

FILED FOR RECORD
at 1:30 o'clock P M

MAY 13 2014

JENNIFER LINDENZWEIG
County Clerk, Hunt County, Tex.
By *[Signature]*

#13,147(4)

LEASE AGREEMENT

This Agreement of Lease ("Lease") is effective as of June 15, 2014, although not necessarily executed on such date, by and between Phase 11 Investments, LP 6101 Long Prairie Road, Suite 744-173, Flower Mound, TX 75028 ("Landlord") and The County of Hunt Pet 2, 2500 Lee Street Greenville, TX 75403 ("Tenant").

Leased Premises: Approximately 2 acres out of 96 acres in Caddo Mills, TX (Hunt County) located ¼ mile west of the intersection of FM 36 on the South Service Road of I-30.

Term: The term of this Lease is for one year, commencing on June 15, 2014. The Tenant shall have the option to renew this lease for a one (1) year period upon the mutual agreement of both the Landlord and the Tenant.

Rent: Tenant will pay Landlord annual rent of \$1,800 payable on the date of execution of this agreement.

Use: Tenant shall use the Leased Premises exclusively for Stock Pile Land. Tenant shall not make any other use of the property, or install any improvements, without the Landlord's written consent. Tenant shall not dump any garbage, waste, or debris on the premises and will keep it in clean condition. Tenant cannot sublet the property without the Landlord's consent.

Termination: Upon termination of this Lease, Tenant shall deliver to Landlord the Leased Premises in as good a condition as of the effective date of this Lease.

Addresses: All notices and rent shall be mailed to landlord at the following address:

Name: Phase 11 Investments
Address: 6101 Long Prairie Road
Suite 744-173
Flower Mound, TX 75028
Phone: RKS Group Real Estate: 940-455-2691
Fax: 214-853-5621

All notices shall be mailed to tenant at the following address:

Name: Hunt County, Texas Pet 2
Address: PO Box 1097
Greenville, TX 75403
Phone: 903-408-4195
Fax: 903-408-4298

Landlord is not responsible for any damage, loss or injury that results from the Tenant, Tenants agents, employees or contractors while using the property. Tenant agrees to indemnify and hold harmless Landlord from claims arising from any damage, loss or injury and from any loss, expense or liability, including attorney's fees.

LANDLORD:
Phase 11 Investments, LP
Kim Schwimmer
Kim Schwimmer, President and Chief Manager
Tex Minn LLC, it's General Partner

TENANT:
Hunt County, Texas Pet 2
[Signature]
John L. Horn
Hunt County Judge

05 / 14 / 2014



Barney Holland Oil Company / Fuelman of DFW
 P.O. Box 1260
 Fort Worth, TX 76101-1260
 Phone: (817) 838-0123 • Fax: (817) 222-3456
 creditservices@fuelmandfw.com

#13,147(5)

FILED FOR RECORD
 at 1:30 o'clock P M

MAY 13 2014

JENNIFER LINDENZWEIG
 County Clerk, Hunt County, Tex.
 By: *[Signature]*

ACCOUNT AGREEMENT – Hunt County

Terms and Agreement

This Account Agreement ("Agreement") is subject to all appropriate laws, rules, and regulations of both the U.S. and the State of Texas, and is subject to the following special terms and conditions. Fuelman of DFW (FM) reserves the right to change the terms and conditions at anytime with prior notice being given to Customer, and Customer having the right to terminate this agreement without penalty within 30 days of such notice.

1. All payments are due in accordance with the Texas Prompt Pay Act.
2. Monthly billing for all purchases made during the Fuelman month – due 14 days after invoice.

Fuel pricing will be calculated on a "cost plus" formula. "Cost Plus" is defined as the OPIS rack and brand information assigned to the network location, plus all state¹ taxes, plus freight, plus Fuelman standard administration charges that are currently \$.13 per gallon for regular unleaded gasoline and \$.13 for diesel. This administration charge provides weekly settlement to merchants, all transaction costs, standard data retrieval and report generation delivered electronically and supplies necessary for account maintenance. Fuelman reserves the right to increase or decrease such administrative charges from time to time depending on market factors, interest rates, inflation, etc.*

Customer understands that FM is a service company providing customers with electronic purchase and credit authorization, transaction processing, and management reporting services. Customer will be entitled to all the privileges of a FM customer and may purchase fuel and any other goods or services, as authorized by FM, at participating FM locations throughout the United States.

Customer agrees that if Customer defaults in the timely payment of any invoiced amounts, past due amounts will bear interest in accordance with the Texas Prompt Pay Act. Nothing herein will allow for the collection of interest in violation of any state or federal laws and any amount charged or collected in excess of the allowable limits will be credited to the balance of this account or, if the account has been paid in full, refunded to Customer. Any disputed charges must be identified by Customer within 60-days of original invoice date. After 60-days, all charges are considered valid.

If Customer asks for a copy of any historic information pertaining to its account, Customer agrees to pay Fuelman's then-current retrieval/research fee that is computed on a per-hour basis with a two hour minimum for any report/data retrieval services.

To ensure effective communication among your Fleet Manager, your Accounts Payable Representative, and FM, provide the requested contact information. Up-to-date information about your account will be communicated through these channels. If your account becomes past due or exceeds the assigned credit limit, the listed individual may be notified electronically to avoid a disruption in service. Upon approval of your FM account, a test notice will be sent to each of the contacts. Please contact FM customer service if any of this information changes, such as a new Accounts Payable or Fleet Manager contacts.

Customer agrees to the terms and provisions of this Agreement as set forth herein. Customer further agrees that, upon receipt of FM access cards and personal identification numbers (PINs), Customer will verify that the Customer's census of persons designated to acquire fuel on the Customer's account is correct and complete. Moreover, Customer agrees to designate one or more persons that are authorized to make changes and will notify FM in writing of the name(s) of such authorized person(s) and of any and all authorized changes in vehicles or personnel approved to acquire fuel for use by Customer's fleet. Customer also agrees to keep current its information on the designated and authorized personnel who may interact with FM regarding Customer's account.

Effective date May 22, 2014, through May 22, 2015.

Agreed to and accepted this 13th day of May, 2014.

Hunt County (Texas)

Signature: *[Signature]*
 Title: Casandra Suter

Printed Name: Jean L. Horan
 Date: 5-13-2014

¹ Applicable state fees/taxes (Federal Tax Exempt)



#13,147(6)

FILED FOR RECORD
at 1:30 o'clock P

MAY 13 2014

JENNIFER LINDENZWEIG
By County Clerk, Hunt County, TX.

APPLICATION FOR SERVICE
Direct Energy Texas Powerlock Product
Dated: 05/06/2014

COMPANY INFORMATION

Company Name: Hunt County
Address:
P.O. Box 1097
Greenville, TX 75403

CONTACT INFORMATION

First Name: Cheryl
Last Name: Blue
Primary Phone: 903-408-4148
Secondary Phone:
Email: cblue@huntcounty.net

ACCOUNT INFORMATION

| Service Location Address | City | State | Zip | Utility # | Utility | Enrollment Type |
|------------------------------|----------|-------|------------|-------------------|------------------------|----------------------|
| 101 CEDAR ST BARN | LONE OAK | TX | 75403 | 10400512515140001 | Texas New Mexico Power | Renewal (05-06-2014) |
| 602 S HWY 69 BARN | CELESTE | TX | 75423-9530 | 10400512597170001 | Texas New Mexico Power | Renewal |
| 602 S HWY 69 UNIT 175W SECLT | CELESTE | TX | 75423 | 10400512597170002 | Texas New Mexico Power | Renewal |

Check here to consolidate billing for these accounts.

POWERLOCK PRODUCT PLAN - IMPORTANT TERMS

Initial Contract Period: 12 months **Start Date:** 05-01-2014 **Price:** \$0.06973/kWh

The monthly base charge per account is \$0.0.

The Total Average Price per account for 3,500 kWh of consumption is \$0.12213 per kWh.

I prefer to receive information from Direct Energy Business in (check one): English Spanish

In order to support account access verification, please provide the businesses federal tax ID:

Cancellation by You: You may cancel your agreement with Direct Energy Business for the reasons stated at the bottom of this page without penalty. If you want to cancel for any other reason, you may do so at any time by providing notice and paying the Cancellation Fee as stated below. Also, you can drop an Account from service at any time by providing notice and paying the Cancellation Fee.

Cancellation Fee: The Cancellation Fee is the higher of either (a) \$500 or (b) \$0.01 multiplied by the most recently billed monthly usage for each Account being cancelled, multiplied by the number of months remaining in the Initial Contract

Period.

JH

By initialing here, I approve of the use of my e-mail address as the primary form of communication.

JH

By initialing here, I acknowledge that I have read and understand the Terms of Service for the product for which I am applying.

JH

By initialing here and signing below, I am authorizing Direct Energy Business to become my retail electric provider and to act as my agent to perform the necessary tasks to establish my electric service account with Direct Energy Business.

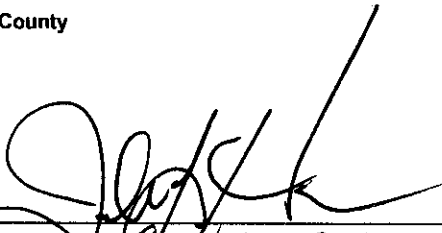
JH

By initialing here, I acknowledge that I have read and understand this Application for Service, including the Customer Authorization and the Terms of Service on the attached form. I am at least 18 years of age and I am authorized to select Direct Energy Business as the electric supplier for the Account(s) covered by this Application for Service.

If you are switching to Direct Energy Business from another Retail Electric Provider, you can cancel this Agreement without charge or penalty, but you must do so within three (3) federal business days of receiving this Agreement. If you accept this Agreement, then no further action is necessary. You may also cancel if you move to another location and provide evidence of such move, such as a forwarding address and any other reasonable evidence that you no longer occupy the service location, and you agree to provide us with at least fourteen (14) days advance notice of your move date. To cancel, contact Direct Energy Business at: SmallBizService@directenergy.com or (toll-free) (888) 755-6332.

Accepted and Agreed to:

Hunt County



Client Name: County Judge
JOHN HORN

Date: 5.13.2014

Rep:

Rep ID #:

Product Code: enterprise

1. Agreement to Purchase Energy. Your Application for Service and this TOS, the Electricity Facts Label and the Your Rights as a Customer document together form your entire agreement ("Agreement") with DE for the supply of electricity. This Agreement will become effective upon your execution of the Application for Service; *provided however* that DE reserves the right to reject your Application for Service by providing you written notice within 10 days of your execution of the Application for Service (i) if you fail to meet Direct Energy's credit standards, (ii) if the pricing reflected on the Application for Service has expired due to changes in market conditions or (iii) for any other non-discriminatory reason determined by DE. Upon such effectiveness, DE will provide you electricity to meet your full usage requirements at your Account(s) and you will receive and pay for the electricity to meet such usage requirements. If DE rejects your Application for Services for the reasons set forth above, this Agreement shall have no force or effect.

2. Term. DE shall use reasonable efforts to commence service on your Account(s) meter read date in the start month stated on your Application for Service. However, you acknowledge that the commencement of service is dependent upon confirmation by the transmission distribution utility ("Host Utility") of the completion of all required enrollment processes and if such enrollment processes occur after your Account(s) meter read date in the start month stated on your Application for Service, your Account(s) will be enrolled at the next available meter read date. Service will continue for the number of months indicated on your Application for Service (the "Initial Contract Period"), unless sooner terminated as provided herein. DE will notify you at least 14 days prior to the end of your Initial Contract Period. At the end of your Initial Contract Period, unless a renewal term greater than one month is established with your affirmative consent, DE will continue to serve you on a month-to-month basis until service is terminated by either you or DE upon 30 days written notice to the other party ("Extension Period", and together with the Initial Contract Period, the "Term").

3. Pricing. The price you will pay DE for electricity during the Initial Contract Period ("Initial Price") is a fixed rate as provided for specifically in the Electricity Facts Label (EFL) and the Application for Service. The components of the Initial Price will appear as separate line items on each of your monthly invoices and include: (1) a fixed Energy Charge; (2) a fixed Base Charge assessed for each Account under this Agreement; and (3) the passthrough of all recurring Host Utility costs of transmission and delivery of your electricity service and applicable Electric Reliability Council of Texas "ERCOT" and Texas Regional Entity (TRE) administrative fees charged to loads, excluding state and local taxes and reimbursement of the miscellaneous gross receipts tax. Additionally, Demand Charges (if applicable) are assessed by your Host Utility and appear on your monthly invoice as a separate line item. Demand charges are based on each customer's maximum 15-minute demand on the Host Utility distribution system each month. Demand is measured in kilowatts (kW). Customers are billed according to kW of demand for their rate.

During any Extension Period, the Energy Charge you will pay DE for electricity is a variable rate that may change on a month-to-month basis and will be determined at DE's discretion ("Extension Price"). Your actual will be shown on each monthly statement, and will be used to calculate your monthly bill amount based on your actual electricity usage.

The price of the variable price product is subject to change and may increase without notice for any reason, including but not limited to if: (1) there are changes to Host Utility Delivery Charges or Host Utility Surcharges; (2) there are changes to the ERCOT or TRE administrative fees charged to loads; (3) changes resulting from federal, state or local laws that impose new or modified fees or costs on a REP that are beyond the REP's control; (4) we determine in our sole discretion that the rate class or type of service originally designated by ERCOT, us, or you is incorrect; or (5) we determine in our sole discretion that the price should change, and subject to the provisions in the attached "Electricity Facts Label".

You acknowledge that any nonrecurring fees and charges assessed by your Host Utility or any third party as a result of the provision of service hereunder, including but not limited to fees and charges associated with establishing, switching, disconnecting or maintaining electric service or equipment, are not included in the Initial Price or Extension Price, and you are responsible for paying such fees and charges in addition to the Initial Price or Extension Price. Tax-exempt customers must provide DE with appropriate exemption certificates before assessment and collection of taxes can be waived.

4. Billing and Payment Terms. You will receive a monthly bill from DE following your meter read date. The bill will contain charges for the amount of electricity you used during the billing cycle, based on your usage, as well as the charges for delivery service provided by your Host Utility and any other charges for services purchased by you from your Host Utility that are related to, but not essential to, the transmission and distribution of electricity ("Discretionary Services"). Your usage will be measured or estimated by your Host Utility. You acknowledge that charges for delivery service and any Discretionary Services are per your Host Utility's tariff and are not part of the Rate provided hereunder.

From time to time, your bill could include nonrecurring charges or other fees from your Host Utility or DE. For a list of potential Host Utility and other charges, please see the attached document called "Typical Fees and Charges". DE has the right to include on your monthly bills any charges or credits necessary to correct (1) previous estimated bills; (2) billing errors; (3) meter read errors; (4) miscalculations of taxes; and (5) any other errors or omissions, to the extent permitted by Public Utility Commission of

Texas (PUCT) rules or applicable law.

