

**INTERLOCAL COOPERATION CONTRACT
BETWEEN
TEXAS FACILITIES COMMISSION
AND
COLLIN COUNTY, TEXAS**

This Interlocal Cooperation Agreement (“Agreement”) is entered into by and between the STATE OF TEXAS, acting by and through the Texas Facilities Commission (the “State” or “TFC”) and COLLIN COUNTY, TEXAS (“County”), pursuant to the provisions of the Interlocal Cooperation Act, Texas Government Code, Chapter 791 (Vernon 2012 & Supp. 2014).

SECTION I. SERVICES

1.01. **SCOPE OF SERVICES.** (a) TFC and the County agree that the purpose of the Agreement is to accomplish a common goal of the parties to accept and contract for the sale/disposal of the County’s forfeited property by TFC through the State Surplus Property Program. “County Forfeited Property” means any surplus property, including gambling equipment, received from the Collin County Commissions Court under Section 263.152(a)(5) of the Texas Local Government Code. Upon the identification of County Forfeited Property, TFC will make arrangements to have such property delivered to a location designated by TFC. Upon receipt, TFC will tag, or cause to be tagged, the County Forfeited Property as being received from the County, record the items with an inventory number in accordance with Section 1.01 (b) below, and store the property in the location designated by TFC until the County Forfeited Property is sold to a qualified purchaser as defined in Texas Government Code 2175.904(b).

(b) At the time of delivery of the County Forfeited Property, TFC will price the County Forfeited Property item(s) at fair market value as it does with all other State surplus property. In determining the fair market value of the County Forfeited Property, TFC will consider an item’s condition (damaged, inoperable, worn, new or used), usefulness, and marketability. County Forfeited Property will be sold via internet auction to the highest bidder at the time the auction ends.

(c) When TFC accepts and tags the transferred County Forfeited Property, TFC will record the item in the TFC Inventory System. The amount that the County earns will be seventy percent (70%) of the net proceeds.

1.02. **FORFEITED PROPERTY.** County Forfeited Property transferred to TFC to be sold will be treated the same as State surplus property and will be re-issued or sold “as-is” and “where-is” with no express or implied warranties and with a receipt issued to the purchaser by TFC or designee releasing both the County and TFC of all liability for any and all defects and with appropriate indemnification language to protect TFC and the County from third party claims.

1.03. **APPLICABLE LAWS.** TFC shall be responsible for compliance with any additional or varying laws and regulations regarding the storage and sale of County Forfeited Property.

SECTION II. CONSIDERATION AND RECONCILIATION

2.01. **CONTRACT AMOUNT.** For consideration for the services provided to the County by TFC for the sale of County Forfeited Property, TFC will remit to the County ~~no more than~~ ⁷² seventy percent (70%) of net proceeds, as set forth in Section 1.01(c) above. Net proceeds from the sale of County Forfeited Property may be distributed as it occurs but no more frequently than twice a month covering the first (1st) through the fifteenth (15th), and the sixteenth (16th) through the end of the month. As such, County will be compensating TFC for performance of services as set out in this Agreement with funds currently available to the County, in compliance with Section 791.011(d)(3) of the Texas Local Government Code.

SECTION III. AGREEMENT TERM

3.01. **TERM.** The initial term of this Agreement shall commence as of the date executed by the last party and end on August 31, 2019, unless terminated earlier in accordance with Section 3.04.

3.02. **DISPUTE RESOLUTION.** The parties agree to use good-faith efforts to decide all questions or disputes of any nature that may arise under or by this Agreement; however, nothing in this paragraph shall preclude either party from pursuing any remedies as may be available under Texas law.

3.03. **DEFAULT.** A party to this Agreement shall be in default under this Agreement if the party fails to fully, timely, and faithfully perform any of its material obligations under the Agreement, and following notice of default as provided in Section 3.04, fails to timely cure the alleged default as provided such section.

