

## AGENDA ITEM MEMO

**BOARD MEETING DATE:** May 4, 2023

**TO:** Board Members

**THROUGH:** Jeff Walker, Executive Administrator  
Ashley Harden, General Counsel  
Rebecca Trevino, Chief Financial Officer

**FROM:** Alexis Lorick, Assistant General Counsel

**SUBJECT:** Request for Partial Release of Lien for North Alamo Water Supply Corporation for Loans Made by the TWDB

### ACTION REQUESTED

Consider approving by resolution a request from the North Alamo Water Supply Corporation (Corporation) for a partial release of lien and authorization for the Executive Administrator to take all actions necessary, including executing all documents, relating to the transaction.

### BACKGROUND

On March 24, 2023, the Corporation requested that the Texas Water Development Board (TWDB) consent to a partial release of lien of the Corporation's jointly-owned assets (PEN Joint Tenancy Assets) in accordance with a Purchase and Sale Agreement between the Corporation and the East Rio Hondo Water Supply Corporation (hereinafter the Agreement) effective March 3 of this year. The Agreement outlines the purchase and sale of jointly-owned assets in a reverse osmosis (RO) water treatment plant called the North Cameron RO Water Treatment Plant and related appurtenances to the East Rio Hondo Water Supply Corporation.

The Corporation's assets consist generally of a two-thirds (2/3) majority ownership interest in and to the North Cameron RO Water Treatment Plant and other property and assets as defined in the Agreement with East Rio Hondo Water Supply Corporation. The Corporation and the East Rio Hondo Water Supply Corporation seek to terminate joint ownership of the North Cameron RO Water Treatment Plant based on differences in management styles and goals. Upon termination, the East Rio Hondo Water Supply Corporation will provide water services to the Corporation through a wholesale water supply agreement.

#### [Our Mission](#)

Leading the state's efforts in ensuring a secure water future for Texas and its citizens

#### [Board Members](#)

Brooke T. Paup, Chairwoman | George B. Peyton V, Board Member | L'Oreal Stepney, P.E., Board Member  
Jeff Walker, Executive Administrator

<b>Responsible Authority</b>	<b>Commitment</b>	<b>Principal Note Amount</b>	<b>Principal Note Remaining as of 2/28/2023</b>
North Alamo Water Supply Corporation	L1000335	\$ 646,000	\$ 455,600
	L1000927	\$3,055,000	\$2,590,000
	L1000928	\$1,440,000	\$1,260,000
	LM201121+	\$4,390,000	\$3,992,000
	LM211121+	\$7,903,000	\$7,692,000
+Retrofitted RO systems	LM221121+	\$2,527,000	\$2,527,000
* Unclosed Commitment	L1001513*	\$3,950,000	\$3,950,000
		<b>\$23,911,000</b>	<b>\$18,516,600</b>

The preceding table is the debt the TWDB currently holds of the Corporation.

The TWDB continues to fund design and construction on seven existing RO water treatment facilities and or “trains” for the Corporation, most recently with Drinking Water State Revolving Funds (DWSRF) committed through a multi-year commitment made in 2020 and closed in three distributions to the Corporation in the total amount of \$14,820,000. These funds are earmarked for improving facilities at the Corporation’s “Donna”, “Doolittle”, and “La Sara” water treatment plants. These improvements include the design and construction of retrofits to existing treatment membranes at the three plants, and an increase in treatment capacity at the Donna and Doolittle plants by adding new treatment trains and one new groundwater well, with associated transmission infrastructure, at each plant.

The North Cameron RO Water Treatment Plant was financed with a 2007 loan from CoBank to the Corporation and later refinanced with USDA-Rural Development funds. TWDB funds have not been expended to the Corporation to improve the North Cameron RO Water Treatment Plant the subject of the Corporation’s release request. The Corporation intends to use funds realized from the sale of its ownership interest in the North Cameron RO Water Treatment Plant to finance improvements in the North La Feria area of the State.

As of the date of this memo, the Corporation is scheduled to close at the end of April 2023 on additional debt in the amount of \$3,950,000 from the Clean Water State Revolving Fund. The total amount of projected outstanding debt owed by the Corporation to TWDB on May 1, 2023, is \$18,516,600.

### **KEY ISSUES**

The real and personal property to be released from the TWDB lien may be found in Attachment 2. The Corporation seeks to release the TWDB’s lien related to the assets held in the North Cameron RO Water Treatment Plant by May 31, 2023.

The TWDB’s Financial Compliance staff has reviewed the request and the impact of the limited release of the TWDB’s lien on the outstanding balances on the Corporation’s debt. The remaining security pledged by the Corporation will be sufficient to ensure the debt

owed by the Corporation can be repaid, and the release of the assets as defined in Attachment 2 will not impair the security offered by the Corporation under its Deeds of Trust and Security Agreements held by the TWDB.

The TWDB has previously authorized partial releases requested by the Corporation. Most recently, the TWDB authorized partial releases in 2017 and 2022 (*see*, TWDB Resolutions 17-100 and 22-006). The Executive Administrator conditions the request such that the Corporation will pay all costs of documentation and filing of the release of lien and will additionally provide to the TWDB copies of all relevant documents regarding the partial release of lien.

**RECOMMENDATION**

The Executive Administrator recommends approving by resolution the request from the Corporation for a partial release and authorization to take all actions necessary to give effect to the attached resolution.

**LEGAL/SPECIAL CONDITIONS**

- The Corporation shall pay all costs of documentation and filing of the partial release of lien.
- The Corporation must provide to the TWDB copies of all relevant documents regarding the partial release of lien.

Attachments:

1. Proposed Resolution
2. Letter from the Corporation dated March 24, 2023, and supporting documents

A RESOLUTION OF  
THE TEXAS WATER DEVELOPMENT BOARD  
APPROVING A REQUEST OF  
NORTH ALAMO WATER SUPPLY CORPORATION  
FOR A PARTIAL RELEASE OF LIEN

(23- )

WHEREAS, the Texas Water Development Board (TWDB), currently owns the debt obligations of North Alamo Water Supply Corporation (Corporation); and

WHEREAS, the Corporation's debt obligations are secured by an executed and recorded Deed of Trust and Security Agreement (Deed of Trust), pursuant to which the Corporation granted to the TWDB a security interest in its properties and assets, including all improvements, and any other property, both real and personal described in the Deed of Trust; and

WHEREAS, the Corporation has entered into a Purchase and Sale Agreement (PEN Joint Tenancy Assets) dated March 3, 2023 with the East Rio Hondo Water Supply Corporation related to the sale of the Corporation's two-thirds (2/3) interest in a reverse osmosis (RO) water treatment plant and related system facilities and appurtenances as detailed in that Purchase and Sale Agreement; and

WHEREAS, the Deed of Trust prohibits the transfer or sale by the Corporation of any real or personal property, including equipment, subject to the lien and security interest granted to the TWDB without the prior written consent of the TWDB; and

WHEREAS, the Corporation requests TWDB consent and authorization of a partial release of lien to effectuate the transfer of assets owned by the Corporation identified in a written request made to the TWDB on March 24, 2023 (Property); and

WHEREAS, the TWDB finds the remaining security pledged by the Corporation will be sufficient security to ensure that the debt obligations of the Corporation are met and the limited release of the Property from the Deed of Trust will neither compromise the security offered by the Corporation nor impair the Corporation's ability to meet its obligations under the Corporation's debt obligations; and

WHEREAS, the TWDB further finds it is in the public interest for it to grant a partial release of lien and to approve the Corporation's request.

