



## DEVELOPMENT AGREEMENT

This Development Agreement (the "Agreement") is by and between Caldwell County, a political subdivision of the state of Texas ("County"), and Kinder Morgan Texas Pipeline LLC and Bluebonnet Pipeline, ("Declarant"), an operator of a natural gas pipeline, and developer of the Bluebonnet Pipeline Project. The effective date of this Agreement shall be the date that it is executed by the Caldwell County Judge.

**WHEREAS**, Declarant has established a preferred transmission pipeline route of approximately 13 miles in Caldwell County which involves horizontal construction with surface sites with above ground appurtenances which is more particularly described in Exhibit A as the Bluebonnet Pipeline Project, attached hereto (the "Project"); and

**WHEREAS**, the County desires that Declarant design, engineer and construct the Project pursuant to the terms and conditions stated herein; and

**WHEREAS**, this Agreement delineates the conditions for the Project under which the variances to the technical requirements of the Caldwell County Development Ordinance will be granted in exchange for a mutually agreeable alternate standard which meets the intent of the Ordinance and is in the interest of both parties.

**NOW, THEREFORE**, for and in consideration of the promises and mutual agreements set forth herein, the County and Declarant agree as follows:

### **I. General Terms and Conditions**

- a. The "Project" is defined as the design and construction of a natural gas pipeline to be installed below the surface and supporting above- and below-surfaces appurtenances involving real property, together with all related construction, drainage, and other improvements to be constructed or implemented on contiguous parcels of property defined by a specified route. For purposes of this Agreement, the Project is considered complete after the expiration of one year workmanship period.
- b. The County acknowledges Declarant's interest in developing a natural gas transmission pipeline - referenced as Bluebonnet Texas Pipeline.
- c. The County has asked for specific considerations as part of the Right-Of-Way (ROW) and Road Crossing permit application process. The considerations are based on good engineering and environmental disciplines, local knowledge of soils, storm water effects, excavation and construction best practices in Caldwell County, consistent with discussions between the parties.
- d. Declarant desires to construct the pipeline which will include: County Road crossings, develop temporary and permanent driveways, and install several small gravel surface sites along the pipeline, to include aboveground appurtenances such as valves and piping, as indicated on Declarant provided drawings.
- e. The benefit of the Parties set forth in this Agreement which exceed the minimum requirements of State law and Caldwell County Development Ordinance are good and valuable consideration for this Agreement, the sufficiency of which is hereby acknowledged by both Parties.

