

AGREEMENT IMPLEMENTING DETACHMENT AND ANNEXATION

This Agreement Implementing Detachment and Annexation ("Agreement") is entered into as of the ____ day of September, 2020 by and between the Board of Trustees of the Aubrey Independent School District, an independent school district organized under the laws of the State of Texas ("Aubrey ISD"), and the Board of Trustees of the Denton Independent School District, an independent school district organized under the laws of the State of Texas ("Denton ISD"), upon the terms and conditions hereinafter set forth.

RECITALS

- A. By Resolution adopted by the Board of Trustees at a meeting held on August 26, 2020, reference to which is hereby made for all purposes, Aubrey Independent School District determined that it would detach from the territory in its district the land described in Exhibit A attached hereto and made a part hereof for all purposes ("AISD Transferred Territory"), on the condition precedent that Denton Independent School District determined that it would detach from the territory in its district the land described in Exhibit B ("DISD Transferred Territory"), attached hereto and made a part hereof for all purposes.
- B. By Resolution adopted by the Board of Trustees at a meeting held on August 25, 2020, reference to which is hereby made for all purposes, Denton Independent School District determined that it would detach from the territory in its district the land described in Exhibit B attached hereto and made a part hereof for all purposes ("DISD Transferred Territory"), on the condition precedent that Aubrey Independent School District determined that it would detach from the territory in its district the land described in Exhibit A ("AISD Transferred Territory"), attached hereto and made a part hereof for all purposes.
- C. Aubrey Independent School District and Denton Independent School District are entering into this Agreement to set forth in writing certain understandings, rights, and responsibilities pertaining to the detachment and annexation of the Transferred Territories.
- D. This Agreement is entered into under the authority of Texas Education Code § 11.151 which grants to the Boards of Trustees of these school districts the power to govern and oversee the management of their respective school district, and Texas Education Code § 13.231 which grants the school districts the power to adjust their common boundary by agreement.

NOW, THEREFORE, in order to fulfill obligations mandated by state law, Aubrey Independent School District and Denton Independent School District agree as follows:

AGREEMENT

1. DETACHMENT AND ANNEXATION.

- a. Execution of Detachment and Annexation.
 - i. Aubrey ISD hereby detaches the AISD Transferred Territory, specifically described in Exhibit A, from the territory in its district, and Denton ISD hereby annexes the AISD Transferred Territory to the territory in its district; and
 - ii. Denton ISD hereby detaches the DISD Transferred Territory, specifically described in Exhibit B, from the territory in its district, and Aubrey ISD hereby annexes the DISD Transferred Territory to the territory in its district;
- b. Governmental Submission of the Agreement. Promptly after the execution of this Agreement, Aubrey ISD and Denton ISD jointly will submit this Agreement, and certified copies of the Resolutions adopted by their respective Board of Trustees, along with certificates by the Denton Central Appraisal District and the Texas Comptroller of Public Accounts of the value of property in the Transferred Territories, and
- c. Aubrey ISD and Denton ISD shall provide to the Texas Education Agency a complete and legally sufficient description of the boundaries of the respective districts and a map of each district in compliance with Texas Education Code, § 13.010.
- d. Effective Date. This Agreement for Boundary Adjustment between Aubrey ISD and Denton ISD shall be effective on the date that both Boards of Trustees have properly considered and approved this Agreement, after such Agreement has been properly posted and placed on the respective Trustees agenda.

2. AD VALOREM / PROPERTY TAXES.

- a. Notice of Detachment and Annexation. As soon as practicable after this Agreement has been executed, Aubrey ISD and Denton ISD shall each give notice in the forms of Exhibit C and Exhibit D, attached hereto and made apart hereof for all purposes, to the Denton Central Appraisal District and to the property owners within the Transferred Territories, respectively.

