

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 41
1300 Post Oak Boulevard, Suite 2400
Houston, Texas 77056

July 1, 2024

To the Residents of Village of Oak Lake:

After over one year of efforts by Fort Bend County Municipal Utility District No. 41 (the "MUD") to fund and assist with the construction of three pickleball courts and supporting facilities (the "Pickleball Project") at the Kidz Village site owned by the Village of Oak Lake Homeowners Association (the "HOA"), we, the MUD's Board of Directors (the "MUD Board"), were saddened to learn that the HOA's Board of Directors (the "HOA Board") rejected our proposal for the Pickleball Project.

The MUD's Considerable Efforts

We began work last May to move the Pickleball Project to successful completion for the benefit of the community within the MUD, which is made up almost entirely of the Village of Oak Lake. Our efforts included: (i) various discussions during the MUD Board's regular MUD Board monthly meetings, (ii) several special MUD Board meetings to specifically address the Pickleball Project, and (iii) several meetings between members of our MUD Board and the HOA Board (including both former and current HOA Board members).

Such meetings allowed the MUD Board to: (i) research and attend various pickleball sites in the Houston area, (ii) prepare and refine a design and specifications for the Pickleball Project with options best suited to serve our community, a copy of which is attached hereto as **Exhibit "A,"** and (iii) obtain and negotiate a proposal with a contractor who we determined was best for the job, a copy of which is attached hereto as **Exhibit "B."** The MUD Board also designated a committee of two of our members to lead the MUD's efforts with regard to the Pickleball Project in between formal meetings and to direct the related work of the District's vendors.

In order to make the Pickleball Project a reality, the MUD Board engaged its vendors to: (i) prepare a signed and sealed survey of the Kidz Village site, a copy of which is attached hereto as **Exhibit "C,"** in order to facilitate the design, permitting, and construction of the Pickleball Project, (ii) perform other engineering services required for completion of the Pickleball Project, and (iii) prepare and negotiate the legal agreement between the MUD and the HOA for the design, financing, and construction of the Pickleball Project in accordance with the requirements of Texas law applicable to the MUD, a copy of which is attached hereto as **Exhibit "D"** (the "Proposed Agreement").

In total, the District incurred costs in excess of \$25,000 to coordinate with the HOA and push the Pickleball Project forward. The HOA Board has provided no contribution toward any of such costs, but has now chosen to publicly dismiss the MUD's proposal for the Pickleball Project in its June 24, 2024, correspondence to the VOL community (the "HOA Email").

Addressing the Assertions in the HOA Email

Given the taxpayer dollars spent on the efforts to successfully complete the Pickleball Project, we, as elected representatives of the community within the MUD, feel it appropriate to publicly address the reasons provided in the HOA Email for the HOA Board's dismissal of our proposal for the Pickleball Project. Each of such assertions is quoted and addressed in detail below:

HOA's Statement: "[The HOA Board is rejecting the MUD's proposal to] avoid any potential increase of taxes. Usually anything it spends, any Mud will recover through the Mud Tax, whereas we do not want the HOA decision to be a means to increase the Mud Tax."

MUD's Response: The funds designated to be used for the Pickleball Project were from existing reserves (or savings) of the MUD. In other words, the MUD already has the necessary funds for the Pickleball Project in its accounts. No changes in taxes would result from the District funding the Pickleball Project and no debt of any kind, including bonds or notes, would be necessary.

This topic, along with others, was previously addressed in our response to questions of the HOA Board provided by the HOA's management representative, a copy of which is attached hereto as **Exhibit "E."**

HOA's Statement: "The community is not aware of the unfair agreement that Mud wanted the HOA to sign on."

MUD's Response: So that the community may be fully aware of what the MUD Board offered, this letter (which includes the final draft of the Proposed Agreement) will be posted and available on the District's website at <https://fbcmud41.com/>.

From the start, the MUD Board worked with the previous HOA Board to develop the general business terms of the proposal for the Pickleball Project. In reliance on the HOA Board's verbal agreement to the general business terms of the proposal, we worked in good faith to prepare an initial draft of the Proposed Agreement, and presented it to the HOA Board on February 29, 2024.

The HOA Board then submitted the Proposed Agreement to the HOA's attorney for review and comment. Comments from the HOA's attorney to the Proposed Agreement were received by the MUD on March 11, 2024.

The comments of the HOA's attorney were addressed in the version of the Proposed Agreement presented to the current HOA Board at a meeting with the MUD's pickleball committee and attorney on April 30, 2024. The updates to the Proposed Agreement also included the MUD agreeing to fund (in the approximate amount of \$11,000) and carry out the following repairs at Kidz Village:

- (i) the demolition of approximately one hundred twenty-two (122) linear feet of existing wood fence and the replacement of same with new six (6) foot tall wood fence which matches with the existing cap, trim, and board of the existing fence;
- (ii) the demolition of the existing water fountain and concrete pad (with capping of the water line and installation of dirt and sod where removed);
- (iii) the saw-cutting of two (2) feet of broken curb and the replacement of same with new concrete curb;
- (iv) the repair of two (2) wrought iron gates with new hinges and the addition of another hinge in the center of each gate; and
- (v) the demolition of and installation of approximately one hundred eight (108) feet of concrete sidewalk land area.

At the April 30, 2024, meeting with the HOA Board, the MUD's pickleball committee and attorney addressed all questions asked by the HOA Board. One requested change to the Proposed Agreement was received at such meeting, which was to include a process by which the MUD and the HOA could agree in the future to discontinue the HOA's maintenance of the Pickleball Project.

The MUD addressed this comment in the most recent draft of the Proposed Agreement, which is what is attached to this letter and was transmitted to the HOA on May 4, 2024, by including a provision in Section 7.1.2 that the MUD and the HOA "agree to work cooperatively, in good faith, and in the best interest of the community served by the District and the HOA in connection with any discussion or consideration of termination" of such agreement.

The HOA Board and the HOA's representatives were more than welcome to make requests for specific changes to the most recent draft of the Proposed Agreement or ask the MUD to revise any proposed terms in the Agreement. That is the purpose of a negotiation. So long as any of such changes would have allowed the MUD to be good stewards of the community's money and comply with the requirements of Texas law, the MUD Board would have been willing to make reasonable modifications to the Proposed Agreement. ***However, after the MUD submitted the most recent draft of the Proposed Agreement to the HOA on May 4, 2024, the MUD received no requested changes or comments to the Proposed Agreement from the HOA Board or any representatives of the HOA.***

HOA Statement: "The attorney agreement drafted was heavily against the HOA with no exit clause in the partnership, no re-purpose clause for pickleball courts after 5 years, etc."

MUD's Response: In addition to the over \$25,000 already spent by the MUD to get to this point, the District was committing to fund an additional \$11,000 in immediate improvements to Kidz Village and up to \$298,762 for the construction of the Pickleball.

It would be an entirely irresponsible use of the community's money for the MUD not to require that the HOA maintain the Pickleball Project for the foreseeable future. No municipal utility district or homeowners association should ever agree to spend such a large sum of money to pay for a project which could simply be removed at will by another party within a few years.

Further, as discussed above, the MUD agreed to work in good faith with the HOA to consider future termination of the HOA's obligations to maintain the Pickleball Project if it was no longer serving the best interest of the community.

HOA Statement: "[T]he HOA would effectively not only lose control or right to regulate, but also pay fines to the MUD. Board Majority does not agree to pay any fines to the MUD, that too from homeowner's money. The board cannot allow MUD 41 to fine the HOA."

MUD's Response: The HOA would not lose effective control or the right to regulate anything. (The right to regulate is addressed in more detail below.) The HOA would maintain full ownership of Kidz Village and would own the Pickleball Project which would be constructed in the name of the HOA.

Nor would the MUD be able to "fine" the HOA. The HOA would be obligated to maintain the Pickleball Project and Kidz Village around it. If the HOA did not maintain the Pickleball Project or Kidz Village, the MUD could provide written notice to the HOA that such maintenance was not being completed and, if after 30 days after such notice the required maintenance was not completed by the HOA, the MUD would be able to complete such maintenance at its cost and invoice the HOA for those costs. This ensures the preservation of the MUD's investment of what would have been over \$300,000 of taxpayer dollars in the Pickleball Project.

HOA Statement: "If MUD 41 builds the courts, then it was stated that HOA cannot even make rules to regulate to reduce/eliminate crime or drug abuse in the park."

MUD's Response: This is simply false. Section 5.2 of the Proposed Agreement provides that the HOA *must* set and enforce rules and guidelines regarding the use of the Pickleball Project and post such rules at Kidz Village.

HOA Statement: "Plus, MUD 41 is expanding services to include non-VOL communities such as Owais Development on Old Richmond Rd, who will have full access to HOA park whereas VOL community will have NO access to Owais's amenities. More non-VOL communities may come as the area is being developed."

MUD's Response: All taxpayers of the MUD would have been funding the Pickleball Project and, as required by Texas law, would have had a right to access and use the Pickleball Project. (This right would extend only to the Pickleball Project, not to all aspects of Kidz Village.)

Similarly, if the MUD funds recreational facilities in any future development, all Village of Oak Lake residents would have the right to access and use such facilities.

HOA Statement: "Also, as it happened few times in the past, the City can annex and take over the MUD districts, and it is not desired to have the VOL park that belongs to HOA be transferred to the city in any way or form. It should be noted that the past HOA board spent more than \$550,000/- to build new swimming pool, without increasing the annual assessment. The current HOA board is confident that it can also build the 2 pickleball courts in much less than half the price, without affecting any fees, while retaining full ownership of the Kids Oak Lake Village Park. Thus, the HOA cannot allow to pass any de-facto ownership of the Kidz Oak Lake Village Park in any way or form. The HOA is to protect the HOA property for the HOA, and not pass it's control to any other entity in any form whatsoever."

MUD's Response: As discussed above, no ownership of Kidz Village or any facility at Kidz Village would be conveyed to the MUD or the City (or anyone else). The HOA would retain ownership of the site and all facilities on the site, including the Pickleball Project.

The MUD was essentially gifting the HOA the Pickleball Project and, in exchange, the HOA was agreeing in writing with the MUD to maintain the Pickleball Project and Kidz Village.

While an annexation by the City of Houston is extremely unlikely, an annexation would only mean that the MUD's rights to require the HOA to adequately maintain the Pickleball Project and Kidz Village would be assigned to the City. No ownership or obligations would change.

Further, had the HOA raised this concern with the MUD, the MUD would have been willing to include a provision that the Proposed Agreement would terminate upon annexation by the City of Houston.

With regard to costs of construction, there is no doubt that it is possible to build cheaper pickleball courts. The MUD's proposal was for facilities of high quality which also included associated improvements such as fencing, lighting, sidewalks, and a waiting area.

Future Efforts to Construct Pickleball Courts

The HOA Board's recent rejection of the previously-negotiated basic terms of the MUD's proposal for the Pickleball Project, without provision of any specific counterproposals or alternate terms, was not in the best interest of the Village of Oak Lake community. This decision prevents the most efficient program for construction of pickleball courts in Village of Oak Lake and has resulted in a significant waste of the MUD's resources.

The HOA Email states that the HOA now intends to move forward without the MUD to construct two pickleball courts at Kidz Village. The survey of Kidz Village obtained by the MUD for use in the design, permitting, and construction of the Pickleball Project was previously provided to the HOA in good faith to be used in the joint efforts of the MUD and the HOA to construct the Pickleball Project. However, this survey will now provide a direct benefit to the HOA's independent construction efforts.

As such, we respectfully request reimbursement from the HOA to the MUD in the amount of \$6,925.00 for the cost of such survey. The MUD's provision of the survey will allow the HOA to reduce its costs for design, permitting, and construction for any future projects at Kidz Village, including pickleball courts. As it appears that the MUD will no longer be allowed to participate in the efforts to improve Kidz Village, it is reasonable and appropriate that the MUD be made whole for this portion of the costs incurred in the MUD's efforts to work with the HOA.

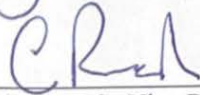
We wish the HOA Board the best and hope that it will be able to successfully improve Kidz Village in a manner that is consistent with the goals of the Village of Oak Lake community. As we believe that the community has demonstrated a strong desire for completion of the proposed Pickleball Project by the MUD, our MUD Board will now pursue alternate paths and partners for the construction of such facilities on a different site.

