

THIS IS A DRAFT AND WILL BE REPLACED BY THE FINAL, SIGNED ORDINANCE OR RESOLUTION ADOPTED BY CITY COUNCIL.

AN ORDINANCE

AUTHORIZING ACQUISITION OF AN AQUIFER-PROTECTION CONSERVATION EASEMENT OVER APPROXIMATELY A 822-ACRE TRACT OF LAND KNOWN AS THE McNEEL RANCH LOCATED IN BEXAR AND MEDINA COUNTIES, TEXAS FOR \$5,587,248.05.

* * * * *

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The City authorizes and directs the City Manager and her designee, severally: to accept on behalf of the City the aquifer-protection conservation easements described below:

A conservation easement substantially in the form attached as **Attachment I** on the McNeel Ranch, the affected real estate being more particularly described in **Attachment II**.

SECTION 2. The City Manager and her designee, severally, are authorized and directed to consummate the transaction contemplated in the described easements. The City Manager and her designee, severally, should take all other actions necessary or convenient to effectuate the transaction, including agreeing to the form of and executing all necessary or convenient instruments and agreements.

SECTION 3. Payment in the amount of the \$5,587,248.05 in SAP Fund 40005000, Park Improvements, SAP Project Definition 40-00271, Edward's Aquifer Land Acquisitions, is authorized to be encumbered and made payable to Alamo Title Company, for land, due diligence and closing costs on a 822-acre tract of land known as the McNeel Ranch located in Bexar and Medina Counties, Texas.

SECTION 4. The financial allocations in this Ordinance are subject to approval by the Director of Finance, City of San Antonio. The Director of Finance, may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific SAP Fund Numbers, SAP Project Definitions, SAP WBS Elements, SAP Internal Orders, SAP Fund Centers, SAP Cost Centers, SAP Functional Areas, SAP Funds Reservation Document Numbers, and SAP GL Accounts as necessary to carry out the purpose of this Ordinance.

SECTION 5. This ordinance becomes effective 10 days after passage, unless it receives the eight votes requisite to immediate effectiveness under San Antonio Municipal Code § 1-15, in which case it becomes effective immediately.

PASSED AND APPROVED this _____ day of _____ 2014.

M A Y O R
Julián Castro

Attest:

Leticia M. Vacek, City Clerk

Approved As To Form:

Robert F. Greenblum, City Attorney

Draft

Attachment I

Notice of Confidentiality Rights: If You Are a Natural Person, You May Remove or Strike Any or All the Following Information from Any Instrument That Transfers an Interest in Real Property Before It is Filed for Record in the Public Records: Your Social Security Number or Your Driver's License Number.

STATE OF TEXAS §
COUNTIES OF BEXAR AND MEDINA § KNOW ALL BY THESE PRESENTS:

Conservation Easement
McNeel - Gallagher Ranch

Authorizing Ordinance:	
Grantor:	Douglas V. McNeel, joined herein by his wife, Judith S. McNeel, and Douglas V. McNeel and Judith S. McNeel, Co-trustees of the McNeel Trust for the benefit of Lewis Maverick McNeel and Suzanne Rochet McNeel Wadsworth under Trust Agreement dated December 27, 1985 as amended by Judgment in Cause No. 90-CI-05901, District Court of Bexar County, Texas dated May 9, 1990
Grantor's Address:	P.O. Box 1025, Helotes, Bexar County, Texas 78023
Grantee:	City of San Antonio, a Texas municipal corporation
Grantee's Address:	P.O. Box 839966, San Antonio, Bexar County, Texas 78283-3966 Attn: Director, Capital Improvement Management Services Dept. (Bexar County)
Property:	Approximately 822.89 acres in Bexar and Medina Counties (the " <i>Property</i> "), as more particularly described on <u>Exhibit "A"</u>

Grant, Rights, and Obligations

Now, Therefore, in consideration of the premises, the mutual covenants and promises contained herein, \$10 in hand paid, and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Grantor grants and conveys to Grantee in perpetuity a Conservation Easement ("Easement") in gross over the Property as of the Effective Date. This Easement is created under and is governed by Chapter 183 of the Texas Natural Resources Code, as amended, or its recodification.

Predicate Facts

Grantor owns the Property identified below in fee simple, subject to the Reservations From and Exceptions to Warranty.

The Property sits over the Edwards Aquifer recharge zone, the contributing zone, or both.

Grantor and Grantee both wish to restrict development on the Property in furtherance of protecting indefinitely the quantity and quality of aquifer recharge.

The characteristics of the Property, its current use and state of improvement, are described in the Easement Documentation Report (aka "Report" as defined below).

The Report is a complete and accurate description of the Property as of the date of this Easement, establishing the baseline condition of the Property as of the Effective Date and includes reports, maps, photographs, and other documentation;

In inquiring into the condition of the Property as of the date of this Easement, the Report may be augmented but not contradicted by other evidence.

Grantor and Grantee have the common purpose of protecting the natural condition of the Property to further the Purposes of this Easement in perpetuity.

The rights and obligations arising under this Easement are a bargained-for allocation of property rights between Grantor and Grantee.

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1. Basic Information.

- Maximum Number of Parcels:** Two (2)
- Maximum Number of Building Envelopes:** Three (3), being one Standard Building Envelope for each of the two Parcels, along with one (1) additional Restricted Building Envelope, as detailed at Section 4.01
- No-Development Zones:** As more particularly described on **Exhibit B**. Structures identified in the Report need not be removed.
- Maximum Increased Impervious Cover:** Approximately 4.114 acres or 179,225 square feet, (subject to adjustment if acreage of Property is revised) which is intended to approximate ½ of one percent of the Property's total acreage, but the square footage controls
- Maximum Impervious Cover per Building Envelope:** Standard Building Envelope - 54,450 sq. ft, which is 25% of the total square feet in the Standard Building Envelope of five (5) acres.

Restricted Building Envelope - 6,534 sq. ft, which is 10% of the total square feet in the Restricted Building Envelope of 1.5 acres
- Maximum Number of Water Wells:** Four (4)
- Report:** The Easement Documentation Report dated ???? prepared by Pape-Dawson Engineers, Inc. relating to the Property, as shown on **Exhibit C**.

**Exceptions to and Reservations from
Warranty:** As shown on **Exhibit D.**

All exhibits are incorporated into this Easement by reference for all purposes, as if fully set forth.

2. Exhibits.

Exhibit A	Description of Property
Exhibit B	No-Development Zones
Exhibit C	Easement Documentation Report
Exhibit D	Exceptions to and Reservations from Warranty
Exhibit E	Adjoining Property

3. Purpose.

This Easement's purpose ("Purpose") is to minimize the chance of materially impairing the quantity or quality of aquifer recharge. In furthering the Purpose, the parties restrict numerous activities on the Property and seek to ensure that the Property remains forever in approximately the same natural state in which it now exists, except as otherwise provided. In addition to the specific limitations and requirements of this instrument, Grantor must at all times use its reasonable best efforts to prevent impairment of quality or quantity of aquifer recharge.

