

INTERLOCAL COOPERATION AGREEMENT FOR LAW ENFORCEMENT SERVICES

This Law Enforcement Services Agreement, hereinafter referred to as "Agreement," is made as of the Effective Date by and between the City of Van Alstyne (the "City"), a Type A Texas municipality, Risland Mantua LLC, ("Developer") a Delaware limited liability company, Van Alstyne Municipal Utility District No. 1 of Grayson County ("MUD 1") and Van Alstyne Municipal Utility District No. 2 of Collin County ("MUD 2"), a municipal utility district (the "Districts"), collectively, "the Parties."

WHEREAS, Van Alstyne Municipal Utility District No. 1 is a municipal utility district and a political subdivision of the State of Texas, operating under the provisions of Article XVI, Section 59, Chapters 49 and 54, Texas Water Code, as amended, and Chapter 8311, Special District Local Laws Code; and

WHEREAS, Van Alstyne Municipal Utility District No. 2 of Collin County is a municipal utility district and a political subdivision of the State of Texas, operating under the provisions of Article XVI, Section 59, Chapters 49 and 54, Texas Water Code, as amended, and Chapter 8048, Special District Local Laws Code; and

WHEREAS, the Developer and the Districts are seeking to secure law enforcement services for the benefit of the residents and property owners within its respective boundaries (collectively, the "District Area"), as described in the attached Exhibit "A"; and

WHEREAS, pursuant to Section 49.216, Texas Water Code, the Districts may swear-in and contract for peace officers with power to make arrests when necessary to prevent or abate the commission of any offense against the laws of the state; and

WHEREAS, Section 49.212 Texas Water Code, authorizes the Districts to adopt and enforce all necessary charges or mandatory fees for providing or making available any district facility or service (including law enforcement services); and

WHEREAS, the Boards of Directors of the Districts (the "Boards of Directors") have determined that it is in the best interests of the Districts to enter into a contract with the City relative to providing law enforcement services to the District Area; and

WHEREAS, the Parties hereto now wish to establish a formal agreement for the provision of law enforcement services to the District Area pursuant to the terms of this Agreement; and

WHEREAS, this Agreement shall be in conformance with Section 49.216, Texas Water Code, and Chapter 791 of the Texas Government Code, more commonly known as the "Interlocal Cooperation Act," which allows governmental entities to contract with each other to perform governmental functions for each other that they are each authorized to perform for themselves.

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL PROMISES AND CONSIDERATION PROVIDED FOR HEREIN, THE RECEIPT AND SUFFICIENCY OF WHICH ARE HEREBY CONFIRMED, THE PARTIES AGREE AS FOLLOWS:

Section 1. Preamble. All matters stated above in the preamble are found to be true and correct and are incorporated herein by reference as if copied in their entirety.

Section 2. Purpose. The purpose of this Agreement is to set forth the terms under which the City will provide law enforcement services to the District Area in return for payments by the Districts or the Developer to the City as set forth herein.

Section 3. Term.

(a) **Initial Term.** Unless sooner terminated in accordance with this Agreement, this Agreement shall be for a term commencing on January 1, 2021 (the "Effective Date") and ending March 29, 2038 (said period being "the Initial Term"). Notwithstanding the foregoing, if a Texas Commission on Environmental Quality approved Fire Plan is not approved by the voters of the Districts by November 15, 2021, this Agreement shall become null and void.

(b) **Renewal Terms.** This Agreement shall automatically renew for additional five (5) year renewal terms (the "Renewal Term(s)"), without the need for further action by the Parties, until the District Area is annexed for full purposes by the City and the Districts are dissolved. However, any Party shall have the right to terminate this Agreement upon the conclusion of the Initial Term or any Renewal Term, by providing written notice of its election to terminate to the other Party on or before twelve (12) months preceding the scheduled date of expiration of the Initial Term or any Renewal Term.

Section 4. Scope of Services. The City agrees to provide the Districts with the services described below (hereinafter collectively referred to as "Law Enforcement Services"):

(a) Provide all law enforcement services, within the District Area, in enforcing only the laws of the State of Texas including but not limited to; patrol, traffic, criminal investigation, and all resources and equipment at the same level and to the same degree as are provided to the citizens of Van Alstyne taking into account the geographic limitations of law enforcement services delivery from existing facilities outside of the Districts. The Van Alstyne Police Department will enforce the laws of the State of Texas, and the City will manage the response time, priority of calls and the service provided by the City for the District Area in the same manner as within the City limits. The Districts lie within the City's extraterritorial jurisdiction ("ETJ") and the Districts' boundaries are depicted in Exhibit "A."

(b) Enforce all City ordinances, if any, the City has jurisdiction to enforce within the District.

(c) The City shall be the sole determinant of the type and amount of personnel and equipment dispatched to any accident, crime, or other emergency within the District Area.

Section 5. Supervision. The City Manager and the Chief of Police for the Van Alstyne Police Department shall have all responsibility for the planning, organizing, assigning, directing and supervising the City personnel under this Agreement. The rendition of service, the standard of performance, the discipline of officers, and other matters incident to the performance of such services and the control of personnel so employed will be solely determined, directed and performed by the Van Alstyne Police Department.

Section 6. Equipment. The Districts and Developer understand and agree that City is not, and shall not, be required to purchase any additional equipment of any type or nature for law enforcement purposes to comply with this Agreement except as specifically provided in that certain First Amendment to Development Agreement (the "Development Agreement") of even date herewith, and that if multiple accidents, dispatches, crimes, or other emergency calls occur within the District Area or the City so as to utilize all emergency equipment of City or its Police Department, that other cities under mutual aid agreements may be utilized to respond to such emergency calls and the Districts and Developer release the City from all liability, if any, under such circumstances.

Section 7. Employees, Independent Contractors and Volunteers. The Parties agree that (i) the City is an independent contractor, (ii) that the City shall have exclusive control of the performance of services hereunder, and (iii) that employees of the City in no way are to be considered employees of the Districts or Developer. At all times during the term of this Agreement, all police officers and employees shall be solely under the supervision and control of the City Manager, the Chief of Police of Van Alstyne or the Chief's duly authorized representative. The Districts will make no recommendations regarding, and are in no way responsible for, the selection, sufficiency or qualification of the City's employees, independent contractors and/or volunteers.

Section 8. Compensation.

(a) General. The Parties have agreed upon a methodology to determine a fair and equitable allocation of the costs of providing Law Enforcement Services and adding additional facilities and personnel to the District Area. The methodology is intended to produce a cost to a resident or business of the Districts comparable to that allocable to a resident or business of the City for same or similar services. The methodology for calculating the annual amount to be paid by the Districts under this section for Law Enforcement Services provided by the City is set forth in paragraph (b) below.

(b) Calculation and Payment of Annual Compensation.

- (i) The City will determine the total appraised valuation, as reflected in the county tax rolls ("Tax Value") of all property in the Police Department's service area by adding the Tax Value in the District Area to the Total Tax Value in the City's corporate boundaries and any other properties under contract with the City for Law Enforcement Services in the City's ETJ ("Combined Tax Value"). Until the issuance of the 1,500th building permit in the Districts, the Tax Value will be calculated using the appraised valuation, before reduction for exemptions, as

reflected in the county tax rolls. After the issuance of the 1,500th building permit in the Districts, the Tax Value will be calculated using the appraised valuation, after reduction for exemptions, as reflected in the county tax rolls. The City shall then determine the percentage of the Combined Tax Value that is located within the Districts ("District Service Area"), and the percentage of Combined Tax Value located in the City's corporate limits and those portions of the City's ETJ under contract with the City for Law Enforcement Services, which added together shall equal one hundred percent (100%). In September of each year, the City will add together all of the budgeted expenses attributed to the Police Department for the next fiscal year, which shall include communications, dispatch, the percentage of general administration attributable to the Police Department (i.e. City Manager time, payroll processing, human resources and the like) supplies, equipment, maintenance, personnel, benefits, unemployment, legal, municipal court, training, annual debt service payments to solely benefit the Police Department, and facilities (together the "Total Department Costs"). The Total Department Costs shall be multiplied by the percentage that the District Service Area comprises of the Combined Tax Value to calculate the annual amount owed by the Districts to the City ("Annual Contract Amount"). For purposes of determining the percentage of general administration expenses in the foregoing sentence, the amount of full-time equivalent employees ("FTEs") in the police department divided by the total full-time equivalent employees in the City shall constitute the percentage, and once computed the percentage shall be multiplied by the City's general administration expenses. For example, if there are 20 FTEs in the police department and 65 FTEs employed at the City, the percentage of general administrative costs included in the Total Departmental Costs shall be 30.77%. The City shall provide a copy of the then-current draft budget to the Districts by August 1 of each year and shall provide a final copy promptly after approval, which is anticipated to be in September of each year. The Annual Contract Amount shall be paid by the Districts or the Developer to the City in four equal quarterly installments with the first installment due thirty (30) days after the receipt of an invoice from the City and accompanying calculation of the Annual Contract Amount. The remaining invoices shall be mailed by the City to the Districts by December 31, March 31 and June 30 each year and payable sixty (60) days after receipt. Late payments shall accrue interest at a rate of three percent (3%).

- (ii) Within forty-five (45) days following approval of the annual audit for each fiscal year, the City shall calculate the actual annual law enforcement services expenditures ("Actual Annual Amount") and determine whether the Actual Annual Amount was more or less than the Annual Contract Amount for the same year, subject to the provisions of Section 10 herein. If the Actual Annual Amount is less than the Annual Contract Amount for the same year, the Districts' next invoice shall be reduced by an equal amount. If the Actual Annual Amount is more than the Annual Contract Amount for the same year, the Districts' next invoice shall be increased by an equal amount.