Payment in full of your DE bill is due 20 calendar days from the date of the invoice. If you are a governmental entity as defined in the Prompt Payment Act (PPA), TEX. GOV'T CODE, Chapter 2251 (<http://www.statutes.legis.state.tx.us/Docs/GV/htm/GV.2251.htm>), your payment is overdue as provided in the PPA. If you fail to pay in full in any month when payment is due, DE will charge a 5% penalty on each late payment. You will receive a separate invoice per Account unless you select the Consolidate Billing option on your Application for Service. "Consolidated Billing" means that billing for your Account(s) may be combined into a single monthly invoice. If you want to discontinue Consolidated Billing and instead receive a separate invoice for each Account, you must submit a request in writing to DE. **DE, or anyone acting on DE's behalf, reserves the right to assess and collect from you, as a current or former customer, any and all costs, fees or charges related to the collection of delinquent balances, including but not limited to commissions, costs, fees and attorney's fees incurred when recovering outstanding balances through the use of any collection agency or an attorney.**

If in any month DE does not receive the information necessary to invoice you or uses information obtained from a third party meter reading service, DE may use either estimated data or the third party meter usage data to calculate your invoice and, upon receipt of actual data (in the case of an estimated meter reading), reconcile the amount billed on future invoices. In no event will any adjustments or corrections be made to any amount under-billed to you after 180 days from the date of issuance of the invoice in which the under-billing occurred. If the under-billing is the result of meter tampering by you, adjustments or corrections can be made up to 6 months from the date of the issuance of the invoice in which the underbilling occurred.

Budget Billing: You may be eligible to participate in a budget billing program which allows you to pay about the same amount for the electric service portion of your bill each month. The amount you pay is reviewed on a periodic basis and adjusted if necessary based on how much electricity you're actually using. At least once a year, DE will review your account and true-up to see whether there is an over billing or under billing on your account. DE will either: (1) credit your account for any over billed amount; (2) bill you for any under billed amount; or (3) recalculate your next 12 months payments under this program based on any under billing or over billing. The budget billing program is available to small business customers whose account has no outstanding balance, regardless of credit history. To enroll, you need 12 months of actual or estimated usage history at your current premise.

The budget billing program is also available to you if you are receiving the LITE-UP Texas discount, even if you are delinquent in payment. Before starting the budget billing program, DE may require a down payment (no more than 50%) of the delinquent amount and that you pay the remainder of the delinquent amount in equal installments over at least five billing cycles. If you enroll in the budget billing program with a deferred delinquent amount, DE may put a switch-hold on your account. The switch-hold will be removed the earlier of (i) your deferred delinquent amount is paid and processed, or (ii) after you have made 12 consecutive payments with no more than one late payment. If you are disconnected for non-payment while a switch-hold is in place, a payment will be required to resume service and you may not obtain services from another provider until you pay the total deferred delinquent amount. If you enroll in the budget billing program with a deferred delinquent amount, DE will confirm the details of the plan in writing.

Deferred Payment Plan: If you are unable to meet your payment obligations, you may be eligible to participate in a deferred payment plan that lets you pay an outstanding balance in installments over a period of time. Before starting a deferred payment plan, DE may require a down payment (no more than 50%) of the amount due. DE may also ask you to pay the balance owed on the deferred payment plan in equal amounts over no more than 5 billing cycles. If you establish a deferred payment plan DE may put a switch-hold on your account that will be removed after your deferred balance is paid and processed. If you are disconnected for nonpayment while a switch-hold is in place a payment will be required to resume service and you may not obtain services from another provider until you pay the total deferred balance. If you establish a deferred payment plan, DE will confirm the details of the plan in writing.

5. Credit. You will not be required to post a deposit of any kind prior to receiving electricity under this Agreement. However, if at any time during the Term of this Agreement, you fail to pay your bill when due 2 or more times during the last 12 months of service or service is terminated or disconnected for nonpayment during the last 12 months of service, DE may require that you provide reasonable credit assurance(s), in an amount to be determined by DE based on your monthly usage and the remaining Term of the Agreement, and in a mutually agreeable form, including but not limited to, an escrow account, deposit, letter of credit, or parental guaranty. DE will return any credit assurances to you once you have paid your bills on time for 12 consecutive months or if this Agreement terminates and you are switched to a different service provider. If DE is no longer your provider of record for any reason, DE will apply any credit assurances first to your electric account, and then to any past due amount owed by you to DE, and then return the balance to you, if any. If you pay DE a security deposit, you'll receive interest on it once a year. The interest rate is set by the PUCT in December of the preceding year. If DE holds the interest for less than a year, it will prorate the interest and pay it based on the number of months DE held the security deposit. No interest will be paid on security deposits held for less than 30 days.

6. Title. Title to the electricity passes from DE to you when it is delivered by your Host Utility.

7. Warranty Disclaimer. DE MAKES NO REPRESENTATIONS OR WARRANTIES OTHER THAN THOSE EXPRESSLY SET FORTH IN THIS AGREEMENT. DE EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE.

8. Force Majeure. DE will use commercially reasonable efforts to provide service but does not guarantee a continuous electricity supply. Events outside of DE's control ("Force Majeure Events") may result in interruptions in service. These events include by way of example only: acts of God or any governmental authority, accidents, strikes or labor disputes, required maintenance, Host Utility non-performance including an outage, changes in laws of any governmental authority or any other cause beyond DE's control. DE shall not be liable to you for any interruptions caused by Force Majeure Events. Also, you acknowledge that DE does not own or operate transmission or distribution systems through which the electricity is delivered to you, and you agree that DE will not be liable for any damages associated with any failure in the delivery of the electricity caused by or associated with the transmission or distribution systems, including your Host Utility.

9. Change in Law or Regulation. The Initial Price you pay may vary from the disclosed amount solely to reflect actual changes in Host Utility charges, changes to the ERCOT or Texas Regional Entity administrative fees charged to loads or changes resulting from federal, state or local laws that impose new or modified fees or costs on DE that are beyond DE's control.

10. Changes to Terms of Service. Except as indicated, DE will first send you a written notice at least 14 days in advance before making any changes to this Agreement. Written notice will be provided through a separate document or on your bill. Notice is not required for a change that benefits you. This written notice will be clearly labeled "Important Notice Regarding Changes to Your Contract." If you are satisfied with the changes, there is nothing else you have to do to continue to receive service. If you find the changes unacceptable, you may choose another energy company before the changes go into effect, without charge or penalty. The TOS, Your Rights As A Customer (YRAC), or EFL will be provided to you whenever a change is made to the specific document and upon your request, at any time free of charge. Please remember that cancelling this Agreement does not excuse you from paying all outstanding balances on your Account(s).

11. Your Right to Cancel. If you are switching to DE from another retail electric provider, you can cancel this Agreement without charge or penalty, but you must do so within three (3) federal business days of receiving this Agreement. If you accept this Agreement, then no further action is necessary. You may also cancel if you move to another location and provide evidence of such move, such as a forwarding address and any other reasonable evidence that you no longer occupy the service location, and you agree to provide us with at least 14 days advance notice of your move date. To cancel, contact DE at:

Email: SmallBizService@directenergy.com

Toll-free Telephone: (888) 755-6332; Monday through Thursday, from 7:00AM to 7:00PM Eastern Time, and Friday, from 7:00AM to 6:00PM Eastern Time.

If you wish to cancel for any reason other than those reasons specifically stated to be without penalty, you may do so at any time with payment of the Cancellation Fee set forth on your Application for Service and in your EFL. If you move without canceling this Agreement, you will remain responsible for payment of all outstanding balances and charges on your Account(s) until service is terminated.

12. DE's Right to Terminate and Disconnect. DE may terminate this Agreement and disconnect your electric service (i) upon the institution by or against you of insolvency, receivership or bankruptcy proceedings or any other proceedings for the settlement of your debts, (ii) upon you making an assignment for the benefit of creditors, or (c) upon your dissolution or ceasing to do business; (iii) if you have committed an Event of Default that is not cured within 15 calendar days of your receipt of written notice of such Event of Default; or (iv) if you fail to provide the credit assurance requested, pursuant to the Credit section, within 10 days of being requested by DE. If DE terminates this Agreement and disconnects your electric service pursuant to this paragraph, you are required to pay the Cancellation Fee, in addition to any balance due and owing on your Account(s).

"Event of Default" means: (i) your failure to make, when due, any payment that is required under this Agreement; (ii) your failure to perform your obligations under this Agreement, except to the extent such failure is excused by a Force Majeure event; or (iii) your failure to cooperate with DE as reasonably required in order for DE to perform its obligations under this Agreement. If an Event of Default has occurred, (a) DE will have the right to setoff and net against any undisputed amounts owed by you, and (b) DE will additionally have the right to setoff and net against any deposit or security provided by you pursuant to this Agreement any amounts, charges or damages owed by you to DE.

13. Limitation of Liability. YOU AGREE THAT DE WILL BE LIABLE TO YOU ONLY TO THE EXTENT OF DIRECT DAMAGES INCURRED BY YOU. IN NO EVENT WILL DE BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, SPECIAL OR PUNITIVE DAMAGES, EVEN IF DE HAS BEEN ADVISED OF OR SHOULD HAVE KNOWLEDGE OF THE POSSIBILITY OF SUCH DAMAGES. TO THE EXTENT PERMITTED BY LAW, THIS LIMITATION SHALL APPLY TO ALL ACTIONS INCLUDING ACTIONS OF CONTRACT OR TORT.

14. Miscellaneous. You may not assign your rights or obligations under this Agreement without DE's express written consent. DE may sell, transfer, pledge, or assign the accounts, revenues, or proceeds due to it under this Agreement. DE may also assign its obligations under this Agreement to another retail electric provider or other entity as permitted by law. You agree that this Agreement shall be governed by the laws of the State of Texas, without regard to its conflict of law principles. This Agreement

is the entire Agreement between you and DE. You understand that DE's obligations under this Agreement are subject to any validly issued present and future laws of any governmental authority having jurisdiction over this Agreement or the services provided by DE to you. This Agreement is binding upon you and DE and each of your respective successors and permitted legal assigns. This Agreement is not intended to benefit any third party.

15. Discrimination. DE will not deny service or require a prepayment or a security deposit for electric service based on a customer's race, creed, color, national origin, ancestry, sex, marital status, lawful source of income, level of income, disability, familial status, location of customer in a distressed geographic area or qualification for low-income or energy-efficiency programs.

16. DE Contact Information. DE customer service representatives are available to help Monday through Thursday, from 7:00AM to 7:00PM Eastern Time, and Friday, from 7:00AM to 6:00PM Eastern Time (contact center hours subject to change without notice). DE's contact information is:

Direct Energy Business, LLC (PUCT Certificate No. 10011)
1001 Liberty Avenue
Pittsburgh, PA 15222
Email: SmallBizService@directenergy.com
Website: www.directenergybusiness.com
Phone (Toll-Free): (888) 755-6332
Fax (Toll-Free): (866) 421-0257

TERMS OF SERVICE: Typical Fees and Charges

The following table contains typical fees and charges that may be assessed by either the transmission distribution utility (TDU) or us ("Company"). Customers may be obligated to pay nonrecurring fees as required or allowed by Public Utility Commission of Texas (PUCT) rules, including, but not limited to, fees and charges for establishing, switching, disconnecting, reconnecting, or maintaining electric service. Charges for required, nonrecurring fees will be listed as separate line items on the customer's monthly bill.

This list does not represent all TDU or Company fees and charges. For questions about these or any other fees and charges, please contact a Customer Care Representative at the toll free phone number listed under "Our Contact Information" located in the Terms of Service document.

| Fee Name | Fee Description | AEP-Centra | AEP-North | Centerpoint | Oncor | Texas New Mexico Power | |
|------------------------|---|---|-----------|-------------|------------------|------------------------|---------------|
| Move-in | Charge assessed to cover both service connection and disconnection during regular TDU working hours. | Standard Move-In (*Premise with or planned to have remote connect capability, **Polyphase and >200 AMP) | | | | | |
| | | Self-Contained Meter (existing) | \$25 | \$23 | \$10.52*/\$16** | \$3.20 | \$54 |
| | | Self-Contained Meter (new) | \$47 | \$51 | \$92 | \$11.35 | \$80 |
| | | CT/Other Meter (existing) | \$102 | \$110 | \$130 | \$57.65 | \$138 |
| | | CT/Other Meter (new) | \$301 | \$305 | \$304 | \$75.95 | As Calculated |
| | | Priority Move-In (*Premise with or planned to have remote connect capability, **Polyphase and >200 AMP) | | | | | |
| | | Self-Contained Meter (existing) | \$39 | \$35 | \$25.61*/\$42** | \$10.35 | \$79 |
| | CT/Other Meter (existing) | \$152 | \$163 | \$270 | \$103.90 | \$255 | |
| Disconnect for Non-Pay | Applicable to requests from Competitive Retailer to de-energize service to Retail Customer due to Retail Customer's failure to pay charges billed by its Competitive Retailer or Company. | At Meter (*Premise with or planned to have remote connect capability, **Polyphase and >200 AMP) | | | | | |
| | | Standard Disconnect | \$14 | \$12 | \$6.38*/\$9** | \$2.70 | \$28 |
| | | Same Day Disconnect | NA | \$57 | NA | NA | \$53 |
| | | Premium Location (i.e. pole, weather-head, secondary box) | | | | | |
| | | Standard Disconnect | \$56 | \$58 | \$55 | \$35.55 | \$91 |
| | Same Day Disconnect | NA | \$110 | NA | NA | \$116 | |
| Reconnect after DNP | Applicable to requests to re-energize service to Retail Customer after Retail Customer has been disconnected for non-payment. | At Meter (*Premise with or planned to have remote connect capability, **Polyphase and >200 AMP) | | | | | |
| | | Standard Reconnect | \$14 | \$6 | \$6.81*/\$10** | \$3.10 | \$29 |
| | | Same Day Reconnect | \$28 | \$24 | \$21.19*/\$35** | \$5.30 | \$54 |
| | | Weekend Reconnect | \$35 | \$32 | \$21.19*/\$35** | \$25.00 | \$160 |
| | | Holiday Reconnect | \$43 | \$39 | \$91.89*/\$159** | \$32.45 | \$238 |
| | | Premium Location (i.e. pole, weather-head, secondary box) | | | | | |
| | | Standard Reconnect | \$56 | \$58 | \$55 | \$40.40 | \$94 |
| | | Same Day Reconnect | \$107 | \$110 | \$171 | \$65.60 | \$94 |
| | | Weekend Reconnect | \$107 | \$110 | \$171 | \$116.10 | \$196 |
| | Holiday Reconnect | \$133 | \$136 | \$224 | \$143.15 | \$280 | |

TERMS OF SERVICE: Typical Fees and Charges

| Fee Name | Fee Description | AEP-Central | AEP-North | Centerpoint | Oncor | Texas New Mexico Power | |
|---|--|--|----------------|----------------|--------------|------------------------|----------------|
| Meter Re-Reads | A Special Meter Reading Charge will be charged when a customer requests that a special reading be taken between normal meter reading cycles or that a meter be re-read to verify the accuracy of a routine meter reading. The fee will not be charged if the new reading indicates that the original reading was in error. | Non-IDR | | | | | |
| | | \$12 | \$10 | \$3.68 | \$1.90 | \$27 | |
| Out-of-cycle Meter Read for the Purpose of a Self-Selected Switch | Applicable to requests to read Retail Customer's Meter on a date other than Company's regularly scheduled monthly Meter Reading date for the purpose of a switch of a Retail Customer's account to a new Competitive Retailer on a date certain. | Non-IDR | | | | | |
| | | \$11 | \$9 | \$3.66 | \$1.90 | \$27 | |
| Meter Test Charge | A Meter Test Charge will be charged for each meter tested at the customer's request, or by the Company on behalf of the customer, other than those tests conducted under the frequency guidelines specified by the PUCT. If the results of a test reflect meter accuracy outside the tolerance limits specified by the PUCT, the Meter Test Charge will be waived. | Single Phase | NA | NA | NA | \$33.70*/\$87.75** | NA |
| | | Three Phase | NA | NA | NA | \$77.80*/\$117** | NA |
| | | Competitive Meter | NA | NA | NA | \$117** | NA |
| | | All Other | \$111*/\$139** | \$112*/\$140** | \$45*/\$73** | NA | \$132*/\$175** |
| | | *Self-Contained Meter **CT/Other Meter | | | | | |



13,148

FILED FOR RECORD
at 1:30 o'clock P M
MAY 13 2014
JENNIFER LINDENZWEIG
By County Clerk, Hunt County, Tex.