3.04. **TERMINATION.** In the event of default by a party, the other party shall have the right to terminate the Agreement for cause, by written notice delivered to the party alleged to be in default via certified mail. The notice shall be effective within thirty (30) days, unless otherwise specified, after the date of receipt of such notice. During this time period, the party alleged to be in default may cure the event of default or provide evidence sufficient to prove to the other party's reasonable satisfaction that such default does not exist or will be cured in a time satisfactory to the party alleging the default. Each party's rights and remedies under the Agreement are cumulative and are not exclusive of any other right or remedy provided by law.

3.05. **TERMINATION WITHOUT CAUSE.** Either party may terminate this Agreement upon one hundred twenty (120) days prior written notice to the other. Early termination will be subject to an equitable settlement of the respective interests of the parties accrued up to the date of termination.

SECTION IV. FUNDING

4.01. **NO DEBT.** This Agreement shall not be construed as creating any debt on behalf of the State of Texas and the Texas Facilities Commission in violation of TEX. CONST. Art. III, § 49. Furthermore, this Agreement shall not be construed as creating a debt on behalf of the County in violation of Tex. Const. Art. 11 § 5. In compliance with TEX. CONST. Art. VIII, § 6, it is understood

that all obligations of TFC hereunder are subject to the availability of state funds. If such funds are not appropriated or become unavailable, this Contract may be terminated. In that event, the parties shall be discharged from further obligations, subject to the equitable settlement of their respective interests accrued up to the date of termination.

SECTION V. FORCE MAJEURE

5.01. **FORCE MAJEURE.** Neither TFC nor the County is liable to the other for any delay in, or failure of performance, of a requirement contained in this Contract caused by force majeure. The existence of such causes of delay or failure shall extend the period of performance until after the causes of delay or failure have been removed, provided the non-performing party exercises all reasonable due diligence to perform. Force majeure is defined as acts of God, war, strike, fires, explosions, or other causes that are beyond the reasonable control of either party and that by exercise or due foresight, such party could not reasonably have been expected to avoid, and which, by the exercise of all reasonable due diligence, such party is unable to overcome force majeure. Each party must inform the other in writing with proof of receipt within five (5) business days of the existence of force majeure.

SECTION VI. MISCELLANEOUS PROVISIONS

6.01. **ASSIGNMENT.** Neither party shall assign or transfer its rights under this Agreement.

6.02. **INCORPORATION BY REFERENCE.** Incorporated by reference the same as if specifically written herein are the rules, regulations, and all other requirements imposed by law, including but not limited to compliance with those applicable rules and regulations of the State of Texas and the federal government, all of which shall apply to the performance of the services under this Agreement.

6.03. **GOVERNING LAW AND VENUE.** This Agreement shall be governed and construed in accordance with the laws of the State of Texas. **VENUE OF ANY SUIT BROUGHT FOR BREACH OF THIS AGREEMENT SHALL BE IN ANY COURT OF COMPETENT JURISDICTION IN TRAVIS OR COLLIN COUNTY, TEXAS;** provided, however, the foregoing shall not be construed as a waiver of sovereign immunity by either party.

6.04. **SEVERANCE.** Should any one or more provisions of this Agreement be held to be void, voidable, or unenforceable by a court of competent jurisdiction, such provision(s) shall be construed as severable from the remainder of this Agreement and shall not affect the validity of all other provisions of this Agreement, which shall remain of full force and effect.

6.05. **HEADINGS.** The headings contained in this Agreement are for reference purposes only and shall not in any way affect the meaning or interpretation of this Agreement.

6.06. **NOTICES.** Any notice, request, or other communication required or appropriate to be given under this Agreement shall be in writing and shall be considered delivered three (3) business days after postmarked if sent by U.S. Postal Service Certified Mail, Return Receipt Requested, addressed to the party designated for receipt, and postage prepaid. Hand-delivered notices are

considered delivered upon receipt by the addressee, which may be noted in a courier confirmation report. The Parties may make routine communications by first class mail, email, fax, or other commercially accepted means. Notices and routine communications to the County and TFC shall be addressed as follows:

TFC: Texas Facilities Commission
1711 San Jacinto Blvd.
Austin, Texas 78711-3047
Attention: Legal Services
Phone: (512) 475-2400
Fax: (512) 236-6171

County: County of Collin, Texas
2300 Bloomdale Road
McKinney, TX 75071
Attention: Koby Phillips
Phone: (972) 548-4102
kphillips@co.collin.tx.us

Either party may change its address for notice by written notice to the other party.