(c) Supplemental Payments for Law Enforcement Equipment. Prior to the issuance of the fiftieth (50th) building permit for a single-family residential lot or for a single-family equivalent unit, if a non-residential lot, in the Districts, the Developer or the Districts shall pay One Hundred Fifty Thousand Dollars (\$150,000.00) to supplement law enforcement services based on increased development in the Districts, which payments shall be used for acquiring equipment to provide Law Enforcement Services. Thereafter, Developer or the Districts shall pay \$150,000.00 simultaneously with every subsequent 400th building permit issued within the Districts. For example, the Developer or the Districts would pay \$150,000.00 simultaneously with the issuance of the 450th, 850th, 1,250th and each 400-permit increment of building permits issued thereafter in the Districts until full buildout. The City shall invoice the Developer or the Districts for amounts owed under this subsection and Developer or the Districts shall pay such amount within sixty (60) days of the date the invoice is received by the Developer or the Districts. Late payments shall accrue interest at the rate of three percent (3%).

Section 9. Liability and Insurance.

(a) This Agreement is governed by Section 791.006 of the Interlocal Cooperation Act. The Districts warrant and represent that the Districts have the authority to provide law enforcement services within the Districts and is eligible to enter into this Agreement. The Parties expressly agree that the Districts shall be responsible for all civil liability that arises from obtaining the Law Enforcement Services in the manner set forth herein, and that liability is not being assigned as allowed under Section 791.006(a-1) of the Interlocal Cooperation Act.

(b) The Districts will maintain in full force and effect policies of public liability insurance covering all Parties and naming the City as an additional insured in the event of loss, damage or injury to persons or property which may arise from the provision of Law Enforcement Services under this Agreement. Proof of such coverage will be provided to the City on January 1 of each year.

(c) The provisions of this Section 9 shall survive termination of this Agreement.

Section 10. Revenues Retained. All revenues, fines, and forfeitures that may be generated by the performance of law enforcement duties within the geographical boundaries of the Districts shall be retained by the City. Notwithstanding the foregoing, all such revenues, fines and forfeitures for the preceding year attributable to Law Enforcement Services within the Districts shall be offset against the Total Department Costs described in Section 8(b)(i) above.

Section 11. Default and Remedies.

(a) Notice & Conference. Prior to sending a notice of default under Section 11(b), if a Party believes that another Party has not met or is not meeting an obligation (other than obligations to pay) under this Agreement, the Party will contact the other Party and schedule an in-person meeting to discuss the issue. The Parties shall cooperate with each other in scheduling a meeting and discussing the issue in good faith. If the aggrieved Party does not believe that this

informal contact, discussion, and ensuing efforts have resolved the issue, they may proceed with sending a notice of default.

(b) Notice of Default. No Party shall be in default under this Agreement until (i) written notice of the alleged failure of such Party to perform any of its obligations hereunder has been given by another Party and (ii) such noticed Party has had a period of time, as specified below, in which to cure the alleged failure. The Party declaring a default shall notify the offending Party in writing of any such alleged failure to perform. Such notice shall specify the basis for a declaration of default. Defaults for failure to timely pay any amounts due hereunder shall be cured within ten (10) days and, for all other defaults the notified Party shall have ninety (90) days from the receipt of such notice to cure any default. If a default is not cured within such 10-day or 90-day period, as applicable, then the noticing Party shall have the option to terminate this Agreement.

(c) City Termination; Other Remedies. Concurrently with a notice under Section 11(b) above, City shall have the right to terminate this Agreement for failure by Developer or the Districts to make the payments described in Section 8, but only after (i) City provides written notice to the defaulting Party of its intent to so terminate this Agreement and (ii) defaulting Party is given ten (10) days from the receipt of such notice from City to cure the failure. City may terminate this Agreement for a failure to pay only after a failure to make all required payments within such 10-day period. City may further seek such legal remedies available to City under law to recover any amount which remains outstanding pursuant to this Agreement. Any amounts due and payable to City and which remain unpaid after ten (10) days from the date such payment was due shall bear interest at the annual rate of ten percent (10%), compounded, commencing on the 11st day after payment was due. In the event City is required to file suit to collect any unpaid amounts under this Agreement, City shall further be entitled to costs and reasonable attorneys' fees incurred in prosecuting such suit if the City prevails in such suit.

(d) Districts or Developer Termination. The Districts' or Developer's recourse for failure of City to furnish Law Enforcement Services under this Agreement will be the right to terminate this Agreement on or after the 60th day after providing written notice to City of such failure containing a description of how City has failed to provide Law Enforcement Services, and City fails to cure such default. Termination of this Agreement pursuant to this Section is subject to the precondition that the District has entered into an agreement with another entity to provide Law Enforcement Services to the residents of the District upon the termination of this Agreement. This Section shall not release the Districts or the Developer of the obligations to pay under Section 8(b)-(d) and to pay for Law Enforcement Services and make Supplemental Payments for Law Enforcement Equipment to the City up to the date of termination or the date City ceased providing Law Enforcement Services, whichever is earlier.

Section 12. Notices. All notices given pursuant to this Agreement shall be in writing and given by overnight courier or certified mail with return receipt requested, in either case with receipt being deemed the date of the signed receipt. Notice given in any other manner shall be effective only if in writing and when actually received by the Party or Parties to be notified. For the purpose of notice, the addresses of the Parties are as follows

Van Alstyne
City Manager
City of Van Alstyne
152 N. Main Street
Van Alstyne, Texas 75495
(903) 482-5426

City Attorney
Brown & Hofmeister, LLC
Attention: Mark S. Houser
740 E. Campbell Rd., Suite 800
Richardson, Texas 75081
(214) 747-6120

MUD 1
President, Board of Directors Van Alstyne MUD No. 1
c/o Coats Rose, P.C.
Tim Green
9 Greenway Plaza
Houston, Texas 77046
(713) 653-7360

MUD 2
President, Board of Directors Van Alstyne MUD No. 2
c/o Coats Rose, P.C.
Tim Green
9 Greenway Plaza
Houston, Texas 77046
(713) 653-7360

Developer
Risland Mantua, LLC
Attention: Zhaohu Cao
5600 Tennyson Parkway, Suite 230
Plano, Texas 75024

Each Party shall have the right to change its address and specify same as the notice address for purposes of this Agreement by giving at least 30 days written notice to the other Parties.

Section 13. Jurisdiction. The Districts and Developer grant full and complete authorization and jurisdiction to the City for all Law Enforcement Services provided by the City contained in this Agreement. Said jurisdiction shall apply to the boundary limits of the Districts.

Section 14. Attorney's Fees and Venue. In the event suit is filed by either Party as a result of the performance or non-performance of the terms set forth in this Agreement, and given that this Agreement is a contract for services, under Chapter 271 of the Texas Local Government Code, the

prevailing Party shall recover its reasonable attorney fees and court costs, with venue of any such action to be in a state district court in Grayson County, Texas.

Section 15. Severability. The provisions of this Agreement are severable, and if any word, phrase, clause, sentence, paragraph, section, or other part of this Agreement, or the application thereof to any person or circumstance, shall ever be held by any court of competent jurisdiction to be invalid or unconstitutional for any reason, the remainder of this Agreement and the application of such word, phrase, clause, sentence, paragraph, section, or other part of this Agreement to other persons or circumstances shall be not be affected thereby.

Section 16. Force Majeure.

(a) In the event any Party is rendered unable, wholly or in part, by "force majeure" (as hereinafter defined) to carry out its obligations under this Agreement, then the obligations of such Party to the extent affected by such force majeure, to the extent due diligence is being used to resume performance at the earliest practical time, shall be suspended during the continuance of any inability so caused to the extent provided but for no longer period of time. As soon as reasonably possible after the occurrence of the force majeure relied upon, the Party whose contractual obligations are affected shall give written notice of such force majeure to the other Parties to this Agreement. If possible to remedy, such cause shall be remedied with all reasonable dispatch.

(b) The term "force majeure" as used herein shall mean acts of God, strikes, lockouts or other industrial disturbances, acts of the public enemy, orders of the United States or the State of Texas or other military authority with jurisdiction over the Districts, insurrections, riots, epidemics, landslides, earthquakes, fires, hurricanes, arrests, civil disturbances, widespread pestilence, explosions, breakage or accidents to machinery, pipelines or canals, significant variations from normal weather conditions reasonably expected during the period in question, and any other inability a Party could not have avoided by the exercise of due diligence and care. "Force majeure" shall not mean or refer to governmental regulations or acts of any governmental entity, board, commission or council over which a Party may reasonably exert influence in order to meet its obligations pursuant to this Agreement, including the City of Van Alstyne.

Section 18. Indemnification.