Contract for Services Rendered

This is a contract entered into by **Access Imaging Solutions, LLC** (hereinafter referred to as "AIS") and **Hunt County Elections** (hereinafter referred to as "the Client") on this date, **May 1, 2014**.

AIS's place of business is **4224 Centergate St., San Antonio, TX, 78217** and the Client's place of business is **2507 Lee Street, Greenville, TX, 75401**

The Client hereby engages AIS to provide services described herein under "Scope and Manner of Services." AIS hereby agrees to provide the Client with such services in exchange for consideration described herein under "Payment for Services Rendered."

Scope and Manner of Services

Services To Be Rendered By AIS:

AIS will set-up three projects hosted online at <https://AccessImaging.FileBound.com> for Hunt County Elections to facilitate tracking the different stages of a voter's application. New applications will be in a "Hunt County Pending Voters" project, Non-active voters will be in the "Hunt County Inactive Voters" project and finally the current registered voters will be kept in the "Hunt County Active Voters" project

AIS will set up the projects, users, and groups for Hunt County and upload all of the data exported from the TEAM System including the voter's signatures and scanned records.

AIS will provide 6 hours of on-site training.

Payment for Services Rendered

The Client shall pay AIS for services rendered according to the Hunt County Elections Payment Agreement Contract for Hosting, that is attached, and a total of **\$2,002.80** that is a one-time cost that covers professional services, training, and travel as outlined in the Hunt County Elections proposal including the "Scope and Manner of Services" section in that contract.

Should the Client fail to pay AIS the full amount specified in any invoice within **30** calendar days of the invoice date, a late fee equal to **1% of the unpaid balance** shall be added to the amount due every **30** calendar days of the unpaid balance.



Applicable Law

This contract shall be governed by the laws of the County of Hunt in the State of Texas and any applicable Federal law.

Signatures

In witness of their agreement to the terms above, the parties or their authorized agents hereby affix their signatures:

John L. Horn
(Printed Name of Client or agent)

[Handwritten Signature]
(Signature of Client or agent) (Date)

Aaron C Emery
(Printed Name of Provider or agent)

[Handwritten Signature] 5/6/2014
(Signature of Provider or agent) (Date)



Payment Agreement Contract for Hosting

By this contract, **Hunt County Elections** agrees to make annual payments to **Access Imaging Solutions**, hereafter known as "AIS" by the following schedule in exchange for **hosting services** on <https://AccessImaging.FileBound.com> yearly. This payment schedule is enforceable by law, and the methods described below will be use in cases of delinquent payment.

By this agreement, it is agreed that a payment of **\$3,936.00** will be paid to AIS every **12 months** until the termination of this hosting agreement by either party with 30 days notice. The payment will take the following form:

- 10/1/2014, \$3,936.00 (10/2014-9/2015)
- 10/1/2014 \$1,312.00 (6/2014-9/2014)
- 10/1/2015, \$3,936.00 (10/2015-9/2016)
- 10/1/2016, \$3,936.00 (10/2016-9/2017)

This agreement is binding, and failure to meet its terms will allow AIS to take certain recourse. First, late payments will incur a fee of **1% for every month payment is late**. Insufficient payment and bounced checks will incur a fee of **\$50**. If payment should not be delivered at all, AIS will **immediately terminate any hosting connections and access to the data until account is brought current**.

By signing this agreement, all parties agree to the terms as described above. Alterations to this agreement can only be made by both parties and must be placed in writing. Both parties will receive a printed copy of this agreement, and will be responsible for upholding its terms.

(Payer)

(Date)

Access Imaging Solutions (Aaron C Emery)

(Date)

13,149

Resolution Celebrating the 100th anniversary of the signing of the Smith-Lever Act, the founding legislation of the nationwide Cooperative Extension System

Whereas, May 8, 2014, marks the centennial of the signing of the Smith-Lever Act (Act of May 8, 1914, Ch. 38 Stat. 372, 7 U.S.C. 341 et seq.), which established Cooperative Extension, the nationwide transformational education system operating through land-grant universities in partnership with federal, state and local governments; and

Whereas, U.S. Sen. Hoke Smith of Georgia and U.S. Rep. A. F. Lever of South Carolina authored the Smith-Lever Act to expand the “vocational, agricultural and home demonstration programs in rural America” by bringing the research-based knowledge of the land-grant universities to people where they live and work; and

Whereas, Cooperative Extension is a critical component of the three-part land-grant university mission and works collaboratively with research, particularly the Agricultural Experiment Station System, and academic programs in 106 colleges and universities, including historically black, Native American and Hispanic-serving institutions; in all 50 states, the District of Columbia and six U.S. territories to reach traditional and underserved audiences in all communities; and

Whereas, the Cooperative Extension System continues to receive federal programmatic leadership and support enabled by the Smith Lever Act and other legislation through the U.S. Department of Agriculture’s National Institute of Food and Agriculture; and

Whereas, Cooperative Extension’s research-based education for farmers and ranchers helped establish the United States as a leading agricultural-producing nation in the world; and

Whereas, since 1924, when the clover emblem was adopted by USDA to represent 4-H, Cooperative Extension’s nationwide youth development program has reached millions of youth and helped prepare them for responsible adulthood; and

Whereas, Cooperative Extension prepares people for healthy, productive lives through sustained education, such as the Expanded Food and Nutrition Education Program, breaking the cycle of poverty and reducing expenditures for federal and state assistance programs; and

Whereas, Cooperative Extension provides rapid response to disasters and emergencies through the Extension Disaster Education Network and other similar efforts by providing real-time alerts and resources so Extension educators can respond to urgent needs resulting from hurricanes, floods, oil spills, fire, drought, pest outbreaks and infectious diseases affecting humans, livestock and crops; and

Whereas, Cooperative Extension translates science-based research for practical application through local and online learning networks where educators are uniquely available to identify emerging research questions, connect with land-grant university faculty to find answers and encourage application of findings to improve economic and social conditions; and

Whereas, Cooperative Extension engages with rural and urban learners through practical, community-based and online approaches, resulting in the acquisition of knowledge, skills and

FILED FOR RECORD
at 1:30 o'clock P M

MAY 13 2014

JENNIFER HINDENBERG
By _____
Georgia State Library

motivation to strengthen the profitability of animal and plant production systems, protect natural resources, help people make healthful lifestyle choices, ensure a safe and abundant food supply, encourage community vitality and grow the next generation of leaders; and

Whereas, many states are celebrating the centennial of the signing of the Smith-Lever Act with resolutions and proclamations, and many land-grant institutions also are commemorating the signing of the historic legislation.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSIONER'S COURT OF HUNT COUNTY, TEXAS:

Recognizes the significance of the Smith-Lever Act to the establishment of Cooperative Extension nationwide; and

Encourages the people of Hunt County to observe and celebrate the centennial with a focus on launching an innovative and sustainable future for Cooperative Extension; and

Honors the university faculty and local educators who dedicate careers to providing trusted education to help people, families, youth, businesses and communities solve problems, develop skills and build a better future; and

Thanks Cooperative Extension volunteers who provide thousands of hours to promote excellence for 4-H, Master Gardeners, family and consumer sciences and other programs in their communities; and

Encourages continued collaboration and cooperation among federal, state and local governments to ensure Cooperative Extension's sustainability as the nation's premiere non-formal educational network; and

Celebrates millions of youth, adults, families, farmers, ranchers, community leaders and others who engage in Cooperative Extension learning opportunities designed to extend knowledge and change lives.

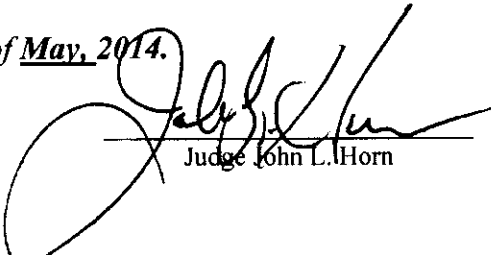
ADOPTED this 13th day of May, 2014.



Commissioner Evans



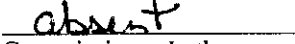
Commissioner Atkins



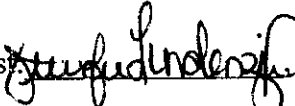
Judge John L. Horn



Commissioner Martin



Commissioner Latham

Attest:  County Clerk



13,150
PROCLAMATION
Peace Officers Memorial Day
May 15, 2014

FILED FOR RECORD
at 1:30 o'clock P M
MAY 13 2014
JENNIFER LINDENZWEIG
By County Clerk, Hunt County, Tex.
Jennifer Lindenzweig

WHEREAS, the Crime Law of 1994 permits the United States flags at all government buildings to be flown at half-staff in honor of Peace Officers' Memorial Day; and

WHEREAS, Peace Officers' Memorial Day recognizes the unconditional sacrifices of federal, state and local law enforcement officers who have died in the line of duty; and

WHEREAS, Hunt County recognizes peace officers play an essential role in safeguarding the rights and freedoms of all citizens; and,

WHEREAS, peace officers recognize their duty to serve the people by protecting the innocent against deception and intimidation, and the weak against oppression; and,

WHEREAS, Hunt County believes it is important to unite with federal agencies, state and local governments across the country and the families of peace officers who have been killed in the line of duty, in memory of the officers and in support of their families; and,

WHEREAS, the Hunt County Commissioners Court would like to recognize and praise the valiant efforts of Hunt County's law enforcement officers currently in service who have pledged to protect our lives from violence and disorder, and our property from theft and vandalism; and,

NOW, THEREFORE, BE IT PROCLAIMED, by the Hunt County Commissioner's Court that May 15, 2014, be declared Peace Officers Memorial Day in Hunt County, Texas, and encourage the support of all citizens, interest groups, and charitable organizations during this memorial. May we never forget those who have gone before us so that we may continue unto our future.

In official witness whereof this 13th day of May, 2014.

John L. Horn

Judge John L. Horn

Eric Evans

Commissioner Eric Evans

Phillip A. Martin

Commissioner Phillip Martin

Jay Atkins

Commissioner Jay Atkins

absent

Commissioner Jim Latham

Attest *Jennifer Lindenzweig* County Clerk



#13,151
CONSULTING AGREEMENT
Between
HUNT COUNTY
And
KOFI SYSTEMS, INC.

FILED FOR RECORD
at 1:30 o'clock P M
MAY 13 2014
JENNIFER LINDENZWEIG
By County Clerk, Hunt County, Tex.

THIS CONSULTING AGREEMENT (the 'Agreement') by and between Hunt County, Texas, (the 'County') and Kofile Systems, Inc. ('Kofile') is to be effective as of June 1, 2014 (the 'Effective Date'). The County and Kofile are sometimes hereafter referred to collectively as the 'Parties,' and each individually as a 'Party.'

RECITALS

WHEREAS, the County is responsible for recording and maintaining legal documents pertaining to real property ownership, birth, death, and marriage records for Hunt County (the 'Daily Recording and Maintenance Process'); and

WHEREAS, Kofile is engaged in the completion of the development and testing of its application of a system to handle the Daily Recording and Maintenance Process (the 'Kofile System').

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and for other consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree to the terms and conditions set forth herein.

1. **County Duties and Obligations.** The County agrees to do the following:
 - a. Provide a small on-site work location for a Kofile business analyst and on-site development staff;
 - b. Provide access to the Internet for the Kofile business analyst and the development team;
 - c. Provide feedback on a scheduled periodic basis concerning the Kofile System application development progress and features; and
 - d. Run parallel systems for the Daily Recording and Maintenance Process until the County signs off on the Kofile System that has tested to a production level application, which would include:
 - i. Cashiering of documents in current and Kofile System on an as-needed basis,
 - ii. Imaging the County daily recordings, and
 - iii. Indexing of documents into the Kofile System.
2. **Term.** The initial term shall be for the period commencing with June 1, 2014 and ending August 31, 2014 (the 'Term'). The Term may be extended upon the mutual agreement of the Parties.

3. **Compensation to County.** Kofile agrees to provide to the County:
 - a. A credit in the amount of \$10,000.00 per month for each month of the Term, including any extension of the initial Term, and additionally, if the Agreement commences prior to June 1, 2014, Kofile will grant a credit to the County at a prorated amount of \$2,500.00 per week ('Redeemable Credit')
 - b. Daily indexing service for the duration of the agreement

4. **Use of Credit.** The Redeemable Credit may be used by the County in the future as payment for any products or services offered by Kofile.

5. **Notices.** Unless otherwise provided herein, any notice, order, instruction, request or other communication required or permitted to be given under this Agreement shall be in writing and deemed to have been properly given when delivered in person, or three (3) days after the date mailed by certified or registered United States mail, return receipt required, postage prepaid, and addressed to the Party at the address set forth below;

If to the County:

Hon. Jennifer Lindenzweig
Hunt County Clerk's Office
2507 Lee Street
Greenville, TX 75401

If to Kofile:

Michael Cobb
Kofile Systems, Inc.
6300 Cedar Springs Road
Dallas, TX 75235

SIGNATURE PAGE FOLLOWS

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement to be effective as of the Effective Date or such other date mutually agreed upon.

