONS**

When used in this Agreement, the following terms will have the meanings set forth below:

1.1 “Agreement” means this Interlocal Agreement Regarding Construction of Water and Wastewater System Improvements.

- 1.2 “County” means Travis County, Texas.
- 1.3 “Effective Date” means the last day of execution of this Agreement by all parties hereto.
- 1.4 “Internal Easement” means the easement within the Property to be conveyed by LVISD to the City as more particularly described in Section 6.1 of this Agreement.
- 1.5 “Internal Facilities” means the internal domestic water and wastewater infrastructure to be constructed, owned, operated and maintained by LVISD within the Property. The Internal Facilities shall include all facilities and equipment required to connect the Internal Facilities to the Point of Delivery Meters. The Internal Facilities shall be owned and maintained by LVISD.
- 1.6 “Fire Loop” means the internal water line specific for the provision of fire protection. The Fire Loop will be connected directly to the 16-inch water line. The design and construction of the Fire Loop will be the responsibility of LVISD. Upon completion, LVISD will dedicate the Fire Loop and associated easement to the City. The City will then be responsible for the maintenance and operation of the Fire Loop.
- 1.7 “Notice and Opportunity to Cure” refers to the notice and cure procedures set forth in Section 8.4 of this Agreement.
- 1.8 “Water and Wastewater System Improvements” means, collectively, the improvements to be designed and constructed by or on behalf of the City as close as possible to the new LVISD High School building and generally consisting of a four hundred thousand (400,000) gallon elevated water storage tank, approximately 4,370 linear feet of 16-inch water line to connect the elevated water tank to the City’s existing 16-inch water line, and 750 linear feet of 4-inch sanitary sewer force main necessary to service the new High School, and related facilities, equipment and appurtenances, as more particularly depicted in **Exhibit “A”**.
- 1.9 “Water and Wastewater System Improvements Costs” means the costs of the elevated water tank, transmission line and sanitary sewer force main, including, without limitation, all costs of design, engineering, materials, labor, construction, and testing arising in connection with the Water and Wastewater System Improvements; all payments arising under any contracts entered into by or on behalf of the City for the construction of the Water and Wastewater System Improvements; all costs incurred by the City in connection with obtaining governmental approvals, certificates, or permits required as a part of the construction of the Water and Wastewater System Improvements; and all out-of-pocket expenses incurred by the City in connection with the design and construction of the Water and Wastewater System Improvements.
- 1.10 “Point of Delivery Meters” means the meters at which the transmission line and sanitary sewer force main will connect to the Internal Facilities, which meters shall also be the point of delivery at which the City shall provide retail water and wastewater service to the Property.
- 1.11 “Property” means that approximate 101- acre tract of land located in Travis County being more particularly described in **Exhibit “A”** attached hereto.

## II. PROVISION OF RETAIL WATER AND WASTEWATER SERVICES

2.1 **Service.** The City agrees to provide retail water and wastewater service to the Property in accordance with and subject to the terms and conditions of the existing agreement between the Parties for such service, the City's standard rules and policies, and the applicable laws and regulations of the State of Texas. The City acknowledges that time is of the essence, and understands that the availability of potable water and wastewater service is necessary for the intended use of the Property as a high school. The City anticipates that the Water and Wastewater System Improvements will be completed, and retail water and wastewater service available to the Property, by on or before the project completion date of **March 1, 2014**.

2.2 **Fire Flow.** It shall be the responsibility of the City to acquire approval of from any local, state, or federal regulatory authorities regarding the adequacy of fire protection for the Property, including the local fire marshal.

## III. INTERNAL FACILITIES

3.1 **General.** All domestic water distribution facilities, equipment and appurtenances located on the customer side of the Point of Delivery Meters will be owned by LVISD, and the City shall have no responsibility for ownership, operation, or maintenance of such facilities.

3.2 **Design of Internal Facilities and Fire Loop.** All physical facilities to be constructed or acquired as a part of the Internal Facilities and Fire Loop will be designed by a qualified registered professional engineer selected by LVISD. The Internal Facilities and Fire Loop shall be designed so as to provide continuous and adequate service within the Property and so as to ensure their compatibility with the City's connections. LVISD shall submit the proposed plans and specifications for the Internal Facilities, the Point of Delivery Meters and Fire Loop to the City for review and prompt approval, which shall not be unreasonably delayed or denied, prior to commencement of construction, so that the City may confirm the size and type of the Point of Delivery Meters, ensure the proposed facilities are compatible with the City System, and ensure that such facilities will not result in a cross-connection or potential hazard to the purity of the City's water supply.

3.3 **Cost of Internal Facilities and Fire Loop.** LVISD shall be responsible for the costs of the Internal Facilities, the Point of Delivery Meters and Fire Loop, including, without limitation, all costs of design, engineering, materials, labor, construction and inspection arising in connection with the Internal Facilities; all payments arising under any contracts entered into by LVISD for the construction of the Internal Facilities and Fire Loop; all costs incurred by LVISD in connection with obtaining governmental approvals, certificates, permits, easements, rights-of-way, or sites required as a part of the construction of the Internal Facilities and Fire Loop; and all

out-of-pocket expenses incurred in connection with the construction of the Internal Facilities and Fire Loop.

