

MUNICIPAL SERVICES AGREEMENT
BETWEEN THE CITY OF FORT WORTH, TEXAS AND
AIL INVESTMENT, L.P. / AIL WEST, LLC.

This Municipal Services Agreement ("Agreement") is entered into on _____ day of _____, _____ by and between the City of Fort Worth, Texas, a home-rule municipality of the State of Texas, ("City") and AIL Investment, L.P. / AIL West, LLC. ("Owner").

RECITALS

The parties agree that the following recitals are true and correct and form the basis upon which the parties have entered into this Agreement.

WHEREAS, the City is currently classified as a Tier 2 municipality for purposes of annexation under the Texas Local Government Code ("LGC");

WHEREAS, Section 43.0671 of the LGC permits the City to annex an area if each owner of land in an area requests the annexation;

WHEREAS, where the City elects to annex such an area, the City is required to enter into a written agreement with the property owner(s) that sets forth the City services to be provided for the Property on or after the effective date of annexation (the "Effective Date");

WHEREAS, Owner owns certain parcels of land situated in Denton County, Texas, which consists of approximately 460.186 acres of land in the City's extraterritorial jurisdiction, such property being more particularly described and set forth in Exhibit "A" attached and incorporated herein by reference ("Property");

WHEREAS, Owner has filed a written request with the City for full-purpose annexation of the Property, identified as Annexation Case No. AX-19-009 ("Annexation Case");

WHEREAS, City and Owner desire to set out the City services to be provided for the Property on or after the effective date of annexation;

WHEREAS, the Annexation Case and execution of this Agreement are subject to approval by the Fort Worth City Council; and

NOW THEREFORE, in exchange for the mutual covenants, conditions and promises contained herein, City and Owner agree as follows:

- 1. PROPERTY.** This Agreement is only applicable to the Property, which is the subject of the Annexation Case.
- 2. INTENT.** It is the intent of the City that this Agreement provide for the delivery of full,

available municipal services to the Property in accordance with state law, which may be accomplished through any means permitted by law. For purposes of this Agreement, “full municipal services” means all services provided by the City within its full-purpose boundaries, including water and wastewater services and excluding gas or electrical service.

3. MUNICIPAL SERVICES.

- a. Commencing on the Effective Date, the City will provide the municipal services set forth below. As used in this Agreement, “providing services” includes having services provided by any method or means by which the City may extend municipal services to any other area of the City, including the City's infrastructure extension policies and developer or property owner participation in accordance with applicable city ordinances, rules, regulations, and policies.
 - i. Fire – The City’s Fire Department will provide emergency and fire protection services.
 - ii. Police – The City’s Police Department will provide protection and law enforcement services.
 - iii. Emergency Medical Services – The City’s Fire Department and MedStar (or other entity engaged by the City after the Effective Date) will provide emergency medical services.
 - iv. Planning and Zoning – The City’s Planning and Development Department will provide comprehensive planning, land development, land use, and building review and inspection services in accordance with all applicable laws, rules, and regulations.
 - v. Parks and Recreational Facilities – Residents of the Property will be permitted to utilize all existing publicly-owned parks and recreational facilities and all such facilities acquired or constructed after the Effective Date (including community service facilities, libraries, swimming pools, etc.), throughout the City. Any private parks, facilities, and buildings will be unaffected by the annexation; provided, however, that the City will provide for maintenance and operation of the same upon acceptance of legal title thereto by the City and appropriations therefor. In the event the City acquires any other parks, facilities, or buildings necessary for City services within the Property, the appropriate City department will provide maintenance and operations of the same.
 - vi. Other Publicly Owned Buildings – Residents of the Property will be permitted to use all other publicly owned buildings and facilities where the public is granted access.
 - vii. Stormwater Utility Services – The Property will be included in the City’s Stormwater Utility service area and will be assessed a monthly fee based on the amount of impervious surface. The fees will cover the direct and indirect costs of stormwater management services.
 - viii. Roads and Streets (including Street lighting) – The City’s Transportation and Public Works Department will maintain the public streets and streetlights over which the City has jurisdiction. The City will provide regulatory signage services in accordance with the City policies and procedures and applicable laws.
 - ix. Water and Wastewater to Existing Structures – Occupied structures that are