4. Definitions.

4.01. Building Envelope means an area set aside within the Property in which Structures may be built or added. Standard Building Envelope means a Building Envelope consisting of five (5) acres. Two are allowed, totaling ten (10) acres. Restricted Building Envelope means the single Building Envelope comprised of the existing hunting camp on the Property near the Welcome Well (the "Hunting Camp Area") consisting of 1.5 acres and being subject to the following additional restrictions:

- (a) the Maximum Impervious Cover allowed shall be limited to ten percent (10%) of the total square footage of the Restricted Building Envelope, or a limit of 6,534 square feet;
- (b) Fertilizers may not be used or applied within the Restricted Building Envelope and any chemicals authorized by Section 9.01.04. may be applied for domestic use within the Restricted Building Envelope;
- (c) no Exotic vegetation may be introduced within the Restricted Building Envelope.

4.02. Feeder means a device that dispenses or otherwise provides food to livestock or wildlife that sits on legs above the surface of the ground.

4.03. Development means any increase in Impervious Cover as defined in 4.06, removal of vegetation, or mechanical tillage of the soil. This definition includes cultivation, earthmoving, land forming, land grading, and land planing.

4.04. Hazardous Materials means (i) any hazardous waste as defined by the Resource Conservation and Recovery Act of 1976 (42 U.S.C. Section 6901 et. seq.), as amended from time to time, and regulations promulgated thereunder; (ii) any hazardous substance as defined by the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. Section 9601 et seq.), as amended from time to time, and regulations promulgated thereunder (including petroleum-based products as described therein); (iii) other petroleum and petroleum-based products; (iv) asbestos in any quantity or form which would subject it to regulation under any Applicable Laws; (v) polychlorinated biphenyls (PCBs); (vi) or any substance, the presence of which on the Property is prohibited by any Applicable Laws; and (vii) any other substance which, by any Applicable Laws, requires special handling in its collection, storage, treatment or disposal. As used herein, the term "Applicable Laws" means all laws, statutes, ordinances, regulations, and judicial rulings now or hereafter adopted by any governmental authority with jurisdiction over the Property.

4.05. Hunting Blind means a structure of 100 square feet or less used for viewing or hunting wildlife. Blinds may but need not be elevated.

4.06. Impervious Cover means any artificial condition that substantially impedes absorption of water by the soil, including roofs, foundations, parking lots, Roads, and anything else covering or placed above the natural surface of the Property. Mobile homes, motor homes, and travel trailers of all types count as Impervious Cover.

4.07. Confined Animal Feeding Operation means agricultural operations in which livestock or wildlife is confined for at least 45 days in any 12-month period in a corral or similar enclosure in which most of the animals' nutrition is provided artificially.

4.08. Maximum Increased Impervious Cover means the maximum amount of the Property to which Impervious Cover may be added after the Effective Date. It does not include Impervious Cover shown in the Report (or replacements thereof).

4.09. No-Development Zone means an area set aside within the Property in which no Building Envelopes, Roads, or other Development may occur, except as otherwise expressly authorized under this Easement.

4.10. Parcel means a distinct, contiguous tract resulting from a division, subdivision, or partition of the Property allowed under this Easement. A parcel includes any tract resulting from a subdivision plat, conveying part of the Property to another, or other arrangement creating characteristics of a subdivision. Creation of undivided interests in the Property does not create a division, subdivision, or partition.

4.11. Road means any route traveled by a motorized vehicle which route has been improved through the use of base or other material that would materially impair the recharge capability of the Property. Unimproved trails or paths that do not materially diminish the recharge capability of the Property or paths made by leveling native or Indigenous soil and rock do not constitute a Road or count as Impervious Cover.

4.12. Structure means anything built on or added to the Property, excluding fences, Hunting Blinds, Feeders, utility poles, and equipment associated with water wells permitted under this Easement.

4.13. Temporary Impervious Cover means any non-permanent Structure typically used to provide protection from the elements (i.e. tents, awnings, etc.).

4.14. Exotic means not naturally occurring in the Edwards Plateau or South Texas Plains eco-region.

4.15. Fertilizer means any synthetically produced or manufactured fertilizer. Processed organic fertilizers such as compost, and naturally occurring organic fertilizers, such as peat or manure, are not considered to be a synthetically produced or manufactured fertilizer and do not fall under this term.

4.16. Indigenous means naturally occurring in the Edwards Plateau or South Texas Plains eco-region.

4.17. Adjoining Property means any portion of the real property more particularly described in **Exhibit E**.

5. Development-Related Provisions.

5.01. Grantor must maintain the Property in substantially the same state shown demonstrated in the Report, except as otherwise provided in this Easement.

5.02. Grantor must not:

5.02.01. Exceed Maximum Increased Impervious Cover or the Maximum Impervious Cover per Building Envelope.

5.02.02. Divide, subdivide or otherwise partition the Property into more Parcels than allowed by the Maximum Number of Parcels.

5.02.03. Except as otherwise expressly allowed by this Easement, build any Structure outside a Building Envelope, build any Structure higher than three stories (except for antenna towers), or allow a mobile home, motor home, or travel trailer to be lived in or stored on the Property outside a Building Envelope, provided however that the Hunting Camp Area described in Section 4.01 which currently includes several travel trailers belonging to hunters shall be designated as the Restricted Building Envelope in accordance with Section 4.01. Travel trailers and other Structures shall be allowed within the Restricted Building Envelope subject to the applicable Impervious Cover Limits and the other restrictions set forth in Section 4.01.

5.02.04. Install, maintain, repair, or replace more than one septic system for each Structure containing plumbing.

5.02.05. Unless Grantee consents in writing, grant new utility or Road easements. Grantee will generally withhold consent except when the easement is granted under threat of condemnation. Despite this proscription, Grantor may, without Grantee's consent but subject to the Maximum Increased Impervious Cover, grant road and utility

easements and run utility lines and conduits reasonably necessary to service and to permit access to Parcels and Building Envelopes allowed under this Easement.

5.02.06. Except as otherwise provided in this Easement or as reasonably necessary to conduct activities permitted under this Easement, ditch, drain, fill, dig, or otherwise make permanent, substantial topographical changes. Grantor needs no permission to build stock tanks or other surface water-retention facilities outside of a No-Development Zone. If Grantor desires to build stock tanks or other surface water-retention facilities within a No-Development Zone, Grantor must first secure Grantee's prior written permission in accordance with the Section requiring approval, specifically Section 12. herein. Any stock tanks or other surface water retention facilities not shown in the Report must not exceed two acres each and must not cause the Property to exceed the Maximum Increased Impervious Cover, if the bottom of the facility is impervious. Surface water retention facilities built to facilitate recharge do not count toward the Maximum Increased Impervious Cover.

5.02.07. Drill or allow the existence of more than the Maximum Number of Water Wells on the Property. Water wells drilled by Grantee for monitoring or other scientific purposes and not used by Grantor do not count against the Maximum Number of Wells.

5.02.08. Conduct any business activity on the Property that would draw large numbers of people to the Property at any one time or that might, as a reasonably expected incident of its conduct, materially impair the quantity or quality of aquifer recharge. For example, a bed and breakfast or guest ranch with ten (10) or fewer bedrooms is acceptable.

