



# Texas Department of Transportation

PO BOX 1717 • PHARR TEXAS 78577-1717 • (956) 702-6100

November 12, 2007

County: Hidalgo  
Highway: FM 907  
Limits: From Business 83 to Rancho Blanco Road  
ROW CSJ: 1586-01-051

The Honorable J.D. Salinas  
Hidalgo County Judge  
PO Box 1356  
Edinburg, TX 78540

Attention: Joe Pena, Right of Way Administrator

Ref: Submission of Contractual Agreement for Right of Way Procurement

Dear Judge Salinas:

Enclosed find two (2) original Contractual Agreements for Right of Way Procurement- Local Government for the FM 907 from Business 83 to Rancho Blanco Road right of way acquisition project. The agreement has been modified to reflect the City of Alamo's request and award of Economically Disadvantaged County Program adjustment from the Texas Transportation Commission under Minute Order No. 110722. A letter dated November 7, 2007 from Mario R. Jorge, P. E., Pharr District Engineer, to Mayor Rudy Villarreal, awards the City a Fifty Seven percent (57%) adjustment to the required Ten percent (10%), thereby resulting in a Local Government net contribution amount of Four and Three Tenths percent (4.3%) participation and State participation of Ninety Five and Three Tenths percent (95.7%).

The parcels fall within the City of Alamo's jurisdiction; however, Hidalgo County has opted to acquire the needed parcels for the city via the attached Inter-Local Agreement. Hidalgo County will be reimbursed at the rate awarded to the City of Alamo.

THE TEXAS PLAN

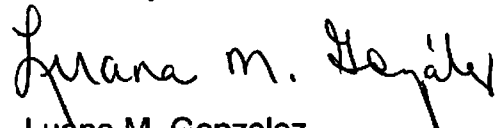
REDUCE CONGESTION • ENHANCE SAFETY • EXPAND ECONOMIC OPPORTUNITY • IMPROVE AIR QUALITY  
INCREASE THE VALUE OF OUR TRANSPORTATION ASSETS

*An Equal Opportunity Employer*

We are herein respectfully requesting that an action item be presented to the County Commissioners Court at the earliest convenient time to consider the execution of the enclosed agreement. Once approved and executed, please forward the two original executed agreements to our office. Upon receipt, we will forward the agreements to our Right of Way Division Director in Austin for his review, approval, and execution along with a request for full project release. Once we obtain the official release from ROW Division, we will issue a written Notice of Project Release so that you may commence with the acquisition of the needed parcels for this project and route a fully executed agreement to you for your files.

Your continued cooperative efforts towards the improvement of the Highway System in the State of Texas are most certainly appreciated.

Sincerely,



Luana M. Gonzalez  
Right of Way Administrator

Cc: Behrooz Badiozzamani, P.E., Deputy District Engineer  
Jody Ellington, P. E., TP&D Director  
Hector Gonzalez, P.E., Pharr Area Office Engineer  
Hector (Tito) Palacios, Precinct 2 County Commissioner  
Rudy Villarreal, Mayor, City of Alamo

Enclosures (2)



## CONTRACTUAL AGREEMENT FOR RIGHT OF WAY PROCUREMENT - LOCAL GOVERNMENT

County: Hidalgo  
District: Pharr

Federal Project No: N/A  
Highway: FM 907

ROW CSJ No: 1586-01-051  
Const. CSJ No.1586-01-045

This Agreement by and between the State of Texas, acting by and through the Texas Department of Transportation, hereinafter called the **State**, and Hidalgo County, Texas, acting by and through its duly authorized official pursuant to an Ordinance or Order dated the \_\_\_\_\_ day of \_\_\_\_\_, 2007, hereinafter called the **Local Government**, shall be effective on the date of approval and execution by and on behalf of the **State**.