HUNT COUNTY, TEXAS:

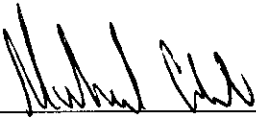
SIGNATURE: 

NAME: Loren L. Hen

TITLE: Hunt County Judge

DATE: 5-13-2014

KOFILE SYSTEMS, INC.:

SIGNATURE: 

NAME: Michael Cobb

TITLE: President Kofile

DATE: 5.13.2014



Office of General Counsel

THE TEXAS A&M UNIVERSITY SYSTEM

#13,152
FILED FOR RECORD
at 1:30 o'clock P M

MAY 13 2014

JENNIFER LINDENZWEIG
County Clerk, Hunt County, Tex.
By *Jennifer Lindenzweig*

April 30, 2014

Honorable John Horn
Hunt County Courthouse
2507 Lee Street
Greenville, Texas 75404

*Via Certified Mail
Return Receipt Requested*

RE: Interlocal Agreement for Lease of Space by and between County of Hunt and the Board of Regents of The Texas A&M University System, for the use and benefit of Texas Forest Service, for the lease of 600 square feet of office space in Room #469, situated in the Hunt County ~~Courthouse~~ ^{MS} located at 2801 Stuart Street, Greenville, Hunt County, Texas; SREO File No. 14110014; OGC File No. 2006-0012349
sheriff's Dept.

Dear Judge Horn:

On August 16, 2011, the County of Hunt entered into the above-referenced interlocal agreement (hereafter referred to in this letter as the "Agreement") with the Board of Regents of The Texas A&M University System, for the use and benefit of the Texas A&M Forest Service, for office space in Room #469 in the Hunt County Sheriff's Department, located at 2801 Stuart Street, Greenville, Hunt County, Texas. The Term of this Agreement was for the period beginning on August 1, 2011, and expiring on July 31, 2012. By letter dated June 7, 2012, The Texas A&M University System ("TAMUS") exercised its first (1st) of four (4) options to renew the Agreement for an additional 12-month period beginning on August 1, 2012 and ending on July 31, 2013. By Amendment to Interlocal Agreement dated June 11, 2013 TAMUS exercised its second (2nd) of four (4) options to renew the Agreement for an additional 12-month period beginning on August 1, 2013 and ending on July 31, 2014.

In accordance with Section 2.01 of the Agreement, The Texas A&M University System is giving you notice that it is exercising the third (3rd) of its four (4) options to renew the Agreement for an additional 12-month period, beginning August 1, 2014, and continuing through July 31, 2015. The remaining terms and conditions of the Agreement will remain the same.

The Honorable John Horn
Hunt County Judge
April 30, 2014
Page 2


I am enclosing two (2) originals of this letter. Please execute both originals in the space provided on the following page confirming our agreement, and return one (1) fully executed copy to me within 10 days following the date of this letter. Your assistance is greatly appreciated.

Sincerely,



TIMOTHY V. COFFEY

Managing Counsel, Property and Construction
Office of General Counsel
The Texas A&M University System



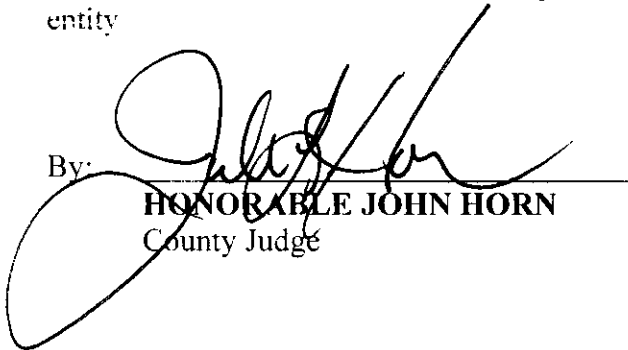
cc: Thomas G. Boggus

The Honorable John Horn
Hunt County Judge
April 30, 2014
Page 3

EXECUTED on this 13 day of May, 2014, by County of Hunt.

COUNTY OF HUNT, a Texas local governmental
entity

By:



A large, stylized handwritten signature in black ink, appearing to read 'John Horn', is written over a horizontal line. The signature is fluid and cursive, with a large loop at the beginning and end.

HONORABLE JOHN HORN
County Judge

From:

05/01/2014 11:14

#524 P.001/001

13,156

ESCROW TRUST AGREEMENT

THE STATE OF TEXAS

COUNTY OF HUNT COUNTY

FILED FOR RECORD
at 1:32 o'clock P M

MAY 13 2014

JENNIFER LINDENZWEIG
County Clerk, Hunt County, Tex.
By *[Signature]*

This contract and agreement, made and entered into on this the 5 day of May, 2014, by and between Hunt County Commissioner Phillip Martin, Precinct 3, and Weir Bros., hereinafter called "Purchaser".

WITNESSETH:

That said Purchaser shall deposit into a fund labeled "County Road Improvement Fund" the amount of \$7,680.00 for the purpose of repairing a certain site improvement, to wit: RD

Repair approx. 625 feet of Rancho from CR3510 to Hwy 34

to be specifically used for the repair of said road when adequate funding becomes available. Repairs shall be prepared by the Commissioner and agreed upon by the purchaser prior to the execution of this agreement. Upon receipt of payment, the County Treasurer shall forward a copy of the deposit warrant to the commissioner in charge of making said repairs. If for any reason the county has not completed said repairs within one hundred twenty (120) days from the date of execution of this agreement the escrowed road improvement funds shall, at the request of said purchaser, be returned to purchaser and this agreement shall then become void.

WHEREAS, said repairs are left to the sole discretion of the responsible commissioner.

IN TESTIMONY WHEREOF, the parties hereto have executed this Contract and Agreement on this the 5 day of Monday, 2014.

Phillip A. Martin
Commissioner, Precinct 3

X [Signature]
Purchaser signature
PO Box 541793 Dallas TX
Address of purchaser 75356-1993
Phone 972-536-2000
FAX 972-536-2299
cell 214-384-4015

upon approval of
Commissioner Court
[Signature]
5-13-2014
FAX RD
903-662-0941

FILED FOR RECORD
at 1:30 o'clock P M

MAY 13 2014

JENNIFER LINDENZWEIG
County Clerk, Hunt County, Tex.
By *[Signature]*

RESOLUTION #13,165

A RESOLUTION OF THE HUNT COUNTY COMMISSIONERS COURT, HUNT COUNTY, TEXAS, AMENDING THE GUIDELINES FOR TAX ABATEMENT IN A REINVESTMENT ZONE CREATED IN HUNT COUNTY; PROVIDING AN INDUSTRIAL FREEPORT EXEMPTION EQUIVALENT PROGRAM

WHEREAS, the Tax Abatement Act, Chapter 312 of the Tax Code requires a county that desires to participate in tax abatement to establish guidelines and criteria governing tax abatement; and,

WHEREAS, Chapter 381 of the Texas Local Government Code authorizes a county to provide economic development incentives; and,

WHEREAS, pursuant to Chapter 381 of the Texas Local Government Code, Hunt County desires to provide any qualifying new industrial business to Hunt County, or existing Hunt County industrial business, an economic development incentive program equivalent to the Freeport Exemption; and,

WHEREAS, the Hunt County Commissioners Court desires to adopt the amended Guidelines and Criteria for Tax Abatement in a Reinvestment Zone Created in Hunt County attached hereto as Exhibit A;

NOW, THEREFORE, BE IT RESOLVED BY THE HUNT COUNTY COMMISSIONERS COURT, HUNT COUNTY, TEXAS:

SECTION 1: That the Hunt County Commissioners Court hereby adopts the Guidelines and Criteria for Tax Abatement in a Reinvestment Zone Created in Hunt County, amended therein and attached hereto as Exhibit A and shall continue in full force and effect for a period not to exceed two (2) years subject to any future amendments as may be lawfully authorized by the Hunt Commissioners Court.

SECTION 2: This Resolution shall be in full force and effect immediately upon its passage and approval.

PASSED AND APPROVED this 13 day of May, 2014.

[Signature]
County Judge

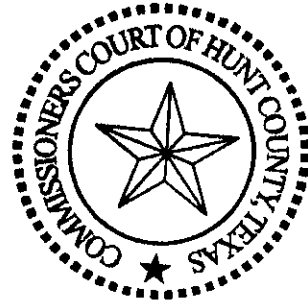
[Signature]
Commissioner, Precinct 1

[Signature]
Commissioner, Precinct 2

Phillipa A. Masto
Commissioner, Precinct 3

absent
Commissioner, Precinct 4

ATTEST: Janifer Lindenzyl, County Clerk



**GUIDELINES AND CRITERIA FOR TAX ABATEMENT
IN A REINVESTMENT ZONE CREATED IN HUNT COUNTY**

SECTION 1. Definitions.

- (a) "Abatement" means the full or partial exemption from ad valorem taxes of certain real property and personal property in a reinvestment zone designated by an affected jurisdiction for economic development purposes.
- (b) "Affected Jurisdiction" means Hunt County and any municipality or school district, the majority of which is located in Hunt County, that levies ad valorem taxes upon and provides services to property located within the proposed or existing reinvestment zone designated by Hunt County.
- (c) "Agreement" means a contractual agreement between a property owner and/or lessee and an affected jurisdiction for the purposes of tax abatement.
- (d) "Base Year Value" means the assessed value of eligible property January 1 preceding the execution of the agreement, plus the agreed upon value of eligible property improvements made after January 1 but before the execution of the agreement.
- (e) "Deferred Maintenance" means buildings and structures, including machinery and equipment, used or to be used primarily to receive, store, service, or distribute goods or materials owned by the facility operator, where a majority of the goods or services are distributed to points at least 50 miles from its location in Hunt County.
- (f) "Expansion" means the addition of buildings, structures, machinery or equipment for purposes of increasing production capacity.
- (g) "Facility" means property improvements completed or in the process of construction which together compromise an integral whole.
- (h) "Fixed Machinery and Equipment" or "Fixed Machinery or Equipment" means heavy, non-mobile machinery and/or equipment that cannot be removed without injuring a building or structure, and does not include movable machinery and equipment.
- (i) "Manufacturing Facility" means buildings and structures, including machinery and equipment, the primary purpose of which is or will be the manufacture of tangible goods or materials or the processing of such goods or materials by physical or chemical change.

- (j) "Modernization" means the replacement and upgrading of existing facilities which increases the productive input or output, updates the technology or substantially lowers the unit cost of the operation. Modernization may result from the construction, alteration or installation of buildings, structures, fixed machinery or equipment. It shall not be for the purpose of reconditioning, refurbishing or repairing.
- (k) "New Facility" means a property previously undeveloped which is placed into service by means other than or in conjunction with expansion or modernization.
- (l) "Other Basic Industry" means buildings and structures including fixed machinery and equipment not elsewhere described, used or to be used for the production of products or services which serve a market primarily outside of Hunt County and result in the creation of new permanent jobs and create new wealth in Hunt County.
- (m) "Productive Life" means the number of years a property improvement is expected to be in service.
- (n) "Regional Entertainment Facility" means buildings and structures, including machinery and equipment, used or to be used to provide entertainment through the admission of the general public where the majority of users reside at least 50 miles from its location in Hunt County.
- (o) "Research Facility" means buildings and structures, including machinery and equipment, used or to be used primarily for research or experimentation to improve or develop new tangible goods or materials or to improve or develop the production processes thereto.
- (p) "Regional Service Facility" means buildings and structures, including machinery and equipment, used or to be used to service goods where a majority of the goods being serviced originate at least 50 miles from the facility's location in Hunt County.
- (q) "Value of Property" means the assessed value of eligible property for purposes of ad valorem taxation.

SECTION 2. Abatement Authorized.

- (a) **Authorized Facility.** A facility may be eligible for abatement if it is a Manufacturing Facility, Research Facility, Distribution Center or Regional Service Facility, Regional Entertainment Facility, or Other Basic Industry.
- (b) **Creation of New Value.** Abatement may only be granted for the additional value of eligible property improvements made subsequent to and specified in an abatement agreement between the affected jurisdiction and the property owner or

lessee, subject to such limitations as the governing body of the affected jurisdiction may require.

- (c) **New and Existing Facilities.** Abatement may be granted for new facilities and improvements to existing facilities for purposes of modernization or expansion.
- (d) **Eligible Property.** Abatement may be extended to the value of buildings, structures, fixed machinery and equipment, aircraft, and site improvements, plus that office space and related fixed improvements necessary to the operation and administration of the facility.
- (e) **Ineligible Property.** The following types of property shall be fully taxable and ineligible for abatement: land; inventories; supplies; personal property not defined as eligible property; tools; furnishings and other forms of light movable equipment and machinery; vehicles; vessels; homing; hotel accommodations; retail facilities; deferred maintenance investments; property to be rented or leased, except as provided in Section 2(f); property, owned or used by the State of Texas or its political subdivisions or by any organization owned, operated or directed by a political subdivision of the State of Texas.
- (f) **Owned/Leased Facilities.** If a leased facility is granted abatement, the agreement shall be executed with the lessor and the lessee. Publicly owned land leased to private entities shall be eligible if otherwise qualified.
- (g) **Value and Term of Abatement.**
 - (1) *For new facilities.* Abatement shall be granted effective with the January 1st valuation date immediately following the date of execution of the agreement. Up to one hundred percent (100%) of the value of new eligible properties may be abated for up to seven (7) years. The abatement may be extended through an initial agreement and a subsequent agreement as may be required to comply with State law regarding the term of a reinvestment zone.
 - (2) *For modernization or expansion.* Abatement shall be granted effective with the January 1st valuation date immediately following the date of execution of the agreement. Up to one hundred percent (100%) of the value of new eligible properties may be abated for up to five (5) years. The abatement may be extended through an initial agreement and a subsequent agreement as may be required to comply with State law regarding the term of a reinvestment zone.

(a) If a modernization project includes facilities replacement, the value eligible for abatement shall be the value of the new units less the value of the old units.

(3) The value and term of any tax abatement shall be determined by the Taxing Entity. Each project will be reviewed separately and incentives may be granted based on different criteria such as amount of capital investment, number of jobs created, type of business, etc.

(h) **Economic Qualification.**

In order to be eligible for designation as a reinvestment zone and receive tax abatement, the planned improvement:

(1) Must increase the value of the property in the amount of \$1,000,000.00 or more attributable to the increase in value of buildings, structures, site improvements, fixed machinery and equipment, and related fixed improvements;

(2) Must not be expected to solely or primarily have the effect of transferring employment from one part of Hunt County to another; and,

(3) Must be necessary because capacity cannot be provided efficiently utilizing existing improved property.

(i) **Taxability.** From the execution of the abatement contract to the end of the agreement period, taxes shall be payable as follows:

(1) The value of ineligible property, as provided in Section 2(e), shall be fully taxable;

(2) The value of existing eligible property in the base year shall be determined each year and shall be fully taxable; and,

(3) The additional value of new eligible property shall be taxable in the manner described in Section 2(g).

SECTION 3. Application.

(a) Any present or potential owner of taxable property in an affected jurisdiction may request the creation of a reinvestment zone and tax abatement by filing a written application with the presiding officer of the governing body of the affected jurisdiction.

