

RESOLUTION NO. R-2025-210

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BASTROP, TEXAS, AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE A CONTRACT WITH REALTY TRUST GROUP, INC. (RTG) FOR A FEASIBILITY STUDY FOR A FULL-SERVICE HOSPITAL AND MEDICAL FACILITIES TO BE LOCATED IN THE AREA OF BEAR HUNTER, FM 20, AND HIGHWAY 71, IN AN AMOUNT NOT TO EXCEED \$52,500; PROVIDING FOR FINDINGS OF FACT; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the City of Bastrop seeks to evaluate the feasibility of developing a full-service hospital and associated medical facilities to expand access to healthcare services for residents and the region; and

WHEREAS, the proposed medical project is contemplated within the same general area as the proposed hotel and convention center—bounded by Bear Hunter, FM 20, and Highway 71—and is envisioned as a component of a larger, approximately 400-acre master planned development; and

WHEREAS, the City desires to engage a qualified consultant to conduct a comprehensive feasibility study to assess market demand, service line needs, projected performance, site and infrastructure considerations, partnership structures, and the anticipated public and private participation and load to the project; and

WHEREAS, Realty Trust Group, Inc. (RTG) is a qualified firm with experience in healthcare real estate planning, market analysis, and development advisory services, and has proposed to conduct the feasibility study for an amount not to exceed Fifty Thousand Dollars (\$50,000); and

WHEREAS, the purpose of the feasibility study is to determine whether the City can sustain such a project, including analysis of demand drivers, clinical service programming, capital and operating models, potential delivery structures, and recommendations to inform the City Council's decision-making prior to proceeding with subsequent phases of development.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BASTROP, TEXAS:

Section 1. Findings. The City Council hereby finds the recitals set forth above are true and correct and are incorporated herein as findings of the City Council.

Section 2. Authorization. The City Council authorizes the City Manager, or designee, to negotiate and execute a contract with Realty Trust Group, Inc. (RTG) for a feasibility study for a full-service hospital and associated medical facilities to be located in the area of Bear

Hunter, FM 20, and Highway 71, in an amount not to exceed Fifty-Two Thousand Five Hundred Dollars (\$52,500), together with any documents necessary to implement the study consistent with this Resolution.

Section 3. Scope and Purpose. The feasibility study shall evaluate market demand and demographics; clinical service line programming; facility sizing and phasing; site and infrastructure needs within the larger 400-acre master planned development; projected operating performance; capital and operating financial analyses; partnership structures including potential public and private funding participation and load; and provide findings and recommendations to guide Council deliberation prior to design, procurement, or construction activities.

Section 4. Severability. If any provision of this Resolution is found by a court of competent jurisdiction to be invalid or unenforceable, such invalidity shall not affect the remaining provisions, which shall continue in full force and effect.

Section 5. Effective Date. This Resolution shall take effect immediately upon passage.

PASSED AND APPROVED by the City Council of the City of Bastrop, Texas, on this the 27th day of January, 2026.

APPROVED:

by: 
Ishmael Harris, Mayor

ATTEST:



Michael Muscarello, City Secretary

APPROVED AS TO FORM:



City Attorney

Denton Navarro Rocha Bernal & Zech, P.C.



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Section 5. Effective Date. This Resolution shall take effect immediately upon passage.

PASSED AND APPROVED by the City Council of the City of Bastrop, Texas, on this the 9th day of December, 2025.

APPROVED:

by: 
Ishmael Harris, Mayor

ATTEST:


Michael Muscarello, City Secretary

APPROVED AS TO FORM:


City Attorney
Denton Navarro Rocha Bernal & Zech, P.C.





