

**REIMBURSEMENT CERTIFICATE
EXPRESSING
OFFICIAL INTENT TO REIMBURSE
COSTS OF US 183 Extension PTT0273-04-026**

WHEREAS, the Commissioners Court of Williamson County, Texas (the "County") expects to pay expenditures in connection with the design, planning, acquisition and construction of the project described on Exhibit "A" hereto (the "Project") prior to the issuance of obligations to finance the Project; and

WHEREAS, the County finds, considers, and declares that the reimbursement of the County for the payment of such expenditures will be appropriate and consistent with the lawful objectives of the County and, as such, chooses to declare its intention, in accordance with the provisions of Section 1.150-2 of the Treasury Regulations, to reimburse itself for such payments at such time as it issues obligations to finance the Project; and

WHEREAS, by resolution approved by the Commissioners Court on December 23, 2008, the County delegated to the County Judge the authority to make any necessary reimbursement certifications.

THEREFORE, ON BEHALF OF THE COUNTY, I HEREBY CERTIFY THAT:

Section 1. The County reasonably expects to incur debt, as one or more series of obligations, with an aggregate maximum principal amount equal to \$ 106,327.41 for the purpose of paying the costs of the Project.

Section 2. All costs to be reimbursed pursuant hereto will be capital expenditures. No tax-exempt obligations will be issued by the County in furtherance of this Statement after a date which is later than 18 months after the later of (1) the date the expenditures are paid or (2) the date on which the property, with respect to which such expenditures were made, is placed in service.

[ALTERNATIVE SENTENCES]

Section 3. [The foregoing notwithstanding, no tax-exempt obligation will be issued pursuant to this Statement more than three years after the date any expenditure which is to be reimbursed is paid.] [The foregoing notwithstanding, no tax-exempt obligation will be issued pursuant to this Statement more than five years after the date any expenditure which is to be reimbursed is paid. Attached hereto as Exhibit "B" is an affidavit of an independent architect or engineer stating that five years is necessary to complete construction of the Project.]

Date: 12/23/08



County Judge

Exhibit "A"

US 183 Extension PTT0273-04-026
(Invoice attached)

Sheets & Crossfield, P.C.

ATTORNEYS AT LAW
309 East Main Street • Round Rock, TX 78664-5246
phone 512-255-8877 • fax 512-255-8986

33885
Leg

OT 0273-14-026
OT tell
2-3 Row

Request for Check

HOLD

HOLD

Project Name: WMCO Pass Thru Tolls US 183 Extension Parcel 25/Dowdy

Legal description:

3.993 acre tract out of the John B. Robinson survey Abstract No. 521

Name on Check:

Harold L. Dowdy Sr.
Johnnie T. Dowdy

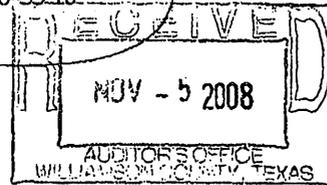
SSN#:

466-42-7752
464-56-3940

Mailing Address:

709 South Gabriel Dr.
Leander, TX 78641

HOLD



Amount of Check:

\$175,709.00

Date to Pick Up Check:

11/11/08

Requested by:

Date: 11/03/08
Lisa Dworaczyk
Sheets & Crossfield, P.C.

Approved by:

Date: 11/03/08
Dan A. Gattis, County Judge
Williamson County

OPTION CONTRACT
Highway 183—Williamson County

Preamble

This Option Contract is made effective the ^{30 10}~~08~~ day of Oct, 2008, by HAROLD L. DOWDY, SR. AND JOHNNIE T. DOWDY, referred to in this Option Contract as OPTIONORS (whether one or more), and WILLIAMSON COUNTY, referred to in this Option Contract as the COUNTY.

Recitals

WHEREAS, OPTIONORS are the owners of approximately 4.061 acres of real property in Williamson County, Texas, more particularly described in Exhibits A-C attached hereto and made a part of this Option Contract;

WHEREAS, the COUNTY desires to acquire the exclusive irrevocable right and option to purchase, without becoming obligated to purchase, fee simple title to the property described in Exhibit A, an access easement in and across the property described in Exhibit B, and a temporary construction easement in and across the property described in Exhibit C, referred to in this Option Contract as the "Property", at an agreed price and under specified terms and conditions;

WHEREAS, the parties may execute a Memorandum of Option concurrently with the execution of this Option Contract, which memorandum is to be recorded to give notice of the existence of this Option Contract, and which is incorporated herein by reference and made a part hereof; and

THEREFORE, it is agreed as follows:

Grant of Option

1. For the consideration expressed in Paragraph 3 of this Option Contract, OPTIONORS hereby grant to the COUNTY the exclusive irrevocable right and option to purchase all of the Property described in Exhibit A, to purchase an access easement in, to and across all of the Property described in Exhibit B, and to purchase a temporary construction easement in, to and across the property described and shown in Exhibit C, at the price and under the terms set forth herein.

