

ORDINANCE NO. 25-_____

AN ORDINANCE OF THE CITY OF DENTON AUTHORIZING THE CITY MANAGER TO EXECUTE A SOLID WASTE SERVICES CONTRACT TO PROVIDE SOLID WASTE SERVICES TO DENTON COUNTY MUNICIPAL UTILITY DISTRICT NO. 16; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Denton County Municipal Utility District No. 16 (the “MUD”) is comprised of 1,006.304 acres located wholly within the extraterritorial jurisdiction of the City and is being developed for single-family residential, multifamily, and commercial uses (the “Development”); and

WHEREAS, the City, the Developer, and the MUD executed a First Amended and Restated Development Agreement on January 7, 2025 revising the provisions in the Original Agreement regarding solid waste and water/wastewater services; and

WHEREAS, the First Amended and Restated Development Agreement stated the City would provide solid waste services to the MUD; and

WHEREAS, pursuant to Texas Health & Safety Code Chapter 363 including Sections 113, 114, 116, and 117, the City can provide solid waste services to residents and businesses outside its municipal boundaries but within its extraterritorial jurisdiction; and

WHEREAS, the MUD desires for the City to provide solid waste services to residents and commercial entities within the MUD boundaries; and

WHEREAS, subject to the terms and conditions of the contract attached hereto as Exhibit “A” and incorporated herein (the “Solid Waste Contract”) and pursuant to Section 54.203 of the Texas Water Code, the City will have the right to operate as the exclusive and sole provider of solid waste services within the boundaries of the MUD; and

WHEREAS, the City Council of the City of Denton hereby finds that the Solid Waste Contract is in the public interest.

NOW THEREFORE, THE COUNCIL OF THE CITY OF DENTON HEREBY ORDAINS:

SECTION 1. The recitations contained in the preamble of this Ordinance are found to be true and are incorporated herein by reference.

SECTION 2. The City Manager is hereby authorized to execute the Solid Waste Contract, attached hereto as Exhibit “A” and incorporated for all purposes, with Denton County Municipal Utility District No. 16 concerning solid waste services.

SECTION 3. Minor adjustments to the attached Solid Waste Contract by the City Manager are authorized, such as filling in blanks and minor clarifications or corrections, and any modifications made by City Council in the approval of this Ordinance.

SECTION 4. The City's Director of Solid Waste or their designee is hereby authorized to carry out all duties and obligations to be performed by the City under the Solid Waste Contract, unless otherwise reserved in the Solid Waste Contract for City Council approval.

SECTION 5. This Ordinance shall become effective immediately upon its passage and approval.

The motion to approve this Ordinance was made by _____ and seconded by _____. The Ordinance was passed and approved by the following vote [___ - ___]:

	Aye	Nay	Abstain	Absent
Mayor Gerard Hudspeth:	_____	_____	_____	_____
Vicki Byrd, District 1:	_____	_____	_____	_____
Brian Beck, District 2:	_____	_____	_____	_____
Suzi Rumohr, District 3:	_____	_____	_____	_____
Joe Holland, District 4:	_____	_____	_____	_____
Brandon Chase McGee, At Large Place 5:	_____	_____	_____	_____
Jill Jester, At Large Place 6:	_____	_____	_____	_____

PASSED AND APPROVED this the _____ day of _____, 2025.

GERARD HUDSPETH, MAYOR

ATTEST:
INGRID REX, INTERIM CITY SECRETARY

BY: _____

APPROVED AS TO LEGAL FORM:
MACK REINWAND, CITY ATTORNEY

BY: Christopher Mullins

EXHIBIT “A”

SOLID WASTE CONTRACT

STATE OF TEXAS

§

SOLID WASTE SERVICES CONTRACT

§

COUNTY OF DENTON

§

This Solid Waste Services Contract (this “Contract”) is entered into this 07 day of January, 2025 (the “Effective Date”) by and between the City of Denton, Texas, a Texas home-rule municipal corporation (the “City”) and Denton County Municipal Utility District No. 16, a political subdivision of the State of Texas, with its principal address at 16000 N. Dallas Parkway, Suite 350, Dallas, Texas 75248 (the “MUD”). The City and the MUD may hereinafter be referred to individually as a “Party” or collectively as “Parties.”

WHEREAS, the City has entered into a Development Agreement with the MUD for provision of certain services including Solid Waste Services, defined herein; and

WHEREAS, the City is the exclusive provider of garbage, recycling, yard waste, bulk, and home chemical collections, recycling, disposal, and diversion services (collectively, the “Solid Waste Services”) for resident and commercial customers within its municipal boundaries; and

WHEREAS, pursuant to Texas Health & Safety Code Chapter 363 including Sections 113, 114, 116, and 117, the City can provide Solid Waste Services to residents and businesses outside its municipal boundaries but within its extraterritorial jurisdiction; and

WHEREAS, pursuant to TEX. ADMIN. CODE § 330.103(a), “Municipal solid waste (MSW) containing putrescibles shall be collected a minimum of once weekly to prevent propagation and attraction of vectors and the creation of public health nuisances. Collection should be made more frequently in circumstances where vector breeding or harborage potential is significant;” and

WHEREAS, the MUD seeks to identify a provider of Solid Waste Services for its residents, and

WHEREAS, the MUD desires for the City to provide Solid Waste Services to residents and commercial entities within the MUD boundaries at a similar level of services enjoyed by City residents and businesses; and

WHEREAS, the MUD therefore desires to grant to City the right to operate as the exclusive and sole provider of Solid Waste Services, subject to the terms of this Contract and pursuant to Section 54.203 of the Texas Water Code; and

WHEREAS, the Parties agree the terms contained in this Contract are fair, reasonable, and mutually beneficial; and

WHEREAS, the Parties agree this Contract creates valid, legal, and binding obligations enforceable against the MUD and the City, subject to applicable insolvency and bankruptcy laws; and

WHEREAS, the Interlocal Cooperation Act, contained in the Texas Government Code Chapter 791 authorizes units of local government to contract with one or more units of local government to perform governmental functions and services; and

WHEREAS, City and MUD individually have the authority to perform as set forth in this Contract and in accordance with Texas Government Code § 791.011(c); and

WHEREAS, the Parties have determined that this Contract is in the public interest.

