

BIDDING INSTRUCTIONS AND BID FORM
WESTVIEW WATER SYSTEM
SAWS BID SOLICITATION NO. RE-18-001-JAM

1. Sale of Westview System. The City of San Antonio, Texas, a home-rule municipality of the State of Texas, acting by and through the San Antonio Water System Board of Trustees ("SAWS"), desires to sell and is soliciting offers to purchase a certain retail water system and appurtenant real property located in Medina County, Texas (collectively, the "Westview System"). THE WESTVIEW SYSTEM WILL ONLY BE SOLD TO AN EXISTING RETAIL WATER UTILITY WITH A DEMONSTRATED CAPABILITY TO PERFORM.

2. The Westview System. The Westview System is described as follows:

A retail water system consisting of (i) a production, treatment and storage facility being an approximately 0.579 acre tract of real property located in Medina County, Texas, being described in "**Exhibit A**" attached hereto and incorporated herein (the "Land"), together with Seller's right, title and interest in all improvements and appurtenances thereto and (ii) the Westview operating infrastructure including, including one Edwards well, one 200,000 gallon welded steel ground storage tank, approximately 5.9 miles of water mains, the 462 acre Certificate of Convenience and Necessity (CCN) encompassing Westview, and retail service to the Westview subdivision's approximately 335 lots with 269 existing customers including the personal property, equipment and fixtures described in "**Exhibit A-1**" attached hereto and incorporated herein (all of the foregoing being the "System").

The Land and System does not include any Edwards Aquifer water rights, which shall be reserved by SAWS and transferred to other points in the SAWS system, and the buyer must transfer their own water rights onto the point of withdrawal on the Land.

3. Bid Information. This Bidding Instructions and Bid Form document ("Bid Document") is the official bid form that must be completed and returned by interested bidders on or before the Bid Deadline (set forth in paragraph 6 below) in accordance with the instructions herein. Interested bidders must:

- a. Furnish the information requested in paragraph 10 below;
- b. Sign this Bid Document where indicated on page 5;
- c. Enclose relevant supporting documentation and information regarding the Demonstrated Capability to Perform component of the Selection Criteria (hereinafter defined) for such bid, including all Certificates of Convenience and Necessity;
- d. If applicable, enclose relevant supporting documentation and information regarding the Additional Consideration component of the Selection Criteria for such bid;
- e. Fill out and sign the Conflict of Interest Questionnaire attached hereto as **Exhibit "D"**; and
- f. Place the Bid Document (including the exhibits), all supporting documentation and information in a sealed envelope properly identified as containing a "Bid for Purchase of WESTVIEW SYSTEM (SAWS BID SOLICITATION NO. RE-18-001-JAM)" addressed and delivered to:

San Antonio Water System
Contract Administration Division
Attn: Jonathan Miranda
2800 U.S. Hwy 281 North
Customer Service Building, Suite 171
San Antonio, Texas 78212

Personal/hand delivered sealed proposals will be received by Counter Services in the Customer Service office across from the Guard Station at the address above, until the due date deadline. It is the bidder's sole responsibility to deliver the bid documents properly completed, on time, to the proper location.

4. Selection Criteria. Selection of successful bidder will be based on the selection criteria and weighing factors (“Selection Criteria”) set forth below:

Bid Price	65%
Demonstrated Capability to Perform	20%
Additional Consideration	15%

The highest scores will be given to bids that offer the best value to SAWS according to the Selection Criteria. With respect to the Demonstrated Capability to Perform component of the Selection Criteria, **SAWS will only consider information provided in a sealed bid.**

Regarding the Demonstrated Capability to Perform component of the Selection Criteria, bidder should submit: (i) all current Certificates of Convenience and Necessity (“CCN”) held by such bidders (ii) a description of all retail water systems operated by bidder, including Texas Commission on Environmental Quality (“TCEQ”) Public Water System (“PWS”) numbers, geographic area, number of connections and time period of operation of such system, (iii) tariffs or rate sheets for the proceeding ten (10) years, (iv) number of personnel employed, (v) documentation of Edwards Aquifer Authority (“EAA”) permitted water rights held by the bidder, and (v) all other information, including, any financial, managerial and technical information, bidder considers relevant to their evaluation for demonstrated capability to operate the Westview System and provide continuous and adequate service.

Regarding the Additional Consideration component of the Selection Criteria, bidder should submit all information concerning any other consideration bidder intends to offer, including, but not limited to, other property, other areas served by a CCN or water rights.

SAWS WILL ONLY CONSIDER BIDS SUBMITTED BY AN EXISTING RETAIL WATER UTILITY.

5. Bidder Inspection. **ANY PARTY INTERESTED IN SUBMITTING A BID FOR THE WESTVIEW SYSTEM MAY CONDUCT AN INSPECTION BY REQUEST BY CONTACTING, NOT LATER THAN AUGUST 1, 2018:**

BRUCE HABY
Office 210-233-3636
Cell 210-260-5930

ANY PARTY THAT ELECTS TO INSPECT THE WESTVIEW SYSTEM SHALL, AT THE TIME OF ENTRY ONTO THE LAND AND AS A CONDITION TO ENTRY, EXECUTE THE INSPECTION RELEASE AND INDEMNITY AGREEMENT ATTACHED HERETO AS EXHIBIT “E”.

6. Bid Due Date. Sealed bids will be received until **2:00 P.M. (CT)** San Antonio, Texas time on August 15, 2018 (the “Bid Deadline”) at the address shown in paragraph 3 above.

7. Notice of Acceptance. The selection of the successful bidder is subject to the approval of the SAWS Board of Trustees. Following the Bid Deadline and SAWS’ staff selection of a recommended successful bidder, if any, SAWS intends to seek Board of Trustees approval to accept the bid of said bidder and to authorize execution of a purchase agreement with said bidder. SAWS will give notice of staff selection of a recommended successful bidder (the "Successful Bidder"), if any, within thirty (30) days after the Bid Deadline. Bids shall expire and are automatically rejected by SAWS if SAWS does not give notice of such staff selection within thirty (30) days of the Bid Deadline. **SAWS RESERVES THE RIGHT TO REJECT ANY AND ALL BIDS AND SHALL NOT BE REQUIRED TO SELECT ANY BIDDER.**

8. Purchase Agreement. Following the SAWS staff selection of the Successful Bidder, such Successful Bidder shall execute a purchase agreement (“Purchase Agreement”) for the Westview System, to be substantially in the form attached **Exhibit “B”**, not later than twenty (20) days following SAWS staff notification that such bidder is the Successful Bidder. Successful Bidder agrees to hold its bid for a period of sixty (60) days following SAWS’ staff selection in order to allow for execution of such Purchase Agreement by Successful Bidder, approval of Successful Bidder’s bid and the Purchase Agreement by the SAWS Board of Trustees and execution of the Purchase Agreement by SAWS (in that order).