using water-well and on-site sewer facilities on the Effective Date may continue to use the same. If a property owner desires to connect an existing structure to the City water and sewer system, then the owner may request a connection and receive up to 200 linear feet of water and sewer extension at the City's cost for each occupied lot or tract in accordance with the City's "Policy for the Installation of Community Facilities" and applicable law. Once connected to the City's water and sanitary sewer mains, the water and sanitary sewage service will be provided by the City at rates established by City ordinances for such service.

- x. Solid Waste Services – The City will provide solid waste collection services in accordance with existing City ordinances and policies, except where prohibited by law.
 - xi. Code Compliance – The City's Code Department will provide education, enforcement, and abatement relating to code violations within the Property.
 - xii. Full Municipal Services – Commencing on the Effective Date, the City will provide to the Property all services provided by the City within its full-purpose boundaries and not otherwise listed above, except as provided in Section 3(b).
- b. The City will provide water service and wastewater treatment service to developments established after the Effective Date in accordance with, and on the schedule determined by, the City's extension policies and applicable law and at rates established by City ordinances for such services.
 - c. It is understood and agreed that the City is not required to provide a service that is not included in this Agreement.
 - d. Owner understands and acknowledges that the City departments listed above may change names or be re-organized by the City Manager. Any reference to a specific department also includes any subsequent City department that will provide the same or similar services.
4. **SERVICE LEVEL.** The City will provide the Property with a level of services, infrastructure, and infrastructure maintenance that is comparable to the level of services, infrastructure, and infrastructure maintenance available in other parts of the City with topography, land use, and population density similar to those reasonably contemplated or projected for the Property.
5. **AUTHORITY.** City and Owner represent that they have full power, authority and legal right to execute, deliver and perform their obligations pursuant to this Agreement. Owner acknowledges that approval of the Annexation Case is within the sole jurisdiction of the City Council. Nothing in this Agreement guarantees favorable decisions by the City Council.
6. **SEVERABILITY.** If any part, term, or provision of this Agreement is held by the courts to be illegal, invalid, or otherwise unenforceable, such illegality, invalidity, or unenforceability will not affect the validity of any other part, term or provision, and the rights of the parties will be construed as if the part, term, or provision was never part of the Agreement.
7. **INTERPRETATION.** The parties to this Agreement covenant and agree that in any litigation relating to this Agreement, the terms and conditions of the Agreement will be interpreted

according to the laws of the State of Texas. The parties acknowledge that they are of equal bargaining power and that each of them was represented by legal counsel in the negotiation and drafting of this Agreement.

8. **GOVERNING LAW AND VENUE.** Venue shall be in the state courts located in Tarrant County, Texas or the United States District Court for the Northern District of Texas, Fort Worth Division and construed in conformity with the provisions of Texas Local Government Code Chapter 43.
9. **NO WAIVER.** The failure of either party to insist upon the performance of any term or provision of this Agreement or to exercise any right granted hereunder shall not constitute a waiver of that party's right to insist upon appropriate performance or to assert any such right on any future occasion.
10. **GOVERNMENTAL POWERS.** It is understood that by execution of this Agreement, the City does not waive or surrender any of its governmental powers or immunities.
11. **COUNTERPARTS.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and constitute one and the same instrument.
12. **CAPTIONS.** The captions to the various clauses of this Agreement are for informational purposes only and shall not alter the substance of the terms and conditions of this Agreement.
13. **AGREEMENT BINDS AND BENEFITS SUCCESSORS AND RUNS WITH THE LAND.** This Agreement is binding on and inures to the benefit of the parties, their successors, and assigns. The term of this Agreement constitutes covenants running with the land comprising the Property, is binding on the Owner and the City, and is enforceable by any current or future owner of any portion of the Property.
14. **ENTIRE AGREEMENT.** This Agreement constitutes the entire agreement between the parties and supersedes all prior oral and written agreements between said parties. This Agreement shall not be amended unless executed in writing by both parties.