[Signatures Follow]

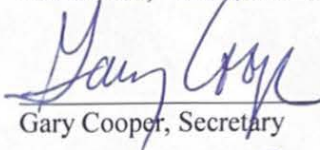
Sincerely,



Juan Villarreal, President



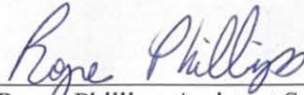
Chris Rush, Vice President



Gary Cooper, Secretary



Wayne Chandler, Assistant Secretary



Royce Phillips, Assistant Secretary

Exhibit "A"

Design

FB MUD 41 & VOL HOA

Pickelball Courts

Designation Key Area

A = Concrete Pad

C = Court

E = Equipment

F = Fence

L = Lighting

S = Signage

- A01 Overall concrete pad 102 ft x 64 ft
- A02 Waiting area size & location. 15 ft x 36 ft. Center on court 2.
- A03 Sidewalk start & stop, width 4ft (see Overall Plan drwg)
- A04 Around the playground
- A05 Starting point from playground (edge of tree canopy)
- A06 North/South court direction (see Overall Plan drwg)
- A07 Distance from back fence (see Overall Plan drwg)
French drains around raised concrete. Location – TBD
- A08 Remove tree
- E01 Nets same as Harlem
- E02 Benches 4. All in the waiting area. with back rest. Color Green
Style – Deluxe Court Sider Bench. Location TBD
- E03 Paddle holder, qty 3 Type Metal made for pickelball, no. 1,2,3
Location - TBD
- F01 Perimeter fence. 8 ft tall (black- poles,fence,etc.)
- F02 Gate entrance. Location see drwg. Details Electronic entrance
HOA provide system to use, GC installs equipment,
- F03 Court separation fence 4 ft tall (black- poles,fence,etc.)
- F04 Wind screens Color Black location north,east,west
- F05 Court separation fence - opening at front end (south) space 10ft
- F06 Canopy over waiting area with 1 or 2 peaks, color Green
- C01 Court colors - Same as Lifetime Fitness in Sugarland
- C02 Color outside of courts, Same as Lifetime Fitness in Sugarland
- C03 Spacing on concrete pad _____
A = At fence all sides 7 ft
B = between courts 14 ft See F03 at middle

FB MUD 41 & VOL HOA

Pickelball Courts

- L01 8 light poles, same as Harlem style. 4 are 2 way, 4 are 1 way.
- L02 Type of lighting LED Type__ as specified by GC, _poles at perimeter fence locate outside of the fence
- L03 Light case and poles, Black
- L04 1 light Proposed area A for safety at night
This light stays on 20 minutes after court lights turn off
- L05 Existing park lights, upgrade to LED
- L06 HOA is responsible for control or setting the schedule timing.
- O01 A. Proposed sidewalk. Specs __ rejected _____
- O02 B. Proposed sidewalk Specs. Granite 4ft at ground level
- S01 Rule/Entry sign Location _at gate to courts_ Style like Harlem__
HOA responsible for Rules
- S02 Court numbers 1,2,3 inside fence. Start right to left on back fence
- S03 Direction sign located in playground, wood or metal pole. See Drwg

NORTH

Back Fence (wood)