NOW, THEREFORE, in consideration of the mutual promises, covenants, and conditions contained in this Contract, the Parties agree to the following terms and conditions:

1. Recitals Incorporated. The recitals stated above are incorporated in this Contract for all purposes and are found by the Parties to be true and correct.
2. Administration. This Contract shall be administered on behalf of the City by its Director of Solid Waste or the Director of Solid Waste's designee (hereinafter called the "Director"), and on behalf of the MUD by its Board of Directors.
3. Term and Termination. The initial term of this Contract shall be for a five (5) year period, beginning on the Effective Date (the "Initial Term"). After the expiration of the Initial Term, this Contract may be renewed for successive five (5) year periods (each a "Renewal Term") by notification from either Party to the other, in writing, not less than one hundred and twenty (120) days prior to the expiration of the Initial Term or the then current Renewal Term, of its intent to renew this Contract. Any such written notice of renewal shall be provided by certified or registered mail, return receipt requested. The City may terminate this Contract, with or without cause, subject to the terms of this Section 3. The City will provide the MUD written notice of termination at least ninety (90) days prior to the termination date. Written notice of termination shall comply with the notice provisions of Section 14 contained herein.
4. Service Area. The Parties agree that the Contract shall apply the area of land within the boundaries of the District, as depicted and described in Exhibit "A", which is attached hereto and incorporated by reference for all purposes.
5. The Provision of Acceptable Solid Waste Services by the City. The Parties agree the City shall be the sole and exclusive provider of Solid Waste Services to the MUD and to residents and commercial entities within the MUD. The City agrees to provide such Solid Waste Services to residents and commercial entities within the MUD at a similar level of service provided to customers within the City's corporate limits, and to accept MUD residents and commercial entities, including multi-family units, as solid waste customers within its existing municipal service area, as outlined in the Code of the City of Denton, Texas, Chapter 24 and its annual Rate Ordinance, each as amended. The Solid Waste Services shall include:

- a. Residential Service:
 - i. Weekly garbage/trash collection

- ii. Weekly recycling collection
 - iii. Weekly yard waste collection
 - iv. Weekly bulk collection (up to two (2) items)
 - v. Access to Home Chemical Collection Program, Drop-off Service only
- b. Commercial Service (including service to multi-family developments):
- i. Weekly garbage/trash collection
 - ii. Weekly recycling collection
 - iii. Weekly yard waste collection
 - iv. Other commercial services as outlined in the Denton Development Code and Site Plan Criteria Manual.

The MUD will enforce the exclusivity of this contract under civil law, at the sole discretion of its Board of Directors, and will grant City the ability to sue individuals or businesses who act in conflict with the exclusivity provided by this Contract.

6. Unacceptable Waste.

- a. The City will only accept Municipal solid waste, as defined in TEX. HEALTH & SAFETY CODE § 363.004(9), collected from residents and commercial entities within the MUD.
- b. Notwithstanding Section 6.a., the City will not accept sludge from a wastewater treatment plant, water supply treatment plant, or air pollution control facility.
- c. The City will not accept Hazardous waste, as defined in TEX. HEALTH & SAFETY CODE § 363.004(6), or Industrial solid waste, as defined in TEX. HEALTH & SAFETY CODE § 363.004(7).
- d. The City will not accept waste that is not authorized for disposal at the City's landfill pursuant to Permit No. MSW-1590B and/or that would violate any applicable laws or regulations of the United States or the State of Texas.

7. Initial Set-Up Fee; Monthly Rates; Payment; Billing; Conditions of Service. In consideration of the City's performance of Solid Waste Services, the MUD **SHALL** require all residents of the MUD to contract with the City for Solid Waste Services.

- a. MUD residents and commercial entities shall directly contact the City of Denton Customer Service Department to establish either residential or commercial solid waste accounts. MUD customers will pay a one-time fee of fifty dollars (\$50.00) for residential customers and five hundred (\$500.00) for commercial customers each time a new account is created. MUD customers will also pay (1) a three dollar (\$3.00) per month fee for capital expenses and (2) a monthly service fee for services outside of the City limits, as delineated and annually adjusted in the City's rate ordinance (the "Service Fee"). The Service Fee is subject to increase by the Denton City Council.

- b. Customers within the MUD shall make payments to the City in a manner consistent with the City's utility account terms and conditions and the City's rate ordinance currently in effect. The City shall bill customers within the MUD on a monthly basis in conjunction with the City's bills for retail water and wastewater, in a manner consistent with the City's billing of customers within its corporate limits.
- c. Service to the MUD and all customers within the MUD is conditioned on their compliance with the service terms, conditions, and related regulations stated in the Code of the City of Denton Texas, the Denton Development Code, the City of Denton Design Criteria Manual, and the City's Standard Specifications, each as amended.

8. Ownership of Waste. Title to acceptable waste, garbage, refuse, recyclable material, and dead animals shall pass to the City when placed in the City's collection vehicle. Title to waste that is unacceptable under Section 6 of this Contract shall not pass to the City and shall remain with the generator.

9. Notifications to Residents. The City shall provide notice to all residents within the MUD of any service alerts, including, but not limited to, holiday service schedule changes or route changes, in the same manner in which the City provides such notices to customers within its corporate limits.

10. Force Majeure. In no event shall the City be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, strikes; pandemics; work stoppages; accidents, acts of war or terrorism; civil or military disturbances; nuclear or natural catastrophes; acts of God; or interruptions, loss, or malfunctions of utilities, communications, or computer (software and hardware) services. The City shall use reasonable efforts that are consistent with accepted practices to resume performance as soon as practicable under the circumstances.

11. Assignability. Neither Party may sell, assign, transfer, or convey this Contract, in whole or in part.

12. Amendments. This contract may not be amended or modified in any way without the written consent and agreement of both Parties.