- b. Taxes for 2020. All school property taxes for the year 2020 and preceding years on real and personal property in the Transferred Territories shall be billed by, collected by, and belong to the school district from which the Transferred Territory was detached.
 - c. Taxes for 2021 and Subsequent Years. All school property taxes for the year 2021 and subsequent years on real and personal property in the Transferred Territories shall be billed by, collected by, and belong to the school district to which the Transferred Territory was annexed, and the school district from which the Transferred Territory was detached shall have no rights or responsibilities with respect thereto.
 - d. Rollback Taxes. Some land in the DISD Transferred Territory may have an appraised value for property tax purposes that is less than its market value because the land is appraised as "qualified open space land," as defined in Texas Tax Code, Section 23.51, as land designated for agricultural use under Texas Tax Code, Section 23.41, or as land that otherwise qualifies for an appraised value that is less than market value. An additional payment, whether tax, penalty or interest, is imposed whenever the eligibility of land for an appraised value that is less than market value ceases, such as when a change of use of the land occurs. Aubrey ISD and Denton ISD agree that additional taxes for the year 2020 and prior years shall belong to Denton ISD, and additional taxes for the year 2021 and subsequent years shall belong to Aubrey ISD, in accordance with Section 13.051(k) of the Texas Education Code. Each District shall be responsible for billing and collecting the additional taxes to which it is entitled, and shall have no responsibility for billing and collecting additional taxes owed to the other District.
 - e. Tax Liens. The lien of each school district for all taxes and additional taxes that it is owed shall be of equal dignity with the lien for all taxes and additional taxes owed to the other school district.
3. Students in Transferred Territory.
- a. As of the date of approval and effectiveness of this Agreement, there are no school age students residing in either of the Transferred Territories.
 - b. In the event that in the future school age students begin to reside in either, or both, of the Transferred Territories, the school district to which the Transferred Territory has been annexed shall provide all public education

services required by the Texas Education Code and other applicable laws to students and their families residing within the Transferred Territory.

4. Allocation of Indebtedness.
 - a. No portion of the indebtedness of Aubrey ISD is allocated to Denton ISD because of the detachment and annexation of the Transferred Territory, and Denton ISD assumes no liability for indebtedness of Aubrey ISD.
 - b. No portion of the indebtedness of Denton ISD is allocated to Aubrey ISD because of the detachment and annexation of the Transferred Territory, and Aubrey ISD assumes no liability for indebtedness of Denton ISD.
5. Challenge to Detachment and Annexation.
 - a. Response to Legal Proceeding. If a suit or administrative proceeding is instituted by a third party that seeks to declare this Agreement or the detachment and annexation of the Transferred Territories to be illegal (a "Legal Proceeding"), then Aubrey ISD and Denton ISD may mutually agree to rescind this Agreement and the detachment and annexation to the extent they deem appropriate. In furtherance of the rescission, Transferred Territories may be restored to the territory of Aubrey ISD and Denton ISD.
 - b. Defense of Legal Proceeding. If the detachment and annexation of the Transferred Territories is not rescinded as provided above, then to the extent feasible and permitted by law, Aubrey ISD and Denton ISD shall cooperate in the defense of the Legal Proceeding. Either party, however, may act in its own best interest in conducting the defense and may, among other things, (1) retain its own legal counsel, (2) determine whether to continue to defend the Legal Proceeding, and (3) compromise and settle the Legal Proceeding, in whole or in part, to the extent that the claims may be compromised and settled without the joinder of both Aubrey ISD and Denton ISD.
 - c. Adverse Determination. If this Agreement or the detachment and annexation of the Transferred Territory is declared to be illegal by a final, non-appealable order of a court or administrative agency having jurisdiction, then Aubrey ISD and Denton ISD shall mutually rescind this Agreement and the detachment and annexation of the Transferred Territories to the greatest extent possible and in furtherance of the rescission the Transferred Territories shall be restored to the school district from which they were detached.