A06

A05

A07

A08

Court Separation Fence

Court 3

Court 2

Court 1

S02

S01

O01

NO

S03

Direction sign

Rules Board

A. Proposed sidewalk

Center ON court 2 waiting area

~~Gate App Access~~

F02

L04

Exposed Tree Roots

O02

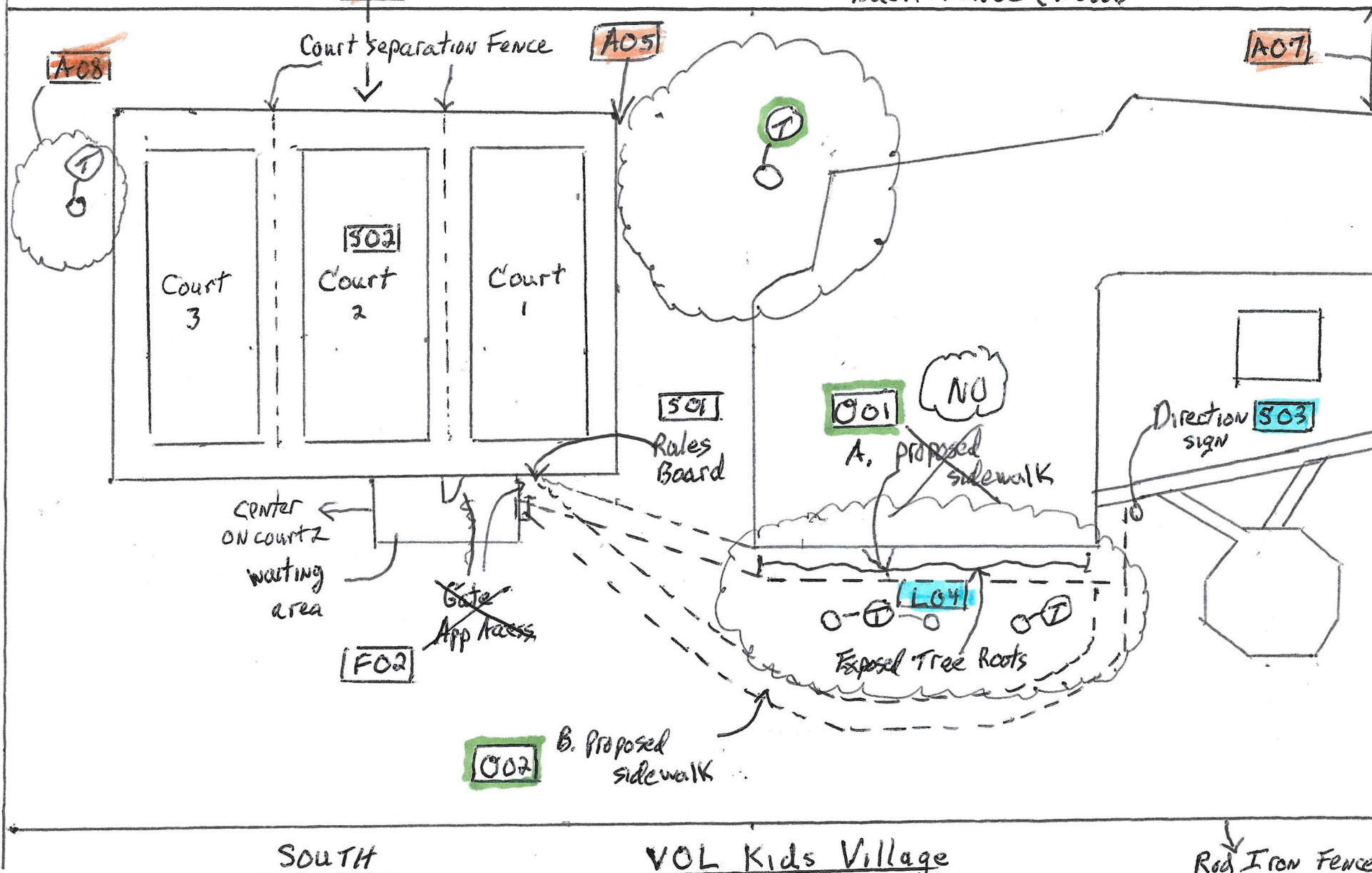
B. Proposed sidewalk

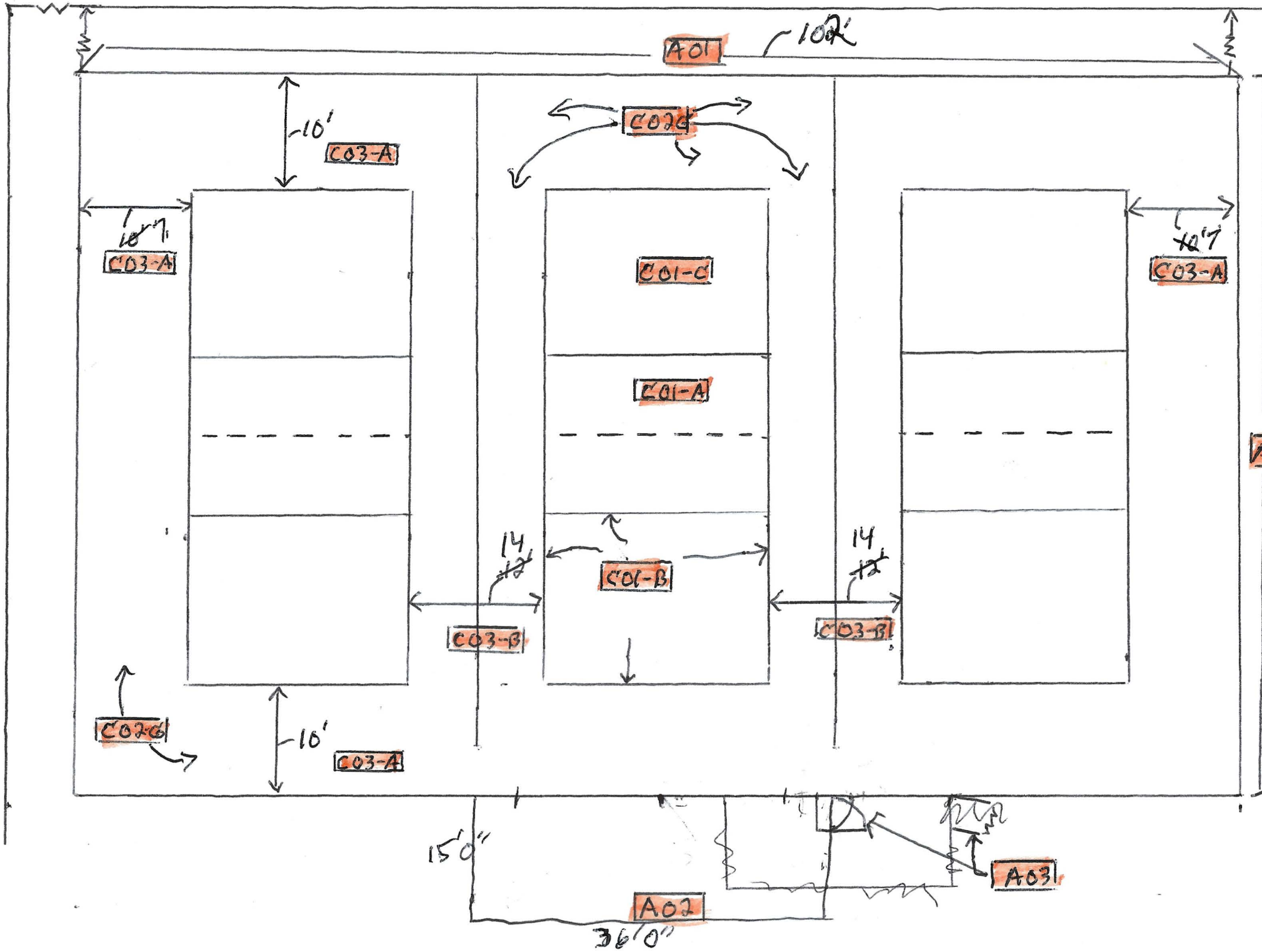
WEST

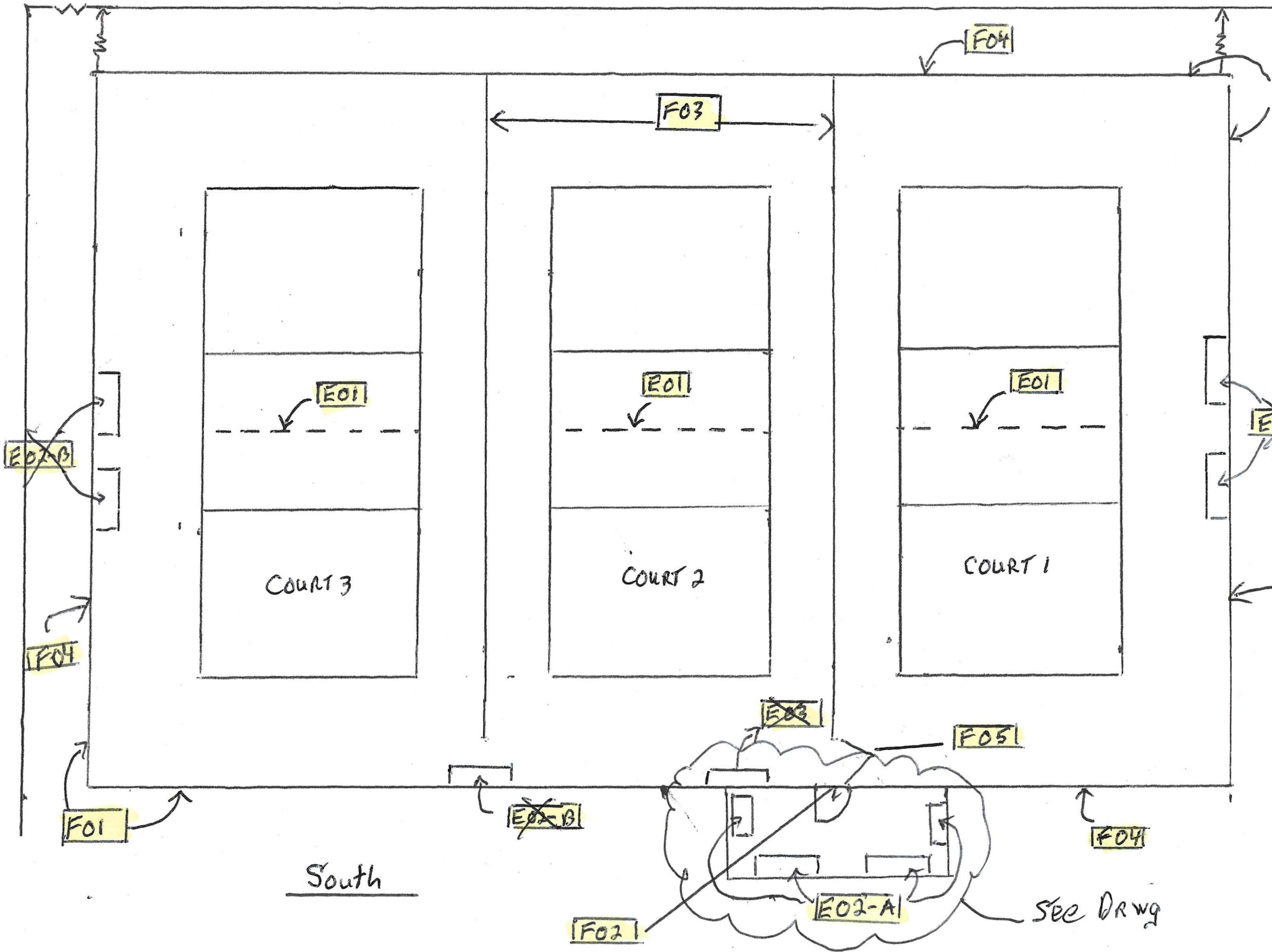
SOUTH

VOL Kids Village
Proposed Pickleball
Fort Bend MUD 41

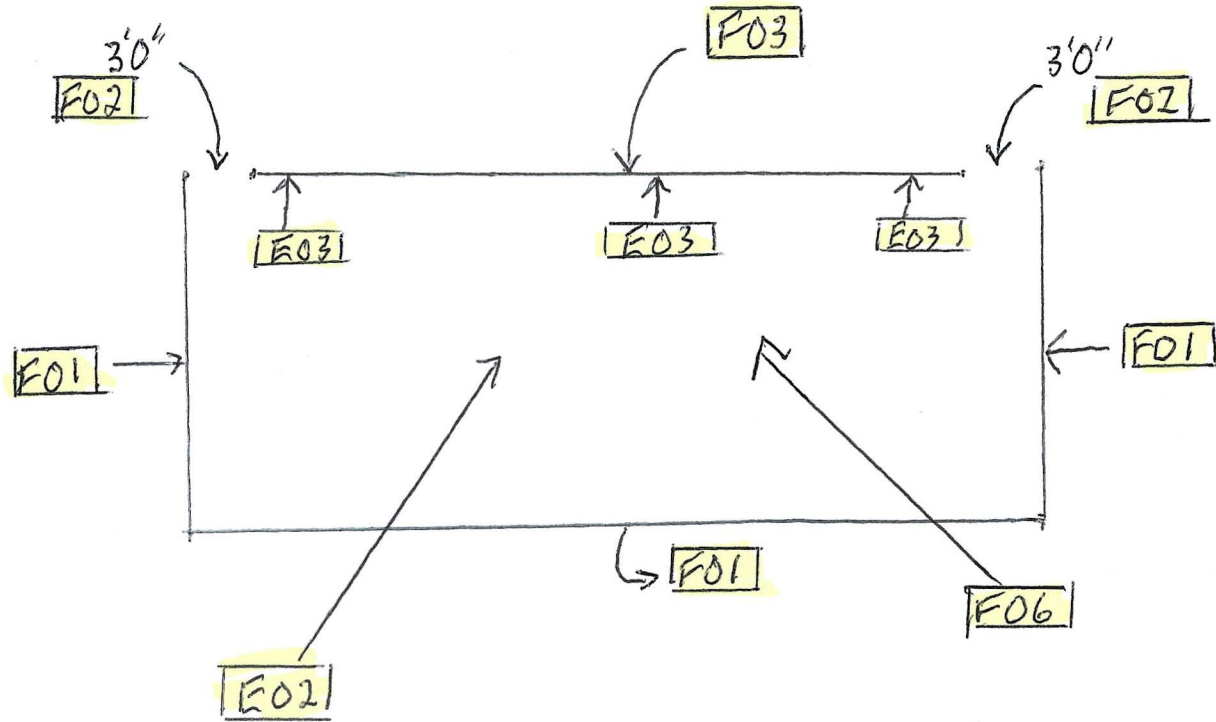
Red Iron Fence







Waiting Area



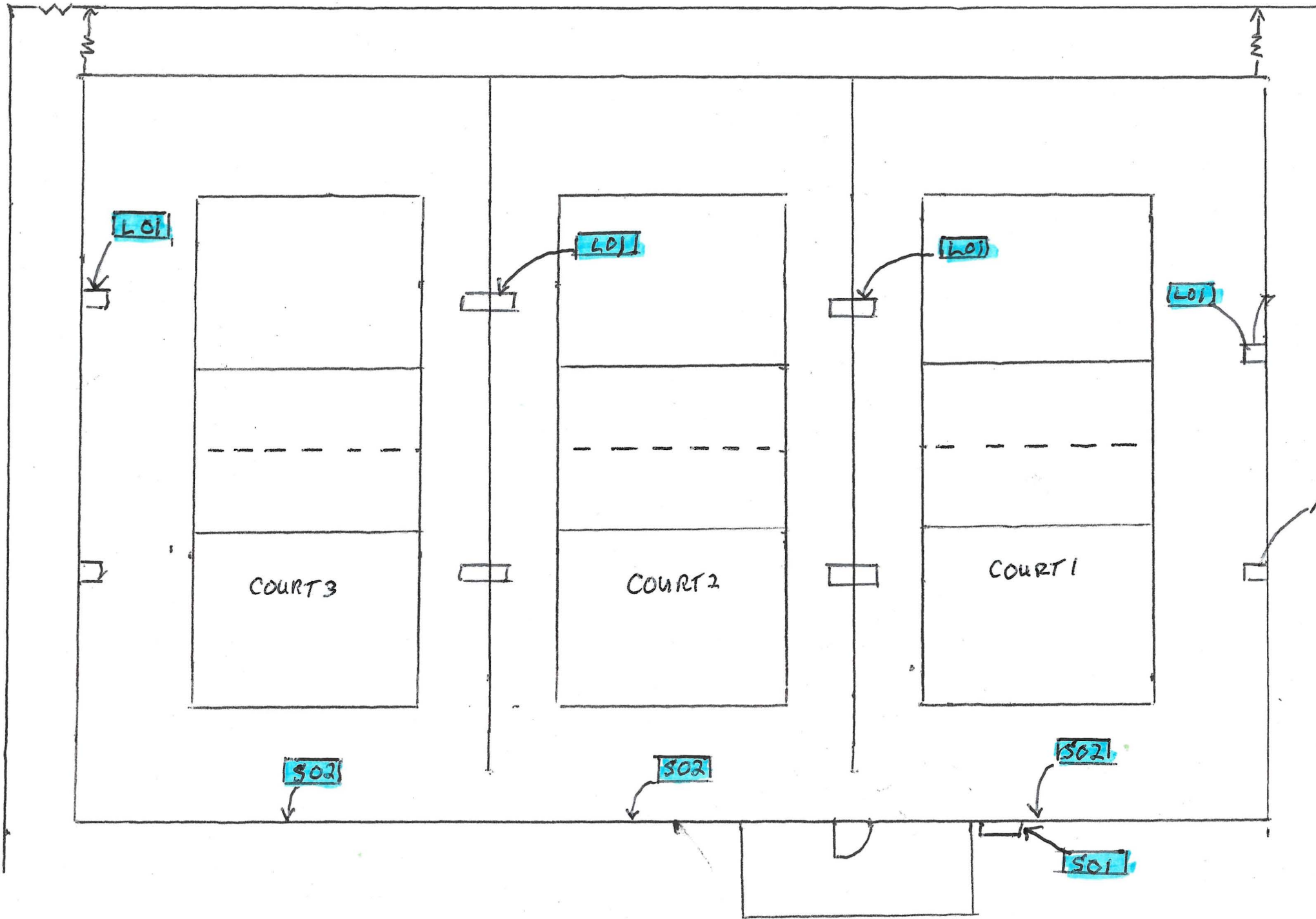


Exhibit "B"

Proposal



Webuildpickleballcourts@gmail.com

Preffered Buildout Contractors

4444 westhimer rd

☎ 409-504-9910

☎ 832-922-7597

www.webuildpickleballcourts.com

webuildpickleballcourts@gmail.com

INVOICE

INV46665

DATE

01/28/2024

DUE

On Receipt

BALANCE DUE

USD \$271,520.00

BILL TO

Mud 41 Sugarland

☎ 7137753065

DESCRIPTION	RATE	QTY	DISCOUNT	AMOUNT
Complete Outdoor Complete Pickleball Court concrete + Resurface (3 colors) 64x34 102x 64 Post Tension Concrete Slab *** Vapor Barrier PPA Approved & Certified Paint Black Resurfacer surfaced to have a black canvas over the concrete 100% acrylic emulsion resurfacer designed for on site mixing with silica sand. Acrylic Resurfacer reduces surface porosity allowing for application of an even, full depth color, playing surface. Multi Layer Surface 7 Layer 1 Coat of Adesion promoter 2 Coats of resurfacer (AR) 2 Coats of top color 1 Coats of Primer for the lines And 1 coat of Textured White ***Any change of order will be added to invoice (addional colors, logos, extra concrete, fencing etc)	\$34,500.00	3		\$103,500.00

25 foot Light Poles 4x4 Trench from existing electrical field of play. Trench entire Field of play for 8 poles 3 circuits to control each courts independently. All work to be performed by master electrician Photometrics for city permitting	\$2,899.00	8		\$23,192.00
Set Light Poles(Dig Concrete) Installation	\$699.00	8		\$5,592.00
3 Pickleball Net posts In Ground Delivery and Intallation	\$999.00	3		\$2,997.00
Outdoor Chain Link Fencing 8 foot on perimiter and 4 foot on inside 4 foot dividers inside between each court Key card Access will need to be installed on the gate that we will provide. You will need to contact an access control company thru the hoa to get the key card installed onto the gate ****Includes fencing in social area Must coordinate with Hoa for Access control for Entrance Gate on Social Waiting Area (Provided by HOA)	\$31,160.00	1		\$31,160.00
Courtside Benches (Green) Delivery and Installation Green Benches with Back	\$450.00	4		\$1,800.00
Free Pickleball Paddle Holder Rack 3 Free Paddle Racks (Metal) -Discounted \$897	\$299.00	3	-\$897.00	\$0.00
Architect fees & City Permits *** subject to change If city requires more complex work	\$21,500.00	1		\$21,500.00

8 light Poles electrical work	\$1,600.00	8	\$12,800.00
Concrete Boom Pump Rental Heavy duty truck used to evenly distribute concrete to help minimize dead spots and concrete coating failures.	\$3,200.00	1	\$3,200.00
Social Area 34 x 15 feet social area + 120 foot sidewalk (made out of black stone gravel) leading to entrance 34 x 15 social area with artificial turf placed on center of court + 120 foot sidewalk Edging board Black stone gravel 10 year warranty on turf	\$21,500.00	1	\$21,500.00
Bullpen Shade Canopy w 4 pillars (waiting area) Blocks 95% of harmful UV Rays Material + Installation * Extra permit may be required for this type of structure	\$24,900.00	1	\$24,900.00
Optional Concrete Testing (4 pillars of concrete will be collected and tested) Concrete Testing to give test results on strength of concrete. This Test is done by a lab offsite at an independent testing facility. 7 & 28 Day Breaks to do this.	\$1,450.00	1	\$1,450.00
Tree Removal Remove Tree and Grind Stump	\$975.00	1	\$975.00
Windscreen Black w Installation Back Side (long Side) North 2 sides (east and south) Blocks 85% of UV rays	\$3,904.00	1	\$3,904.00
Trench Drainage Additional drainage required for this size of concrete slab to ensure water doesn't build	\$3,500.00	2	\$7,000.00

up
(More drainage may be required after
architect plans are submitted (cost plus)

Metal Court Number Signs Sign \$350 Installation \$100	\$450.00	3	\$1,350.00
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Windscreen Installation Labor (Includes installation on court only) 2 guys + labor	\$1,200.00	1	\$1,200.00
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Custom lock sign Custom lock box sign (Estimate)	\$3,500.00	1	\$3,500.00
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DO IT YOURSELF CONCRETE	\$0.00	1	\$0.00
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All concrete work is not equal. Courts are designed with unique specifications that pool builders, roofers, and even commercial concrete contractors do not have knowledge of.

Slabs that are poured unsquared;
Slabs that have too much slope or not enough for adequate drainage;
Slabs that have low spots or high spots.
Slabs that are too low for surroundings not allowing the water to drain;
Slabs that have structural cracking;
Slabs that have high spots;
Slabs that are too smooth or too rough;
Slabs that have no moisture/vapor barriers;
Slabs that are not built to the proper size;
Slabs that have the basketball and/or light anchor out of center or not located properly;
Concrete DIY contractors that do not structurally prepare the footings correctly for inserts/sleeves;
Concrete DIY contractors designing additional walls that do not allow provide room for inserts throwing off all the dimensions;
Slabs that have additives or curing agents affecting adhesion for acrylics; Slabs that have improper control joints;
UNLEVEL sleeves or improper location of sleeves for fencing;

Pickle Grip (not recommended) with Houston humidity you will be slipping and sliding all over the place and never get to play an actual game.