13. Indemnity. **TO THE EXTENT ALLOWED BY LAW, THE MUD AGREES TO DEFEND, INDEMNIFY, AND HOLD THE CITY, ITS OFFICERS, AGENTS, AND EMPLOYEES, HARMLESS AGAINST ANY AND ALL CLAIMS, LAWSUITS, JUDGMENTS, COSTS, FINES, PENALTIES, AND EXPENSES FOR PERSONAL INJURY (INCLUDING DEATH), PROPERTY DAMAGE, VIOLATIONS OF STATE OR FEDERAL ENVIRONMENTAL LAWS OR REGULATIONS, OR OTHER HARM FOR WHICH RECOVERY OF DAMAGES IS SOUGHT, SUFFERED BY ANY PERSON OR PERSONS, THAT MAY ARISE OUT OF OR BE OCCASIONED BY THE MUD'S BREACH OF ANY OF THE TERMS OR PROVISIONS OF THIS CONTRACT, OR BY ANY NEGLIGENT, WRONGFUL, OR STRICTLY LIABLE ACT OR OMISSION OF THE MUD, ITS OFFICERS, AGENTS, EMPLOYEES, OR CONTRACTORS, IN THE PERFORMANCE OF THIS CONTRACT; EXCEPT THAT THE INDEMNITY**

PROVIDED FOR IN THIS SECTION SHALL NOT APPLY TO ANY LIABILITY RESULTING SOLELY FROM THE NEGLIGENCE, WRONGFUL ACT, OR FAULT OF THE CITY, ITS OFFICERS, AGENTS, EMPLOYEES OR SEPARATE CONTRACTORS, AND IN THE EVENT OF JOINT AND CONCURRING NEGLIGENCE OR FAULT OF THE MUD AND THE CITY, RESPONSIBILITY AND INDEMNITY, IF ANY, SHALL BE APPORTIONED IN ACCORDANCE WITH THE LAW OF THE STATE OF TEXAS, WITHOUT WAIVING ANY GOVERNMENTAL IMMUNITY AVAILABLE TO THE CITY UNDER TEXAS LAW AND WITHOUT WAIVING ANY DEFENSES OF THE PARTIES UNDER TEXAS LAW. THE PROVISIONS OF THIS SECTION ARE SOLELY FOR THE BENEFIT OF THE PARTIES TO THIS CONTRACT AND ARE NOT INTENDED TO CREATE OR GRANT ANY RIGHTS, CONTRACTUAL OR OTHERWISE, TO ANY OTHER PERSON OR ENTITY. NOTHING IN THIS PROVISION REQUIRES THAT FUNDS BE ASSESSED OR COLLECTED OR THAT A SINKING FUND BE CREATED.

14. Notice. Unless otherwise specified all notices, requests, or other communications required or appropriate to be given under the Contract shall be in writing and mailed to the addresses appearing below, but each party may change its address by providing ten (10)-days' advance written notice in accordance with this Section. Mailed notices shall be deemed delivered three (3) business days after postmarked if sent by U.S. Postal Service Certified or Registered Mail, Return Receipt Requested. Notices mailed by other means shall be deemed delivered upon receipt by the addressee.

If intended for the City, to:

Director of Solid Waste
City of Denton
Solid Waste and Recycling Department
1527 S. Mayhill Rd.
Denton, TX 76208

If intended for the MUD, to:

Denton County Municipal Utility District No. 16
c/o Coats Rose, P.C.
16000 N. Dallas Parkway, Suite 350
Dallas, Texas 75248
Attn: Mindy L. Koehne

15. Venue. The obligations of the Parties to this Contract shall be performable in Denton County, Texas, and if legal action is necessary in connection with or to enforce rights under this Contract, exclusive venue shall lie in Denton County, Texas.

16. Severability. In the event that any provision or portion of this Contract shall be found to be illegal, invalid, or unenforceable, then such provision or portion shall be amended by the Parties in compliance with applicable law. The illegality, invalidity or unenforceability of any provision or portion of this Contract shall not affect in anyway the legality, validity or enforceability of any other provision or portion of this Contract.

17. Governing Law. This Contract shall be governed by and construed in accordance with the laws and court decisions of the State of Texas, without regard to conflict of law or choice of law principles of Texas or of any other state.

18. Legal Construction. In case any one or more of the provisions contained in this Contract shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Contract, and this Contract shall be considered as if such invalid, illegal, or unenforceable provision had never been contained in this Contract. The Parties agree that they have equally participated in the drafting of this Contract with the assistance of legal counsel, and that neither Party shall receive any benefit of interpretation of its terms on the basis of relative contribution to the drafting process.

19. Successors and Assigns. This Contract shall be binding upon and inure to the benefit of the Parties and their respective successors and, except as otherwise provided in this Contract, their assigns.

20. Entire Contract; No Oral Modifications. This Contract (with all referenced Exhibits, attachments, and provisions incorporated by reference) embodies the entire agreement of both Parties, superseding all oral or written previous and contemporary agreements between the Parties relating to matters set forth in this Contract. Except as otherwise provided elsewhere in this Contract, this Contract cannot be modified without written supplemental agreement executed by both Parties.

21. Default. No Party shall be in default under this Contract until notice of the alleged failure of such Party to perform has been given in writing (which notice shall set forth in reasonable detail the nature of the alleged failure) and until such Party has been given a reasonable time to cure the alleged failure (such reasonable time shall be determined by the Party alleging default based on the nature of the alleged failure, but in no event shall be no more than thirty (30) days after receipt by the defaulting Party of the notice of alleged default). Notwithstanding the foregoing, no Party shall be in default under this Contract if, within the applicable cure period, the Party to whom notice of default was given begins performance and thereafter diligently and continuously pursues performance until the alleged failure has been cured, and within such cure period, provides written notice to the non-defaulting Party of the details of why such cure will take longer than thirty (30) days and a statement of how many days are needed to cure.