Executed as of the day and year first above written to be effective on the effective date of annexation of the Property.

CITY OF FORT WORTH

PROPERTY OWNER

By: _____
Jesus "Jay" Chapa
Assistant City Manager

AIL INVESTMENT, L.P.
a Texas limited partnership

By: AIL GP, LLC,
a Texas limited liability company,
its general partner

By: [Signature]
Name: L. Russell Laughlin
Title: Executive Vice President

Approved as to Form and Legality:

AIL West, LLC,
a Texas limited liability company

Senior Assistant City Attorney

By: [Signature]
Name: William Charles Campbell
Title: Manager

Attest:

Mary Kayser
City Secretary

Approvals:
M&C _____
Ordinance No. _____

STATE OF TEXAS §
COUNTY OF TARRANT §

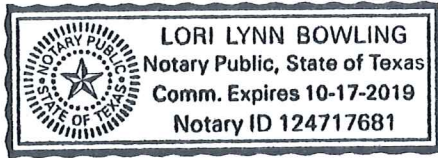
This instrument was acknowledged before me on the ____ day of _____, 2019,
by Jesus "Jay" Chapa, Assistant City Manager of the City of Fort Worth, a Texas municipal
corporation, on behalf of said corporation.

By: _____

Notary Public, State of Texas

STATE OF TEXAS §
COUNTY OF TARRANT §

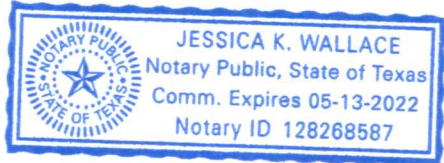
This instrument was acknowledged before me on July 1, 2019, by L. Russell Laughlin, Executive Vice President of AIL GP, LLC, a Texas limited liability company, on behalf of said limited liability company, in its capacity as general partner of AIL Investment, L.P., a Texas limited partnership, on behalf of said limited partnership.



Lori Lynn Bowling
Notary Public, State of Texas

STATE OF TEXAS §
COUNTY OF TARRANT §

This instrument was acknowledged before me on the 1st day of July, 2019, by William Charles Campbell, Manager of AIL West, LLC, a Texas limited liability company, on behalf of said company.



Jessica K Wallace
Notary Public, State of Texas

After Recording Return to:
City Secretary
City of Fort Worth
200 Texas Street
Fort Worth, Texas 76102