2 Year Warranty on paint

\$0.00

1

\$0.00

2 Year paint warranty on all Installation from the date of completion due to bad batch of paint or discoloration

We build pickleball courts LLC is not responsible for any injuries related to fence, concrete or court after Install including and not limited to other defects such as:

1. Burns, cuts, rain, accidents, vandalism, abuse, negligence, or neglect
2. Improper design or failure of sub base of the sports field on court or drain (flood)
3. Drainage defects or deficiencies in the sub base and or surrounding zone
4. Broken Glass onto the product, Weeds growing on turf or parameters

The warranty does not include normal wear and tear, new & Existing cracks may return overtime.

No warranty on Hydrostatic Pressure or Vapor Pressure

Included workmanship warranty 1 year

EXCLUSIONS: Excluded from this quote are Engineering/design requirements or fees of the project; ancillary asphalt or concrete repair, including normal wear due to construction; SWPPP Plan; fence installation, removal or replacement; landscape/sod repair or replacement; fees for bonds or permits; the addition/removal/re-location/or modification of existing or new utilities, irrigation, or drainage, identified or unidentified; or construction site security during construction period. Likewise, the new surface will not significantly change, improve, or deter the drainage of the existing court, which includes existing ponding issues present prior to the new surfacing. Any problems or issues with the new surface attributed by cracks, rainfall too soon after

completion or problems with the concrete may incur bubbles.

existing slab, or with the old surface, negate warranty coverage and liability. Therefore, any and all repairs for non-warranted work will be performed on a quoted or cost/plus basis.

ALL CONCRETE CRACKS, HAIRLINE CRACKS TO BE EXPECTED

EVEN ON NEW CONSTRUCTION COURTS;

- Grass or sprinklers will be damaged during the project, we will minimize this of course but some landscaping repairs by owner is to be expected;

- Existing courts built flat or with inadequate drainage cannot be repaired with a surface installation;

- The resurfaced court might have "tool marks or squeegee lines" from the application

procedure. This is completely normal and cannot be 100% avoided.

standard size, extra fees may occur for a custom net order;

- Concrete with no broom finish may cause peeling;

- Low spots can only be repaired up to a 1/8 inch in elevation and will not cure existing drainage issue;

- Moisture arising from beneath the foundation caused from the lack of a proper vapor

barrier or perimeter drainage may cause delamination not covered by warranty and no guarantee of possible repair;

- Line striping has a human error variance of 1inch due to the levelness and low/high spots in the existing foundation;

- Expansion joints should not exist in a court foundation, we can crack fill them but they will eventually return and need further patching to covered by warranty of any type;

- Existing paint must be an acrylic sport surfacing paint. Any oil based/epoxy based existing paint will have to be removed prior to arrival;

Any debris or dust that comes onto court when our workers are not there is not

covered under warranty.

After concrete is poured we must wait 40 days to start painting
Any Engineering costs will conclude to a change order (any delays over 3 months will require 10% charge)

WITHDRAWL OF CONTRACT: Any withdraw of contract after awarded the project and deposit has been made will constitute a 25% mobilization and inventory restocking fee due immediately upon notice.

Payment Terms Cash, Bank Wire or zelle
20% Due Before Starting (for Architekt)
30% before breaking ground
20% After Concrete is complete
10% After Fence Installation
10% After Court is Painted

Check be made out to WebuildPickleBall Courts LLC

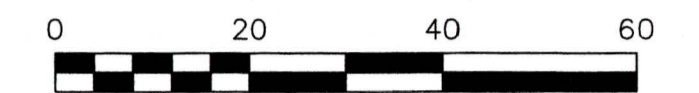
TOTAL	\$271,520.00
BALANCE DUE	USD \$271,520.00

I _____ approve this estimate and wish to move forward with scheduling a time and date to install.

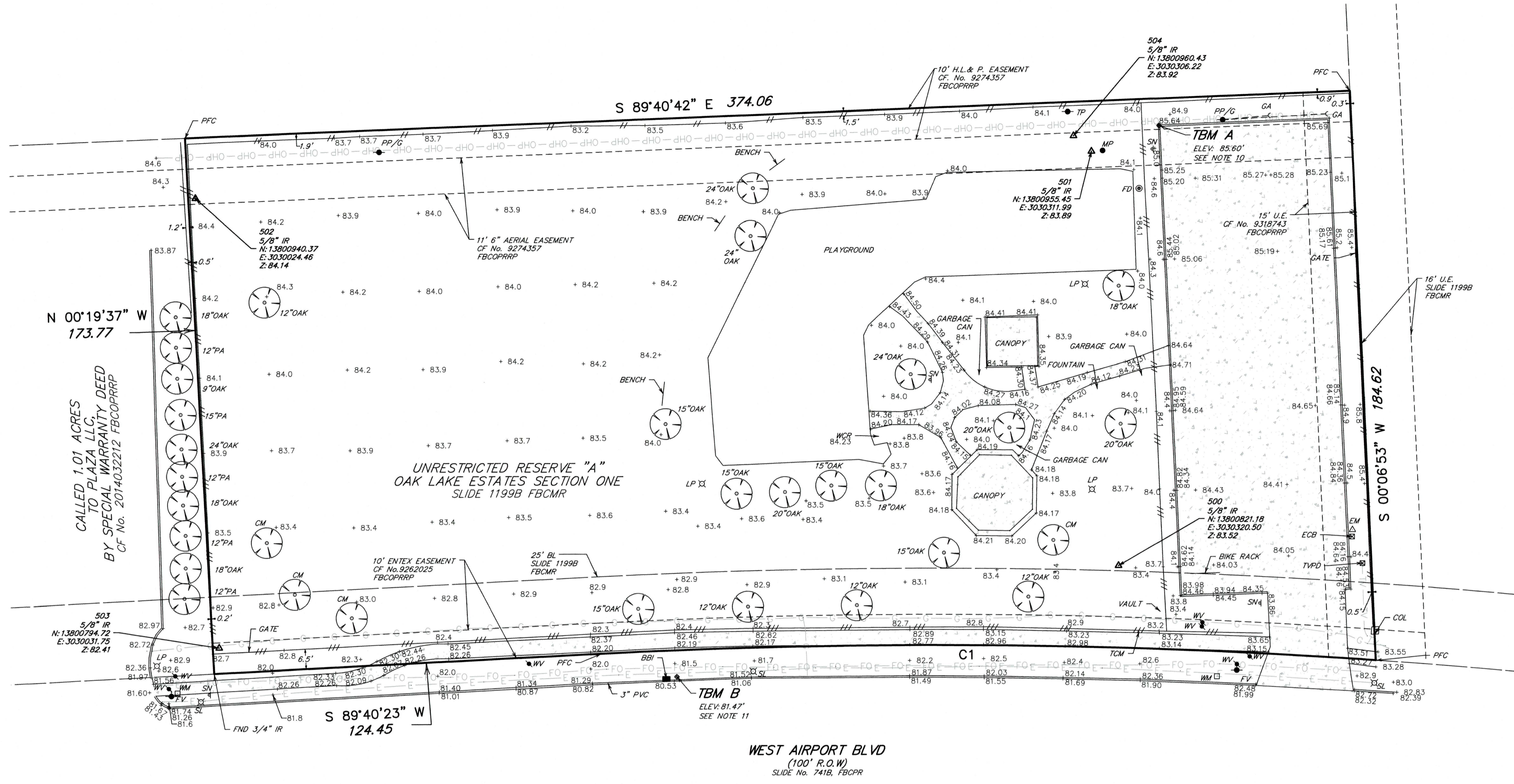
Exhibit "C"

Survey

SCALE: 1" = 20'



NORTH



GENERAL NOTES:

- 1. Reference on Abstractor's Certificate prepared by Texas Abstract Services, dated February 13, 2024. No additional research for easements or encumbrances was performed by Quiddity Engineering, LLC.
2. Tract subject to Restrictive Covenants recorded under Slide No. 1199/B, FBCPR, instrument recorded in Volume 1679, Page 528, FBCOR, and under CF Nos. 8726956, 9307667, 9315944, 2001023710, 2003098653, 2004031860, 2012027877, 2022034251, 2022034252, 2022034253, 2022034254, and 2022034255, FBCOPRRP.
3. Determination of the ownership, interests, location, or development of all minerals related to the Subject Tract fall outside the scope of this survey. Such matters should be directed by the client to an expert consultant.
4. Bearings shown hereon are based on the Texas Coordinate System, South Central Zone, NAD 83. The survey data shown hereon is on Surface Coordinates. The combined scale factor is 1.0001211974-0.9998788172.
5. This survey does not provide any determination concerning wetlands, fault lines, toxic waste or any other environmental issues. Such matters should be directed by the client or prospective purchaser to an expert consultant.
6. According to Map No. 4815700145L of the Federal Emergency Management Agency's Flood Insurance Rate Maps for Fort Bend County, Texas, dated April 2, 2010, the subject tract is situated within: Unshaded Zone 'X'; defined as areas determined to be outside the 500-year flood plain.
The FEMA website (www.msc.fema.gov) was checked on February 19, 2024. At this date ten (10) LOMC were reported (5 Revisions and 5 Amendments), zero (0) of which are located on the subject tract.
This flood statement does not imply that the property or structures thereon will be free from flooding or flood damage. On rare occasions floods can and will occur and flood heights may be increased by man-made or natural causes. This flood statement shall not create liability on the part of the surveyor.
7. The surveyor has not been provided with construction plans showing the location of underground utilities. Underground utilities may exist which are not shown hereon.
8. There are 26 regular parking spaces and 2 handicap parking spaces on the subject tract.
9. Elevations shown hereon are based on City of Sugar Land Reference Mark No. SGR-RM031 located at the intersection of Voss Rd. and State Highway 6 with a published elevation of 80.60 feet, NAVD 88, 2001 Adjustment, and Reference Mark No. SGR-RM032 located at the intersection of Main Street/Burney Road and Jess Pirtle Blvd with a published elevation of 81.37 feet, NAVD 88, 2001 Adjustment.
10. Temporary Benchmark A being a cut square in concrete located at the back of curb at the northwest corner of the parking lot. Elevation = 85.60 feet, NAVD 88, 2001 Adjustment.
11. Temporary Benchmark B being a cut square in concrete located on the northeast side of a B-B inlet found on the south side and center of the site. Elevation = 81.47 feet, NAVD 88, 2001 Adjustment.
12. This survey has been prepared for the sole purpose of the transaction described in the above referenced Title Commitment and the parties listed thereon. This survey is not to be used for any subsequent transactions.
13. The subject property abuts Old Richmond rd and such street is paved and dedicated public rights-of-way and maintained by city of Sugar Land. This statement is subject to the exercise of power of the governmental authority to limit, control or deny access, ingress or egress.
14. Visible improvements/utilities were located with this survey, no subsurface probing, excavation or exploration was performed for this survey.
15. DIG TESS, a one-call notification center, was contacted on February 7, 2024 to provide notification to utility facility owners/operators to locate their underground utilities, as indicated by ticket number(s) 2453852112 & 2453852150. Facility owners/operators are required to mark the utilities within 48 hours of the contact date. Quiddity Engineering located the marked lines on February 12, 2024.