Option Period

2. The initial period for the option to purchase the Property shall commence as of the time of execution of this Option Contract and continue until February 1, 2009 (the "Option Period"). COUNTY shall have the further option to extend the option period for two additional periods of two (2) months each if necessary to complete any due diligence required prior to exercising the option described herein. The election of

such extension shall be made in writing prior to the extension of each subsequent option period.

Consideration

3. This option is granted in consideration of the COUNTY'S payment to OPTIONORS of the sum of ONE HUNDRED SEVENTY FIVE THOUSAND SEVEN HUNDRED NINE AND 00/100 Dollars (\$175,709.00), payable by a check drawn to the order of OPTIONORS within 14 days after the full execution of the Option Contract.

Purchase Price

4. The purchase price for the Property shall be the sum of (1) SEVEN HUNDRED EIGHTY SIX THOUSAND NINE HUNDRED FORTY THREE AND 00/100 Dollars (\$786,943.00) for the purchase of the land, and (2) ONE HUNDRED SEVEN THOUSAND ONE HUNDRED ONE AND 00/100 Dollars (\$107,101.00) for the purchase of any improvements on the Property, the replacement of any fencing and associated clearing for same, and any damages to the remaining property, for a total purchase price of EIGHT HUNDRED NINETY FOUR THOUSAND AND FORTY FOUR AND 00/100 Dollars (\$894,044.00). In the event the option is not exercised before the expiration of the option period and any extensions thereto, the option shall terminate and be of no further force or effect. Whereupon neither the COUNTY nor OPTIONORS shall have any further rights or obligations hereunder, except that OPTIONORS shall be entitled to retain the Option Payment made pursuant to Paragraph 3.

Application of Consideration to Purchase Price

5. If this option is exercised in accordance with the terms hereof, then of the total consideration paid to OPTIONORS by the COUNTY as an option payment pursuant to Paragraph 3 above, shall be applied to reduce the purchase price payable for the Property.

Exercise of Option

6. This option may be exercised by the COUNTY at any time prior to the expiration of the Option Period or any extensions thereto, by depositing written notice to such effect in the United States mail on or before 5:00 P.M. on the aforesaid date, or delivering written notice of the exercise of this option to OPTIONORS as set forth in Paragraph 20 below. The giving of such notice shall create a binding contract of purchase and sale of all of the Property between the parties hereto, and the time period for closing the sale shall be as hereinafter set forth. If the COUNTY fails to exercise this option before expiration of the Option Period, the consideration paid herewith shall be retained by OPTIONORS.

Terms of Sale

7. On the exercise of the option granted in this Option Contract, the terms of sale shall be as follows: Within 30 days after the payment of the consideration set out in Paragraph 3 above, OPTIONORS must deposit in escrow with Texas American Title Company (the "Title Company"), as escrow agent, a special warranty deed to the Property, conveying fee simple title to the property described in Exhibit A, free and clear of all liens, encumbrances and other defects in title, except as permitted herein, the deed to be in the form attached as Exhibit D, the access easement to be in the form attached as Exhibit E, and the temporary construction easement to be in the form attached as Exhibit F. Within 30 days after the exercise of the option as set out in Paragraph 6 above, OPTIONERS must deposit in escrow such affidavits, settlement statements and other closing documents that are reasonably required by the title company (it being agreed however that liens against the Property may be released contemporaneously with the payment from the COUNTY). At or before closing, OPTIONORS must resolve the items that are listed on Schedule C of the Title Commitment, which has previously been provided to OPTIONERS, and remove all exceptions that arise by, through or under OPTIONORS after the effective date of this Option Contract. Within the same time period, the COUNTY must deposit in escrow with the title company the funds necessary to pay the purchase price, together with such affidavits, settlement statements and other closing documents that are reasonably required by the title company. The parties hereby instruct the Title Company within the period specified in the preceding paragraph to do the following:

Unless delay is caused by the acts or omissions of OPTIONORS, by circumstances beyond the COUNTY'S control, or by agreement of the parties, the closing must occur on or before 5:00 pm, Central time, on or before the expiration of 30 days after execution of the option by COUNTY, or otherwise within 10 days after the completion of any title curative matters or other prerequisites as described above. On or before such date, the Title Company shall close such escrow if and when it is prepared to issue its standard coverage policy of title insurance with liability in the principal amount of the purchase price for the particular parcel, insuring the interest of the COUNTY, subject only to the following:

- (i) the exceptions applicable to the particular parcel as listed on Schedule B of the Title Commitment;
- (ii) the exceptions contained in its customary printed form of standard coverage policy of title insurance;
- (iii) the reservations in the deed as authorized herein;

Record the deed in Williamson County, Texas, and deliver it to the COUNTY and disburse the sale proceeds to OPTIONORS. ;

On the closing of such escrow, the COUNTY must pay the recording fees, the premium for the policy of title insurance, survey, and the title company's escrow fee. All

of the costs and expenses of curing any defect or defects in the title shall be borne by COUNTY. Property taxes must be prorated and paid as of the date of closing pursuant to Sections 11.11, 11.42 and 26.11, Texas Tax Code.

Retention of Consideration

8. If this option or any extension thereof is not exercised, all sums paid and services rendered to OPTIONORS by the COUNTY shall be retained by OPTIONORS in consideration of the granting of this option.

Automatic Termination

9. If the COUNTY fails to exercise the option in accordance with the terms of this Option Contract within the Option Period or any extension thereof, then the option to purchase granted by this Option Contract, and this Option Contract and the rights thereunder of the COUNTY, shall automatically and immediately terminate without notice and the COUNTY shall thereafter properly execute, acknowledge, and deliver to OPTIONORS within 30 days of request therefore, a release or other document required by OPTIONORS or a title insurance company to verify the termination of this Option Contract. If the COUNTY shall fail to execute and deliver such release or other document to verify the termination of this Option Contract as provided above, OPTIONORS shall be entitled to execute and cause to be recorded an Affidavit confirming the termination of this Option Contract, which Affidavit shall be conclusive evidence of the termination of this Option Contract.

Assignability of Option

10. The COUNTY shall not assign this option to any person or business entity. The COUNTY may however, without the consent of OPTIONORS, assign this option to any other governmental entity, including a municipality, county, regional mobility authority, tollway and/or mass transportation authorities lawfully authorized to acquire real property for transportation purposes.

Removal of Improvements and Personal Property

11. OPTIONORS reserve the right to remove from the Property the following improvements: fences and other improvements, whether similar or dissimilar to the foregoing, and any personal property belonging to OPTIONORS on the Property. The right may be exercised at any time and from time to time either before or after the parcels on which the improvements or personal property are located are conveyed to the COUNTY; provided, however, that any improvements or personal property remaining on property conveyed to the COUNTY after the expiration of 60 days from notice given by the COUNTY to OPTIONORS requesting removal of improvements or personal property

from that Property will be deemed abandoned and will become the property of the COUNTY.

OPTIONORS will have no obligation to remove any improvements or personal property, or any portion of the foregoing, that OPTIONORS do not desire to remove, and will have no obligation to restore the surface on any Property from which improvements or personal property are removed, with the following exceptions: (i) OPTIONORS must fill in any holes or trenches dug in the course of removal; and (ii) in the case of water wells from which equipment is removed, the well must be properly capped and the casing in the well left intact.

Continuing Use and Possession of Property

12. Subject to the express terms of this Option Contract, OPTIONORS shall have full possession and control of the Property and shall continue to bear all costs and liabilities related to the operation and maintenance thereof, including the payment of all real property taxes and assessments levied on the Property. OPTIONORS shall not grant any easement in, over, or under the Property, nor any lease of the Property without the written consent of the COUNTY.

Notwithstanding the above and subject to consent from the appropriate regulatory authority, it is expressly understood that OPTIONORS shall continue to have the unrestricted right in connection with the development of the adjacent property to place, construct, operate, repair, replace and maintain utility lines and facilities (including without limitation, water, wastewater, stormwater and drainage, gas, electric, telephone, and cable television lines and systems), public or private streets, roads and driveways, fences, signs and landscaping, in, over, under and across the Property, and to grant and/or dedicate public and/or private easements and rights-of-way for such purposes; provided, such utility lines and facilities and streets, roads and driveways are constructed across (as opposed to along) the Property as may be necessary to connect to utility systems located along or within the existing right-of-way of SH 183 or on the other side of such right-of-way or to connect to the main lanes of SH 183 until the Property is acquired and said highway is improved and expanded.