**WHEREAS**, the **State** has deemed it necessary to make certain highway improvements on Highway No. FM 907 from Bus 83 to Rancho Blanco Road, and which section of highway improvements will necessitate the acquisition of certain right of way; and

**WHEREAS**, this project includes the acquisition of right of way within the jurisdictions of the City of Alamo; and

**WHEREAS**, the City of Alamo has requested that Hidalgo County acquire the parcels within the City's jurisdiction and the County agreed to assume such obligation via an Inter-Local Agreement; and

**WHEREAS**, the City of Alamo has requested and has been granted an Economically Disadvantaged County Adjustment from the Texas Department of Transportation Commission via a letter dated November 7, 2006, from Mario R. Jorge, P. E., Pharr District Engineer to Mayor Rudy Villarreal, by virtue of Minute Order No.110722, approving a Four and Three Tenths percent (4.3%) adjustment to the required Ten percent (10%) **Local Government** cost participation for this project, thereby resulting in a **Local Government** net contribution amount of Four and Three Tenths percent (4.3%) participation and **State** participation of Ninety Five and Seven Tenths percent (95.7%); and

**WHEREAS**, it is agreed such right of way purchase shall be a joint effort of the **State** and the **Local Government**;

**NOW, THEREFORE** be it agreed that acquisition of such right of way shall be in accordance with the terms of this agreement and in accordance with the Texas Department of Transportation Right of Way Manual and all applicable Federal and State laws governing the acquisition policies for acquiring real property. The **State** hereby authorizes and requests the **Local Government** to proceed with acquisition and the **State** agrees to reimburse the **Local Government** for its share of the cost of such right of way, providing such acquisition and reimbursement are accomplished according to the provisions outlined herein and agreed to by both parties hereto.

*Location Surveys and Preparation of Right of Way Data:* The **State**, without cost to the **Local Government**, will do the necessary preliminary engineering and title investigation in order to supply to the **Local Government** the data and instruments necessary to obtain acceptable title to the desired right of way.

*Determination of Right of Way Values:* The **Local Government** agrees to make a determination of property values for each right of way parcel by methods acceptable to the **State** and to submit to the **State's** District Office a tabulation of the values so determined, signed by the appropriate **Local Government** representative. Such tabulations shall list the parcel numbers, ownership, acreage and recommended compensation. Compensation shall be shown in the component parts of land taken, itemization of improvements taken, damages (if any) and the amounts by which the total compensation will be reduced if the owner retains improvements. This tabulation shall be accompanied by an explanation to support the determined values, together with a copy of information or reports used in arriving at all determined values. Such work will be performed by the **Local Government** at its expense without cost participation by the **State**. The **State** will review the data submitted and may base its reimbursement on the values which are determined by this review. The **State**, however, reserves the right to perform at its own expense any additional investigation deemed necessary, including supplemental appraisal work by **State** employees or by employment of fee appraisers, all as may be necessary for determination of values to constitute the basis for **State** reimbursement. If at any stage of the project development it is determined by mutual agreement between the **State** and **Local**

**Government** that there should be waived the requirement that the **Local Government** submit to the **State** property value determinations for any part of the required right of way, the **Local Government** will make appropriate written notice to the **State** of such waiver, such notice to be acknowledged in writing by the **State**. In instances of such waiver, the **State** by its due processes and at its own expense will make a determination of values to constitute the basis for **State** reimbursement.

*Negotiations:* The **State** will notify the **Local Government** as soon as possible as to the **State's** determination of value. Negotiation and settlement with the property owner will be the responsibility of the **Local Government** without participation by the **State**; however, the **Local Government** will immediately prior to closing the transaction secure a title investigation to determine if there has been any change in title. The **Local Government** will deliver properly executed instruments of conveyance which, together with any curative instruments found to be necessary as a result of the **State's** title investigation, will properly vest good and indefeasible title in the **State** for each right of way parcel involved. The **Local Government** will also deliver to the **State** an owner's policy of title insurance for each parcel, except as otherwise specifically approved by the **State**. Upon payment to the property owner of the agreed purchase price, the **Local Government** is authorized and directed to secure for the **State** possession of each parcel in accordance with all applicable Federal and **State** laws governing relocation assistance, notices to vacate and forcible detainer. The costs incidental to negotiation, recording the right of way instruments, and securing possession of the parcels will be the responsibility of the **Local Government**. The cost of title insurance, closing services and all costs of relocation assistance as authorized by applicable Federal and **State** laws will be the responsibility of the **State**.