February 10, 2026

Ms. Sylvia Carrillo
City Manager
City of Bastrop, Texas
1311 Chestnut Street
Bastrop, TX 78602

RE: Hospital Feasibility Study

Dear Ms. Carrillo:

Realty Trust Group, LLC ("RTG") is pleased to present this proposal to the City of Bastrop, a Texas Home-Rule Municipal Corporation ("Client" or the "City") (collectively referred to herein as "Parties" or individually as "Party") to provide certain advisory services regarding the above referenced matter. The purpose of this letter is to document each Party's understanding of the professional services to be provided by RTG in connection with this engagement, including, but not limited to, the objective and scope of the engagement, deliverable work products, the estimated timeframe for the completion of the work, professional fees, and standard terms and conditions. This letter and RTG's Standard Terms and Conditions and the Standard Governmental Agreement and Purchasing Rider for Contracts with the City of Bastrop, Texas, both of which are attached hereto and incorporated expressly herein by reference, outline the Parties' entire agreement (the "Agreement") governing this engagement and supersede all prior agreements, understandings, promises, representations, and inducements between the Parties in connection with this engagement.

Objective and Scope of the Engagement

Client is evaluating the potential future development of a new hospital and associated improvements (the "Project"). Client desires to engage RTG, and RTG desires to accept such engagement, to provide a hospital feasibility study ("Feasibility Services") related to the Project, specifically as described below:

- Initiate Engagement— Facilitate a kick-off meeting with the City's leadership team to discuss and affirm the project's key stakeholders, goals, project schedule, information needs, and deliverables.
- Collect Data - Issue a detailed request for information ("RFI") outlining historical information needed for completion of the engagement and collaborate with the Texas Hospital Association to gather required historical market data.
- Develop Market Fact Base - Collaborate with the City to determine the service area(s) of focus for this initiative. RTG will develop a high-level assessment of the City's identified market.
- Develop Assessment of Inpatient Bed Need — Develop a high-level assessment that estimates the availability of and demand for inpatient beds (by bed type, as available) in the identified service area.
- Client Engagement — The team will meet with the City on a bi-weekly basis to ensure alignment and collaboration through the duration of the initial assessment.

The Parties acknowledge that RTG intends to subcontract certain portions of the Feasibility Services to RTG's affiliate, PYA, P.C. ("PYA").

Ms. Sylvia Carrillo
City Manager
City of Bastrop, Texas
February 10, 2026

Written Deliverables

It is RTG's understanding that the City desires for RTG to provide certain high-level output deliverables (described in further detail hereinafter) within a forty-five (45) day period and to provide the remaining deliverables (described in further detail hereinafter) within a sixty (60) day period, with all such timeframes to begin as of the execution of this Agreement and receipt of information and documents requested from the City. Subject to timely receipt of all requested data, RTG will provide the following written deliverables within the timeframes listed below:

The first deliverable will consist of initial and high-level data outputs related to inpatient bed need (the "Inpatient Bed Need Summary"), specifically as follows:

- A summary report detailing estimated availability of and demand for inpatient beds in the identified service area.
- The Inpatient Bed Need Summary will be provided to the City within a forty-five (45) day period, beginning from the execution of this Agreement and receipt of information and documents requested from the City.

The second deliverable will consist of a summary of the market assessment (the "Market Assessment Summary"), specifically as follows:

Summary findings related to an assessment of the City's healthcare landscape, including:

- **Demographics:** quantification of market-specific population distribution and growth trends, socio-economic factors, health status, and other demographic characteristics (as merited).
- **Market Sizing & Utilization Trends:** quantified service line-level volume and utilization trends across inpatient services.
- **Existing Access Points:** identification of key existing market access points, including (but not limited to) hospitals, ambulatory surgery centers ("ASCs"), and free-standing emergency departments ("FSEDs").
- **Patient Migration Patterns:** assess historical patient migration patterns, including in- and out-migration for inpatient services, and provide an overview of the competitive environment for inpatient services.
- This Market Assessment Summary will be provided to the City within a sixty (60) day period, beginning from the execution of this Agreement and receipt of information and documents requested from the City.