6.07. **THEFT OR DAMAGE TO FORFEITED PROPERTY.** Within five (5) days of theft or damage to County Forfeited Property transferred to TFC, TFC agrees to notify the County of this and provide a listing of the County Forfeited Property affected.

6.08. **GOVERNMENTAL IMMUNITY.** Nothing in this Agreement shall be deemed to waive, modify, or amend any legal defense available at law or equity to either of the parties, nor to create any legal rights or claims on behalf of any third party. Neither the County nor TFC waives, modifies, or alters to any extent whatsoever the availability of the defense of governmental (sovereign) immunity under the laws of the State of Texas.

6.09. **RIGHT TO AUDIT.** TFC agrees that the representatives of the Office of the County Auditor, or other authorized representatives of the County, shall have access to, and the right to audit, examine, or reproduce, any and all records of TFC related to the performance under this Agreement. TFC shall retain all such records for a period of three (3) years after final payment on this Agreement or until all audit and litigation matters that the County has brought to the attention of TFC are resolved, whichever is longer. TFC agrees to refund to the County any overpayments disclosed by any such audit.

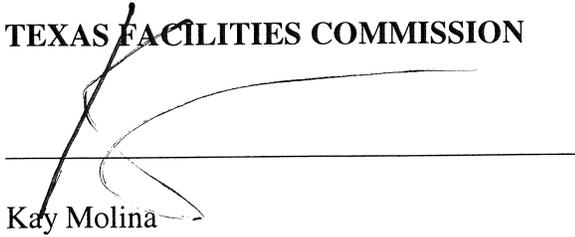
6.10. **SURVIVAL OF OBLIGATIONS.** All provisions of this Agreement that impose continuing obligations on the parties, including but not limited to contract amount, reconciliation, right to audit, governmental immunity, disclaimer, limitation of liability, insurance, and theft or damage to forfeited property shall survive the expiration or termination of this Agreement.

6.11. **ENTIRE AGREEMENT.** This Agreement constitutes the entire agreement of the parties. No other agreement, statement, or promise that is not contained in this Agreement shall be binding except a subsequent written amendment to this Agreement signed by both parties.

TFC certifies that it has the authority to enter into this Agreement by virtue of the authority granted in TEX. GOV. CODE ANN., Chapter 791.

County certifies that it has the authority to enter into this Agreement by virtue of the authority granted in TEX. GOV. CODE ANN., Chapter 791.

TEXAS FACILITIES COMMISSION



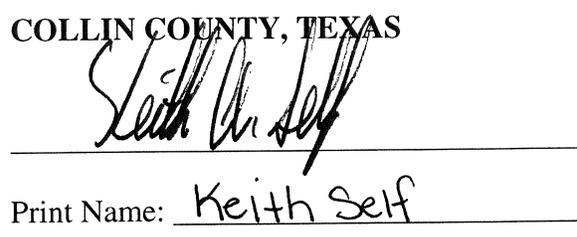
Kay Molina

General Counsel

Date: 3/30/16

 Dir.
 C.F.O.

COLLIN COUNTY, TEXAS



Print Name: Keith Self

Title: County Judge

Date: 3/22/16

CAUSE NO. 380-03346-2014

THE STATE OF TEXAS	§	IN THE 380th JUDICIAL
	§	
VS.	§	DISTRICT COURT OF
	§	
\$2,681.00 IN LAWFUL UNITED STATES	§	
CURRENCY; 3 “8 LINER” MACHINES;	§	
MISC PAPERWORK; AND 4 KEYS	§	COLLIN COUNTY, TEXAS

FINAL ORDER

On the undersigned day, came to be heard the above styled and numbered cause wherein the Collin County Sheriff’s Office brought the State’s Motion for Forfeiture of Gambling Proceeds, Devices, Equipment, and Paraphernalia.