NOW THEREFORE, based on these findings, the TWDB resolves as follows:

1. The TWDB approves a partial release of lien and related security interests created under the Deed of Trust related to the Corporation's interests in a RO water treatment plant.

2. The TWDB authorizes the Executive Administrator or his designee to take all actions necessary, including executing necessary documents, to give effect to this Resolution.

Such approval is conditioned as follows:

1. The Corporation will pay all costs of documentation and filing of the partial release of lien; and
2. The Corporation must provide to the TWDB copies of all relevant documents regarding the partial release of lien.

APPROVED and ordered of record this the 4th day of May 2023.

TEXAS WATER DEVELOPMENT BOARD

\_\_\_\_\_  
Brooke T. Paup, Chairwoman

DATE SIGNED: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Jeff Walker, Executive Administrator

**NORTH ALAMO WATER SUPPLY CORPORATION**

3/8 MILE S OF SH 107 ON DOOLITTLE ROAD  
420 S DOOLITTLE RD EDINBURG TX 78542-9707

TELEPHONE 956-383-1618  
FAX 956-383-1372

March 24, 2023

Jeff Walker via email: [Jeff.Walker@twdb.texas.gov](mailto:Jeff.Walker@twdb.texas.gov)  
Executive Administrator  
Texas Water Development Board  
1700 N. Congress Avenue  
Austin, Texas 78711

RE: North Alamo Water Supply Corporation's ("NAWSC") Request for Texas Water Development Board ("TWDB") Partial Release of Lien on the NAWSC owned PEN Joint Tenancy Assets being a reverse osmosis water treatment plant and related water system improvements ("RO Plant") on certain real property Cameron County, Texas as more particularly described in one Purchase and Sale Agreement (PEN Joint Tenancy Assets) dated March 3, 2023.

Dear Sirs:

This letter will serve at NAWSC's request for Texas Water Development Board ("TWDB") Partial Release of Lien on the referenced PEN Joint Tenancy Assets.

On or about July 5, 2006, NAWSC, East Rio Hondo Water Supply Corporation ("ERHWSC") and the City of Primera ("Primera"), (collectively hereinafter "Original Joint Tenants"), entered into a "Joint Tenancy Agreement" to set forth the terms and conditions by which the Parties agreed to fund, construct, own, operate and manage, as joint tenants, a reverse osmosis water treatment plant and related water system improvements ("RO Plant") on certain real property located in Cameron County, Texas.

The Original Joint Tenants also entered into that certain "Commercial Lease" effective July 5, 2006 by which the Original Joint Tenants leased the real property described therein, and all improvements thereon, to North Cameron Regional Water Supply Corporation, a nonprofit corporation created by the Original Joint Tenants to operate the RO Plant and deliver potable water to each of the Original Joint Tenants ("NCRWSC").

Each of the Original Joint Tenants entered into a separate Water Delivery Agreement with NCRWSC to furnish potable water to each of the Original Joint Tenants according to each joint tenant's ownership interest in the joint tenant assets.

ERHWSC also entered a Plant Management Agreement for management of the Water Plant with NCRWSC to set forth the terms and conditions pursuant to which ERHWSC agreed to manage and operate the RO Plant on behalf of NCRWSC;

On January 1, 2009, the Original Joint Tenants entered into a "Termination Contract" to set forth the terms and conditions pursuant to which Primera would withdraw from the joint tenancy and NCRWSC; Primera would assign its interests in the Joint Tenancy Agreement, the Commercial Lease, and the Primera Water Delivery Agreement to NAWSC; and Primera would quitclaim and convey to NAWSC all of Primera's ownership interest in the joint tenancy assets.

As a result of Primera's conveyances and assignments to NAWSC of its interests in the joint tenancy assets, NAWSC currently holds a two-thirds (2/3) ownership interest in and to the RO Plant and other property and assets owned in joint tenancy pursuant to the Joint Tenancy Agreement (collectively, the "JT Property") and ERHWSC holds the remaining one-third (1/3) ownership interest.

NAWSC and ERHWSC have determined that they hold different management styles, goals and techniques and both parties have ultimately determined that, to avoid conflict and to preserve the nature of their long working relationship, it is in their mutual best interests that NAWSC sell to ERHWSC and ERHWSC purchase from NAWSC, all of NAWSC's ownership interest in and to the JT Property making ERHWSC the sole owner of all of the JT Property and that NAWSC assign certain easements relating to the JT Property that are held in NAWSC's name only to ERHWSC.

The Parties further desire that NAWSC assign all of its rights, title and interests in and to the Commercial Lease to ERHWSC; that the Joint Tenancy Agreement be terminated upon closing of the conveyance of NAWSC's interests in the Assets to ERHWSC; and that the operations and corporate existence of NCRWSC be terminated.

Finally, the parties wish to terminate the existing Water Delivery Agreements between NCRWSC and each of the Parties and ERHWSC and NAWSC intend to enter into a wholesale water supply agreement by which ERHWSC shall provide wholesale potable water service from the RO Plant to NAWSC.

To accomplish the Parties' desires, they have entered into the Purchase and Sale Agreement (PEN Joint Tenancy Assets) a copy attached as **Exhibit "A"**, the terms of which require that NAWSC obtain a release of liens on the assets to be delivered to ERHWSC by May 31, 2023, after which time a penalty of \$19,608.22 per month will be assessed pursuant to Section 2.05. Purchase Price, (i).

NAWSC is submitting herewith its financial information as **Exhibit "B"** to evidence and confirm that the requested release of the lien on the RO system, and any additional transfer of cash, personal property, or other tangible assets on which the TWDB currently holds a lien, if any, will not affect the repayment of all outstanding loans by NAWSC to TWDB, including Loan L1001513 that is scheduled to close by the end of April 2023.

Submitted herewith within **Exhibit "C"** are the descriptions of the Property to be released, including the physical description of the property and the legal descriptions of the real properties and a map(s) depicting the location of the real properties.

Submitted herewith as **Exhibit "D"** is a draft of the proposed Release of Lien to be filed in the Office of the County Clerk of Cameron County Texas.

Submitted herewith as Exhibit "E" is a draft of the proposed Release of Lien to be filed with the Office of the Secretary of State for the State of Texas.