5.03. For so long as the activities are conducted so as not to materially impair the Purpose, Grantor may:

5.03.01. Reside and entertain family and guests on the Property.

5.03.02. Maintain, restore, and rebuild any Structure in Building Envelopes or shown to be on the Property in the Report.

5.03.03. Continue use and enjoyment of the Property for ranching, agriculture, hunting, fishing, and recreation, consistent with other applicable express provisions of this Easement.

5.03.04. Allow short-term use of Temporary Impervious Cover, such as tents or awnings, for up to 30 days. Any use lasting longer than 30 days is not short-term, and once removed, the Temporary Impervious Cover cannot be re-erected for at least 90 days after removal. Temporary Impervious Cover must not cause the Property to exceed the Maximum Increased Impervious Cover.

5.03.05. Construct, maintain, and restore pervious roadways as well as Roads anywhere on the Property, provided however that Roads not shown in the Report can only be constructed in No-Development Zones with the prior written permission of Grantee in accordance with the requirements of Section 12.

5.03.06. Engage in all acts and uses that: (i) are permitted by law and (ii) are consistent with the Purpose.

5.04. If not identified in this Easement, Grantor may propose Building Envelope locations to Grantee. Grantor's requests for Building Envelope locations are handled according to Section 12 titled "Requests for Approval." Areas subject to Building Envelopes must be defined with the same degree of specificity required for identifying real property for conveyance. Approved Building Envelopes must be evidenced by a recorded memorandum signed by both Grantor and Grantee. The property description must be attached to the memorandum. All residences shown on the Report must be contained in a Building Envelope. In the event that Grantor should choose to use a portion of the Property outside of the Building Envelope for the optimal installation of a well or a drain field to support and to service permitted improvements within the Building Envelope, Grantor shall be permitted to use a portion of the Property as will be necessary to install and to site such a system, including but not limited to the erection of a water pipeline on the Property, provided that no drain field activities shall occur within 400 feet of a No Development Zone.

If Grantor wishes to change a Building Envelope, in addition to following the process for designation of any Building Envelope, Grantor must ensure that the former Building Envelope site is restored such that it will offer the same quantity and quality of recharge as similar, previously undeveloped areas.

5.05. With Grantee's prior written permission, Grantor may erect cell towers and other antennas outside No-Development Zones, but all such items are subject to the Maximum Increased Impervious Cover definition in Section 4.08.

6. Agriculture-Related Provisions.

6.01. Grantor must not:

6.01.01. Operate a commercial feedlot, poultry farm, or similarly Confined Animal Feeding Operation. This provision shall not be construed to restrict the holding and feeding of livestock or wildlife in a confined area on a temporary basis in connection with gathering, birthing, transporting, feeding, caring for or doctoring livestock or wildlife, nor does this provision apply to corrals or other holding areas for horses, wildlife, other livestock or poultry held for domestic purposes or Grantor's personal use.

6.01.02. Operate a horticultural nursery.

6.02. For so long as the activities are conducted in such a way as not to materially impair the Purposes of this Easement, Grantor may:

6.02.01. Grow crops, including wildlife food plots, in fields identified in the Report or approved by Grantee.

6.02.02. Hunt and fish on the Property, lease the Property for hunting and fishing, and provide guided and unguided hunts and fishing.

6.02.03. Construct or install fences, Hunting Blinds, and Feeders, even in No-Development Zones.

6.02.04. Permit other outdoor recreation on the Property. In connection with recreation, Grantor may install composting toilets on the Property, but if it does so, Grantor must properly maintain them.

6.02.05. Stock and foster the presence of wildlife on the Property.

6.03. For so long as the activities are conducted in such a way as not to materially impair the Purposes of this Easement, Grantor may graze livestock, commercial wildlife, or Exotic game, but only according to a Grantee-provided plan, a United States Department of Agriculture Natural Resource Conservation Service-provided plan (NRCS Plan), a Texas Parks and Wildlife Department-provided wildlife management plan (TPWD Plan), or a plan provided by a qualified range management specialist so long as the activities in the provided plan are consistent with the terms of this Easement. Any NRCS Plan, TPWD Plan, or range-management specialist plan must be reviewed and approved by Grantee in accordance with Section 12 before it may be implemented to assess compliance with the terms of this Easement. If either the United States Department of Agriculture Natural Resource Conservation Service or the Texas Parks and Wildlife Department ceases to exist or ceases to provide such plans, Grantee shall designate an alternative, similarly qualified authority to provide grazing and wildlife management plans.

7. Vegetation-Related Provisions.

7.01. Grantor must not:

7.01.01. Plant Exotic vegetation on the Property, except for in Building Envelopes and fields permitted under this Easement or subsequently permitted by Grantee, or as permitted by the brush control plan detailed at 7.02.01.

7.01.02. Plow or use Fertilizers, except in fields or food plots permitted under this Easement or shown in the Report, or approved subsequently by Grantee in advance of use, it being understood that the location of two such food plot areas are shown on the Report.

7.01.03. Cut or remove vegetation outside Building Envelopes, except Grantor may, without restriction and anywhere on the Property in compliance with the restrictions contained in 9.01.04, cut and remove diseased or Exotic vegetation or vegetation so damaged by natural forces as to be unable to survive. Grantor may further cut and remove Indigenous or Exotic vegetation to further the Purpose, in Building Envelopes, to maintain access to fence lines, and as may be reasonably necessary to conduct activities permitted under this Easement, but in so doing, it must minimize erosion and must not otherwise materially impair the Purpose.

7.02. For so long as the activities are conducted in such a way as not to materially impair the Purposes of this Easement, Grantor may manage resources on the land as follows:

7.02.01. Control brush anywhere on the Property according to a United States Department of Agriculture Natural Resource Conservation Service-provided plan (NRCS Plan), a plan provided by a qualified range management specialist, or Grantee-provided plan, or participate in other NRCS Technical Assistance Programs designed to assist in conservation planning, so long as the activities in the provided plan are conducted so as not to materially impair the Purpose and are consistent with the terms

of this Easement. Any vegetation plan or program must be reviewed and approved by Grantee in accordance with Section 12 before it may be implemented to assess compliance with the terms of this Easement. If the NRCS ceases to exist or ceases to provide such plans, Grantee shall designate an alternative, similarly qualified authority to provide brush control and conservation management plans.

7.02.02. Cut firewood for use on the Property, or, to the extent any owner of the Property also owns an interest in any of the Adjoining Property, for use on the Adjoining Property.

7.02.03. Create firebreaks up to a width not to exceed three times the height of the adjacent vegetation.

8. Vehicle-Related Provisions.

8.01. Authorized representatives of Grantor and Grantee may use motorized vehicles anywhere on the Property in furtherance of their responsibilities under this Easement and as reasonably necessary for Grantor's residential use, agricultural, ranching, and wildlife management operations, educational programs and maintenance of the Property. No such use may materially impair the Purpose.

8.02. In no event may the Property be used for commercial off-road recreational or rally purposes for any motorized vehicles. This restriction includes, but is not limited to: cars, trucks, motor-bikes, motorcycles and ATVs.