9. Westview System Information. SAWS has obtained information on the Westview System, listed in more detail in **Exhibit “C”** attached hereto (the “Information Documents”), which will be made available to all prospective bidders at:

http://www.saws.org/business_center/contractsol/Drill.cfm?id=3239&View=Yes

In addition, a hard copy may be obtained at:

San Antonio Water System
Contract Administration Division
2800 U.S. Hwy 281 North
Customer Service Building, Suite 171
San Antonio, Texas 78212

SAWS does not make any representation or warranty as to the quality, accuracy or completeness of any data or information contained in the Information Documents, and advises the bidders to independently verify any such data or information. All Information Documents are provided on an “AS-IS”, “WHERE-IS” basis. Further, SAWS does not represent or warrant that the Information Documents constitute all of the documents in SAWS possession related to the Westview System.

10. Bid Information.

a. SAWS BID SOLICITATION NO. _____
Westview System, Medina County, Texas

b. BIDDER:

Name: _____

Address: _____

Phone: _____

Email: _____

c. BID PRICE: \$ _____

d. ADDITIONAL CONSIDERATION: _____

ATTACH RELEVANT DOCUMENTATION REGARDING DEMONSTRATED CAPACITY TO PERFORM AND ADDITIONAL CONSIDERATION TO THIS BID DOCUMENT.

11. Conflict of Interest Questionnaire. Bidder shall execute and submit the Conflict of Interest Questionnaire attached hereto as **Exhibit “D”** together with the executed Bid Document and related documents.

Signature on following page

Executed by bidder this _____ day of _____, 2018.

BIDDER: _____ (name of entity)

By: _____

Printed Name: _____

Title: _____

Exhibits:

Exhibit "A" - Description of the Land

Exhibit "A-1" – System personal property, equipment and fixtures

Exhibit "B" - Form of Purchase Agreement

Exhibit "C" - List of Information Documents

Exhibit "D" – Conflict of Interest Questionnaire

Exhibit "E" – Inspection Release and Indemnity Agreement

EXHIBIT "A"

DESCRIPTION OF THE LAND

See following pages

FIELD NOTES TO DESCRIBE

A survey of 0.579 acres of land situated about 20.6¹/₂ miles N 66°30' E of Hondo, in Medina County, Texas, out of Survey No. 33, Abstract No. 380, John Fitzgerald, original Grantee, being a portion of that certain 333.712 acre tract of land described in a deed to Mark and Sandra, Ltd. from Estancia Enterprises, Ltd., dated March 10, 1999, as recorded in Volume 344 on Page 757 of the Official Public Records of Medina County, Texas, and being more particularly described by metes and bounds as follows:

- BEGINNING: At a 5/8" iron pin set in fence on the Southeast line of said 333.712 acre tract of land and the Northwest line of that certain 56 acre tract of land described as part of a certain 293 3/5 acre tract of land in a deed to Patrick J. Wurzbach from Herbert E. Wurzbach, et ux, dated January 3, 1989, as recorded in Volume 95 on Page 614 of the aforementioned Official Public Records, for the South corner of this survey from which a 5/8" iron pin found by an 8" diameter cedar corner post for the Southeast corner of said 333.712 acre tract of land bears S 23-41-45 W 893.02 feet and a point on the North line of said Survey No. 33 for the recognized Northeast corner of Survey No. 34, Abstract No. 533, Moses G. Shipman, original Grantee, and the recognized Northwest corner of Survey No. 34 3/4, Abstract No. 1264, Ed DeMontel, original Grantee, bears S 23-41-46 W 891.02 feet and S 00-11-39 W 131.16 feet;
- THENCE: Along the Southwest line of this tract, N 66-18-14 W 200.00 feet to a 5/8" iron pin set for the lower West corner of this survey;
- THENCE: Along a Northwest line of this tract, N 23-41-46 E 70.00 feet to a 5/8" iron pin set for an interior corner of this survey;
- THENCE: Along the upper Southwest line of this tract, N 66-18-14 W 173.50 feet to a 5/8" iron pin set on the proposed Southeast line of a certain 60-foot-wide roadway to be dedicated to the County for the West corner of this survey;
- THENCE: Along the Southeast line of said 60-foot-wide roadway, N 23-41-46 E 30.00 feet to a 5/8" iron pin set for the North corner of this survey;
- THENCE: Along the Northeast line of this tract, S 66-18-14 E 373.50 feet to a 5/8" iron pin set in fence on the Southeast line of said 333.712 acre tract of land and the Northwest line of said 56 acre tract of land for the East corner of this survey;
- THENCE: Along fence, the Southeast line of said 333.712 acre tract of land, and the Northwest line of said 56 acre tract of land, S 23-41-46 W 100.00 feet to the POINT OF BEGINNING.

The bearings are relative to the bearing along the Southeast line of said 333.712 acre tract of land between two found 5/8" iron pins having a bearing and distance of S 23-41-46 W 2343.02 feet.

EXHIBIT "A-1"

SYSTEM PERSONAL PROPERTY, EQUIPMENT AND FIXTURES

West View Operating Infrastructure:

- Production facility:
 - 12" diameter, 912 foot deep Edwards well (constructed in 1999)
 - 200,000 gallon welded steel ground storage tank (constructed in 2017)
 - All related fixtures and appurtenances

- Approximately 5.9 miles of mains (constructed between 1999 and 2004):
 - 0.11 miles of 2-inch mains,
 - 5.3 miles of 6-inch mains, and
 - 0.5 miles of 8-inch mains
 - All related valves, fire hydrants, service lines, meters, and related appurtenances

EXHIBIT “B”

FORM OF PURCHASE AGREEMENT

PURCHASE AGREEMENT

Westview Water System

This Purchase Agreement (the “Agreement”) is made by and between **City of San Antonio, acting by and through its San Antonio Water System**, hereinafter called “Seller”, and _____, a _____, hereinafter called "Buyer", and constitutes a contract for the purchase and sale of the described property, as follows:

1. System. Subject to the terms and conditions of this Agreement, Seller agrees to convey to Buyer (i) the approximately 0.579 acre tract of real property located in Medina County, Texas, being described in Exhibit A attached hereto and incorporated herein (the “Land”), together with Seller’s right, title and interest in all appurtenances thereto and (ii) the Westview operating infrastructure, including one Edwards well, one 200,000 gallon welded steel ground storage tank, approximately 5.9 miles of water mains, the 462 acre Certificate of Convenience and Necessity (CCN) encompassing Westview, and retail service to the Westview subdivision’s approximately 335 lots with 269 existing customers, including the personal property, equipment and fixtures described in Exhibit A-1 attached hereto and incorporated herein (all of the foregoing being the “System”).