3.4 **Cross-Connection and Backflow Prevention.** LVISD shall be responsible for installation, operation, maintenance and testing of all backflow prevention assemblies installed as part of the Internal Facilities. The proposed specifications for the backflow prevention assemblies shall be submitted to the City for review and prompt approval, which shall not be unreasonably delayed or denied. LVISD shall retain a properly licensed and qualified contractor to inspect and test the backflow prevention assemblies on an annual basis, and shall promptly provide a written copy of all test results to the City. LVISD acknowledges and agrees that City personnel shall have the right to inspect and test the backflow prevention assemblies to protect the City's water supply. Except in the event of emergencies, the City shall provide reasonable prior notice to LVISD of any such inspections, so that LVISD may have a representative observe any such inspections or testing.

3.5 **Domestic water supply and fire protection.** LVISD shall determine the point of connection(s) to the 16-inch PVC water line for purposes of domestic water supply and fire protection.

#### IV. WATER AND WASTEWATER SYSTEM IMPROVEMENTS

4.1 **General.** The City shall be responsible, in consultation with LVISD, for the design, construction, and installation of the Water and Wastewater System Improvements, including, but not limited to, acquisition of any required easements and any and all necessary offsite raw water pump improvements. The City shall provide LVISD a summary of estimated costs for the Water and Wastewater System Improvements no later than **July 31, 2012**.

4.2 **Tank site and access road.** LVISD shall perform site grading for the tank site and for the access road to the tank site. The City shall provide surface course for the access road and security for the tank site as required, pursuant to the City's rights and duties under the easement instrument attached hereto as **Exhibit B**.

4.3 **Cost of Water and Wastewater System Improvements.**

(a) LVISD will contribute to the Water and Wastewater System Improvements Costs a total of one million, ~~two hundred and fifty five hundred and seventy four~~ thousand ~~nine hundred and nineteen~~ dollars and no cents (\$1,~~574,919~~~~250,000~~.00). The City will contribute two hundred and eighty three thousand four hundred dollars and no cents (\$283,400). LVISD and City will share equally is responsible for any and all Water and Wastewater System Improvements Costs that exceed the contribution of LVISD and City set out in this subparagraph.

(b) The City will not be liable to any contractor, engineer, attorney, materialman or other party employed or contracted with in connection with the construction of the Internal Facilities and Fire Loop.

4.4 **Oversizing Costs.** In the event that the City oversizes any portion of the Water and Wastewater System Improvements beyond the sizes identified on **Exhibit “A”** attached hereto, the City will pay 100 percent of the costs and expenses of design and construction associated with such oversizing.

4.5 **Operation and Maintenance Responsibility.** The City will be responsible for ownership, operation and maintenance of the Water and Wastewater System Improvement and the resulting improvements to the City’s water and wastewater system.

4.6 **Records of Water and Wastewater System Improvements.** LVISD shall have the right to review and audit the City’s records related to design, construction and installation of the Water and Wastewater System Improvements, including the right to submit such records to design, engineering, and/or construction professionals designated by LVISD.

4.7 **Building Fees.** As additional consideration, the City shall waive any and all fees that would normally be associated with construction of the LVISD high school and Water and Wastewater System Improvements, including, but not limited to, any and all applicable zoning, platting, site development and building permit fees.

**V.  
REIMBURSEMENT FOR WATER AND WASTEWATER SYSTEM  
IMPROVEMENT COSTS**

5.1 **Subsequent User Fee.** The Parties agree that the Water and Wastewater System Improvements will include capacity to provide water service beyond that which is necessary to serve LVISD’s Property. The City agrees to reimburse LVISD from subsequent developer(s) or any subsequent users that utilize the transmission line and elevated water tank, in an amount equal to approximately seventy two percent (72%) LVISD’s total contribution. The 4” sanitary sewer force main is not subject to subsequent user fees. The City will remit payment thereof to LVISD in accordance with the following terms and conditions:

- (a) The City shall collect the subsequent user fees from developers or any subsequent users of property for which capacity in the transmission line and elevated water tank is used or useful;
- (b) The amount of pro rata reimbursement to be collected by the City from each developer or any subsequent users shall be calculated by the City in accordance with the applicable City Ordinance(s), as set forth in the formula attached as **Exhibit “C.”** Each subsequent user fee payment obligation shall be set forth in the nonstandard service agreement entered into by the City with each such subsequent users;
- (c) The City shall pay all subsequent user fees collected from users to LVISD within 60 days after collection of same;



- (d) The City's obligation to collect the subsequent user fee and remit payment to LVISD shall terminate when the total payments by the City pursuant to this subsection 5.1 of the Agreement;
- (e) It is the Parties' mutual intent that the subsequent user fee shall not be considered an impact fee as described in Section 395.001 of the Local Government Code; and
- (f) If for any reason it is found or asserted by a court, regulatory agency or other authority that the subsequent user fee is an unauthorized impact fee, or cannot be charged or collected as contemplated herein for any reason, or the City otherwise determines in good faith after the exercise of reasonable diligence that it cannot recover the subsequent user fee from any one or more subsequent developer(s), the Parties agree that the City shall terminate collection of the fee immediately, and the City shall immediately refund the balance of the sum paid by LVISD to LVISD.

## VI. REAL PROPERTY ACQUISITION

6.1 **Internal Easement.** LVISD shall convey to the City, at no cost to the City, an exclusive water line easement and a non-exclusive temporary construction easement, along the frontage of and within the Property necessary to extend the transmission line and construct the elevated water tank, as depicted in **Exhibits A and B**.

6.2 **Off-Site Real Property Interests.** The City is responsible for securing, at the sole cost and expense of the City, all easements or other real property interests required for construction of the Water and Wastewater System Improvements not constructed within the Property.

