ORDINANCE NO. 87-09

AN ORDINANCE ESTABLISHING A UTILITY EXTENSION POLICY FOR
THE CITY OF LEAGUE CITY, TEXAS.

WHEREAS, the city of League City, Texas (the “City”) deems it necessary and proper
and in the best interests of the citizens of the City to establish a utility extension policy.

NOW THEREFORE, BE IT ORDIANED BY THE CITY COUNCIL OF THE CITY OF
LEAGUE CITY, TEXAS, as follows:

Section 1. It shall be the general policy of the City that property owners desiring water
and sewer (together, “utility”) services from the City must design and construct any
utility service extensions or improvements necessary for such service at the property
owners’ sole cost and expense. Such utility service extensions or improvements shall be
constructed in conformance with all City ordinances, resolutions, policies, standards and
specifications. If the property owners desire the City to operate and maintain the utility
service extensions or improvements as constructed by the property owners, the property
owners must convey legal title to, or provide a bill of sale for, such extensions or
improvements in form acceptable to the City and must dedicate all necessary utility
easements so that the City may service and maintain the extensions and improvements.

Section 2. At its sole discretion, the City may elect to extend or improve its waterworks
and sanitary sewer system in certain subdivisions by making such extensions or
1110c (Vernon), as amended, or in other applicable Texas statutes, as amended.

Section 3. At its sole discretion, the City may elect to administrate, design, engineer and
construct utility service extensions or improvements in areas within the City by
assessing up to ninety percent (90%) of the total cost of such extensions or
improvements against the benefiting property owners in such proportionate shares as the
City deems just and equitable. The following standards shall apply when the City elects
to make utility service extensions or improvements under this Section 3:

(i) A minimum of fifty percent (50%) of the property owners who will benefit or
take service from the extensions or improvements (“the Project”), must agree,
through execution of a written agreement with the City, to pay their
proportionate shares of the total Project costs within the period of time
determined by city Council. Such agreements must be executed before the
City shall begin construction of the Project.

(ii) City Council shall determine the terms of payment, including payment in a
lump sum or over a specified period of time, by the benefited property owners
on a Project by Project basis.

(iii) If City Council determines that terms of payment pursuant to agreements to
pay for Project costs by property owners shall be over a specified period of
time, property owners shall pay their proportionate shares of the total Project
costs plus interest at an annual rate established by City Council on a Project by
Project basis. At the time the terms of payment pursuant to agreements are
determined, City Council also shall determine the annual rate of interest to be
paid by property owners who do not execute an agreement with the city but
desire to obtain service from the Project after payment of all costs and fees as set forth in subsection (v) below.

(iv) If the city does not own publicly dedicated right of ways or easements sufficient for construction and maintenance of the Project, all property owners executing an agreement with City in connection with the Project must donate sufficient right of ways or easements on their property and/or contribute funds to pay for their proportionate shares of the cost of acquisition of right of ways or easement costs for the Project.

(v) Before actually obtaining service from the Project, all property owners who have not executed an agreement with the City and who desire to obtain service from the Project at any time, must pay their proportionate shares of the Project costs, including interest, which interest shall run from the date the terms of payment pursuant to agreements were determined, until payment in full of their proportionate shares of Project costs. All property owners, including those executing agreements, must pay all other fees as set by City Ordinance or resolution before actually obtaining service from the Project. Such fees shall include, but are not limited to, connection fees, capital maintenance fees and capital recovery fees.

(vi) All property owners must at their sole cost and expense construct and connect utility service lines on their property which are necessary to connect to the Project.

PASSED the ___26th___ day of ___February___, 1987, by a vote of ___5___ “Ayes” in favor and ___0___ “Nos” against, with ___5___ (number) of Council members present and voting.

APPROVED the ___26th___ day of ___February___, 1987.

/S/
JOE L. LAMB, Mayor

ATTEST:

/S/
LETA F. WILLOUGHBY, CITY SECRETARY

APPROVED AS TO FORM:

/S/
ROLIFF H. PURRINGTON, JR.,
City Attorney

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