*Administrative Settlements:* After the offer has been delivered to the property owner, and prior to the Commissioners' Hearing, the property owner may deliver one written counteroffer ("Administrative Settlement Proposal") to the **Local Government**. The **Local Government** will evaluate the Administrative Settlement Proposal and make a recommendation of approval or disapproval to the **State** through the **State's** appropriate District Office. The District Office will then submit the Administrative Settlement Proposal, together with the **Local Government** and District recommendations, to the **State** Right of Way Division office for final approval in accordance with current **State** procedures. The **State's** approval of the Administrative Settlement Proposal is only for purposes of closing the purchase of the property prior to the Special Commissioners' Hearing. In the event a closing of the purchase does not occur prior to the hearing, the **State's** approval is automatically, without further action, withdrawn, and the **State** will participate only in the original approved value. In the event the **State** does not approve the Administrative Settlement Proposal, and the **Local Government** elects to purchase the property at a value greater than the original approved value, the **State's** participation in the purchase price will apply only to the original approved value, and the **Local Government** will pay one hundred percent (100%) of the costs which exceed the original approved value, even if the applicable county qualifies as an economically disadvantaged county.

*Condemnation:* Condemnation proceedings will be initiated at a time selected by the **Local Government** and will be the **Local Government's** responsibility at its own expense except as hereinafter indicated. The **Local Government** will obtain from the **State** without cost current title information and engineering data at the time condemnation is to be initiated. Except as hereinafter set forth the **Local Government** will concurrently file condemnation proceedings and a notice of lis pendens for each case in the name of the **State**, and in each case so filed the judgment of the court will decree title and possession to the property condemned to the **State**. The **Local Government** may, as set forth herein under "Excess Takings" and where it is determined to be necessary, enter condemnation proceedings in its own name. Property acquired in the **Local Government's** name for the **State** must comply with requirements set forth in the engineering data and title investigation previously furnished to the **Local Government** by the **State** at such time as the **Local Government** conveys said property to the **State**.

*Court Costs, Costs of Special Commissioners' Hearings and Appraisal Expense:* Court costs and costs of Special Commissioners' hearings assessed against the **State** or **Local Government** in condemnation proceedings conducted on behalf of the **State** and fees incident thereto will be paid by the **Local Government**. Such costs and fees, including recording fees, will be eligible for One Hundred percent (100%) **State** reimbursement under the established reimbursement procedure provided such costs and fees are eligible for payment by the **State** under existing law. Where the **Local Government** uses the **State's** appraisers employed on a fee basis in Special Commissioners' Hearings or subsequent appeals, the cost of the appraiser for updating the report, for preparing new reports, preparing for court testimony and appearing in court to testify in support of the appraisal will be paid direct by the **Local Government**, but will be eligible for One Hundred percent (100%) **State** reimbursement under established procedure provided prior approval for such appraiser has been obtained from the **State**. The fee paid the appraiser by the **Local Government** shall be in accordance with the fee schedule set forth in the appraiser's contract for appraisal services with the **State**.

**Excess Takings:** In the event the **Local Government** desires to acquire land in excess of that requested by the **State** for right of way purposes, the **State's** cost participation will be limited to the property needed for its purposes. If the **Local Government** elects to acquire the entire property, including the excess taking, by a single instrument of conveyance or in one eminent domain proceeding, the property involved will be acquired in the name of the **Local Government** and that portion requested by the **State** for right of way will be separately conveyed to the **State** by the **Local Government**. When acquired by negotiation, the **State's** participation will be based on the **State's** approved value of that part of the property requested for right of way purposes, provided that such approved value does not exceed actual payment made by the **Local Government**.

When acquired by condemnation, the **State's** participation will be in the proportionate part of the final judgment amount computed on the basis of the relationship of the **State's** approved value to the **State's** predetermined value for the whole property.