6. Miscellaneous.

- a. Notices. Any notice provided for or concerning this Agreement shall be in writing and be deemed sufficiently given when sent (1) by delivery service or by certified or registered mail, return receipt requested, to the respective address of each party as set forth below, or (2) by email to the email address set forth below upon transmittal and confirmation of receipt:
 - i. Aubrey Independent School District
415 Tisdell Lane
Aubrey, Texas 76227
Attn: Dr. David Belding
Telephone Number: 940-668-0060
Email Address: dbelding@aubreyisd.net
 - ii. Denton Independent School
1307 North Locust Street
Denton, Texas 76201
Attn: Dr. Jamie Wilson
Telephone Number: 940-369-0002
Email Address: jwilson@dentonisd.org
- b. Notices shall be deemed given upon receipt or, if sent by delivery service or registered or certified mail, upon the first attempted delivery at the proper address. A change of address or email address shall be effective when it has been designated by notice given as herein provided.
- c. Entire Agreement. This Agreement contains the entire agreement between the parties hereto and supersedes any prior oral or written agreements, commitments, terms or understandings, regarding the subject matter hereof.
- d. Authority. Aubrey ISD and Denton ISD have received all necessary consents and approvals, and undertaken all corporate action necessary, for the execution and delivery of this Agreement and the performance of their respective covenants, duties and obligations hereunder. Each individual executing this Agreement represents and warrants that such individual is duly authorized and empowered to bind the party on behalf of which he or she is executing this Agreement. The representatives of the parties have signed in the capacity herein stated and in no other capacity.

- e. Counterparts. This Agreement may be executed by the parties in multiple counterparts, each of which when so executed and delivered shall constitute an original, but all such counterparts shall together constitute one and the same instalment, and all signatures need not appear upon any one counterpart.
- f. Headings. The headings and captions in this Agreement are for convenience of reference only and shall not define, limit or otherwise affect any of the terms or provisions hereof.
- g. Binding Effect. The terms and provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, whether so expressed or not.
- h. Severability. Any provision of this Agreement that is prohibited or unenforceable shall be ineffective to the extent of such prohibition or unenforceability, without invalidating the remaining provisions hereof. To the extent permitted by applicable law, the parties hereto waive any provision of law which may render any provision hereof prohibited or unenforceable in any respect.
- i. Governing Law. This Agreement shall be governed by and construed and interpreted in accordance with the laws of the state of Texas.
- j. Recording of Agreement: Each of the parties hereto agrees that this Agreement shall be recorded in Denton County, Texas, as soon as reasonably practical, after the full execution hereof by all parties hereto.
- k. Costs. All costs shall be borne by the party incurring the same except as set forth herein.
- l. Construction of Agreement. Each party has actively participated in the negotiation of this Agreement and has consulted with legal counsel regarding its terms, and the rule of construction that an agreement will be construed against the party responsible for its drafting shall have no application to this Agreement.
- m. Terminology. Words of any gender shall include the other genders, and words in the singular number shall include the plural, and vice versa, unless the context otherwise requires.

IN WITNESS WHEREOF, the undersigned have executed and delivered this Agreement as of the date that all parties have approved and signed this Agreement.

THE AUBREY INDEPENDENT SCHOOL DISTRICT

Date: September _____, 2020

Dr. Joey Saxon,
President
Aubrey Independent School District
Board of Trustees

ATTEST:

Annette Crooks,
Secretary
Aubrey Independent School District
Board of Trustees

ACKNOWLEDGMENT

STATE OF TEXAS §
 §
COUNTY OF DENTON §

BEFORE ME, the undersigned authority, on this day personally appeared, JOEY SAXON, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he, in his capacity as President of the Aubrey Independent School District Board of Trustees, executed the same for the purposes and consideration therein expressed.

GIVEN under my hand and seal of office this ____ day of September, 2020.

Notary Public, State of Texas
Notary's Printed Name: _____
My Commission Expires: _____

THE DENTON INDEPENDENT SCHOOL DISTRICT

Date: September _____, 2020

Barbara Burns,
President
Denton Independent School District
Board of Trustees

ATTEST:

Douglas Chadwick,
Secretary
Denton Independent School District
Board of Trustees

STATE OF TEXAS §
 §
COUNTY OF DENTON §

BEFORE ME, the undersigned authority, on this day personally appeared, BARBARA BURNS, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she, in her capacity as President of the Denton Independent School District Board of Trustees, executed the same for the purposes and consideration therein expressed.