APPEARANCES:

The State appeared by and through attorney of record. The State sent notice of this hearing to Iqbal Chishti and Aniseto Ramos on September 5, 2014 via certified mail and they failed to appear.

JUDGMENT:

The Court finds that the State’s Motion for Forfeiture was filed August 29, 2014; that notice was sent via certified mail, return receipt requested to Iqbal Chishti and Aniseto Ramos, the persons found in possession of the property at 3995 Parker Road, Wylie, Collin County, Texas, the address where the seizure occurred.

After reviewing the pleadings and hearing arguments from counsel, this Court finds the State’s Motion for Forfeiture of Gambling Proceeds, Devices, Equipment, and Paraphernalia should and is hereby Granted.

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED that the \$2,681.00 in Lawful United States currency, 3 “8 liner” machines, misc paperwork, and 4 keys from the Lakeway Store at 3995 Parker Road, Wylie, Collin County, Texas are to be forfeited to Collin County for destruction or use in a manner permitted by law.

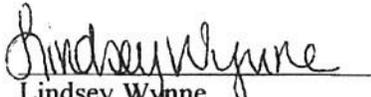
IT IS FURTHER ORDERED, ADJUDGED AND DECREED that all relief not expressly granted in this order is denied.

/s/ BENJAMIN N. SMITH

JUDGE PRESIDING

SIGNED THIS THE 9th day of October, 2014

Approved as to Form:


Lindsey Wynne

Machine Information
Lakeway Store (2nd)
Gambling Case - Collin County S.O. Incident #14084116
Court Order #380-03346-2014

<u>Device</u>	<u>Description</u>	<u>Serial Number</u>
1. "8 Liner" video gambling device	Easy Things in Life	122000929
2. "8 Liner" video gambling device	Pot-O-Gold	101600759
3. "8 Liner" video gambling device	Pot-O-Gold	124500109

CAUSE NO. 380-01295-2014

THE STATE OF TEXAS	§	IN THE 380 th JUDICIAL
	§	
VS.	§	DISTRICT COURT OF
	§	
\$4,289.00 IN LAWFUL UNITED STATES	§	
CURRENCY; 7 "8 LINER" MACHINES;	§	
MISC DOCUMENTS; KEYS	§	COLLIN COUNTY, TEXAS

FINAL ORDER

On the undersigned day, came to be heard the above styled and numbered cause wherein the Collin County Sheriff's Office brought the State's Motion for Forfeiture of Gambling Proceeds, Devices, Equipment, and Paraphernalia.

APPEARANCES:

The State appeared by and through attorney of record. The State sent notice of this hearing to Zarar Wali and Paayal Khan on April 4, 2014 via certified mail and they failed to appear.

JUDGMENT:

The Court finds that the State's Motion for forfeiture was filed April 3, 2014; that notice was sent via certified mail, return receipt requested to Zarar Wali and Paayal Khan, the persons found in possession of the property at 3995 Parker Road, St Paul, Collin County, Texas, the address where the seizure occurred.

After reviewing the pleadings and hearing arguments from counsel, this Court finds the State's Motion for Forfeiture of Gambling Proceeds, Devices, Equipment, and Paraphernalia should and is hereby Granted.

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED that the \$4,289.00 in Lawful United States currency, 7 "8 liner" machines, misc documents, and keys from the Lakeway Store at 3995 Parker Road, St Paul, Collin County, Texas are to be forfeited to Collin County for destruction or use in a manner permitted by law.



IT IS FURTHER ORDERED, ADJUDGED AND DECREED that all relief not expressly granted in this order is denied.