NAWSC respectfully asks that this matter be considered at the TWDB's May 4 meeting.

Sincerely yours,

A handwritten signature in blue ink, appearing to read "Steven P. Sanchez".

Steven P. Sanchez  
General Manager

cc: [Ashley.Harden@twdb.texas.gov](mailto:Ashley.Harden@twdb.texas.gov)

[Alexis.Lorick@twdb.texas.gov](mailto:Alexis.Lorick@twdb.texas.gov)

[Kendal.Kowal@twdb.texas.gov](mailto:Kendal.Kowal@twdb.texas.gov)



# EXHIBIT “C”

## Description of Property to be Released

C.1 Physical Description of Property

C.2 Legal Descriptions of Real Properties

C.3 Map of Real Properties

# EXHIBIT "C-1"

## **Physical Description of Property**

### Easement Rights to be Assigned

All of Seller's rights, title and interest in and to the following easements:

1. **Right of Way Easement** – That certain Right of Way Easement over and across all of Block 300, Adams Gardens Subdivision, a subdivision in Cameron County, Texas according to the map recorded in Volume 10, Page 4, map records of Cameron County, as conveyed by Rella A. Adams to North Alamo Water Supply Corporation, said easement being recorded as Document No. 2003-55919 (Vol. 9506, Pg. 217) of the Official Records, Cameron County, Texas.
2. **Right of Way Easement** – That certain Right of Way Easement over and across all of Block 313 and 314, Adams Gardens Subdivision "D", a subdivision in Cameron County, Texas according to the map recorded in Volume 10, Page 4, map records of Cameron County, as conveyed by Wesley H. Valerious and Michelle Adams to North Alamo Water Supply Corporation, said easement being recorded as Document No. 2003-55921 (Vol. 9506, Pg. 224), Official Records, Cameron County, Texas.
3. **Right of Way Easement** – That certain Right of Way Easement over and across all of Blocks 299, 317, 318, 331 and 332, Adams Gardens Subdivision "D", a subdivision in Cameron County, Texas according to the map recorded in Volume 10, Page 4, map records of Cameron County, as conveyed by Rella A. Adams to North Alamo Water Supply Corporation, said easement being recorded as Document No. 2003-55923 (Vol. Vol. 9506, Pg. 231), Official Records, Cameron County, Texas
4. **Right of Way Easement** – That certain Right of Way Easement conveyed by Rales Properties Ltd. to North Alamo Water Supply Corporation, said easement being recorded as Document No. 2003-55925 (Vol. 9506, Pg. 238), Official Records, Cameron County, Texas
5. **Sanitary Control Easement** – That certain Sanitary Control Easement conveyed by Rella A. Adams to PEN Joint Tenants, a joint venture between East Rio Hondo Water Supply Corp. & North Alamo Water Supply Corp., said easement being recorded as Doc. No. 2003-38726 (Vol. 19705, Pg. 168), Official Records, Cameron County, Texas.
6. **Sanitary Control Easement** – That certain Sanitary Control Easement conveyed by Wesley H. Valerius to PEN Joint Tenants, a joint venture between East Rio Hondo Water Supply Corp. & North Alamo Water Supply Corp., said easement being recorded as Doc. No. 2013-38725 (Vol. 19705, Pg. 159), Official Records, Cameron County, Texas.
7. **Sanitary Control Easement** – That certain Sanitary Control Easement conveyed by Rella Adams to PEN Joint Tenants, a joint venture between East Rio Hondo Water Supply Corp. & North Alamo Water Supply Corp., said easement being recorded as Doc. No. 2013-38724 (Vol. 19705, Pg. 152), Official Records, Cameron County, Texas

### Description of Facilities

That certain reverse osmosis water treatment plant facility and all other facilities, equipment and appurtenances located on Lot 1, Block 1, NORTH CAMERON R.O. PLANT SUBDIVISION, Cameron County, Texas, a subdivision in Cameron County, Texas as more particularly described in the plat or map thereof recorded as Cabinet 1, Page 2628A in the official Map Records of Cameron County, Texas (the "Property"). Without limitation to the generality of the foregoing, the Facilities shall include all treatment plant equipment, including the reverse osmosis treatment skid modules and all appurtenances, clean-in-place system, instrumentation, Supervisor Control and Data Acquisition (SCADA) system, chemical storage and feed equipment, electrical components, pump systems, buildings, pipes, pipelines, water mains, water wells, pumping stations, clear wells, ground storage tank, , valves, control valves, degasifier, paving, drainage, fencing, lighting, camera systems, structures, improvements and any fixtures located on or in the Property.

### **Description of Personal Property**

All tangible personal property that is owned by Seller and used by NRCWSC in connection with the operation of the Facilities including but not limited to laboratory equipment and supplies, chairs, board room table, filing cabinets, plans and specifications, computer systems, network system, battery backups, office supplies, miscellaneous plant materials, equipment, and spare parts.

### **Description of Fee Tracts**

All of Grantor's ownership interest in and to the four (4) tracts of real property described in that certain Special Warranty Deed dated November 13, 2007 recorded as Document No. 2007-63385, Official Public Records of Cameron County, Texas,

Being Grantor's 2/3 interest in and to:

#### **Parcel I**

Lot 1, Block 1, NORTH CAMERON R.O. PLANT SUBDIVISION, Cameron County, Texas  
(4.62 acs. out of Block 300, ADAMS GARDENS SUBDIVISION "D", Cameron County, Texas)

#### **Parcel II**

2.50 acs. out of Block 313, ADAMS GARDENS SUBDIVISION "D", Cameron County, Texas

#### **Parcel III**

2.50 acs. out of Block 331, ADAMS GARDENS SUBDIVISION "D", Cameron County, Texas

#### **Parcel IV**

2.50 acs. out of E ½ of W ½, Survey 20, Georgetown Railway Survey, Cameron County, Texas

# EXHIBIT "C-2"

## **Legal Descriptions of Real Properties**

### **Description of Fee Tracts**

All of Grantor's ownership interest in and to the four (4) tracts of real property described in that certain Special Warranty Deed dated November 13, 2007 recorded as Document No. 2007-63385, Official Public Records of Cameron County, Texas,

Being Grantor's 2/3 interest in and to:

#### **Parcel I**

Lot 1, Block 1, NORTH CAMERON R.O. PLANT SUBDIVISION, Cameron County, Texas  
(4.62 acs. out of Block 300, ADAMS GARDENS SUBDIVISION "D", Cameron County, Texas)

