

Agreement is in each party's best interests, as well as in the best interests of their respective citizens; and

WHEREAS, the Parties are empowered to enter into this Agreement pursuant to Section 43.015 of the Local Government Code to make mutually agreeable changes in the boundaries of areas that are less than 1,000 feet in width; and

WHEREAS, the Parties acknowledge and agree that the previous boundary line adjusted under this Agreement is as shown in the attached **EXHIBIT A** and labeled "EXISTING BOUNDARY" and the new boundary line established by this Agreement is as shown in the attached **EXHIBIT A** and labeled "PROPOSED BOUNDARY"; and

WHEREAS, the area of land that will be transferred from McKinney's corporate limits into Fairview's corporate limits is as described in **EXHIBIT B** (the "New Fairview Territory");

WHEREAS, the area of land that will be transferred from Fairview's corporate limits into McKinney's corporate limits is as described in **EXHIBIT B** (the "New McKinney Territory"); and

WHEREAS, McKinney currently holds a Certificate of Convenience and Necessity ("CCN") to be the retail provider of water and sewer service within portions of the New Fairview Territory and the Parties desire that McKinney relinquish its CCN within the New Fairview Territory and that Fairview shall obtain and hold the CCN for the entirety of the New Fairview Territory and be the retail provider of water and sewer in said area; and

WHEREAS, Fairview currently holds a Certificate of Convenience and Necessity ("CCN") to be the retail provider of water and sewer service within the portions of the New

McKinney Territory and the Parties desire that Fairview relinquish its CCN within the New McKinney Territory and that McKinney shall obtain and hold the CCN for the entirety of the New McKinney Territory and be the retail provider of water and sewer in said area; and

NOW, THEREFORE, for and in consideration of the mutual promises and covenants herein made and the benefits to the Parties resulting here from, and the recitals set forth above which are made contractual provisions of this Agreement, the Parties do hereby contract, covenant and agree as follows with respect to the areas and rights made subject to this Agreement:

SECTION 1. FINDINGS INCORPORATED.

The foregoing recitals are hereby incorporated into the body of this Agreement and shall be considered part of the mutual covenants, consideration and promises that bind the parties.

SECTION 2. TERM, RECORDATION AND MAPPING.

This Agreement shall become effective upon the date of the last party to execute this Agreement (the “Effective Date”) and shall remain in effect in perpetuity, to the extent authorized by law, until and unless terminated or modified by written agreement duly adopted by the governing bodies of the Parties. This Agreement shall be recorded in the Collin County Clerk’s Land Recordings and the Parties shall promptly: (1) modify their respective official boundary maps

to reflect the boundary modifications made under this Agreement; and (2) submit certified copies of said modified maps to the appropriate Collin County authority.

SECTION 3. AGREEMENTS BY MCKINNEY.

A. McKinney hereby agrees to change its municipal boundaries to exclude the New Fairview Territory.

B. McKinney hereby releases, relinquishes and discontinues any claim or entitlement to any corporate limits within the New Fairview Territory and agrees that no further action is necessary by either Party in order for the New Fairview Territory to be transferred into Fairview's corporate limits.

C. McKinney agrees that it shall not at any time in the future seek to extend McKinney's corporate limits or its extraterritorial jurisdiction ("ETJ") into the New Fairview Territory unless the Parties otherwise agree in writing by amending this Agreement.

D. Within 120 days of the Effective Date or as may be extended by the Parties in writing, McKinney shall join with Fairview, at Fairview's expense, in filing with the Texas Public Utility Commission an application to transfer the CCN in the New Fairview Territory, naming Fairview as the retail provider of water and sewer service in said area. McKinney shall thereafter reasonably cooperate with and assist Fairview in the consummation of the transfer of said CCN to

Fairview such that Fairview shall become the retail provider of water and sewer service in the New Fairview Territory.

SECTION 4. AGREEMENTS BY FAIRVIEW.

A. Fairview hereby agrees to change its municipal boundaries to exclude the New McKinney Territory.

B. Fairview hereby releases, relinquishes and discontinues any claim or entitlement to its corporate limits within the New McKinney Territory and agrees that no further action is necessary by either Party in order for the New McKinney Territory to be transferred into McKinney's corporate limits.

C. Fairview agrees that it shall not at any time in the future attempt to extend Fairview's corporate limits or its ETJ into the New McKinney Territory unless the Parties otherwise agree in writing by amending this Agreement.

D. Within 120 days of the Effective Date or as may be extended by the Parties in writing, Fairview shall join with McKinney, at Fairview's expense, in filing with the Texas Public Utility Commission an application to transfer the CCN in the New McKinney Territory, naming McKinney as the retail provider of water and sewer service in said area. Fairview shall thereafter reasonably cooperate with and assist McKinney in the consummation of the transfer of said CCN

to McKinney such that McKinney shall become the retail provider of water and sewer service in the New McKinney Territory.

SECTION 5. MISCELLANEOUS

The following miscellaneous provisions are a part of this Agreement:

A. The Parties agree that the adoption of any ordinance or resolution by the Parties or the taking of any other act necessary to accomplish the purpose of this Agreement shall be contingent, and neither shall be deemed effective nor enforceable by one Party against the other, unless and until such time as each Party has adopted such a resolution or ordinance or taken such other necessary acts to fully accomplish the purpose of this Agreement.

B. The persons signing this Agreement on behalf of the Parties have been duly authorized and empowered to do so. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which shall constitute one and the same document.

C. This Agreement may not be assigned. It embodies the entire agreement between the parties and may not be amended except in writing.

D. In the event that one or more of the provisions contained in this Agreement for any reason shall be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability of this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein, but shall not affect the remaining provisions of this Agreement, which shall remain in full force and effect.