Notwithstanding any of the foregoing, the Land and System does not include any Edwards Aquifer water rights, which shall be reserved by Seller in the Deed (hereinafter defined) and transferred to other points in the Seller’s water system, and Buyer must transfer their own water rights onto the point of withdrawal on the Land.

2. Consideration. The consideration for the conveyance shall be as follows:
 - a. Purchase Price. The cash purchase price ("Purchase Price") for the System shall be _____ DOLLARS (\$_____).
 - b. Earnest Money. Buyer shall deposit TEN THOUSAND AND NO/100 DOLLARS (\$10,000.00) with Alamo Title Company, Attn: Chris Varley, Senior Vice President, 18618 Tuscany Stone, Suite 240, San Antonio, TX 78258, San Antonio, Texas 78257 ("Title Company"), as earnest money ("Earnest Money"). The Earnest Money shall be credited toward the Purchase Price at closing if the conveyance of the System is closed or otherwise held and disbursed in accordance with the terms and provisions hereof. Title Company shall, immediately following receipt, deposit the Earnest Money in an interest bearing account and maintain such account until the Earnest Money is disbursed in accordance herewith.
 - c. Other Consideration. **[insert as applicable]**
3. Date of this Agreement. The Date of this Agreement shall be the date when a fully executed copy of this Agreement together with Buyer’s deposit of the Earnest Money is delivered to the Title Company, as evidenced by the date inserted by Title Company beneath its signature of receipt.

4. Title Commitment. Within fifteen ten (15) days following the Date of this Agreement, Title Company shall issue to Buyer a commitment for an Owner's Policy Title Insurance for the Land ("Title Policy") in the amount of fifty percent (50%) of the Purchase Price.
5. Survey. Any survey that Buyer wishes to obtain shall be at Buyer's sole expense.
6. System Information Documents. Any documents provided by Seller concerning the System shall be referred to as "System Information Documents." If the System Information Documents include a Phase I environmental assessment, Seller does not warrant whether it will qualify Buyer as an "innocent Buyer" under CERCLA, 42 USC 9601 et seq. and the Texas Solid Waste Disposal Act, Texas Health and Safety Code Chapter 361 et seq., and Seller recommends that the Buyer conduct its own environmental assessment of the System. Further, Seller does not represent or warrant that the System Information Documents constitute all of the documents in Seller's possession related to the System. NOTWITHSTANDING ANYTHING IN THIS PARAGRAPH TO THE CONTRARY, BUYER ACKNOWLEDGES AND UNDERSTANDS THAT SOME OR ALL OF THE SYSTEM INFORMATION DOCUMENTS HAVE BEEN PREPARED BY PARTIES OTHER THAN SELLER. SELLER MAKES NO REPRESENTATION OR WARRANTY WHATSOEVER, EXPRESS OR IMPLIED, AS TO THE QUALITY, COMPLETENESS, CONTENT OR ACCURACY OF THE DELIVERED MATERIALS.
7. Exceptions, Reservations, Platting. The System will be conveyed without warranty of title and subject to (i) all visible and apparent easements (ii) all matters of record relating to the Land as shown in the Real Property Records of Medina County, Texas and (iii) all applicable zoning, platting and other governmental ordinances, laws, rules and regulations
8. Inspections. Prior to the Closing Date, Buyer shall conduct, at the Buyer's sole cost, any inspections and environmental assessments on the System that the Buyer may elect, subject to the indemnity and other provisions of Section 8 of this Agreement. If an Environmental Professional (as defined in 40 CFR Part 312.10(b)) desires to communicate with Seller, the communication must be in writing and delivered to Seller at the address stated in Section 14 below. The Buyer may not conduct invasive tests, including boring and drilling, upon the Land, without Seller's prior written consent, a condition of which shall be Seller's approval, in Seller's reasonable discretion, of Buyer's plan for conducting such invasive tests on the Land. Buyer shall promptly restore the System to its original condition following any such invasive tests, which obligation shall survive termination of this Agreement.

Buyer shall cause all third party surveyors, inspectors and Environmental Professionals to submit to Seller an insurance certificate evidencing commercial general liability coverage in not less than \$500,000 prior to and as a condition to entry upon the System.

TO THE EXTENT ALLOWED BY LAW, BUYER SHALL INDEMNIFY, DEFEND, AND HOLD HARMLESS THE CITY OF SAN ANTONIO ("COSA"), THE SAN ANTONIO WATER SYSTEM AND THEIR OFFICERS, EMPLOYEES, AGENTS, OFFICIALS AND FIDUCIARIES (COLLECTIVELY THE "INDEMNIFIED PARTIES") FROM ANY AND ALL DAMAGES, CLAIMS AND LOSSES OF ANY NATURE, INCLUDING THOSE ASSOCIATED WITH PROPERTY DAMAGE, PERSONAL INJURY, BODILY INJURY, OR DEATH, ATTORNEY'S FEES AND COURT COSTS, ARISING FROM THE BUYER'S OR THE BUYER'S AGENTS OR CONTRACTORS PRESENCE ON OR USE OR INSPECTION OF THE SYSTEM (INCLUDING ANY ENVIRONMENTAL ASSESSMENTS PERFORMED ON THE SYSTEM) OR THE CONDITION OF THE SYSTEM. IT IS THE EXPRESS INTENT OF THE PARTIES HERETO THAT THIS INDEMNITY SHALL APPLY TO AND PROTECT THE INDEMNIFIED PARTIES FROM

DAMAGES CAUSED BY THE INDEMNIFIED PARTIES' SOLE AND/OR CONCURRENT NEGLIGENCE AND/OR STRICT LIABILITY. THE PROVISIONS OF THIS PARAGRAPH SHALL OVERRIDE AND CONTROL ANY CONTRARY PROVISIONS IN THE TEXAS TORT CLAIMS ACT (TEXAS CIVIL PRACTICE AND REMEDIES CODE CHAPTER 101). THIS SECTION 8 SHALL SURVIVE CLOSING OR TERMINATION OF THIS AGREEMENT.