(A) THE CITY, ITS OFFICERS, EMPLOYEES, AGENTS AND CONTRACTORS SHALL NOT BE LIABLE FOR ANY INJURY OR DAMAGES TO PERSONS OR PROPERTY, INCLUDING DEATH OCCASSIONED BY THE PERFORMANCE OF THIS AGREEMENT BY THE PARTIES OR ACTS OR OMISSIONS OF THE DEVELOPER, THE MUNICIPAL UTILITY DISTRICTS, THEIR EMPLOYEES, AGENTS, OFFICIALS, OFFICERS, REPRESENTATIVES AND CONTRACTORS IN THE PERFORMANCE OF THIS AGREEMENT. THE DEVELOPER AND THE MUNICIPAL UTILITY DISTRICTS AGREE TO PROTECT, DEFEND, INDEMNIFY AND HOLD HARMLESS THE CITY, ITS OFFICERS,

OFFICIALS, REPRESENTATIVES, EMPLOYEES, AGENTS AND CONTRACTORS IN THE PERFORMANCE IN ANY WAY OF THIS AGREEMENT AND FOR ACTS OR OMISSIONS OF THE DEVELOPER AND THE MUNICIPAL UTILITY DISTRICTS, ITS EMPLOYEES, REPRESENTATIVES, OFFICERS, OFFICIALS, AGENTS AND CONTRACTORS IN THE PERFORMANCE IN ANY WAY OF THIS AGREEMENT. SUCH INDEMNITY WILL INCLUDE ALL COSTS TO DEFEND SUCH CLAIMS, INCLUDING ATTORNEYS FEES AND EXPENSES. NOTWITHSTANDING THE FOREGOING, NO INDEMNIFICATION IS GIVEN HEREUNDER FOR ANY ACTION, DAMAGE, CLAIM, LOSS OR EXPENSE DETERMINED BY A COURT OF COMPETENT JURISDICTION TO BE DIRECTLY ATTRIBUTABLE TO THE WILLFUL MISCONDUCT OR SOLE NEGLIGENCE OF THE CITY, ITS OFFICERS, EMPLOYEES, AGENTS OR CONTRACTORS. *THE PARTIES STIPULATE AND AGREE THIS INDEMNIFICATION CLAUSE IS FULLY ENFORCEABLE UNDER TEXAS LAW, COMPLIES WITH CONSPICUOUSNESS AND EXPRESS NEGLIGENCE LAW, WILL NOT BE CONTESTED IN ANY WAY, AND IS VALID AND ENFORCEABLE AGAINST THE DEVELOPER AND THE MUNICIPAL UTILITY DISTRICTS.* THE DEVELOPER AND THE MUNICIPAL UTILITY DISTRICTS HAVE CAREFULLY READ, FULLY UNDERSTANDS AND AGREES TO BE BOUND TO THE TERMS OF THIS INDEMNIFICATION. THE INDIVIDUAL SIGNING THIS AGREEMENT ON BEHALF OF THE DEVELOPER AND THE MUNICIPAL UTILITY DISTRICTS HAS FULL AUTHORITY TO BIND THE DEVELOPER AND THE MUNICIPAL UTILITY DISTRICTS TO THIS AGREEMENT AND ITS INDEMNITY PROVISION. THIS INDEMNIFICATION SHALL SURVIVE TERMINATION OF THIS AGREEMENT.

(b) The foregoing notwithstanding, the Parties hereto reserve the right to assert all available legal defenses and all protections and limitations of liability provided by State law and Federal law, including but not limited to the Texas Tort Claims Act and the Texas Constitution relative to these Parties.

(c) The provisions of this indemnification are solely for the benefit of the Parties hereto and are not intended to create or grant any rights, contractual or otherwise, to any person or entity.

Section 19. Authority and Enforceability. The Parties represent and warrant that this Agreement has been approved and or adopted by the Parties' authorized representatives and that the individuals executing this Agreement on behalf of each Party has been duly authorized to do so. Each Party acknowledges and agrees that this Agreement is binding upon such Party and enforceable against such Party in accordance with its terms and conditions.

Section 20. Waiver of Breach. No waiver by either Party of any default or breach of a term or condition of this Agreement by the other Party may be treated as a waiver of any subsequent default or breach of the same or any other term or condition of this Agreement.

Section 21. Modification. This Agreement may only be modified, changed or altered at any time upon mutual agreement of the Parties, provided that any such modification, change and/or alteration be reduced to writing and approved by the governing bodies of the City and the Districts.

Section 22. Parties In Interest. This Agreement shall be for the sole and exclusive benefit of the City, the Developer and the Districts and shall not be construed to confer any benefit or right upon any other party.

Section 23. Entire Agreement. This Agreement constitutes the entire Agreement among the Parties relative to the subject matter hereof. There have not been and are no agreements, covenants, representations or warranties among the Parties, either oral or written, relative to such subject matter other than those expressly stated or provided for herein.

Section 24. Good Faith Cooperation. The Parties agree to use good faith in the performance of their respective duties and obligations under this Agreement such that the intent of the Parties shall be fulfilled. The Parties further agree to take such additional actions, from time to time, as may be necessary to fully carry out the purposes and intent of this Agreement including, but not limited to, the execution of further documentation.

Section 25. No Waiver of Immunity. Nothing in this Agreement shall give any claim or cause of action to any person or party not a Party to this Agreement, nor create any claim or cause of action against the City, the Developer, or the Districts which would not exist in the absence of this Agreement. Nothing in this Agreement shall add to or change the liability limits or governmental and sovereign immunities otherwise available to each Party to this Agreement. Except as provided in this Agreement, nothing herein shall be deemed or construed to waive any defense, privilege, or governmental or sovereign immunity of the Parties to this Agreement nor of any of their elected officials, officers, or employees, as to any claim or cause of action brought by any person, Party, or entity.

Section 26. No Third-Party Beneficiaries. This Agreement only inures to the benefit of, and may only be enforced by, the Parties. No other person or entity shall have any right, title, or interest under this Agreement or otherwise be deemed to be a third-party beneficiary of this Agreement.

Section 27. Miscellaneous. This Agreement is not intended to and shall not be construed so as to create a joint enterprise between the Parties. This Agreement shall not be construed more strictly against the drafter as all Parties have the benefit of counsel in the negotiation and preparation of this Agreement. The headings of the various paragraphs of the Agreement have been inserted for convenient reference only and shall not be construed to enlarge, diminish, or otherwise change the express provisions hereof.

IN WITNESS WHEREOF, we have hereunto set our hands this the 13th day of October, 2020 in duplicate originals.

CITY VAN ALSTYNE, TEXAS

VAN ALSTYNE MUNICIPAL UTILITY DISTRICT NO. 1

Jim Peterson
Mayor

[Signature]
President

ATTEST:

ATTEST:

[Signature]
City Secretary

[Signature]
Board Secretary

RISLAND MANTUA, LLC

VAN ALSTYNE MUNICIPAL UTILITY DISTRICT NO. 2 OF COLLIN COUNTY

By: _____

[Signature]
President

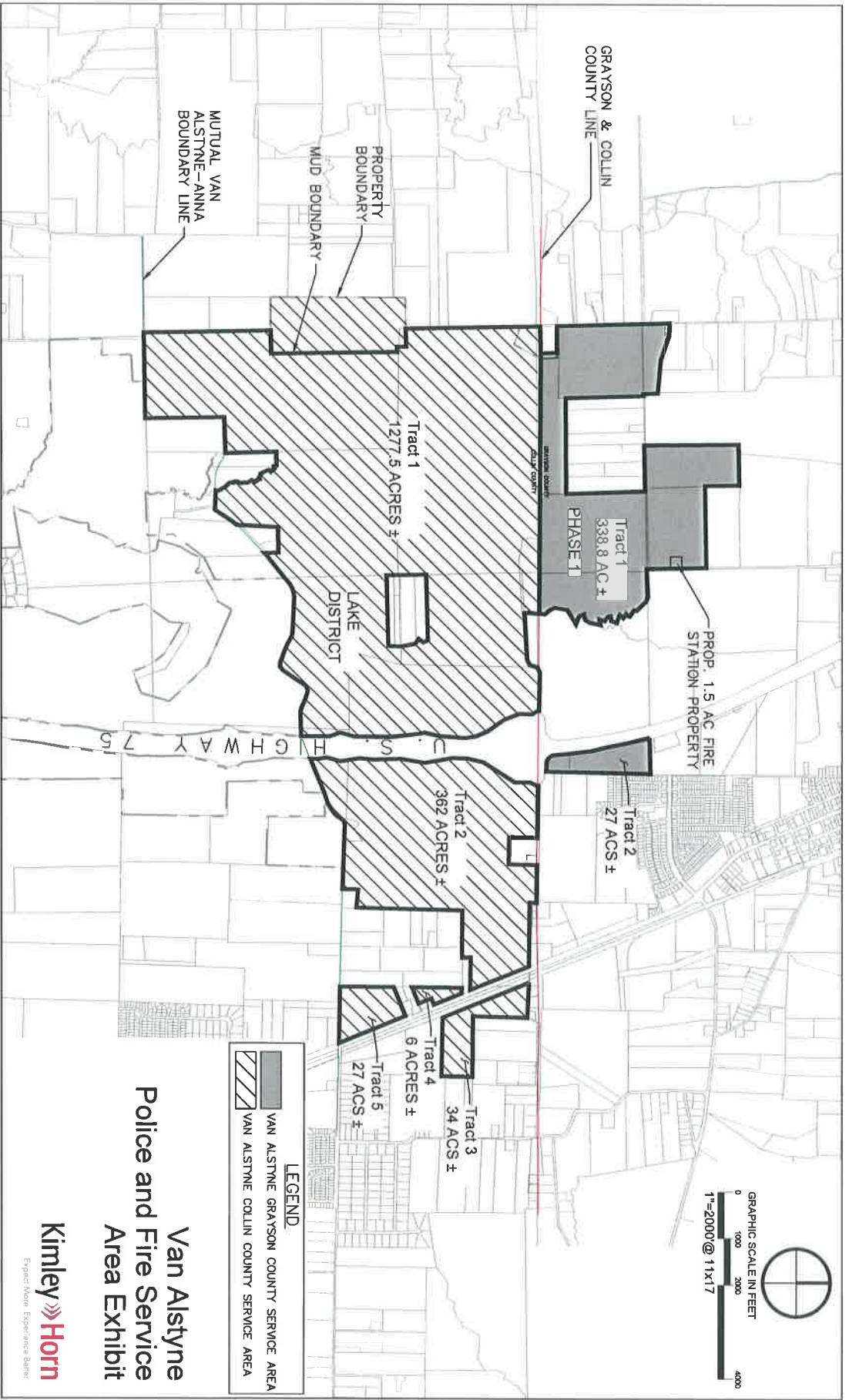
Print Name: _____

Title: _____

ATTEST:

[Signature]
Board Secretary

Exhibit "A"
[Description of District Area]



**Van Alstyne
Police and Fire Service
Area Exhibit**



Exhibit "A"
Van Alstyne Municipal Utility District No. 1 of Grayson County

BEING situated in the County of Grayson, State of Texas, being parts of the JOHN NELSON SURVEY, ABSTRACT NO. 902, the JOHN W. BERGIN SURVEY, ABSTRACT NO. 75, and the ANTONIO HERNANDEZ SURVEY, ABSTRACT NO. 489, also being the 1073.77 acre tract of land conveyed to Davidson Land and Cattle Company, L.P. by deed recorded in Volume 2235, Page 597, Real Property Records, GRAYSON County, Texas and being described by metes and bounds as follows:

BEGINNING at a 2 inch steel rod set at the Southeast corner of the 758.750 acre tract of land conveyed to Larry Lehman, et ux, by deed of record in Volume 2555, Page 624-655, of said Real Property Records, the Southwest corner of said 1073.77 acre tract of land, said rod also being in the North line of the 208.67 acre tract of land conveyed to James and Juanell Bridges Family Living Trust by deed of record in Volume 2506, Page 146, of said Real Property Records;

THENCE North 00 degrees 00 minutes 00 seconds West with the West line of said 1073.77 acre tract and the center of a public road a distance of 4674.02 feet to a 2 inch steel rod set at the Southwest corner of a 177.93 acre tract of land conveyed to Louis M. Rexrode, et ux, by deed of record in Volume 2205, Page 639, of said Real Property Records, also being the Southeast corner of the 133.05 acre tract of land conveyed to Henry S. Jackson, et ux, by deed of record in Volume 2059, Page 273, of said Real Property Records;

THENCE North 89 degrees 22 minutes 34 seconds East with the South line of said 177.93 acre tract a distance of 2805.74 feet to a 2 inch steel rod set at a found wooden stake at the Southeast corner of said 177.93 acre tract;

THENCE North 00 degrees 32 minutes 19 seconds West with a fence and the East line of said 177.93 acre tract of land a distance of 2774.19 feet to a 2 inch steel rod set at a found wooden stake at the Northeast corner of said 177.93 acre tract;

THENCE South 89 degrees 47 minutes 48 seconds West with the North line of said 177.93 acre tract of land a distance of 2765.01 feet to a 2 inch steel rod set at the Northwest corner of said 177.93 acre tract, being in the East line of said 133.05 acre tract;

THENCE North 00 degrees 00 minutes 00 seconds West with the center of a public road and said East line a distance of 1296.86 feet to a 2 inch steel rod set at the Northwest corner of said 1073.77 acre tract, the Southeast corner of the 362.631 acre tract of land conveyed to Taylor Strawn and Ernest B. Strawn, Jr., by deed of record in Volume 2209, Page 772, of said Real Property Records, also being the Southwest corner of the 121.14 acre tract of land described as Part Two and conveyed to Jeribeth Sharp by deed of record in Volume 2668, Page 009, of said Real Property Records;

THENCE North 89 degrees 37 minutes 51 seconds East with the South line of said 121.14 acre tract, a distance of 4016.31 feet to a 2 inch steel rod set at a fence corner, being the Southeast corner of said 121.14 acre tract;

THENCE South 00 degrees 10 minutes 16 seconds East with a fence a distance of 1298.84 feet to a 2 inch steel rod set at a fence post;

THENCE North 89 degrees 30 minutes 06 seconds East with a fence a distance of 2512.99 feet to a 2 inch steel rod set at the most Easterly Northeast corner of said 1073.77 acre tract, the Northwest corner of the 1022.21 acre tract of land described as Part One as conveyed to Jeribeth Sharp by deed of record in Volume 2668, Page 009, of said Real Property Records;

THENCE with the West line of said 1022.21 acre tract of land and an existing fence line, the following calls and distances:

South 00 degrees 40 minutes 13 seconds East, a distance of 2497.50 feet to a 2 inch steel rod set at a fence corner;

South 89 degrees 32 minutes 01 seconds West a distance of 150.18 feet to a 2 inch steel rod set a fence corner;

South 00 degrees 44 minutes 41 seconds East a distance of 1112.81 feet to a 2 inch steel rod set a fence corner;

South 89 degrees 13 minutes 04 seconds East a distance of 150.56 feet to a 2 inch steel rod set a fence corner;

South 00 degrees 45 minutes 51 seconds East a distance of 3832.16 feet to a 2 inch steel rod set in a public road, being the Southeast corner of said 1073.77 acre tract, also being in the North line of the 67 acre tract of land conveyed to James S. Rodgers, et ux, by deed of record in Volume 1045, Page 759, of the Deed Records, Grayson County, Texas;

THENCE South 89 degrees 24 minutes 04 seconds West with the South line of said 1073.77 acre tract a distance of 6642.95 feet to the POINT OF BEGINNING and CONTAINING 1065.860 acres of land, more or less.

Exhibit "A"

Van Alstyne Municipal Utility District No. 2 of Collin County

TRACT 1: 1,216.48 ACRES

SITUATED in the County of Collin, State of Texas, and being a part of the David Arnspiger Survey, Abstract No. 15, the E. T. Berry Survey, Abstract No. 41, the J. W. Curtis Survey, Abstract No. 1077, the Jonas Whitaker Survey, Abstract No. 981, the W. P. Burns Survey, Abstract No. 100, and the J. Batterton Survey, Abstract No. 94, and being a part of the 1232.837 ac. tract of land conveyed to Vincent Viola by W. Mark David by Special Warranty Deed dated July 30, 2001 and recorded in Volume 4987, Page 726, Deed Records, Collin County, Texas, and being all of the 64.749 ac. tract of land (Tract 3) conveyed to Vincent J. Viola by Don S. Flesher by Warranty Deed dated September 10, 2004 and recorded in Volume 5766, Page 6210, said Collin County Deed Records and being all of the 133.814 ac. tract of land conveyed to Vincent J. Viola by Mary Jane Kinsey by Warranty Deed with Vendor's Lien dated March 31, 2004 and recorded in Volume 5642, Page 1395, said Collin County Deed Records, and being all of the 377.45 ac. tract of land conveyed to Vincent J. Viola by Thornton Farm Partnership, Ltd. by Special Warranty Deed with Vendor's Lien dated September 22, 2005 and recorded in Volume 6010, Page 3310, said Collin County Deed Records, and being all of the 61.61 ac. tract of land conveyed to Vincent J. Viola by Jack R. Shirley, Trustee of the Shirley Living Trust by Warranty Deed with Vendor's Lien dated February 26, 2004 and recorded in Volume 5616, Page 5706, said Collin County Deed Records, and being more particularly described as one tract of land by metes and bounds as follows, to-wit:

BEGINNING at a 1/2 inch rebar set at the Southwest corner of said Viola 133.814 ac., at the Southeast corner of the 40 ac. tract of land conveyed to James R. Thornton in Volume 724, Page 884, said Collin County Deed Records;

THENCE North 00 deg. 10 min. 11 sec. East, with the West line of said Viola 133.814 ac. and the East line of said Thornton 40 ac., a distance of 2,705.48 ft. to a point in the South line of the 77.17 ac. tract of land (Tract A) conveyed to MJW Partners, L. P. in Volume 4458, Page 1303, said Collin County Deed Records, at the Northwest corner of said Viola 133.814 ac., at the Northeast corner of said Thornton 40 ac.;

THENCE North 88 deg. 39 min. 20 sec. East, with the South line of said MJW Partners 77.17 ac. and the North line of said Viola 133.814 ac., a distance of 479.16 ft. to a point at the Southeast corner of said MJW Partners 77.17 ac., at the most Southerly Southwest corner of said 377.45 ac.;

THENCE North 00 deg. 31 min. 02 sec. East, with the West line of said 377.45 ac. and the East line of said MJW Partners 77.17 ac., a distance of 450.50 ft. to an angle point;

THENCE North 00 deg. 51 min. 11 sec. East, continuing with the West line of said 377.45 ac. and the East line of said MJW Partners 77.17 ac., a distance of 856.69 ft. to an angle point;

THENCE North 00 deg. 38 min. 27 sec. East, continuing with the West line of said 377.45 ac. and the East line of said MJW Partners 77.17 ac., a distance of 1,265.62 ft. to a point at the most Easterly Northeast corner of said MJW Partners 77.17 ac.;

THENCE North 89 deg. 34 min. 48 sec. West, with a North line of said MJW Partners 77.17 ac. and a South line of said 377.45 ac., a distance of 78.26 ft. to a point for an Ell corner of said 377.45 ac.;

THENCE North 00 deg. 49 min. 48 sec. West, with an East line of said MJW Partners 77.17 ac. and a West line of said 377.45 ac., passing a Northeast corner of said MJW Partners 77.17 ac. and the Southeast corner of the 2.46 ac. tract of land (Tract B) conveyed to MJW Partners, L.B. in said Volume 4458, Page 1303, and continuing now with the East line of said MJW Partners 2.46 ac. for a total distance of 264.00 ft. to a point at the Northeast corner of said MJW Properties 2.46 ac.;

THENCE North 89 deg. 34 min. 48 sec. West, with the North line of said MJW Partners 2.46 ac. and a South line of said 377.45 ac., a distance of 424.33 ft. to a point at the most Westerly Southwest corner of said 377.45 ac., at the Northwest corner of said MJW Partners 2.46 ac.;

THENCE North 00 deg. 03 min. 15 sec. West, entering the pavement of Collin County Road No. 222, passing the most Easterly Southeast corner of the 12.5 ac. tract of land (First Tract) conveyed to Julie Elizabeth Fifer Hilbun in Volume 4753, Page 394, said Collin County Deed Records, being the intersection of the center of said Collin County Road No. 222 with the center of Collin County Road No. 291 and continuing now with the center of said Collin County Road No. 291, passing the Northeast corner of said Hilbun 12.5 ac. and the most Easterly Southeast corner of the 89.74 ac. tract of land conveyed to Lee Brock and Michael Adams in Volume 4971, Page 3703, said Collin County Deed Records, a Northeast corner of said Batterton Survey, the Southeast corner of said Whitaker Survey, and continuing now with the East line of both said Whitaker Survey and said Brock & Adams 89.74 ac. and the West line of said Arnspiger Survey, passing the Northeast corner of said Brock & Adams 89.74 ac. and the Southeast corner of the 113.35 ac. tract of land conveyed to Claude T. Dowell and Betty M. Dowell in Collin County Clerk File No. 96-0003539, and continuing now with the East line of said Dowell 113.35 ac. for a total distance of 2,879.39 ft. to a PK nail at the Northwest corner of said 6.29 ac., at the Southwest corner of the 5.00 ac. tract of land conveyed to Wood Family Trust in Volume 3910, Page 772, said Grayson County Official Public Records, at the most Westerly Northwest corner of the herein described tract;