**Improvements:** Property owners will be afforded an opportunity in the negotiations to retain any or all of their improvements in the right of way taking. In anticipation of the owner desiring to retain improvements, the **State's** approved value will include the amounts by which the upper limit of **State** participation will be reduced for the retention. It is further agreed that the upper limit for the **State's** participation in the **Local Government's** cost for an improved parcel will be reduced as shown in the **State's** approved value where the owner retains an improvement which is to be moved by either the **Local Government** or the owner. In the event improvements which are, in whole or part, a part of the right of way taking are not retained by the owner, title is to be secured in the name of the **State**.

The **State** will participate in the acquisition of a structure severed by the right of way line if the part of the house, building or similar structure which lies outside the right of way cannot be reconstructed adequately or there is nothing but salvage left, provided that the **State's** value is established on this basis and provided that title to the entire structure is taken in the name of the **State**. The **State** shall dispose of all improvements acquired. The net revenue derived by the **State** from the disposition of any improvements sold through the General Services Commission will be credited to the cost of the right of way procured and shared with the **Local Government**.

**Relocation of Utilities:** If the required right of way encroaches upon an existing utility located on its own right of way and the proposed highway construction requires the adjustment, removal or relocation of the utility facility, the **State** will establish the necessity for the utility work. **State** participation in the cost of making the necessary change, less any resulting increase in the value to the utility and less any salvage value obtainable, may be obtained by either the "actual cost" or "lump sum" procedures. Reimbursement under "actual cost" will be made subsequent to the **Local Government's** certification that the work has been completed and will be made in an amount equal to Ninety Five and Seven Tenths percent (95.7%) of the eligible items of cost as paid to the utility owner. The "lump sum" procedure requires that the **State** establish the eligibility of the utility work and enter into a three-party agreement with the owners of the utility facilities and the **Local Government**, which sets forth the exact lump sum amount of reimbursement as approved in such agreement. The utility will be reimbursed by the **Local Government** after proper certification by the utility that the work has been done, said reimbursement to be based on the prior lump sum agreement. The **State** will reimburse the **Local Government** in an amount equal to Ninety Five and Seven Tenths percent (95.7%) of the firm commitment as paid to the utility owner. The foregoing is subject to the provision that the individual lump sum approved value shall not exceed \$20,000, except as specifically approved by the **State**. In those cases where a single operation is estimated to exceed \$20,000, the transaction will be brought to the attention of the **State** for determination of proper handling based upon the circumstances involved. Such utility firm commitment will be an appropriate item of right of way. The adjustment, removal or relocation of any utility line on publicly owned right of way by sufferance or permit will not be eligible for **State** reimbursement. The term "utility" under this agreement shall include publicly, privately and cooperatively owned utilities.

**Fencing Requirements:** The **Local Government** may either pay the property owner for existing right of way fences based on the value such fences contribute to the part taken and damages for an unfenced condition resulting from the right of way taking, in which case the estimated value of such right of way fences and such damages will be included in the recommended value and the approved value, or the **Local Government** may do the fencing on the property owner's remaining property.

Where the **Local Government** performs right of way fencing as a part of the total right of way consideration, neither the value of existing right of way fences nor damages for an unfenced condition will be included in the recommended value or the approved value. **State** participation in the **Local Government's** cost of constructing right of way fencing on the property

owner's remainder may be based on either the actual cost of the fencing or on a predetermined lump sum amount. The State will be given credit for any salvaged fencing material and will not participate in any overhead costs of the **Local Government**.

If State participation is to be requested on the lump sum basis, the State and the **Local Government** will reach an agreement prior to the actual accomplishment of the work as to the necessity, eligibility and a firm commitment as to the cost of the entire fencing work to be performed. The foregoing is subject to the provision that the lump sum approved cost shall not exceed \$20,000, except as specifically approved by the State. In the event the cost of the fencing is estimated to exceed \$20,000, the transaction will be brought to the attention of the State for determination of proper handling based upon the circumstances involved.

*Reimbursement:* The State will reimburse the **Local Government** for right of way acquired after the date of this agreement in amount not to exceed Ninety Five and Seven Tenths percent (95.7%) of the cost of the right of way acquired in accordance with the terms and provisions of this agreement. The State's reimbursement will be in the amount of Ninety Five and Seven Tenths percent (95.7%) of the State's predetermined value of each parcel, or the net cost thereof, whichever is the lesser amount. All requests by the **Local Government** for reimbursement shall comply with the then current reimbursement submission requirements set forth in the Texas Department of Transportation Right of Way Manual.