9. **AS-IS.** THE SYSTEM WILL BE CONVEYED IN ITS PRESENT "AS IS" CONDITION. IF THE PURCHASE AGREEMENT CLOSES, BUYER ACCEPTS THE SYSTEM IN ITS PRESENT CONDITION. AS A MATERIAL PART OF THE CONSIDERATION FOR THE SALE OF THE SYSTEM, BUYER ACKNOWLEDGES THAT IT IS NOT RELYING UPON THE ACCURACY OR COMPLETENESS OF ANY REPRESENTATION, BROCHURE, RENDERING, PROMISE, STATEMENT OR OTHER ASSERTION OR INFORMATION (INCLUDING THE SYSTEM INFORMATION DOCUMENTS) WITH RESPECT TO THE SYSTEM MADE OR FURNISHED BY OR ON BEHALF OF, OR OTHERWISE ATTRIBUTED TO, SELLER OR ANY OF ITS AGENTS, EMPLOYEES, BROKERS, TRUSTEES, OFFICIALS OR REPRESENTATIVES, ANY AND ALL SUCH RELIANCE BEING HEREBY EXPRESSLY AND UNEQUIVOCALLY DISCLAIMED, BUT IS RELYING SOLELY AND EXCLUSIVELY UPON ITS OWN EXPERIENCE AND ITS INDEPENDENT JUDGMENT, EVALUATION AND EXAMINATION OF THE SYSTEM. BUYER FURTHER UNEQUIVOCALLY DISCLAIMS (I) THE EXISTENCE OF ANY DUTY TO DISCLOSE ON THE PART OF SELLER OR ANY OF ITS AGENTS, EMPLOYEES, BROKERS, TRUSTEES, OFFICIALS OR REPRESENTATIVES AND (II) ANY RELIANCE BY BUYER ON THE SILENCE OR ANY ALLEGED NONDISCLOSURE OF SELLER OR ANY OF ITS AGENTS, EMPLOYEES, BROKERS, TRUSTEES, OFFICIALS OR REPRESENTATIVES, AND HEREBY RELEASES SELLER AND ITS AGENTS, EMPLOYEES, BROKERS, TRUSTEES, OFFICIALS OR REPRESENTATIVES FROM ANY CLAIM, DEMAND OR CAUSE OF ACTION BASED IN WHOLE OR IN PART UPON ANY RELIANCE UPON ANY ALLEGED SILENCE, REPRESENTATION OR NON-DISCLOSURE BY SELLER OR ANY OF ITS AGENTS, EMPLOYEES, BROKERS, TRUSTEES, OFFICIALS OR REPRESENTATIVES. BUYER TAKES THE SYSTEM UNDER THE EXPRESS UNDERSTANDING THAT THERE ARE NO EXPRESS OR IMPLIED WARRANTIES. BUYER EXPRESSLY WARRANTS AND REPRESENTS THAT NO PROMISE OR AGREEMENT WHICH IS NOT HEREIN EXPRESSED HAS BEEN MADE TO IT AND HEREBY DISCLAIMS ANY RELIANCE UPON ANY SUCH ALLEGED PROMISE OR AGREEMENT. THIS AGREEMENT CONSTITUTES THE ENTIRE AGREEMENT BETWEEN THE PARTIES. BUYER HAS AGREED TO DISCLAIM RELIANCE ON SELLER AND TO ACCEPT THE SYSTEM "AS-IS" WITH FULL AWARENESS THAT THE SYSTEM'S PRIOR USES OR OTHER MATTERS COULD AFFECT ITS CONDITION, VALUE, SUITABILITY OR FITNESS; AND BUYER CONFIRMS THAT BUYER IS HEREBY ASSUMING ALL RISK ASSOCIATED THEREWITH. BUYER UNDERSTANDS THAT THE DISCLAIMERS OF RELIANCE AND OTHER PROVISIONS CONTAINED HEREIN COULD LIMIT ANY LEGAL RECOURSE OR REMEDY BUYER OTHERWISE MIGHT HAVE. BUYER ACKNOWLEDGES THAT IT HAS SOUGHT AND HAS RELIED UPON THE ADVICE OF ITS OWN LEGAL COUNSEL CONCERNING THIS PROVISION. THE PROVISIONS OF THIS PARAGRAPH SHALL SURVIVE CLOSING AND SHALL NOT MERGE, AND ARE ALSO INCLUDED IN THE DEED WITHOUT WARRANTY.
10. Conditions to Closing. This Agreement is subject to the approval of the Public Utility Commission ("PUC") of Texas. In the event that the transfer of the System to Buyer is rejected by the PUC, or is not approved by the PUC on or before the Outside Closing Date (defined in Section 11 hereinbelow), then, notwithstanding any provision herein to the contrary, this Agreement shall

automatically terminate and the Earnest Money shall be returned to Buyer, and neither party shall have any further rights or duties hereunder other than those rights or duties that expressly survive termination of this Agreement.

11. Closing. The conveyance of the System to Buyer shall be closed ("Closing") at the office of the Title Company on a date that is the first business day thirty (30) days following PUC approval of the sale of the System (the "Closing Date"), or such earlier date as the parties may agree to, but in no event later than _____ (the "Outside Closing Date").
12. Closing Documents. The following documents shall be delivered at Closing:
 - a. Deed. Seller and Buyer shall execute and acknowledge a deed without warranty conveying title to the Land to Buyer, substantially in the form of Exhibit B attached hereto (the "Deed").
 - b. Bill of Sale. Seller and Buyer shall execute and acknowledge a no warranty bill of sale conveying the System personal property, equipment and fixtures (set forth in Exhibit A-1) substantially in the form of Exhibit C attached hereto (the "Bill of Sale").
 - c. PUC Documents. Buyer shall provide documents demonstrating PUC approval of Buyer's authority to provide retail water utility service to the System.
 - d. Settlement Statements. Buyer and Seller shall execute customary settlement statements reflecting the Purchase Price, closing costs, prorations, credits and Commissions under this Agreement.
 - e. Other Documents. Seller shall provide its most customer list for the System and all plans and specifications in its possession for the System.
13. Closing Costs and Prorations. Closing costs and prorations shall be allocated as follows:
 - a. Taxes. Seller is a tax-exempt entity. Buyer agrees that it shall be solely responsible for all ad valorem real property taxes assessed against the System for periods from and after the Closing Date. If this sale or Buyer's use of the System after Closing results in the assessment of additional taxes, penalties or interest, including without limitation "rollback taxes" (the "Assessments") for periods prior to Closing, the Assessments will be the obligation of the Buyer. To the extent allowed by law, Buyer shall indemnify, defend and hold Seller harmless from and against any loss, cost, cause of action or claim related to the Assessments and all ad valorem real property taxes assessed against the System for periods from and after Closing. All provisions and obligations of this section shall survive Closing.
 - b. Title Insurance Premium. Buyer shall be responsible at its sole cost for the Title Insurance policy premium and any deletions or endorsements Buyer elects to obtain.
 - c. Fees. Any escrow fee charged by Title Company shall be divided equally between Seller and Buyer. Buyer shall pay the recording and/or filing fees for the Deed. Each party will pay its own attorney's fees and the costs of recording each party's updated Certificate of Convenience and Necessity ("CCN") maps.
14. Notices. Any notice to be given hereunder shall be given by placing the notice or designation in the United States mail, certified or registered, properly stamped and addressed to the address shown below or such other address as the respective party may direct in writing to the other, or by personal delivery to such address by a party, by email, or by a delivery service which documents delivery,

and such notice or designation shall be deemed to be received upon such placing in the mails, emailing or such delivery:

Seller: San Antonio Water System
Attn: Manager, Corporate Real Estate
2800 US 281 North
San Antonio, Texas 78212
bruce.haby@saws.org

With a copy to: San Antonio Water System
Attn: Mark E. Brewton, Corporate Counsel
2800 US 281 North
San Antonio, Texas 78212
mark.brewton@saws.org

Buyer: _____

Email: _____

15. Default. In the event that Seller should fail to materially perform its obligations herein, except due to Buyer's default or the failure of Buyer to satisfy any of the conditions to Seller's obligations set forth herein, Buyer may, as its sole and exclusive remedy, terminate this Agreement, in which event, provided Buyer is not in default, the Earnest Money shall be forthwith returned to Buyer following Seller's receipt of notice of such termination whereupon neither party shall have any obligations hereunder other than those obligations in this Agreement that expressly survive termination. In no event shall any damages, rights or remedies be collectible, enforceable or available to Buyer other than as provided in this paragraph. In no event shall any trustee, officer, employee, agent or broker of Seller shall be liable, in any manner whatsoever, for any act, omission or obligation of Seller or its agents.

In the event Buyer should fail to close upon the purchase of the System as required under this Agreement, Seller shall be entitled to terminate this Agreement and receive the Earnest Money whereupon neither party shall have any obligations hereunder other than those obligations in this Agreement that expressly survive termination, such sum being agreed upon as liquidated damages for the failure of Buyer to close as required by the terms and provisions of this Agreement and because of the difficulty, inconvenience and uncertainty of ascertaining actual damages. These provisions shall not be deemed to limit Seller's remedies for indemnification or other Buyer obligations under this Agreement, and Seller retains all remedies at law or in equity in the event Buyer should fail to comply with the terms of this Agreement. In the event that Seller is entitled to receive the Earnest Money under this Section 15, and Buyer fails to cooperate with the release of the Earnest Money to Seller, Seller shall be entitled to recovery from Buyer of Seller's attorneys' fees in any suit to receive the Earnest Money.

16. Entire Agreement. This Agreement contains all agreements between the parties regarding the System, and no agreement not contained herein shall be recognized by the parties.
17. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties and their respective legal representatives, successors and permitted assigns.

18. Assignability. Buyer shall have no right to assign this Agreement or any of its rights hereunder to any person or entity without the prior written consent of Seller, which consent may be given or withheld in Seller's sole and absolute discretion.
19. Time of Essence. Time is of the essence of this Agreement.
20. Legal Holidays. Notwithstanding anything herein to the contrary, if the final date of any period, any date of performance or any deadline date which is set forth in this Agreement falls on a Saturday, Sunday, federal legal holiday or day in which Seller is closed for business, then such date shall be extended to the next following date which is not a Saturday, Sunday, federal legal holiday or day in which Seller is closed for business.
21. Counterparts. This Agreement may be executed in one (1) or more counterparts, each of which when taken together shall constitute but one and the same Agreement. Pdf or electronically transmitted signatures shall constitute originals signatures.
22. Disclosures.
 - a. **Notice Regarding Title. THE TEXAS REAL ESTATE LICENSE ACT REQUIRES A REAL ESTATE AGENT TO ADVISE A BUYER THAT BUYER SHOULD HAVE AN ATTORNEY EXAMINE AN ABSTRACT OF TITLE TO THE PROPERTY BEING PURCHASED; OR A TITLE INSURANCE POLICY SHOULD BE OBTAINED. NOTICE TO THAT EFFECT IS HEREBY GIVEN TO BUYER.**
 - b. **Notice Regarding Possible Liability for Additional Taxes (Texas Property Code-Section 5.010). If for the current ad valorem tax year the taxable value of the property that is the subject of this Agreement is determined by a special appraisal method that allows for appraisal of the property at less than its market value, the person to whom the property is transferred may not be allowed to qualify the property for that special appraisal in a subsequent tax year and the property may then be appraised at its full market value. In addition, the transfer of the property or a subsequent change in the use of the property may result in the imposition of an additional tax plus interest as a penalty for the transfer or the change in the use of the property. The taxable value of the property and the applicable method of appraisal for the current tax year is public information and may be obtained from the tax appraisal district established for the county in which the property is located.**
 - c. **Annexation Disclosures. If the property that is the subject of this Agreement is located outside the limits of a municipality, the property may now or later be included in the extraterritorial jurisdiction of a municipality and may now or later be subject to annexation by the municipality. Each municipality maintains a map that depicts its boundaries and extraterritorial jurisdiction. To determine if the property is located within a municipality's extraterritorial jurisdiction or is likely to be located within a municipality's extraterritorial jurisdiction, contact all municipalities located in the general proximity of the property for further information.**
 - d. **Utility District. Buyer agrees that if the System is situated in any utility district, Buyer will sign and acknowledge at or prior to the Closing, a statutory notice as required under Section 49.452 of the Texas Water Code.**

- e. **Notice of Water and Sewer Service.** The real property, described below, that you are about to purchase may be located in a certificated water or sewer service area, which is authorized by law to provide water or sewer service to the properties in the certificated area. There may be special costs or charges that you will be required to pay before you can receive water or sewer service. There may be a period required to construct lines or other facilities necessary to provide water or sewer service to the property. You are advised to contact the applicable utility service provider to determine the cost that you will be required to pay and the period, if any, that is required to provide water or sewer service to the property.
23. No Prohibited Persons/Entities. Buyer represents and warrants to Seller that Buyer is not (i) an employee of the San Antonio Water System, (ii) the spouse or domestic partner of an employee of the San Antonio Water System or (iii) an entity in which an employee of the San Antonio System or spouse or domestic partner of an employee of the San Antonio Water System owns ten percent (10%) or more of the voting stock or fair market value of the entity. The violation of this provision or determination by Seller that the Buyer is a prohibited person/entity as set forth hereinabove shall render this Agreement voidable by the President/CEO or Board of Trustees of the San Antonio Water System.
24. Form 1295. On or before the Date of this Agreement, Buyer shall submit to Seller a completed Texas Ethics Commission Form 1295 Certificate of Interested Parties.

