

STATE OF TEXAS §

COUNTY OF HDALGO §

**INTERLOCAL COOPERATION AGREEMENT  
BETWEEN THE HIDALGO COUNTY DRAINAGE DISTRICT NO. 1  
AND COUNTY OF HIDALGO**

THIS Agreement is made on this the \_\_\_\_ day of \_\_\_\_\_, 2014, by and between the HIDALGO COUNTY DRAINAGE DISTRICT NO. 1, hereinafter referred to as "District," and the COUNTY OF HIDALGO, hereinafter referred to as "County," pursuant to the provisions of the Texas Interlocal Cooperation Act, as follows:

**WITNESSETH:**

WHEREAS, the County currently owns thirteen (13) certain tracts of land situated in Hidalgo County, Texas, known as the LJ Drain all such tracts more fully described on Exhibit "A" respectively attached hereto and made a part hereof for all purposes (hereinafter collectively referred to as the "Tracts");

WHEREAS, the District desires to acquire the Tracts in fee, for District purposes;

WHEREAS, this Agreement for the proposed acquisition of the Tracts is in lieu of condemnation;

WHEREAS, Subsection 272.001(b) of the Local Government Code provides that the notice and bidding requirements of Subsection 272.001(a) are not applicable to a real property interest conveyed to a governmental entity that has the power of eminent domain. Such real property interests may not be conveyed, sold, or exchanged for less than the fair market value of the land. A fair market value has been determined by an appraisal obtained by County;

WHEREAS, the Tracts are real property interest owned by a political subdivision;

WHEREAS, District is a governmental entity that has the power of eminent domain;

WHEREAS, an appraisal was prepared by a certified appraiser, who appraised the Tracts at \$1,329,123.00; and

WHEREAS, County agrees to sell to District, who agrees to purchase, the Tracts upon the terms and conditions set forth herein.

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

1. County will convey the Tracts to District by Special Warranty Deed, together with all and singular the rights and appurtenances pertaining to the Tracts, including any right, title and interest of County in and to adjacent streets, alleys or rights-of-ways, together with any improvements.

2. The conveyance of the Tracts are subject to the following exceptions and the exceptions shown on Exhibit B attached hereto (collectively the "Permitted Exceptions"):

a. Subject to any and all easements and dedications of record or visible on the ground.

b. Save and except all oil, gas and other minerals in, under and that may be produced from such land.

c. Subject to any valid and outstanding mineral leases of record.

d. Subject to any zoning or subdivision requirements of governmental entities having jurisdiction thereof.

e. Subject to any restrictions, easements, reservations or covenants, and any other restrictions of record.

3. Closing of the transfer of the Tract to the District ("Closing") shall take place at the offices of Atlas, Hall & Rodriguez, LL,P., 818 Pecan, McAllen, Texas, on or before December 31, 2014 or at such earlier time, date and place as County and District may agree upon.

4. At Closing, District shall pay the County the sum of \$1,329,123.00 plus all closing costs including but not limited to and recording fees and costs specifically allocated to each respective party in numbered paragraph 6 hereof.

5. At Closing, County shall deliver to District:

a. A duly executed and acknowledged Special Warranty Deed conveying the Tracts in fee simple free and clear of any and all liens and encumbrances, except the Permitted Exceptions as defined in numbered paragraph 2 above (the "Deed"); and

b. Possession of the Tract.

6. All costs, adjustments and expenses of Closing shall be borne as follows:
- a. Each party shall pay its own attorney's fees;
  - b. County shall pay the cost of an Owners Title Policy for the Tracts; and
  - c. District shall pay the cost of recording instruments presented by the County.

7. The terms and provisions of this Agreement shall survive the Closing, and may be enforced by specific performance.

8. If either party fails to comply with the obligations as set out in this Agreement, the other party may terminate this Agreement.

9. Any signatory to this Agreement, who is the prevailing party in any legal proceeding against any other signatory brought under or with relation to this Agreement or transaction, shall be additionally entitled to recover Court costs and reasonable attorneys' fees from the non-prevailing party.

10. If prior to the Closing all or any portion of the Tract is condemned, either party shall have the right to terminate this Agreement upon giving written notice to the other party within ten (10) days of the date one party notifies the other, in writing, of such condemnation. If neither party elects to terminate this Agreement, then the Closing shall take place, as herein provided and the interest in any condemnation awards shall be assigned to the party receiving title to such property at Closing.

11. The existence of any other liens or encumbrances which secure an obligation to pay money shall not be objections to title provided that properly executed instruments in recordable form necessary to satisfy the same are delivered by the transferring party at the Closing, together with recording or filing fees.

12. This Agreement may not be assigned without prior written consent executed by both parties hereto.

13. Any representations, warranties, or covenants of the parties, as well as any rights and benefits of the parties, shall survive the Closing and not be merged therein.

14. Time shall be of the essence of this Agreement.

15. This Agreement and all of the terms, provisions and covenants contained herein shall apply to, be binding upon and inure to the benefit of the parties hereto, their respective successors and assigns.

16. This Agreement shall be construed and interpreted under the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Hidalgo County, Texas.

17. in case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions hereof and this Agreement shall be construed as if such invalid, illegal or unenforceable provisions had never been contained herein.

18. All notices, demands or requests required or permitted under this Agreement shall be in writing, and shall be deemed to have been properly given, whether or not actually received, when the same have been deposited in the United States mail, postage prepaid, registered or certified mail, return receipt requested, addressed to the as set forth below:

If to County: Hidalgo County, Texas  
Attention: Ramon Garcia, County Judge  
P.O. Box 1356  
Edinburg, Texas 78540-0758

If to District: Hidalgo County Drainage District No. One  
Attention: Manager  
900 N. Doolittle Road  
Edinburg, Texas 78541

19. This Agreement contains the entire agreement between the parties and supersedes all prior agreements and understandings between the parties concerning the Tracts, and it shall not be amended, modified, supplemented or changed in any way except by written agreement of the parties.

20. To the extent allowable by law, the parties hereto agree to indemnify and hold harmless the other party from any and all costs, expenses or damages resulting from any claims for brokerage fees or other similar form of compensation made by any

real estate broker or other person or entity because of the transactions contemplated herein.

21. Should either party be in default under any of the terms of this Agreement, the non-defaulting party shall so notify the defaulting party in writing and the defaulting party shall have a period of twenty (20) days from the receipt of such notice to cure the default.

22. In addition to the acts recited in this Agreement to be performed by the parties, the parties hereto agree to perform or cause to be performed at the Closing or after the Closing, any and all such further acts as may be reasonably necessary to consummate transactions contemplated hereby.

The date of this Agreement is the \_\_\_\_ day of \_\_\_\_\_, 2014.

HIDALGO COUNTY

\_\_\_\_\_  
By: Ramon Garcia, County Judge  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_

ATTEST:

By: \_\_\_\_\_  
Arturo Guajardo, County Clerk

HIDALGO COUNTY DRAINAGE DISTRICT  
NO. ONE  
By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_

APPROVED AS TO FORM  
Atlas, Hall & Rodriguez, L.L.P

By: \_\_\_\_\_  
Stephen L. Crain