22. Remedies; Immunity.

- a. Each Party's right in the future to demand strict compliance and performance under this Contract is not diminished because, whether through decision or oversight, that Party has not enforced this Contract, or a provision of this Contract, or has not enforced breach or nonperformance in the past, whether periodically or for long duration. Also, a Party's right in the future to demand strict compliance and performance with this Contract is not diminished because, whether through decision or oversight, the other Party has not enforced the same or a similar provision of this Contract or does not enforce the same or a similar breach or nonperformance, whether periodically or for long duration. To the

extent a right or benefit in this Contract is expressly waived by a Party, such waiver will not be applied other than strictly in accordance with the conditions expressed in such express waiver and will not be implied to be continuing in nature.

- b. If a Party is found to be in default, after the applicable cure period has elapsed, the aggrieved Party may, at its option and without prejudice to any other right or remedy under this Contract, seek any relief available at law or in equity, including, but not limited to, actions for specific performance or termination of this Contract.
- c. Neither City or the MUD waives, nor shall be deemed hereby to waive, any immunity or defense that would otherwise be available against claims made or arising from any act or omission resulting from the Contract.

23. Current Revenues. The Parties will make all payments due under this Contract out of available current revenues.

24. Independent Contractor. The Contract shall not be construed as creating an employer/employee relationship, a partnership, or a joint venture. The City's services shall be those of an independent contractor. The City agrees and understands that the Contract does not grant any rights or privileges established for employees of the MUD for the purposes of income tax, withholding, social security taxes, vacation or sick leave benefits, worker's compensation, or any other City employee benefit. The MUD shall not have supervision and control of the City or any employee of the City, and it is expressly understood that City shall perform the services hereunder according to this Contract.

25. Non-Appropriation. Notwithstanding any provisions contained herein, the obligations of the City under this Contract are expressly contingent upon the availability of funding for each item and obligation contained herein. The MUD shall not have a right of action against the City, in the event the City is unable to fulfill its obligations under this Contract as a result of lack of sufficient funding for any item or obligation from any source utilized to fund this Contract or failure to budget or authorize funding for this Contract during the current or future fiscal years. If the City is unable to fulfill its obligations under this Contract as a result of lack of sufficient funding, or if funds become unavailable, the City, at its sole discretion, may provide funds from a separate source or may terminate this Contract by written notice at the earliest possible time prior to the end of its fiscal year.

26. Captions. The captions of the various sections and paragraphs herein are intended for convenience or reference only and shall not define or limit any of the terms or provisions hereof.

27. Counterparts. This Contract may be executed in multiple counterparts, which, when taken together, shall be deemed one original.

28. Survival. Notwithstanding any provision of this Contract to the contrary and without limitation of any other provisions of this Contract that specify survival of rights and obligations, all rights and obligations of the Parties under this Contract which by their nature are intended to survive shall survive.

29. Signature Authority. Both Parties represent and warrant to the other Party that its signatory to this Contract has corporate or organizational authority to execute and perform this Contract on behalf of the given Party.

(EXECUTION PAGES FOLLOW)

Executed this the ____ day of _____, 20__ by the City, signing by and through its City Manager, duly authorized to execute same by Ordinance _____.

Approved on _____, 20__.

CITY OF DENTON, TEXAS

BY: _____
SARA HENSLEY, CITY MANAGER

ATTEST:

BY: _____
LAUREN THODEN, CITY SECRETARY

APPROVED AS TO LEGAL FORM:

BY: Christopher Mullins
MACK REINWAND, CITY ATTORNEY

**THIS CONTRACT HAS BEEN
BOTH REVIEWED AND APPROVED
as to financial and operational
obligations and business terms.**

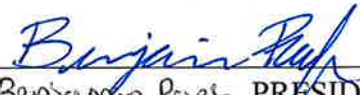
Signature
Director of Solid Waste

Title
Solid Waste

Department

Date Signed: 9/29/2025

DENTON COUNTY MUNICIPAL UTILITY DISTRICT NO. 16

BY: 
Benjamin Raet, PRESIDENT

ATTEST:

BY: 
Philip Wilson, SECRETARY

EXHIBIT "A"

Boundary Description and Map of the District

PARCEL NO. 1 (2 TRACTS) – 552.985 ACRES

EXHIBIT "A"

TRACT 1:

BEING a tract of land situated in the Uberto Allen Survey, Abstract No. 14, William Stonham Survey, Abstract No. 1145 and the Harris Young Survey, Abstract No. 1450, Denton County, Texas and being the remaining portion of a called Tract One (153.488-acres) described in a General Warranty Deed to Olex (United States), Inc., f/k/a Olex Corporation N. V., recorded in Volume 1129, Page 185, Deed Records of Denton County, Texas, and being more particularly described by metes and bounds as follows:

BEGINNING at an aluminum TXDOT right of way disk found on the westerly line of said Tract One (153.488-acres), for the northwest corner of a called Parcel 17, described in an Agreed Judgment to the State of Texas, recoded in Instrument No. 2012-80554, Official Records of Denton County, Texas, same being the northeast corner of a called Parcel 16, described in a Deed to the State of Texas, recorded in Instrument No. 2009-71718, Official Records of Denton County, Texas, same also being the current northerly right of way line of U. S. Highway 380, a variable width right of way;

THENCE North 00°02'22" West, departing the northerly right of way line of said U. S. Highway 380, along the westerly line of said Tract One (153.488-acres) and generally along a barbed wire fence, a distance of 2,236.16 feet to a metal fence corner post found for the northwest corner of said Tract One (153.488-acres), same being the southwest corner of a called 1.931-acre tract of land, described in a Special Warranty Deed to Vanguard Wireless, LP, recorded in Instrument No. 2005-79339, Official Records of Denton County, Texas;

THENCE South 89°58'24" East, along the northerly line of said Tract One (153.488-acres), the southerly line of said 1.931-acre tract, the southerly line of a called 5.00-acre tract of land, described in a Warranty Deed to Amanda Noles Nelson, recorded in Instrument No. 2013-92845, Official Records of Denton County, Texas, the southerly line of a called 19.6390-acre tract of land, described in a Special Warranty Deed to Nancy Kay Jones, recorded in Instrument No. 2010-57685, Official Records of Denton County, Texas, the southerly line of Lot 1 and Lot 2, Block A of Myers Farm, an addition to the City of Denton, according to the final plat, recorded in Document No. 2011-77, Plat Records of Denton County, Texas, and generally along a barbed wire fence, a distance of 2091.05 feet to a 1/2-inch iron rod with a yellow plastic cap found for the southeast corner of said Lot 2, same being the southeast corner of Lot 3, Block A of said Myers Farm;