## VII. CONDITIONS, REPRESENTATIONS AND WARRANTIES

7.1 **Representations of LVISD.** LVISD acknowledges, represents and agrees that:

(a) LVISD is a political subdivision of the State of Texas and has the requisite power and authority to take all necessary action to execute and deliver this Agreement and to perform all obligations hereunder;

(b) Execution of this Agreement and the consummation of the transactions contemplated hereunder will not constitute an event of default under any contract, covenant or agreement binding upon it, and will not violate the provisions of the United States Constitution, the Texas Constitution, or any federal, state or local law, ordinance or regulation; and

(c) This Agreement is a contract for goods and services for purposes of Chapter 271, Subchapter I, of the Texas Local Government.

The City is executing this Agreement in reliance on each of the warranties and representations set forth above and each such representation and warranty will survive the execution and delivery of this Agreement and the consummation of the transactions contemplated by this Agreement.

**7.2 Representations of the City.** The City represents and warrants to LVISD that:

(a) The City is a municipality of the State of Texas, and has the requisite power and authority to take all necessary action to execute and deliver this Agreement and to perform all obligations hereunder;

(b) The execution, delivery and performance of this Agreement have been duly authorized by all necessary action on the part of the City and the person executing this Agreement on behalf of the City has been fully authorized and empowered to bind the City to the terms and provisions of this Agreement;

(c) This Agreement does not contravene any law or any governmental rule, regulation or order applicable to the City;

(d) The execution and delivery of this Agreement and the performance by the City of its obligations hereunder do not contravene the provisions of, or constitute a default under, the terms of any indenture, mortgage, contract, resolution, or other instrument to which the City is a party or by which the City is bound;

(e) This Agreement is a contract for goods and services for purposes of Chapter 271, Subchapter I, of the Texas Local Government; and

(f) The City shall provide more than sufficient water and wastewater service to the Property on or before **March 1, 2014**.

LVISD is executing this Agreement in reliance on each of the warranties and representations set forth above and each such representation and warranty of the City will survive the execution and delivery of this Agreement and the consummation of each of the transactions contemplated by this Agreement.

## **VIII. REMEDIES**

**8.1 City Remedies.** If LVISD fails or refuses to timely comply with any of its obligations hereunder, or if LVISD's representations, warranties or covenants contained herein are not true or have been breached, the City will have the right to enforce this Agreement by any remedy at law or in equity or under this Agreement to which it may be entitled; to terminate this Agreement; or to waive the applicable objection or condition.

**8.2 LVISD Remedies.** If the City fails or refuses to timely comply with its obligations hereunder, or if the City's representations, warranties or covenants contained herein are not true or have been breached, LVISD will have the right to enforce this Agreement by any remedy in

equity to which it may be entitled, including termination, or waive the applicable objection or condition.

**8.3 Waiver of Immunity.** The Parties acknowledge and agree that this Agreement is subject to Chapter 271, Subchapter I, of the Texas Local Government Code, and the limited waiver of sovereign immunity provided in that Subchapter. The Parties further hereby agree and expressly authorize the prevailing party in an adjudication brought pursuant to this Agreement to recover its reasonable and necessary attorney's fees in accordance with Chapter 271, Subchapter I, of the Texas Local Government Code. Nothing in this section shall be construed to limit, or constitute a waiver of, any Party's sovereign or governmental immunity to claims of liability raised by third persons, and each Party specifically retains all immunity from suit and from damages that it may otherwise be entitled to under the laws of the State of Texas.

**8.4 Notice and Opportunity to Cure.** If either Party (referred to herein as the "Defaulting Party") fails to comply with its obligations under this Agreement or is otherwise in breach or default under this Agreement (collectively, a "Default") then the other Party (referred to herein as the "Non-Defaulting Party") may not invoke any rights or remedies with respect to the Default until and unless: (i) the Non-Defaulting Party delivers to the Defaulting Party a written notice (the "Default Notice") which specifies all of the particulars of the Default and specifies the actions necessary to cure the Default; and (ii) the Defaulting Party fails to cure, within ten (10) days after the Defaulting Party's receipt of the Default Notice, any matters specified in the Default Notice which may be cured solely by the payment of money or the Defaulting Party fails to commence the cure of any matters specified in the Default Notice which cannot be cured solely by the payment of money within a reasonable period of time after the Defaulting Party's receipt of the Default Notice or fails to thereafter pursue curative action with reasonable diligence to completion.

**8.5 City's Duty to Refund to LVISD.** The City's duties pursuant to this Agreement, including financial duties, shall be expended prior to LVISD's financial duties. If the Water and Wastewater System Improvements should require less than budgeted, LVISD shall be immediately refunded the corresponding amount by the City.

## **IX. NOTICES**

**9.1 Addresses.** All notices hereunder from LVISD to the City will be sufficient if sent by certified mail or facsimile transmission with confirmation of delivery, addressed to the City to the attention of City Manager, 5803 Thunderbird, P.O. Box 4727, Lago Vista, Texas, 78645, facsimile: (512) 267-7070. All notices hereunder from the City or LVISD will be sufficiently given if sent by certified mail or facsimile transmission with confirmation of delivery, addressed to LVISD to the attention of Superintendent of Schools, Lago Vista Independent School District, P.O. Box 4929, Lago Vista, Texas. 78645, Facsimile (512) 267-8304.

**X.**  
**MISCELLANEOUS**

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

10.2 **Term and Termination.** This Agreement shall be effective upon execution by both Parties and shall remain in effect for a period of ten (10) years, unless otherwise terminated according to its terms. Any outstanding payment obligation of either Party shall survive termination. Should any amount of the Subsequent User Fee remain outstanding at Termination, the City shall immediately pay LVISD that amount.