The second deliverable will also include a summary recommendation related to overall facility need (the "Facility Need Recommendation") and will be provided alongside the Market Assessment Summary, specifically as follows:

- Recommendation for an inpatient healthcare facility or alternate facility strategy, based on the data collected.
- Outline of next steps and action items as appropriate.
- The Facility Need Recommendation will be provided to the City within a sixty (60) day period, beginning from the execution of this Agreement and receipt of information and documents requested from the City.

Confidentiality and Communication Protocol

RTG and Client understand that the information, materials, and documents prepared or obtained from Client ("Information") and RTG's deliverables and other work products ("Report") constitute confidential

Ms. Sylvia Carrillo
City Manager
City of Bastrop, Texas
February 10, 2026

information. RTG and Client shall maintain the Information and the Report as confidential property, and such information shall not be used for any other purpose or disclosed to third parties except as necessary to complete this engagement. At the completion of this engagement, RTG and Client may retain copies of the Information and the Report consistent with reasonable professional requirements regarding retention of working papers. RTG and Client agree to inform each other immediately of any request or demand for copies of, or access to, any information, materials, and documents relevant to this engagement and further agrees not to comply with such requests without written approval of the other Party unless otherwise required by law. The confidentiality obligations of the Parties set out in this paragraph shall survive the completion of this engagement, or the early termination or withdrawal from the engagement by either Party.

Project Fees

Client agrees that it shall be responsible for payment of RTG's professional fees and expenses under this Agreement and that Client's obligation to pay those fees and expenses is not contingent upon RTG's findings or recommendations. Based on RTG's current understanding of the scope of the engagement and its timeline, RTG proposes a fixed fee in the amount of \$50,000.00, to be due and payable in two equal payments of \$25,000.00, with the first payment of \$25,000.00 due and payable upon the execution of this Agreement and the second payment of \$25,000.00 due and payable upon RTG providing Client with the deliverable work product described herein.

In addition to RTG's professional fee, reimbursable expenses such as a technology reimbursement fee that is in effect at the time the work is performed (for 2026, this reimbursement fee is one-half percent (0.5%) of RTG's fee), fee and costs associated with travel, such as mileage, parking, meals, and accommodations, and document reproduction costs shall be billed directly at cost and included on RTG's invoices. If determined necessary by RTG and Client to engage additional third-party vendors to support the engagement (e.g., architectural, preconstruction, survey, geotechnical engineering, legal, accounting, etc.), RTG will coordinate all vendors and related activities, but Client will enter directly into any third-party contracts and be directly responsible for professional fees related to any work performed.

If, during this engagement, RTG's scope of work is expanded or changed, RTG and Client shall work together to negotiate a fee for the performance of additional work.

Ms. Sylvia Carrillo
City Manager
City of Bastrop, Texas
February 10, 2026

Summary

If you agree with the foregoing arrangements, please indicate Client's acceptance by signing below and returning the original copy of this letter. Please call with any questions you may have regarding any aspects of this Agreement. RTG appreciates this opportunity to be of service and looks forward to working with you.

Sincerely,



Craig Flanagan
Senior Vice President
Realty Trust Group, LLC

Enclosure: RTG Standard Terms and Conditions
Standard Governmental Agreement and Purchasing Rider for Contracts with the City of
Bastrop, Texas

Acknowledged and Accepted:

City of Bastrop, a Texas Home-Rule Municipal Corporation



Signature

Sylvia Carrillo-Trevino

Print

City Manager

Title

12/02/2026

Date

STANDARD TERMS AND CONDITIONS

The foregoing letter and the following standard terms and conditions constitute the entire agreement (the "Agreement") between the City of Bastrop, a Texas Home-Rule Municipal Corporation ("Client"), and Realty Trust Group, LLC, a Tennessee limited liability company ("RTG") (collectively referred to herein as the "Parties" or individually as a "Party"). This Agreement shall be effective as of February 10, 2026 (the "Effective Date").