E. In the event of any dispute regarding this Agreement or the terms contained herein, the parties hereto agree that they shall submit such dispute to non-binding mediation. This

Agreement shall be governed by and construed in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Collin County, Texas. Venue for any action arising under this Agreement shall lie in the state district courts of Collin County, Texas.

F. All costs, expenses, or fees associated with the performance of this Agreement shall be paid by the party incurring same and shall be paid from current revenues of that party.

G. This Agreement shall supersede and replace any and all prior agreements between the Parties regarding the matters addressed in this Agreement to the extent of any conflict between this Agreement and any such prior agreements.

H. All notices to a Party required or permitted hereunder shall be in writing and shall be delivered by certified U.S. mail, postage prepaid with return receipt requested, addressed as follows:

If to McKinney:

Attn: City Manager
City of McKinney
222 N. Tennessee St.
McKinney, TX 75069

If to TOWN OF FAIRVIEW:

Attn: Town Manager
Town of Fairview
372 Town Place
Fairview, Texas 75069

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EXECUTED this the ____ day of _____, 2023.

ATTEST:

CITY

OF MCKINNEY, TEXAS

Empress Drane, City Secretary

George Fuller, Mayor

STATE OF TEXAS)
)
COUNTY OF COLLIN)

This instrument was acknowledged before me on the ____ day of _____, 2023, by George Fuller, Mayor, City of McKinney, Texas, a Texas municipal corporation, on behalf of said municipal corporation.

_Notary Public, State of Texas

EXHIBIT A Boundary Line

EXHIBIT 'A'

Legal Description (Proposed boundary)

Beginning at a point at the intersection of the existing boundary and the East ROW line of Spur 399;

Thence, traveling NE along the East ROW line of Spur 399 to the intersection of the East ROW line of Spur 399 and the North ROW line of Frisco Rd;

Thence, traveling East along the North ROW line of Frisco Rd to the intersection where the existing and proposed North ROW line of Frisco Rd separate;

Thence, traveling East along the proposed North ROW line of a relocated portion of Frisco Rd and a proposed West ROW line of a new Fairview Pkwy and Frisco Rd intersection;

Thence, traveling North along the West proposed ROW line for a new connection to Medical Center Drive and the existing common boundary line.

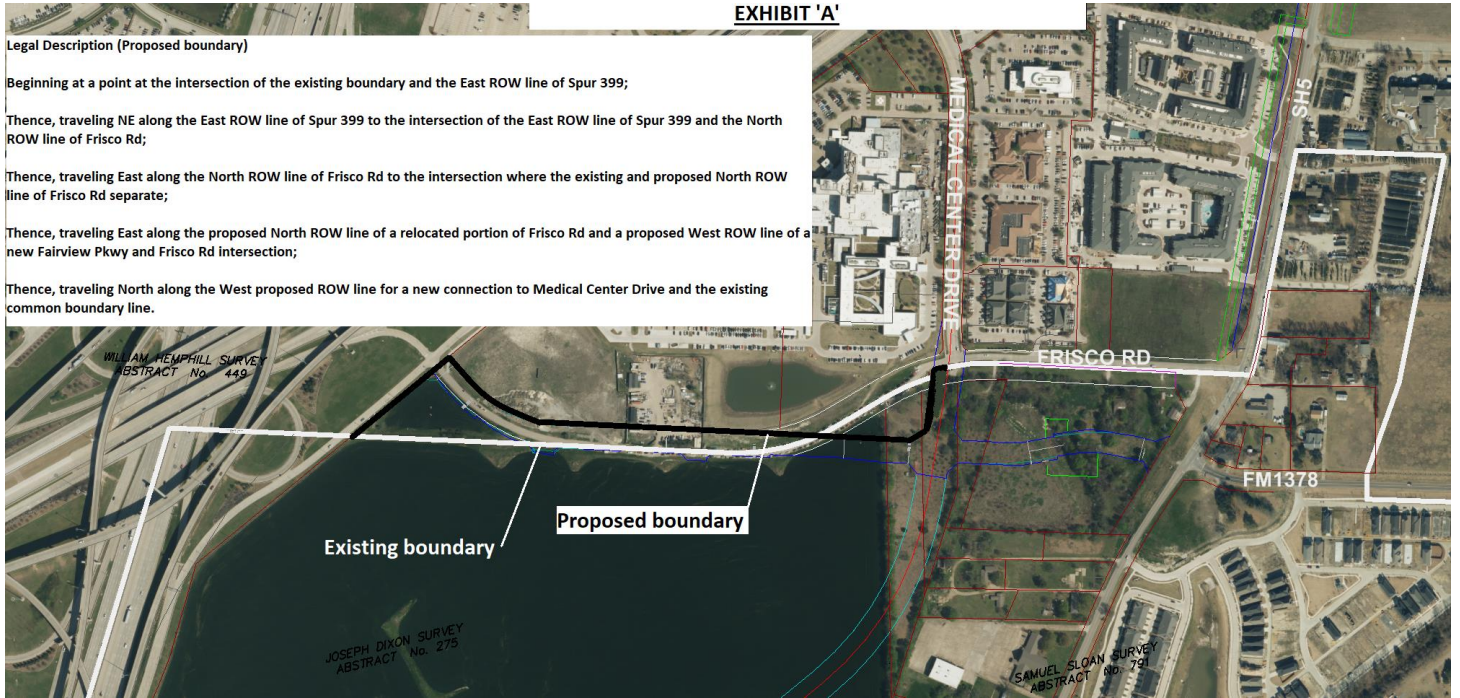


EXHIBIT B New Fairview Territory / New McKinney Boundary