THENCE South 88 deg. 53 min. 10 sec. East, with the South line of said Wood Family Trust 5.00 ac., a distance of 573.19 ft. to a point at the Southeast corner of said Wood Family Trust 5.00 ac., at an Ell corner of said 6.29 ac.;

THENCE North 00 deg. 03 min. 10 sec. West, with the East line of said Wood Family Trust 5.00 ac., a distance of 126.09 ft. to a point for corner on the common line of Collin County and Grayson County;

THENCE South 87°59'17" East, departing the East line of said Wood Family Trust 5.00 ac., with the common line of said Collin County and Grayson County, a distance of 5,627.71 feet to a point in the center of a creek;

THENCE South 06 deg. 38 min. 18 sec. West, departing the common line of said Collin County and Grayson County, and with the center of said creek, a distance of 259.52 ft. to a point for corner;

THENCE South 02 deg. 15 min. 16 sec. East, continuing with the center of said creek, a distance of 87.99 ft. to a point in the center of County Road No. 290;

THENCE North 87 deg. 49 min. 46 sec. East, with the center of said County Road No. 290, a distance of 1,121.68 ft. to a point at an Ell corner;

THENCE North 17 deg. 08 min. 05 sec. East, continuing with the center of said County Road No. 290, distance of 274.78 ft. to a point in the South line of said Grayson County, in the North line of said Collin County;

THENCE South 88 deg. 01 min. 11 sec. East, continuing with the center of said County Road No. 290, a distance of 918.91 ft. to a point in the West right-of-way line of U. S. Highway No. 75;

THENCE Southerly, with the West right-of-way line of said U. S. Highway No. 75, the following calls and distances:

South 02 deg. 54 min. 36 sec. West, a distance of 27.94 ft. to an angle point;
South 30 deg. 46 min. 30 sec. East, a distance of 183.31 ft. to an angle point;
South 88 deg. 06 min. 30 sec. East, a distance of 449.88 ft. to an angle point;
South 44 deg. 01 min. 30 sec. East, a distance of 59.33 ft. to a point at the beginning of a curve;

Southerly, with a non-tangent curve to the right having a radius of 11,236.22 ft. and a central angle of 02 deg. 19 min. 08 sec. (chord bears South 00 deg. 12 min. 56 sec. West, 454.72 ft.), an arc distance of 454.76 ft. to an angle point;

South 02 deg. 36 min. 16 sec. East, a distance of 360.12 ft. to an angle point;
South 00 deg. 25 min. 13 sec. West, a distance of 599.93 ft. to an angle point;
South 01 deg. 22 min. 30 sec. West, a distance of 199.95 ft. to an angle point;
South 04 deg. 42 min. 49 sec. West, a distance of 600.86 ft. to an angle point;
South 07 deg. 09 min. 20 sec. East, a distance of 202.18 ft.;
South 00 deg. 03 min. 25 sec. East, a distance of 400.02 ft. to an angle point;
South 01 deg. 22 min. 30 sec. West, a distance of 999.74 ft. to an angle point;
South 10 deg. 21 min. 51 sec. West, a distance of 195.80 ft. to an angle point;
South 07 deg. 03 min. 08 sec. East, a distance of 208.75 ft. to an angle point;
South 00 deg. 03 min. 25 sec. East, a distance of 400.02 ft. to an angle point;
South 07 deg. 33 min. 03 sec. West, a distance of 185.86 ft. to an angle point;

South 45 deg. 36 min. 30 sec. West, a distance of 42.98 ft. to an angle point;
South 01 deg. 22 min. 30 sec. West, a distance of 24.40 ft. to a point in the center
of County Road No. 372;

THENCE Westerly, with the center of said County Road No. 372, the following calls and
distances:

South 89 deg. 42 min. 59 sec. West, a distance of 353.70 ft.;
South 86 deg. 10 min. 45 sec. West, a distance of 143.79 ft.;
North 87 deg. 30 min. 14 sec. West, a distance of 53.25 ft.;
North 74 deg. 09 min. 11 sec. West, a distance of 54.65 ft.;
North 66 deg. 03 min. 55 sec. West, a distance of 186.27 ft.;
North 69 deg. 12 min. 09 sec. West, a distance of 184.29 ft.;
North 86 deg. 57 min. 36 sec. West, a distance of 96.84 ft.;
South 48 deg. 48 min. 29 sec. West, a distance of 93.49 ft.;
South 33 deg. 28 min. 27 sec. West, a distance of 305.00 ft.;
South 37 deg. 10 min. 57 sec. West, a distance of 265.16 ft.;
South 55 deg. 13 min. 57 sec. West, a distance of 89.72 ft.;
North 83 deg. 28 min. 02 sec. West, a distance of 100.14 ft.;
North 68 deg. 03 min. 52 sec. West, a distance of 396.07 ft.;
North 60 deg. 49 min. 08 sec. West, a distance of 186.54 ft.;
North 67 deg. 57 min. 27 sec. West, a distance of 71.26 ft.;
North 89 deg. 56 min. 56 sec. West, a distance of 69.12 ft.;
South 75 deg. 45 min. 15 sec. West, a distance of 103.51 ft.;
South 83 deg. 05 min. 09 sec. West, a distance of 72.42 ft.;
North 85 deg. 18 min. 09 sec. West, a distance of 68.25 ft.;
North 81 deg. 39 min. 08 sec. West, a distance of 527.44 ft.;
South 82 deg. 17 min. 34 sec. West, a distance of 143.98 ft.;
South 60 deg. 43 min. 16 sec. West, a distance of 129.67 ft. to the intersection of
the center of said County Road No. 372 with the center of said County Road No. 290;

THENCE South 51 deg. 14 min. 09 sec. West, with the center of said County Road
No. 290, a distance of 159.23 ft. to an angle point;

THENCE South 52 deg. 34 min. 25 sec. West, continuing with the center of said County
Road No. 290, a distance of 692.22 ft. to a point at the Southeast corner of the property conveyed
to Tristian D. Pfeffer in Volume 3064, Page 593, said Collin County Deed Records;

THENCE North 01 deg. 04 min. 20 sec. West, with the East line of said Pfeffer tract, a
distance of 295.17 ft. to a point at the Northeast corner of said Pfeffer tract;

THENCE North 89 deg. 16 min. 11 sec. West, with the North line of said Pfeffer tract,
passing the Northwest corner of said Pfeffer tract and the Northeast corner of the property
conveyed to Michael Ray Ashley, and continuing now with the North line of said Ashley tract for
a total distance of 547.91 ft. to a point at the Northwest corner of said Ashley tract;

THENCE South 04 deg. 31 min. 06 sec. West, with the West line of said Ashley tract, passing the Southwest corner of said Ashley tract and continuing for a total distance of 872.74 ft. to a point in the center of said County Road No. 290;

THENCE South 34 deg. 58 min. 46 sec. West, with the center of said County Road No. 290, a distance of 568.84 ft. to an angle point;

THENCE North 87 deg. 43 min. 32 sec. West, continuing with the center of said County Road No. 290, a distance of 425.02 ft. to a point at the intersection of the center of said County Road No. 290 with the center of a creek, at the Southeast corner of the 18.632 ac. tract of land conveyed to Stephen V. Jones and Kristi S. Jones in Volume 4140, Page 3149, said Collin County Deed Records;

THENCE Northerly, with the center of a creek, maintaining the East line of said Jones 18.632 ac., the following the calls and distances:

North 04 deg. 31 min. 06 sec. East, a distance of 86.50 ft.;

North 35 deg. 11 min. 54 sec. West, a distance of 93.77 ft.;

North 23 deg. 28 min. 54 sec. West, a distance of 55.00 ft.;

North 52 deg. 28 min. 54 sec. West, a distance of 42.00 ft.;

North 26 deg. 48 min. 54 sec. West, a distance of 29.70 ft.;

North 69 deg. 58 min. 54 sec. West, a distance of 25.40 ft.;

North 31 deg. 08 min. 54 sec. West, a distance of 27.30 ft.;

North 05 deg. 49 min. 16 sec. West, a distance of 61.40 ft.;

North 15 deg. 44 min. 06 sec. East, a distance of 29.40 ft.;

North 31 deg. 13 min. 54 sec. West, a distance of 22.00 ft.;

North 79 deg. 23 min. 54 sec. West, a distance of 16.10 ft.;

North 00 deg. 46 min. 06 sec. East, a distance of 50.00 ft.;

North 31 deg. 45 min. 06 sec. East, a distance of 24.60 ft.;

North 02 deg. 31 min. 06 sec. East, a distance of 26.40 ft.;

North 34 deg. 28 min. 06 sec. East, a distance of 43.20 ft.;

North 13 deg. 08 min. 54 sec. West, a distance of 54.70 ft.;

North 00 deg. 31 min. 06 sec. East, a distance of 82.20 ft.;

North 19 deg. 28 min. 54 sec. West, a distance of 80.00 ft.;

North 40 deg. 03 min. 54 sec. West, a distance of 37.60 ft.;

North 17 deg. 46 min. 06 sec. East, a distance of 43.20 ft.;

North 58 deg. 31 min. 06 sec. East, a distance of 36.10 ft.;

North 28 deg. 28 min. 54 sec. West, a distance of 44.00 ft.;

North 56 deg. 28 min. 54 sec. West, a distance of 21.00 ft.;

North 21 deg. 15 min. 54 sec. West, a distance of 51.60 ft.;