- (b) The application shall consist of a completed application form accompanied by: a general description of the proposed use and the general nature and extent of the modernization, expansion or new improvements to be undertaken; a descriptive list of the improvements which will be a part of the facility; a map and property description; and, a time schedule for undertaking and completing the planned improvements. In the case of modernizing, a statement of the assessed value of the real and personal property of the facility shall be given for the tax year immediately preceding the applications. The application form may require such financial and other information as the governing body of the affected jurisdiction deems appropriate for evaluating the financial capacity and other factors of the applicant.
- (c) Upon receipt of a completed application, the officer with whom the application was filed shall notify in writing the presiding officer of the governing body of each affected jurisdiction. Before acting upon the application, each affected jurisdiction shall through public hearing afford the applicant and the designated representative of any affected jurisdiction the opportunity show cause why the abatement should or should not be granted. Notice of the public hearing shall be clearly identified on an agenda of the governing body.
- (d) After receipt of an application for creation of a reinvestment zone and application for abatement, the affected jurisdiction shall prepare or cause to be prepared a feasibility study setting out the impact of the proposed reinvestment zone and tax abatement. The feasibility study shall include, but not be limited to, an estimate of the economic effect of the creation of the zone and the abatement of taxes and the benefit to the eligible jurisdiction and the property to be included in the zone. The costs of such feasibility study shall be borne by the applicant.
- (e) The governing body of the affected jurisdiction shall not establish a reinvestment zone for the purpose of abatement if it finds that the request for the abatement was filed after the commencement of construction, alteration, or installation of improvements related to a proposed modernization, expansion or new facility.
- (f) Variance. Requests for variance from the provision of Subsection (a) and (g) of Section 2 may be made in written form to the presiding officer of the governing body of the affected jurisdiction; provided, however, the total duration of an abatement shall in no instance exceed seven (7) years. Such request shall include a complete description of the circumstances explaining why the applicant should be granted a variance. Approval of a request for variance requires a two-thirds (2/3) vote of the governing body.

SECTION 4. Reinvestment Zone Advisory Committee.

There is hereby created a Reinvestment Zone Advisory Committee. The Committee shall be composed of eight (8) members. Two (2) member shall be members of the Board of Development of the City of Greenville as appointed by that Board; one (1) member shall

be the Mayor of the City of Greenville or the Mayor's official designee; one (1) member shall be the City Manager of the City of Greenville or the City Manager's official designee; one (1) member shall be the President of the Greenville Independent School District or the President's official designee; one (1) member shall be the President of the Hunt Memorial Hospital District or the President's official designee; one (1) member shall be the County Judge of Hunt County or the Judge's official designee; and one (1) member shall be appointed by the Commissioners Court of Hunt County. The initial members of the Committee shall be appointed as soon as possible after the adoption of these guidelines and criteria, and the Committee shall hold its initial meeting as soon as a majority of its membership has been appointed. The Committee may select from among its members a Chairman and a Vice Chairman and any other officers that the Committee deems necessary to perform its functions and duties.

It shall be the duty of the Committee to provide assistance and advice to any and all governing bodies of taxing entities in Hunt County and to the Board of Development of the City of Greenville on matters related to tax abatement and reinvestment zones created in Hunt County. The Committee shall also provide information and assistance to applicants and potential applicants for tax abatement and reinvestment zones. The Committee may make an initial review of each application for tax abatement made under these guidelines and criteria and make recommendations to the governing bodies regarding the sufficiency of the application and the value and term of abatement to be authorized.

SECTION 5. Public Hearing.

- (a) Should any affected jurisdiction be able to show cause in the public hearing why the granting of abatement will have a substantial adverse effect on its bonds, tax revenue, service capacity or the provision of service, that showing shall be reason for the governing body to deny any designation of the reinvestment zone, the granting of abatement, or both.
- (b) Neither a reinvestment zone nor abatement agreement shall be authorized if it is determined that:
 - (1) There would be a substantial adverse effect on the provision of government service or tax base;
 - (2) The applicant has insufficient financial capacity;
 - (3) Planned or potential use of the property would constitute a hazard to public safety, health or morals; or
 - (4) A planned or potential use of the property would constitute a violation of other codes or laws.

SECTION 6. Recapture.

- (a) In the event that the facility is completed and begins producing product or service, but subsequently discontinues producing product or service for any reason excepting fire, explosion, or other casualty, accident, or natural disaster for a period of one (1) year during the abatement period, then the agreement shall terminate and so shall the abatement of the taxes for the calendar year during which the facility no longer produces. The taxes otherwise abated for that calendar year shall be paid to the affected jurisdiction within sixty (60) days from the date of termination.
- (b) In the event that fixed machinery or equipment is installed and becomes eligible property, but is subsequently removed from the facility or become ineligible property during the abatement period, and is not replaced with fixed machinery or equipment of like value within a reasonable time, then all taxes previously abated by virtue of the agreement for said machinery or equipment shall be recaptured and paid within sixty (60) days from the date the machinery or equipment is removed from the facility or becomes ineligible property.
- (c) Should the governing body determine that the company or individual is in default according to the terms and conditions of its agreement, the governing body shall notify the company or individual in writing at the address stated in the agreement, and if such is not cured within sixty (60) days from the date of such notice (“Cure Period”), then the agreement may be terminated.
- (d) In the event that the company or individual: (1) allows its ad valorem taxes owed the County or any affected jurisdiction to become delinquent and fails to timely and properly follow the legal procedures for their protest and/or contest; or, (2) violates any of the terms and conditions of the abatement agreement and fails to cure during the Cure Period, the agreement then may be terminated and all taxes previously abated by virtue of the agreement will be recaptured and paid within sixty (60) days of the termination.

SECTION 7. Administration.

- (a) The Chief Appraiser of the Hunt County Appraisal District shall annually determine an assessment of the real and personal property comprising the reinvestment zone. Each year, the company or individual receiving abatement shall furnish the assessor with such information as may be necessary for the abatement. Once value has been established, the Chief Appraiser shall notify the affected jurisdictions which levy taxes on the amount of the assessment.
- (b) The agreement shall stipulate that employees and/or designated representatives of the affected jurisdiction will have access to the reinvestment zone during the term of the abatement to inspect the facility to determine if the terms and conditions of

the agreement are being met. All inspections will be made only after the giving of twenty-four (24) hours prior notice and will only be conducted in such manner as to not unreasonably interfere with the construction and/or operation of the facility. All inspections will be made with one or more representatives of the company or individual and in accordance with its safety standards.

- (c) Upon completion of construction, the affected jurisdiction shall annually evaluate each facility and report possible violations of the contract and agreement to the governing body and its attorney.

SECTION 8. Assignment.

Abatement may be transferred and assigned by the homer to a new owner or lessee of the same facility upon the approval by resolution of the governing body, subject to the financial capacity of the assignee, and provided that all conditions and obligations in the abatement agreement are guaranteed by the execution of a new contractual agreement with the affected jurisdiction. No assignment or transfer shall be approved if the parties to the existing agreement, the new owner or new lessee are liable to Hunt County or any affected jurisdiction for outstanding taxes or other obligations. Approval shall not be unreasonably withheld.

SECTION 9. Durations: Review.

- (a) These Guidelines and Criteria are effective upon the date of their adoption and will remain in force for two (2) years, at which time all reinvestment zones and tax abatement contracts created pursuant to its provision will be reviewed by the governing body to determine whether the goals have been achieved. Based on that review, the Guidelines and Criteria will be modified, renewed, or eliminated, providing that such actions shall not affect existing contracts.
- (b) This policy is mutually exclusive of existing Industrial District Contracts and owners of real property in areas deserving of special attention, as agreed by the affected jurisdictions.

**GUIDELINES AND CRITERIA FOR TAX ABATEMENT
IN A REINVESTMENT ZONE CREATED IN HUNT COUNTY**

SECTION 1. Definitions.

- (a) "Abatement" means the full or partial exemption from ad valorem taxes of certain real property and personal property in a reinvestment zone designated by an affected jurisdiction for economic development purposes.
- (b) "Affected Jurisdiction" means Hunt County and any municipality or school district, the majority of which is located in Hunt County, that levies ad valorem taxes upon and provides services to property located within the proposed or existing reinvestment zone designated by Hunt County.
- (c) "Agreement" means a contractual agreement between a property owner and/or lessee and an affected jurisdiction for the purposes of tax abatement.
- (d) "Base Year Value" means the assessed value of eligible property January 1 preceding the execution of the agreement, plus the agreed upon value of eligible property improvements made after January 1 but before the execution of the agreement.
- (e) "Deferred Maintenance" means buildings and structures, including machinery and equipment, used or to be used primarily to receive, store, service, or distribute goods or materials owned by the facility operator, where a majority of the goods or services are distributed to points at least 50 miles from its location in Hunt County.
- (f) "Expansion" means the addition of buildings, structures, machinery or equipment for purposes of increasing production capacity.
- (g) "Facility" means property improvements completed or in the process of construction which together compromise an integral whole.
- (h) "Fixed Machinery and Equipment" or "Fixed Machinery or Equipment" means heavy, non-mobile machinery and/or equipment that cannot be removed without injuring a building or structure, and does not include movable machinery and equipment.
- (i) "Manufacturing Facility" means buildings and structures, including machinery and equipment, the primary purpose of which is or will be the manufacture of tangible goods or materials or the processing of such goods or materials by physical or chemical change.

- (j) “Modernization” means the replacement and upgrading of existing facilities which increases the productive input or output, updates the technology or substantially lowers the unit cost of the operation. Modernization may result from the construction, alteration or installation of buildings, structures, fixed machinery or equipment. It shall not be for the purpose of reconditioning, refurbishing or repairing.
- (k) “New Facility” means a property previously undeveloped which is placed into service by means other than or in conjunction with expansion or modernization.
- (l) “Other Basic Industry” means buildings and structures including fixed machinery and equipment not elsewhere described, used or to be used for the production of products or services which serve a market primarily outside of Hunt County and result in the creation of new permanent jobs and create new wealth in Hunt County.
- (m) “Productive Life” means the number of years a property improvement is expected to be in service.
- (n) “Regional Entertainment Facility” means buildings and structures, including machinery and equipment, used or to be used to provide entertainment through the admission of the general public where the majority of users reside at least 50 miles from its location in Hunt County.
- (o) “Research Facility” means buildings and structures, including machinery and equipment, used or to be used primarily for research or experimentation to improve or develop new tangible goods or materials or to improve or develop the production processes thereto.
- (p) “Regional Service Facility” means buildings and structures, including machinery and equipment, used or to be used to service goods where a majority of the goods being serviced originate at least 50 miles from the facility's location in Hunt County.
- (q) “Value of Property” means the assessed value of eligible property for purposes of ad valorem taxation.

SECTION 2. Abatement Authorized.

- (a) **Authorized Facility.** A facility may be eligible for abatement if it is a Manufacturing Facility, Research Facility, Distribution Center or Regional Service Facility, Regional Entertainment Facility, or Other Basic Industry.
- (b) **Creation of New Value.** Abatement may only be granted for the additional value of eligible property improvements made subsequent to and specified in an abatement agreement between the affected jurisdiction and the property owner or

lessee, subject to such limitations as the governing body of the affected jurisdiction may require.

- (c) **New and Existing Facilities.** Abatement may be granted for new facilities and improvements to existing facilities for purposes of modernization or expansion.
- (d) **Eligible Property.** Abatement may be extended to the value of buildings, structures, fixed machinery and equipment, aircraft, and site improvements, plus that office space and related fixed improvements necessary to the operation and administration of the facility.
- (e) **Ineligible Property.** The following types of property shall be fully taxable and ineligible for abatement: land; inventories; supplies; personal property not defined as eligible property; tools; furnishings and other forms of light movable equipment and machinery; vehicles; vessels; homing; hotel accommodations; retail facilities; deferred maintenance investments; property to be rented or leased, except as provided in Section 2(f); property, owned or used by the State of Texas or its political subdivisions or by any organization owned, operated or directed by a political subdivision of the State of Texas.
- (f) **Owned/Leased Facilities.** If a leased facility is granted abatement, the agreement shall be executed with the lessor and the lessee. Publicly owned land leased to private entities shall be eligible if otherwise qualified.
- (g) **Value and Term of Abatement.**
 - (1) *For new facilities.* Abatement shall be granted effective with the January 1st valuation date immediately following the date of execution of the agreement. Up to one hundred percent (100%) of the value of new eligible properties may be abated for up to seven (7) years. The abatement may be extended through an initial agreement and a subsequent agreement as may be required to comply with State law regarding the term of a reinvestment zone.
 - (2) *For modernization or expansion.* Abatement shall be granted effective with the January 1st valuation date immediately following the date of execution of the agreement. Up to one hundred percent (100%) of the value of new eligible properties may be abated for up to five (5) years. The abatement may be extended through an initial agreement and a subsequent agreement as may be required to comply with State law regarding the term of a reinvestment zone.

(a) If a modernization project includes facilities replacement, the value eligible for abatement shall be the value of the new units less the value of the old units.

(3) The value and term of any tax abatement shall be determined by the Taxing Entity. Each project will be reviewed separately and incentives may be granted based on different criteria such as amount of capital investment, number of jobs created, type of business, etc.

(h) **Economic Qualification.**

In order to be eligible for designation as a reinvestment zone and receive tax abatement, the planned improvement:

(1) Must increase the value of the property in the amount of \$1,000,000.00 or more attributable to the increase in value of buildings, structures, site improvements, fixed machinery and equipment, and related fixed improvements;

(2) Must not be expected to solely or primarily have the effect of transferring employment from one part of Hunt County to another; and,

(3) Must be necessary because capacity cannot be provided efficiently utilizing existing improved property.

(i) **Taxability.** From the execution of the abatement contract to the end of the agreement period, taxes shall be payable as follows:

(1) The value of ineligible property, as provided in Section 2(e), shall be fully taxable;

(2) The value of existing eligible property in the base year shall be determined each year and shall be fully taxable; and,

(3) The additional value of new eligible property shall be taxable in the manner described in Section 2(g).

SECTION 3. Application.

(a) Any present or potential owner of taxable property in an affected jurisdiction may request the creation of a reinvestment zone and tax abatement by filing a written application with the presiding officer of the governing body of the affected jurisdiction.

- (b) The application shall consist of a completed application form accompanied by: a general description of the proposed use and the general nature and extent of the modernization, expansion or new improvements to be undertaken; a descriptive list of the improvements which will be a part of the facility; a map and property description; and, a time schedule for undertaking and completing the planned improvements. In the case of modernizing, a statement of the assessed value of the real and personal property of the facility shall be given for the tax year immediately preceding the applications. The application form may require such financial and other information as the governing body of the affected jurisdiction deems appropriate for evaluating the financial capacity and other factors of the applicant.
- (c) Upon receipt of a completed application, the officer with whom the application was filed shall notify in writing the presiding officer of the governing body of each affected jurisdiction. Before acting upon the application, each affected jurisdiction shall through public hearing afford the applicant and the designated representative of any affected jurisdiction the opportunity show cause why the abatement should or should not be granted. Notice of the public hearing shall be clearly identified on an agenda of the governing body.
- (d) After receipt of an application for creation of a reinvestment zone and application for abatement, the affected jurisdiction shall prepare or cause to be prepared a feasibility study setting out the impact of the proposed reinvestment zone and tax abatement. The feasibility study shall include, but not be limited to, an estimate of the economic effect of the creation of the zone and the abatement of taxes and the benefit to the eligible jurisdiction and the property to be included in the zone. The costs of such feasibility study shall be borne by the applicant.
- (e) The governing body of the affected jurisdiction shall not establish a reinvestment zone for the purpose of abatement if it finds that the request for the abatement was filed after the commencement of construction, alteration, or installation of improvements related to a proposed modernization, expansion or new facility.
- (f) Variance. Requests for variance from the provision of Subsection (a) and (g) of Section 2 may be made in written form to the presiding officer of the governing body of the affected jurisdiction; provided, however, the total duration of an abatement shall in no instance exceed seven (7) years. Such request shall include a complete description of the circumstances explaining why the applicant should be granted a variance. Approval of a request for variance requires a two-thirds (2/3) vote of the governing body.