10.3 **Appropriation of Funds.** LVISD covenants that as of the date of execution of this Agreement, it reasonably believes that LVISD has appropriated or will appropriate sufficient funds available to make all payments for which it is responsible under this Agreement based upon the estimates furnished by the City. LVISD further agrees that its official or employee responsible for preparing budgets will provide appropriate funding for its payments hereunder in its annual budget request submitted to the governing body of LVISD. If the governing body of LVISD chooses not to appropriate funds for such payments, then the governing body will evidence such nonappropriation by omitting funds for such payments due during the applicable fiscal period from the budget that it adopts. The City agrees that LVISD's payment obligations hereunder will be a current expense and will not be interpreted to be a debt in violation of applicable law or constitutional limitations or requirements, and nothing contained herein will be interpreted as a pledge of general tax revenues, funds, or moneys. If sufficient funds are not budgeted or appropriated and budgeted by the governing body of LVISD and LVISD has exhausted all funds legally available for payments due hereunder, then LVISD will give written notice thereof to the City, this Agreement will terminate for all purposes, and the Parties will be without further obligation to each other. In the event of any such termination by LVISD, the City shall have no obligation to provide water and wastewater service to the Property, and shall refund to LVISD the balance of any funds held by the City from LVISD after payment of the City's costs and expenses incurred as of the date of, or arising out of, termination.

The City covenants that as of the date of execution of this Agreement, it reasonably believes that the City has appropriated or will appropriate sufficient funds available to make all payments for which it is responsible under this Agreement based upon the estimates furnished by LVISD, including but not limited to the appropriation of available Park Funds in the amount of three hundred twenty four thousand nine hundred and nineteen dollars and no cents (\$324,919.00). If the governing body of the City chooses not to appropriate funds for such payments, then the governing body will evidence such nonappropriation by omitting funds for such payments due during the applicable fiscal period from the budget that it adopts. LVISD agrees that the City's payment obligations hereunder will be a current expense and will not be interpreted to be a debt in violation of applicable law or constitutional limitations or requirements, and nothing contained herein will be interpreted as a pledge of general tax revenues, funds, or moneys. If sufficient funds are not budgeted or appropriated and budgeted by the governing body of the City and the City has exhausted all funds legally available for payments due hereunder, then the City will give written notice thereof to LVISD, this Agreement

will terminate for all purposes, and the Parties will be without further obligation to each other. In the event of any such termination by the City, LVISD shall have no obligation to provide water and wastewater service to the Property, and shall refund to the City the balance of any funds held by LVISD from the City after payment of LVISD's costs and expenses incurred as of the date of, or arising out of, termination.

**10.4 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.

**10.5 Execution.** This Agreement may be simultaneously executed in any number of counterparts, each of which will serve as an original and, will constitute one and the same instrument.

**10.6 Costs and Expenses.** Except as otherwise expressly provided herein, each Party will be responsible for all costs and expenses incurred by such Party in connection with the transaction contemplated by this Agreement.

**10.7 Governing Law.** This Agreement will be governed by the Constitution and laws of the State of Texas, except as to matters exclusively controlled by the Constitution and Statutes of the United States of America.

**10.8 Successors and Assigns.** The assignment of this Agreement by either Party is prohibited without the prior written consent of the other Party, which consent will not be unreasonably withheld. 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.

**10.9 Headings.** The captions and headings appearing in this Agreement are inserted merely to facilitate reference and will have no bearing upon its interpretation.

**10.10 Partial Invalidity.** If any of the terms, covenants or conditions of this Agreement, or the application of any term, covenant, or condition, is held invalid as to any person or circumstance by any court with jurisdiction, the remainder of this Agreement, and the application of its terms, covenants, or conditions to other persons or circumstances, will not be affected.

**10.11 Waiver.** Any waiver by any Party of its rights with respect to a default or requirement under this Agreement will not be deemed a waiver of any subsequent default or other matter.

**10.12 Amendments.** This Agreement may be amended or modified only by written agreement duly authorized by the governing body of the City and LVISD, and executed by the duly authorized representatives of all Parties.

**10.13 Cooperation.** The Parties agree to cooperate at all times in good faith to effectuate the purposes and intent of this Agreement. Without limitation, each Party agrees to execute and deliver all such other and further instruments and undertake such actions as are or may become necessary or convenient to effectuate the purposes and intent of this Agreement.

10.14 **Venue.** All obligations of the Parties are performable in Travis County, Texas and venue for any action arising hereunder will be in Travis County.

10.15 **Third Party Beneficiaries.** Except as otherwise expressly provided herein, nothing in this Agreement, express or implied, is intended to confer upon any person, other than the Parties, any rights, benefits, or remedies under or by reason of this Agreement.

10.16 **Representations.** Unless otherwise expressly provided, the representations, warranties, covenants, indemnities, and other agreements will be deemed to be material and continuing, will not be merged, and will survive the closing of this transaction and the conveyance and transfer of the Interests to be Acquired to the City.

10.17 **Exhibits.** All exhibits attached to this Agreement are hereby incorporated in this Agreement as if the same were set forth in full in the body of this Agreement.

10.18 **Entire Agreement.** This Agreement, including the attached exhibits, contains the entire agreement between the Parties with respect to the subject matter hereof and supersedes all previous communications, representations, or agreements, either verbal or written, between the Parties with respect to such matter.

IN WITNESS WHEREOF, the Parties hereto have caused this instrument to be signed, sealed and attested in duplicate by their duly authorized officers, as of the Effective Date.