GIVEN under my hand and seal of office this ____ day of September, 2020.

Notary Public, State of Texas
Notary's Printed Name: _____
My Commission Expires: _____

Exhibit A
8400 Fishtrap Road

BEING all of that certain tract or parcel of land situated in the J. Bridges Survey, Abstract No. 36, Town of Crossroads, Denton County, Texas, and being all a re-tracement survey of a called 38.737 acre tract of land described in the deed to International Equine Investments, LLC, recorded in Instrument No. 2015-115889, Official Public Records of Denton County, Texas, and being more particularly described as follows:

BEGINNING at an iron rod with an aluminum cap found in the northerly line of Fishtrap Road for the southeast corner of said 38.737 acre tract, common to the southwest corner of a called 14.73 acre tract of land described in the deed to Mary Frances Nichols, recorded in Instrument No. 2017-35087, said Official Public Records, and from which a 1/2-inch iron rod found for the southwest corner of said 14.73 acre tract bears South 88°29'29" East a distance of 364.83 feet;

THENCE North 88°29'29" West, with the northerly line of said Fishtrap Road and with the southerly line of said 38.737 acre tract, a distance of 1091.13 feet to the southwest corner of said 38.737 acre tract, common to the southeast corner of a called 11.639 acre tract of land described in the deed to Kyle Zimlich, recorded in Instrument No. 1995-37427, said Official Public Records;

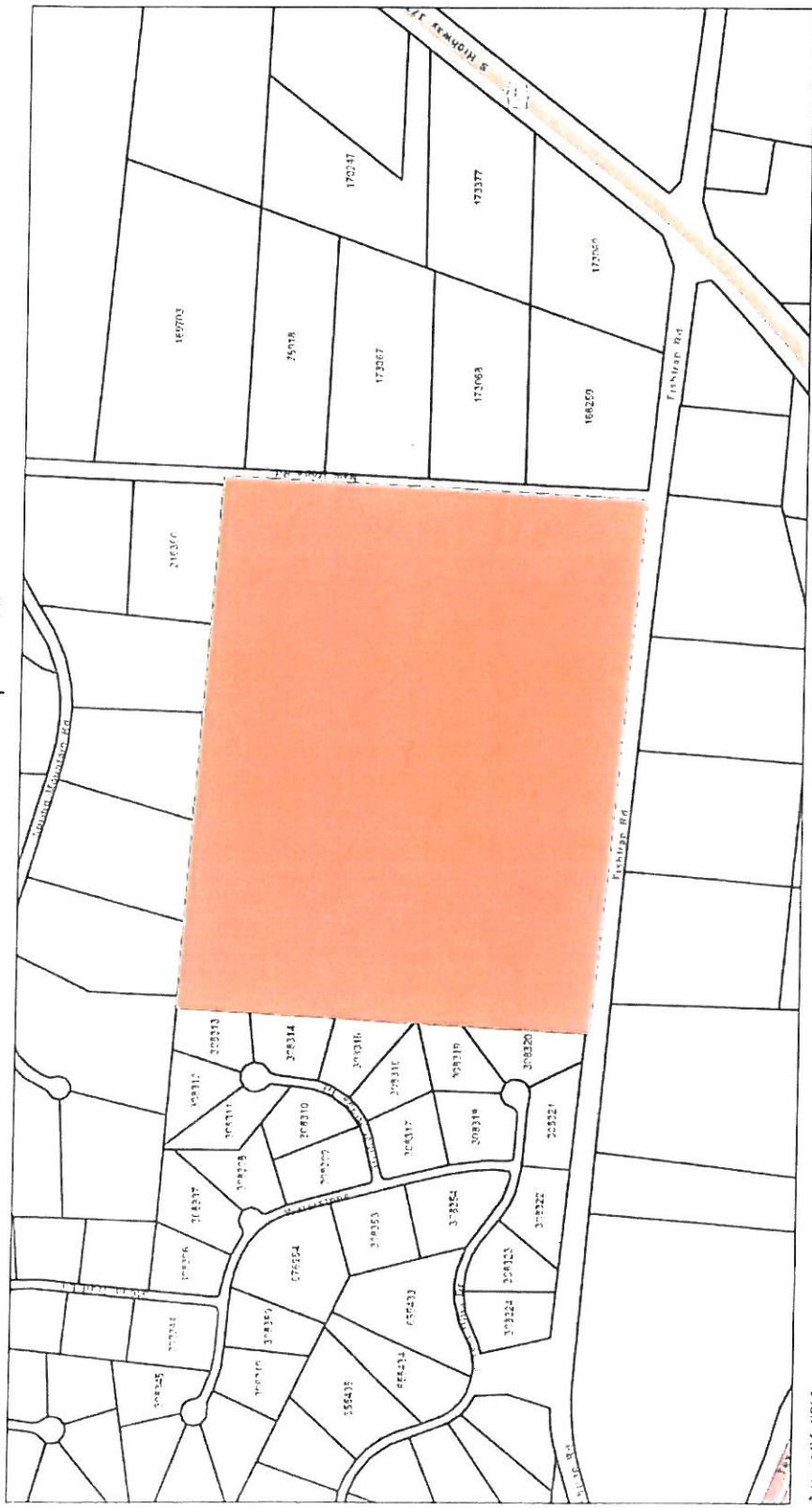
THENCE North 01°24'35" East, with the westerly line of said 38.737 acre tract, and with the easterly line of said 11.639 acre tract, and along or near a fence, passing at a distance of 726.23 feet a 1/2-inch iron rod found for the northeast corner of said 11.639 acre tract common to the southeast corner of a called 13.024 acre tract of land described in the deed to Anthony Cimino, recorded in Instrument No. 2013-61358, said Official Public Records, and continuing on said course with the easterly line of said 13.024 acre tract, a total distance of 1482.80 feet to a 3/8-inch iron rod found in the southerly line of a called 11.11 acre tract of land described in the deed to Devina Stevens, recorded in Instrument No. 2016-47118, said Official Public Records, for the northwest corner of said 38.737 acre tract, common to the northeast Corner of said 13.024 acre tract;

