

INTERLOCAL AGREEMENT REGARDING CONSTRUCTION AND FUNDING OF DISTRICT FACILITIES

This INTERLOCAL AGREEMENT REGARDING CONSTRUCTION AND FUNDING OF DISTRICT FACILITIES (this “Agreement”) is entered on the 20th day of November, 2025, to be effective as of the Effective Date (hereinafter defined), by and between the Celina Independent School District (“CISD”), and Uptown Municipal Utility District No. 1 of Collin County, a conservation and reclamation district created pursuant to Article XVI, Section 59, and Article III, Section 52, of the Texas Constitution, and operating pursuant to Chapters 49 and 54, Texas Water Code, as amended, and Chapter 7909A, Texas Special District Local Laws Code, as amended (the “MUD”). The MUD and CISD are sometimes collectively referred to herein as the “Parties” and individually as a “Party.”

RECITALS

WHEREAS, CISD is a local government as defined by Chapter 791 of the Texas Government Code (the “Act”), and as such is lawfully permitted to enter into an interlocal agreement; and

WHEREAS, the MUD is a political subdivision of the State of Texas that provides water, sanitary sewer, drainage, roads and other facilities and services within the boundaries of the MUD, is a local government as defined by the Act, and as such is lawfully permitted to enter into an interlocal agreement; and

WHEREAS, CISD intends to construct a school on approximately 18.802 acres of land, more particularly described on **Exhibit A** attached hereto (the “Property”), all of which is located within the boundaries of the MUD; and

WHEREAS, the Property is located within an area of the MUD consisting of approximately 18.802 acres that are not yet developed and will not be developed prior to the construction of the school by CISD (the “Undeveloped MUD Property”), more particularly described on **Exhibit B** attached hereto; and

WHEREAS, CISD requires the construction of certain water, sanitary sewer, drainage and roadway facilities depicted on **Exhibit C** attached hereto (the “Facilities”), in order to properly serve the Property and operate the school, and such Facilities will be sized sufficiently to serve the Undeveloped MUD Property as well; and

WHEREAS, the Parties now desire to establish a definitive basis for CISD to construct and fund the Facilities, and for the MUD to reimburse CISD for the costs associated with constructing the Facilities in accordance with the terms of this Agreement; and

WHEREAS, the Parties have determined and hereby represent that they are authorized and empowered to make, execute and deliver this Agreement; that the terms, conditions and provisions of this Agreement are mutually agreeable, fair and advantageous to the Parties; and that they desire to enter into this Agreement for the purpose of setting forth the specific terms and conditions upon which the Facilities will be constructed and funded.

AGREEMENT

NOW, THEREFORE, for and in consideration of the mutual promises, covenants, benefits and obligations contained herein, the Parties hereby contract, covenant and agree as follows:

ARTICLE I CONSTRUCTION OF FACILITIES

1.1 Construction. The Facilities shall be constructed by CISD in accordance with the construction plans and specifications in compliance with the City of Celina's (the "City") applicable ordinances, rules, and regulations (in existence as of the time that construction of the Facilities commences), the rules and regulations of any other agencies having jurisdiction (in existence as of time that construction of the Facilities commences), and with applicable state laws relating to competitive bidding requirements for municipal utility districts, including, but not limited to, contract advertisements, bidding, and awarding. Such construction shall not commence unless and until said plans and specifications have been approved by the City's engineer and the MUD's engineer. To the extent there is a conflict between any portion(s) of an applicable ordinance, rule, regulation, or law related to the construction of the Facilities, the more restrictive/stringent of the conflicting portion(s) shall apply. The costs of said construction and installation of the Facilities shall be funded in accordance with Article II of this Agreement.

1.2 Contract Awarding. Prior to CISD's award of any contract for construction of any portion of the Facilities, CISD shall provide the MUD's engineer with the bids received in response to the pertinent contract advertisement and a recommendation of award for such contract. CISD and the MUD agree to review all bids and, to the extent permitted by law, come to a mutual decision regarding which bid to proceed with in accordance with applicable state laws relating to competitive bidding requirements for municipal utility districts. The Parties agree that CISD may award a contract without the MUD's engineer's input if the MUD's engineer does not provide an opinion within fifteen (15) days of CISD providing such bids and recommendation of award to the MUD. The Parties further agree that if the opinion of the MUD and the opinion of CISD do not align, the Parties shall seek the opinion of an independent third-party engineer and such third party engineer shall have the final decision regarding the winning bid for the pertinent contract.