SECTION 4. Reinvestment Zone Advisory Committee.

There is hereby created a Reinvestment Zone Advisory Committee. The Committee shall be composed of eight (8) members. Two (2) member shall be members of the Board of Development of the City of Greenville as appointed by that Board; one (1) member shall

be the Mayor of the City of Greenville or the Mayor's official designee; one (1) member shall be the City Manager of the City of Greenville or the City Manager's official designee; one (1) member shall be the President of the Greenville Independent School District or the President's official designee; one (1) member shall be the President of the Hunt Memorial Hospital District or the President's official designee; one (1) member shall be the County Judge of Hunt County or the Judge's official designee; and one (1) member shall be appointed by the Commissioners Court of Hunt County. The initial members of the Committee shall be appointed as soon as possible after the adoption of these guidelines and criteria, and the Committee shall hold its initial meeting as soon as a majority of its membership has been appointed. The Committee may select from among its members a Chairman and a Vice Chairman and any other officers that the Committee deems necessary to perform its functions and duties.

It shall be the duty of the Committee to provide assistance and advice to any and all governing bodies of taxing entities in Hunt County and to the Board of Development of the City of Greenville on matters related to tax abatement and reinvestment zones created in Hunt County. The Committee shall also provide information and assistance to applicants and potential applicants for tax abatement and reinvestment zones. The Committee may make an initial review of each application for tax abatement made under these guidelines and criteria and make recommendations to the governing bodies regarding the sufficiency of the application and the value and term of abatement to be authorized.

SECTION 5. Public Hearing.

- (a) Should any affected jurisdiction be able to show cause in the public hearing why the granting of abatement will have a substantial adverse effect on its bonds, tax revenue, service capacity or the provision of service, that showing shall be reason for the governing body to deny any designation of the reinvestment zone, the granting of abatement, or both.
- (b) Neither a reinvestment zone nor abatement agreement shall be authorized if it is determined that:
 - (1) There would be a substantial adverse effect on the provision of government service or tax base;
 - (2) The applicant has insufficient financial capacity;
 - (3) Planned or potential use of the property would constitute a hazard to public safety, health or morals; or
 - (4) A planned or potential use of the property would constitute a violation of other codes or laws.

SECTION 6. Recapture.

- (a) In the event that the facility is completed and begins producing product or service, but subsequently discontinues producing product or service for any reason excepting fire, explosion, or other casualty, accident, or natural disaster for a period of one (1) year during the abatement period, then the agreement shall terminate and so shall the abatement of the taxes for the calendar year during which the facility no longer produces. The taxes otherwise abated for that calendar year shall be paid to the affected jurisdiction within sixty (60) days from the date of termination.
- (b) In the event that fixed machinery or equipment is installed and becomes eligible property, but is subsequently removed from the facility or become ineligible property during the abatement period, and is not replaced with fixed machinery or equipment of like value within a reasonable time, then all taxes previously abated by virtue of the agreement for said machinery or equipment shall be recaptured and paid within sixty (60) days from the date the machinery or equipment is removed from the facility or becomes ineligible property.
- (c) Should the governing body determine that the company or individual is in default according to the terms and conditions of its agreement, the governing body shall notify the company or individual in writing at the address stated in the agreement, and if such is not cured within sixty (60) days from the date of such notice ("Cure Period"), then the agreement may be terminated.
- (d) In the event that the company or individual: (1) allows its ad valorem taxes owed the County or any affected jurisdiction to become delinquent and fails to timely and properly follow the legal procedures for their protest and/or contest; or, (2) violates any of the terms and conditions of the abatement agreement and fails to cure during the Cure Period, the agreement then may be terminated and all taxes previously abated by virtue of the agreement will be recaptured and paid within sixty (60) days of the termination.

SECTION 7. Administration.

- (a) The Chief Appraiser of the Hunt County Appraisal District shall annually determine an assessment of the real and personal property comprising the reinvestment zone. Each year, the company or individual receiving abatement shall furnish the assessor with such information as may be necessary for the abatement. Once value has been established, the Chief Appraiser shall notify the affected jurisdictions which levy taxes on the amount of the assessment.
- (b) The agreement shall stipulate that employees and/or designated representatives of the affected jurisdiction will have access to the reinvestment zone during the term of the abatement to inspect the facility to determine if the terms and conditions of

the agreement are being met. All inspections will be made only after the giving of twenty-four (24) hours prior notice and will only be conducted in such manner as to not unreasonably interfere with the construction and/or operation of the facility. All inspections will be made with one or more representatives of the company or individual and in accordance with its safety standards.

- (c) Upon completion of construction, the affected jurisdiction shall annually evaluate each facility and report possible violations of the contract and agreement to the governing body and its attorney.

SECTION 8. Assignment.

Abatement may be transferred and assigned by the homer to a new owner or lessee of the same facility upon the approval by resolution of the governing body, subject to the financial capacity of the assignee, and provided that all conditions and obligations in the abatement agreement are guaranteed by the execution of a new contractual agreement with the affected jurisdiction. No assignment or transfer shall be approved if the parties to the existing agreement, the new owner or new lessee are liable to Hunt County or any affected jurisdiction for outstanding taxes or other obligations. Approval shall not be unreasonably withheld.

SECTION 9. Durations: Review.

- (a) These Guidelines and Criteria are effective upon the date of their adoption and will remain in force for two (2) years, at which time all reinvestment zones and tax abatement contracts created pursuant to its provision will be reviewed by the governing body to determine whether the goals have been achieved. Based on that review, the Guidelines and Criteria will be modified, renewed, or eliminated, providing that such actions shall not affect existing contracts.
- (b) This policy is mutually exclusive of existing Industrial District Contracts and owners of real property in areas deserving of special attention, as agreed by the affected jurisdictions.

RESOLUTION NO. #13,168

FILED FOR RECORD M
at 1:30 o'clock P
MAY 13 2014
JENNIFER LINDENZWEIG
By County Clerk, Hunt County, Tex.

A RESOLUTION MAKING THE WRITTEN FINDINGS REQUIRED BY TEXAS GOVERNMENT CODE SECTION 103(d); GRANTING EXEMPTION UNDER LOCAL GOVERNMENT CODE § 262.024(a)(4); GRANTING AUTHORITY TO THE COUNTY JUDGE TO EXECUTE SAID RESOLUTION AND ATTORNEY CONTRACT; AND AUTHORIZING COUNTY CLERK TO AUTHENTICATE SIGNATURES TO SAID RESOLUTION AND CONTRACT.

A regularly-scheduled meeting of the Hunt County Commissioners Court was held in Greenville, Texas, on the 13th day of May 2014, at 10:00a.m.; a majority of the Court being present and constituting a quorum, the following resolution was adopted;

WHEREAS, the Hunt County Justice Center has suffered damage due to improper design and construction;

WHEREAS, Hunt County has considered entering into a contract for legal services subject to Texas Government Code Chapter 2254, Subsection C, and must make written findings as required by Texas Government Code Section 103(d);

WHEREAS, Hunt County Commissioners Court has authority pursuant to Local Government Code § 262.024(a)(4) to grant an exemption for professional legal services; and

WHEREAS, Hunt County Commissioners Court has considered entering into a professional legal services contract that requires work that is predominantly mental or intellectual, rather than physical or manual, requires special knowledge or attainment of a high order of learning, skill, and academic intelligence;

NOW THEREFORE BE IT RESOLVED that the Hunt County Commissioners Court makes the following findings:

(1) there is a substantial need for legal services from outside counsel to prosecute a suit for damages to the Hunt County Justice Center;

(2) the legal services cannot be adequately performed by the attorneys and supporting personnel of Hunt County or by the attorneys and supporting personnel of another state governmental entity; and

(3) the legal services cannot reasonably be obtained from attorneys in private practice under a contract providing only for the payment of hourly fees, without regard to the outcome of the matter, because Hunt County does not have appropriated funds available to pay the estimated amounts required under a contract providing only for the payment of hourly fees;

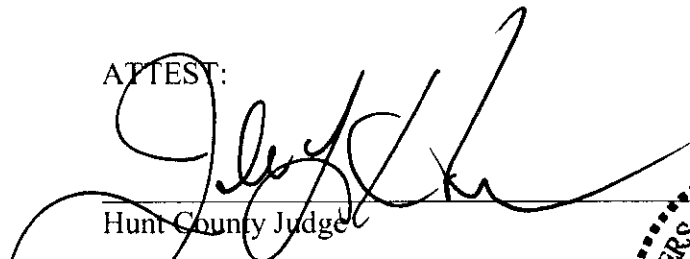
BE IT FURTHER RESOLVED, that the Hunt County Commissioners Court pursuant to Local Government Code § 262.024(a)(4) resolves to grant an exemption for professional legal services;

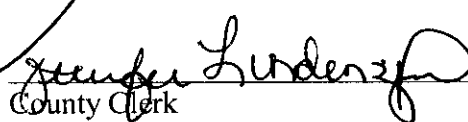
BE IT FURTHER RESOLVED, that the Hunt County Judge be authorized and is hereby authorized to execute said resolution and an attorney contract with Scott & Ray, PLLC, subject to Texas Government Code Chapter 2254, Subsection C; and

BE IT FURTHER RESOLVED, that the County Clerk be authorized and is hereby authorized to authenticate the signature of the Hunt County Judge to said resolution or contract.

PASSED BY THE COMMISSIONER'S COURT of Hunt County, Texas, at a regularly-scheduled meeting of the Hunt County Commissioners Court on the 13th day of May 2014.

ATTEST:


Hunt County Judge


County Clerk



13,168

EMPLOYMENT CONTRACT

FILED FOR RECORD
at 1:30 o'clock P M
MAY 13 2014
By County Clerk, Hunt County, Tex.
JENNIFER LINDENZWEIG

STATE OF TEXAS §
COUNTY OF HUNT §

THIS IS AN AGREEMENT between Hunt County, Texas, a political subdivision of the State of Texas, (hereinafter referred to as "Client") and Scott & Ray, PLLC, (hereinafter referred to as "Attorney"), whose principal office address is 2608 Stonewall Street, Greenville, Texas 75403-1353, whereby Client retains and employs Attorney to represent Client in prosecuting Client's claims, as follows:

WITNESSETH:

Client hereby employs the aforementioned Attorney, and authorizes and empowers Attorney to institute, maintain, and prosecute any civil causes of action arising out of actions in Hunt County, Texas, as detailed below. Attorney hereby accepts said employment, and agrees to act on behalf of Client to the best of Attorney's ability. This Contract shall be subject to the following terms:

1. Definition of "Hunt County, Texas":

Our client is Hunt County, Texas, not its Commissioners Court, County Judge or individual County Commissioners. Out of necessity, we will abide by the wishes of the elected officials who make up the Commissioners Court, but our ethical duties will run to Hunt County itself. Our representation in matters arising from this Contract is limited to Hunt County, and the term "Hunt County, Texas" does not include, and our representation of Hunt County does not mean, that we represent the elected officials, managers, officers, or employees of Hunt County, Texas.

2. Scope of Work:

Attorney has been hired to pursue Damages and attorney's fees arising from the design and construction of the Hunt County Justice Center in 1999-2000. We may accomplish our objective through any legal and ethical means available, including demand letter, litigation and/or mediation. Our engagement is limited to providing legal services and does not include accounting, financial, management, or other non-legal services.

3. Conflicts of Interest:

Our investigations have identified several parties that are potentially adverse to Hunt County, Texas. We have checked our conflict of interest records and have found no indication of any current

or prior representation that would be a conflict with any of these parties. If during the course of our representation you become aware of any other person or entity with interests adverse to Hunt County's in connection with illegal dumping matters, please promptly advise us so that we can check our records for any conflict.

Additionally, we represent many other companies, individuals, and local governments. It is possible that during the time that we are representing Hunt County some of our present or future clients will have disputes or transactions with Hunt County. This contract constitutes the agreement of Hunt County that we may continue to represent or may undertake in the future to represent existing or new clients in any matter that is not substantially related to our work for Hunt County even if the interests of such clients in those other matters are directly adverse to Hunt County. We understand, however, that Hunt County has not agreed that we may use confidential information of Hunt County that we have learned during the course of our representation to the disadvantage of Hunt County nor that Hunt County has agreed we may represent another party adverse to Hunt County when there is a reasonable basis for Hunt County to believe its confidential information could be used to Hunt County's disadvantage.

In certain instances, it may become appropriate for Hunt County to consider seeking sanctions from a court against the opposition or opposition's counsel. If we reach a professional judgment that you should consider such, we will so advise the Hunt County Attorney, and may file a Motion for Sanctions with the Court.

However, we reserve the right to decline to seek such sanctions because of conflicts or for other reasons. If we conclude that we are not able to seek such sanctions, but Hunt County desires to seek such sanctions, we will consult with the Hunt County City Attorney to determine alternative courses for Hunt County to follow.

4. Cooperation:

We will need the full cooperation of Hunt County and timely and full disclosure of facts and developments. We assume and must rely on the accuracy and completeness of the facts disclosed to us in providing our advice. In litigation matters, this is particularly important in order to satisfy discovery requests with respect to the causes of action alleged in the lawsuit. Failure to provide full disclosure and discovery may cause the court to impose sanctions; these may be severe and may include striking defenses or claims and imposing monetary fines.

5. Personnel:

Bob Scott and Daniel Ray will have the primary responsibility for representing Hunt County. Other lawyers in our firm (including younger attorneys) and legal assistants may be involved when

we believe it would be beneficial to Hunt County. Additional attorneys or firms may be associated by Attorney, with the approval of the Hunt County Attorney. If that occurs, those attorneys or firms will bill at the rates stated in Section 19.g.ii, and will be subject to all other parts of this contract.

6. EVALUATIONS ARE NOT GUARANTEES:

Any views we express about a likely result are only expressions of our estimation, for we do not make representations or guarantees to Hunt County as to the probability of ultimate success or any particular result.