## 2. Declarant Obligations

- 2.1. **Declarant Tasks.** Declarant agrees to prepare and submit engineered, reviewed and compliant Commercial Site Development Permits, Right-of-Way Utility Permits, Temporary and Permanent Access Driveway Permits, Flood Plain Permits, and Future Site Permits. Specifics are provided here, in part:
- a. The pipeline may be installed without encasement provided it is welded steel construction and of sufficient strength to withstand the internal design pressure plus the dead and live loads of the pavement structure and traffic. Additional protective measures include cathodic protection, corrosion coating, and the minimum lower crossing depth of ninety-six inches below pavement or gravel surface or the lowest ditch at all County road crossings. Markers with identification of ownership shall be placed immediately above the line at each ROW line and situated so as not to interfere with County road maintenance or be concealed by vegetation.
  - b. The pipeline is to be used for the sole purpose of transporting natural gas. Only one pipeline is permitted to be contained in or occupy the limits associated with the Project. No habitable structures to be constructed as a part of this Project.
  - c. Declarant will provide a Project Fact Sheet and contact numbers to the County and Community. Declarant will engage with individual Caldwell County agricultural property landowners in the pipeline route who, for the most recent tax year, have their acreage listed as agricultural on the Caldwell County appraisal district records. The Declarant will conduct outreach with property owners in the pipeline route and provide an option of a depth of cover of 48 inches.
  - d. Declarant shall guarantee all work for one year against defects and failures due to workmanship and materials. All warranty repairs shall be made timely.
  - e. Installations crossing the County Road
    - i. Shall intersect at 90-degrees or as close to 90 degrees as reasonably possible to the County Road, including those areas identified by the County as a future right-of-way in its thoroughfare plan. If pipeline crossings at County Roads occur in parallel alignment to existing utilities, then the proposed pipeline shall cross as close to similar angle as the other utilities to maintain parallel alignment as close to practical as possible.
    - ii. Utility lines crossing a public road right-of-way must be installed with a bore method, at a minimum lower depth of ninety-six inches below pavement or gravel surface or the lowest ditch at all county road crossings. Markers with identification of ownership shall be placed immediately above the line at each ROW line and situated so as not to interfere with County Road maintenance or be concealed by vegetation.
    - iii. Bore pits shall be located outside of the public road ROW and shall be constructed in such a manner as to not interfere with roadway structural footings, safe roadside clearance and traffic operations. Under normal conditions, bore pits should be located a minimum of 10 feet from edge of road right-of-way.
    - iv. Line Markers will be placed in accordance to Declarant Standards, attached to this Agreement as Exhibit 'C' and incorporated herein for all purposes, and Texas One-Call laws.
    - v. If it is not feasible to bore under the roadway as permitted, a special request shall be made to the County Engineer for approval of alterations to submitted and previously approved permit and technical drawings. County Engineer to provide additional review and approvals prior to Declarant continuing with installation operations. Notwithstanding Section I.a of this Agreement, the warranty period for workmanship and materials at any location that open cut methods of construction are used within a public road right-of-way shall be 2 years.



- f. Longitudinal installations of Project within existing public road right-of-way:
  - i. Shall be located on uniform alignment as near as practicable to the existing public road right-of-way line.
  - ii. Markers with ownership identification shall be located a minimum of every 1500 feet along pipeline and at points of inflection along the alignment within existing public road right-of-way.
  - iii. Line markers will be placed in accordance to Declarant Standards, attached to this Agreement as Exhibit 'C' and incorporated herein for all purposes, and Texas One-Call laws.
  - iv. Where longitudinal trenching is permitted within the existing public road right-of-way, backfill shall be compacted to densities of the surrounding soil.
  - v. All paved side roads must be bored for any underground utility installed parallel to any existing public road.
- g. Aboveground appurtenances
  - i. Gravel surface site plans to remain in place after the pipeline installation is complete shall be provided to County as part of commercial site development permit review.
  - ii. Shall be located outside of any public right-of-way.
- h. Reimbursement for Cost
  - i. Where the easement crosses a public roadway, as Roadway is defined in the Caldwell County Development Ordinance, the County shall require a permit application fee of one thousand dollars (\$1,000.00) per road crossing and/or right-of-way application. The County will require a one-time permitting fee of \$5,000.00 for review of Site Development Permits associated with the Project. The County will require a floodplain permit application fee of three hundred fifty dollars (\$350.00) per floodplain permit application. No other fees will be associated with the roadway, right-of-way, or floodplain permits. The parties agree that these fees represent fair compensation for administrative review and regulatory oversight of the applicable permit applications.
  - ii. County shall require reimbursement for its cost of measures that the County may take in the interests of traffic safety, or restoration and repairs to a County road which are made necessary by the Declarant's installation in the event the Declarant does not resolve raised concerns within 30 days of its receipt of notice that the County has determined that such measures are required.
- 1. Pre-Construction and Construction Requirements
  - i. Declarant shall adhere to conditions outlined in approved permits.
  - ii. Declarant shall photo or video document the condition of the adjacent county road used for ingress and egress to the Project prior to any construction pursuant to this Agreement and, if damages are proximately caused by Declarant's construction of the Project, restore the damaged road area to its condition prior to said construction. For each used point of ingress and egress to the Project site, the foregoing documentation will include not less than one-half mile of roadway centered on each said point of ingress and egress.
  - iii. Traffic control and protective devices shall be used and must conform to and be consistent with the Texas Manual on Uniform Traffic Control Devices.