If condemnation is necessary and title is taken as set forth herein under the section entitled "Condemnation", the participation by the State shall be based on the final judgment, conditioned upon the State having been notified in writing prior to the filing of such suit and upon prompt notice being given as to all action taken therein. The State shall have the right to become a party to the suit at any time for all purposes, including the right of appeal at any stage of the proceedings. All other items of cost shall be borne by the State and the **Local Government** as provided in other sections of this agreement.

If a lump sum fencing or utility adjustment agreement has been executed, the State will reimburse the **Local Government** in the amount of Ninety Five and Seven Tenths percent (95.7%) of the predetermined lump sum cost of the right of way fencing or utility adjustment.

If the **Local Government** prefers not to execute a lump sum agreement for either fencing or utility adjustments, the State will reimburse on the actual cost of such fencing or adjustments. The **Local Government's** request for reimbursement will be supported by a breakdown of the labor, materials and equipment used.

Except as otherwise agreed to in writing by the State, all other administrative expenses not mentioned within this agreement are the responsibility of the **Local Government** and are not reimbursable. (See Exhibit "A")

*Inspection of Books and Records:* The **Local Government** shall maintain all books, papers, accounting records and other documentation relating to costs incurred under this agreement and shall make such materials available to the State and, if federally funded, the Federal Highway Administration (FHWA) or their duly authorized representatives for review and inspection at its office during the contract period and for four (4) years from the date of completion of work defined under this agreement or until any impending litigation, or claims are resolved. Additionally, the State and FHWA and their duly authorized representatives shall have access to all the governmental records that are directly applicable to this agreement for the purpose of making audits, examinations, excerpts, and transcriptions. The State auditor may conduct an audit or investigation of any entity receiving funds from the State directly under this agreement or indirectly through a subcontract under this agreement. Acceptance of funds directly under this agreement or indirectly through a subcontract under this agreement acts as acceptance of the authority of the State auditor, under the direction of the legislative audit committee, to conduct an audit or investigation in connection with those funds. An entity that is the subject of an audit or investigation must provide the state auditor with access to any information the state auditor considers relevant to the investigation or audit.

*General:* It is understood that the terms of this agreement shall apply to new right of way authorized and requested by the State which is needed and not yet dedicated, in use or previously acquired in the name of the State or **Local Government** for highway, street or road purposes. This agreement shall also apply, with regard to any existing right of way, to outstanding property interests not previously acquired and to eligible utility adjustments not previously made, as authorized and requested by the State.

It is further understood that if unusual circumstances develop in the right of way acquisition which are not clearly covered by the terms of this agreement, such unusual circumstances or problems will be resolved by mutual agreement between the State and the Local Government.

**LOCAL GOVERNMENT**

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**EXECUTION RECOMMENDED:**

\_\_\_\_\_  
District Engineer, District

**THE STATE OF TEXAS**

Executed and approved for the Texas Transportation Commission for the purpose and effect of activating and/or carrying out the orders, established policies or work programs heretofore approved and authorized by the Texas Transportation Commission.

By: \_\_\_\_\_  
John P. Campbell, P.E.  
Director, Right of Way Division

Date: \_\_\_\_\_

EXHIBIT "A"  
ROW-RM-37

WORKTASK	<u>LPA</u> RESPONSIBILITY FOR PERFORMANCE	REIMBURSABLE BY TxDOT	TxDOT RESPONSIBILITY FOR PERFORMANCE
Preparation of ROW Map			X
Title Investigation			X
Title Policy	X	Yes	
Appraisal Report	X	No	
Appraisal Review	X	No	
ROW A-10 Tabulation Form	X	No	
Supplemental Appraisal Report			X
Negotiations	X	No	
Excess Takings	X	No	
Compensable Utility Relocation	X	Yes	
TxDOT Approved Administrative Settlement	X	Yes	
LPA Administrative Settlement W/O TxDOT Approval	X	No	
Court, Special Commissioners Costs & Appraisal Expenses	X	Yes	
Cleanup of Contaminated Parcels	X	Yes	
Fencing	X	Yes	
All Recording Fees	X	Yes	
All Other Administrative Fees	X	No	
Relocation Assistance And Payments			X