**CITY OF LAGO VISTA**

By: \_\_\_\_\_  
Bill Angelo, City Manager

**LAGO VISTA INDEPENDENT SCHOOL DISTRICT**

By: \_\_\_\_\_  
Matt Underwood, Superintendent

THE STATE OF TEXAS           §  
  §  
COUNTY OF TRAVIS           §

This instrument was acknowledged before me on the \_\_\_\_ day of \_\_\_\_\_, 2012, by Bill Angelo, City Manager of the City of Lago Vista, a home rule municipal corporation of the State of Texas, on behalf of said municipal corporation.

\_\_\_\_\_  
Notary Public, State of Texas

(SEAL)

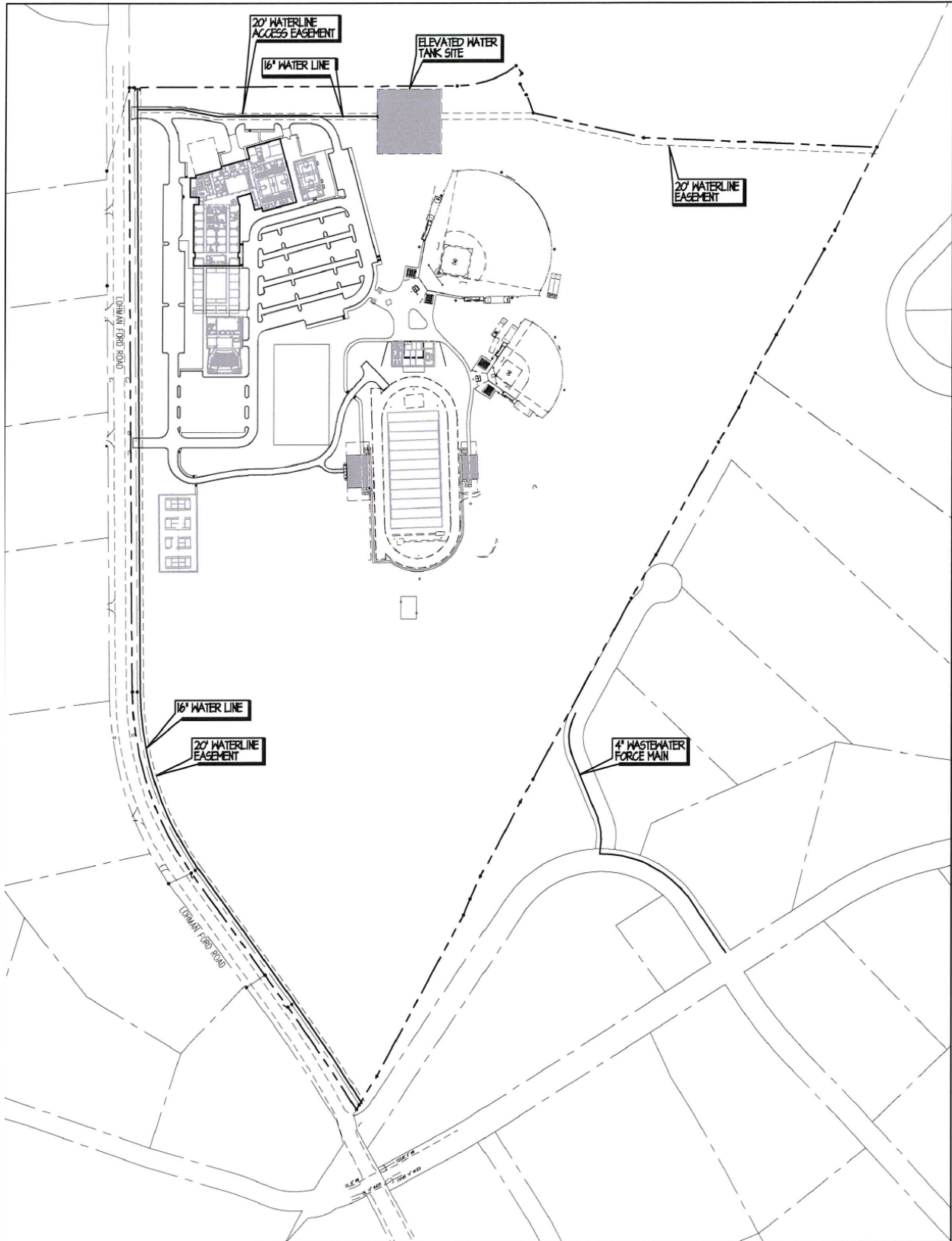
THE STATE OF TEXAS           §  
  §  
COUNTY OF TRAVIS           §

This instrument was acknowledged before me on the \_\_\_\_ day of \_\_\_\_\_, 2012, by Matt Underwood, Superintendent of Schools of the Lago Vista Independent School District, a political subdivision of the State of Texas, on behalf of said school district.