Restrictions on Development of Property

13. During the Option Period, OPTIONORS will prevent any additional uses, development or improvements of the Property that exceed the physical improvements and land use patterns of the Property as of the date of this Option Contract and that would tend to significantly increase its market value or increase the COUNTY'S demolition or removal costs. Specifically, OPTIONORS are prohibited from engaging in or permitting others to engage in the following uses and practices, which list is not exhaustive:

- a. To add new buildings or other improvements on the Property;
- b. To add to or modify an existing building or other improvement on the Property; provided however, that this restriction shall not prevent OPTIONORS from maintaining or repairing existing buildings and other improvements in good condition;
- c. To subdivide or further partition the Property; provided, OPTIONORS shall be entitled to include the Property as "reserved right-of-way" areas or lots in concept plans, master plans, preliminary subdivision plans or plats and final plats;
- d. To conduct any industrial or commercial use or activity on the Property;
- e. To construct, install or maintain signs or billboards; except for temporary subdivision identification signs or other on-site signs;

The COUNTY may seek to enjoin any activity or use of the Property that is inconsistent with this Paragraph 13.

The County's Right of Entry

14. The COUNTY, its employees and contractors shall have the right at any time after the date of this Option Contract and for so long thereafter as this Contract remains in effect, to enter upon the Property and (i) perform environmental, hazardous or toxic substance, and archeological investigations, (ii) map, engineer, and make soil tests, soundings and engineering surveys, and (iii) observe compliance with development restrictions set forth in Paragraph 13 above. All activities conducted on the Property hereunder shall be done at the sole cost and expense of the COUNTY and shall be done in a good and workmanlike and professional manner. The COUNTY will provide OPTIONORS with advance written notice, as set forth in Paragraph 20 below, at least 3 business days prior to entry on the Property. The COUNTY will perform and report its investigations on the Property in compliance with all County and federal environmental laws and in such a manner so as to not unreasonably interfere with OPTIONORS' possession and use of the Property. The COUNTY further agrees to promptly repair and restore or pay the cost of repairing and restoring any property damaged as a result of such inspections to a condition as nearly as possible to the condition existing prior to such work.

Relocation Assistance Benefits

15. Neither this grant nor the COUNTY'S exercise of the option to purchase will prejudice OPTIONORS' rights to any relocation benefits for which they may be eligible. The COUNTY will comply with all requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act with regard to the relocation assistance program including provision of written notices to owner-occupant and tenant displacees.

Status of Title

16. OPTIONORS warrant and represent that, upon closing, the title to the Property will be free and clear of all liens and encumbrances, including leases that can not be canceled upon 90 days notice, and that proper releases will be executed for the Property prior to purchase funds being disbursed under this Option Contract. OPTIONORS further warrant that no other person or business entity owns an interest in the fee title to the Property.

Mineral Rights

17. In the event that the COUNTY exercises its option to purchase, OPTIONORS' deed to the COUNTY shall reserve all of the oil, gas and other minerals, in and under said Property but waive any and all rights of ingress and egress to the surface thereof for the purpose of exploring, developing, mining or drilling for the same; provided, however, that operations for exploration or recovery of any such minerals shall be permissible so long as all surface operations in connection therewith are located at a point outside the acquired parcel and upon the condition that none of such operations shall be conducted so near the surface of said land as to interfere with the intended use thereof or in any way interfere with, jeopardize, or endanger the facilities of the Texas Department of Transportation or create a hazard to the public users thereof; it being intended, however, that nothing in this reservation shall affect the title and the rights of the COUNTY to take and use without additional compensation any, stone, earth, gravel, caliche, iron ore, gravel or any other road building material upon, in and under said land for the construction and maintenance of the State Highway System of Texas.