ARTICLE II

FUNDING OF CONSTRUCTION COSTS

2.1 Funding. CISD hereby agrees to fund all costs associated with the design, engineering and construction of the Facilities (the “Facilities Costs”). Upon completion of the Facilities, CISD shall provide the MUD with (i) copies of any awarded contracts relating to the Facilities; (ii) copies of any and all pay applications and change orders issued pursuant to such awarded contracts; and (iii) proof of payment of all amounts due under such awarded contracts, accounting for any change orders approved by the MUD in accordance with Section 2.2 of this Agreement. The MUD hereby agrees to reimburse CISD for one hundred percent (100%) of the actual Facilities Costs within thirty (30) days of the occurrence of a sale relating to the Undeveloped MUD Property, but in no event later than five (5) years from the Effective Date of this Agreement.

2.2 Change Orders. If change orders are requested by any contractor constructing the Facilities, CISD shall provide the MUD with a copy of such change order request, and CISD and the MUD shall come to a mutual decision regarding whether or not to approve such change order request. The Parties agree that CISD may approve a change order request without the MUD’s input if the MUD’s engineer, on behalf of the MUD, does not provide an opinion within ten (10) business days of CISD providing such change order request accompanied by CISD’s recommendation to the MUD. The Parties further agree that if the opinion of the MUD and the opinion of CISD do not align, the Parties shall seek the opinion of an independent third party engineer and such third party engineer shall have the final decision regarding whether or not to approve the change order request at hand. Notwithstanding the foregoing or anything herein to the contrary, the Parties agree that change order requests received on any contracts for construction of any portion of the Facilities that exceed one twenty-five percent (25%) of the original contract price for such portion of the Facilities shall automatically be rejected by both Parties and bid out in accordance with applicable state laws relating to competitive bidding requirements for municipal utility districts, unless otherwise agreed to in writing by both Parties. CISD shall keep an accounting of all change orders approved for any contracts for construction of any portion of the Facilities.

ARTICLE III

MISCELLANEOUS

3.1 Assignability. This Agreement shall not be assignable.

3.2 Amendments. This Agreement may be changed, amended, or modified only by written instrument with the consent of the MUD and CISD.

3.3 Default and Remedies. In the event any Party (the “Non-Defaulting Party”) reasonably believes that another Party (the “Defaulting Party”) is in violation or default of any of

the terms of this Agreement, the Non-Defaulting Party shall provide written notice of such default to the Defaulting Party with notice of the specific terms and conditions of the violation or default and the requirements to remedy such violation (each, a “Notice of Default”).

Upon receipt of a Notice of Default, the Defaulting Party shall have thirty (30) days from the date of receipt of such Notice of Default to remedy the alleged violation by taking appropriate actions. Such notice or cure period shall not be justification for the Defaulting Party to cease any of the obligations that might not be the subject of the Notice of Default. In the event the Defaulting Party fails to reasonably cure an alleged violation of this Agreement within the cure period set out above, the violation or default shall be deemed a “Default” hereunder. Notwithstanding the foregoing, if the Defaulting Party has commenced curing any alleged violation or default, other than an alleged violation or default relating to the Defaulting Party’s failure to satisfy any monetary obligation under this Agreement, within said thirty (30) day period and is diligently prosecuting the same, then the cure period will be extended for an amount of time reasonably necessary to cure such violation or default, subject to extension for Force Majeure. If any violation or default remains uncured after the thirty (30) day remedy period, as same may be extended as provided above, the Non-Defaulting Party shall have available all remedies at law or in equity.