(SIGNATURE PAGE FOLLOWS)

EXECUTED by Seller on _____, 2018.

Seller:

CITY OF SAN ANTONIO, ACTING BY AND
THROUGH THE SAN ANTONIO WATER
SYSTEM

BY: _____
Nancy Belinsky, Vice President and General
Counsel

EXECUTED by Buyer on _____, 2018.

Buyer:

By: _____
Printed name: _____
Title: _____

Exhibits:

Exhibit A: Legal description of Land

Exhibit A-1: List of System personal property, equipment and fixtures

Exhibit B: Form of Deed

Exhibit C: Form of Bill of Sale

RECEIPT OF CONTRACT & EARNEST MONEY

Alamo Title Company ("Title Company") acknowledges receipt of \$10,000.00 as Earnest Money under the foregoing Purchase Agreement. Title Company will promptly deposit the Earnest Money in an interest bearing account and hold the Earnest Money in escrow in accordance with the terms of the Purchase Agreement. The undersigned will promptly notify the parties if these instructions are for any reason not carried out.

Alamo Title Company

By: _____

Date: _____

GF#: _____

EXHIBIT A

Legal Description of Land

EXHIBIT A-1

System personal property, equipment and fixtures

- Production facility:
 - 12” diameter, 912 foot deep Edwards well (constructed in 1999)
 - 200,000 gallon welded steel ground storage tank (constructed in 2017)
 - All related fixtures and appurtenances

- Approximately 5.9 miles of mains (constructed between 1999 and 2004):
 - 0.11 miles of 2-inch mains,
 - 5.3 miles of 6-inch mains, and
 - 0.5 miles of 8-inch mains
 - All related valves, fire hydrants, service lines, meters, and related appurtenances

EXHIBIT B

Form of Deed

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

STATE OF TEXAS §
 §
COUNTY OF MEDINA §

DEED WITHOUT WARRANTY

Effective Date:

Grantor: City of San Antonio, acting by and through its San Antonio Water System

Grantor's Mailing Address: P.O. Box 2449, San Antonio, Texas 78298-2449

Grantee:

Grantee's Mailing Address:

Consideration: Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged.

Property: An approximately 0.579 acre tract in Medina County, Texas described more particularly in Exhibit A attached hereto and incorporated herein, together with all improvements thereon and Grantor's right, title and interest in all rights and appurtenances thereto.

Exceptions to Conveyance: All visible and apparent easements, all applicable zoning, platting and other governmental ordinances, laws, rules and regulations, and all matters of record relating to the Property as shown in the Real Property Records of Medina County, Texas.

Reservations from Conveyance: Grantor reserves for the use, benefit and control of the San Antonio Water System all Edwards Aquifer Authority permitted water rights associated with withdrawal point W100-463 located on the Property, including but not limited to all rights under that certain Edwards Aquifer Authority Regular Permit No. 100-536 (BE00227) recorded as document No. 20120083049 in the Official Public Records of Real Property, Bexar County, Texas.

Grantor, for the Consideration, grants, sells, and conveys to Grantee the Property, subject to the Exceptions to Conveyance and Reservations from Conveyance, to have and to hold it to Grantee and Grantee's successors and assigns forever, but without warranty of title or any other warranty of any kind or nature, and without limitation on such disclaimer of warranties, including but not limited to any warranties under Section 5.023 of the Texas Property Code.

By accepting this deed, Grantee acknowledges that the **PROPERTY IS BEING CONVEYED IN ITS PRESENT "AS IS" CONDITION AND GRANTEE ACCEPTS THE PROPERTY IN ITS PRESENT CONDITION. GRANTEE ACKNOWLEDGES THAT IT IS NOT RELYING UPON THE ACCURACY OR COMPLETENESS OF ANY REPRESENTATION, BROCHURE, RENDERING, PROMISE, STATEMENT OR OTHER ASSERTION OR INFORMATION WITH RESPECT TO THE PROPERTY MADE OR FURNISHED BY OR ON BEHALF OF, OR OTHERWISE ATTRIBUTED TO, GRANTOR OR ANY OF ITS AGENTS, EMPLOYEES, OFFICIALS, BROKERS OR REPRESENTATIVES, ANY AND ALL SUCH RELIANCE BEING HEREBY EXPRESSLY AND UNEQUIVOCALLY DISCLAIMED, BUT IS RELYING SOLELY AND EXCLUSIVELY UPON ITS OWN EXPERIENCE AND ITS INDEPENDENT JUDGMENT, EVALUATION AND EXAMINATION OF THE PROPERTY. GRANTEE FURTHER UNEQUIVOCALLY DISCLAIMS (I) THE EXISTENCE OF ANY DUTY TO DISCLOSE ON THE PART OF GRANTOR OR ANY OF ITS AGENTS, EMPLOYEES, OFFICIALS, BROKERS OR REPRESENTATIVES AND (II) ANY RELIANCE BY GRANTEE ON THE SILENCE OR ANY ALLEGED NONDISCLOSURE OF GRANTOR OR ANY OF ITS AGENTS, EMPLOYEES, OFFICIALS, BROKERS OR REPRESENTATIVES. GRANTEE TAKES THE PROPERTY UNDER THE EXPRESS UNDERSTANDING THAT THERE ARE NO EXPRESS OR IMPLIED WARRANTIES. GRANTEE EXPRESSLY WARRANTS AND REPRESENTS THAT NO PROMISE OR AGREEMENT WHICH IS NOT HEREIN EXPRESSED HAS BEEN MADE TO IT AND HEREBY DISCLAIMS ANY RELIANCE UPON ANY SUCH ALLEGED PROMISE OR AGREEMENT. GRANTEE HAS AGREED TO DISCLAIM RELIANCE ON GRANTOR AND TO ACCEPT THE PROPERTY "AS-IS" WITH FULL AWARENESS THAT THE PROPERTY'S PRIOR USES OR OTHER MATTERS COULD AFFECT ITS CONDITION, VALUE, SUITABILITY OR FITNESS; AND GRANTEE CONFIRMS THAT GRANTEE IS HEREBY ASSUMING ALL RISK ASSOCIATED THEREWITH. GRANTEE UNDERSTANDS THAT THE DISCLAIMERS OF RELIANCE AND OTHER PROVISIONS CONTAINED HEREIN COULD LIMIT ANY LEGAL RECOURSE OR REMEDY GRANTEE OTHERWISE MIGHT HAVE. GRANTEE ACKNOWLEDGES THAT IT HAS SOUGHT AND HAS RELIED UPON THE ADVICE OF ITS OWN LEGAL COUNSEL CONCERNING THIS PROVISION.**

When the context requires, singular nouns and pronouns include the plural.