THENCE North 88° 00'18" East, with the northerly line of said 38,737 acre tract, and with the southerly line of said 11.11 acre tract, and along or near a fence, a distance of 1091.27 feet to a 5/8-inch iron rod found for the northeast corner of said 38.737 acre tract, common to the northwest corner of aforesaid 14.73 acre tract;

THENCE South 01°20'36" West, with the easterly line of said 38.737 acre tract, and with the westerly line of said 14.73 acre tract, and along or near a fence, a distance of 1549.49 feet to the POINT OF BEGINNING and enclosing 37.95 acres of land, more or less.

Exhibit B

2400 Fishtrap Road



Original: 24, 2020

Legend: Parcel

Scale: 1:4,514

0 0.05 0.1 0.15 0.2 0.25 0.3 0.35 0.4 0.45 0.5 0.55 0.6 0.65 0.7 0.75 0.8 0.85 0.9 0.95 1.0

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EXHIBIT B
2400 Fishtrap Road

All that certain tract of land lying and being situated in the Town of Crossroads, Denton County, Texas and being a part of the Henry White Survey, Abstract number 1332 and being a part of that called 59.48 acre tract of land described in deed to Bruce Birdsong, Trustee recorded in Instrument number 2008-116242, Real Property Records, Denton County, Texas and being more fully described by metes and bounds as follows:

BEGINNING at a wood fence corner post at the Northeast corner of Lot 36, Block A, Forest Hills, an addition to the Town of Crossroads, Denton County, Texas according to the plat recorded in Cabinet X, Page 431, Plat Records, Denton County, Texas also being in the South line of Lot 21, Spring Mountain Ranch, an addition to the City of Crossroads, Denton County, Texas according to the plat recorded in Cabinet L, Page 382, Plat Records, Denton County, Texas;