#### **Parcel II**

2.50 acs. out of Block 313, ADAMS GARDENS SUBDIVISION "D", Cameron County, Texas

#### **Parcel III**

2.50 acs. out of Block 331, ADAMS GARDENS SUBDIVISION "D", Cameron County, Texas

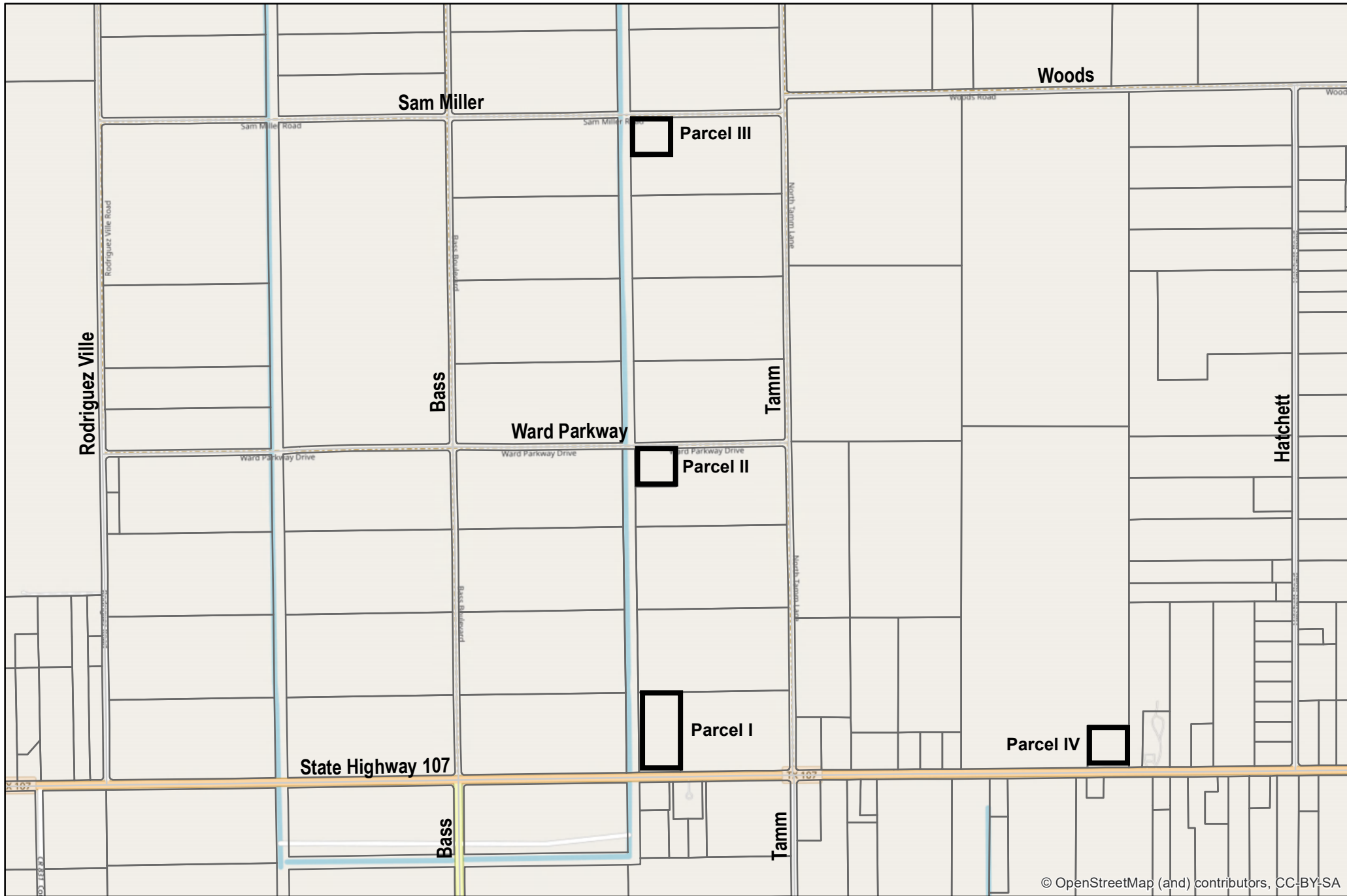
#### **Parcel IV**

2.50 acs. out of E ½ of W ½, Survey 20, Georgetown Railway Survey, Cameron County, Texas



# EXHIBIT "C-3"

## Map of Real Properties



© OpenStreetMap (and) contributors, CC-BY-SA



1 inch = 1,000 feet

### Exhibit "D" to Purchase and Sale Agreement

**M** MELDEN & HUNT, INC.  
 CONSULTANTS • ENGINEERS • SURVEYORS  
 115 W. McINTYRE  
 EDINBURG, TX 78541  
 PH: (956) 381-0981  
 FAX: (956) 381-1839  
 ESTABLISHED 1947  
 www.meldenandhunt.com  
 DATE: 03-23-2023  
 JOB NO.: 91039.00  
 DRAWN BY: M. HERNANDEZ  
 © COPYRIGHT 2023 MELDEN & HUNT, INC. ALL RIGHTS RESERVED

# EXHIBIT "D"

DRAFT RELEASE OF LIEN

CAMERON COUNTY, TEXAS

**NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLICRECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.**

**PARTIAL RELEASE OF LIEN**

**STATE OF TEXAS                   §  
  §                   KNOW ALL MEN BY THESE PRESENTS:  
COUNTY OF CAMERON       §**

**THAT ON this date, \_\_\_\_\_, 2023, the undersigned is the legal and equitable owner and holder of the following obligations payable to TEXAS WATER DEVELOPMENT BOARD:**

**HOLDER OF OBLIGATIONS AND LIENS: TEXAS WATER DEVELOPMENT BOARD**

**HOLDER'S MAILING ADDRESS: P. O. Box 13231, Austin, Texas 78711  
Travis County**

**BORROWER: NORTH ALAMO WATER SUPPLY  
CORPORATION**

**BORROWER'S MAILING ADDRESS: 420 S. Doolittle Road, Edinburg, Texas 78542  
Hidalgo County**

**OBLIGATIONS AND LIENS:**

<b><u>LOAN NO.:</u></b>	<b><u>ORIGINAL AMOUNT:</u></b>	<b><u>DATE:</u></b>
<b>L1000335</b>	<b>\$ 646,000.00</b>	<b>August 18, 2015</b>
<b>L1000927</b>	<b>\$ 3,055,000.00</b>	<b>May 3, 2019</b>
<b>L1000928</b>	<b>\$ 1,440,000.00</b>	<b>May 3, 2019</b>
<b>LM201121</b>	<b>\$ 4,390,000.00</b>	<b>September 14, 2020</b>
<b>LM201121</b>	<b>\$ 7,903,000.00</b>	<b>December 2, 2021</b>
<b>LM201121</b>	<b>\$ 2,527,000.00</b>	<b>November 19, 2022</b>
<b>L1001513</b>	<b>\$ 3,950,000.00</b>	<b>March 21, 2023</b>