EXHIBIT A

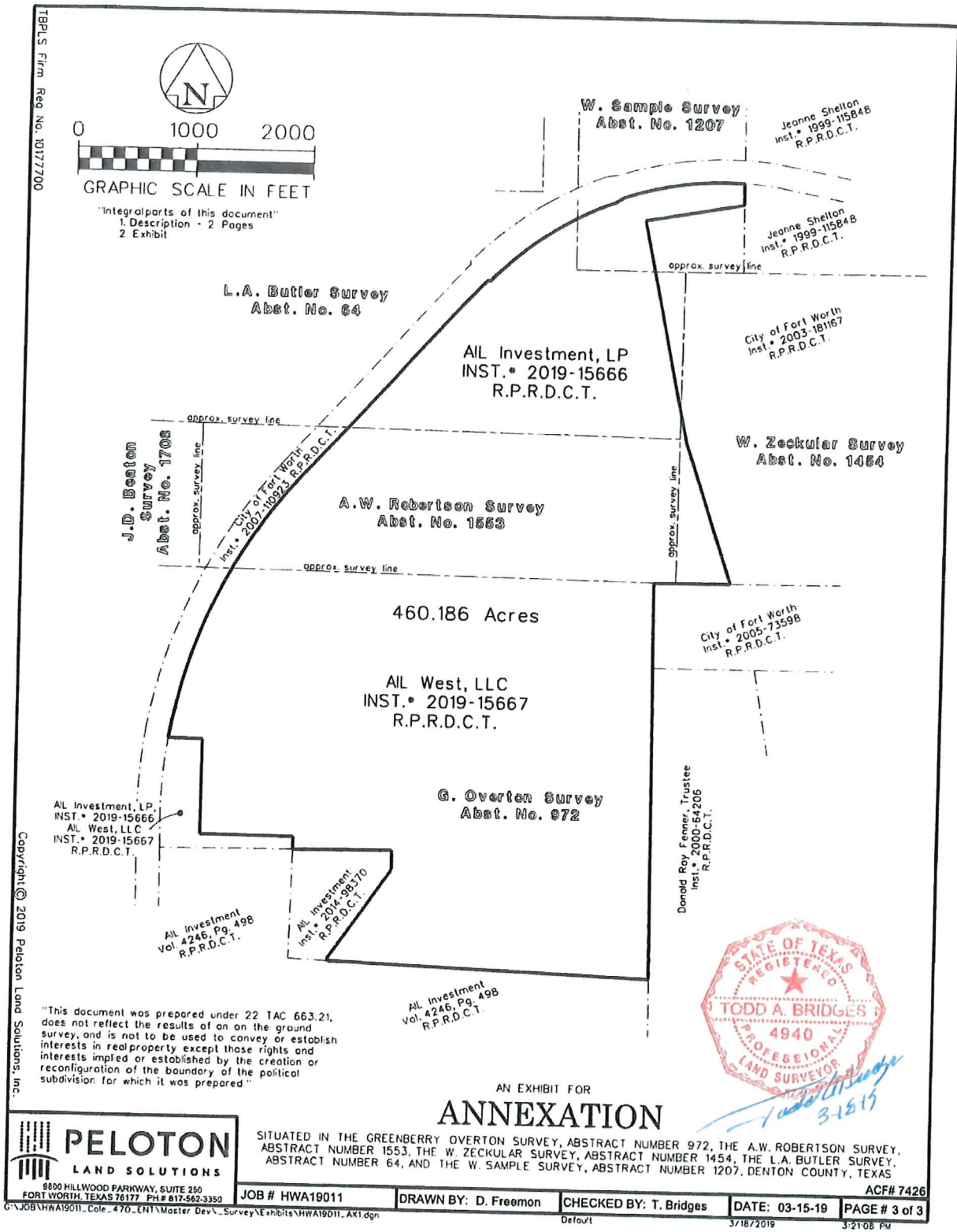


EXHIBIT A

DESCRIPTION OF AN 460.186 ACRE ANNEXATION

BEING a tract of land situated in the L. Butler Survey, Abstract Number 64, the G. Overton Survey, Abstract Number 972, the W. Sample Survey, Abstract Number 1207, the W. Zeckular Survey, Abstract Number 1454 and the A.W. Robertson Survey, Abstract Number 1553, Denton County, Texas and being a portion of that tract of land described in deed to AIL Investment, LP recorded in Instrument Number 2019-15666, Real Property Records, Denton County, Texas, being a portion of that tract of land described in deed to AIL West, LLC recorded in Instrument Number 2019-15667, said Real Property Records and being more particularly described by metes and bounds as follows;

BEGINNING in the west line of said AIL tracts and being in the east right-of-way line of F. M. 156, (a variable width right-of-way), the beginning of a curve to the right;

THENCE with the east right-of-way of said F. M. 156 the following courses and distances;

With said curve to the right, an arc distance of 2563.58 feet, through a central angle of $32^{\circ}45'34''$, having a radius of 4483.66 feet, the long chord which bears $N 25^{\circ}08'59''E$, 2528.80 feet;

$N 41^{\circ}31'45''E$, 2286.16 feet, to the beginning of a curve to the right;

With said curve to the right, an arc distance of 57.54 feet, through a central angle of $01^{\circ}11'33''$, having a radius of 2764.79 feet, the long chord which bears $N 42^{\circ}10'18''E$, 57.54 feet;