- A. AGREEMENT TO PROVIDE SERVICES:** Unless withdrawn or otherwise indicated, this Agreement may be accepted by Client at any time within 30 days of the Effective Date.
- B. INDEPENDENT CONTRACTORS:** The Parties are independent contractors, and the relationship of the Parties shall not be construed to be that of partners, a joint venture, or employer and employee. Neither Party shall have the authority to bind the other Party without the express written consent of the Party to be bound.
- C. SUBCONTRACTORS:** RTG may from time to time, in its sole and absolute discretion, utilize subcontractors to deliver specific products or services to Client. For certain portions of the services described in this Agreement, RTG intends to subcontract such portions of services to its affiliate, PYA, P.C. ("PYA"). The management, quality of workmanship, and all financial arrangements with subcontractors shall be the sole responsibility of RTG.
- D. THIRD-PARTY VENDORS:** RTG may from time to time refer Client to third-party vendors for specific materials or services. Unless specifically agreed to in writing, these vendors are not subcontractors of RTG, and it is the responsibility of Client to select and negotiate all work and fees with these vendors. RTG will assist Client in selecting third-party vendors, developing delivery schedules, reviewing proposals, and providing any other services regarding third-party vendors as Client deems necessary and as described in a written document outlining such scope of work signed by both Parties.
- E. CLIENT'S RESPONSIBILITIES:**
- 1) Client shall provide complete and timely information and data to meet all requirements of this Agreement. Client shall furnish the required information and data as expeditiously as necessary for the orderly progress of the work. RTG shall rely on the accuracy and completeness of all information provided by Client and shall not be held responsible in any way for inaccuracies in RTG's work, opinions, or advice stemming from incorrect or incomplete information or data provided by Client. Client shall designate a representative authorized to make commitments on Client's behalf for this engagement who shall render decisions promptly to avoid delay in the progress of RTG's services hereunder.
 - 2) Client recognizes that the completion of this engagement is dependent upon a multitude of factors generally not determinable until after the engagement has commenced. Therefore, Client agrees any preliminary completion date given by RTG is only an estimate and that time is not of the essence of this Agreement.

STANDARD TERMS AND CONDITIONS

F. RTG'S RESPONSIBILITIES:

- 1) RTG shall not disclose any nonpublic personal or privileged information obtained during the course of its engagement with Client to nonaffiliated third parties except as necessary for its performance under this Agreement or as otherwise required by law. RTG's employees and any third-party consultants shall be informed that any information they have access to as part of an engagement is to be maintained in strict confidence within their respective companies.
- 2) RTG will retain records of the professional services that RTG has provided to Client for a reasonable time so that RTG is better able to assist Client with its needs. In order to protect Client's nonpublic, personal information from unauthorized access by third parties, RTG maintains physical, electronic, and procedural safeguards that comply with RTG's professional standards to ensure the security and integrity of Client's information.

G. CONSULTING SERVICES INVOICE TERMS: Client understands that a service charge calculated at the rate of 18% per annum will be assessed on any unpaid invoice balance after 30 days from the date of the invoice. All invoice charges shall be deemed to have been accepted by Client unless Client disputes such charges in writing within 30 days from the date of the invoice. Any notification of dispute must contain sufficient detail of the disputed item(s). RTG may suspend performance of services under this Agreement if Client fails to make any payment when due and shall not be liable to Client for any such suspension of performance of services.

H. EXPENSES: Client agrees to reimburse RTG for all reasonable out-of-pocket expenses incurred in providing its professional services under this Agreement, including, but not limited to, the following: postage and shipping fees, travel, parking, meals and accommodations, photocopying, telecommunication charges, and other related expenses. Non-incidentally reimbursable expenses shall be discussed with Client before incurring them.

I. TERMINATION: If either Party fails to perform its obligations under this Agreement and shall fail to cure such breach or default within 30 days of written notice specifying the same, the other Party shall have the right to terminate this Agreement. In the event of Client's breach or default, RTG shall also have the right to immediately suspend performance of services hereunder without any liability to Client whatsoever. In the event of termination by either Party, a final invoice will be prepared to reflect all fees due and expenses incurred by RTG through the termination date that shall be presented to Client for payment in accordance with the terms set forth above. Except as otherwise provided in the attached Standard Governmental Agreement and Purchasing Rider for Contracts with the City of Bastrop, Texas (the "Rider"), Client shall have no right to terminate or suspend this agreement for convenience or for any other reason other than RTG's uncured breach or default of this Agreement.