This conveyance is being made subject to ad valorem taxes for the year 20__ [insert year of conveyance] and all subsequent years, which are assumed by Grantee. Any "rollback" taxes assessed against the Property are hereby assumed by Grantee.

Signatures on following pages

GRANTOR:

CITY OF SAN ANTONIO, ACTING BY AND
THROUGH ITS SAN ANTONIO WATER
SYSTEM:

By: _____
Printed Name: Nancy Belinsky
Title: Vice President and General Counsel

STATE OF TEXAS §
 §
COUNTY OF BEXAR §

This instrument was acknowledged before me on this _____ day of _____, 2018,
by Nancy Belinsky, Vice President and General Counsel of the San Antonio Water System, a municipal
utility of the City of the San Antonio, on behalf of said municipal utility.

[Seal]

Notary Public, State of Texas

ACCEPTED BY GRANTEE:

STATE OF TEXAS §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on this _____ day of _____, 2018
by _____.

[Seal]

Notary Public, State of Texas

After recording, return to:

EXHIBIT C

Form of Bill of Sale

NO WARRANTY BILL OF SALE

Effective Date:

Seller: City of San Antonio, acting by and through its San Antonio Water System

Seller's Mailing Address: P.O. Box 2449, San Antonio, Texas 78298-2449

Purchaser:

Purchaser's Mailing Address:

Transferred Property: See Exhibit A attached hereto

Consideration: \$10.00 and other valuable consideration, the receipt of which is hereby acknowledged.

For the Consideration, Seller transfers to Purchaser, without warranty of any kind, its right, title and interest to the Transferred Property.

SELLER HAS MADE NO AFFIRMATION OF FACT OR PROMISE RELATING TO THE TRANSFERRED PROPERTY THAT HAS BECOME ANY BASIS OF THIS BARGAIN, AND FURTHER, SELLER HAS MADE NO AFFIRMATION OF FACT OR PROMISE RELATING TO THE TRANSFERRED PROPERTY THAT WOULD CONFORM TO ANY SUCH AFFIRMATION OR PROMISE. SELLER DISCLAIMS ANY WARRANTY OF TITLE TO THE TRANSFERRED PROPERTY OR WARRANTY OF FITNESS FOR ANY PARTICULAR PURPOSE WHATEVER WITH RESPECT TO THE TRANSFERRED PROPERTY. THE TRANSFERRED PROPERTY IS SOLD ON AN "AS IS" BASIS.

When the context requires, singular nouns and pronouns include the plural.

Signatures on following page

SELLER:

CITY OF SAN ANTONIO, ACTING BY AND
THROUGH ITS SAN ANTONIO WATER
SYSTEM:

BY: _____
Nancy Belinsky, Vice President and General
Counsel

ACCEPTED BY PURCHASER:

EXHIBIT “C”

LIST OF INFORMATION DOCUMENTS

Aerial depiction of Land

Map of System infrastructure

CCN boundaries of System

Historical pumping data

Well logs

EXHIBIT "D"

CONFLICT OF INTEREST QUESTIONNAIRE
For vendor doing business with local governmental entity

FORM CIQ

This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.

This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a).

By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. See Section 176.006(a-1), Local Government Code.

A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.

OFFICE USE ONLY

Date Received

1 Name of vendor who has a business relationship with local governmental entity.

2 Check this box if you are filing an update to a previously filed questionnaire. (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)

3 Name of local government officer about whom the information is being disclosed.

Name of Officer

4 Describe each employment or other business relationship with the local government officer, or a family member of the officer, as described by Section 176.003(a)(2)(A). Also describe any family relationship with the local government officer. Complete subparts A and B for each employment or business relationship described. Attach additional pages to this Form CIQ as necessary.

A. Is the local government officer or a family member of the officer receiving or likely to receive taxable income, other than investment income, from the vendor?

Yes No

B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer or a family member of the officer AND the taxable income is not received from the local governmental entity?

Yes No

5 Describe each employment or business relationship that the vendor named in Section 1 maintains with a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership interest of one percent or more.

6 Check this box if the vendor has given the local government officer or a family member of the officer one or more gifts as described in Section 176.003(a)(2)(B), excluding gifts described in Section 176.003(a-1).

7

Signature of vendor doing business with the governmental entity

Date

CONFLICT OF INTEREST QUESTIONNAIRE
For vendor doing business with local governmental entity

A complete copy of Chapter 176 of the Local Government Code may be found at <http://www.statutes.legis.state.tx.us/Docs/LG/htm/LG.176.htm>. For easy reference, below are some of the sections cited on this form.

Local Government Code § 176.001(1-a): "Business relationship" means a connection between two or more parties based on commercial activity of one of the parties. The term does not include a connection based on:

- (A) a transaction that is subject to rate or fee regulation by a federal, state, or local governmental entity or an agency of a federal, state, or local governmental entity;
- (B) a transaction conducted at a price and subject to terms available to the public; or
- (C) a purchase or lease of goods or services from a person that is chartered by a state or federal agency and that is subject to regular examination by, and reporting to, that agency.

Local Government Code § 176.003(a)(2)(A) and (B):

(a) A local government officer shall file a conflicts disclosure statement with respect to a vendor if:

(2) the vendor:

(A) has an employment or other business relationship with the local government officer or a family member of the officer that results in the officer or family member receiving taxable income, other than investment income, that exceeds \$2,500 during the 12-month period preceding the date that the officer becomes aware that

- (i) a contract between the local governmental entity and vendor has been executed;
- or
- (ii) the local governmental entity is considering entering into a contract with the vendor;

(B) has given to the local government officer or a family member of the officer one or more gifts that have an aggregate value of more than \$100 in the 12-month period preceding the date the officer becomes aware that:

- (i) a contract between the local governmental entity and vendor has been executed; or
- (ii) the local governmental entity is considering entering into a contract with the vendor.

Local Government Code § 176.006(a) and (a-1)

(a) A vendor shall file a completed conflict of interest questionnaire if the vendor has a business relationship with a local governmental entity and:

- (1) has an employment or other business relationship with a local government officer of that local governmental entity, or a family member of the officer, described by Section 176.003(a)(2)(A);
- (2) has given a local government officer of that local governmental entity, or a family member of the officer, one or more gifts with the aggregate value specified by Section 176.003(a)(2)(B), excluding any gift described by Section 176.003(a-1); or
- (3) has a family relationship with a local government officer of that local governmental entity.