9. Storage, Dumping, and Disposition-Related Provisions.

9.01. Grantor must not:

9.01.01. Store chemicals (except those for activities permitted under this Easement) that, if leaked, would materially degrade surface or subsurface water quality.

9.01.02. Dump trash, rubbish, or other waste, except short-term storage of material accumulated in the course of conducting activities permitted under this Easement. All such materials must be removed from the Property not less often than annually, and no such materials may leak chemicals into or otherwise pose a material degradation threat to the quality of water entering the aquifer. Grantor may burn domestic waste as defined in Title 30, Texas Administrative Code, Section 101.1(26) in a container or earthen pit so long as all burning is compliant with Title 30, Texas Administrative Code, Section 111 generally and Section 111.209 specifically (as may be amended) and all other laws, ordinances, or regulations pertaining thereto. Any such container or earthen pit must be either identified in the Easement Documentation Report or located within a Building Envelope and outside of a No-Development Zone. All such residue must be contained until it is removed from the Property.

9.01.03. Generate, store, collect, transport, dispose, dump, or release hazardous waste or materials, in whatever form, or install or permit underground storage tanks on the Property.

9.01.04. Store, use, or apply herbicides, biocides, pesticides, Fertilizers, insecticides, fungicides, rodenticides, or any similar chemicals or agents, except for:

(A) household use or

(B) use of chemicals, including Fertilizers, on a list approved by Grantee, or in a Grantee approved plan.

Grantee's list may change from time to time and may impose time, quantity, and use restrictions. While the City of San Antonio is the Grantee, the City Manager or City Manager's designee may alter the list without further action or authorization by City Council. Grantor's use of chemicals must conform to the best practices at the time the issue arises, and Grantor must not allow permitted materials to leak into or otherwise pose a material degradation threat to groundwater quality. Grantor must indemnify Grantee from all loss, cost, liability, or expense arising from Grantor's use of such chemicals, with or without Grantee's permission.

9.02. Grantor represents and warrants, to Grantor's actual knowledge (with no duty to investigate), that:

9.02.01. No Hazardous Materials are or have been generated, treated, stored, used, disposed of, or deposited in or on the Property in such manner as to violate or create any liabilities pursuant to any Applicable Laws, and

9.02.02. No underground storage tanks are located on the Property.

9.02.03. No governmental authority has given notice of violation or alleged violation of any Applicable Law relating to the operations or condition of the Property.

9.03 Nothing in this Easement shall be construed as giving rise to any right or ability in Grantee to exercise physical or managerial control over the day-to-day operations of the Property, or any of Grantor's activities on the Property, or otherwise to become an operator with respect to the Property within the meaning of The Comprehensive Environmental Response, Compensation, And Liability Act of 1980, as amended ("CERCLA"), any other applicable federal laws, federal regulations, state laws, county and local ordinances, and any regulations thereunder, all as may be amended from time-to-time.

10. Extraction-Related Provisions.

10.01. Grantor must not:

10.01.01. Use the surface of the Property for (1) any activity related to extracting hydrocarbons or other minerals on or below the surface, including but not limited to, horizontal drilling, also known as direct drilling, vertical drilling or any other means of drilling, or recovery of minerals on or below the surface that involves surface disturbance, if any such extraction activities are sought to be initiated by Grantor, but subject to the third party pooling exception set forth in Section 10.03, or (2) storing hydrocarbons or other minerals. Minerals include not only hydrocarbons, such as oil, natural gas, and all derivatives thereof, but also coal, lignite, uranium, ore, and any other substance that may be removed from the earth.

10.01.02. Except to the extent allowed for the benefit of the Adjoining Property as described in the following sentence, extract surface or subsurface water or transfer surface or subsurface water rights for use off the Property, or otherwise use water or water rights other than in direct support of activities which Grantor may otherwise engage in on the Property consistent with this Easement. Notwithstanding the foregoing, this Easement is subject to the rights of the owners of the Adjoining Property (i) to withdraw from the existing water well on the Property shown in the Report, and (ii) to transport to the Adjoining Property through the existing water line shown on the Report, up to and not exceeding 456,980 gallons of water per calendar year (the "Permitted Water Allotment"), except in leap-years in which case the Permitted Water Allotment shall be 458,232 gallons per calendar year, in accordance with that one certain Water Line Easement and Water Rights Agreement recorded on November 4, 2013 at Clerk's Document No. 2013008002 of the Public Records of Medina County, Texas, as amended by that one certain First Amendment of Water Line Easement and Water Rights Agreement recorded on January 30, 2014 at Clerk's Document No. 201400609 of the Public Records of Medina County, Texas, wherein said Water Line Easement and Water Rights Agreement and First Amendment of Water Line Easement and Water Rights Agreement the existing water well is designated as the "Welcome Well". With respect to the calendar year of the Closing of the conveyance of the Easement, the Permitted Water Allowance in gallons shall be the amount obtained by taking the product of 456,980 and a fraction, the numerator of which shall be the number of days in that calendar year following the effective date of the Easement and the denominator of which shall be 365. Grantor shall not allow more than the Permitted Water Allotment per calendar year to be transported from the Property to the Adjoining Property. Prior to or as of the Effective Date of the Easement Grantor has installed a water meter for the purpose of monitoring compliance with the requirements of this Section 10.01.02. Grantor shall be responsible for maintaining the water meter in good working condition and replacing it if necessary.

10.01.03. Extract and discharge groundwater at volumes greater than allowed by the more restrictive of the governing groundwater district or by other applicable federal, state, or local laws and regulations.

10.01.04. Sever from surface ownership of the Property the ownership of previously unsevered minerals or convey to another that is not bound by this Easement any severed mineral interest.

10.02. Despite any other provision of this Easement to the contrary, soil, sand, caliche, gravel, or rock may be removed from the surface of the Property so long as such removal:

(A) is solely for use on the Property or the Adjoining Property and for non-commercial purposes, such as, for example, construction, maintenance, and repair of a Road on the Property,

(B) is in conjunction with activities permitted herein,

(C) is accomplished in a manner that does not materially impair the Purpose,

(D) is limited to no more than two one-acre removal sites on the Property at any one time, with no more than ten such sites ever created unless otherwise approved by Grantee,

(E) that any area so disturbed is restored and replanted as appropriate with native vegetation at the conclusion of the removal activity and prior to the creation of any new removal site if a new removal site will exceed the limit of no more than two (2) such sites at any one time, and

(F) is not within 500 feet of a recharge feature.