THENCE along the common line of Spring Mountain Ranch and this tract, South 86 degrees 15 minutes 42 seconds East, passing a ½ inch iron rod found at the Southeast corner of Lot 26, Spring Mountain Ranch at 1768.19 feet, continuing in all a total distance of 1807.64 feet to a 100d nail found in the approximate center of New Hope Road;

THENCE along said center, South 02 degrees 15 minutes 32 seconds West, 1445.55 feet to a P.K. nail set at the intersection of the approximate center of said New Hope Road with the approximate center of Fishtrap Road;

THENCE along said center, North 86 degrees 21 minutes 62 seconds West, 1814.58 feet to a P.K. nail set;

THENCE North 02 degrees 30 minutes 03 seconds East, passing a capped iron rod found at the Southeast corner of Lot 43, Block A of the aforementioned Forest Hills at 46.75 feet, continuing along the common line of said Block A and this tract, in all a total distance of 1416.98 feet to the POINT OF BEGINNING and containing 59.48 acres of land more or less.

EXHIBIT C

Form of Notice to Denton Central Appraisal District
[Argyle Independent School District]
[Denton Independent School District]

Denton Central Appraisal District
Chief Appraiser
3911 Morse Street
Denton, TX 76208

Re: Detachment and Annexation
Aubrey Independent School District
Denton Independent School District

Dear Hope McClure, Chief Appraiser:

The purpose of this letter is to provide you notice that certain property over which the Denton Appraisal District has authority has been detached by the Aubrey Independent School District and annexed by the Denton Independent School District, and certain property that has been detached by the Denton Independent School District and annexed by the Aubrey Independent School District. Enclosed are the Metes and Bounds description of the transferred properties.

The School District are currently having prepared a map of the respective districts subsequent to the detachments and annexations, and upon the completion of the maps a copy will be provided to you, and the Texas Education Agency.

Please note that the ad valorem assessments for the subject territories for year 2021 will be for the school district which annexed the subject territory.

If you should have any questions about the detachment and annexation, please feel free to contact the Superintendents:

Aubrey Independent School District
Dr. David Belding
Telephone: 940-668-0060
Email: dbelding@aubreyisd.net

Denton Independent School District
Dr. Jamie Wilson
Telephone: 940-369-0002
Email: jwilson@dentonisd.org

Yours very truly,

David Belding, Superintendent
Aubrey Independent School District

Jamie Wilson, Superintendent
Denton Independent School District

EXHIBIT D

Form of Notice to Property Owners

[Aubrey Independent School District]
[Denton Independent School District]

10 Dallas, LLC
American SMB Services LLC
Registered Agent
7924 Preston Road, Suite 350
Plano, Texas 75024

Sent via Certified Mail with Return Receipt Requested:

Re: 10 Dallas, LLC
2400 Fishtrap Road, Cross Roads, Texas
Aubrey I.S.D. and Denton I.S.D.

Dear 10 Dallas, LLC:

The purpose of this letter is to notify you of recent actions by the Aubrey Independent School District and Denton Independent School District that will cause your property, specifically described in the enclosure with this correspondence, to be located in the Aubrey Independent School District.

In order to make minor boundary adjustments for these contiguous school districts, the Denton Independent School District entered into an agreement with the Aubrey Independent School District, whereby your property was detached from the Denton Independent School District and was annexed by the Aubrey Independent School District.

All levied property taxes, including any rollback taxes, for the year 2020, and preceding years, are due to the Denton Independent School District. All levied property taxes for the year 2021 and subsequent years are due to the Aubrey Independent School District.

If you should have any questions, Please feel free to contact the respective Superintendents:

Aubrey Independent School District
Dr. David Belding
Telephone: 940-668-0060
Email: dbelding@aubreyisd.net

Denton Independent School District
Dr. Jamie Wilson
Telephone: 940-369-0002
Email: jwilson@dentonisd.org

Yours very truly,

David Belding, Superintendent
Aubrey Independent School District

Jamie Wilson, Superintendent
Denton Independent School District