THENCE South 89°53'09" East, continuing along the northerly line of said Tract One (153.488-acres), the southerly line of said Lot 3 and the southerly line of a called 21.1455-acre tract of land described in a Special Warranty Deed to Janis June Myers, recorded in Instrument No. 2010-57683, Official Records of Denton County, Texas, and generally along a barbed wire fence, a distance of 1368.48 feet to a 1/2-inch iron rod found for the northeast corner of said Tract One (153.488-acres) and the southeast corner of said 21.1455-acre tract, same being on the westerly right of way line of F. M. 156, a variable width right of way;

THENCE South 17°28'47" West, along the easterly line of said Tract One (153.488-acres) and the westerly right of way line of said F. M. 156, a distance of 94.26 feet to a 5/8-inch iron rod with

a red plastic cap, stamped "KHA" set at the beginning of a non-tangent curve to the right having a central angle of 15°08'00", a radius of 5659.58 feet, a chord bearing and distance of South 21°13'35" West, 1490.50 feet, from said point, a wooden right of way marker bears South 13°42' West, 3.93 feet;

THENCE in a southwesterly direction, continuing along the easterly line of said Tract One (153.488-acres) and the westerly right of way line of said F. M. 156, along said curve to the right, an arc distance of 1494.85 feet to a 5/8-inch iron rod with a red plastic cap, stamped "KHA" set for corner, from which, a wooden right of way marker bears South 03°03' West, 1.20 feet;

THENCE South 28°47'35" West, continuing along the easterly line of said Tract One (153.488-acres) and the westerly right of way line of said F. M. 156, a distance of 556.36 feet to an aluminum TXDOT right of way disk found for the northeast corner of aforesaid Parcel 17, same being the intersection of the westerly right of way line of said F. M. 156 with the northerly right of way line of aforesaid U. S. Highway 380;

THENCE in a westerly direction, departing the westerly right of way line of said F. M. 156, along the northerly line of said Parcel 17 and the northerly right of way line of said U. S. Highway 380, the following:

North 61°04'40" West, a distance of 679.63 feet to an aluminum TXDOT right of way disk found for corner;

South 78°35'46" West, a distance of 296.07 feet to an aluminum TXDOT right of way disk found for corner;

South 38°16'12" West, a distance of 548.81 feet to an aluminum TXDOT right of way disk found for corner;

South 62°08'29" West, a distance of 218.57 feet to an aluminum TXDOT right of way disk found for corner;

South 86°00'46" West, a distance of 322.43 feet to an aluminum TXDOT right of way disk found for corner;

North 90°00'00" West, a distance of 469.04 feet to an aluminum TXDOT right of way disk found for corner;

North 87°16'23" West, a distance of 413.60 feet to the **POINT OF BEGINNING** and containing 144.086 acres (6,276,387 square feet) of land, more or less.

TRACT 2:

BEING a tract of land situated in the George W. Anderson Survey, Abstract No. 12, Uberto Allen Survey, Abstract No. 14, Edward F. Anderson Survey, Abstract No. 16, B. B. B & C. RR. Co. Survey, Abstract No. 168, B. B. B & C. RR. Co. Survey, Abstract No. 188, William Stonham Survey, Abstract No. 1145 and the Harris Young Survey, Abstract No. 1450, Denton County, Texas and being a portion of a called Tract Three (425.898-acres) described in a General Warranty Deed to Olex (United States), Inc., f/k/a Olex Corporation N. V., recorded in Volume 1129, Page 185, Deed Records of Denton County, Texas, and being more particularly described by metes and bounds as follows:

BEGINNING at an aluminum TXDOT right of way disk found on the easterly line of said Tract Three (425.898-acres), for the southeast corner of a called Parcel 15, described in an Agreed Judgment to the State of Texas, recoded in Instrument No. 2012-80554, Official Records of Denton County, Texas, same being the intersection of the current southerly right of way line of U. S. Highway 380, a variable width right of way with the westerly right of way line of F. M. 156, a variable width right of way;

THENCE in a southerly direction, departing the southerly right of way line of said U. S. Highway 380, along the easterly line of said Tract Three (425.898-acres) and the westerly right of way line of said F. M. 156, the following:

South 28°45'02" West, a distance of 581.24 feet to a 5/8-inch iron rod with a red plastic cap, stamped "KHA" set at the beginning of a tangent curve to the right having a central angle of 03°49'00", a radius of 5659.58 feet, a chord bearing and distance of South 30°39'32" West, 376.93 feet;

in a southwesterly direction, along said curve to the right, an arc distance of 377.00 feet to a 5/8-inch iron rod with a red plastic cap, stamped "KHA" set for corner;

South 27°44'04" West, a distance of 118.70 feet to a 5/8-inch iron rod with a red plastic cap, stamped "KHA" set for corner, from which, a wooden right of way marker bears South 44°02' West, 3.82 feet;

South 32°34'02" West, a distance of 1000.02 feet to a 5/8-inch iron rod with a red plastic cap, stamped "KHA" set for corner, from which, a wooden right of way marker bears South 42°17' West, 2.01 feet;

South 38°16'40" West, a distance of 100.50 feet to a 5/8-inch iron rod with a red plastic cap, stamped "KHA" set for corner, from which, a wooden right of way marker bears South 44°22' West, 2.44 feet;

South 32°34'02" West, a distance of 1900.00 feet to a 5/8-inch iron rod with a red plastic cap, stamped "KHA" set for corner, from which, a wooden right of way marker bears South 27°02' West, 8.82 feet;

South 26°51'24" West, a distance of 100.50 feet to a 5/8-inch iron rod with a red plastic cap, stamped "KHA" set for corner;

