

BELVEDERE HOMEOWNERS	§	IN THE DISTRICT COURT OF
ASSOCIATION, INC. AND BELVEDERE	§	
MUNICIPAL UTILITY DISTRICT,	§	
<i>Plaintiffs,</i>	§	
	§	
v.	§	
	§	TRAVIS COUNTY, TEXAS
	§	
PRLT PARTNERS, LLC, AND	§	
WEST TRAVIS COUNTY PUBLIC	§	
UTILITY AGENCY,	§	
<i>Defendants.</i>	§	98TH JUDICIAL DISTRICT

SETTLEMENT AGREEMENT

This Settlement Agreement (the "Agreement") is entered by and between Plaintiffs Belvedere Homeowners Association, Inc. ("Belvedere HOA") and Belvedere Municipal Utility District ("Belvedere MUD") (collectively, "Plaintiffs"), and Defendants PRLT Partners, LLC ("PRLT") and West Travis County Public Utility Agency ("WTCPUA") (collectively, "Defendants").

WHEREAS, in November 2023, PRLT entered onto Lot 61 in the Belvedere subdivision and conducted excavation and construction work installing a new 12 inch water line (the "12" line") in order to connect to an 8 inch water line that runs under Flagler Drive in the Belvedere subdivision (the "8" Line");

WHEREAS, the 8" Line is included among certain water distribution facilities that are owned by the Belvedere MUD and currently leased to WTCPUA pursuant to the terms of the Amended and Restated Water Facilities Lease and Services Agreement effective July 8, 2016 (the "Water Facilities Lease");

WHEREAS, separate and apart from the 8" Line, a 16 inch water line runs under Rollins Drive and Flagler Drive before exiting the southeastern corner of the Belvedere subdivision (the "16" Line"). WTCPUA believes the 16" Line was previously acquired by the WTCPUA, and Belvedere MUD contends that the 16" Line was not previously conveyed and remains part of the facilities owned by Belvedere MUD that are subject to the Water Facilities Lease;

WHEREAS, on or about November 28, 2023, Plaintiffs filed the above-styled lawsuit asserting claims against Defendants for trespass, tortious interference and inverse condemnation arising from PRLT's entry onto Lot 61 and Defendants' intentions and efforts to connect to the 8" Line (the "Lawsuit");

WHEREAS, without admitting the contentions or allegations of law or fact asserted, or which could have been asserted, by an opposing party, the Parties are entering into this Agreement

to effectuate the settlement and release of claims and disputes existing between them, and are doing so in order to avoid further costs, expenses, and risks of litigation between them and to buy peace.

NOW, THEREFORE, in consideration of the mutual promises, obligations, releases and other provisions contained herein, including the recitals set forth above, the receipt and sufficiency of the consideration being hereby acknowledged, the Parties agree as follows:

1. PRLT and WTCPUA will proceed with connecting the 12" Line to the 8" Line as planned pursuant to existing permits and approvals.

2. Belvedere MUD will convey the 16" Line to WTCPUA in exchange for \$10 and other good and valuable consideration provided herein, and in accordance with guidance from bond counsel, in part, to ensure the tax-exempt status of the bonds associated with the Belvedere MUD's water distribution facilities is preserved. Belvedere MUD and WTCPUA agree to use their best efforts and good faith in negotiating and implementing the necessary conveyance documents.

3. WTCPUA will comply with all applicable rules and regulations governing its provision of potable water service. Concomitantly, WTCPUA is not currently aware of, and does not anticipate granting, future significant water service extensions until additional facilities required to provide such service are constructed.

4. PRLT and/or WTCPUA will provide Plaintiffs with 48 hours' notice of the physical connection to the 8" Line. Attendant thereto, PRLT and/or WTCPUA will advise Plaintiffs of the anticipated duration of the work in Flagler Road, and the related interruption of water service within the Belvedere subdivision during the tie-in work.

5. PRLT and its contractors will comply with the Belvedere community construction guidelines that specify work hours and days, and construction gate access for heavy equipment, during completion of the work in (1) above. Appropriate safeguards will be utilized during construction to ensure safety of persons within the Belvedere subdivision. PRLT generally acknowledges Belvedere's builder guidelines but all parties agree that PRLT and its contractor(s) are not subject to the deposit requirement or schedule of fines referenced therein.

6. PRLT will undertake restoration of the easement area in Lot 61 following the completion of the connection to the 8" Line. Without limiting the foregoing, PRLT agrees to add topsoil as needed to bare areas and re-seed using native seed mix to establish revegetation of disturbed areas.

Cuts made into the concrete culvert, apron and Flagler Road for connection to the 8" Line will be restored as follows:

- roadway will be repaved with hot mix asphaltic concrete (HMAC), full width, extending 5 feet either direction along Flagler Drive from the limits of disturbance;
- curbs shall be saw cut and repaired to equal or better condition; and
- any damage to existing pipes, channels, or concrete aprons shall be repaired to restore full function of the facility.

7. PRLT will provide Plaintiffs with as-built plans which shall include identification of the path of the 12" Line installed by PRLT from its connection to the Madrone system to its connection at Flagler Road. When the 12" Line becomes operational, WTCPUA will be responsible for (and for a period of one year, PRLT will provide a warranty as to) the operation, repair and maintenance of that line.

8. Upon a determination by WTCPUA that an additional water line may be constructed or an existing water line replaced or upsized within the Belvedere subdivision, WTCPUA will provide prompt notice of same to Plaintiffs.