- iv. Roadways adjacent to Declarant construction sites shall be kept free from debris, roadway construction material, and mud. At the end of every construction day, construction equipment and materials shall be removed as far from the roadway edges as feasible. When utility installation is complete, the right-of-way shall be reshaped to its original condition or better and the area reseeded to reduce erosion. Should settlement or erosion occur within six months after utility installation, the Declarant shall reshape or reseed the affected areas.
3. **County Obligations.** County agrees to review and consider Commercial Site Development Permits, Right-of-Way Utility Permits, Temporary and Permanent Access Driveway Permits, Floodplain Permits, and future Commercial Site Permits prepared by Declarant and its agents during the pendency of the Project with all care, focus, and priority warranted to this commercial enterprise for public sustainability.
4. **Agreed Variances.** County agrees to permit development and construction of the Project in accordance with the proposed variances and terms contained within Exhibit B, attached hereto and incorporated for all purposes. Any other proposed or requested waiver or variance from the County's standards or technical requirements shall be subject to the administration and procedures of the Caldwell County Development Ordinance.
5. **Actions Performable.** The County and the Declarant agree that all actions to be performed under this agreement are performable in Caldwell County, Texas.
6. **Default.** Notwithstanding anything herein to the contrary, no Party shall be deemed to be in default hereunder until the passage of ninety (90) calendar days after receipt by such party of written notice of default from the other party providing a full description of said default. After receipt of said notice, the defaulting party will have ninety (90) days to cure such default, or if impractical to cure such default within ninety (90) days, begin curing such default within ninety (90) days and diligently proceed to completion. In the event Declarant fails to cure such default in the manner described herein, then County shall have all rights afforded by law, including the right to seek specific performance of this obligation or otherwise cure the default and demand timely payment from Declarant for all reasonable costs associated with such curative efforts. For the sake of this section, "Default" shall mean the failure to comply, or substantially comply, with a material term of this Agreement.
7. **Governing Law.** The County and Declarant agree that this Agreement has been made under the State of Texas in effect on this date, and that any interpretation of this Agreement at a future date shall be made under the laws of the State of Texas.
8. **Venue and Jurisdiction.** Venue will lie in the district courts serving Caldwell County, Texas, and are the exclusive jurisdiction and venue for any lawsuit, cause of action, temporary restraining order, temporary injunction, injunction, petition for extraordinary relief, mandamus, or any other legal proceeding or claim arising out of the performance of this contract.
9. **Relationship of Parties.** The Declarant, including their agents, employees, and subcontractors, are not an agent, servant, joint enterpriser, joint venturer, or employee of the County, and are responsible for their own acts, forbearance, negligence, and deeds, and for those of their agents or employees in conjunction with the performance of services covered under this Agreement. The Declarant represents that they have, or will secure at their own expense, all personnel and consultants required in performing the services herein. Such personnel and consultants shall not be employees of or have any contractual relationship with the County.
10. **Severability.** If a provision hereof shall be finally declared void or illegal by any court or administrative agency having jurisdiction, the entire Agreement shall not be void, but the remaining provisions shall continue in effect as nearly as possible in accordance with the original intent of the parties.
11. **Complete Agreement.** This Agreement represents a complete agreement of the parties and supersedes all prior written and oral matters related to this Agreement. Any amendment to this Agreement must be in writing and signed by all parties.
12. **Changes in writing.** Any changes or additions or alterations to this Development Agreement must be agreed to in writing with signatures of both parties.
13. **Exhibits.** All exhibits attached to this Agreement are incorporated by reference and expressly made part of this Agreement as if copied verbatim.
14. **Notice.** All notices, requests or other communications required or permitted by this Agreement shall be in writing and shall be sent by (i) email transmission, to the party to whom notice is given at the email address

for such party set forth below, (ii) by overnight courier or hand delivery, or (iii) certified mail, postage prepaid, return receipt requested, and addressed to the parties at the following addresses:

To County: Caldwell County  
Judge 110 South  
Main St.  
Rm. 101  
Lockhart, TX 78644

With copy to: Caldwell County Director of  
Sanitation 1700 FM 2720  
Lockhart, Texas 78644

To Declarant: Kinder Morgan Texas Pipeline, LLC  
Attn: Scott Bare  
1001 Louisiana St., Ste.1000  
Houston, Texas 77001

15. **Force Majeure.** Declarant and the County agree that the obligations of each party shall be subject to force majeure events such as natural calamity, fire, pandemic, or strike.
16. **Assignment.** This Agreement may be assigned by the Declarant to an affiliate without the written consent of the Caldwell County Commissioners Court. Any other assignment to a non-affiliate requires the consent of the Caldwell Commissioners Court, not to be unreasonably withheld.
17. **Review** by Counsel. The County and the Declarant acknowledge that each party has received and had the opportunity to review this Agreement, and each party has had the opportunity, whether exercised or not, to have each respective party's attorneys review this Agreement. The parties agree that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement, or any amendments or exhibits hereto.
18. **Signature Warranty Clause.** The signatories to this Agreement represent and warrant that they have the authority to execute this Agreement on behalf of the County and Declarant, respectively.
19. **Agreement Binds Successors and Runs with the Pipeline Route.** This Agreement shall bind and inure to the benefit of the parties, their successors and assigns. This Agreement shall be effective on Declarant's recording of this Agreement in the Official Public Records of Caldwell County, Texas.

[THIS SECTION LEFT INTENTIONALLY BLANK]  
[SIGNATURES FOLLOW ON NEXT PAGE)



20. **Multiple Counterparts.** This Agreement may be executed in several counterparts, all of which taken together shall constitute one single agreement between the parties.

IN WITNESS THEREOF, the parties have executed this agreement on the 8<sup>th</sup> day of October, 2024.

COUNTY:

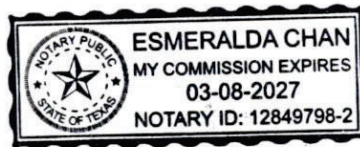
  
Hoppy Haden  
Caldwell County Judge

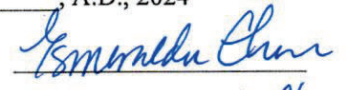


The State of Texas,  
County of Caldwell


Before me Esmeralda Chan on this day personally appeared Hoppy Haden, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

Given under my hand and seat of office this 8 day of October, A.D., 2024



  
Name: Esmeralda Chan  
Notary Public

DECLARANT:

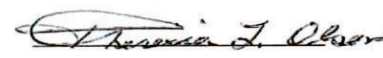
  
Name: Scott Bare  
Authorized Agent

The State of Texas,  
County of Harris,

Before me Theresa Lynn Olson on this day personally appeared Scott Bare, known to me through Kinder Morgan to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

Given under my hand and seat of office this 12<sup>th</sup> day of September, A.D., 2024



  
Name: Theresa Lynn Olson  
Notary Public

## FILED AND RECORDED

**Instrument Number: 2024-008081 AGREEMENT**

Filing and Recording Date: 10/08/2024 02:01:04 PM Pages: 7 Recording Fee: \$0.00

I hereby certify that this instrument was FILED on the date and time stamped hereon and RECORDED in the OFFICIAL PUBLIC RECORDS of Caldwell County, Texas.



*Teresa Rodriguez*

Teresa Rodriguez, County Clerk  
Caldwell County, Texas

ANY PROVISION CONTAINED IN ANY DOCUMENT WHICH RESTRICTS THE SALE, RENTAL, OR USE OF THE REAL PROPERTY DESCRIBED THEREIN BECAUSE OF RACE OR COLOR IS INVALID UNDER FEDERAL LAW AND IS UNENFORCEABLE.

**DO NOT REMOVE. THIS PAGE IS PART OF THE OFFICIAL PUBLIC RECORD.**