South 32°34'02" West, a distance of 924.50 feet to a 5/8-inch iron rod with a red plastic cap, stamped "KHA" set for the beginning of a tangent curve to the left having a central

angle of 6°27'51", a radius of 2924.79 feet, a chord bearing and distance of South 29°20'06" West, 329.80 feet;

in a southwesterly direction, with said curve to the left, an arc distance of 329.97 feet to a PK nail with a washer, stamped "KHA" set in an asphalt road, known as Old Stoney Road, an apparent public use roadway, no record found, for the southeast corner of said Tract Three (425.898-acres);

THENCE South 89°39'42" West, departing the westerly right of way line of said F. M. 156, along the southerly line of said Tract Three (425.898-acres) and along said Old Stoney Road, a distance of 1706.19 feet to a 1/2-inch iron rod found for the southwest corner of said Tract Three (425.898-acres);

THENCE North 00°02'12" West, departing said Old Stoney Road and along the westerly line of said Tract Three (425.898-acres), a distance of 5443.65 feet to a 5/8-inch iron rod with a red plastic cap, stamped "KHA" set on the southerly line of a called Parcel 14, described in a Deed to the State of Texas, recorded in Instrument No. 2008-19039, Official Records of Denton County, Texas, same being the current southerly right of way line of aforesaid U. S. Highway 380;

THENCE in an easterly direction, departing the westerly line of said Tract Three (425.898-acres) and along the southerly right of way line of said U. S. Highway 380, the following:

THENCE South 87°16'23" East, departing the westerly line of said Tract Three (425.898-acres) and along the southerly right of way line of said U. S. Highway 380, passing at a distance of 8.26 feet, an aluminum TXDOT right of way disk found for the south common corner of said Parcel 14 and aforesaid Parcel 15, continuing for a total distance of 1274.95 feet to a point for corner;

THENCE North 63°54'58" East, continuing along the southerly right of way line of said U. S. Highway 380, a distance of 37.31 feet to a 5/8-inch iron rod with a red plastic cap, stamped "KHA" set for corner;

THENCE South 00°02'12" East, departing the southerly right of way line of said U. S. Highway 380 and crossing said Tract Three (425.898-acres), a distance of 472.87 feet to a 5/8-inch iron rod with a red plastic cap, stamped "KHA" set for corner;

THENCE North 89°57'48" East, continuing across said Tract Three (425.898-acres), a distance of 654.35 feet to a 5/8-inch iron rod with a red plastic cap, stamped "KHA" set at the beginning of a non-tangent curve to the right having a central angle of 49°55'24", a radius of 78.50 feet, a chord bearing and distance of North 21°16'23" East, 66.26 feet;

THENCE in a northeasterly direction, continuing across said Tract Three (425.898-acres), with said curve to the right, an arc distance of 68.40 feet to a 5/8-inch iron rod with a red plastic cap, stamped "KHA" set at the beginning of a reverse curve to the left having a central angle of 46°16'17", a radius of 30.00 feet, a chord bearing and distance of North 23°05'56" East, 23.57 feet;

THENCE in a northeasterly direction, continuing across said Tract Three (425.898-acres), with said curve to the left, an arc distance of 24.23 feet to a 5/8-inch iron rod with a red plastic cap, stamped "KHA" set for corner;

THENCE North 00°02'12" West, continuing across said Tract Three (425.898-acres), a distance of 381.71 feet to a 5/8-inch iron rod with a red plastic cap, stamped "KHA" set for corner;

THENCE North 45°35'01" West, continuing across said Tract Three (425.898-acres), a distance of 28.01 feet to a 5/8-inch iron rod with a red plastic cap, stamped "KHA" set for corner on the southerly right of way line of said U. S. Highway 380 and the southerly line of aforesaid Parcel 15;

THENCE North 88°52'11" East, along the southerly right of way line of said U. S. Highway 380, a distance of 130.02 feet to a 5/8-inch iron rod with a red plastic cap, stamped "KHA" set for corner;

THENCE South 44°24'59" West, departing the southerly right of way line of said U. S. Highway 380 and crossing said Tract Three (425.898-acres), a distance of 28.55 feet to a 5/8-inch iron rod with a red plastic cap, stamped "KHA" set for corner;

THENCE South 00°02'12" East, continuing across said Tract Three (425.898-acres), a distance of 379.33 feet to a 5/8-inch iron rod with a red plastic cap, stamped "KHA" set for corner;

THENCE South 45°02'12" East, continuing across said Tract Three (425.898-acres), a distance of 70.71 feet to a 5/8-inch iron rod with a red plastic cap, stamped "KHA" set for corner;

THENCE North 89°57'48" East, continuing across said Tract Three (425.898-acres), a distance of 700.88 feet to a 5/8-inch iron rod with a red plastic cap, stamped "KHA" set at the beginning of a tangent curve to the right having a central angle of 10°06'19", a radius of 782.50 feet, a chord bearing and distance of South 84°59'03" East, 137.83 feet;

THENCE in a southeasterly direction, continuing across said Tract Three (425.898-acres), with said curve to the right, an arc distance of 138.01 feet to a 5/8-inch iron rod with a red plastic cap, stamped "KHA" set for corner;

THENCE South 79°55'53" East, continuing across said Tract Three (425.898-acres), a distance of 162.37 feet to a 5/8-inch iron rod with a red plastic cap, stamped "KHA" set at the beginning of a tangent curve to the right having a central angle of 21°10'04", a radius of 1422.50 feet, a chord bearing and distance of South 69°20'51" East, 522.55 feet;

THENCE in a southeasterly direction, continuing across said Tract Three (425.898-acres), with said curve to the right, an arc distance of 525.54 feet to a 5/8-inch iron rod with a red plastic cap, stamped "KHA" set for corner;

THENCE South 58°45'49" East, continuing across said Tract Three (425.898-acres), a distance of 457.65 feet to a 5/8-inch iron rod with a red plastic cap, stamped "KHA" set for corner;

THENCE North 31°14'11" East, continuing across said Tract Three (425.898-acres), a distance of 386.56 feet to a 5/8-inch iron rod with a red plastic cap, stamped "KHA" set for corner on the southerly right of way line of said U. S. Highway 380 and the southerly line of aforesaid Parcel 15, from said corner, a found aluminum TXDOT right of way disk bears North 61°21'38" West, 25.03 feet;

THENCE South 61°21'38" East, along the southerly right of way line of said U. S. Highway 380, a distance of 214.91 feet to a 5/8-inch iron rod with a red plastic cap, stamped "KHA" set for corner;

THENCE South 54°31'02" East, continuing along the southerly right of way line of said U. S. Highway 380, a distance of 100.71 feet to an aluminum TXDOT right of way disk found for corner;

THENCE South 61°21'39" East, continuing along the southerly right of way line of said U. S. Highway 380, a distance of 91.38 feet to the **POINT OF BEGINNING** and containing 408.899 acres (17,811,656 square feet) of land, more or less.