**THE OBLIGATIONS AND LIENS ARE DESCRIBED IN DOCUMENTS OF RECORD**

**INCLUDING, BUT NOT LIMITED TO, THOSE DOCUMENTS FILED OF RECORD AS FOLLOWS:**

(1) Deed of Trust executed on August 18, 2015, filed of record on September 3, 2015, with the Cameron County Clerk, Cameron County, Texas at Document No. 00032982;, filed of record on September 4, 2015 with the Hidalgo County Clerk, Hidalgo County, Texas at Document No. 2643895; and filed on September 3, 2015 with the Willacy County Clerk, Willacy County, Texas at Document No. 2015-0001533;

(2) Deed of Trust executed on May 3, 2019, filed of record on May 30, 2019 with the Cameron County Clerk, Cameron County, Texas at Document No. 20374; filed with the Hidalgo County Clerk, Hidalgo County, Texas on May 30, 2019 at Document No. 3018143; and filed with the Willacy County Clerk, Willacy County, Texas on May 30, 2019 at Document No. 0001098;

(3) Deed of Trust executed on September 14, 2020, filed of record with the Cameron County, Clerk, Cameron County, Texas on November 17, 2020, as Document No. 42568; filed with the Hidalgo County Clerk, Hidalgo County, Texas on November 17, 2020 at Document No. 3167545; and filed with the Willacy County Clerk, Willacy County, Texas on November 17, 2020 at Document No. 0002154;

(4) Deed of Trust executed December 2, 2021, filed of record on January 5, 2022, with the Cameron County Clerk of Cameron County, Texas at Document No. 462; filed with the Hidalgo County Clerk, Hidalgo County, Texas on January 4, 2022 at Document No. 3297308; and filed with the Willacy County Clerk, Willacy County, Texas on January 5, 2022 at Document No. 0000025;

(5) Deed of Trust executed on November 15, 2022, filed of record on January 26, 2023, with the Cameron County Clerk, Cameron County, Texas at Document No. 2818; filed with the Hidalgo County Clerk, Hidalgo County, Texas on January 30, 2023 at Document No. 3416982; and filed with the Willacy County Clerk, Willacy County, Texas on January 26, 2023 at Document No. 0000185;

(6) Deed of Trust executed on March 21, 2023, filed of record on \_\_\_\_\_, 2023 with the Cameron County Clerk of Cameron County, Texas, at Document No. \_\_\_\_\_; filed of record on \_\_\_\_\_, 2023 with the Hidalgo County Clerk of Hidalgo County, Texas, at Document No. \_\_\_\_\_; and filed of record on \_\_\_\_\_, 2023 with the Willacy County Clerk of Willacy County, Texas, at Document No. \_\_\_\_\_;

(7) Parity Lien Agreement dated February 1, 2007, filed of record on May 8, 2007 as Document No. 1756132 in the records of the Hidalgo County Clerk, Hidalgo County, Texas; filed of record on May 24, 2007 as Document No. 00027917 in the records of the Cameron County Clerk, Cameron County, Texas; and filed of record on June 8, 2007 as Document No. 306726 of the records of the Willacy County Clerk, Willacy County, Texas.

(8) Parity Agreement dated August 27, 2008, filed of record March 13, 2009 with the Hidalgo County Clerk, Hidalgo County, Texas, as Document No. 1979649; and filed of record with the Willacy County Clerk, Willacy County, Texas on March 16, 2009 as Document No, 312484;

**PROPERTY (including improvements) TO BE RELEASED FROM OBLIGATIONS AND LIENS:**

**THE PROPERTY MORE PARTICULARLY DESCRIBED WITHIN EXHIBIT “A” ATTACHED HERETO, AND BY THIS REFERENCE, INCORPORATED HEREIN AND MADE AN INTEGRAL PART HEREOF.**

**THE HOLDER OF OBLIGATIONS AND LIENS IS THE OWNER AND HOLDER OF THE OBLIGATIONS AND LIENS DESCRIBED ABOVE.**

**THE HOLDER OF OBLIGATIONS AND LIENS ACKNOWLEDGES THAT THE PROCEEDS FROM THE SALE OF THE PROPERTY DESCRIBED WITHIN EXHIBIT “A” SHALL BE USED FOR SYSTEM-WIDE IMPROVEMENTS AND/OR REDUCTION OF DEBT, IF APPLICABLE, AND HEREBY RELEASES SAID PROPERTY FROM ALL OBLIGATIONS OR LIENS HELD BY HOLDER OF OBLIGATIONS AND LIENS, WITHOUT REGARD TO HOW THEY WERE CREATED OR EVIDENCED.**

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

EXECUTED THIS \_\_\_\_\_ day of \_\_\_\_\_, 2023.

**TEXAS WATER DEVELOPMENT BOARD**

BY: \_\_\_\_\_

PRINTED NAME: \_\_\_\_\_

ITS: \_\_\_\_\_

THE STATE OF TEXAS §

COUNTY OF TRAVIS §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2023, by \_\_\_\_\_, the \_\_\_\_\_ of Texas Water Development Board, on behalf of said entity.

Witness my hand and official seal.

\_\_\_\_\_  
Notary Public, State of Texas

(Seal)

My Commission Expires: \_\_\_\_\_

**EXHIBIT “A”**

**TO**

**PARTIAL RELEASE OF LIEN**

## Exhibit "A" - Description Of Easement Interests

All of North Alamo Water Supply Corporation's rights, title and interest in and to the following easements:

1. **Right of Way Easement** – That certain Right of Way Easement over and across all of Block 300, Adams Gardens Subdivision, a subdivision in Cameron County, Texas according to the map recorded in Volume 10, Page 4, map records of Cameron County, as conveyed by Rella A. Adams to North Alamo Water Supply Corporation, said easement being recorded as Document No. 2003-55919 (Vol. 9506, Pg. 217) of the Official Records, Cameron County, Texas.
2. **Right of Way Easement** – That certain Right of Way Easement over and across all of Block 313 and 314, Adams Gardens Subdivision "D", a subdivision in Cameron County, Texas according to the map recorded in Volume 10, Page 4, map records of Cameron County, as conveyed by Wesley H. Valerious and Michelle Adams to North Alamo Water Supply Corporation, said easement being recorded as Document No. 2003-55921 (Vol. 9506, Pg. 224), Official Records, Cameron County, Texas.
3. **Right of Way Easement** – That certain Right of Way Easement over and across all of Blocks 299, 317, 318, 331 and 332, Adams Gardens Subdivision "D", a subdivision in Cameron County, Texas according to the map recorded in Volume 10, Page 4, map records of Cameron County, as conveyed by Rella A. Adams to North Alamo Water Supply Corporation, said easement being recorded as Document No. 2003-55923 (Vol. Vol. 9506, Pg. 231), Official Records, Cameron County, Texas
4. **Right of Way Easement** – That certain Right of Way Easement conveyed by Rales Properties Ltd. to North Alamo Water Supply Corporation, said easement being recorded as Document No. 2003-55925 (Vol. 9506, Pg. 238), Official Records, Cameron County, Texas
5. **Sanitary Control Easement** – That certain Sanitary Control Easement conveyed by Rella A. Adams to PEN Joint Tenants, a joint venture between East Rio Hondo Water Supply Corp. & North Alamo Water Supply Corp., said easement being recorded as Doc. No. 2003-38726 (Vol. 19705, Pg. 168), Official Records, Cameron County, Texas.
6. **Sanitary Control Easement** – That certain Sanitary Control Easement conveyed by Wesley H. Valerius to PEN Joint Tenants, a joint venture between East Rio Hondo Water Supply Corp. & North Alamo Water Supply Corp., said easement being recorded as Doc. No. 2013-38725 (Vol. 19705, Pg. 159), Official Records, Cameron County, Texas.
7. **Sanitary Control Easement** – That certain Sanitary Control Easement conveyed by Rella Adams to PEN Joint Tenants, a joint venture between East Rio Hondo Water Supply Corp. & North Alamo Water Supply Corp., said easement being recorded as Doc. No. 2013-38724 (Vol. 19705, Pg. 152), Official Records, Cameron County, Texas