Condition of Property

18. The COUNTY will fully inspect the Property and investigate its suitability, prior use, and title. Neither OPTIONORS nor OPTIONORS' representatives have represented to the COUNTY or, to the knowledge of the COUNTY, to any person on whom the COUNTY is relying, any facts whatsoever arising out of or relating to this transaction, except to the extent it is expressly stated in this Option Contract. The COUNTY'S decision to buy the Property is based entirely on its own independent determination. Except for the warranty of title, OPTIONORS specifically disclaim any express warranties, including but not limited to those of habitability and suitability of the property for any intended purpose and further disclaim any warranty of absence of latent defects. OPTIONORS disclaim all implied warranties. Except as otherwise expressly stated in this Option Contract, the COUNTY will buy the Property as-is, where-is.

Nuisance and Environmental Hazards

19. OPTIONORS must obey all laws applicable to the Property and must not create or permit a nuisance in, on, or under the Property.

OPTIONORS represent that to the best of their actual knowledge, OPTIONORS have not received notice with regard to any environmental violations or hazards pertaining to the Property and that, to the best of their actual knowledge and belief, OPTIONORS have not committed acts nor allowed activities on the Property that have been, or that may have resulted in violations of federal, County, county or municipal environmental laws, regulations, ordinances or other governing directives.

Notices

20. Unless otherwise provided herein, any notice, tender, or delivery to be given hereunder by either party to the other may be effected by personal delivery in writing or by registered or certified mail, postage prepaid, return receipt requested, and shall be deemed received as of 3 days from mailing. Mailed notices shall be addressed as set forth below, but each party may change his, her or its address by written notice in accordance with this Paragraph.

To the OPTIONORS:

Harold L. Dowdy, Sr.
709 S. San Gabriel Drive
Leander, Texas 78641

Johnnie T. Dowdy
709 S. San Gabriel Drive
Leander, Texas 78641

To the COUNTY:

Dan A. Gattis
County Judge
710 Main Street, Suite 101
Georgetown, Texas 78626

and to: Charlie Crossfield
Sheets & Crossfield, P.C.
309 E. Main Street
Round Rock, Texas 78664

Entire Agreement

21. This Option Contract and a Memorandum of Option, if any, executed on the same date as this instrument and that is incorporated herein by reference and made a part hereof, contain the entire agreement between the parties relating to the option herein granted. Any oral representations or modifications concerning this Option Contract and the accompanying Memorandum shall be of no force and effect, excepting a subsequent modification in writing, signed by the party to be charged and supported by consideration.

Default

22. If OPTIONORS fail to comply with this Option Contract and such failure continues for a period of 21 days or more after written notice of the breach from the COUNTY, OPTIONORS will be in default and the COUNTY may proceed with one of the following, as its sole and exclusive remedy: (i) enforce specific performance, or (ii) terminate this Option Contract, recover as liquidated damages the option payments delivered to OPTIONORS pursuant to Paragraph 3, and, at the COUNTY'S option, elect to proceed with a condemnation proceeding for acquisition of the Property.

If the COUNTY fails to timely pay any sum due under this Option Contract, the COUNTY will be in default and OPTIONORS' sole remedy is to terminate this Option Contract and retain any payments previously made by the COUNTY. In the event of any such termination, the COUNTY shall thereafter properly execute, acknowledge, and deliver to OPTIONORS within 30 days of request therefore, a release or other document required by OPTIONORS or a title insurance company to verify the termination of this Option Contract.

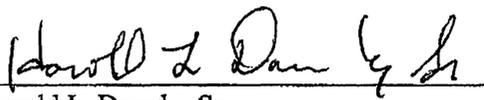
Attorney's Fees

23. In the event of any controversy, claim, or dispute between the parties hereto, arising out of or relating to this Option Contract or the breach thereof, the prevailing party shall be entitled, in addition to such other relief as may be granted, to a reasonable sum as and for attorney's fees in such litigation, which shall be determined by the court in such litigation or in a separate action brought for that purpose.

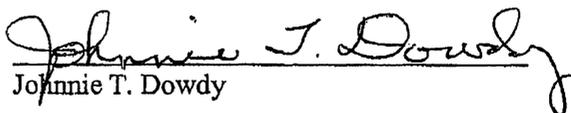
Binding Effect

24. This Option Contract and the accompanying Memorandum thereof shall bind and inure to the benefit of all the respective heirs, personal representatives, successors, and assigns of the parties hereto except as hereinabove expressly provided.

OPTIONORS:


Harold L. Dowdy, Sr.

Date: 28-Oct 2008
30 90


Johnnie T. Dowdy

Date: Oct 30 2008

COUNTY:

WILLIAMSON COUNTY, TEXAS


By: Dan A. Gattis
Title: County Judge

Date: 11-4-08