South 48 deg. 11 min. 06 sec. West, a distance of 24.00 ft.;

North 44 deg. 08 min. 54 sec. West, a distance of 30.40 ft.;

North 85 deg. 28 min. 54 sec. West, a distance of 26.00 ft.;

North 43 deg. 28 min. 54 sec. West, a distance of 26.50 ft.;

North 85 deg. 28 min. 54 sec. West, a distance of 42.70 ft.;

North 27 deg. 08 min. 54 sec. West, a distance of 75.00 ft.;

North 13 deg. 28 min. 54 sec. West, a distance of 25.30 ft.;

North 34 deg. 28 min. 54 sec. West, a distance of 25.90 ft.;
North 18 deg. 36 min. 54 sec. West, a distance of 78.20 ft.;
North 68 deg. 31 min. 06 sec. East, a distance of 22.40 ft.;
North 46 deg. 42 min. 06 sec. East, a distance of 36.00 ft.;
North 44 deg. 28 min. 54 sec. West, a distance of 78.70 ft.;
North 37 deg. 37 min. 54 sec. West, a distance of 22.43 ft.;
South 81 deg. 30 min. 06 sec. West, a distance of 53.20 ft.;
North 16 deg. 18 min. 59 sec. West, a distance of 60.42 ft. to a point at the Northeast
comer of said Jones 18.632 ac.;

THENCE South 89 deg. 18 min. 29 sec. West, with the North line of said Jones 18.632 ac.,
a distance of 293.17 ft. to a point at the Northwest comer of said Jones 18.632 ac.;

THENCE South 00 deg. 19 min. 05 sec. East, with the West line of said Jones 18.632 ac.,
a distance of 62.47 ft. to a 1/2 inch rebar found at the Northwest base of a 48 inch tree at a fence
comer, at the Northeast comer of said Viola 133.814 ac.;

THENCE South 00 deg. 24 min. 08 sec. East, continuing with the West line of said Jones
18.632 ac., a distance of 1,026.81 ft. to a 1/2 inch rebar found in the center of said County Road
No. 290, at the Southwest comer of said Jones 18.632 ac.;

THENCE South 89 deg. 26 min. 03 sec. West, with the center of said County Road
No. 290, a distance of 772.79 ft. to a 1/2 inch rebar found at an Ell comer of said Viola 133.814
ac.;

THENCE South 00 deg. 16 min. 20 sec. West, continuing with the center of said County
Road No. 290, a distance of 1,686.94 ft. to a 1/2 inch rebar found at the most Southerly Southeast
corner of said Viola 133.814 ac.;

THENCE North 89 deg. 36 min. 49 sec. West, continuing with the center of said County
Road No. 290 and with the South line of said Viola 133.814 ac., a distance of 798.24 ft. to a 1/2
inch rebar found at the Northeast corner of the 10.669 ac. tract of land conveyed to Delmore A.
Church and Joyce church in Volume 702, Page 585, said Collin County Deed Records;

THENCE North 89 deg. 29 min. 33 sec. West, continuing with the center of said County
Road No. 290 and with the North line of said Church 10.669 ac., a distance of 935.50 ft. to a point
at the Northwest comer of said Church 10.669 ac.;

THENCE South 00 deg. 17 min. 31 sec. East, with the West line of said Church 10.669
ac., a distance of 5.80 ft. to a point at the Northeast corner of the 103 ac. tract of land conveyed to
James Robert Thornton in Volume 1596, Page 467 and Volume 1599; Page 451, said Collin
County Deed Records;

THENCE North 89 deg. 44 min. 24 sec. West; with the center of Collin County Road
No. 11.01, a public road, and with the North line of said Thornton 103 ac., a distance of 118.58 ft.
to the PLACE OF BEGINNING and containing 1,245.57 ACRES of land.

LESS AND EXCEPT the tract described below.

SITUATED in the County of Collin, State of Texas, and being a part of the Jonas Whitaker Survey, Abstract No. 981, being a part of the E.T. Berry Survey, Abstract No. 41, and being all of the property conveyed to D. E. Billups, lying in the E.T. Berry Survey, and being all of the property conveyed to Geraldine Billups in Volume 4831, Page 862, Collin County Deed Records, and being all of the property conveyed to John Adams and Paul Adams in County Clerks File No. 94-0083801, and being more particularly described as one tract of land by metes and bounds as follows, to-wit:

BEGINNING at a point in the center of County Road No. 290, at the Southwest corner of both said John & Paul Adams tract and the herein described exception tract;

THENCE North 00 degrees 17 minutes 41 seconds West, with the center of said County Road No. 290, a distance of 234.95 feet to a point at the intersection of the center of said County Road No. 290 and County Road No. 222, at an angle point in the West line of the herein described exception tract;

THENCE North 00 degrees 13 minutes 11 seconds West, continuing with the center of said County Road No. 290, passing the Northwest corner of said John & Paul Adams tract, and the Southwest corner of said Geraldine Billups tract, passing the Northwest corner of said Geraldine Billups tract and the Southwest corner of said D. E. Billups tract and continuing now with the West line of said D. E. Billups tract for a total distance of 612.61 feet to a point at the Northwest corner of both said D. E. Billups tract and the herein described exception tract;

THENCE North 89 degrees 37 minutes 36 seconds East, with the North line of said D. E. Billups tract, a distance of 1,418.49 feet to a point at the Northeast corner of both said D. E. Billups tract and the herein described exception tract;

THENCE Southerly, with the East line of said D. E. Billups tract, said Geraldine Billups tract and said John & Paul Adams tract, the following calls and distances:

South 22 degrees 07 minutes 54 seconds East, a distance of 107.40 feet to an angle point;

South 36 degrees 30 minutes 12 seconds West, a distance of 123.56 feet to an angle point;

South 55 degrees 01 minutes 11 seconds East, a distance of 127.51 feet to an angle point;

South 09 degrees 13 minutes 07 seconds East, a distance of 307.63 feet to an angle point;

South 00 degrees 53 minutes 06 seconds West, a distance of 272.87 feet to a point at the Southeast corner of both said John & Paul Adams tract and the herein described exception tract;

THENCE South 89 degrees 41 minutes 09 seconds West, with the South line of said John & Paul Adams tract, a distance of 1,531.42 feet to the PLACE OF BEGINNING and containing 29.09 ACRES of land less and excepted from the above described 1,245.57 ac. tract and leaving a

NET ACREAGE of 1,216.48 ACRES of land, all of which lies entirely within the Extraterritorial Jurisdiction of the City of Van Alstyne, as established by the "Boundary Line Settlement Agreement" dated September 12, 2006, to be filed in the Official Public Records of Collin County, Texas.

TRACT 2: 362.23 ACRES

SITUATED in the County of Collin, State of Texas, and being a part of the Hanny Nelson Survey, Abstract No. 431, and being a part of the J.C. Burge Survey, Abstract No. 106, and being a part of the W. M. Creager Survey, Abstract No. 164, and being a part of the 363.943 ac. tract of land (Tract 2) and all of the 217.416 ac. tract of land (Tract 3), both conveyed to Vincent Viola by W. Mark David by Special Warranty Deed dated July 30, 2001 and recorded in Volume 4987, Page 697, Deed Records, Collin County, Texas, and being more particularly described as one tract of land by metes and bounds as follows, to-wit:

BEGINNING at a point in East right-of-way line of U. S. Highway No. 75, in the center of Collin County Road No. 290, at the most Northerly Northwest comer of said Viola Tract 2;

THENCE South 87 deg. 47 min. 57 sec. East, with the center of said Collin County Road No. 290, a distance of 677.09 ft. to a point at the Northeast comer of said Viola Tract 2, at the Northwest comer of said Viola Tract 3;

THENCE South 88 deg. 25 min. 32 sec. East, continuing with the center of said Collin County Road No. 290, a distance of 447.93 ft. to a point at the Northwest comer of the property conveyed to Jim Lawrence in Volume 1498, Page 563, said Collin County Deed Records;

THENCE South 01 deg. 54 min. 14 sec. West, with the West line of said Lawrence tract, a distance of 599.97 ft. to a point at the Southwest comer of said Lawrence tract;

THENCE South 88 deg. 12 min. 30 sec. East, with the South line of said Lawrence tract, a distance of 579.90 ft. to a point at the Southeast comer of said Lawrence tract;

THENCE North 01 deg. 58 min. 08 sec. East, with the East line of said Lawrence tract, a distance of 602.17 ft. to a point in the center of said Collin County Road No. 290, at Northeast corner of said Lawrence tract;

THENCE South 88 deg. 25 min. 32 sec. East, with the center of said Collin County Road No. 290, passing the most Westerly Southwest corner of the property conveyed to Tucker B. McDonald in Collin County Clerk's File No. 94-9053991, and continuing now with a South line of said McDonald tract for a total distance of 815.54 ft. to a point at a Northeast comer of said Viola Tract 3, at an Ell comer of said McDonald tract;

THENCE South 01 deg. 55 min. 23 sec. West, with a West line of said McDonald tract, a distance of 144.12 ft. to a point at the Southwest corner of said McDonald tract;

THENCE South 88 deg. 09 min. 09 sec. East, with a South line of said McDonald tract, passing the Southeast corner of said McDonald tract and a Southwest corner of the property conveyed to Forrest W. Moore in Volume 1799, Page 804, said Collin County Deed Records, and continuing now with a South line of said Moore tract for a total distance of 1,372.74 ft. to a point in West right-of-way line of State Highway No. 5, at the Northeast corner of both said Viola Tract 3 and the herein described tract;

THENCE South 21 deg. 08 min. 14 sec. East, with the West right-of-way line of said State Highway No. 5, a distance of 1,357.58 ft. to a point at the most Easterly Southeast corner of both said Viola Tract 3. and the herein described tract, at the Northeast corner of the property conveyed to John E. Steffens in Collin County Clerk's File No. 93-0104713;