J. ATTORNEY'S FEES: The prevailing party in any claim, mediation, dispute or lawsuit shall be entitled to recover from the losing party its legal expenses, including its reasonable attorney's fees and court costs, which shall be payable on demand.

K. COUNTERPARTS: This Agreement may be executed in several counterparts, each of which shall be deemed an original, and all of such counterparts shall constitute one and the same instrument. Delivery of this Agreement may be accomplished by electronic facsimile or PDF reproduction ("Electronic Delivery"); if Electronic Delivery is utilized, the original document shall be promptly executed and/or delivered, if requested.

STANDARD GOVERNMENTAL AGREEMENT AND PURCHASING RIDER FOR CONTRACTS WITH THE CITY OF BASTROP, TEXAS

By entering a contract for goods or services and/or by accepting a purchase order, the contracting party, Realty Trust Group, LLC, a Tennessee limited liability company (the “Contractor”) agrees that the below terms and conditions shall govern all agreements with the City of Bastrop, Texas (“City”). The below terms are BINDING and SUPERSEDE all other terms and/or conditions whether oral or written.

1. **Application.** This Governmental Rider (“Rider”) applies to, is part of, and takes precedence over any conflicting provision in or attachment to the contracts (“Contract”), attached hereto and incorporated herein, described below. The Contracts involved in this Rider are described as follows (*“the Contract”*):

[Realty Trust Group, LLC Engagement Letter dated February 10, 2026, inclusive of any attachments thereto]

2. **Payment Provisions. Texas Prompt Payment Act Compliance: To the extent applicable, payment for goods and services shall be governed by Chapter 2251 of the Texas Government Code.**

3. **Multiyear Contracts.** If the City’s city council does not appropriate funds to make any payment for a fiscal year after the City’s fiscal year in which the Contract becomes effective then the Contract automatically terminates at the beginning of the first day of the successive fiscal year. (Section 5, Article XI, Texas Constitution). It is understood and agreed the City shall have the right to terminate the Contract at the end of any City fiscal year if the city council does not appropriate funds sufficient to continue the Contract, as determined by the City’s budget for the fiscal year in question. The City may execute such termination by giving Contractor a written notice of termination forty-five (45) days prior to the end of its then current fiscal year.

4. **Abandonment or Default. A Contractor who abandons or defaults the work on the contract shall be considered disqualified in any re-advertisement of the service and may not be considered for the same type of work for a period of three years.**

5. **Price Adjustment.** Prices will not be increased except upon written request of the Contractor and only as a result of Contractor’s own price increases or reasonable explanation for the requested price increase. Any requests for price increases to products must be submitted in writing and be accompanied by supporting documentation or a letter of explanation. Approval, if any, of the Increase shall be made in writing by the City and subject to available funding. Requests for price increases may only be submitted to the City for approval once every year.

6. **Annual Contractor Performance Review.** The City reserves the right to review the Contractor’s performance at the end of each twelve-month contract period and submit any concerns to Contractor in writing, within thirty (30) days of the then-of-contract period. Contractor

shall respond with explanations, clarifications or a corrective plan for review by City within thirty (30) days, or continue the Contract through the next period.

7. Compliance with all Codes, Permitting and Licensing Requirements. The Contractor shall comply with all national, state and local standards, codes and ordinances as well as any other authorities that have jurisdiction pertaining to equipment and materials used and their application. None of the terms or provisions of the specifications shall be construed as waiving any rules, regulations or requirements of these authorities. The Contractor shall be responsible for obtaining all necessary permits, certificates and/or licenses to fulfill contractual obligations.