10.03. No party to this Easement may hereafter extract any severed or unsevered minerals pertinent to the Property. Neither may any party hereto convey any mineral interest or executive right in minerals to another not bound by this Easement. This clause does not prevent a party to this Easement from accepting royalties, bonuses, delay rentals, or other sums due to the party from another with a previously existing right to extract the minerals, nor from accepting royalties, bonuses, delay rentals, or other sums due to the party from another in connection with the exercise of the Executive Pooling Rights, as defined hereafter. Furthermore, Grantor is free to enter into a leasing agreement, including pooling provisions, and requisite pooling agreements for mineral extraction, provided that any such Agreement, as hereafter defined, strictly prohibit in writing, the use of the surface or extraction through the subsurface of the Property without Grantor first securing joinder or consent of the Grantee. Grantor reserves the right to enter into such leasing and pooling agreements without the consent of Grantee, which right shall be referred to hereinafter as the "Executive Pooling Rights." Grantor shall use reasonable best efforts to ensure that any leasing, pooling, or other agreements ("Agreement" or "Agreements", as applicable), resulting from exercise of the Executive Pooling Rights shall specifically be subject to the following restrictions to be set forth in writing in any said Agreements:

"(1) Penetration of the surface of the Leased Premises through any means of drilling or through other current or future techniques for extracting hydrocarbons or other minerals on or below the surface of Leased Premises is strictly prohibited under this Agreement, if it is to be initiated by Lessor or Lessee, with the exception that such penetration is allowed if it is to be initiated by an adjoining landowner ("third party") in the same Agreement or Agreements as Lessor, using horizontal drilling activities or other non-vertical means of extraction conducted from said third party's property resulting in penetration below the surface of the Leased Premises;

"(2) If this Agreement results in the drilling of any well that passes through the Edwards Aquifer formation for the purpose of accessing hydrocarbons or other minerals below the surface of the Leased Premises, said Agreement must be consistent with then existing good industry practices and must be conducted as a reasonably prudent operator would conduct such operations sufficient to save and protect the Edwards Aquifer and all other fresh or brackish water bearing formations using best available control techniques; and

"(3) This Agreement shall comply with all applicable rules and regulations promulgated by the governing state oversight agency."

10.04. Grantor may also permit archaeological digs supervised by qualified personnel for so long as they are conducted in a manner so as not to materially impair the Purpose.

10.05. If any of the minerals under the Property ("Minerals") are, as of the date of this Easement, owned by someone not a party hereto and if some or all of those Minerals are later

acquired by Grantor (or the then owner of the Property), then the Minerals so-acquired immediately become subject to this Easement. This Easement conveys to Grantee the right, to be held jointly with Grantor, to consent or not to any matter pertaining to the Minerals so acquired for which Grantor's sole consent would otherwise be required, except to the extent provided in Section 10.03. Grantor's and Grantee's joint right to consent is such that neither can consent without joinder of the other.

10.06. Both parties acknowledge that the restrictions on alienation and other provisions in this Section are reasonable, because mineral exploitation poses a risk to aquifer recharge.

10.07. Grantor agrees to report any violation of this Section 10 to Grantee within twenty-four (24) hours of discovery, whether such violation is caused by Grantor or by another party. Grantee reserves the right, on behalf of Grantor, to prosecute any violator of these restrictions.

11. Water Flow-Related Provisions.

Grantor must not:

11.01. Alter natural water courses, lakes, ponds, marshes, or other water bodies, subject to Grantor's right to have stock tanks and other surface-water retention facilities, except during stream restoration or bank stabilization projects and during maintenance of permitted Roads, provided however that Grantor is permitted to construct an impervious low water crossing across San Geronimo Creek at a location shown on the Report in accordance with all applicable laws or governmental regulations.

11.02. Pollute the soil or surface or subsurface water or otherwise engage in activities materially detrimental to water purity or that could materially alter the natural water level or flow in or over the Property. This does not impair the right to use the wells permitted under this Easement for the purposes permitted under this Easement.

11.03. Otherwise, materially and adversely affect the quantity and quality of aquifer recharge.

12. Requests for Approval.

12.01. Grantor is required under this Easement to obtain Grantee's permission for the construction of new Roads within No-Development Zones at Section 5.03.05, the location of Building Envelopes at Section 5.04, for the approval of food plots at Section 6.02.01, for the approval of grazing plans at Section 6.03, for the approval of brush management plans at Section 7.02.01, and for the approval of a chemical plan at Section 9.01.04(b). When Grantee's consent is needed for any of the above stated purposes or for any other purpose as may be otherwise required or arise in the future under this Easement, Grantor must submit all such requests to Grantee in writing. The requests must set out all detail reasonably required by Grantee, including plans, specifications, and designs where appropriate. The request must include a timetable sufficiently detailed to permit Grantee to monitor progress. Grantor must not make changes or take action for which Grantee's approval is required, unless expressly previously authorized in writing by Grantee.

12.02. Grantee may consult with governmental agencies, nonprofit preservation and conservation organizations, and other advisors concerning appropriateness of any activity proposed under this Easement.

12.03. Grantee may exercise its approval or disapproval rights in its reasonable discretion. Grantee must respond to a request by Grantor within 60 days after the date of Grantee's receipt of the written request, such approval or disapproval being exercised in light of the nature of such request. Grantee's failure to respond timely is not approval of Grantor's request, but Grantee must not unreasonably withhold, condition, or delay its approval. In making its evaluation Grantee shall evaluate whether Grantor's request is in keeping with the terms of this Easement and whether Grantor's request will materially impact the Purpose.

12.04. If Grantor does not begin approved actions within one year after the date on which Grantee grants its written approval, the approval is void. Grantor may resubmit the request, but previous approval does not estop Grantee from denying approval on resubmission.

12.05. In any case during such time as the City of San Antonio is the Grantee and the Grantee's consent or agreement is required under this Easement, other than for an amendment of this Easement, the consent or agreement may be given by the City Manager or the Manager's designee without authorization of City Council. The Manager's delegation of authority to a designee must be in writing. Grantee is not estopped by the actions of anyone to whom the Manager's authority has not been delegated in writing. If the City of San Antonio no longer has a City Manager, the governing body of the City may designate an officer to give consents and agreements called for under this Easement. City Council's approval of this Easement is approval of the delegation of authority to the City Manager contained in this paragraph.

13. No Public Access.

Except as expressly provided, this Easement creates no right of access to the general public.

14. Ownership Obligations.

Grantor is solely responsible to pay all taxes and assessments levied against the Property. Grantee has no responsibility to Grantor to maintain any part of the Property, except for improvements, if any, installed by Grantee.

15. Grantee's Rights.

15.01. In addition to other rights necessarily incident to Grantee's ability to further the Purpose of this Easement, Grantee has the following rights regarding the Property:

15.01.01. The right to monitor the hydrology of the Edwards Aquifer and other water or geologic formations below the subject Property, subject, however, to the entry requirements set out below.

15.01.02. The right to enter the Property twice a calendar year to inspect and to determine compliance with this Easement. If Grantee finds a potential violation or breach of this Easement, Grantee may enter the Property as much as necessary to monitor the status of the problem, obtain evidence for enforcement, or correct the problem at Grantor's expense. In so doing, Grantee must not interfere unreasonably with Grantor's permitted uses of the Property. Grantee shall use its reasonable efforts to ensure that its entry corresponds with a time that is both timely and convenient for Grantor.

15.01.03. The right to install, operate, and maintain Purpose-related monitoring equipment, including a continuous recording rain gauge at locations outside of Building Envelopes (unless Grantor approves in its sole discretion a location inside of a Building Envelope) that do not unreasonably interfere with Grantor's activities otherwise permitted under this Easement. Grantee may install, operate, and maintain fences and other devices reasonably necessary to provide security for the monitoring equipment.