9. Mutual Releases: In exchange for the foregoing, Belvedere HOA and Belvedere MUD hereby release PRLT and WTCPUA, and each of their respective agents, officers, directors, managers, members, employees and representatives, from all claims, demands, damages, losses, costs, expenses, liabilities, actions, causes of action or claims of liability, which Plaintiffs have asserted, or may have asserted, against either or both of the Defendants arising from the subject matter of the Lawsuit, namely PRLT's entry onto Lot 61 and connection to the 8" Line.

Likewise, in exchange for the foregoing, PRLT and WTCPUA, hereby release Belvedere HOA and Belvedere MUD and each of their respective agents, officers, directors, managers, members, employees and representatives from all claims, demands, damages, losses, costs, expenses, liabilities, actions, causes of action or claims of liability, which Defendants have asserted, or may have asserted, against either or both of the Plaintiffs arising from the subject matter of the Lawsuit.

The releases provided herein are not intended to, and do not, release the Parties from any obligations arising under this Agreement, nor any breach of or default with respect to the terms, conditions, representations and warranties, and/or covenants provided in this Agreement.

Furthermore, nothing herein is intended to release, alter, impair, waive, or amend any of the terms, obligations, covenants or rights set forth or arising from the Water Facilities Lease between and among Belvedere MUD and WTCPUA. In addition, nothing herein, including the mutual releases above, is intended to apply to resolve any future dispute, should one arise, concerning the WTCPUA's and Belvedere MUD's respective rights and responsibilities under the Water Facilities Lease.

10. Within five (5) business days after receipt of the final signature on this Agreement, counsel for the Parties will file a joint motion and order for dismissal of the Lawsuit, with prejudice to re-filing same.

11. Through their respective signatures below, each Party represents and warrants that (1) their authorized representative has read and fully understands this Agreement; (2) all approvals necessary to authorize entering into this Agreement have been obtained; (3) such Party is duly authorized to fully and completely resolve all disputes between the Parties that are the subject of this Agreement; (4) the representative signing this Agreement is duly authorized to execute this Agreement on the Party's behalf in the capacity identified below; and (5) this Agreement constitutes a binding and enforceable obligation on the Party.

12. This Agreement may be signed in any number of counterparts or copies which when taken together shall be deemed to be an original for all purposes.

13. It is understood and agreed that the Parties hereto have carefully reviewed this Agreement, that they fully understand its terms, that they obtained independent legal advice with respect to the negotiation and preparation of the Agreement, and that this Agreement has been negotiated and prepared by the joint efforts of the respective attorneys for each of the Parties, and that the Parties have relied wholly upon their own judgment and knowledge (and the advice of their respective attorneys).

14. This Agreement shall be governed by and interpreted in accordance with the laws of the State of Texas.

15. This Agreement, and the consideration and releases given by the Parties, shall NOT constitute an admission of fault, wrongdoing or liability by any Party.

16. The Parties agree to pay their own attorneys' fees, court costs and expenses incurred in the Lawsuit. If suit is brought to enforce the terms of this Agreement, the prevailing party shall recover its reasonable and necessary attorneys' fees and costs incurred in the prosecution or defense of such action.

17. Plaintiffs hereby represent and warrant that they each are the lawful owner of any and all claims that were asserted or could have been asserted in the Lawsuit, and that no portion of any claim has been assigned or conveyed to any other person, party or entity.

18. This Agreement may not be modified, amended or terminated orally. No modification, amendment or termination, or any waiver of any of the provisions of this Agreement, shall be binding unless same is in writing and signed by the person against whom such modification, amendment or waiver is sought to be enforced. This Agreement constitutes the entire agreement between the Parties concerning PRLT's entry onto Lot 61 and connection to the 8" Line, and embodies all agreements with respect to the Parties' rights, obligations, and liabilities regarding same, and the Parties are not relying on any promises, statements, representations, covenants or warranties, whether written or oral, express or implied, made by the other parties that are not expressly stated in this Agreement.

19. The failure of any of the Parties to enforce at any time any provision of this Agreement shall not be construed to be a waiver of such provision, nor in any way affect the validity of this Agreement or any part thereof, or any right of any person thereafter to enforce each and every provision. No waiver of any breach of this Agreement shall be held to constitute a waiver of any other breach.

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Belvedere Homeowners Association, Inc.

By: *K. Milkiewicz*
Print Name: Kerth Milkiewicz
Title: HOA President
Date: 3/14/24

Belvedere Municipal Utility District

By: _____
Print Name: _____
Title: _____
Date: _____

PRLT Partners, LLC

By: _____
Print Name: _____
Title: _____
Date: _____

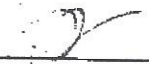
West Travis County Public Utility Agency

By: *Jennifer Riechers*
Print Name: Jennifer Riechers
Title: General Manager
Date: 3/4/24

Belvedere Homeowners Association, Inc.

By: _____
Print Name: _____
Title: _____
Date: _____

Belvedere Municipal Utility District

By:  _____
Print Name: JAMES P. KOERNER
Title: PRESIDENT
Date: 3/4/24

PRLT Partners, LLC

By: _____
Print Name: _____
Title: _____
Date: _____

West Travis County Public Utility Agency

By: _____
Print Name: _____
Title: _____
Date: _____

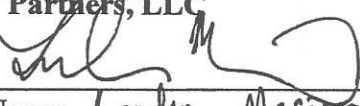
Belvedere Homeowners Association, Inc.

By: _____
Print Name: _____
Title: _____
Date: _____

Belvedere Municipal Utility District

By: _____
Print Name: _____
Title: _____
Date: _____

PRLT Partners, LLC

By:  _____
Print Name: Landon Marino
Title: Manager
Date: 3-5-24

West Travis County Public Utility Agency

By: _____
Print Name: _____
Title: _____
Date: _____