

WHEREAS, Webb County's improvements to said tract increased the pre-development water runoff onto the 197.78 acres creating an additional cost to the drainage systems constructed and to be constructed by AFW Investments, GAG of Laredo or their affiliates;

WHEREAS, Webb County and AFW Investments, GAG of Laredo or their affiliates have agreed on the amount of the additional cost incurred, and to be incurred, by AFW Investments, GAG of Laredo or their affiliates in the construction of their drainage system in the development of Phases I thru VI of the Phoenix subdivision;

WHEREAS, Webb County and AFW Investments, GAG of Laredo or their affiliates desire to enter into this Cost Reimbursement Agreement to memorialize Webb County's agreement to reimburse AFW Investments, GAG of Laredo or their affiliates for the additional cost to handle the post-development water runoff created by the improvements to Los Altos Subdivision, Phase I, Tanquecitos South Acres Subdivision and an unplatted subdivision known as Tanquesitos II;

WHEREAS, the Webb County Commissioners Court had previously approved the amount of \$71,000.00 for reimbursement to AFW Investments and GAG of Laredo for drainage improvements to the Phoenix Village Subdivision Phases I, II, & III & IV, at Commissioners Court Meeting of June 22, 2015, which minutes were approved on July 13, 2015;

NOW, THEREFORE, the parties hereby agree that Webb County shall reimburse AFW Investments, GAG of Laredo or their affiliates the following amounts upon completion of each of the phases of the Phoenix Subdivision:

Budget Year	Phase	Amount	Status
2016	Phase I	\$15,671.12	Completed
2016	Phase II	\$43,482.94	Completed
2016	Phases III and IV	\$11,326.84	Not completed
2017	Phase V	\$55,381.24	Not completed
2017/2018	Phase VI	\$112,942.09	Not completed

Payment Process. In order to obtain a specified reimbursement, AFW Investments, GAG of Laredo, their affiliates or successors and assigns shall be required to submit a notice and verification of completion of the particular phase or phases of the Phoenix Village Subdivision to the Webb County Engineer. After delivery of the notice and verification of completion from AFW Investments and GAG of Laredo to the Webb

County Engineer of a particular phase and/or phases, he shall inspect and verify the completion of a particular phase or phases and the Webb County Engineer shall then issue the acknowledgement of verification of completion of the particular phase and/or phases to AFW Investments and GAG of Laredo. Upon receipt of such acknowledgment and verification of completion, the invoice for reimbursement shall then be submitted by AFW Investments and GAG of Laredo to the Webb County Engineer for formal processing of the reimbursement payment approval request by Webb County.

Entire Agreement. This Agreement embodies the entire agreement between the parties relative to the subject matter hereof, and there are no oral or written agreements between the parties, nor any representations made by either party relative to the subject matter hereof, which are not expressly set forth herein.

Amendment. This Agreement may be amended only by a written instrument executed by the party or parties to be bound thereby.

Successors and Assigns. This Agreement shall bind and inure to the benefit of the AFW Investments, GAG of Laredo or their affiliates and their respective successors and assigns.

Assignment. AFW Investments, GAG of Laredo or their affiliates and their respective and assigns shall have the right to assign all or a part of this Agreement and its rights hereunder.

Invalid Provision. If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, such Provision shall be fully severable; this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part of this Agreement; and, the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid, or unenforceable provision or by its severance from this Agreement.

EXECUTED on the dates set forth below

Webb County:

By: _____ Date _____
Tano E. Tijerina
Webb County Judge

AFW Investments II, Ltd.
By AFW Management, Inc., General
Partner

By: _____
Patrick T. Farrell, President Date _____

GAG of Laredo Investments, LLC

By: _____
Jose Eduardo Garcia Date _____

Attest:

Margie Ramirez-Ibarra Date _____
Webb County Clerk

Approved as to form:

Marco A. Montemayor, Webb County Date _____
Attorney

By law, the county attorney's office may only advise or approve contracts or legal documents on behalf of the clients. It may not advise or approve a contract or legal document on behalf of other parties. Our review of this document was conducted solely from the legal perspective of our client. Our approval of this document was offered solely for the benefit of our client. Other parties should not rely on this approval, and should seek review and approval of their respective attorney(s).