THENCE North 87 deg. 57 min. 15 sec. West, with the North line of said Steffens tract, a distance of 701.67 ft. to a point at the Northwest corner of said Steffens tract;

THENCE South 00 deg. 32 min. 52 sec. East, with the West line of said Steffens tract, a distance of 185.54 ft. to a point in the North line of the property conveyed to Ann Marie Forlenza in Collin County Clerk ' s File No. 96-0016528, at the Southwest corner of said Steffens tract;

THENCE North 88 deg. 15 min. 56 sec. West, with the North line of said Forlenza tract, passing the Northwest corner of said Forlenza tract and the Northeast corner of Anna 103, an Addition to Collin County, Texas, s recorded in the Collin County Plat Records, a distance of 219.14 ft. to an angle point in the North line of said Anna 103 Addition;

THENCE North 88 deg. 54 min. 31 sec. West, continuing with the North line of said Anna 103 Addition, a distance of 802.35 ft. to a point at the Northwest corner of said Anna 103 Addition;

THENCE South 02 deg. 22 min. 42 sec. West, with the West line of said Anna 103 Addition, a distance of 2,263.74 ft. to a point at the Northeast corner of the property conveyed to Ronald Larue in Volume 1697, Page 57, said Collin County Deed Records;

THENCE North 83 deg. 28 min. 52 sec. West, with the North line of said Larue tract, a distance of 386.62 ft. to a point at the Northwest corner of said Larue tract;

THENCE South 02 deg. 22 min. 41 sec. West, with the West line of said Larue tract, a distance of 335.53 ft. to a point in the North line of the property conveyed to Virginia R. Bryant in Volume 2867, Page 168, said Collin County Deed Records, at the Southwest corner of said Larue tract;

THENCE North 86 deg. 56 min. 09 sec. West, with the North line of said Bryant tract, a distance of 474.85 ft. to a point at the Northwest corner said Bryant tract;

THENCE North 87 deg. 00 min. 45 sec. West, a distance of 597.94 ft. to a point at the Southeast corner of the Mantua Cemetery;

THENCE North 01 deg. 35 min. 32 sec. East , with the East line of said Mantua Cemetery, a distance of 372.22 ft. to a point at the Northeast corner of said Mantua Cemetery;

THENCE South 54 deg. 09 min. 25 sec. West, with the North line of said Mantua Cemetery, a distance of 319.95 ft. to an angle point;

THENCE North 40 deg. 29 min. 38 sec. West, continuing with the North line of said Mantua Cemetery, a distance of 134.58 ft. to an angle point;

THENCE South 81 deg. 54 min. 46 sec. West, continuing with the North line of said Mantua Cemetery, a distance of 60.47 ft. to an angle point;

THENCE South 20 deg. 08 min. 34 sec. West, continuing with the North line of said Mantua Cemetery, a distance of 155.17 ft. to an angle point;

THENCE South 69 deg. 37 min. 57 sec. West, continuing with the North line of said Mantua Cemetery, a distance of 17.16 ft. to a point in the center of a public road, at the Northwest corner of said Mantua Cemetery;

THENCE South 03 deg. 13 min. 52 sec. West, with the West line of said Mantua Cemetery, a distance of 102.46 ft. to a point at the Southwest corner of said Mantua Cemetery;

THENCE South 87 deg. 00 min. 45 sec. East, with the South line of said Mantua Cemetery, a distance of 23.27 ft. to a point in the center of said public road;

THENCE South 08 deg. 32 min. 03 sec. West, with the center of said public road, a distance of 105.61 ft. to an angle point;

THENCE South 36 deg. 51 min. 30 sec. West, continuing with the center of said public road, a distance of 94.21 ft. to an angle point;

THENCE South 51 deg. 48 min. 17 sec. West, continuing with the center of said public road, a distance of 78.22 ft. to an angle point;

THENCE South 56 deg. 56 min. 45 sec. West, continuing with the center of said public road, a distance of 149.91 ft. to an angle point;

THENCE South 57 deg. 35 min. 20 sec. West, continuing with the center of said public road, a distance of 87.86 ft. to a point at the most Northerly Northeast corner of the property conveyed to Leonard Harlow in Collin County Clerk's File No. 92-0054819;

THENCE South 72 deg. 58 min. 34 sec. West, with a North line of said Harlow tract, a distance of 246.79 ft. to a point at the most Northerly Northwest corner of said Harlow tract;

THENCE South 01 deg. 36 min. 58 sec. West, with a West line of said Harlow tract, a distance of 398.78 ft. to an angle point;

THENCE South 21 deg. 05 min. 34 sec. West, with a North line of said Harlow tract, a distance of 82.04 ft. to a point at an Ell corner of said Harlow tract;

THENCE North 87 deg. 34 min. 30 sec. West, continuing with a North line of said Harlow tract, entering the centerline of said public road and continuing for a distance of 233.21 ft. to a point at the most Westerly Northwest corner of said Harlow tract;

THENCE South 89 deg. 26 min. 08 sec. West, with the center of said public road, a distance of 492.32 ft. to a point at the intersection of the center of said public road with the East right-of-way line of said U. S. Highway No. 75;

THENCE Northerly, with the East right-of-way line of U. S. Highway No. 75, the following calls and distances:

North 01 deg. 22 min. 30 sec. East, a distance of 26.10 ft to an angle point;
North 44 deg. 23 min. 30 sec. West, a distance of 41.84 ft. to an angle point;
North 01 deg. 22 min. 30 sec. East, a distance of 774.10 ft. to an angle point;
North 04 deg. 20 min. 30 sec. West, a distance of 200.95 ft. to an angle point;
North 01 deg. 22 min. 30 sec. East, a distance of 199.95 ft. to an angle point;
North 04 deg. 14 min. 15 sec. East, a distance of 200.20 ft. to an angle point;
North 07 deg. 05 min. 08 sec. East, a distance of 200.95 ft. to an angle point;
North 01 deg. 22 min. 30 sec. East, a distance of 199.95 ft. to an angle point;
North 04 deg. 20 min. 08 sec. West, a distance of 200.95 ft. to an angle point;
North 00 deg. 03 min. 25 sec. West, a distance of 400.02 ft. to an angle point;
North 09 deg. 54 min. 21 sec. East, a distance of 202.18 ft. to an angle point;
North 07 deg. 09 min. 20 sec. West, a distance of 202.18 ft. to an angle point;
North 00 deg. 32 min. 03 sec. West, a distance of 600.18 ft. to an angle point;
North 04 deg. 57 min. 05 sec. East, a distance of 400.68 ft. to an angle point;
North 07 deg. 05 min. 08 sec. East, a distance of 401.89 ft. to an angle point;
North 01 deg. 22 min. 31 sec. East, a distance of 159.31 ft. to a point at the beginning of a curve;

Northerly, with a curve to the left having a radius of 11,681.11 ft. and a central angle of 02 deg. 16 min. 07 sec. (chord bears North 00 deg. 14 min. 28 sec. East, 462.48 ft.), an arc distance of 462.51 ft. to a point at the end of said curve;

North 49 deg. 37 min. 30 sec. East, a distance of 43.80 ft. to an angle point;
South 88 deg. 06 min. 30 sec. East, a distance of 479.87 ft. to an angle point;
North 24 deg. 52 min. 30 sec. East, a distance of 179.23 ft. to an angle point;
North 01 deg. 34 min. 28 sec. East, a distance of 18.13 ft. to the PLACE OF

BEGINNING and containing 362.23 ACRES of land, all of which lies entirely within the Extraterritorial Jurisdiction of the City of Van Alstyne, as established by the "Boundary Line Settlement Agreement" dated September 12, 2006, to be filed in the Official Public Records of Collin County, Texas.

TRACT 3: 34.40 ACRES

SITUATED in the County of Collin, State of Texas, and being a part of the W. M. Creager Survey, Abstract No. 164, being a part of the Hanny Nelson Survey, Abstract No. 431, and being all of the 14.381 ac. tract of land (Tract 4) and 20.024 ac. tract of land (Tract 5) both conveyed to Vincent Viola by W. Mark David by Special Warranty Deed dated July 30, 2001 and recorded in Volume 4987, Page 697, Deed Records, Collin County, Texas, and being more particularly described as one tract of land by metes and bounds as follows, o-wit:

BEGINNING at a point in the center of Collin County Road No. 290, a public road, in the East-right-of-way line of State Highway No. 5, at the Northwest corner of said Viola Tract 4;

THENCE South 86 deg. 46 min. 04 sec. East, with the center of said Collin County Road No. 290 and the North line of said Viola Tract 4, a distance of 752.83 ft. to a point at the Northeast corner of said Viola Tract 4, at the Northwest corner of the property conveyed to Rollin G. Andreas in Collin County Clerk's File No. 95-0024818;

THENCE South 02 deg. 30 min. 46 sec. West, with the West line of said Andreas tract, a distance of 1,162.43 ft. to a point at the Southwest corner of said Andreas tract, at the most Northerly Northwest corner of said Viola Tract 5;

THENCE South 88 deg. 22 min. 09 sec. East, with the South line of said Andreas tract, passing the Southeast corner of said Andreas tract and the Southwest corner of the property conveyed to Clyde L. Depew in Volume 2709, Page 88, said Collin County Deed Records, and continuing now with the South line of said Depew tract, passing the Southeast corner of said Depew tract and the Southwest corner of the property conveyed to Donald H. Topper in Volume 3139, Page 13, said Collin County Deed Records, and continuing now with the South line of said Topper tract for total distance of 1,305.31 ft. to a point at the Northeast corner of said Viola Tract 5;

THENCE South 02 deg. 11 min. 51 sec. West, with the East line of said Viola Tract 5, a distance of 661.46 ft. to a point at the Southeast corner of both said Viola Tract 5 and the herein described tract, at a corner of the property conveyed to Osa W. Marshhall in Volume 756, Page 823, said Collin County Deed Records;

THENCE North 87 deg. 53 min. 32 sec. West, with the South line of said Viola Tract 5 and the North line of said Marshhall tract, a distance of 1,263.76 ft. to a point in the East right-of-way line of said State Highway No. 5, at the Southwest corner of both said Viola Tract 5 and the herein described tract, at the Northwest corner of said Marshhall tract;

THENCE North 21 deg. 07 min. 59 sec. West, with the East right-of-way line of said State Highway No. 5 and the West line of said Viola Tract 5, passing the most Westerly Northwest corner of said Viola Tract 5 and the Southwest corner of said Viola Tract 4 and continuing now with the West line of said Viola Tract 4 for a total distance of 1,989.19 ft. to the PLACE OF BEGINNING and containing 34.40 ACRES of land, all of which lies entirely within the Extraterritorial Jurisdiction of the City of Van Alstyne, as established by the "Boundary Line Settlement Agreement" dated September 12, 2006, to be filed in the Official Public Records of Collin County, Texas.