## **Exhibit "A" - Description of Facilities**

That certain reverse osmosis water treatment plant facility and all other facilities, equipment and appurtenances located on Lot 1, Block 1, NORTH CAMERON R.O. PLANT SUBDIVISION, Cameron County, Texas, a subdivision in Cameron County, Texas as more particularly described in the plat or map thereof recorded as Cabinet 1, Page 2628A in the official Map Records of Cameron County, Texas (the "Property"). Without limitation to the generality of the foregoing, the Facilities shall include all treatment plant equipment, including the reverse osmosis treatment skid modules and all appurtenances, clean-in-place system, instrumentation, Supervisor Control and Data Acquisition (SCADA) system, chemical storage and feed equipment, electrical components, pump systems, buildings, pipes, pipelines, water mains, water wells, pumping stations, clear wells, ground storage tank, , valves, control valves, degasifier, paving, drainage, fencing, lighting, camera systems, structures, improvements and any fixtures located on or in the Property.

## **Exhibit "A" - Description of Personal Property**

All tangible personal property that is owned by Seller and used by North Cameron Regional Water Supply Corporation in connection with the operation of the Facilities including, but not limited to, laboratory equipment and supplies, chairs, board room table, filing cabinets, plans and specifications, computer systems, network system, battery backups, office supplies, miscellaneous plant materials, equipment, and spare parts.

## Exhibit "A" - Description of Fee Tracts

The four (4) tracts of real property described in whole or in part in that certain Special Warranty Deed dated November 13, 2007 recorded as Document No. 2007-63385, Official Public Records of Cameron County, Texas, being more particularly described as follows:

### Parcel I

Lot 1, Block 1, NORTH CAMERON R.O. PLANT SUBDIVISION, Cameron County, Texas  
(4.62 acs. out of Block 300, ADAMS GARDENS SUBDIVISION "D", Cameron County, Texas)

### Parcel II

Being 2.50 acres of land out of Block Three Hundred Thirteen (313), ADAMS GARDENS SUBDIVISION "D", Cameron County, Texas, according to the map or plat thereof recorded in Volume 10, Page 4 of the Map Records of Cameron County, Texas and being more particularly described as follows:

BEGINNING at a ½ inch iron pin w/ID cap stamped Willms set lying on the centerline of Ward Parkway (40.0 foot right of way) and East line of a 100 foot canal right of way, said point being the Northwest corner of Block 313 for the Northwest corner of the tract herein described and the POINT OF BEGINNING;

THENCE, East, along the centerline of Ward Parkway and North line of Block 313, a distance of 330.0 feet to a ½ inch iron pin w/ID cap stamped Willms set for the Northeast corner of the tract herein described;

THENCE, South, leaving the centerline of Ward Parkway and North line of Block 313, a distance of 20.0 feet pass a ½ inch iron pin w/ID cap stamped Willms set lying on the South right of way line of Ward Parkway and at a total distance of 330.0 feet to a ½ inch iron pin w/ID cap stamped Willms set for the Southeast corner of the tract herein described;

THENCE, West, a distance of 330.0 feet to a ½ inch iron pin w/ID cap stamped Willms set lying on the West line of Block 313 and East line of the 100 foot canal right of way for the Southwest corner of the tract herein described;

THENCE, North, a distance of 310.0 feet pass a ½ inch iron pin w/ID cap stamped Willms set lying on the South right of way line of Ward Parkway and at a total distance of 330.0 feet to the POINT OF BEGINNING and containing 2.50 acres of land, more or less.

### Parcel III

Being 2.50 acres of land out of Block Three Hundred Thirty-one (331), ADAMS GARDENS SUBDIVISION "D", Cameron County, Texas, according to the map or plat thereof recorded in Volume 10, Page 4 of the Map Records of Cameron County, Texas and being more particularly described as follows:

BEGINNING at a ½ inch iron pin w/ID cap stamped Willms set lying on the centerline of Sam Miller Drive (40.0 foot right of way) and East line of a 100 foot canal right of way, said point being the Northwest corner of Block 331 for the Northwest corner of the tract herein described and the POINT OF BEGINNING;

THENCE, East, along the centerline of Sam Miller Drive and North line of Block 331, a distance of 330.0 feet to a ½ inch iron pin w/ID cap stamped Willms set for the Northeast corner of the tract herein described;

THENCE, South, leaving the centerline of Sam Miller Drive and North line of Block 331, a distance of 20.0 feet pass a ½ inch iron pin w/ID cap stamped Willms set lying on the South right of way line of Sam Miller Drive and at a total distance of 330.0 feet to a ½ inch iron pin w/ID cap stamped Willms set for the Southeast corner of the tract herein described;

THENCE, West, a distance of 330.0 feet to a ½ inch iron pin w/ID cap stamped Willms set lying on the West line of Block 331 and East line of the 100 foot canal right of way for the Southwest corner of the tract herein described;

THENCE, North, a distance of 310.0 feet pass a ½ inch iron pin w/ID cap stamped Willms set lying on the South right of way line of Sam Miller Drive and at a total distance of 330.0 feet to the POINT OF BEGINNING and containing 2.50 acres of land, more or less.