Benjamin H. Smith
JUDGE PRESIDING

SIGNED THIS THE 15 day of May, 2014

Approved as to Form:

Lindsay Wynne
Lindsay Wynne

STATE OF TEXAS)
COUNTY OF COLLIN)

I, Andrea Stroh Thompson, District Clerk in and for Collin County Texas, do hereby certify that the above foregoing is a true and correct copy of the original document as the same appears on the file in the District Court, Collin County, Texas. Witness my hand and seal of said Court, this the 15 day of May A.D., 2014.

ANDREA STROH THOMPSON, DISTRICT CLERK
COLLIN COUNTY, TEXAS

Maria Angen DEPUTY



BILL OF COSTS

IN THE 380TH DISTRICT COURT

CAUSE: 380-01295-2014

THE STATE OF TEXAS, COLLIN COUNTY SHERIFF'S OFFICE V. WALI,
ZARAR, KHAN, PAAYAL, \$4,289.00 IN LAWFUL UNITED STATES CURRENCY, 7
"8 LINER" MACHINES, MISC. DOCUMENTS, KEYS

Date of Judgment: May 15, 2014

Judgment Amount: \$
Private Process Service/Publication: \$,
Certificate of Deposition: \$
Interest Rate:
Costs of Court: \$
Total Cost of Bill Amount: \$285.00

A true and correct account on this the 20th day of May, 2014.

ATTEST: Andrea Stroh Thompson, DISTRICT CLERK
Collin County, Texas
Collin County Courthouse
2100 Bloomdale Road, Suite 12132
McKinney, Texas 75071
972-548-4320, METRO 972-424-1460 EXT. 4320



Signed: 5/20/2014 10:39:49 AM

Maria Hinojosa

By: Maria Hinojosa, Deputy

Machine Information
Lakeway Store
Gambling Case - Collin County S.O. Incident #14014408
Court Order #380-01295-2014

<u>Device</u>	<u>Description</u>	<u>Serial Number</u>
1. "8 Liner" video gambling device	Pot-O-Gold	091201255
2. "8 Liner" video gambling device		121100519
3. "8 Liner" video gambling device	Gold Touch	101600773
4. "8 Liner" video gambling device	Life of Luxury	101600737
5. "8 Liner" video gambling device		10150051
6. "8 Liner" video gambling device		010030002201
7. "8 Liner" video gambling device		114300710

CAUSE NO. 380-02636-2013

THE STATE OF TEXAS	§	IN THE 380 th JUDICIAL
	§	
VS.	§	DISTRICT COURT OF
\$8,074.00 IN UNITED STATES	§	
CURRENCY; 40 "8 LINER" MACHINES;	§	COLLIN COUNTY, TEXAS
3 WALMART GIFT CARDS; MISC. PAPERS	§	
	§	

FINAL JUDGMENT

On the 17TH DAY OF OCTOBER 2013, came to be heard the above styled and numbered cause wherein the Collin County Sheriff's Office brought the State's Motion for forfeiture of gambling proceeds, devices, equipment, and paraphernalia.

APPEARANCES:

The State appeared by and through attorney of record. Jack Fairchild appeared by and through his attorney Robert W. Buchholz, as an interested party.

JUDGMENT:

The Court finds that the State's Motion for forfeiture was filed July 9, 2013; that notice was sent via certified mail, return receipt requested to Rachel Taylor, the person found in possession of the property at the Triple Crazy Game Room 865 Audie Murphy Parkway, Farmersville, TX, the location where the seizure occurred.

After reviewing the pleadings and hearing arguments from counsel, this Court finds the State's Motion for Forfeiture of Gambling Proceeds, Devices, Equipment, and Paraphernalia should and is hereby Granted.

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED that the \$8,074.00 in United States currency, 40 "8 liner" machines, 3 Walmart gift cards, and misc. paperwork, seized from the Triple Crazy Game Room at 865 Audie Murphy Parkway, Farmersville, TX are to be forfeited to Collin County for destruction or use in a manner permitted by law.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that all relief not expressly granted in this order is denied.