\_\_\_\_\_  
Notary Public, State of Texas

# Exhibit "A"

## Description of Property and Illustration of Water and Wastewater System Improvements





**Exhibit "B"**

**WATER LINE AND FACILITIES EASEMENT**

**STATE OF TEXAS** §

**COUNTY OF TRAVIS** §

**DATE:** \_\_\_\_\_, \_\_\_\_\_

**GRANTOR:** **Lago Vista Independent School District**, an independent school district and political subdivision of the State of Texas

**GRANTOR'S MAILING ADDRESS:** **P.O. Box 4929**  
**Lago Vista, Texas 78645**

**GRANTEE:** **City of Lago Vista**, a home rule municipal corporation of the State of Texas

**GRANTEE'S MAILING ADDRESS:** **P. O. Box 4727**  
**Lago Vista, Texas 78645**

**CONSIDERATION:** Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged.

**GRANT:** Grantor, for the CONSIDERATION paid to Grantor by Grantee, hereby grants, sells, and conveys to Grantee an exclusive easement (the "Water Line and Facilities Easement") in, upon, under, over the Water Line and Facilities Easement Tract (hereinafter defined), together with all and singular the rights and appurtenances thereto in any wise belonging, to have and hold to Grantee and Grantee's successors and assigns forever. The exclusive easement, rights, and privileges herein granted shall be used for the purposes of excavating for, laying, constructing, placing, operating, maintaining, reconstructing, replacing, rebuilding, upgrading, renewing, removing, inspecting, patrolling, changing, modifying, or repairing the PROJECT (as hereinafter defined), or any part of the PROJECT, and making connections therewith.

Grantor, for the CONSIDERATION paid to Grantor by Grantee, hereby further grants, sells, and conveys to Grantee a non-exclusive temporary construction easement (the "Temporary Construction Easement") upon and over the Temporary Construction Easement Tract (hereinafter defined) for the accommodation of construction equipment, materials and excavated earth. The Temporary Construction Easement shall terminate thirty days (30) after Grantee has completed initial construction of the authorized improvements in the Water Line and Facilities Easement.

**DESIGNATION OF COURSE:** The “Water Line and Facilities Easement Tract” is defined as a tract of land approximately 200’ X 200’ (40,000 square feet) upon, across, over and under the following described real property:

.918-acres of land, more or less, more particularly described by metes and bounds attached hereto as Exhibit A, and shown on a sketch attached hereto as Exhibit A-1, said exhibits being incorporated herein by reference for all purposes.

The non-exclusive “Temporary Construction Easement Tract” is defined as a tract of land being upon and across the surface only of the following described real property:

\_\_\_\_\_ - acres of land, more or less, more particularly shown on a sketch attached hereto as Exhibit B, said exhibit being incorporated herein by reference for all purposes.

**PROJECT:** Multiple water lines, a water tank, and all necessary or desirable facilities, equipment and appurtenances thereto including, without limitation, valves, meters and communication lines and related facilities, as described in detail in the “Interlocal Agreement Regarding Construction of Water and Wastewater System Improvements” entered into by Grantor and Grantee. In the event Grantor constructs an additional water line or lines in the future after construction of an initial water line, any such line or lines shall be constructed adjacent to and generally parallel with the first water line laid by Grantee within the Water Line and Facilities Easement.

**OBLIGATION OF GRANTEE:** By acceptance of this grant and utilization of any rights granted hereby, Grantee agrees that except as otherwise provided in this instrument, it will at all times, after doing any work pursuant to the rights hereby granted, restore the surface of the Water Line and Facilities Easement Tract and Temporary Construction Easement Tract to substantially the same condition as existed prior to such work taking into consideration the nature of the work being performed; and that Grantee will not do any act, or fail to do any act, that will be detrimental or create a hazard to the surface of the lands covered thereby or to the use thereof.

**RIGHTS OF GRANTOR:** Grantor shall have the right to abate any unauthorized use of the Water Line and Facilities Easement and any unauthorized use of the Temporary Construction Easement by Grantee by any lawful method. Grantor, its successors and assigns shall retain the right to use the surface of the lands within the boundary lines of the Water Line and Facilities Easement Tract, including, but not limited to, for the construction of roads, driveways, curbs, sidewalks, fences, and light poles; provided, however, that (1) no buildings, water quality or detention or similar drainage features, or permanent structures of any kind shall be placed, erected or maintained thereon; (2) such improvements shall not damage facilities located within, or materially interfere with Grantee's use and enjoyment of, the Water Line and Facilities Easement Tract; and (3) no subsurface utilities of any kind shall be located within the Water Line and Facilities Easement Tract that materially interfere with the exercise of Grantee's rights hereunder. Grantee agrees to repair damages that it causes to any of Grantor's authorized improvements within the Water Line and Facilities Easement Tract. Grantee shall not be

responsible for damage it causes to unauthorized improvements within the Water Line and Facilities Easement Tract. Notwithstanding any provision in this instrument to the contrary, in the event that Grantor modifies existing fencing or constructs new fencing on Grantor's property after the date of this instrument so as to deprive Grantee of access to and from the Water Line and Facilities Easement Tract (including access required for vehicles and equipment), Grantee shall not be responsible for repairing any damage it causes to such fencing in gaining access.

**EXCLUSIVITY:** Grantee's easement rights within the Water Line and Facilities Easement Tract shall be exclusive. Grantee's easement rights within the Temporary Construction Easement shall be non-exclusive.

**HABENDUM:** To HAVE AND HOLD the Water Line and Facilities Easement and Temporary Construction Easement and all and singular the rights and appurtenances thereunto belonging unto Grantee, its successors and assigns.

**TERMINATION:** The Water Line and Facilities Easement and Temporary Construction Easement shall terminate in the event of termination of that certain "Interlocal Agreement Regarding Construction of Water and Wastewater System Improvements" entered into by Grantor and Grantee. Under such circumstances, Grantee agrees to record an instrument in the Official Property Records of Travis County releasing all of its rights and interests to the Water Line and Facilities Easement and Temporary Construction Easement. In the event of such termination, Grantee may promptly remove or abandon all Project facilities located within the Water Line and Facilities Easement Tract, as determined in the sole discretion of Grantee.