STATE OF TEXAS §

COUNTY OF HIDALGO §

**INTERLOCAL COOPERATION AGREEMENT BETWEEN  
THE COUNTY OF HIDALGO AND THE CITY ALAMO, TEXAS**

THIS agreement is made on this the 30<sup>th</sup> day of, October, 2007, by and between the CITY OF ALAMO, TEXAS, hereinafter referred to as "Alamo" and the COUNTY OF HIDALGO, TEXAS hereinafter referred to as "County", pursuant to the provisions of the Texas Inter-Local Cooperation Act, as follows:

**WITNESSETH:**

**WHEREAS, "Alamo" is a home rule municipality located in Hidalgo County,**

**Texas;**

**WHEREAS, "County" is a county in the State of Texas;**

**WHEREAS, the Texas Department of Transportation ("TxDOT") has deemed it necessary to make certain highway improvements to FM 907 from Business 83 to Rancho Blanco (the "Project"), a section of which is within the city limits of Alamo.**

**WHEREAS, Alamo has been designated by the Texas Department of Transportation (TxDOT) as entities eligible to receive reimbursement for work related to the Project;**

**WHEREAS, the County and Alamo desire to cooperate in the improvements required to complete the Project this will include the acquisition of certain right-of-way;**

**WHEREAS, by virtue of TxDOT Minute Order 110722 issued on October 26, 2006, TxDOT granted Alamo a reduction in the required local match for eligible expenses under the Economically Disadvantaged County Program (EDCP);**

**WHEREAS, County and Alamo are authorized to enter into this Agreement pursuant to the Inter-local Cooperation Act, Texas Gov't Code 791.001 et. Seq., which authorizes local governments to contract with each other to perform governmental functions and services under the terms of the Act.**

**NOW, THEREFORE, County and Alamo, in consideration of the mutual covenants expressed hereinafter, agree as follows:**

**1. County agrees to undertake the acquisition of right-of-way for the Project with the city limits and ETJ of Alamo, including but not limited to, required title reports, title policies, appraisals, recording fees, closing costs, the cost of land and condemnation of reimbursement basis.**

**2. Alamo agrees to the proposition that County receive any and all TxDOT**

Project funds or payments originally budgeted by TxDOT for Alamo, to be paid directly to the County as consideration for work performed by the County within the Alamo city limits and ETJ for right-of-way acquisition.

3. Alamo further agrees to reimburse County for any and all expenses not reimbursed directly for right-of-way acquisition including but not limited to the cost of land, Title policies, appraisals, recording fees, closing cost, and any necessary legal services, any other associated expenses incurred by County related to acquisition or condemnation of such right-of-way within the city limits and ETJ of Alamo.

4. County agrees to invoice Alamo for all expenses incurred on Alamo's behalf for the Project for work performed within the city limits and ETJ except for those expenses paid directly by TxDOT to County on Alamo's behalf and agrees to make such payments to County within thirty (30) days of receipt of invoices.

5. TxDOT will coordinate work schedules in order to provide for minimal disruption of traffic and operation during the construction of the Project as described herein.

6. Each party agrees to conform to its own applicable purchasing laws, regulations, policies, and procedures with respect to the portion of the work under this Agreement Performed by each party.

7. **Conflict of Applicable Law:** nothing in this Agreement shall be construed so as to require the commission of any act contrary to law, and whenever there is any conflict between any provision of their Agreement and any present or future law, ordinance, or administrative, executive or judicial regulation, order or decree, or amendment thereof, contrary to which the parties have no legal right to contract, the latter shall prevail, but in such event the affected provision or provisions of this Agreement shall be modified only to the extent necessary to bring them within the legal requirements and only during the time such conflict exists.

8. **No Waiver:** No waiver by ally party hereto of any breach of any provisions of the Agreement shall be deemed to be a waiver of any preceding of succeeding breach of the same or any other provision hereof.

