



HIDALGO COUNTY DRAINAGE DISTRICT No. 1 STANDARDS FOR DONATION OF PROPERTY

In order for Hidalgo County Drainage District No. 1 (the "District") to accept a donation of real property (the "Donation Property"), the following requirements must be satisfied:

1. The donor of the Donation Property (the "Donor") shall deliver to the District a survey of the Donation Property (the "Survey"). The Survey shall be dated within six (6) months of the date of the proposed donation and shall otherwise be acceptable to the District in the District's sole discretion.
2. The Donor shall pay to the District a review fee of \$250.00 (the "Review Fee") to offset the District's expenses incurred with the consideration of Donor's request. The Review Fee may be waived by the District if deemed appropriate by the District, in the District's sole and absolute discretion.
3. Once the District has received the Survey and the Review Fee, the District shall obtain either a title commitment or a title report/memorandum providing evidence satisfactory to the District as to (i) the ownership of the Donation Property, (ii) any liens which may exist against the Donation Property, and (iii) any other encumbrances on the Donation Property. The District shall not accept the Donation Property unless the title evidence is satisfactory to the District, in the District's sole discretion.
4. In order to accept the Donated Property, the District must determine, in the District's sole and absolute discretion, that the Donation Property will enhance the District's overall drainage system by either (i) providing outfall to other tracts of land or (ii) providing additional detention capacity.
5. The District shall have approved the form of the document conveying the Donated Property to the District (the "Donation Deed"), as determined appropriate in the District's sole and absolute discretion.
6. In the event that the donation of the Donated Property is necessary for the Donor or any other party to obtain the District's approval of a pending or future subdivision plat (each, an "Affected Plat"), then the recording information of the Donation Deed shall be indicated on the Affected Plat.
7. In the event the District determines to accept the donation of the Donated Property, then the District shall:
 - a. Obtain an appraisal of the Donated Property to establish the District's book value for such asset (the "District's Value").
 - b. Obtain a title insurance policy on the Donated Property in the amount of the District's Value at the District's expense, unless the District determines that such expense is unnecessary due to the nature of the Donated Property.
 - c. Execute an IRS Form 8283 upon request by the Donor provided that Donor also provides to the District the following certificate fully executed by Donor:

CERTIFICATE OF ACKNOWLEDGMENT

[DONOR'S NAME] DOES HEREBY ACKNOWLEDGE THAT HIDALGO COUNTY DRAINAGE DISTRICT NO. 1 (THE "DISTRICT"), BY EXECUTING A FORM 8283 AS THE DONEE, IS NOT IMPLICITLY AGREEING WITH THE PURPORTED FAIR MARKET VALUE OF THE DONATED PROPERTY CLAIMED ON SUCH FORM 8283. DONOR FURTHER ACKNOWLEDGES THAT FORM 8283 SPECIFICALLY STATES THAT THE DONEE'S EXECUTION OF FORM 8283 DOES NOT REPRESENT THE DONEE'S AGREEMENT WITH THE CLAIMED FAIR MARKET VALUE OF THE DONATED PROPERTY. DONOR ACKNOWLEDGES THAT WHETHER OR NOT THE FAIR MARKET VALUE OF THE DONATED PROPERTY IS ACCURATE OR NOT IS A DETERMINATION TO BE MADE BETWEEN DONOR AND THE INTERNAL REVENUE SERVICE ALONE. DONOR ACKNOWLEDGES THAT THE DISTRICT MAY OBTAIN ITS OWN VALUATION OF THE DONATED PROPERTY FOR ITS OWN PURPOSES, WHICH MAY HAVE A DIFFERENT VALUE THAN WHAT THE DONOR HAS CLAIMED. FINALLY, DONOR ACKNOWLEDGES THAT DONOR SHALL NOT USE THE DISTRICT'S EXECUTION OF FORM 8283 AS EVIDENCE OF THE DISTRICT'S AGREEMENT TO THE FAIR MARKET VALUE OF THE DONATED PROPERTY IN THE DISTRICT'S VOLUNTARY OR INVOLUNTARY ACQUISITION OF ANY OF DONOR'S OTHER PROPERTY.

DONOR:

[IF AN INDIVIDUAL]

[DONOR NAME]

[IF AN ENTITY]

[ENTITY NAME]

By: _____
Name: _____
Its: _____

Date

STATE OF TEXAS)

COUNTY OF HIDALGO)

This instrument was acknowledged before me on _____, 201____,
by _____ **[ADD IF AN ENTITY: acting in his/her capacity as [TITLE] of [ENTITY NAME], on its behalf in said capacity].**

Notary Public, State of Texas
My commission expires: _____