$S 47^{\circ}21'19''E$, 19.95 feet, to the beginning of a non-tangent curve to the right;

With said non-tangent curve to the right, an arc distance of 1275.53 feet, through a central angle of $26^{\circ}37'33''$, having a radius of 2744.79 feet, the long chord which bears $N 56^{\circ}02'08''E$, 1264.08 feet;

$N 58^{\circ}38'18''E$, 98.51 feet to the beginning of a non-tangent curve to the right;

With said non-tangent curve to the right, an arc distance of 1035.84 feet, through a central angle of $21^{\circ}27'58''$, having a radius of 2764.79 feet, the long chord which bears $N 82^{\circ}05'16''E$, 1029.79 feet to the northeast corner of said AIL tracts, being the northwest corner of that tract of land described by deed to Jeanne Shelton recorded in Instrument Number 1999-115848, said Real Property Records;

THENCE $S 00^{\circ}38'40''E$, 189.80 feet, departing said east right-of-way line, with the east line of said AIL tracts and the west line of said Jeanne Shelton tract to the most northerly northeast corner of that tract of land described by deed to the City of Fort Worth, recorded in Instrument Number 2003-181167, Real Property Records, Denton County, Texas;

THENCE $S 79^{\circ}54'33''W$, 855.69 feet, with the east line of said AIL tracts and the north line of said City of Fort Worth tract;

Peloton Job No. HWA15022
Cole

Tracking No. ACF# 7426
March 18, 2019

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EXHIBIT A

THENCE S 11°48'34"E, 1973.67 feet, with said east line and the west line of said City of Fort Worth tract;

THENCE S 18°24'07"E, 1278.97 feet, continuing with said common line to the north line of that tract of land described by deed to the City of Fort Worth, recorded in Instrument Number 2005-73598, Real Property Records, Denton County, Texas;

THENCE S 89°42'55"W, 655.44 feet, continuing with said east line and with said north line to the northwest corner of said City of Fort Worth tract;

THENCE S 00°45'46"E, 3451.87 feet, with said east line, to the southeast corner of said AIL tracts, being the north line of that remainder of that tract of land described by deed to AIL Investment, recorded in Volume 4246, Page 498, Real Property Records, Denton County, Texas;

THENCE N 87°53'57"W, 2751.33 feet, with the south line of said AIL tracts and said north line, to the southeast corner of that tract of land described by deed to AIL Investment, recorded in Instrument Number 2014-98370, Real Property Records, Denton County, Texas;

THENCE N 00°32'37"W, 26.74 feet, continuing with said south line and with the east line of said AIL Investment tract;

THENCE N 34°12'59"E, 939.29 feet, continuing with said common line;

THENCE N 00°32'37"W, 167.80 feet, continuing with said common line to the northeast corner of said AIL Investment tract;

THENCE S 89°27'28"W, 843.17 feet, to the northwest corner of said AIL Investment tract;

THENCE departing said south line over and across said AIL tracts the following bearings and distances:

N 00°59'29"E, 109.87 feet;

N 89°42'54"W, 802.96 feet;

N 00°18'30"E, 827.19 feet;

THENCE N 88°49'57"W, 291.31 feet, to the **Point of Beginning** and containing 20,045,698 square feet or 460.186 acres of land more or less.

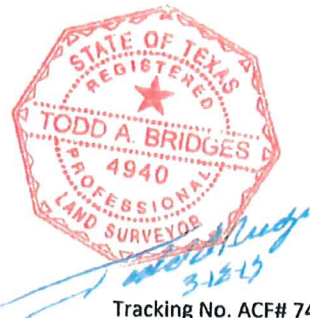
"Integral parts of this document"

1. Description – 2 Pages
2. Exhibit

"This document was prepared under 22 TAC 663.21, does not reflect the results of an on the ground survey, and is not to be used to convey or establish interests in real property except those rights and interests implied or established by the creation or reconfiguration of the boundary of the political subdivision for which it was prepared."

Peloton Job No. HWA15022
Cole

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Tracking No. ACF# 7426
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