PARCEL NO. 2 (2 TRACTS) – 356.425 ACRES

4. Legal description of land:

TRACT 1:

All that certain lot, tract or parcel of land lying and being situated in the SARAH WINFREY SURVEY, ABSTRACT No. 1319, County of Denton, State of Texas, and being all of Tracts One, Two, Three and Five as conveyed by deed dated September 8, 1971, from Jerry A. Garrett, et al, to Don E. Hickey, as shown on record in Volume 628, Page 596, of the Deed Records of Denton County, Texas, and being more particularly described as follows:

BEGINNING at a fence corner post in the South boundary line of a public road and being the Northwest corner of Tract One of said Don E. Hickey property;

THENCE South 89° 07' 21" East, along the South boundary line of public road, 2970.74 feet to a concrete monument for the Northeast corner of Tract Three;

THENCE South 00° 33' West, with fence 2760.4 feet to a concrete monument for the Southeast corner of Tract Five, and being in the North boundary line of U.S. Highway No. 380;

THENCE North 88° 09' West, along the North boundary line of said Highway No. 380, 2052.11 feet to a concrete monument for corner;

THENCE South 01° 51' West, 10.00 feet to a concrete monument for corner and being in the North boundary line of U.S. Highway No. 380;

THENCE North 88° 09' West, 893.00 feet to a concrete monument for corner in the North boundary line of the past mentioned highway, and being the Southwest corner of Tract Two of the Don E. Hickey property;

THENCE North along fence line, 2629.7 feet to the POINT OF BEGINNING and containing 182.827 acres of land, more or less.

NOTE: The Company is prohibited from insuring the area or quantity of the land described herein. Any statement in the above legal description of the area or quantity of land is not a representation that such area or quantity is correct, but is made only for information and/or identification purposes and does not override Item 2 of Schedule B hereof.

TRACT 2:

All that certain 173.598 acre tract or parcel of land situated in the SARAH WINFREY SURVEY, ABSTRACT No. 1319, being part of a called 285.91 acre tract conveyed to Henry A. Hudson, III, and recorded in Volume 994, Page 621, Deed Records, Denton County, Texas; said 173.598 acre tract being more particularly described as follows:

BEGINNING at the most westerly-northwest corner of said 285.91 acre tract at a set 1/2" rebar in a North line of said Winfrey Survey, same being a South line of the BBB & CRR Company Survey, Abstract No. 157, same being in Jackson Road;

THENCE North 89° 34' 09" East with said survey line, a distance of 1247.89 feet to a set 1/2" rebar for the Southeast corner of said BBB & CRR Company Survey; same being the Southeast corner of a tract conveyed to C. W. Buckley and recorded in Volume 364, Page 567, Deed Records, Denton County, Texas;

THENCE North 00° 35' 48" East with a common line between the Winfrey and BBB & CRR Surveys, a distance of 413.69 feet, passing across Jackson Road to a set 1/2" rebar for the Southwest corner of the I & GMRY Company Survey, Abstract No. 1498;

THENCE South 89° 36' 04" East with the South line of said I & GMRY Survey, a distance of 68.11 feet to a set 1/2" rebar at the Northwest corner of the Hutchens Addition, an Addition to Denton County, Texas, as shown by Plat recorded in Cabinet E, Slide 18, Plat Records, Denton County, Texas;

THENCE South 00° 23' 56" West, crossing said Jackson Road with the West line of said Hutchens Addition, a distance of 464.24 feet to a found 1/2" rebar for the Southwest corner of said Hutchens Addition;

THENCE North 88° 43' 58" East with the South line of said Hutchens Addition, a distance of 1328.43 feet to the Southeast corner of said Addition; said point being in the East line of said Winfrey Survey;

THENCE South 00° 09' 56" West with said survey line generally with a fence and crossing South Hickory Creek, continuing a total distance of 2873.66 feet to a set 1/2" rebar in the North Right-of-Way line of U.S. 380; and being in the North boundary line of a tract conveyed to the State of Texas for highway purposes, as shown of record in Volume 11, Page 327 of the Civil Minutes of County Court, Denton County, Texas;

THENCE North 87° 05' 26" West with said Right-of-Way, a distance of 1336.33 feet to a concrete Right-of-Way Monument on the South bank of South Hickory Creek;

THENCE South 06° 44' 17" West with said Right-of-Way, a distance of 39.52 feet to a concrete Right-of-Way Monument;

THENCE North 87° 05' 26" West with said Right-of-Way, a distance of 1347.10 feet to a concrete monument at the Southeast corner of a called Tract Five conveyed to Don E. Hickey and recorded in Volume 628, Page 596, Deed Records, Denton County, Texas;

THENCE North 00° 58' 53" East, passing concrete monuments at 587.94 feet and 2759.16 feet also crossing over South Hickory Creek, continuing a total distance of 2789.16 feet to the POINT OF BEGINNING, containing in all 173.598 acres of land, more or less.

NOTE: The Company is prohibited from insuring the area or quantity of the land described herein. Any statement in the above legal description of the area or quantity of land is not a representation that such area or quantity is correct, but is made only for information and/or identification purposes and does not override Item 2 of Schedule B hereof.