LEGEND

- BBI B-B INLET
BL BUILDING LINE
CF CLERK'S FILE
CM CRAWF W/PILE TREE
ECB ELECTRIC CONTROL BOX
EM ELECTRIC METER
FBCMR FORT BEND COUNTY MAP RECORDS
FBCOPRRP FORT BEND COUNTY OFFICIAL PUBLIC RECORDS OF REAL PROPERTY
FBCOR FORT BEND COUNTY OFFICIAL RECORDS
FBCPR FORT BEND COUNTY PLAT RECORDS
FC FILM CODE
FND FRENCH DRAIN
FND FOUND
FT FEET
FV FLUSH VALVE
GA GUY ANCHOR
H.L.& P. HOUSTON LIGHTING AND POWER
IR IRON ROD
LP LIGHT POLE
MP ELECTRIC METER POLE
NO NUMBER
OAK OAK TREE
OHP OVERHEAD POWER
PA PALM TREE
PAGE PAGE
PP POWER POLE
PP/C POWER POLE WITH CONDUIT
PP/G POWER POLE WITH GUY
ROW RIGHT-OF-WAY
SEC SECTION
SL STREET LIGHT
SN SIGN
SQ SQUARE
TBM TEMPORARY BENCHMARK
TCM TELEPHONE CABLE MARKER
TP TELEPHONE POLE
TPD TELEPHONE PEDESTAL
TVP TV PEDESTAL
UE UTILITY EASEMENT
VOL VOLUME
WCR WHEELCHAIR RAMP
WM WATER METER
WV WATER VALVE

- WROUGHT IRON FENCE (W)
WOOD FENCE (WF)
OVERHEAD POWER
APPROXIMATE UNDERGROUND FIBER OPTIC LINE
APPROXIMATE UNDERGROUND ELECTRICAL LINE
APPROXIMATE UNDERGROUND CABLE LINE
APPROXIMATE UNDERGROUND GAS LINE
CONCRETE

TOPOGRAPHIC SURVEY OF UNRESTRICTED RESERVE A OAK LAKE ESTATES SECTION 1 BEING 1.500 ACRES OUT OF THE M.M. BATTLE LEAGUE SURVEY, A-9 ALEXANDER HODGE LEAGUE SURVEY, A-32 FORT BEND COUNTY, TEXAS APRIL 2024



To: Fort Bend County MUD No. 41. We, Quiddity Engineering, LLC, acting by and through Steven Jares, a Registered Professional Land Surveyor, hereby certify that this survey substantially complies with the current Texas Society of Professional Surveyors Standards and Specifications for a Category 6, Conkion 2 Survey. Surveyed: February 20, 2024 Revised April 2, 2024 (odd H.L. & P. Easement) Steven Jares Registered Professional Land Surveyor No. 5317 S.jares@quiddity.com

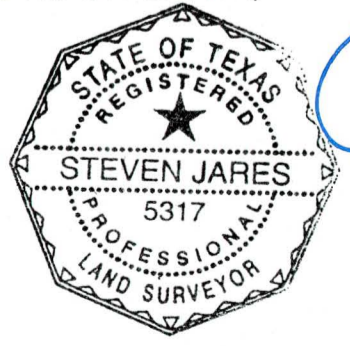


Table with 5 columns: CURVE, RADIUS, ARC LENGTH, CHORD LENGTH, CHORD BEARING, DELTA ANGLE. Row 1: C1, 2050.00, 1248.77, 1248.62, N 89°29'04\"/>

Exhibit "D"

Proposed Agreement

**RECREATIONAL FACILITY FUNDING AND
MAINTENANCE AGREEMENT
FOR PICKLEBALL COURTS AND RELATED FACILITIES**

THIS RECREATIONAL FACILITY FUNDING AND MAINTENANCE AGREEMENT FOR PICKLEBALL COURTS AND RELATED FACILITIES (this "Agreement") is made and entered into effective as of _____, 2024 (the "Effective Date"), by and between FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 41 (the "District"), a governmental agency, body politic and corporate and political subdivision of the State of Texas whose address is 1300 Post Oak Boulevard, Suite 2400, Houston, Texas 77056, and VILLAGE OF OAK LAKE HOMEOWNERS ASSOCIATION, INC. (the "HOA"), a Texas non-profit corporation, whose address is c/o Spectrum Association Management, L.P., 17319 San Pedro, Suite 318, San Antonio, Texas 78232. The District and the HOA are each individually at times referred to in this Agreement as a "Party" and, collectively, as the "Parties."

RECITALS

A. The District has been created, established, organized, and exists for, among other things, the primary purpose of constructing and maintaining water, sanitary sewer, and drainage facilities within and outside the boundaries of the District and has also been authorized to provide parks and recreational facilities for the inhabitants of the District, subject to the Texas Water Code, Chapter 49, as amended.

B. The District has been specifically granted the power to contract with any individual or entity to accomplish the District's purpose including, but not limited to, entering into a contract for the payment or repayment of all or part of the costs of such recreational facilities for the inhabitants of the District.

C. The Board of Directors of the District (the "MUD Board") has received and considered a request from the Board of Directors of the HOA (the "HOA Board") to fund the construction of pickleball courts and related facilities and improvements as more specifically described in the Proposal (defined in Recital F below) and to be depicted on the Final Plans (defined in Section 2.2.2 below) (collectively, the "Recreational Facilities") on a site owned by the HOA and located within the jurisdictional boundaries of the District, as depicted on **Exhibit "A"** attached hereto (the "Site").

D. The MUD Board has authorized the use of certain District funds, as set forth in this Agreement, to fund the design and construction of the Recreational Facilities.

E. The District and the HOA have determined that the construction of the Recreational Facilities would be beneficial to the District and the HOA and to the accomplishment of their respective public purposes.

F. The Parties have solicited, received, and reviewed various written proposals for the construction of the Recreational Facilities and have determined that the HOA entering into the proposal attached hereto as **Exhibit "B"** (the "Proposal") for WeBuildPickleBallCourts, LLC, a Texas limited liability company (the "Contractor"), to construct the Recreational Facilities is the most advantageous and cost effective way for the Parties to cause the construction of the Recreational Facilities for the use and benefit of the residents and taxpayers of the District and the members of the HOA.

G. The Parties have determined to enter into this Agreement in order to set forth their respective obligations relative to the design, construction, maintenance, repair, operation, use, and preservation of the Recreational Facilities.

AGREEMENT

NOW THEREFORE, FOR AND IN CONSIDERATION of the above-recited premises and the mutual agreements, covenants, benefits, and obligations set forth and contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby independently acknowledged, the District and the HOA contract and agree as follows:

ARTICLE I

RECITALS; EXHIBITS; INTERPRETATION

Section 1.1 Recitals. The recitals set forth above are declared true and correct and are hereby incorporated as part of this Agreement.

Section 1.2 Titles, Headings and Exhibits.

1.2.1 The titles, headings and captions appearing in the articles of this Agreement and following each numbered section of this Agreement are inserted and included solely for convenience and shall never be considered or given any effect in construing this Agreement, or any provisions hereof, or in connection with the duties, obligations or liabilities of the respective Parties hereto or in ascertaining intent, if any questions of intent should arise.

1.2.2 The exhibits attached hereto are incorporated as part of this Agreement for all purposes.

Section 1.3 Interpretation of Agreement.

1.3.1 This Agreement and all terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein and to sustain the validity of this Agreement.

1.3.2 Unless the context requires otherwise, words of the masculine gender shall be construed to include correlative words of the feminine and neuter genders and *vice versa*, and words of the singular number shall be construed to include correlative words of the plural number

and *vice versa*. The word "include," and any of its derivatives, shall be interpreted as language of example and not of limitation, and shall be deemed to be followed by the words "without limitation," unless otherwise expressly provided herein.

1.3.3 The Parties agree that this Agreement shall not be construed in favor of or against a Party on the basis that the Party did or did not author this Agreement.

ARTICLE II

DESIGN AND CONSTRUCTION

Section 2.1 Surveying and Design. The Parties acknowledge and agree that the District: (i) has, at its sole cost and expense and prior to the Effective Date, performed certain initial surveying and design work to provide for the construction of the Recreational Facilities, and (ii) may, at its sole discretion, provide reasonable additional surveying, engineering, design, and/or construction management services through its consultants or otherwise to facilitate completion of construction of the Recreational Facilities in accordance with the Proposal and the requirements of this Agreement.

Section 2.2 Obligation to Construct the Recreational Facilities.

2.2.1 The HOA agrees that it shall, promptly upon full execution of this Agreement: (i) execute the Proposal, and (ii) cause the commencement of preparation of the necessary architectural drawings, design, and plans for the Recreational Facilities (the "Draft Plans").

2.2.2 Upon completion of the Draft Plans, the Combined Committee (defined in Section 4.2.1 below) shall meet and make comments to the Draft Plans and the HOA shall expeditiously process such comments with the Contractor (and/or its subcontractors) as necessary until the Combined Committee approves a final version of the Draft Plans (the "Final Plans").

2.2.3 Upon approval of the Final Plans by the Combined Committee pursuant to Section 2.2.2 above: (i) the Final Plans shall be included as **Exhibit "C"** to this Agreement (without need for any further action by the Parties), and (ii) the HOA shall promptly issue a notice to proceed to the Contractor and/or take any and all other actions required to cause the commencement of construction of the Recreational Facilities pursuant to the Proposal and the Final Plans, including obtaining all permits required for such construction.

2.2.4 The HOA shall be solely responsible for contracting for the construction of the Recreational Facilities and the Parties acknowledge and agree that the District shall have no obligation or liability to the Contractor or any other entity with whom the HOA contracts in order to complete construction of the Recreational Facilities.

2.2.5 The District shall make payments to the HOA, pursuant to the terms and conditions of Article III below, for the costs of the construction of the Recreational Facilities.

Section 2.3 Completion of Construction. The HOA shall: (i) cause the completion of the construction of the Recreational Facilities pursuant to the Proposal and the Final Plans, and (ii) use all reasonable efforts to cause the Contractor to complete such construction as soon as reasonably practicable.

Section 2.4 Modifications to the Proposal. The HOA shall not make any modifications to the Proposal or the Final Plans, including any amendments or change orders, except to the extent such modifications are either specifically: (i) approved in writing by the District, or (ii) permitted pursuant to the terms and conditions of Section 4.2 below. The HOA shall not terminate the Proposal without the written approval of the District, which shall be provided at the District's sole discretion.

ARTICLE III

PAYMENT FOR CONSTRUCTION

Section 3.1 Progress Payments; Maximum Amount.

3.1.1 The District shall, through completion of the construction of the Recreational Facilities and pursuant to the terms and conditions of this Section 3, pay progress payments (each a "Progress Payment" and, collectively, the "Progress Payments") to the HOA as progress payments or pay estimates in equal amounts are requested from the HOA by the Contractor pursuant to the Proposal.

3.1.2 The Parties acknowledge and agree that: (i) pursuant to the Proposal, the amount of \$[54,304.00] is due from the HOA to the Contractor upon the HOA's execution of the Proposal, and (ii) in order to facilitate prompt execution of the Proposal, the District shall pay to the HOA \$[54,304.00] on the Effective Date as the first Progress Payment pursuant to Section 3.1.1 above.

3.1.3 The HOA shall, consistent with the terms and conditions of the Proposal, retain at least ten percent (10%) of the ultimate amount due to the Contractor pursuant to the Proposal until the Contractor completes the construction of the Recreational Facilities pursuant to the requirements of this Agreement, the Proposal, and the Final Plans.

3.1.4 Notwithstanding anything in this Agreement to the contrary, no Progress Payment shall be paid by the District until the applicable request from the Contractor is approved by the MUD Board, which such approval shall not be unreasonably withheld, conditioned, or delayed.

3.1.5 The Parties further acknowledge and agree that the MUD Board may delegate its authority to approve Progress Payments to the MUD Committee (as defined below).

3.1.6 Notwithstanding anything in this Agreement to the contrary, the District's obligation to pay Progress Payments is hereby expressly limited to a combined maximum amount of \$[298,762.00] (the "Maximum Amount").

3.1.7 The Parties acknowledge and agree that the Maximum Amount represents the sum of the stated cost of construction of the Recreational Facilities pursuant to the Proposal and a ten percent (10%) contingency based on such stated cost.

Section 3.2 Supplemental Amount(s).

3.2.1 The District shall not have any obligation to finance any costs in connection with the Recreational Facilities other than the Maximum Amount pursuant to the terms and conditions of Section 3.1 above.

3.2.2 However, to the extent the Maximum Amount is not sufficient to complete the construction of the Recreational Facilities in accordance with the Proposal, the HOA may request of the District in writing any supplemental amount(s) necessary to be to the Contractor or any other party for such completion (the "Supplemental Amount(s)") and the District may, at its sole discretion, pay such Supplemental Amount(s) to the HOA.

3.2.3 If such Supplemental Amount(s) are necessary to complete the construction of the Recreational Facilities and such Supplemental Amount(s) are not paid in the sole discretion of the District to the HOA, the HOA shall be obligated to pay such Supplemental Amount(s) to the Contractor or applicable party in order to cause the completion of the construction of the Recreational Facilities as required by this Agreement.

Section 3.3 Administration of Escrow Account.

3.3.1 The "Escrowed Amount" shall mean and include the Progress Payments and any Supplemental Amount(s) paid by the District to the HOA.

3.3.2 The HOA shall place the Escrowed Amount into a special account of the HOA for the construction of the Recreational Facilities (the "Escrow Account"), to be kept separate from all other accounts and funds of the HOA and administered pursuant to this Section 3.3.

3.3.3 The funds on deposit in the Escrow Account shall be withdrawn and used by the HOA solely to pay for the construction of the Recreational Facilities.

3.3.4 The HOA shall, no later than forty-five (45) days after the completion of the construction of the Recreational Facilities: (i) provide to the District a full accounting of the use and expenditure of the funds provided pursuant to the terms and conditions of this Agreement by the District, which accounting shall include supporting receipts showing acquisition of materials and construction of the Recreational Facilities; and (ii) remit to the District all excess funds on deposit in or for the benefit of the Escrow Account that have not been used for the construction of the Recreational Facilities in accordance with such accounting.

ARTICLE IV

COMMITTEES

Section 4.1 Creation of MUD and HOA Committees.

4.1.1 The District shall: (i) designate two (2) members of the MUD Board to serve as the "MUD Committee," and (ii) provide a clear delegation of authority from the MUD Board to the MUD Committee to take appropriate actions necessary to fulfill the District's obligations pursuant to this Article IV.

4.1.2 The HOA shall: (i) designate two (2) members of the HOA Board to serve as the "HOA Committee," and (ii) provide a clear delegation of authority from the HOA Board to

the HOA Committee to take appropriate actions necessary to fulfill the HOA's obligations pursuant to this Article IV.

Section 4.2 Combined Committee.