## Parcel IV

BEING 2.50 acres of land out of the East half of the West half of Survey 20 of the GEORGETOWN RAILWAY SURVEY, Cameron County, Texas and being more particularly described as follows:

COMMENCING at a ½ inch iron pin found lying within the right of way of State Highway 107 (100 foot right of way), said point being the Southwest corner of Block 1, HOSFIELD PARK SUBDIVISION, recorded in Volume 8, Page 24, Map Records of Cameron County, Texas;

THENCE, North 00 degrees 15 minutes 00 seconds East, along the West line of Block 1 and East line of the West half of Survey 20, a distance of 20.0 feet to a ½ inch iron pin found lying on the North right of way line of State Highway 107 and centerline of a 40.0 foot Road Easement for the Southeast corner of the tract herein described;

THENCE, South 89 degrees 45 minutes 00 seconds West, leaving the West line of Block 1, East line of the West half of Survey 20, and the centerline of the 40.0 foot Road Easement, along the North right of way line of State Highway 107, a distance of 330.0 feet to a ½ inch iron pin with ID cap stamped Willms set for the Southwest corner of the herein described tract;

THENCE, North 00 degrees 15 minutes 00 seconds East, leaving the North right of way line of State Highway 107, a distance of 330.0 feet to a ½ inch iron pin with ID cap stamped Willms set for the Northwest corner of the tract herein described;

THENCE, North 89 degrees 45 minutes 00 seconds East, a distance of 330.0 feet to a ½ inch iron pin with ID cap stamped Willms set lying on the West line of Block 1, East line of the West half of Survey 20 and centerline of the 40.0 foot Road Easement for the Northeast corner of the tract herein described;

THENCE, South 00 degrees 15 minutes 00 seconds West, a distance of 330.0 feet to the POINT OF BEGINNING and containing 2.50 acres of land, more or less.

# EXHIBIT "E"

DRAFT RELEASE OF LIEN

SECRETARY OF STATE OF TEXAS

# UCC FINANCING STATEMENT AMENDMENT

FOLLOW INSTRUCTIONS

A. NAME & PHONE OF CONTACT AT FILER (optional)
B. E-MAIL CONTACT AT FILER (optional)
C. SEND ACKNOWLEDGMENT TO: (Name and Address)
<div style="border: 1px solid black; height: 100px; width: 100%;"></div>

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1a. INITIAL FINANCING STATEMENT FILE NUMBER

1b.  This FINANCING STATEMENT AMENDMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS  
Filer: attach Amendment Addendum (Form UCC3Ad) and provide Debtor's name in item 13

2.  **TERMINATION:** Effectiveness of the Financing Statement identified above is terminated with respect to the security interest(s) of Secured Party authorizing this Termination Statement

3.  **ASSIGNMENT** (full or partial): Provide name of Assignee in item 7a or 7b, and address of Assignee in item 7c and name of Assignor in item 9  
For partial assignment, complete items 7 and 9 and also indicate affected collateral in item 8

4.  **CONTINUATION:** Effectiveness of the Financing Statement identified above with respect to the security interest(s) of Secured Party authorizing this Continuation Statement is continued for the additional period provided by applicable law

5.  **PARTY INFORMATION CHANGE:**  
Check one of these two boxes:  Debtor or  Secured Party of record  
AND Check one of these three boxes to:  
 CHANGE name and/or address: Complete item 6a or 6b; and item 7a or 7b and item 7c  
 ADD name: Complete item 7a or 7b, and item 7c  
 DELETE name: Give record name to be deleted in item 6a or 6b

6. **CURRENT RECORD INFORMATION:** Complete for Party Information Change - provide only one name (6a or 6b)

6a. ORGANIZATION'S NAME				
OR	6b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

7. **CHANGED OR ADDED INFORMATION:** Complete for Assignment or Party Information Change - provide only one name (7a or 7b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name)

7a. ORGANIZATION'S NAME				
OR	7b. INDIVIDUAL'S SURNAME			
	INDIVIDUAL'S FIRST PERSONAL NAME			
	INDIVIDUAL'S ADDITIONAL NAME(S)/INITIAL(S)			SUFFIX

7c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
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8.  **COLLATERAL CHANGE:** Also check one of these four boxes:  ADD collateral  DELETE collateral  RESTATE covered collateral  ASSIGN collateral  
Indicate collateral:

9. **NAME OF SECURED PARTY OF RECORD AUTHORIZING THIS AMENDMENT:** Provide only one name (9a or 9b) (name of Assignor, if this is an Assignment)  
If this is an Amendment authorized by a DEBTOR, check here  and provide name of authorizing Debtor

9a. ORGANIZATION'S NAME				
OR	9b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

10. OPTIONAL FILER REFERENCE DATA:

**EXHIBIT “A”**

**TO**

**PARTIAL RELEASE OF LIEN**



## Exhibit "A" - Description Of Easement Interests

All of North Alamo Water Supply Corporation's rights, title and interest in and to the following easements:

1. **Right of Way Easement** – That certain Right of Way Easement over and across all of Block 300, Adams Gardens Subdivision, a subdivision in Cameron County, Texas according to the map recorded in Volume 10, Page 4, map records of Cameron County, as conveyed by Rella A. Adams to North Alamo Water Supply Corporation, said easement being recorded as Document No. 2003-55919 (Vol. 9506, Pg. 217) of the Official Records, Cameron County, Texas.
2. **Right of Way Easement** – That certain Right of Way Easement over and across all of Block 313 and 314, Adams Gardens Subdivision "D", a subdivision in Cameron County, Texas according to the map recorded in Volume 10, Page 4, map records of Cameron County, as conveyed by Wesley H. Valerious and Michelle Adams to North Alamo Water Supply Corporation, said easement being recorded as Document No. 2003-55921 (Vol. 9506, Pg. 224), Official Records, Cameron County, Texas.
3. **Right of Way Easement** – That certain Right of Way Easement over and across all of Blocks 299, 317, 318, 331 and 332, Adams Gardens Subdivision "D", a subdivision in Cameron County, Texas according to the map recorded in Volume 10, Page 4, map records of Cameron County, as conveyed by Rella A. Adams to North Alamo Water Supply Corporation, said easement being recorded as Document No. 2003-55923 (Vol. Vol. 9506, Pg. 231), Official Records, Cameron County, Texas
4. **Right of Way Easement** – That certain Right of Way Easement conveyed by Rales Properties Ltd. to North Alamo Water Supply Corporation, said easement being recorded as Document No. 2003-55925 (Vol. 9506, Pg. 238), Official Records, Cameron County, Texas
5. **Sanitary Control Easement** – That certain Sanitary Control Easement conveyed by Rella A. Adams to PEN Joint Tenants, a joint venture between East Rio Hondo Water Supply Corp. & North Alamo Water Supply Corp., said easement being recorded as Doc. No. 2003-38726 (Vol. 19705, Pg. 168), Official Records, Cameron County, Texas.
6. **Sanitary Control Easement** – That certain Sanitary Control Easement conveyed by Wesley H. Valerius to PEN Joint Tenants, a joint venture between East Rio Hondo Water Supply Corp. & North Alamo Water Supply Corp., said easement being recorded as Doc. No. 2013-38725 (Vol. 19705, Pg. 159), Official Records, Cameron County, Texas.
7. **Sanitary Control Easement** – That certain Sanitary Control Easement conveyed by Rella Adams to PEN Joint Tenants, a joint venture between East Rio Hondo Water Supply Corp. & North Alamo Water Supply Corp., said easement being recorded as Doc. No. 2013-38724 (Vol. 19705, Pg. 152), Official Records, Cameron County, Texas

## **Exhibit "A" - Description of Facilities**

That certain reverse osmosis water treatment plant facility and all other facilities, equipment and appurtenances located on Lot 1, Block 1, NORTH CAMERON R.O. PLANT SUBDIVISION, Cameron County, Texas, a subdivision in Cameron County, Texas as more particularly described in the plat or map thereof recorded as Cabinet 1, Page 2628A in the official Map Records of Cameron County, Texas (the "Property"). Without limitation to the generality of the foregoing, the Facilities shall include all treatment plant equipment, including the reverse osmosis treatment skid modules and all appurtenances, clean-in-place system, instrumentation, Supervisor Control and Data Acquisition (SCADA) system, chemical storage and feed equipment, electrical components, pump systems, buildings, pipes, pipelines, water mains, water wells, pumping stations, clear wells, ground storage tank, , valves, control valves, degasifier, paving, drainage, fencing, lighting, camera systems, structures, improvements and any fixtures located on or in the Property.