**SUCCESSORS AND ASSIGNS:** The rights granted hereby and the rights, agreements and burdens pertaining thereto shall constitute a covenant running with the land and inure to the benefit of and shall be binding upon the Grantor, any other owner in the future on any part of the Water Line and Facilities Easement Tract and Temporary Construction Easement Tract, and the Grantee, and all of their respective successors, heirs, legal representatives, executors, administrators and assigns. Grantee's rights hereunder may be assigned in whole or in part to one or more assignees.

IN WITNESS WHEREOF, the GRANTOR has executed this instrument this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

GRANTOR:

LAGO VISTA INDEPENDENT SCHOOL DISTRICT

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

STATE OF TEXAS                   §  
  §  
COUNTY OF TRAVIS           §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by \_\_\_\_\_, \_\_\_\_\_ of Lago Vista Independent School District, an independent school district of the State of Texas, on behalf of said school district.

(Seal and Expiration)

\_\_\_\_\_  
Notary Public, State of Texas

After recording return to:  
City of Lago Vista  
P. O. Box 4727  
Lago Vista, Texas 78645

## **Exhibit “C”**

### **Subsequent User Fee Methodology**

Living Unit Equivalent's (LUE) development needs ÷ total number of LUEs = X

Subsequent User Fee = X × [total cost of line]

## Superintendent Term Contract

This Contract is entered into between the Board of Trustees (the "Board") of LAGO VISTA INDEPENDENT SCHOOL DISTRICT (the "District") and MATTHEWS M. UNDERWOOD (the "Superintendent").

The Board and the Superintendent, for and in consideration for the terms stated in this Contract, hereby agree as follows:

1. **Term.** The Board agrees to employ the Superintendent on a twelve-month basis per year, beginning July 1, 2012 and ending June 30, 2017.
2. **Certification.** The Superintendent agrees to maintain the required certification throughout the term of employment with the District. If the Superintendent's certification expires, is canceled, or is revoked, this Contract is void.
3. **Representations.** The Superintendent makes the following representations:
  - 3.1 **Beginning of Contract.** The Superintendent represents that he has disclosed to the Board, in writing, any arrest, indictment, conviction, no contest or guilty plea, or other adjudication of the Superintendent. The Superintendent understands that a criminal history record acceptable to the Board, at its sole discretion, is a condition precedent to this Contract.
  - 3.2 **During Contract.** The Superintendent also agrees that, during the term of this Contract, the Superintendent will notify the Board, in writing, of any arrest, indictment, conviction, no contest or guilty plea, or other adjudication of the Superintendent.
  - 3.3 **False Statements and Misrepresentations.** The Superintendent represents that any records or information provided in connection with his employment application are true and correct. Any false statements, misrepresentations, omissions of requested information, or fraud by the Superintendent in or concerning any required records or in the employment application may be grounds for termination or nonrenewal, as applicable.
4. **Duties.** The Superintendent shall be the educational leader and chief executive officer of the District. The Superintendent agrees to perform his or her duties as follows:
  - 4.1 **Authority.** The Superintendent shall perform the duties and have the powers prescribed by the law and the Board. The Board may assign additional duties to the Superintendent and change the Superintendent's responsibilities or work at any time during this Contract, but the duties shall be appropriate to and consistent with the professional role of the Superintendent.

- 4.2 **Standard.** Except as otherwise permitted by this Contract or Board action, the Superintendent agrees to devote his full time and energy to the performance of his or her duties. The Superintendent shall perform his duties with reasonable care, skill, and diligence. The Superintendent shall comply with all Board directives, state and federal laws and rules, Board policy, and regulations, as they exist or may hereafter be amended.
- 4.3 **Reassignment.** The Superintendent cannot be reassigned from the position of Superintendent to another position without the Superintendent's express written consent.
- 4.4 **Board Meetings.** The Superintendent shall attend, and shall be permitted to attend, all meetings of the Board, both public and closed, with the exception of those closed meetings devoted to the consideration of any action or lack of action on the Superintendent's Contract, or the Superintendent's evaluation, or for purposes of resolving conflicts between individual Board members, or when the Board is acting in its capacity as a tribunal. In the event of illness or Board-approved absence, the Superintendent's designee shall attend such meetings.

**5. Compensation.** The District shall pay the Superintendent an annual salary as follows:

- 5.1 **Salary.** The District shall provide the Superintendent with an annual salary in the sum of One Hundred Fifteen Thousand and No/100 Dollars (\$115,000.00). This annual salary rate shall be paid to the Superintendent in equal installments consistent with the Board's policies. At any time during the term of this Contract, the Board may, in its discretion, review and adjust the salary of the Superintendent, but in no event shall the Superintendent be paid less than the salary set forth above, except by mutual agreement of the two parties. Such adjustments, if any, shall be made pursuant to a lawful Board resolution acting as an Amendment of this contract.
- 5.2 **Benefits.** The District shall provide benefits to the Superintendent as provided by state law and Board policies. The Board reserves the right to amend its policies at any time during the term of this Contract to reduce or increase these benefits, at the Board's sole discretion.
- 5.2(a) **Expense Allowance.** The District shall pay the Superintendent an expense allowance in the sum of Four Hundred and No/Dollars (\$400.00) per month, as an allowance for in-District automobile and related expenses, cellular phone expenses incurred in connection with the performance of his duties. Other expenses shall be submitted and reimbursed consistent with the District's policies and payroll practices. Travel expenses may be reviewed by the Board, and the Board may limit or require pre-approval for out-of-district travel.
- 5.2(b) **Health Insurance.** The District shall pay the health and medical insurance premiums for the Superintendent under the District's group health care, the same as other employees.