(a-1) The completed conflict of interest questionnaire must be filed with the appropriate records administrator not later than the seventh business day after the later of:

- (1) the date that the vendor:
 - (A) begins discussions or negotiations to enter into a contract with the local governmental entity; or
 - (B) submits to the local governmental entity an application, response to a request for proposals or bids, correspondence, or another writing related to a potential contract with the local governmental entity; or
- (2) the date the vendor becomes aware:
 - (A) of an employment or other business relationship with a local government officer, or a family member of the officer, described by Subsection (a);
 - (B) that the vendor has given one or more gifts described by Subsection (a); or
 - (C) of a family relationship with a local government officer.

EXHIBIT "E"

INSPECTION RELEASE AND INDEMNITY AGREEMENT

In consideration for receiving permission from the San Antonio Water System ("SAWS") to enter upon the real property located in Medina County, Texas and described on Exhibit "A" attached hereto and incorporated herein (the "Property"), the undersigned ("Releasor") hereby agrees to and acknowledges the following:

1. **COMPLIANCE WITH RULES AND SAFETY REQUIREMENTS.** Releasor and its agents, employees and contractors shall at all times during their entry upon the Property cooperate and comply with all rules and safety requirements for the Property.

2. **RESTORATION.** Following Releasor's entry upon the Property, Releasor must restore at no cost to SAWS any damage to the Property caused by Releasor or its agents, employees and contractors.

3. **RELEASE.** The City of San Antonio ("COSA") and SAWS and their officers, employees, agents and fiduciaries shall not be liable for any injury, loss or damage suffered by Releasor or its agents, employees and contractors on or upon the Property **EVEN IF SUCH INJURY, LOSS OR DAMAGE IS CAUSED IN WHOLE OR IN PART BY THE NEGLIGENCE OR WILLFUL ACT OF COSA OR SAWS, THEIR AGENTS, EMPLOYEES OR CONTRACTORS, OR ANY OTHER PERSON OPERATING AT THE PROPERTY.**

4. **INDEMNIFICATION. RELEASOR AGREES TO AND SHALL INDEMNIFY AND HOLD HARMLESS COSA AND SAWS, THEIR OFFICERS, EMPLOYEES, AGENTS AND FIDUCIARIES (COLLECTIVELY "THE INDEMNIFIED PARTIES") FROM ANY AND ALL DAMAGES, CLAIMS AND LOSSES OF ANY NATURE, INCLUDING THOSE ASSOCIATED WITH PROPERTY DAMAGE, PERSONAL INJURY, BODILY INJURY, OR DEATH, ATTORNEY'S FEES AND COURT COSTS, ARISING FROM THE RELEASOR'S OR THE RELEASOR'S AGENTS' OR CONTRACTORS' PRESENCE ON OR USE OR INSPECTION OF THE PROPERTY (INCLUDING ANY ENVIRONMENTAL ASSESSMENTS PERFORMED ON THE PROPERTY) OR THE CONDITION OF THE PROPERTY. IT IS THE EXPRESS INTENT OF THE PARTIES HERETO THAT THIS INDEMNITY SHALL APPLY TO AND PROTECT THE INDEMNIFIED PARTIES FROM DAMAGES CAUSED BY THE INDEMNIFIED PARTIES' SOLE AND/OR CONCURRENT NEGLIGENCE AND/OR STRICT LIABILITY. THE PROVISIONS OF THIS PARAGRAPH SHALL OVERRIDE AND CONTROL ANY CONTRARY PROVISIONS IN THE TEXAS TORT CLAIMS ACT (TEXAS CIVIL PRACTICE AND REMEDIES CODE CHAPTER 101).**

5. **BINDING EFFECT.** This agreement is binding upon Releasor and its successors. This agreement may not be assigned by Releasor.

DATED _____.

RELEASOR:

By: _____

Name: _____

Title: _____

Attachments

Exhibit "A" – Description of SAWS land

THE STATE OF TEXAS
COUNTY OF MEDINA

PREPARED FOR: Van's Development Co., Inc.

FIELD NOTES TO DESCRIBE

A survey of 0.579 acres of land situated about 20.6¹/₂ miles N 66°30' E of Hondo, in Medina County, Texas, out of Survey No. 33, Abstract No. 380, John Fitzgerald, original grantee, being a portion of that certain 333.712 acre tract of land described in a deed to Mark and Sandra, Ltd. from Estancia Enterprises, Ltd., dated March 10, 1999, as recorded in Volume 344 on Page 757 of the Official Public Records of Medina County, Texas, and being more particularly described by metes and bounds as follows:

BEGINNING: At a 5/8" iron pin set in fence on the Southeast line of said 333.712 acre tract of land and the Northwest line of that certain 56 acre tract of land described as part of a certain 293 3/5 acre tract of land in a deed to Patrick J. Wurzbach from Herbert E. Wurzbach, et ux, dated January 3, 1989, as recorded in Volume 95 on Page 614 of the aforementioned Official Public Records, for the South corner of this survey from which a 5/8" iron pin found by an 8" diameter cedar corner post for the Southeast corner of said 333.712 acre tract of land bears S 23-41-45 W 893.02 feet and a point on the North line of said Survey No. 33 for the recognized Northeast corner of Survey No. 34, Abstract No. 633, Moses G. Shipman, original Grantee, and the recognized Northwest corner of Survey No. 34 3/4, Abstract No. 1264, Ed DeMontal, original Grantee, bears S 23-41-46 W 893.02 feet and S 00-11-39 W 131.16 feet:

THENCE: Along the Southwest line of this tract, N 66-18-14 W 200.00 feet to a 5/8" iron pin set for the lower West corner of this survey;

THENCE: Along a Northwest line of this tract, N 23-41-46 E 70.00 feet to a 5/8" iron pin set for an interior corner of this survey;

THENCE: Along the upper Southwest line of this tract, N 66-18-14 W 173.50 feet to a 5/8" iron pin set on the proposed Southeast line of a certain 60-foot-wide roadway to be dedicated to the County for the West corner of this survey;

THENCE: Along the Southeast line of said 60-foot-wide roadway, N 23-41-46 E 30.00 feet to a 5/8" iron pin set for the North corner of this survey;

THENCE: Along the Northeast line of this tract, S 66-18-14 E 373.50 feet to a 5/8" iron pin set in fence on the Southeast line of said 333.712 acre tract of land and the Northwest line of said 56 acre tract of land for the East corner of this survey;

THENCE: Along fence, the Southeast line of said 333.712 acre tract of land, and the Northwest line of said 56 acre tract of land, S 23-41-46 W 100.00 feet to the POINT OF BEGINNING.

The bearings are relative to the bearing along the Southeast line of said 333.712 acre tract of land between two found 5/8" iron pins having a bearing and distance of S 23-41-46 W 2343.02 feet.