7. Records:

Hunt County should retain all originals and copies of documents Hunt County desires for future reference. At the conclusion of a matter Hunt County should advise us of which, if any, documents Hunt County wishes we return. We retain most of our file for a certain period of time, but ultimately our files will be destroyed. We do not contact our clients prior to such destruction. If Hunt County wants any documents returned upon conclusion of this matter, Hunt County must request such at that time. In the absence of such a request, we disclaim responsibility for the return of any documents or their preservation for any particular length of time.

8. Disclosure to Third Parties:

From time to time we use services provided by third parties. These include litigation support, storage, document management, computer systems, information technology services, accounting and financial services, and similar services. We also may use contract lawyers and non-lawyers in certain matters. As a result, these parties may have access to confidential client information. We endeavor to deal only with providers who understand our obligation to maintain the confidences of our clients. Your signature below shall signify the consent of Hunt County to our use of such third parties and the resulting disclosure of potential confidential information.

9. Fee:

Hunt County understands normal contingency fees Attorney Charges for this type of litigation are 33% to 40%. In consideration for the services rendered and to be rendered by Attorney, Hunt County hereby transfers, assigns, and conveys to Attorney an undivided interest in and to Hunt County's causes of action in the amount of 25% of any and all sums of money and property recovered for the County from any party.

In addition, Attorneys will seek attorney fees and costs from the opposing parties in order to defray the amount of the fee paid from Hunt County's total recovery. Any attorney's fees recovered will be applied to the contingency fee described above. Therefore, for example, if the Attorneys recover \$80,000 in damages and an additional \$10,000 in attorneys' fees, the \$80,000 is subject to

the 1/4 maximum contingency fee – or \$20,000. Because the \$10,000 in awarded attorneys' fees will be applied to that amount, Hunt County will pay only \$10,000 to Attorney. If the attorneys' fees are greater than the 1/4 contingency fee, the Attorney shall receive the attorneys' fees but will not be paid any additional moneys from Hunt County (subject to the requirements of §2254.106(a), (b) and (c), Tex Gov't Code, described in Section 19.g, below).

The fee described will be computed without enhancement regardless of the outcome. More specifically, there will be no increased cost to Hunt County if any matter arising from this contract is settled, or tried and appealed. This paragraph is included to comply with the terms of §2254.105(2), Tex Gov't Code.

In no case will any fee paid to Attorney exceed the lesser of the 1/4 contingent fee described in this Section 9 or the special fee calculation established under §2254.106(a), (b) and (c), Tex Gov't Code (described in Section 19.g, below, and applied to cases with a recovery to Hunt County of over \$100,000). This paragraph is included to meet the requirements of §2254.106(d), Tex Gov't Code.

Unless the fee set out in this Contract is determined to be prohibited by law, the fees described above will be paid exclusively out of any recovery (including but not limited to any attorney's fees and expenses, as well as penalties) awarded in any judgment resulting from the Representation, or any settlement during the Representation, and the fees described above shall be the sole source of compensation to Attorneys.

10. Payment of Expenses Not Covered by Contingency Fee:

Our invoices will reflect charges for out-of-pocket expenses incurred in connection with cases arising from operation of this contract, including but not limited to: filing fees, court costs, certified copies of documents, transcripts, depositions, duplication costs, postage, office supplies, photographs, trial exhibits, long distance phone & fax calls, appraisal fees, consultants, expert witnesses and other fees associated with preparation and trial testimony, investigation fees, delivery charges, overnight mail/parcel services, parking, toll road & mileage expenses, out of town travel expenses as per IRS guidelines, local counsel costs (if necessary) and any other expense incurred in connection with the matter. These charges will be reimbursed by Hunt County during the course of representation. These reimbursements are subject to the requirements of §2254, Subchapter C, Tex Gov't Code. Expenses shall be paid after the contingent fee calculation is applied to the total amount of any penalty collected or fees awarded. This paragraph is included to meet the requirements of §2254.105(3), Tex Gov't Code.

11. Billing Practices and Payment:

Aggregate expenses in excess of \$250 may be billed monthly.

12. Experts:

Hunt County understands experts will be necessary to proceed to trial. Attorneys may retain experts upon approval of Hunt County. Expenses shall be paid after the contingent fee calculation is applied to the total amount of any penalty collected or fees awarded. This paragraph is included to meet the requirements of §2254.105(3), Tex Gov't Code.

13. Media Inquiries:

From time to time, we may receive media inquiries concerning this matter. Applicable ethical requirements may preclude or limit our response to those inquiries. Subject to ethical limitations, we will abide by Hunt County's instructions concerning whether and in what manner we respond to media inquiries. In the absence of specific written instructions, we will work with the media in accordance with our judgment, revealing non-confidential information when it is ethical to do so and appears to advance Hunt County's interests.

14. Electronic Mail:

In the course of our representation, we may have occasion to communicate with Hunt County and with others by electronic mail. Such communications will not be encrypted. Although interception of such communications by a third party would constitute a violation of federal law, we can offer no assurance that such interception will not occur. We will abide by any instructions Hunt County may give us concerning electronic mail communications; in the absence of such instructions, we will use our own judgment regarding the advisability of using such means of communication.

15. Texas Law to Apply

This Agreement shall be construed under and in accordance with the laws of Texas.

16. Parties Bound

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

17. Legal Construction

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 thereof and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

18. Prior Agreements Superseded

This Agreement constitutes the sole and only Agreement of the parties and supersedes any prior understandings or written or oral agreement between the parties respecting the within subject matter.

19. Additional Government Code Requirements

- a. Attorney shall keep current and complete written time and expense records that describe in detail the time and money spent each day in performing the contract as required under §2254.104(a), Tex Gov't Code.
- b. Attorney shall permit Hunt County officials or other officials as appropriate, to inspect or obtain copies of the time and expense records at any time on request, as required under §2254.104(b), Tex Gov't Code.
- c. Upon conclusion of any matter arising from this Contract, Attorney shall provide Hunt County with a complete written statement that describes the outcome of the matter, states the amount of any recovery, shows the contracting attorney's or law firm's computation of the amount of the contingent fee, and contains the final complete time and expense records, as required under §2254.104(a), Tex Gov't Code.
- d. Attorney shall disclose all information as required under the Texas Public Information Act and otherwise meet the requirements of §2254.104(d), Tex Gov't Code.
- e. Any subcontracted legal or support services performed by a person who is not a contracting attorney or a partner, shareholder, or employee of Attorney is an expense subject to reimbursement only in accordance with Subchapter C, Chapter 2254, Tex Gov't Code, as required under §2254.105(4), Tex Gov't Code.
- f. The amount of the contingent fee and reimbursement of expenses under the contract will be paid and limited in accordance with Subchapter C, Chapter 2254, Tex Gov't Code, as required under §2254.105(5), Tex Gov't Code.
- g. Base Fee and Computation of Fee for Any Case with a Recovery of Over \$100,000:
 - i. This section 19.g. is required under §2254.106, Tex Gov't Code, and applies only to individual recoveries for Hunt County that actually exceed \$100,000 in accordance with §2254.106(f)-(g), Tex Gov't Code; In a recovery to which this section applies, the Base Fee (as calculated below) would be multiplied by the multiplier of 4 (as set forth below) to obtain the maximum contingency fee payment allowed under Section 2254.106 of the Texas Government Code.
 - ii. The following reasonable hourly rates required to be in this contract under

§2254.106(a), Tex Gov't Code are based on the reasonable and customary rate in the Dallas, Texas legal market for the type of work performed, and based on the relevant experience, demonstrated ability, and standard hourly billing rates of the persons listed:

| | |
|---------------------------|------------|
| Bob Scott | - \$500/hr |
| Daniel Ray | - \$500/hr |
| Abigail Kweller | - \$500/hr |
| Other attorneys and firms | - \$500/hr |
| Paralegals | - \$200/hr |
| Law Clerk | - \$100/hr |

- iii. Texas Government Code Section 2254.106(b) requires the establishment of a "Base Fee." The Base Fee is used to calculate the contingent fee for any case arising from this contract that actually results in a recovery of \$100,000 or more shall be as follows: For each attorney, law clerk, or paralegal who is a contracting attorney or a partner, shareholder, or employee of a contracting attorney or law firm, multiply the number of hours the attorney, law clerk, or paralegal works in providing legal or support services under the contract times the reasonable hourly rate for the work performed by that attorney, law clerk, or paralegal (in Section 19.g.ii, above). Add the resulting amounts to obtain the base fee. The computation of the base fee may not include hours or costs attributable to work performed by a person who is not a contracting attorney or a partner, shareholder, or employee of a contracting attorney or law firm.
- iv. Multiplier: Pursuant to Government Code Section 2254.106(c), this contract must establish a multiplier based on any expected difficulties in performing the contract, the amount of expenses expected to be risked by the contractor, the expected risk of no recovery, and any expected long delay in recovery. Based on those factors, the reasonable multiplier for relevant matters arising from this contract is: four (4).

20. Approval of Comptroller:

This Contract is effective only after review and approval by the Texas Comptroller.

21. Retention of Control:

Subject to the approval of the Texas Attorney General, the Hunt County shall have the absolute right to settle any case brought under this contract for no penalty, which would yield no contingent fee on penalties to Attorneys. Attorneys have no authority to settle or otherwise compromise the position of the City or any of its officers. Attorneys shall at all times be subject to the supervision, direction, and control of the Hunt County Attorney, who acts as the Hunt County's

agent and retains absolute and total control over all critical decision-making in cases brought under this contract.

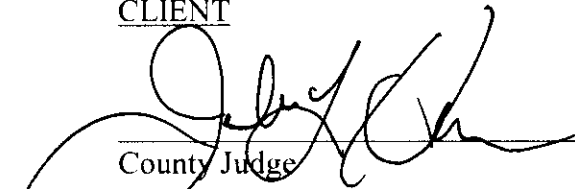
TAX DISCLOSURE AND ACKNOWLEDGMENT:


CLIENT IS ADVISED TO OBTAIN INDEPENDENT AND COMPETENT TAX ADVICE REGARDING THESE LEGAL MATTERS SINCE LEGAL TRANSACTIONS CAN GIVE RISE TO TAX CONSEQUENCES.

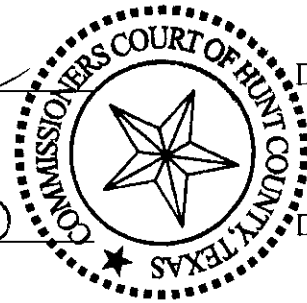
THE UNDERSIGNED LAW FIRM AND ATTORNEY HAVE NOT AGREED TO RENDER ANY TAX ADVICE AND ARE NOT RESPONSIBLE FOR ANY ADVICE REGARDING TAX MATTERS OR PREPARATION OF TAX RETURNS, OR OTHER FILINGS, INCLUDING, BUT NOT LIMITED TO, STATE AND FEDERAL INHERITANCE TAX AND INCOME TAX RETURNS.

THIS CONTRACT IS SIGNED in Hunt County, on 5-13-2014, 2014.

CLIENT


County Judge



County Clerk



Date: 5-13-2014

Date: May 13, 2014

ATTORNEY


Daniel W. Ray (for the Firm)

Date: 5/13/2014

**APPROVED BY:
OFFICE OF THE TEXAS COMPTROLLER OF PUBLIC ACCOUNTS:**

By: Deputy Comptroller or her designee

Date: _____

FILED FOR RECORD
at 1:32 o'clock P M

MAY 13 2014

JENNIFER LINDENZWEIG
County Clerk, Hunt County, Tex.
By *Jennifer Lindenzweig*

RESOLUTION NO. #13,169

A RESOLUTION MAKING THE WRITTEN FINDINGS REQUIRED BY TEXAS GOVERNMENT CODE SECTION 103(d); GRANTING EXEMPTION UNDER LOCAL GOVERNMENT CODE § 262.024(a)(4); GRANTING AUTHORITY TO THE COUNTY JUDGE TO EXECUTE SAID RESOLUTION AND ATTORNEY CONTRACT; AND AUTHORIZING COUNTY CLERK TO AUTHENTICATE SIGNATURES TO SAID RESOLUTION AND CONTRACT.

A regularly-scheduled meeting of the Hunt County Commissioners Court was held in Greenville, Texas, on the 13th day of May 2014, at 10:00a.m.; a majority of the Court being present and constituting a quorum, the following resolution was adopted;

WHEREAS, it has become known that people and entities in the unincorporated areas of Hunt County, Texas, have illegally dumped, disposed of or stored materials, caused a public nuisance, and/or have released chemicals and other waste into or adjacent to water in the County, in violation of the Texas Health and Safety Code and the Texas Water Code;

WHEREAS, Hunt County has considered entering into a contract for legal services subject to Texas Government Code Chapter 2254, Subsection C, and must make written findings as required by Texas Government Code Section 103(d);

WHEREAS, Hunt County Commissioners Court has authority pursuant to Local Government Code § 262.024(a)(4) to grant an exemption for professional legal services; and

WHEREAS, Hunt County Commissioners Court has considered entering into a professional legal services contract that requires work that is predominantly mental or intellectual, rather than physical or manual, requires special knowledge or attainment of a high order of learning, skill, and academic intelligence;

NOW THEREFORE BE IT RESOLVED that the Hunt County Commissioners Court makes the following findings:

- (1) there is a substantial need for legal services from outside counsel to enforce the Texas Health and Safety Code and the Texas Water Code;
- (2) the legal services cannot be adequately performed by the attorneys and supporting personnel of Hunt County or by the attorneys and supporting personnel of another state governmental entity; and
- (3) the legal services cannot reasonably be obtained from attorneys in private practice under

a contract providing only for the payment of hourly fees, without regard to the outcome of the matter, because Hunt County does not have appropriated funds available to pay the estimated amounts required under a contract providing only for the payment of hourly fees;

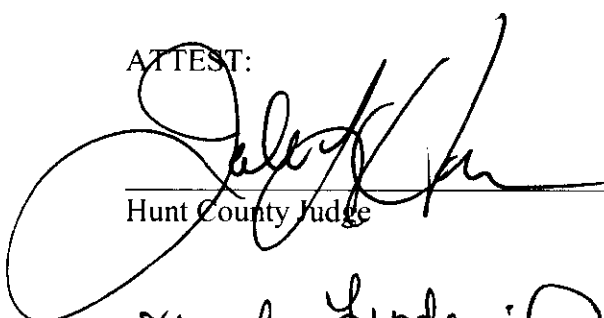
BE IT FURTHER RESOLVED, that the Hunt County Commissioners Court pursuant to Local Government Code § 262.024(a)(4) resolves to grant an exemption for professional legal services;

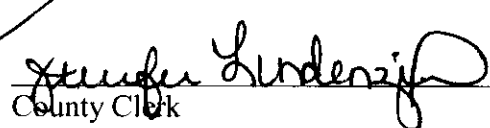
BE IT FURTHER RESOLVED, that the Hunt County Judge be authorized and is hereby authorized to execute said resolution and an attorney contract with Scott & Ray, PLLC, subject to Texas Government Code Chapter 2254, Subsection C; and

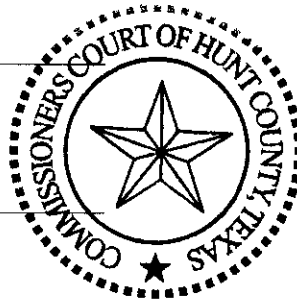
BE IT FURTHER RESOLVED, that the County Clerk be authorized and is hereby authorized to authenticate the signature of the Hunt County Judge to said resolution or contract.