- 5.2(c) **Vacations, Holidays, Leave Benefits.** The Superintendent shall observe the same holidays and breaks as provided by the Board adopted annual calendar. The Superintendent shall be subject to the leave policies applicable to all employees as stated in adopted board policy. Subject to the Board's approval of the scheduling, the Superintendent may take the same number of days, individually or consecutively, of vacation annually as other twelve-month employees, individually or consecutively. These vacation days will be taken at times that will least interfere with the performance of the Superintendent's duties. Unused vacation does not accumulate from year to year and cannot be converted into compensation at the termination of the employment relationship or any other time.
- 5.2(d) **Professional & Civic Dues.** The Superintendent's dues for membership in the Texas Association of School Administrators and up to two local civic clubs of his choice, the purpose of which is to benefit the District, will be paid by the District, subject to pre-authorization in the then current year's budget.
- 5.2(e) **Outside Employment.** The Superintendent may, with prior written consent of the Board, undertake consulting work, speaking engagements, writing, lecturing, and other professional duties and obligations that do not conflict or interfere with the Superintendent's professional responsibilities to the District. For any such outside employment, the Superintendent agrees to comply with applicable ethics rules, laws, and Board policy regarding reporting potential and actual conflicts of interest. In addition, the Superintendent agrees to provide information regarding income from such activities to the District as necessary for financial reporting requirements.
- 5.2(f) **Indemnification for Legal Proceedings.** To the extent it may be permitted to do so by applicable law, including but not limited to Texas Civil Practice & Remedies Code Chapter 102, the District does hereby agree to defend, hold harmless, and indemnify Superintendent from any and all demands, claims, suits, actions, judgments, expenses and attorneys' fees, arose or does arise in the future from an act or omission of Superintendent as an employee of the District, acting within the course and scope of Superintendent's employment with the District; excluding, however, any such demand, claim, suites, actions, judgments, expenses and attorneys' fees for those claims or any causes of action where it is determined that Superintendent committed official misconduct, or committed a willful or wrongful act or omission, or an act or omission constituting gross negligence, or acted in bad faith, and excluding any costs, fees, expenses or damages that would be recoverable or payable under an insurance contract, held either by the District or by Superintendent. The selection of Superintendent's legal counsel shall be with the mutual agreement of Superintendent and the District, if such legal counsel is not also District's legal counsel. A legal defense may be provided through insurance coverage, in which case Superintendent's



right to agree to legal counsel provided for him will depend on the terms of the applicable insurance contract. To the extent this Section 5.2(g) exceeds the authority provided and limitations imposed by Texas Civil Practice & Remedies Code, Chapter 102, it shall be construed and modified accordingly. The provisions of this Section 5.2(g) shall survive the termination of this Contract.

6. **Suspension.** In accordance with Texas Education Code chapter 21, the Board may suspend the Superintendent without pay during the term of this Contract for good cause as determined by the Board.
7. **Termination and Nonrenewal of Contract.** Termination or nonrenewal of this Contract or resignation under this Contract will be pursuant to Texas Education Code Chapter 21.
8. **Extension and Non-Extension of Contract.** At any time during the contract term, the Board may, in its discretion, reissue the contract for an extended term. Failure to reissue the contract for an extended term shall not constitute nonrenewal under Board policy.
9. **General Provisions.**
  - 9:1 **Amendment.** The Contract may not be amended except by written agreement of the Board and the Superintendent (the "Parties").
  - 9:2 **Severability.** If any provision in this Contract is, for any reason, held to be invalid, illegal, or unenforceable, such invalidity, illegality, or unenforceability shall not affect any other provision of the Contract. This Contract shall be construed as if such invalid, illegal, or unenforceable provision had never been a part of the Contract. The monetary compensation agreed to upon separation from the contract will not exceed one year's salary.
  - 9:3 **Entire Agreement.** All existing agreements and contracts, both verbal and written, between the Parties regarding the employment of the Superintendent are superseded by this Contract. This Contract and any addenda constitute the entire agreement between the Parties.
  - 9:4 **Applicable Law and Venue.** Texas law shall govern this Contract. The Parties agree that venue for any litigation relating to the Superintendent's employment with the District, including this Contract, shall be the county in which the District's administration building is located. If litigation is brought in federal court, the Parties agree that venue shall be the federal district and division in which the district administration building is located.

9:5 **Paragraph Headings.** The heading used at the beginning of each numbered paragraph in this Contract are not intended to have any legal effect; the headings do not limit or expand the meaning of the paragraphs that follow them.

**10. Notices.**

10:1 **To Superintendent.** The Superintendent agrees to keep a current address on file with the District's human resources office and Board President. The Superintendent agrees that the Board may meet any legal obligation it has to give the Superintendent written notice by delivering the notice through hand-delivery, certified mail, regular mail, and/or express delivery service to the Superintendent's address of record.

10:2 **To Board.** The Board agrees that the Superintendent may meet any legal obligation to give the Board written notice by providing one copy of the notice to the President of the Board and one copy to the Vice President of the Board. The Superintendent may provide such notices by hand delivery, or by certified mail, regular mail, and/or express delivery service to the Board President and Vice President's addresses of record, as provided to the District.

I have read this Contract and agree to abide by its terms and conditions:

Superintendent: \_\_\_\_\_

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

FOR Lago Vista Independent School District:

By: \_\_\_\_\_  
President, Board of Trustees

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