

WATER SERVICE AGREEMENT

AGREEMENT REGARDING WATER SERVICE FOR THE PROPOSED THE COVES AT WINFIELD PHASE 7C

PARTIES: This Agreement is by and between the Utility and the Sub-divider, to which: The Utility is the governing board or owner of a retail public utility, which supplies drinking water known as the City of Laredo Water Utilities Department.

The Sub-divider is Charco Land Sales, LLC., who is the owner, or the authorized agent of the owner, of a tract of land in Webb County, Texas, that has been proposed to be divided into a subdivision (the Subdivision) known as The Coves at Winfield Phase 7C.

TERMS: This Agreement is entered into in partial satisfaction of requirements under the Texas Water Development Board's Economically Distressed Areas Program Model Subdivision Rules. The Sub-divider has prepared a plat of the Subdivision for submission to the City of Laredo for its approval. The Sub-divider plans to install water services and extend an 8" watermain that was installed as part of the plat called The Coves at Winfield Phase 1 in the Victory Dr. Right-of-way and the True Patriot Dr. Right-of-Way. The Utility has reviewed the plans for the subdivision. The built-out conditions (the anticipated water flow) to be approximately 29,822 gallons per day.

The Utility covenants that it has or will have the ability to provide the anticipated water flow for at least thirty years, and that it will provide that water flow. These covenants will be in effect until thirty years after the plat of the subdivision has been recorded. The Utility currently has public water infrastructure along the Victory Dr. Right-of-Way and True Patriot Dr. Right-of-Way.

The Sub-divider has paid the Utility the sum of \$159,000.00 which represents the costs of water availability fees.

The above provisions notwithstanding, this Agreement shall no longer be in effect if the plat of the Subdivision is not approved by the City of Laredo or by municipality whose approval is required.

By affixing his or her signature to this Agreement, the person signing for the Utility warrants that he or she is authorized to sign this Agreement of behalf of the Utility. By affixing his or her signature to this Agreement, the person signing for the Sub-divider warrants that he or she is authorized to sign this Agreement, on behalf of the Sub-divider.

This Agreement is effective 6-22-, 2026

The Utility

By:  _____

Printed Name: _____ Tareq Galzabet

Office or Position: Director of Utilities Department

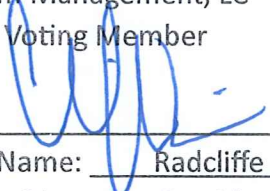
Date: 6/22/26 _____

The Sub-divider:

Charco Land Sales, LLC., a Texas Limited Company

By: Killam Management, LC

Its: Sole Voting Member

By:  _____

Printed Name: _____ Radcliffe Killam II

Office Position: _____ President and CEO

Date: _____