8. Compliance with Government Code Chapter 2270. The City of Bastrop may not enter into a contract that is required to comply with Texas Government Code Chapter 2270 with a company for goods and services unless the contract contains a written verification from the company that; (i) it does not Boycott Israel; and (ii) will not Boycott Israel during the term of the contract. By executing this Rider Contractor verifies that it does not Boycott Israel, and agrees that during the term of Contract will not Boycott Israel as that term is defined in the Texas Government Code Section 808.001, as amended.

9. Liability and Indemnity of City. Any provision of the Contract is void and unenforceable if it: (1) limits or releases either party from liability that would exist by law in the absence of the provision; (2) creates liability for either party that would not exist by law in the absence of the provision; or (3) waives or limits either party's rights, defenses, remedies, or immunities that would exist by law in the absence of the provision. (Section 5, Article XI, Texas Constitution)

10. Indemnity and Independent Contractor Status of Contractor. Contractor shall indemnify, save harmless and defend the City, its officers, agents, and employees from and against any and all suits, actions, legal proceedings, claims, demands, damages, costs, expenses, attorney's fees and any and all other costs or fees (whether grounded in Constitutional law, Tort, Contract, or Property Law, or raised pursuant to local, state or federal statutory provision), arising out of the performance of the resulting Contract and arising out of a willful or negligent act or omission of the contractor, its officers, agents, and employees. It is understood and agreed that the contractor and any employee or sub-contractor of contractor shall not be considered an employee of the City. The contractor shall not be within protection or coverage of the City's workers' compensation insurance, health insurance, liability insurance or any other insurance that the City from time to time may have in force and effect. City specifically reserves the right to reject any and all contractor's employees, representatives or sub-contractors and/or their employees for any cause, should the presence of any such person on City property or their interaction with City employees be found not in the best interest of the City, harassing, or is found to interfere with the effective and efficient operation of the City's workplace.

11. Liens. Contractor agrees to and shall indemnify and save harmless the City against any and all liens and encumbrances for all labor, goods and services

406.141, and must provide its employees, agents and sub-subcontractors worker's compensation coverage. Contactor shall not be entitled to worker's compensation coverage or any other type of insurance coverage held by City.

Upon execution of this Contract, Contractor shall provide City with insurance certificates evidencing compliance with the insurance requirements of this Contract.

13. Confidentiality. Any provision in the Contract that attempts to prevent the City's disclosure of information that is subject to public disclosure under federal or Texas law or regulation, or court or administrative decision or ruling, is invalid. (Chapter 552, Texas Government Code)

14. Tax Exemption. The City is not liable to Contractor for any federal, state, or local taxes for which the City is not liable by law, including state and local sales and use taxes (Section 151.309 and Title 3, Texas Tax Code) and federal excise tax (Subtitle D of the Internal Revenue Code). Accordingly, those taxes may not be added to any item. Texas limited sales tax exemption certificates will be furnished upon request. Contractors shall not charge for said taxes. If billed, the City will remit payment less sales tax.

14. Contractual Limitations Period. Any provision of the Contract that establishes a limitations period that does not run against the City by law or that is shorter than two years is void.

15. Sovereign Immunity. Any provision of the Contract that seeks to waive the City's immunity from suit and/or immunity from liability is void.

16. Governing Law and Venue. Texas law governs this Contract and any lawsuit on this Contract must be filed in a court that has jurisdiction in Coryell County, Texas.

17. No Waiver of Right to Trial by Jury. Any provision of the Contract that seeks to waive the City's right to trial by jury is void.

18. Mediation. The parties agree to use mediation for dispute resolution prior to any formal legal action being taken on this Contract.

(Remainder of this page intentionally left blank)

CITY OF BASTROP, TEXAS

**CONTRACTOR: REALTY TRUST
GROUP, LLC**

By: Sylvia Carrillo-Trevino
City Manager

By: Craig Flanagan
Title: Sr. Vice President

Date: 12/02/2026

Date: February 12, 2026