PARCEL NO. 3 (1 TRACT): 96.921 ACRES

Being a tract of land situated in the Sarah Winfrey Survey, Abstract No. 1319, Denton County, Texas, and being all of the remainder of a called 34.9125 acres tract of land described in Deed to Billy and Jean Family Partners, LTD as recorded in Vol. 4389, Pg. 2315, Real Property Records, Denton County, Texas and being all the remainder of a tract of land described in Deed to Billy and Jean Family Partners, LTD. as recorded in Vol. 4389, Pg. 2311, said Real Property Records, and being more particularly described herein as follows;

BEGINNING at a TXDOT right-of-way concrete monument found in the North Right-of-Way line of U.S. Highway 380 (a public road) for the Southeast corner of said 34.9125 acres remainder tract common to the Southwest corner of a called 71.556 acres tract of land (Tract Two) described in Deed to Don Hickey as recorded in Vol. 628, Pg. 596, Deed Records, Denton County, Texas;

THENCE North 87 degrees 17 minutes 07 seconds West. with the South line of said 34.9125 acres remainder tract common to the North line of said Highway 380, passing the Southwest corner thereof common to the Southeast corner of said Family Partners remainder tract (4389/2311), and continuing along said course, with the South line thereof, a distance of 2781.11 feet to a "Mag" nail set in George Owens Road (a public road) for the Southwest corner of said Family Partners remainder tract (4389/2311);

THENCE North 00 degrees 10 minutes 56 seconds East, with the West line of said Family Partners remainder tract (4389/2311), along said George Owens Road, a distance of 1545.96 feet to a "Mag" nail set for the Northwest corner of said Family Partners remainder tract (4389/2311) common to the Southwest corner of a called 47.452 acres tract of land described in Deed to Terry Bagley and Jerry Bagley as recorded in Inst. No. 2018-29869, Official Records, Denton County, Texas;

THENCE North 87 degrees 58 minutes 01 seconds East, with the North line of said Family Partners remainder tract (4389/2311) common to the South line of said 47.452 acres tract, passing at a distance of 20.83 feet a steel fence corner post found for reference, and continuing along said course, passing the Northeast corner of said Family Partners remainder tract (4389/2311) common to the Northwest corner of said 34.9125 acres remainder tract, and continuing along said course, with the North line thereof, a total distance of 2054.93 feet to a 1/2 inch capped iron rod stamped (COLEMAN-4001) found for the Northeast corner of said 34.9125 acres remainder tract common to the most Westerly Northwest corner of a called 18.589 acres tract of land described in Deed to Terry Bagley and Jerry Bagley as recorded in Inst. No. 2024-28247, said Official Records, from which a 1/2 inch capped iron rod found at the Southeast corner of said 47.452 acres tract bears North 87 degrees 58 minutes 03 seconds East, a distance of 225.13 feet;

THENCE South 00 degrees 03 minutes 48 seconds East, with an East line of said 34.9125 acres remainder tract common to the West line of said 18.589 acres tract, a distance of 545.62 feet to a 3 inch steel fence corner post found for and interior corner of said 34.9125 acres remainder tract common to the Southwest corner of said 18.589 acres tract;

THENCE North 87 degrees 43 minutes 26 seconds East, with a North line of said 34.9125 acres remainder tract common to the South line of said 18.589 acres tract, along and near a fence, a distance of 724.04 feet to a 5/8 inch capped iron rod stamped "VAUGHNS SURVEY CO." (typical) set near a steel fence corner post in the West line of said 71.556 acres tract for the most Easterly Northeast corner of said 34.9125 acres remainder tract common to the Southeast corner of said 18.589 acres tract, from which a concrete monument found at the Northwest corner of said 71.556 acres tract bears North 00 degrees 12 minutes 55 seconds East. a distance of 707.18 feet;

THENCE South 00 degrees 12 minutes 55 seconds West, with the East line of said 34.9125 acres remainder tract common to the West line of said 71.556 acres tract, along and near a fence, a distance of 1233.72 feet to the POINT OF BEGINNING and containing, within the metes and bounds herein recited 96.921 acres of land, more or less.

PARCEL NO. 4 (1 TRACT): 19.62 ACRES

Being a 19.620 acre tract of land within the A.P. Vaughan Survey, Abstract Number 1316, with Denton County, being all of a tract of land described to Nancy Kay Jones by deed recorded in Instrument Number 2010-57685, Official Public Records, Denton County, Texas and being more particularly described by metes and bounds as follows:

BEGINNING at a 1/2 inch rebar capped "ARTHUR" found for the northeast corner of said Jones tract, same being the northwest corner of Lot 1, Block A of Myers Farm, an addition to Denton County, as recorded in Instrument Number 2011-77, Official Public Records, Denton County, Texas also being a point lying on the south right-of-way line of Jackson Road (Variable Width right-of-way);

THENCE South 00 degrees 14 minutes 08 seconds West, departing the south right-of-way line of said Jackson Road, with the west line of said Lot 1, a distance of 856.13 feet to a 1/2 inch rebar capped "ARTHUR" found for the southwest corner of said Lot 1, same being a point on the north line of the north line of a tract of land described to Tri Pointe Homes DFW, LLC and First Texas Homes, Inc. by deed recorded in Instrument Number 2022-41071, Official Public Records, Denton County, Texas;

THENCE South 89 degrees 54 minutes 58 seconds West, with the north line of said Tri Pointe Homes tract, a distance of 1002.44 feet to a point for the southeastern most corner of a tract of land described to Amanda Noles Nelson by deed recorded in Instrument Number 2013-92845, Official Public Records, Denton County, Texas from which a PK nail on a post found bears North 08 degrees 47 minutes 43 seconds East, a distance of 2.1 feet;

THENCE North 00 degrees 03 minutes 32 seconds West, departing the north line of said Tri Pointe Homes tract, with the east line of said Nelson tract, a distance of 845.31 feet to a 1/2 inch rebar with an illegible cap found for the northeast corner of said Nelson tract, same being a point on the south right-of-way line of said Jackson Road;

THENCE North 89 degrees 18 minutes 05 seconds East, with the south right-of-way line of said Jackson Road, a distance of 1006.90 feet to THE POINT OF BEGINNING and containing 845,644 square feet or 19.620 acres of land, more or less

