

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 30<sup>th</sup> day of July, 2013, 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 two certain tracts of land situated in Hidalgo County, Texas, known as the Dickerson Pond and the Aguilar Pond both such tracts more fully described on Exhibit "A" and Exhibit "B" 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 unless the conveyance, sale, or exchange is with one or more abutting property owners who own the underlying fee simple. The fair market value is determined by an appraisal obtained by the political subdivision that owns the land;

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 \$5,331,274.12 and \$1,234,146.67 respectively; 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 (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 as shown by title commitment.

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 August 9, 2013 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 \$6,565,420.79 and recording fees.

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

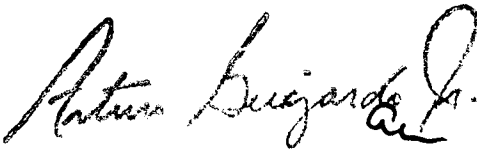
real estate broker or other person or entity because of the transactions contemplated herein.

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 30<sup>th</sup> day of July, 2013.

HIDALGO COUNTY



Arturo Guajardo, Jr., County Clerk

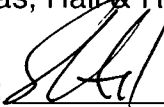
Ramon Garcia  
By: Ramon Garcia, County Judge  
Print Name: Ramon Garcia  
Title: County Judge

HIDALGO COUNTY DRAINAGE DISTRICT NO. ONE

By: Ramon Garcia  
Print Name: Ramon Garcia  
Title: Chair, Board of Directors

APPROVED AS TO FORM

Atlas, Hall & Rodriguez, L.L.P

By:   
Stephen L. Crain

APPROVED BY  
COMMISSIONERS' COURT  
ON: 7/30/13

**EXHIBIT A  
DICKERSON POND**

**Tract I:**

A 201.11 acre tract of land, more or less, being all of Lots One (1), Two (2), Seven (7), Eight (8), Nine (9) and Ten (10), R. B. CURRY SURVEY NO. 4, Hidalgo County, Texas, as per map or plat thereof recorded in Volume 2, Page 23, Map Records, Hidalgo County, Texas, and according to Special Warranty Deeds recorded under Clerk's File No. 2020936 and Clerk's File No. 2056162, Official Records, Hidalgo County, Texas; and being more particularly described by metes and bounds as follows:

BEGINNING at a cotton picker spindle found at the intersection of the centerline of Tex-Mex Road and Sunflower Road for the Northeast corner of Lot 1 and the Northeast corner of this tract;

THENCE, South 00 degrees 18 minutes 29 seconds East, along the East line of Lots 1, 8, and 9, and the centerline of Sunflower Road, a distance of 2999.27 feet (Map Record: 3000.29 feet) to a 1/2 inch iron rod with plastic cap stamped RPLS 4856 found for the Southeast corner of Lot 9 and the Southeast corner of this tract;

THENCE, North 80 degrees 51 minutes West, along the South line of Lots 9 and 10, a distance of 3209.72 feet (Map Record: 3215.30 feet) to a cotton picker spindle found in the centerline of Dillon Road for the Southwest corner of Lot 10 and the Southwest corner of this tract;

THENCE, North 09 degrees 14 minutes East, along the West line of Lots 2, 7, and 10, and the centerline of Dillon Road, passing a cotton picker spindle set at 1000.00 feet for the centerline of Curry Road, the Southwest corner of Lot 7 and the Northwest corner of Lot 10, a total distance of 2958.50 feet to a cotton picker spindle set in the centerline of Tex-Mex Road for the Northwest corner of Lot 2 and the Northwest corner of this tract;

THENCE, South 80 degrees 51 minutes East, along the North line of Lots 1 and 2, and the centerline of Tex-Mex Road, a distance of 2712.56 feet to the POINT OF BEGINNING and containing 201.11 acres of land, more or less.

**EXHIBIT B  
AGUILAR POND**

**Tract II:**

A 47.66 acre tract of land, more or less, being all of Lot Fourteen (14), R. B. CURRY SURVEY NO. 4, Hidalgo County, Texas, as per map or plat thereof recorded in Volume 2, Page 23, Map Records, Hidalgo County, Texas, and according to Warranty Deed recorded under Clerk's File No. 1984956, Official Records, Hidalgo County, Texas, and being more particularly described by metes and bounds as follows:

BEGINNING at a cotton picker spindle found in the centerline of Dillon Road and within the right of way of Curve Road for the Southeast corner of Lot 14 and the Southeast corner of this tract;

THENCE, North 79 degrees 57 minutes 20 seconds West, along the South line of Lot 14 and within the right of way of Curve Road, a distance of 1742.57 feet to a 1/2 inch iron rod found for the Southwest corner of Lot 14 and the Southwest corner of this tract;

THENCE, North 09 degrees 14 minutes East, along the West line of Lot 14, passing a 1/2 inch iron rod 24 inches in length with plastic cap stamped RPLS 4856 found at 15.00 feet for the North right of way line of Curve Road, passing a 1/2 inch iron rod 24 inches in length with plastic cap stamped RPLS 4856 found at 1058.00 feet for the South line of a drain ditch easement, a total distance of 1178.00 feet to a point for the Northwest corner of Lot 14 and the Northwest corner of this tract;

THENCE, South 80 degrees 51 minutes East, along the North line of Lot 14, passing at 1722.40 feet the West right of way line of Dillon Road, a total distance of 1742.40 feet to a cotton picker spindle found in the centerline of Dillon Road, for the Northeast corner of Lot 14 and the Northeast corner of this tract;

THENCE, South 09 degrees 14 minutes West, along the East line of Lot 14 and the centerline of Dillon Road, a distance of 1205.20 feet to the POINT OF BEGINNING and containing 47.66 acres of land, more or less.