4.2.1 The MUD Committee and the HOA Committee (collectively, the "Combined Committee") shall have the authority to, by vote of the majority of its members, make specific determinations and decisions required by the Proposal, the Contractor, or otherwise in connection with the completion of construction of the Recreational Facilities which: (i) are not specifically provided for in the Proposal or the Final Plans, or (ii) are to be otherwise determined pursuant to the terms and conditions of this Agreement.

4.2.2 The Parties agree that the Combined Committee may make minor modifications (in the form of either deductions or additions) to the Proposal or the Final Plans up to a combined amount of \$10,000 (whether deductions or additions) (collectively, the "Permitted Minor Modifications").

4.2.3 The Combined Committee may not make modifications to the Proposal or the Final Plans beyond the Permitted Minor Modifications or otherwise materially modify the Proposal or the Final Plans without express written authorization from both the MUD Board and the HOA Board.

4.2.4 The Combined Committee shall coordinate and meet as needed to facilitate the timely and efficient completion of the construction of the Recreational Facilities and to otherwise fulfill the purposes and intent of this Agreement.

ARTICLE V

MAINTENANCE, OPERATION, AND USE

Section 5.1 Maintenance, Repair, and Preservation of Recreational Facilities.

5.1.1 The HOA shall, during and after construction of the Recreational Facilities, maintain and take all acts necessary to: (i) reasonably preserve and protect the value of the Recreational Facilities in a first-class manner and in compliance with all applicable laws and regulations, and (ii) utilize such Recreational Facilities in furtherance of the provision of recreation and beautification of the area within the boundaries of the District.

5.1.2 The HOA shall reasonably maintain, repair and otherwise assume all responsibility and liability for the Recreational Facilities upon completion of the construction of the Recreational Facilities.

5.1.3 The District shall have no obligation for repair, maintenance, operation, further modification, or replacement of any of the Recreational Facilities or the payment of costs associated therewith.

Section 5.2 Access to and Rules for the Recreational Facilities.

5.2.1 The HOA shall not charge fees to District residents and taxpayers for access to the Recreational Facilities, or deny access to the Recreational Facilities to District residents or taxpayers.

5.2.2 The HOA shall set and reasonably enforce rules and guidelines regarding use of the Recreational Facilities and shall post same in an easily accessible place on the Site. The rules and guidelines required by this Section 5.2.2 must be reasonable and non-discriminatory and must provide that the Recreational Facilities shall be available for use by all people residing or owning land in the District, subject to compliance with said rules and guidelines.

5.2.3 The HOA shall ensure that: (i) key card access equipment is installed at the Recreational Facilities, and (ii) any and all appropriate key cards, materials, permissions (including software or application access and/or credentials), and/or other items required for access to the Recreational Facilities are available to all people residing or owning land in the District, regardless of whether or not such people are members of the HOA. The HOA specifically acknowledges and agrees that: (i) the jurisdictional boundaries of the District may change after the Effective Date, and (ii) people residing or owning land in portions of the District annexed into the jurisdictional boundaries of the District after the Effective Date shall be provided equal access to the Recreational Facilities as required by this Section 5.2.

5.2.4 Members of the public who are not residents or taxpayers of the District shall have no right to enter the Recreational Facilities except in accordance with the rules and guidelines set forth by the HOA and approved by the District as required below.

5.2.5 The HOA's rules and guidelines relating to the Recreational Facilities shall be provided to the District for review, comment, and confirmation of compliance with the Texas Water Code prior to adoption by the HOA.

5.2.6 The HOA hereby grants to the District, the MUD Board, and the District's consultants, designees, and other agents the right to enter and use the Site and the Recreational Facilities for all purposes consistent with the terms and conditions of this Agreement, including: (i) the performance of the work required by the District pursuant to Section 5.4.1 below, (ii) the exercise of self-help remedies by the District pursuant to Section 6.3.2 below, and (iii) completion of inspections at all reasonable times.

Section 5.3 Operation of Recreational Facilities.

5.3.1 The HOA shall be solely responsible for all items relating to the operation of the Recreational Facilities.

5.3.2 All lighting at the Recreational Facilities shall be on a timer or timers and the HOA shall be solely responsible for setting and maintaining the scheduling related to such timer or timers.

Section 5.4 Maintenance, Repair, and Preservation of the Site.

5.4.1 In order to provide for beautification of the Site in conjunction with the construction of the Recreational Facilities, the District shall, at its sole cost and expense, cause the following work to be performed at the Site: (i) the demolition of approximately one hundred twenty-two (122) linear feet of existing wood fence and the replacement of same with new six (6) foot tall wood fence which matches with the existing cap, trim, and board of the existing fence, (ii) the demolition of the existing water fountain and concrete pad (with capping of the water line and installation of dirt and sod where removed), (iii) the saw-cutting of two (2) feet of broken curb and the replacement of same with new concrete curb, (iv) the repair of two (2) wrought iron gates with new hinges and the addition of another hinge in the center of each gate, and (v) the demolition of and installation of approximately one hundred eight (108) feet of concrete sidewalk land area.

5.4.2 In consideration of the initial beautification work performed by the District pursuant to Section 5.4.1 above and the benefit conferred upon the HOA and the community by the District through its funding of the construction of the Recreational Facilities, the HOA shall, at its sole cost and expense: (i) promptly after the Effective Date and on a regular basis thereafter, trim all trees, bushes, and shrubs on the Site and affecting the Site, and (ii) otherwise reasonably

preserve and protect the Site in a first-class manner and in compliance with all applicable laws and regulations.

ARTICLE VI

INDEMNITY, INSURANCE, AND REMEDIES

Section 6.1 Indemnity. **UNLESS CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF THE DISTRICT IN CONNECTION WITH ITS OBLIGATIONS UNDER THIS AGREEMENT, THE HOA AGREES TO INDEMNIFY, DEFEND, AND HOLD THE DISTRICT, ITS DIRECTORS, OFFICERS, AGENTS, CONTRACTORS AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS, DAMAGES, COSTS, EXPENSES (INCLUDING REASONABLE ATTORNEY FEES) AND/OR LIABILITY ARISING OUT OF OR IN ANY WAY RELATED TO THE INSTALLATION, CONSTRUCTION, USE AND/OR MAINTENANCE OF THE RECREATIONAL FACILITIES, INCLUDING BUT NOT LIMITED TO THOSE CLAIMS, COSTS, DAMAGES, EXPENSES (INCLUDING REASONABLE ATTORNEY FEES) AND/OR LIABILITY FOR DEATH OR PERSONAL INJURY RESULTING FROM THE USE AND/OR MAINTENANCE OF THE RECREATIONAL FACILITIES. THIS INDEMNITY SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.**

Section 6.2 Insurance.

6.2.1 The HOA shall cause the Contractor to: (i) obtain and maintain all insurance as is reasonably required and customary for the construction of the Recreational Facilities, and (ii) shall cause the Contractor to include the HOA and the District as named insureds on the applicable policies for same.

6.2.2 The HOA shall: (i) obtain and maintain all insurance as is reasonably required and customary for ownership, maintenance, operation, and use of the Recreational Facilities, and (ii) shall include the District as a named insured on the applicable policies for same.

Section 6.3 Default and Remedies.

6.3.1 In the event of a default by either Party in the performance of its obligations hereunder, the non-defaulting Party, may, after notifying the defaulting Party, in writing, of the alleged default and granting the defaulting Party a thirty (30) day period to cure such default, as its sole and exclusive remedies (except as set forth specifically in Section 6.3.2 below): (i) enforce specific performance of the provisions hereof, (ii) seek such other relief as may be provided by law or both, or (iii) terminate this Agreement.

6.3.2 If, pursuant to Section 6.3.1 above, the District notifies the HOA of a failure of the HOA to perform any of its obligations pursuant to Article V above and the HOA fails to cure such default within the thirty (30) day period provided for cure, the District shall have the right, but not the obligation, to perform any of such obligations at the District's cost and expense and invoice the HOA for all such costs and expenses. All such costs and expenses shall be repaid by the HOA to the District within forty-five (45) days of the HOA's receipt of the applicable invoice(s) for same.

Section 6.3 Legal Fees. The prevailing Party in any legal proceeding against the other Party brought under or in relation to this Agreement shall be entitled to recover court costs and reasonable attorney fees from the non-prevailing Party.

ARTICLE VII
MISCELLANEOUS

Section 7.1 Term.

7.1.1 If, on the one hundred eightieth (180th) day after the Effective Date of this Agreement, the HOA has not, for any reason, entered into the Proposal, this Agreement shall be automatically terminated and both Parties released from all further obligations set forth herein except for those set forth in Section 6.1.1 above.

7.1.2 Unless terminated pursuant to Section 7.1.1 above, this Agreement shall remain in full force and effect until mutually terminated by the Parties. The Parties agree to work cooperatively, in good faith, and in the best interest of the community served by the District and the HOA in connection with any discussion or consideration of termination of this Agreement.

7.1.3 Upon mutual termination of this Agreement pursuant to Section 7.1.2 above, neither Party shall have any further obligations or liabilities to the other except for those set forth in Section 6.1.1 above.

Section 7.2 No Partnership or Joint Venture. This Agreement shall not be construed to create a partnership or joint venture between the Parties.

Section 7.3 Governing Law and Venue. This Agreement shall be construed under and in accordance with the laws of the State of Texas. Venue for any litigation relating to this Agreement shall be in Fort Bend County, Texas.

Section 7.4 Modifications. Any alterations or amendments to this Agreement shall be effective only when in writing and signed by both Parties to this Agreement.

Section 7.5 Binding Effect; Assignment. This Agreement shall be binding upon and inure to the benefit of the Parties' respective successors and assigns; provided, however, no Party

shall assign this Agreement or any interest hereunder, in whole or in part, without the prior written consent of the other Party, which consent shall not unreasonably be withheld, conditioned, or delayed.

Section 7.6 Entire Agreement; Beneficiaries. This Agreement constitutes the full and entire agreement of the Parties regarding the Recreational Facilities. Notwithstanding anything in this Agreement to the contrary, this Agreement shall be for the sole and exclusive benefit of the District and the HOA and their respective legal successors and assigns and shall not be construed to confer any rights or remedies upon any third party.

Section 7.7 Notice. Any notice to be given hereunder shall be in writing, addressed to the appropriate party, and shall be deemed given (i) upon actual delivery to the address specified herein, as it may be changed from time to time by notice to the Parties in accordance with this paragraph ("Notice Address"); or (ii) on the third (3rd) day after deposit with the United States Postal Service, certified mail, return receipt requested, addressed to the Party's respective Notice Address, with adequate postage prepaid. Rejection or other failure by the addressee to accept the notice, or the inability to deliver the notice because of a change of address of which no notice was given, shall be deemed receipt of the notice on the day delivery is first attempted, if attempted by reputable commercial overnight or courier delivery service which maintains records of such attempt, or on the third day following the date postmarked, if mailed.

Section 7.8 Force Majeure. In the event either Party is rendered unable, wholly or in part, by force majeure to carry out any of its obligations under this Agreement, other than the payment of money unless due to a general and widespread economic collapse or moratorium on banking activities within the United States of America or the State of Texas, then the obligations of such Party, solely to the extent affected by such force majeure and solely to the extent that due

diligence is being used to resume performance at the earliest practicable time, shall be temporarily suspended during the continuance of any inability so caused to the extent provided but for no longer period. As soon as reasonably possible after the occurrence of the force majeure relied upon, the Party whose contractual obligations are affected thereby shall give notice and full particulars of such force majeure to the other Party. Such cause, as far as possible, shall be remedied with all reasonable diligence. The term "force majeure," as used in this Agreement, shall mean: acts of God; strikes, lockouts, or other industrial disturbances; acts of the public enemy; orders of any kind of the government of the United States or the State of Texas or any civil or military authority other than a Party to this Agreement; insurrections; supply chain interruptions; riots; epidemics; landslides; lightning; earthquakes; fires; hurricanes; storms; floods; washouts; droughts; arrests; civil disturbances; explosions; breakage or accidents to machinery, pipelines, or canals; partial or entire failure of water supply; and any other incapacities of either Party, similar to those enumerated, which are not within the reasonable control of the Party claiming such inability and which such Party could not have reasonably avoided by the exercise of due diligence and care. It is understood and agreed that the settlement of strikes and lockouts shall be entirely within the discretion of the Party having the difficulty and that the above requirement that any force majeure shall be remedied with all reasonable dispatch shall not require the settlement of strikes and lockouts by acceding to the demands of the opposing third party or parties when such settlement is unfavorable to the Party having the difficulty in the judgment of such Party.

Section 7.9 Severability. The provisions of this Agreement are severable, and, if any word, phrase, clause, sentence, paragraph, section, or other part of this Agreement or the application thereof to any person or circumstance shall ever be held by any court of competent jurisdiction to be invalid or unconstitutional for any reason, the remainder of this Agreement and

the application of such word, phrase, clause, sentence, paragraph, section or other part of this Agreement to any other persons or circumstances shall not be affected thereby.

Section 7.10 Further Documents. The Parties agree that at any time after execution of this Agreement, they will, upon request of the other Party, execute and deliver such further documents and take further actions as such other Party may reasonably request in order to effectuate the terms of this Agreement.