9. **Entire Agreement:** This Agreement contains the entire contract between the parties hereto and each party acknowledges that neither has made (either directly or through any agreement or representative) and representation or agreement in connection with this Agreement not specifically set forth herein. This Agreement may be modified or amended only by agreement in writing executed by Alamo County, and not otherwise.

10. **TEXAS LAW TO APPLY. THIS AGREEMENT SHALL BE CONSTRUED UNDER AND IN ACCORDANCE WITH THE LAWS OF**

THE STATE OF TEXAS, AND ALL OBLIGATION OF THE PARTIES CREATED HEREUNDER ARE PERFORMABLE IN HIDALGO COUNTY, TEXAS. THE PARTIES HEREBY CONSENT TO PERSONAL JURISDICTION IN HIDALGO COUNTY, TEXAS.

11. Notice. Except as maybe otherwise specifically provided in this Agreement, all notices, demands, requests or Communication required or permitted hereunder shall be in writing and shall either be (i) personally delivered against a written receipt, or (ii) sent by registered or certified mail, return receipt requested, postage prepaid and addressed to the parties at the addresses set forth below, or at such other addresses as may have been theretofore specified by written notice delivered in accordance herewith:

If to Alamo:           City of Alamo  
                                  Attention: Rudy Villarreal, Mayor  
                                  420 N. Tower Road  
                                  Alamo Texas, 78516

If to Hidalgo:       Hidalgo County, Texas  
                                  Attention J.D. Salinas, III, County Judge  
                                  P .O. Box 758  
                                  Edinburg, Texas 78539-0758

With Copy to:        Sylvia Handy, Commissioner, Precinct No. 1

Each notice, demand, request, or communication which shall be delivered or mailed in the manner described above shall be deemed sufficiently given for all purposes at such time as it is personally delivered to the addressee or, if mailed, at such times as it is deposited in the United States Mail.

12. **Additional Documents.** The parties hereto covenant and agree that they will execute such other and further instruments and documents as are or may become necessary or convenient to effectuate and carry out the terms of this Agreement.

13. **Successors.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, legal representatives, successors, and assign where permitted by this Agreement.

14. **Assignment.** This Agreement shall not be assignable.

15. **Headings.** The headings and captions contained in this Agreement are solely for convenience reference and shall not be deemed to affect the meaning or interpretation of any provision of paragraph hereof.

16. **Gender and Number .**All pronouns used in this Agreement shall include

the other gender, whether used in the masculine, feminine or neuter gender, and singular shall include the plural whenever and so often as may be appropriate.

**17. Authority to Execute.** The execution and performance of this Agreement by Alamo and County have been duly authorized by all necessary laws, resolutions or corporate action, and this Agreement constitutes the valid and enforceable obligations of Alamo and County in accordance with its terms.

**18. Governmental Purpose.** Each party hereto is entering into this agreement for the purpose of providing for governmental services or functions and will pay for such services out of current revenues available to the paying party as herein provided.

**19. Commitment or Current Revenues Only.** In the event that, during any term hereof, the governing body of any party does not appropriate sufficient funds to meet the obligations of such party under this Agreement, then any party may terminate this Agreement upon ninety (90) days written notice to the other party. Each of these parties hereto agrees, however, to use its best efforts to secure funds necessary for the continued performance of this Agreement. The parties intend this provision to be a continuing right to terminate this Agreement at the expiration of each budget period of each party hereto pursuant to the provisions of Tex. Loc. Govt. Code Ann §271.903.

WITNESS THE HANDS OF THE PARTIES effective as of the day and year first written above.


CITY OF ALAMO

  
Rudy Villarreal - Mayor

ATTEST:

  
City Secretary

HIDALGO COUNTY

  
J.D. Salinas III, County Judge

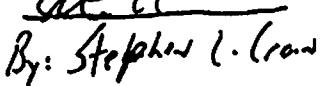
ATTEST:

  
Arturo Guajardo, County Clerk

Approved as to Form:

Atlas & Hall, L.L.P.