3.4 Notice. Any notice, request, demand, instruction or other communication required or permitted to be given to the City or the Developer under this Agreement shall be in writing and shall be either (i) personally delivered to the parties named below by a commercial messenger service regularly retaining receipts for such delivery; (ii) sent by registered or certified mail, return receipt requested, effective upon deposit; (iii) delivered by a reputable overnight courier service, effective upon delivery thereof to the carrier; or (iv) sent by electronic mail with confirmation of transmission, and shall be addressed to the parties as listed below:

To CISD: Celina Independent School District
 205 S. Colorado
 Celina, Texas 75009
 Attn: David Fink
 Email: davidfink@celinaisd.com

With Copy to: Abernathy, Roeder, Boyd & Hullett, P.C.
 1700 Redbud Blvd., Suite 300
 McKinney, Texas 75069
 Attn: Chris Zillmer
 Email: czillmer@abernathy-law.com

To the MUD: Uptown Municipal Utility District No. 1 of Collin County
 c/o Coats Rose, P.C.
 16000 North Dallas Parkway, Suite 350
 Dallas, Texas 75248
 Attn: Joshua A. Bethke

Email: jbethke@coatsrose.com

3.6 Further Acts; Cooperation. Each of the Parties hereto shall execute and deliver all such documents and perform all such acts as reasonably necessary, from time to time, to carry out the matters contemplated by this Agreement.

3.7 No Partnership; Third Parties. It is not intended by this Agreement to, and nothing contained in this Agreement shall, create any owner-contractor, contractor-subcontractor, employer-employee, partnership, joint venture or other arrangement between or among any or all of the Parties hereto. No term or provision of this Agreement is intended to, or shall, be for the benefit of any person, firm, organization or corporation not a Party hereto, and no such other person, firm, organization or corporation shall have any right or cause of action hereunder.

3.8 Entire Agreement. This Agreement contains the entire agreement of the Parties with respect to the subject matter hereof, and this Agreement can be amended only by written agreement signed by all of the Parties hereto.

3.9 Severability. If any provision of this Agreement is declared void or unenforceable, such provision shall be severed from this Agreement.

3.10 Applicable Law. The construction and validity of this Agreement shall be governed by the laws of the State of Texas.

3.11 Paragraph Headings. The paragraph headings contained in this Agreement are for convenience only and shall in no way enlarge or limit the scope or meaning of the various and several paragraphs hereof.

3.12 Force Majeure. If any Party is unable to perform an obligation under this Agreement (other than monetary obligations) by reason of Force Majeure, then the obligation of such Party, as appropriate, shall be extended or postponed for the period of the actual delay caused by such Force Majeure. The phrase "Force Majeure" shall mean the inability to perform a duty or an obligation due to causes or occurrences which are outside of the control of the Party whose obligation is postponed and could not be avoided by the exercise of due care on the part of such Party, including, but not limited to, acts of God, pandemics, fires, floods, labor disputes or strikes, and materials or equipment shortages or delays.

3.13 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The signature pages from one or more counterparts may be removed from such counterparts and such signature pages all attached to a single instrument so that the signatures of all Parties may be physically attached to a single document.

3.14 Effective Date. The Effective Date of this Agreement shall be the date signed by the last Party whose signature makes this Agreement fully executed.

3.15 Binding Agreement. This Agreement shall be binding upon and shall inure to the benefit of the Parties hereto, their successors and assigns. Each Party agrees that this Agreement may be enforced against it by the other Party under any rights or remedies available to such other Party at law or in equity.

3.16 Attorneys' Fees. In the event either Party files a lawsuit in connection with this Agreement or any provisions contained herein, then the Party that prevails in such action shall be entitled to recover from the non-prevailing Party, in addition to all other remedies or damages as limited herein, reasonable attorneys' fees and costs of court incurred in such lawsuit. This covenant shall survive the termination of this Agreement.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

Executed by the MUD and the CISD to be effective on the Effective Date.

**CELINA INDEPENDENT SCHOOL
DISTRICT**

By: _____

Name: _____

Title: _____

Date: _____

MUD:

**UPTOWN MUNICIPAL UTILITY DISTRICT
NO. 1 OF COLLIN COUNTY**

By: _____

Name: _____

Title: _____

Date: _____

EXHIBIT “A”
Property Description

EXHIBIT “B”
Undeveloped MUD Property

EXHIBIT “C”

Facilities