Section 7.11 Time of the Essence. Time is of the essence in all things pertaining to the performance of this Agreement.

Section 7.12 Liability for Indebtedness. It is expressly understood and agreed that nothing in this Agreement has the effect of causing either Party to assume, guarantee or become in any way liable for any bond, warrant, note or other indebtedness or obligation of the other Party.

Section 7.13 No Dedication. The rights herein created shall not constitute a dedication to the public of any portion of the Recreational Facilities, or the real property that the Recreational Facilities are located upon, or any other property, and the HOA may take such steps as may from time to time be required to prevent a dedication of any portion thereof or the accrual of rights of the public in any portion thereof.

Section 7.14 No Waiver. No waiver by either Party of any default or breach of any covenant, condition, or stipulation herein contained shall be treated as a waiver of any subsequent default or breach of the same or any other covenant, condition, or stipulation hereof.

Section 7.15 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original. A signed copy of this Agreement delivered by facsimile, e-mail or other means of electronic transmission (to which a signed PDF copy is

attached) shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

[Signature Pages Follow]

IN WITNESS WHEREOF, the Parties have executed this Agreement to be effective as of the Effective Date.

FORT BEND COUNTY MUNICIPAL UTILITY
DISTRICT NO. 41

By: _____

President, Board of Directors

VILLAGE OF OAK LAKE HOMEOWNERS
ASSOCIATION, INC., a Texas non-profit
corporation

By: _____

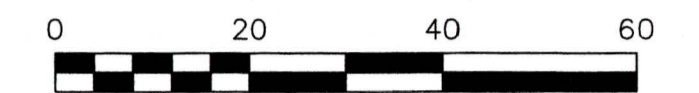
Name: _____

Title: _____

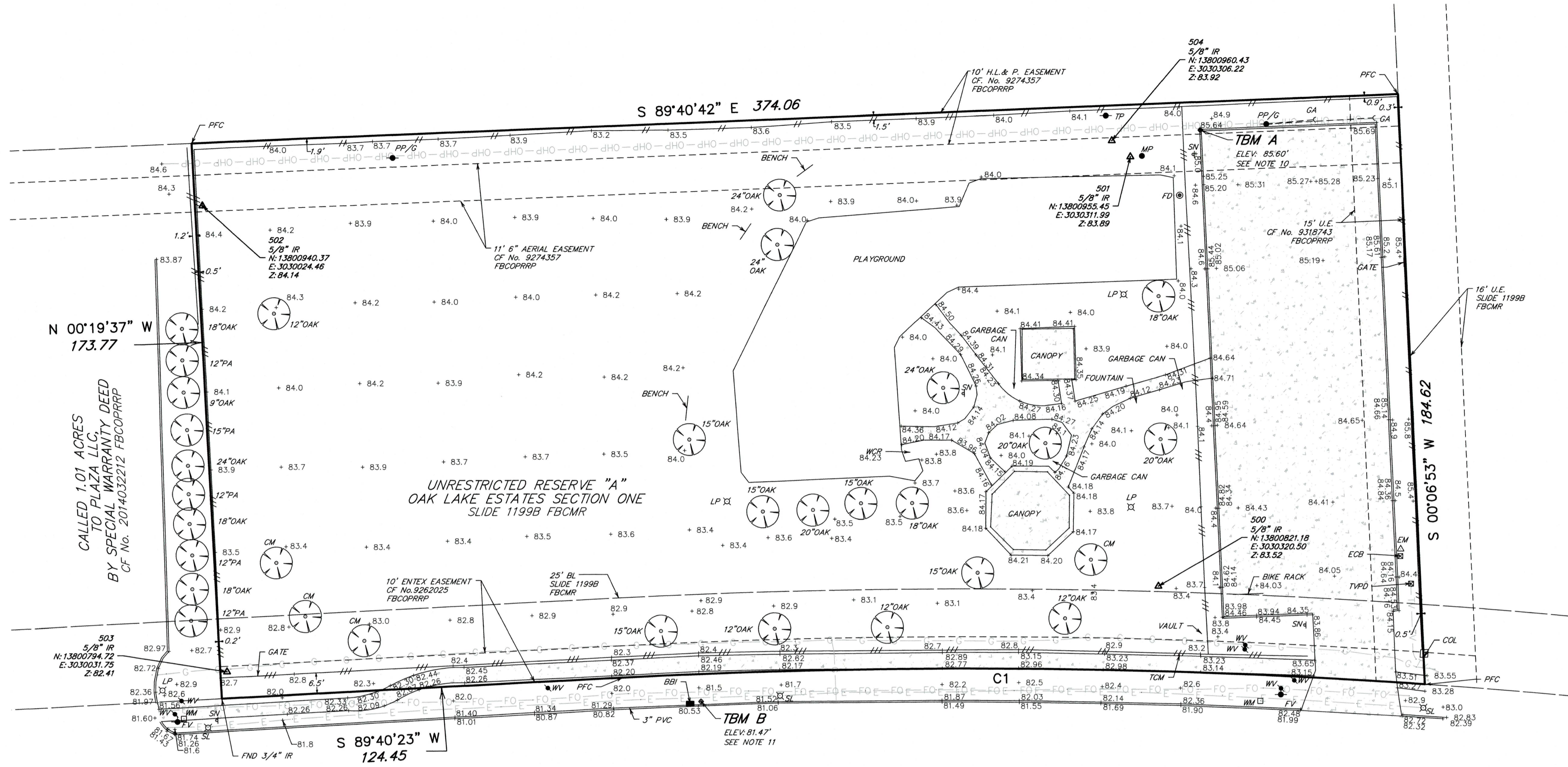
Exhibit "A"

Site

SCALE: 1" = 20'



NORTH

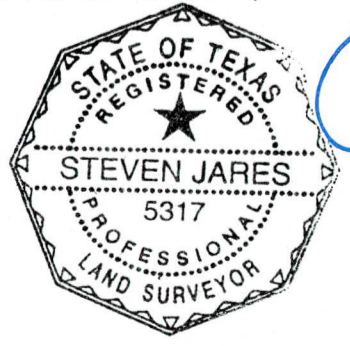


GENERAL NOTES:

- 1. Reference on Abstractor's Certificate prepared by Texas Abstract Services, dated February 13, 2024. No additional research for easements or encumbrances was performed by Quiddity Engineering, LLC.
2. Tract subject to Restrictive Covenants recorded under Slide No. 1199/B, FBCPR, instrument recorded in Volume 1679, Page 528, FBCOR, and under CF Nos. 8726956, 9307667, 9315944, 2001023710, 2003098653, 2004031860, 2012027877, 2022034251, 2022034252, 2022034253, 2022034254, and 2022034255, FBCOPRRP.
3. Determination of the ownership, interests, location, or development of all minerals related to the Subject Tract fall outside the scope of this survey. Such matters should be directed by the client to an expert consultant.
4. Bearings shown hereon are based on the Texas Coordinate System, South Central Zone, NAD 83. The survey data shown hereon is on Surface Coordinates. The combined scale factor is 1.0001211974-0.9998788172.
5. This survey does not provide any determination concerning wetlands, fault lines, toxic waste or any other environmental issues. Such matters should be directed by the client or prospective purchaser to an expert consultant.
6. According to Map No. 4815700145L of the Federal Emergency Management Agency's Flood Insurance Rate Maps for Fort Bend County, Texas, dated April 2, 2010, the subject tract is situated within: Unshaded Zone 'X'; defined as areas determined to be outside the 500-year flood plain.
The FEMA website (www.msc.fema.gov) was checked on February 19, 2024. At this date ten (10) LOMC were reported (5 Revisions and 5 Amendments), zero (0) of which are located on the subject tract.
This flood statement does not imply that the property or structures thereon will be free from flooding or flood damage. On rare occasions floods can and will occur and flood heights may be increased by man-made or natural causes. This flood statement shall not create liability on the part of the surveyor.
7. The surveyor has not been provided with construction plans showing the location of underground utilities. Underground utilities may exist which are not shown hereon.
8. There are 26 regular parking spaces and 2 handicap parking spaces on the subject tract.
9. Elevations shown hereon are based on City of Sugar Land Reference Mark No. SGR-RM031 located at the intersection of Voss Rd. and State Highway 6 with a published elevation of 80.60 feet, NAVD 88, 2001 Adjustment, and Reference Mark No. SGR-RM032 located at the intersection of Main Street/Burney Road and Jess Pirtle Blvd with a published elevation of 81.37 feet, NAVD 88, 2001 Adjustment.
10. Temporary Benchmark A being a cut square in concrete located at the back of curb at the northwest corner of the parking lot. Elevation = 85.60 feet, NAVD 88, 2001 Adjustment.
11. Temporary Benchmark B being a cut square in concrete located on the northeast side of a B-B inlet found on the south side and center of the site. Elevation = 81.47 feet, NAVD 88, 2001 Adjustment.
12. This survey has been prepared for the sole purpose of the transaction described in the above referenced Title Commitment and the parties listed thereon. This survey is not to be used for any subsequent transactions.
13. The subject property abuts Old Richmond rd and such street is paved and dedicated public rights-of-way and maintained by city of Sugar Land. This statement is subject to the exercise of power of the governmental authority to limit, control or deny access, ingress or egress.
14. Visible improvements/utilities were located with this survey, no subsurface probing, excavation or exploration was performed for this survey.
15. DIG TESS, a one-call notification center, was contacted on February 7, 2024 to provide notification to utility facility owners/operators to locate their underground utilities, as indicated by ticket number(s) 2453852112 & 2453852150. Facility owners/operators are required to mark the utilities within 48 hours of the contact date. Quiddity Engineering located the marked lines on February 12, 2024.

Table with 5 columns: CURVE, RADIUS, ARC LENGTH, CHORD LENGTH, CHORD BEARING, DELTA ANGLE. Row 1: C1, 2050.00, 1248.77, 1248.62, N 89°29'04\"/>

To: Fort Bend County MUD No. 41.
We, Quiddity Engineering, LLC, acting by and through Steven Jares, a Registered Professional Land Surveyor, hereby certify that this survey substantially complies with the current Texas Society of Professional Surveyors Standards and Specifications for a Category 6, Conkion 2 Survey.
Surveyed: February 20, 2024
Revised: April 2, 2024
(odd H.L. & P. Easement)
Steven Jares
Registered Professional Land Surveyor
No. 5317
S.jares@quiddity.com



LEGEND

- BBI B-B INLET
BL BUILDING LINE
CF CLERK'S FILE
CM CREEPE WYRTLE TREE
ECB ELECTRIC CONTROL BOX
EM ELECTRIC METER
FBCMR FORT BEND COUNTY MAP RECORDS
FBCOPRRP FORT BEND COUNTY OFFICIAL PUBLIC RECORDS OF REAL PROPERTY
FBCOR FORT BEND COUNTY OFFICIAL RECORDS
FBCPR FORT BEND COUNTY PLAT RECORDS
FC FILM CODE
FND FRENCH DRAIN
FND FOUND
FT FEET
FV FLUSH VALVE
GA GUY ANCHOR
H.L. & P. HOUSTON LIGHTING AND POWER
IR IRON ROD
LP LIGHT POLE
MP ELECTRIC METER POLE
NO NUMBER
OAK OAK TREE
OHP OVERHEAD POWER
PA PALM TREE
PAGE PAGE
PP POWER POLE
PP/C POWER POLE WITH CONDUIT
PP/G POWER POLE WITH GUY
ROW RIGHT-OF-WAY
SEC SECTION
SL STREET LIGHT
SN SIGN
SQ SQUARE
TBM TEMPORARY BENCHMARK
TCM TELEPHONE CABLE MARKER
TP TELEPHONE POLE
TPD TELEPHONE PEDESTAL
TVP TV PEDESTAL
UE UTILITY EASEMENT
VOL VOLUME
WCR WHEELCHAIR RAMP
WM WATER METER
WV WATER VALVE

- WROUGHT IRON FENCE (W)
WOOD FENCE (WF)
OVERHEAD POWER
APPROXIMATE UNDERGROUND FIBER OPTIC LINE
APPROXIMATE UNDERGROUND ELECTRICAL LINE
APPROXIMATE UNDERGROUND CABLE LINE
APPROXIMATE UNDERGROUND GAS LINE
CONCRETE

TOPOGRAPHIC SURVEY
OF
UNRESTRICTED RESERVE A
OAK LAKE ESTATES SECTION 1
BEING
1.500 ACRES
OUT OF THE
M.M. BATTLE LEAGUE SURVEY, A-9
ALEXANDER HODGE LEAGUE SURVEY, A-32
FORT BEND COUNTY, TEXAS
APRIL 2024



Exhibit "B"