By:  Stephen L. Crain

By:  Stephen L. Crain

APPROVED BY  
COMMISSIONERS' COURT  
ON:     OCT 30 2007



# Texas Department of Transportation

PO BOX 1717 • PHARR TEXAS 78577-1717 • (956) 702-6100

November 7, 2006

Mayor Rudy Villarreal  
420 N. Tower Road  
Alamo, Texas 78516

RE: CSJ 1586-01-045 FM 907

Dear Mayor Villarreal:

Your applications (attached) for an Economically Disadvantaged County Program (EDCP) adjustment to the required local participation for the referenced project have each been approved. The adjustment is detailed below.

Project Component	Usual Local Participation	Adjustment Percentage	Adjusted Local Participation
Construction Cost	NA	57.0%	NA
E&C	NA		NA
Preliminary Design	NA		NA
E&C Indirect Cost	NA	NA	NA
Right of Way	10%	NA	4.3%

These adjusted local participation percentages will be reflected in the forthcoming project agreements, which will need to be executed before the reductions take effect.

Should you have any questions regarding this reduction call me or Melba R. Ramos, Asst. District Planning Engineer at (956) 702-6100. As always, we look forward to working with you toward the implementation of this project.

Sincerely,

Mario R. Jorge, P.E.  
District Engineer

/mrr

attachment (1)

Mario Jorge, P.E., Behrooz Badiozzamani, P.E., Jody Ellington, P.E., Robin Boone, P.E., Homer Bazan, P.E., Hector P. Gonzalez, P.E., Pharr Area Engineer, Lori Morel, TPP Division, file

## Economically Disadvantaged Counties Program Project Information Sheet

COUNTY: HIDALGO  
 APPLICANT: CITY OF ALAMO

**District Contact Information**

NAME: Robin L. Boone  
 TELEPHONE: (956) 702-6130

If the project is an "Off-System" project, is the project in the Unified Transportation Program and have a local funding agreement in place, or in a District Bank Balance Program?  
 (X as appropriate)  Yes  No

If the applicant is a city within an eligible county, please answer the two following questions:  
 1. Economic Development Sales Tax? (X as appropriate.)  Yes  No  
 2. Population (2003 Census)? 16,500

**PROJECT INFORMATION**

1. APP. PRIORITY STATUS	DEVELOP
2. CSI #	1586-01-045
3. ESTIMATED FUNDING DATE	SEPTEMBER 2007

**LOCATION & LIMITS** On-System (X as appropriate)  YES  No  
 FM 907 FROM: Bus 83 to Rancho Blanco Road

**PROJECT SCOPE**  
 Widen to 4 lane divided

**ADJUSTMENT RATIONALE**

The City has a very limited budget and funds have not been allocated for ROW. We therefore request a reduction in our match for this project.

**ANTICIPATED PROJECT COSTS BREAKDOWN OF ELIGIBLE COMPONENTS**

1. Project Component	2. Est. Total Cost (\$)	3. Local Participation (%)	4. Est. Required Local Match (\$)
Right of Way	\$110,000	10%	\$11,000
<b>TOTAL:</b>	\$110,000	n/a	\$11,000

**APPROVED** NOV 13 2006

Affidavit

The State of Texas,

County of Hidalgo

Before me, Margot Saenz, a notary public in and for the State of Texas, on this day personally appeared Rudy Villarreal, who being by me duly sworn, upon oath says:

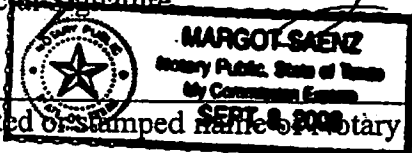
I, Rudy Villarreal, representing the city/county of Alamo, having been duly elected on November 4, 2003 and having served continuously since that time, certify in my official capacity that: the city/county has jurisdiction over this project; I have made a determination that the project is eligible for the funding requested; I have the authority to commit the city/county resources to this project; and after reasonable inquiry, to the best of my knowledge, the information contained in this application is true and correct..

Rudy Villarreal  
Signature

September 18, 2006  
Date

Subscribed and sworn to before me, by the said Person, this 18th day of September, 2006, to certify which witness my hand and seal of office.

My commission expires September 8, 2008.

Margot Saenz  
Official Signature  
  
Printed or stamped name of Notary