15.01.04. The right to drill, operate, and maintain monitoring wells at locations outside of Building Envelopes (unless Grantor approves in its sole discretion a location inside of a Building Envelope) that do not interfere unreasonably with Grantor's permitted uses of the Property. Grantee may install, operate, and maintain fences and other devices reasonably necessary to provide security for the monitoring wells.

15.01.05. The right to conduct research activities with appropriate research entities related to watershed management, water quality protection, or other similar purposes consistent with the Purposes of this Easement. Grantee may also use the Property for educational purposes, including field trips related to natural science education, but not more often than once annually. Grantee must coordinate all such activities with the Grantor, and Grantee's right to conduct such activities is subject to Grantor's approval, which must not be unreasonably withheld.

15.01.06. The right to review and approve plans of the Grantor involving cave structures and other sensitive hydrogeologic features on the Property.

15.01.07. The right to construct, operate, and maintain at mutually agreed locations outside of Building Envelopes (unless Grantor approves in its sole discretion a location inside of a Building Envelope) one or more recharge structures and associated facilities that do not unreasonably interfere with Grantor's permitted uses of the Property. Grantor and Grantee agree that such a recharge structure shall not be constructed on the northern portion of the San Geronimo Creek as delineated in the Report.

15.02. If Grantee's exercise of any rights under this Section 15 disturbs the Property, Grantee will use its good-faith efforts to restore the Property to its previous condition. This includes restoring fences and plugging abandoned wells according to applicable law. Grantee is responsible for maintenance of areas fenced by it, for equipment, any Structure or facilities it places on the Property, and for any contractor or individuals entering the Property pursuant to or in connection with Grantee's rights under this Easement. Except as expressly provided to the contrary, no approval or consent required under this Section may be unreasonably withheld, conditioned or delayed. Grantee will provide 72-hour advance, written notice to Grantor before entry, except when immediate entry is necessary or desirable to further the Purpose, to prevent, terminate, or mitigate a violation of this Easement, or to fulfill Grantee's maintenance obligations under this Easement.

15.03. None of the enumerated rights imposes a duty on Grantee to exercise the right.

15.04. Grantor is responsible for remedying violations of this Easement, but Grantee has the right to prevent and correct violations through any means available at law or in equity, including injunction. If Grantee finds a violation, it may, at its discretion, take appropriate legal action or, at Grantor's expense, eliminate or ameliorate any material, continuing violation of this Easement, including any artificial condition that may materially impair the Purpose. Except when an ongoing or imminent violation might substantially diminish or impair the Purpose, Grantee must give Grantor 20-days' prior written notice before initiating action. If a violation cannot reasonably be corrected within 20 days, Grantee may allow Grantor a longer period that is reasonably necessary under the circumstances to correct the violation. In such case, Grantor must begin corrective action within the 20 days and thereafter diligently and continuously pursue complete correction in good faith. Nothing in this Easement requires Grantor to restore the Property after any act of God or other event over which Grantor had no control, but Grantor must permit Grantee, at Grantee's expense, to correct conditions caused by such events that impair quantity or quality of recharge. In so doing, Grantee must not interfere unreasonably with Grantor's permitted uses of the Property.

15.05. Grantor acknowledges that, once pollution enters an aquifer, it may be impossible to undo the damage. Likewise, surface water that might percolate into the aquifer, but that Grantor wrongfully allows to run off, is irreplaceable. Further, loss of the Property and the aquifer as natural phenomena cannot be compensated adequately by damages. Accordingly, the parties acknowledge that, in the case of a material, uncorrected violation of this Easement, Grantee has no adequate remedy at law. In such case, equitable relief generally and an injunction specifically are appropriate remedies.

15.06. Grantee has the right to recover all costs and expenses, including court costs and reasonable attorneys fees, incurred in enforcing this Easement. In the event this Easement is assigned by the City of San Antonio to an entity which is not prohibited from incurring future unfunded debt, then the prevailing party in any dispute regarding this Easement, has the right to recover all costs and expenses, including court costs and reasonable attorneys fees, incurred enforcing this Easement.

15.07. Grantee's remedies are cumulative. Its exercise of one remedy is not an election of remedies and does not waive or limit other remedies. Failure to exercise a remedy on one or more occasions does not waive or limit use of the remedy on other occasions.

15.08. Grantee has discretion whether and how to enforce this Easement. Grantee's delay in or forbearance from exercising rights under this Easement does not waive the rights the exercise of which is delayed or forborne.

16. Discretionary Consent.

Grantee's consent for activities otherwise prohibited by this Easement may be given under the following conditions and circumstances. If, owing to unforeseen or changed circumstances, any of the prohibited activities listed in this Easement are deemed desirable by both Grantor and Grantee, Grantee may, in its sole discretion, give consent for such activities, subject to the limitations herein. Such requests for consent for otherwise prohibited activities, and consent for such activities requiring Grantee's discretionary consent shall be in writing and shall describe the proposed activity in sufficient detail to allow Grantee to judge the consistency of the

proposed activity with the purpose of this Easement. Grantee may give its consent only if it determines, in its sole discretion, that such activities (1) do not violate the Purpose of this Easement, and (2) enhance or do not materially impair any significant conservation interests associated with the Property.

17. Alienation by Grantee.

17.01. This Easement is in gross and is freely alienable by Grantee, subject to the following conditions:

17.01.01. The transferee must be both a "holder" under Section 183.001 of the Texas Natural Resources Code (as the same may be amended from time-to-time) and also a "qualified organization" under Section 170(h) of the U.S. Internal Revenue Code.

17.01.02. The transferee must expressly assume the responsibilities of the Grantee under this Easement.

17.02. If Grantee ceases to exist or no longer qualifies as a holder under applicable law, the Easement continues. On application by Grantor or Grantee, a court of competent jurisdiction must transfer Grantee's rights under this Easement to a qualified organization having similar purposes that agrees to assume the responsibility. If more than one qualified entity competes for the role, the court should select the entity that, in the court's judgment, is best suited to assure accomplishment of the Purposes.

18. Alienation by Grantor.

The Property is freely alienable, in whole or in part, by Grantor, but Grantor must notify Grantee in writing at least 30 days before transfer. The notice must include the name of the buyer, the anticipated closing date, and evidence that the buyer has been given a copy of this Easement. If Grantor transfers all the Property or a Parcel of it to more than one transferee, the joint transferees must, at the closing of the transfer to them, designate a single party to receive notices from Grantee and to give all approvals and consents to Grantee. If the joint transferees do not unanimously designate a contact for Grantee, Grantee may pick one at random with no liability to the other transferees. Grantor's transferees take subject to this Easement. This authorization of partial alienation does not authorize more than the maximum number of Parcels.

If the Property is ever incorporated into Government Canyon State Natural Area, or another state or local publicly accessible park, the Grantor and Grantee may mutually agree to a "Parks Plan." While not impairing the quantity and quality of recharge into the Edwards Aquifer, the Parks Plan may specify the location of hiking trails, roads and other low impact recreational facilities and uses of the Property not contemplated in this Easement agreement.