Benjamin N. Smith
JUDGE PRESIDING

SIGNED THIS THE 17 day of OCTOBER, 2013

Approved as to Form:

T. C. Gainer

T. C. Gainer
Attorney for Plaintiff



**Court of Appeals
Fifth District of Texas at Dallas**

JUDGMENT

\$8,074.68 IN UNITED STATES
CURRENCY; 40 "8 LINER" MACHINES;
3 WALMART GIFT CARDS; AND MISC.
PAPERS, Appellant

On Appeal from the 380th Judicial District
Court, Collin County, Texas
Trial Court Cause No. 380-02636-2013.
Opinion delivered by Justice Thomas.
Justices Francis and Myers participating.

No. 05-13-01502-CV V.

THE STATE OF TEXAS, Appellee

In accordance with this Court's opinion of this date, the judgment of the trial court is **AFFIRMED**.

It is **ORDERED** that appellee THE STATE OF TEXAS recover its costs of this appeal from JACK FAIRCHILD.

Judgment entered April 20, 2015.

Machine Information
Triple Crazy Game Room
Gambling Case - Collin County S.O. Incident #13051176
Court Order #380-02636-2013

<u>Device</u>	<u>Description</u>	<u>Serial Number</u>
1. "8 Liner" video gambling device	Pot-O-Gold	61901CN6C1208
2. "8 Liner" video gambling device	Monkey Land	61901CN6C1616
3. "8 Liner" video gambling device	Gold Touch Multi-Game	074870470
4. "8 Liner" video gambling device	Life of Luxury	W2001988
5. "8 Liner" video gambling device	New Cherry 96	09090351
6. "8 Liner" video gambling device	Gold Touch Multi-Game	2671
7. "8 Liner" video gambling device	Alfred Hitchcock	307008004069367694
8. "8 Liner" video gambling device	The Best Things in Life	460825
9. "8 Liner" video gambling device	Life of Luxury	461263
10. "8 Liner" video gambling device	Life of Luxury	2750029062485732
11. "8 Liner" video gambling device	Crazy Bugs	2032546
12. "8 Liner" video gambling device	Magical Odds	WG6053497
13. "8 Liner" video gambling device	Video Redemption Game	009545
14. "8 Liner" video gambling device	Haunted House	804370301
15. "8 Liner" video gambling device	Cherry Jubilee	8607A110
16. "8 Liner" video gambling device	Fruit Bonus 96	010692
17. "8 Liner" video gambling device	Fruit Bonus 2000	013690
18. "8 Liner" video gambling device	The Best Things in Life	82069
19. "8 Liner" video gambling device	The Life of Luxury	M32B160135
20. "8 Liner" video gambling device	The Best Things in Life	M41B110228
21. "8 Liner" video gambling device	Jackpot Party	W1107249
22. "8 Liner" video gambling device	Cherry 96	009551
23. "8 Liner" video gambling device	Black Beard	12050110
24. "8 Liner" video gambling device	Money to Burn	W2004524
25. "8 Liner" video gambling device	New Cherry 96	12050145
26. "8 Liner" video gambling device	Off the Charts	W2023056
27. "8 Liner" video gambling device	Gold Touch Multi-Game	084370321
28. "8 Liner" video gambling device	The Best Things in Life	82233
29. "8 Liner" video gambling device	The Best Things in Life	82231
30. "8 Liner" video gambling device	Pot-O-Gold	61901CN6C3032
31. "8 Liner" video gambling device	Gold Touch Multi-Game	072070224
32. "8 Liner" video gambling device	Queen Bee	016523
33. "8 Liner" video gambling device	Pot-O-Gold	619016N6C3020
34. "8 Liner" video gambling device	Gold Touch Multi-Game	12020047
35. "8 Liner" video gambling device	Pot-O-Gold	12040174
36. "8 Liner" video gambling device	Pot-O-Gold	WG3072712
37. "8 Liner" video gambling device	Gold Touch Multi-Game	MZA080045
38. "8 Liner" video gambling device	Pot-O-Gold	084370165
39. "8 Liner" video gambling device	Pot-O-Gold	101601017
40. "8 Liner" video gambling device	Pot-O-Gold	10090083