## **Exhibit "A" - Description of Personal Property**

All tangible personal property that is owned by Seller and used by North Cameron Regional Water Supply Corporation in connection with the operation of the Facilities including, but not limited to, laboratory equipment and supplies, chairs, board room table, filing cabinets, plans and specifications, computer systems, network system, battery backups, office supplies, miscellaneous plant materials, equipment, and spare parts.

## Exhibit "A" - Description of Fee Tracts

The four (4) tracts of real property described in whole or in part in that certain Special Warranty Deed dated November 13, 2007 recorded as Document No. 2007-63385, Official Public Records of Cameron County, Texas, being more particularly described as follows:

### Parcel I

Lot 1, Block 1, NORTH CAMERON R.O. PLANT SUBDIVISION, Cameron County, Texas  
(4.62 acs. out of Block 300, ADAMS GARDENS SUBDIVISION "D", Cameron County, Texas)

### Parcel II

Being 2.50 acres of land out of Block Three Hundred Thirteen (313), ADAMS GARDENS SUBDIVISION "D", Cameron County, Texas, according to the map or plat thereof recorded in Volume 10, Page 4 of the Map Records of Cameron County, Texas and being more particularly described as follows:

BEGINNING at a ½ inch iron pin w/ID cap stamped Willms set lying on the centerline of Ward Parkway (40.0 foot right of way) and East line of a 100 foot canal right of way, said point being the Northwest corner of Block 313 for the Northwest corner of the tract herein described and the POINT OF BEGINNING;

THENCE, East, along the centerline of Ward Parkway and North line of Block 313, a distance of 330.0 feet to a ½ inch iron pin w/ID cap stamped Willms set for the Northeast corner of the tract herein described;

THENCE, South, leaving the centerline of Ward Parkway and North line of Block 313, a distance of 20.0 feet pass a ½ inch iron pin w/ID cap stamped Willms set lying on the South right of way line of Ward Parkway and at a total distance of 330.0 feet to a ½ inch iron pin w/ID cap stamped Willms set for the Southeast corner of the tract herein described;

THENCE, West, a distance of 330.0 feet to a ½ inch iron pin w/ID cap stamped Willms set lying on the West line of Block 313 and East line of the 100 foot canal right of way for the Southwest corner of the tract herein described;

THENCE, North, a distance of 310.0 feet pass a ½ inch iron pin w/ID cap stamped Willms set lying on the South right of way line of Ward Parkway and at a total distance of 330.0 feet to the POINT OF BEGINNING and containing 2.50 acres of land, more or less.

### Parcel III

Being 2.50 acres of land out of Block Three Hundred Thirty-one (331), ADAMS GARDENS SUBDIVISION "D", Cameron County, Texas, according to the map or plat thereof recorded in Volume 10, Page 4 of the Map Records of Cameron County, Texas and being more particularly described as follows:

BEGINNING at a ½ inch iron pin w/ID cap stamped Willms set lying on the centerline of Sam Miller Drive (40.0 foot right of way) and East line of a 100 foot canal right of way, said point being the Northwest corner of Block 331 for the Northwest corner of the tract herein described and the POINT OF BEGINNING;

THENCE, East, along the centerline of Sam Miller Drive and North line of Block 331, a distance of 330.0 feet to a ½ inch iron pin w/ID cap stamped Willms set for the Northeast corner of the tract herein described;

THENCE, South, leaving the centerline of Sam Miller Drive and North line of Block 331, a distance of 20.0 feet pass a ½ inch iron pin w/ID cap stamped Willms set lying on the South right of way line of Sam Miller Drive and at a total distance of 330.0 feet to a ½ inch iron pin w/ID cap stamped Willms set for the Southeast corner of the tract herein described;

THENCE, West, a distance of 330.0 feet to a ½ inch iron pin w/ID cap stamped Willms set lying on the West line of Block 331 and East line of the 100 foot canal right of way for the Southwest corner of the tract herein described;

THENCE, North, a distance of 310.0 feet pass a ½ inch iron pin w/ID cap stamped Willms set lying on the South right of way line of Sam Miller Drive and at a total distance of 330.0 feet to the POINT OF BEGINNING and containing 2.50 acres of land, more or less.

## Parcel IV

BEING 2.50 acres of land out of the East half of the West half of Survey 20 of the GEORGETOWN RAILWAY SURVEY, Cameron County, Texas and being more particularly described as follows:

COMMENCING at a ½ inch iron pin found lying within the right of way of State Highway 107 (100 foot right of way), said point being the Southwest corner of Block 1, HOSFIELD PARK SUBDIVISION, recorded in Volume 8, Page 24, Map Records of Cameron County, Texas;

THENCE, North 00 degrees 15 minutes 00 seconds East, along the West line of Block 1 and East line of the West half of Survey 20, a distance of 20.0 feet to a ½ inch iron pin found lying on the North right of way line of State Highway 107 and centerline of a 40.0 foot Road Easement for the Southeast corner of the tract herein described;

THENCE, South 89 degrees 45 minutes 00 seconds West, leaving the West line of Block 1, East line of the West half of Survey 20, and the centerline of the 40.0 foot Road Easement, along the North right of way line of State Highway 107, a distance of 330.0 feet to a ½ inch iron pin with ID cap stamped Willms set for the Southwest corner of the herein described tract;

THENCE, North 00 degrees 15 minutes 00 seconds East, leaving the North right of way line of State Highway 107, a distance of 330.0 feet to a ½ inch iron pin with ID cap stamped Willms set for the Northwest corner of the tract herein described;

THENCE, North 89 degrees 45 minutes 00 seconds East, a distance of 330.0 feet to a ½ inch iron pin with ID cap stamped Willms set lying on the West line of Block 1, East line of the West half of Survey 20 and centerline of the 40.0 foot Road Easement for the Northeast corner of the tract herein described;

THENCE, South 00 degrees 15 minutes 00 seconds West, a distance of 330.0 feet to the POINT OF BEGINNING and containing 2.50 acres of land, more or less.