19. Amendment.

This Easement may be amended only with the written consent of both Grantor and Grantee. Any amendment must be consistent with the Purposes of this Easement and must comply with applicable law, including Chapter 183 of the Texas Natural Resources Code, as amended from time-to-time. If the Grantee is the City of San Antonio, its consent to an amendment must be authorized by City Council or a successor governing body, in accordance with the City of San

Antonio Conservation Easement Amendment Policy ("Policy"). Grantor, upon written request to Grantee, may obtain a copy of the most recent version of such Policy.

20. Termination, Condemnation.

20.01. The Easement may be terminated by judicial declaration if condemnation or a change in conditions on or around the Property renders it impossible to substantially fulfill the Purposes of this Easement.

20.02. Grantee's interest is a compensable property right. If some or all of the Property is condemned or sold in lieu of condemnation, Grantor and Grantee will divide the condemnation proceeds (which, by definition, include proceeds from a sale in lieu of condemnation) as follows: Grantor receives a share equal to the entire award multiplied times a fraction, the numerator of which is the value of the Property burdened by the Easement and the denominator of which is the value of the Property unburdened by the Easement; Grantee receives the rest of the award. Values are measured at the time of condemnation.

21. Interpretation.

This Easement is to be interpreted under the laws of the State of Texas, resolving any ambiguities and questions of the validity of specific provisions to give maximum effect to its Purposes, without regard to which party was the drafter. This Easement was fully negotiated, and no presumption exists against either party. Nothing in this Easement excuses Grantor from compliance with any applicable law, rule, ordinance, or regulation.

22. Severability.

If any part of this Easement is found invalid or unenforceable, the finding does not affect the remainder.

23. Successor, Beneficiaries.

This Easement inures to the benefit of and binds the heirs, representatives, successors, and permitted assigns of each party. No third party has the right to enforce any part of this Easement.

24. Encumbrance by Grantor.

Grantor may encumber the Property (including consensual liens) after the Effective Date of this Easement, but all such encumbrances are subordinate to this Easement. Grantor further acknowledges that Subordination Agreements for liens or similar encumbrances existing as of the Effective Date of this Easement or Releases of such liens or similar encumbrances so existing, have been, or will be, secured and filed of record as of such Effective Date. Further, any future liens or similar encumbrances, after such Effective Date must be evidenced by the recording of a Subordination Agreement for such future liens or similar encumbrances, as executed by the encumbering party and filed of record in Medina and/ or Bexar County, Texas, depending on the location of the specific portion of, or entire, Property so encumbered.

25. Appropriations.

All obligations of the City of San Antonio under this Easement are funded through the City of San Antonio General Fund and are subject to the discretion of City Council whether to appropriate funding for any given year.

26. Notices from Governmental Authorities.

Grantor must deliver to Grantee copies of any notice of violation or lien relating to the Property received by Grantor from any government authority within five (5) days of receipt. Upon request by Grantee, Grantor must promptly furnish Grantee with evidence of Grantor's compliance with the notice or lien, if compliance is required by law.

27. Easement Runs with the Land; No Merger.

This Easement continues in perpetuity and runs with the land (referred to as "Property" in this Easement). It is binding upon Grantor and all those claiming by, through, or under Grantor. Any right, title, or interest granted in this Easement to Grantee passes to each successor and assign of Grantee and each following successor and assign, and the word "Grantee" includes all such successors and assigns. This Easement survives unity of ownership of the fee and the Easement.

28. Effective Date.

The Effective Date of this Easement is the date it is recorded in the real property records of the county in which the Property is located or, if the Property crosses county lines, in any county in which a portion of the Property is located.

TO HAVE AND TO HOLD this Easement unto the Grantee and its successors and permitted assigns forever. Without limitation, this Easement conveys to Grantee all development rights in the Property not expressly retained by Grantor. Grantor conveys to Grantee an undivided one-half (1/2) interest in all mineral executive rights in the Property held by Grantor, SAVE AND EXCEPT the Executive Pooling Rights described in Section 10.03, such that no exercise of the executive rights granted thereby can be made without the joinder of both Grantor and Grantee. Grantor further conveys to Grantee the property right to enforce this Easement according to law. Grantor conveys to Grantee the property rights Grantor would otherwise have to perform activities limited or prohibited by this Easement. Grantor violates its obligations under this Easement if it violates any applicable law the observance of which would further the Purpose.

Grantor further makes subject to this Easement all the following interests, collectively called "Excess Lands": (1) all interest, if any, in excess lands or vacancies (within the meaning of subchapters E and F of Chapter 51 of the Texas Natural Resources Code, as may be amended from time to time) presently held or later acquired by Grantor. Notwithstanding the foregoing Grantee expressly disclaims any interest in and to any ingress-egress easement rights across certain other real property arising out of that one certain Easement and Right-of-Way Exchange and Partial Release of Easement by and between William D. McNeel, Neel Ann McNeel Scott and Douglas V. McNeel dated December 27, 1985 and recorded at Volume 3599, Page 937, Official Public Records of Real Property of Bexar County, Texas and Volume 25, Page 240, Official Public Records of Medina County, Texas; (2) all interest in strips or gores between the Property and abutting properties and acreage in adjoining surveys to which Grantors' predecessors in title have superior right; (3) any land lying in or under the bed of any public

Conservation Easement (McNeel).

road or highway, opened or proposed, abutting or adjacent to the Property; (4) any land lying in or under the bed of any creek, stream, or river, if any, running through or abutting or adjacent to the Property; and (5) all interests in real property within the boundaries of this Easement title to which is later acquired by Grantor.

Grantor binds Grantor and Grantor's heirs, executors, administrators, and successors to warrant and forever defend all and singular this Easement to Grantee and Grantee's administrators, successors, and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof when the claim is by, through, or under Grantor but not otherwise, but excepting the Reservations From and Exceptions to Warranty.

[SIGNATURES APPEAR ON FOLLOWING PAGES]

In Witness Whereof, the parties have caused their representatives to set their hands. By the signature of its representative below, Grantee manifests its acceptance of this Easement.

Grantor:

Douglas V. McNeel

Judith S. McNeel

McNeel Trust for the benefit of Lewis Maverick McNeel under Trust Agreement dated December 27, 1985 as amended by Judgment in Cause No. 90-CI-05901, District Court of Bexar County, Texas dated May 9, 1990

By: _____
Douglas V. McNeel, Co-Trustee

By: _____
Judith S. McNeel, Co-Trustee

McNeel Trust for the benefit of Suzanne Rochet McNeel Wadsworth under Trust Agreement dated December 27, 1985 as amended by Judgment in Cause No. 90-CI-05901, District Court of Bexar County, Texas dated May 9, 1990

By: _____
Douglas V. McNeel, Co-Trustee

By: _____
Judith S. McNeel, Co-Trustee

ACKNOWLEDGMENT

STATE OF TEXAS §
 §
COUNTY OF BEXAR §

This instrument was acknowledged before me on the ____ day of _____, 2013, by Douglas V. McNeel in his individual capacity for the purposes and consideration therein expressed.

Notary Public, State of Texas

(Name - Typed or Printed)

(My Commission Expires)

ACKNOWLEDGMENT

STATE OF TEXAS §
 §
COUNTY OF BEXAR §

This instrument was acknowledged before me on the ____ day of _____, 2013, by Judith S. McNeel in her individual capacity for the purposes and consideration therein expressed.