TRACT 4: 6.12 ACRES

SITUATED in the County of Collin, State of Texas, and being a part of the W. M. Creager Survey, Abstract No. 164, and being all of the 6.120 ac. tract of land (Tract 6) conveyed to Vincent Viola by W. Mark David by Special Warranty Deed dated July 30, 2001 and recorded in Volume 4987, Page 697, Deed Records, Collin County, Texas, and being more particularly described as one tract of land by metes and bounds as follows, to-wit:

BEGINNING at a point in the West right-of-way line of State Highway No. 5, at the Northeast corner of said Viola Tract 6, at the Southeast corner of the property conveyed to John E. Steffens in Collin County Clerk's File No. 93-0104713;

THENCE South 21 deg. 08 min. 14 sec. East, with the West right-of-way line of said State Highway No. 5, a distance of 638.77 ft. to a point at the most Easterly Southeast corner of said Viola Tract 6, at the Northeast corner of the property conveyed to Tina M. Lieto;

THENCE South 69 deg. 07 min .56 sec. West, with the North line of said Lieto tract, a distance of 142.55 ft. to a point at the Northwest corner of said Lieto tract;

THENCE South 20 deg. 28 min. 53. sec. East, with the West line of said Lieto tract, a distance of 300.17 ft. to a point in the North line of the property conveyed to Tim P. Heffernan in Collin County Clerk's File No. 94-0098977, at the Southwest corner of said Lieto tract, at the most Southerly Southeast corner of said Viola Tract 6;

THENCE South 68 deg. 55.min. 52 sec. West, with the North line of said Heffernan tract, a distance of 377.37 ft. to a point in the East line of the property conveyed to Kerry L. Burns in Collin County Clerk's File No. 93-00. 91969, at the Southwest corner of said Viola Tract 6;

THENCE North 01 deg. 35 min. 22 sec. East, with the East line of said Burns tract, a distance of 1,068.04 ft. to a point in the South line of said Steffens tract, at the Northeast corner of said Burns tract, at the Northwest corner of said Viola Tract 6;

THENCE South 88 deg. 00 min. 11 sec. East, with the South line of said Steffens tract, a distance of 120.41 ft. to the PLACE OF BEGINNING and containing 6.12 ACRES of land , all of which lies entirely within the Extraterritorial Jurisdiction of the City of Van Alstyne, as established by the "Boundary Line Settlement Agreement" dated September 12, 2006, to be filed in the Official Public Records of Collin County, Texas.

TRACT 5: 27.39 ACRES

SITUATED in the County of Collin, State of Texas, and being a part of the W. M. Creager Survey, Abstract No. 164, and being all of the 27.387 ac. tract of land (Tract 7) conveyed to Vincent Viola by W. Mark David by Special Warranty Deed dated July 30, 2001 and recorded in Volume 4987, Page 697, Deed Records, Collin County, Texas, and being more particularly described as one tract of land by metes and bounds as follows, to-wit:

BEGINNING at a point in the West right-of-way line of State Highway No. 5, at the Northeast corner of said Viola Tract 7, at the Southeast corner of the property conveyed to Tim P. Heffernan in Collin County Clerk's File No. 94-0098977;

THENCE South 21 deg. 08 min. 14 sec. East, with the West right-of-way line of said State Highway No. 5, a distance of 1,183.89 ft. to a point at the Northeast corner of the property conveyed to M. F. Darehsori in Volume 2264, Page 395, said Collin County Deed Records;

THENCE North 87 deg. 58 min. 11 sec. West, with the North line of said Darehsori tract, a distance of 131.73 ft. to a point at the Northwest corner of said Darehsori tract;

THENCE South 02 deg. 01 min. 49 sec. West, with the West line of said Darehsori tract, a distance of 150.00 ft. to a point at the Southwest corner of said Drehsori tract;

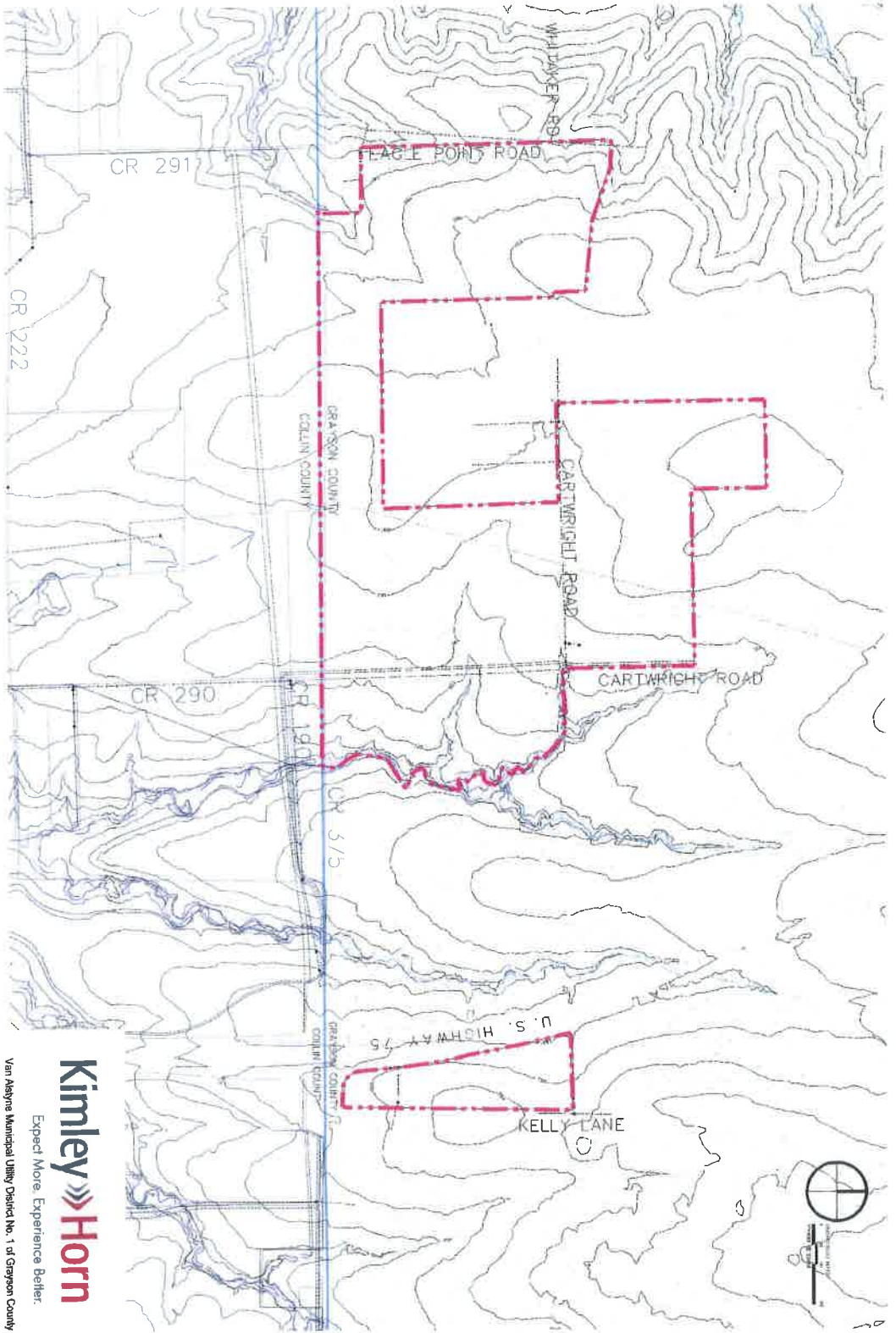
THENCE South 87 deg. 58 min. 11 sec. East, with the South line of said Darehsori tract, a distance of 195.92 ft. to a point in the West right-of-way line of said State Highway No. 5, at the Southeast corner of said Darehsori tract;

THENCE South 21 deg. 08 min. 14 sec. East, with the West right-of-way line of said State Highway No. 5, a distance of 190.49 ft. to a point at the Southeast corner of said Viola Tract 7;

THENCE North 87 deg. 54 min. 56 sec. West, with the South line of said Viola Tract 7, a distance of 1,216.71 ft. to a point at the Southwest corner of said Viola Tract 7;

THENCE North 01 deg. 35 min. 22 sec. East, with the West line of said Viola Tract 7, a distance of 1,149.78 ft. to a point at the Northwest corner of said Viola Tract 7, at the Southwest corner of said Heffernan tract;

THENCE North 69 deg. 05 min. 34 sec. East, with the South line of said Heffernan tract, a distance of 673 .94 ft. to the PLACE OF BEGINNING and containing 27.39 ACRES of land, all of which lies entirely within the Extraterritorial Jurisdiction of the City of Van Alstyne, as established by the "Boundary Line Settlement Agreement" dated September 12, 2006, to be filed in the Official Public Records of Collin County, Texas.



Kimley  **Horn**

Expect More. Experience Better.

Van Aayne Municipal Utility District No. 1 of Grayson County