PASSED BY THE COMMISSIONER'S COURT of Hunt County, Texas, at a regularly-scheduled meeting of the Hunt County Commissioners Court on the 13th day of May 2014.

ATTEST:


Hunt County Judge


County Clerk



FILED FOR RECORD
at 1:30 o'clock P M

#13,169

EMPLOYMENT CONTRACT

MAY 13 2014
JENNIFER LINDENZWEIG
By County Clerk, Hunt County, Tex.

STATE OF TEXAS §
COUNTY OF HUNT §

THIS IS AN AGREEMENT between Hunt County, Texas, a political subdivision of the State of Texas, (hereinafter referred to as "Client") and Scott & Ray, PLLC, (hereinafter referred to as "Attorney"), whose principal office address is 2608 Stonewall Street, Greenville, Texas 75403-1353, whereby Client retains and employs Attorney to represent Client in prosecuting Client's claims, as follows:

WITNESSETH:

Client hereby employs the aforementioned Attorney, and authorizes and empowers Attorney to institute, maintain, and prosecute any civil causes of action arising out of actions in Hunt County, Texas, as detailed below. Attorney hereby accepts said employment, and agrees to act on behalf of Client to the best of Attorney's ability. This Contract shall be subject to the following terms:

1. Definition of "Hunt County, Texas":

Our client is Hunt County, Texas, not its Commissioners Court, County Judge or individual County Commissioners. Out of necessity, we will abide by the wishes of the elected officials who make up the Commissioners Court, but our ethical duties will run to Hunt County itself. Our representation in matters arising from this Contract is limited to Hunt County, and the term "Hunt County, Texas" does not include, and our representation of Hunt County does not mean, that we represent the elected officials, managers, officers, or employees of Hunt County, Texas.

2. Scope of Work:

Attorney has been hired to pursue site clean-up and penalties arising from illegal dumping and other activities in the unincorporated areas of Hunt County, Texas, including the following: (1) illegal or unlicensed dumping or discharge of any material; (2) improper or unauthorized release of pollutants, or (3) other activities in violation of Texas law, codes, rules and/or regulations for which a suit may be maintained under the Texas Water Code or other related statutes or rules. We may accomplish our objective through any legal and ethical means available, including demand letter, litigation and/or mediation. Our engagement is limited to providing legal services and does not include accounting, financial, management, or other non-legal services.

3. Conflicts of Interest:

Our investigations have identified several parties that are potentially adverse to Hunt County, Texas. We have checked our conflict of interest records and have found no indication of any current or prior representation that would be a conflict with any of these parties. If during the course of our representation you become aware of any other person or entity with interests adverse to Hunt County's in connection with illegal dumping matters, please promptly advise us so that we can check our records for any conflict.

Additionally, we represent many other companies, individuals, and local governments. It is possible that during the time that we are representing Hunt County some of our present or future clients will have disputes or transactions with Hunt County. This contract constitutes the agreement of Hunt County that we may continue to represent or may undertake in the future to represent existing or new clients in any matter that is not substantially related to our work for Hunt County even if the interests of such clients in those other matters are directly adverse to Hunt County. We understand, however, that Hunt County has not agreed that we may use confidential information of Hunt County that we have learned during the course of our representation to the disadvantage of Hunt County nor that Hunt County has agreed we may represent another party adverse to Hunt County when there is a reasonable basis for Hunt County to believe its confidential information could be used to Hunt County's disadvantage.

In certain instances, it may become appropriate for Hunt County to consider seeking sanctions from a court against the opposition or opposition's counsel. If we reach a professional judgment that you should consider such, we will so advise the Hunt County Attorney, and may file a Motion for Sanctions with the Court.

However, we reserve the right to decline to seek such sanctions because of conflicts or for other reasons. If we conclude that we are not able to seek such sanctions, but Hunt County desires to seek such sanctions, we will consult with the Hunt County City Attorney to determine alternative courses for Hunt County to follow.

4. Cooperation:

We will need the full cooperation of Hunt County and timely and full disclosure of facts and developments. We assume and must rely on the accuracy and completeness of the facts disclosed to us in providing our advice. In litigation matters, this is particularly important in order to satisfy discovery requests with respect to the causes of action alleged in the lawsuit. Failure to provide full disclosure and discovery may cause the court to impose sanctions; these may be severe and may include striking defenses or claims and imposing monetary fines.

| | |
|---------------------------|------------|
| Abigail Kweller | - \$800/hr |
| Other attorneys and firms | - \$800/hr |
| Paralegals | - \$200/hr |
| Law Clerk | - \$100/hr |

- iii. Texas Government Code Section 2254.106(b) requires the establishment of a “Base Fee.” The Base Fee is used to calculate the contingent fee for any case arising from this contract that actually results in a recovery of \$100,000 or more shall be as follows: For each attorney, law clerk, or paralegal who is a contracting attorney or a partner, shareholder, or employee of a contracting attorney or law firm, multiply the number of hours the attorney, law clerk, or paralegal works in providing legal or support services under the contract times the reasonable hourly rate for the work performed by that attorney, law clerk, or paralegal (in Section 19.g.ii, above). Add the resulting amounts to obtain the base fee. The computation of the base fee may not include hours or costs attributable to work performed by a person who is not a contracting attorney or a partner, shareholder, or employee of a contracting attorney or law firm.
- iv. Multiplier: Pursuant to Government Code Section 2254.106(c), this contract must establish a multiplier based on any expected difficulties in performing the contract, the amount of expenses expected to be risked by the contractor, the expected risk of no recovery, and any expected long delay in recovery. Based on those factors, the reasonable multiplier for relevant matters arising from this contract is: four (4).

20. Approval of Comptroller:

This Contract is effective only after review and approval by the Texas Comptroller.

21. Retention of Control:

Subject to the approval of the Texas Attorney General, the Hunt County shall have the absolute right to settle any case brought under this contract for no penalty, which would yield no contingent fee on penalties to Attorneys. Attorneys have no authority to settle or otherwise compromise the position of the City or any of its officers. Attorneys shall at all times be subject to the supervision, direction, and control of the Hunt County Attorney, who acts as the Hunt County’s agent and retains absolute and total control over all critical decision-making in cases brought under this contract.

5. Personnel:

Bob Scott, Daniel Ray and Abigail Kweller will have the primary responsibility for representing Hunt County. Other lawyers in our firm (including younger attorneys) and legal assistants may be involved when we believe it would be beneficial to Hunt County. Additional attorneys or firms may be associated by Attorney, with the approval of the Hunt County Attorney. If that occurs, those attorneys or firms will bill at the rates stated in Section 19.g.ii, and will be subject to all other parts of this contract.

6. **EVALUATIONS ARE NOT GUARANTEES:**

Any views we express about a likely result are only expressions of our estimation, for we do not make representations or guarantees to Hunt County as to the probability of ultimate success or any particular result.

7. Records:

Hunt County should retain all originals and copies of documents Hunt County desires for future reference. At the conclusion of a matter Hunt County should advise us of which, if any, documents Hunt County wishes we return. We retain most of our file for a certain period of time, but ultimately our files will be destroyed. We do not contact our clients prior to such destruction. If Hunt County wants any documents returned upon conclusion of this matter, Hunt County must request such at that time. In the absence of such a request, we disclaim responsibility for the return of any documents or their preservation for any particular length of time.

8. Disclosure to Third Parties:

From time to time we use services provided by third parties. These include litigation support, storage, document management, computer systems, information technology services, accounting and financial services, and similar services. We also may use contract lawyers and non-lawyers in certain matters. As a result, these parties may have access to confidential client information. We endeavor to deal only with providers who understand our obligation to maintain the confidences of our clients. Your signature below shall signify the consent of Hunt County to our use of such third parties and the resulting disclosure of potential confidential information.

9. Fee:

Attorneys will seek attorney fees and costs from the opposing parties. In the event no attorney fees are awarded or agreed upon by defendants, neither Hunt County, Texas, nor any of its agents or officers will be responsible for payment to Attorneys for fees or for expenses incurred in representation of the Hunt County in this matter.

In no case will any fee paid to Attorney exceed the special fee calculation established under §2254.106(a), (b) and (c), Tex Gov't Code (described in Section 19.g, below, and applied to cases with a recovery to Hunt County of over \$100,000). This paragraph is included to meet the requirements of §2254.106(d), Tex Gov't Code.

Unless the fee set out in this Contract is determined to be prohibited by law, the fees described above shall be the sole source of compensation to Attorneys.

10. Payment of Expenses:

Our invoices will reflect charges for out-of-pocket expenses incurred in connection with cases arising from operation of this contract, including but not limited to: filing fees, court costs, certified copies of documents, transcripts, depositions, duplication costs, postage, office supplies, photographs, trial exhibits, long distance phone & fax calls, appraisal fees, consultants, expert witnesses and other fees associated with preparation and trial testimony, investigation fees, delivery charges, overnight mail/parcel services, parking, toll road & mileage expenses, out of town travel expenses as per IRS guidelines, local counsel costs (if necessary) and any other expense incurred in connection with the matter. These charges will not be reimbursed by Hunt County during the course of representation. These reimbursements are subject to the requirements of §2254, Subchapter C, Tex Gov't Code. Attorneys will pay these costs during the course of representation, and will seek reimbursement from the defendant(s) in a final judgment. **Hunt County will not be responsible to pay these costs or any other costs at any point, whether during or after representation.** Any expenses will only be reimbursed to Attorney from any fines or costs collected at the successful conclusion of a matter arising from this contract. This paragraph is included to meet the requirements of §2254.105(3), Tex Gov't Code.

11. Billing Practices and Payment:

Aggregate expenses in excess of \$250 may be billed monthly.

12. Experts and Expert Fee Estimates:

Hunt County understands experts may be necessary to proceed to trial. Attorneys may retain experts upon approval of Hunt County. Attorneys will pay the experts' retainers and invoices as necessary, and be reimbursed for this cost as described in Section 10. Any expert fees will only be reimbursed to Attorney from any fines or costs collected at the successful conclusion of a matter arising from this contract. This paragraph is included to meet the requirements of §2254.105(3), Tex Gov't Code.

13. Media Inquiries:

From time to time, we may receive media inquiries concerning this matter. Applicable ethical requirements may preclude or limit our response to those inquiries. Subject to ethical limitations, we will abide by Hunt County's instructions concerning whether and in what manner we respond to media inquiries. In the absence of specific written instructions, we will work with the media in accordance with our judgment, revealing non-confidential information when it is ethical to do so and appears to advance Hunt County's interests.

14. Electronic Mail:

In the course of our representation, we may have occasion to communicate with Hunt County and with others by electronic mail. Such communications will not be encrypted. Although interception of such communications by a third party would constitute a violation of federal law, we can offer no assurance that such interception will not occur. We will abide by any instructions Hunt County may give us concerning electronic mail communications; in the absence of such instructions, we will use our own judgment regarding the advisability of using such means of communication.

15. Texas Law to Apply

This Agreement shall be construed under and in accordance with the laws of Texas.

16. Parties Bound

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

17. Legal Construction

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 thereof and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

18. Prior Agreements Superseded

This Agreement constitutes the sole and only Agreement of the parties and supersedes any prior understandings or written or oral agreement between the parties respecting the within subject matter.

19. Additional Government Code Requirements

- a. Attorney shall keep current and complete written time and expense records that describe in detail the time and money spent each day in performing the contract as required under §2254.104(a), Tex Gov't Code.
- b. Attorney shall permit Hunt County officials or other officials as appropriate, to inspect or obtain copies of the time and expense records at any time on request, as required under §2254.104(b), Tex Gov't Code.
- c. Upon conclusion of any matter arising from this Contract, Attorney shall provide Hunt County with a complete written statement that describes the outcome of the matter, states the amount of any recovery, shows the contracting attorney's or law firm's computation of the amount of the contingent fee, and contains the final complete time and expense records, as required under §2254.104(a), Tex Gov't Code.
- d. Attorney shall disclose all information as required under the Texas Public Information Act and otherwise meet the requirements of §2254.104(d), Tex Gov't Code.
- e. Any subcontracted legal or support services performed by a person who is not a contracting attorney or a partner, shareholder, or employee of Attorney is an expense subject to reimbursement only in accordance with Subchapter C, Chapter 2254, Tex Gov't Code, as required under §2254.105(4), Tex Gov't Code.
- f. The amount of the contingent fee and reimbursement of expenses under the contract will be paid and limited in accordance with Subchapter C, Chapter 2254, Tex Gov't Code, as required under §2254.105(5), Tex Gov't Code.
- g. Base Fee and Computation of Fee for Any Case with a Recovery of Over \$100,000:
 - i. This section 19.g. is required under §2254.106, Tex Gov't Code, and applies only to individual recoveries for Hunt County that actually exceed \$100,000 in accordance with §2254.106(f)-(g), Tex Gov't Code; In a recovery to which this section applies, the Base Fee (as calculated below) would be multiplied by the multiplier of 4 (as set forth below) to obtain the maximum contingency fee payment allowed under Section 2254.106 of the Texas Government Code.
 - ii. The following reasonable hourly rates required to be in this contract under §2254.106(a), Tex Gov't Code are based on the reasonable and customary rate in the Dallas, Texas legal market for the type of work performed, and based on the relevant experience, demonstrated ability, and standard hourly billing rates of the persons listed:

| | |
|------------|------------|
| Bob Scott | - \$800/hr |
| Daniel Ray | - \$800/hr |

TAX DISCLOSURE AND ACKNOWLEDGMENT:

CLIENT IS ADVISED TO OBTAIN INDEPENDENT AND COMPETENT TAX ADVICE REGARDING THESE LEGAL MATTERS SINCE LEGAL TRANSACTIONS CAN GIVE RISE TO TAX CONSEQUENCES.

THE UNDERSIGNED LAW FIRM AND ATTORNEY HAVE NOT AGREED TO RENDER ANY TAX ADVICE AND ARE NOT RESPONSIBLE FOR ANY ADVICE REGARDING TAX MATTERS OR PREPARATION OF TAX RETURNS, OR OTHER FILINGS, INCLUDING, BUT NOT LIMITED TO, STATE AND FEDERAL INHERITANCE TAX AND INCOME TAX RETURNS.

THIS CONTRACT IS SIGNED in Hunt County, on 5-13-2014, 2014.

CLIENT

County Judge

Date: 5-13-2014

County Clerk

Date: May 13, 2014

ATTORNEY

Daniel W. Ray (for the Firm)

Date: 5/13/2014

APPROVED BY:

OFFICE OF THE TEXAS COMPTROLLER OF PUBLIC ACCOUNTS:

By: Deputy Comptroller or her designee

Date: _____