Proposal



Webuildpickleballcourts@gmail.com

Preffered Buildout Contractors

4444 westhimer rd

☎ 409-504-9910

☎ 832-922-7597

www.webuildpickleballcourts.com

webuildpickleballcourts@gmail.com

INVOICE

INV46665

DATE

01/28/2024

DUE

On Receipt

BALANCE DUE

USD \$271,520.00

BILL TO

Mud 41 Sugarland

☎ 7137753065

DESCRIPTION	RATE	QTY	DISCOUNT	AMOUNT
Complete Outdoor Complete Pickleball Court concrete + Resurface (3 colors) 64x34 102x 64 Post Tension Concrete Slab *** Vapor Barrier PPA Approved & Certified Paint Black Resurfacer surfaced to have a black canvas over the concrete 100% acrylic emulsion resurfacer designed for on site mixing with silica sand. Acrylic Resurfacer reduces surface porosity allowing for application of an even, full depth color, playing surface. Multi Layer Surface 7 Layer 1 Coat of Adesion promoter 2 Coats of resurfacer (AR) 2 Coats of top color 1 Coats of Primer for the lines And 1 coat of Textured White ***Any change of order will be added to invoice (addional colors, logos, extra concrete, fencing etc)	\$34,500.00	3		\$103,500.00

25 foot Light Poles 4x4 Trench from existing electrical field of play. Trench entire Field of play for 8 poles 3 circuits to control each courts independently. All work to be performed by master electrician Photometrics for city permitting	\$2,899.00	8		\$23,192.00
Set Light Poles(Dig Concrete) Installation	\$699.00	8		\$5,592.00
3 Pickleball Net posts In Ground Delivery and Intallation	\$999.00	3		\$2,997.00
Outdoor Chain Link Fencing 8 foot on perimeter and 4 foot on inside 4 foot dividers inside between each court Key card Access will need to be installed on the gate that we will provide. You will need to contact an access control company thru the hoa to get the key card installed onto the gate ****Includes fencing in social area Must coordinate with Hoa for Access control for Entrance Gate on Social Waiting Area (Provided by HOA)	\$31,160.00	1		\$31,160.00
Courtside Benches (Green) Delivery and Installation Green Benches with Back	\$450.00	4		\$1,800.00
Free Pickleball Paddle Holder Rack 3 Free Paddle Racks (Metal) -Discounted \$897	\$299.00	3	-\$897.00	\$0.00
Architect fees & City Permits *** subject to change If city requires more complex work	\$21,500.00	1		\$21,500.00

8 light Poles electrical work	\$1,600.00	8	\$12,800.00
Concrete Boom Pump Rental Heavy duty truck used to evenly distribute concrete to help minimize dead spots and concrete coating failures.	\$3,200.00	1	\$3,200.00
Social Area 34 x 15 feet social area + 120 foot sidewalk (made out of black stone gravel) leading to entrance 34 x 15 social area with artificial turf placed on center of court + 120 foot sidewalk Edging board Black stone gravel 10 year warranty on turf	\$21,500.00	1	\$21,500.00
Bullpen Shade Canopy w 4 pillars (waiting area) Blocks 95% of harmful UV Rays Material + Installation * Extra permit may be required for this type of structure	\$24,900.00	1	\$24,900.00
Optional Concrete Testing (4 pillars of concrete will be collected and tested) Concrete Testing to give test results on strength of concrete. This Test is done by a lab offsite at an independent testing facility. 7 & 28 Day Breaks to do this.	\$1,450.00	1	\$1,450.00
Tree Removal Remove Tree and Grind Stump	\$975.00	1	\$975.00
Windscreen Black w Installation Back Side (long Side) North 2 sides (east and south) Blocks 85% of UV rays	\$3,904.00	1	\$3,904.00
Trench Drainage Additional drainage required for this size of concrete slab to ensure water doesn't build	\$3,500.00	2	\$7,000.00

up
(More drainage may be required after
architect plans are submitted (cost plus)

Metal Court Number Signs Sign \$350 Installation \$100	\$450.00	3	\$1,350.00
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Windscreen Installation Labor (Includes installation on court only) 2 guys + labor	\$1,200.00	1	\$1,200.00
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Custom lock sign Custom lock box sign (Estimate)	\$3,500.00	1	\$3,500.00
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DO IT YOURSELF CONCRETE	\$0.00	1	\$0.00
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All concrete work is not equal. Courts are designed with unique specifications that pool builders, roofers, and even commercial concrete contractors do not have knowledge of.

Slabs that are poured unsquared;
Slabs that have too much slope or not enough for adequate drainage;
Slabs that have low spots or high spots.
Slabs that are too low for surroundings not allowing the water to drain;
Slabs that have structural cracking;
Slabs that have high spots;
Slabs that are too smooth or too rough;
Slabs that have no moisture/vapor barriers;
Slabs that are not built to the proper size;
Slabs that have the basketball and/or light anchor out of center or not located properly;
Concrete DIY contractors that do not structurally prepare the footings correctly for inserts/sleeves;
Concrete DIY contractors designing additional walls that do not allow provide room for inserts throwing off all the dimensions;
Slabs that have additives or curing agents affecting adhesion for acrylics; Slabs that have improper control joints;
UNLEVEL sleeves or improper location of sleeves for fencing;

Pickle Grip (not recommended) with Houston humidity you will be slipping and sliding all over the place and never get to play an actual game.

2 Year Warranty on paint

\$0.00

1

\$0.00

2 Year paint warranty on all Installation from the date of completion due to bad batch of paint or discoloration

We build pickleball courts LLC is not responsible for any injuries related to fence, concrete or court after Install including and not limited to other defects such as:

1. Burns, cuts, rain, accidents, vandalism, abuse, negligence, or neglect
2. Improper design or failure of sub base of the sports field on court or drain (flood)
3. Drainage defects or deficiencies in the sub base and or surrounding zone
4. Broken Glass onto the product, Weeds growing on turf or parameters

The warranty does not include normal wear and tear, new & Existing cracks may return overtime.

No warranty on Hydrostatic Pressure or Vapor Pressure

Included workmanship warranty 1 year

EXCLUSIONS: Excluded from this quote are Engineering/design requirements or fees of the project; ancillary asphalt or concrete repair, including normal wear due to construction; SWPPP Plan; fence installation, removal or replacement; landscape/sod repair or replacement; fees for bonds or permits; the addition/removal/re-location/or modification of existing or new utilities, irrigation, or drainage, identified or unidentified; or construction site security during construction period. Likewise, the new surface will not significantly change, improve, or deter the drainage of the existing court, which includes existing ponding issues present prior to the new surfacing. Any problems or issues with the new surface attributed by cracks, rainfall too soon after

completion or problems with the concrete may incur bubbles.

existing slab, or with the old surface, negate warranty coverage and liability. Therefore, any and all repairs for non-warranted work will be performed on a quoted or cost/plus basis.

ALL CONCRETE CRACKS, HAIRLINE CRACKS TO BE EXPECTED

EVEN ON NEW CONSTRUCTION COURTS;

- Grass or sprinklers will be damaged during the project, we will minimize this of course but some landscaping repairs by owner is to be expected;

- Existing courts built flat or with inadequate drainage cannot be repaired with a surface installation;

- The resurfaced court might have "tool marks or squeegee lines" from the application

procedure. This is completely normal and cannot be 100% avoided.

standard size, extra fees may occur for a custom net order;

- Concrete with no broom finish may cause peeling;

- Low spots can only be repaired up to a 1/8 inch in elevation and will not cure existing drainage issue;

- Moisture arising from beneath the foundation caused from the lack of a proper vapor

barrier or perimeter drainage may cause delamination not covered by warranty and no guarantee of possible repair;

- Line striping has a human error variance of 1inch due to the levelness and low/high spots in the existing foundation;

- Expansion joints should not exist in a court foundation, we can crack fill them but they will eventually return and need further patching to covered by warranty of any type;

- Existing paint must be an acrylic sport surfacing paint. Any oil based/epoxy based existing paint will have to be removed prior to arrival;

Any debris or dust that comes onto court when our workers are not there is not

covered under warranty.

After concrete is poured we must wait 40 days to start painting
Any Engineering costs will conclude to a change order (any delays over 3 months will require 10% charge)

WITHDRAWL OF CONTRACT: Any withdraw of contract after awarded the project and deposit has been made will constitute a 25% mobilization and inventory restocking fee due immediately upon notice.

Payment Terms Cash, Bank Wire or zelle
20% Due Before Starting (for Architech)
30% before breaking ground
20% After Concrete is complete
10% After Fence Installation
10% After Court is Painted

Check be made out to WebuildPickleBall Courts LLC

TOTAL	\$271,520.00
BALANCE DUE	USD \$271,520.00

I _____ approve this estimate and wish to move forward with scheduling a time and date to install.

Exhibit "C"

Final Plans

Exhibit "E"

MUD Responses to HOA Board Questions

From: [John H. Eichelberger III](#)
To: [Tabitha Ross](#); [Juan Villarreal](#)
Cc: [gary coper](#)
Subject: RE: Questions from the HOA
Date: Monday, May 13, 2024 2:39:00 PM
Attachments: [image001.png](#)
[image002.png](#)
[image003.png](#)
[image004.png](#)

Hi Tabitha,

Below I have copied and pasted the list of questions you provided and have included answers in red.

I had few questions, since the MUD 41 funding the project through bonds, when do these bonds mature / expire, what is the buy value, who is paying for these bonds, how will these be repaid since the pickle-ball does not generate any revenues ? **No bonds are being sold to fund the project. Funds will come from existing reserves (or savings) of the MUD.**

Since Mud 41 serves VOL only, the responsibility to pay the bonds (aka loans) will come on the homeowners in the form of increased taxes down the road. HOA got to be careful what it's getting into, since it will affect all the homeowners at the end of the day. **Again, no bonds are being sold to fund the project and no loans are being taken out to fund this project.**

The wordings in the agreement is poorly written, it clearly puts "handcuffs" on the HOA, and puts all the responsibilities on the HOA, including that the MUD will fine HOA if something happens, and I don't agree to this. **The Agreement is drafted with the intention that MUD (taxpayer) dollars are being spent on the courts and there are protections for that investment of public dollars. For the same reason HOA board members are concerned that the MUD manage its dollars responsibly, the MUD cannot invest \$300k+ into a project and not ensure that proper guardrails are put into place. If the HOA were funding the project on MUD land, it would be reasonable that the HOA place certain conditions and restrictions on the MUD. That is what the MUD is doing here and the guardrails included in the Agreement protect the tax dollars of all VOL residents. Further, the MUD is not allowed to fine the HOA. The MUD has a right to exercise a self-help remedy which means it can perform repairs and maintenance that are required to be done by the HOA but are not actually done by the HOA. The MUD can only exercise this right after providing notice and opportunity for the HOA to cure a default. If the MUD performs the repairs/maintenance after an HOA default, the HOA would then be billed. While the HOA would be legally required to pay the costs of the repairs/maintenance performed by the MUD, the value of the repairs/maintenance would be a benefit to the HOA as it is the owner of the courts and Kidz Village. (Whereas a "fine" would simply be a payment made with no benefit received.)**

Right now the Mud board is on good terms, but you never know who comes later on and what happens then. **The MUD is also bound by the terms of the Agreement, regardless of the composition of future MUD Boards.**

Also, i searched online and found out the highest expense for setting up 3 pickle-ball courts from ground up with lights is about \$150k (lowest being \$90k), and the Mud 41 budget for this is about

\$290k with loans in the form of bonds. This sounds incredibly high. The MUD Board has spent several months visiting various courts in the area, meeting with vendors, and designing a court to the specifications the MUD Board believes would be most beneficial to the VOL community. Significant expense has gone into these efforts, as well as preparation of the Agreement and completion of a survey needed to allow for construction of the courts. In addition to just the courts, in the proposal and design we presented at the meeting, you'll see that various other improvements are included, such as fencing, lighting, sidewalk, and a waiting area. In addition to the quality of the courts, these added items come with additional costs.

My advise is to stay away from loans, or bonds or whatever name they want to call it. Again, no bonds are being sold and no loans are being taken out to fund this project.

One more board question; if they want to change the courts to something else a few years down the line, are they permitted to do this? Will they need to ask permission from the MUD. Yes, MUD consent to such change would be required. Again, as mentioned above, the MUD must protect taxpayer dollars. It would be an irresponsible use of \$300k+ of VOL tax dollars to build a court that could be taken down without the MUD's consent. After the meeting we had with the HOA Board, we revised Section 7.1 of the Agreement to provide that the Agreement remains in effect until both the MUD and HOA determine mutually that it should be terminated. The MUD agrees in Section 7.1.2 to "work cooperatively, in good faith, and in the best interest of the community served by the District and the HOA in connection with any discussion or consideration of termination of this Agreement." To the extent it would be apparent that the pickleball courts were not being used or were otherwise problematic for the community, the MUD would be obligated to consider in good faith a termination of the Agreement which would then release the HOA from its obligations to maintain the courts.

One board member is concerned about how the MUD is paying for the courts.

"The most important thing for me is - Do Not take loans or bonds if you don't have the money, this will affect the whole community down the road." Again, no bonds are being sold and no loans are being taken out to fund this project.

Please let us know of any other questions.

Thanks,
John

John H. Eichelberger III
Schwartz, Page & Harding, L.L.P.
1300 Post Oak Boulevard, Suite 2400
Houston, Texas 77056
Phone: (713) 623-4531
Fax: (713) 623-6143
www.sphllp.com