Notary Public, State of Texas

(Name - Typed or Printed)

(My Commission Expires)

ACKNOWLEDGMENT

STATE OF TEXAS §
 §
COUNTY OF BEXAR §

This instrument was acknowledged before me on the _____ day of _____, 2013, by Douglas V. McNeel, Co-Trustee of the McNeel Trust for the benefit of Lewis Maverick McNeel under Trust Agreement dated December 27, 1985 as amended by Judgment in Cause No. 90-CI-05901, District Court of Bexar County, Texas dated May 9, 1990, for the purposes and consideration therein expressed and in the capacity therein stated, on behalf of said trust.

Notary Public, State of Texas

(Name - Typed or Printed)

(My Commission Expires)

ACKNOWLEDGMENT

STATE OF TEXAS §
 §
COUNTY OF BEXAR §

This instrument was acknowledged before me on the _____ day of _____, 2013, by Judith S. McNeel, Co-Trustee of the McNeel Trust for the benefit of Lewis Maverick McNeel under Trust Agreement dated December 27, 1985 as amended by Judgment in Cause No. 90-CI-05901, District Court of Bexar County, Texas dated May 9, 1990, for the purposes and consideration therein expressed and in the capacity therein stated, on behalf of said trust.

Notary Public, State of Texas

(Name - Typed or Printed)

(My Commission Expires)

ACKNOWLEDGMENT

STATE OF TEXAS §
 §
COUNTY OF BEXAR §

This instrument was acknowledged before me on the _____ day of _____, 2013, by Douglas V. McNeel, Co-Trustee of the McNeel Trust for the benefit of Suzanne Rochet McNeel Wadsworth under Trust Agreement dated December 27, 1985 as amended by Judgment in Cause No. 90-CI-05901, District Court of Bexar County, Texas dated May 9, 1990, for the purposes and consideration therein expressed and in the capacity therein stated, on behalf of said trust.

Notary Public, State of Texas

(Name - Typed or Printed)

(My Commission Expires)

ACKNOWLEDGMENT

STATE OF TEXAS §
 §
COUNTY OF BEXAR §

This instrument was acknowledged before me on the _____ day of _____, 2013, by Judith S. McNeel, Co-Trustee of the McNeel Trust for the benefit of Suzanne Rochet McNeel Wadsworth under Trust Agreement dated December 27, 1985 as amended by Judgment in Cause No. 90-CI-05901, District Court of Bexar County, Texas dated May 9, 1990, for the purposes and consideration therein expressed and in the capacity therein stated, on behalf of said trust.

Notary Public, State of Texas

(Name - Typed or Printed)

(My Commission Expires)

Grantee:

City of San Antonio,
a Texas municipal corporation

Signature: _____

Printed
Name: _____

Title: _____

Date: _____

Approved as to Form:

City Attorney

ACKNOWLEDGMENT

STATE OF TEXAS §
 §
COUNTY OF BEXAR §

This Easement was acknowledged before me this date by _____,
_____ of the City of San Antonio, a Texas municipal corporation, in the
capacity therein stated and on behalf of such entity.

Date: _____

Notary Public, State of Texas

My Commission expires: _____

EXHIBIT "A"

DESCRIPTION OF PROPERTY

[To Be Attached]

EXHIBIT "B"
NO-DEVELOPMENT ZONES
[To Be Attached]

EXHIBIT "C"
EASEMENT DOCUMENTATION REPORT
[To Be Attached]

EXHIBIT "D"

EXCEPTIONS TO AND RESERVATIONS FROM WARRANTY

[To Be Attached]

EXHIBIT "E"

**ADJOINING PROPERTY
PROPERTY DESCRIPTION**

That one certain tract of land in Medina County, Texas (the "Adjoining Property") adjoining the northern boundary of the Property subject to the Easement and consisting of approximately 81.97 acres out of the Gallagher Ranch, said Adjoining Property consisting of six tracts, being (i) Tract A-1 consisting of approximately 8.70 acres, (ii) Tract E consisting of approximately 12.00 acres, (iii) Tract F-1 consisting of approximately 12.00 acres, (iv) Tract N consisting of approximately 28.88 acres, (v) Tract S-2 consisting of approximately 17.68 acres, and (vi) Tract T consisting of approximately 2.71 acres, which six tracts are more particularly described as the "Benefited Property" in Exhibits "C", "C-1", "C-2", "C-3", "C-4", "C-5" and "C-6" and depicted in Exhibit "D" of that one certain Water Line Easement and Water Rights Agreement dated November 1, 2013 and recorded under Clerk's Document No. 2013008002, Official Public Records, Medina County, Texas.


Attachment II

McNeel Ranch Legal Description

BEING all of a certain tract or parcel of land containing 822.89 acres, more or less, comprising approximate acreage out of various Original Patent Surveys in Bexar and Medina Counties, Texas as follows:

<u>Survey No.</u>	<u>Original Grantee</u>	<u>Abstract</u>	<u>County</u>	<u>Acres</u>
109	G.C. & S.F. Ry. Co.	1282	Medina	73.83
172	W. Byerly	86	Bexar	72.86
173	Charles Stephens	1300	Bexar	7.73
173	Charles Setphens	924	Medina	79.82
174	Alexander Ewing	1288	Bexar	10.54
174	Alexander Ewing	373	Medina	284.67
175	John Scheickard	1299	Bexar	2.26
175	John Scheickard	848	Medina	60.69
176	Alexander Ewing	222	Bexar	62.82
176 ¼	S.A. & M.G. R.R. Co.	277	Medina	5.97

said 822.89 acres out of 826.13 acres conveyed from Douglas V. McNeel, et ux, to McNeel Trust by a Warranty Deed executed the 31st day of December, 2003, and recorded in Volume 10502 at Page 674 of the Official Public Records of Bexar County, Texas, and 37.94 acres conveyed as 37.97 acres from Gallagher Ranch Partners, Ltd. to Douglas V. McNeel by a Special Warranty Deed executed the 17th day of September, 2013, and recorded in Volume 16346 at Page 710 of the Official Public Records of Bexar County, Texas; and being more particularly described by the metes and bounds as follows:



FIELD NOTES DESCRIPTION FOR 822.89 ACRES OF THE
MCNEEL PROPERTY IN BEXAR AND MEDINA
COUNTIES, TEXAS

Being all of a certain tract or parcel of land containing 822.89 acres, more or less, comprising approximate acreage out of various Original Patent Surveys in Bexar and Medina Counties, Texas as follows:

Survey No.	Original Grantee	Abstract No.	County	Acres
109	G.C. & S.F. Ry. Co.	1282	Medina	73.83
172	W. Byerly	86	Bexar	72.86
173	Charles Stephens	1300	Bexar	7.73
173	Charles Stephens	924	Medina	79.82
174	Alexander Ewing	1288	Bexar	10.54
174	Alexander Ewing	373	Medina	284.67
175	John Scheickard	1299	Bexar	2.26
175	John Scheickard	848	Medina	60.69
176	Alexander Ewing	222	Bexar	62.82
176 ¼	S.A. & M.G. R.R. Co.	1185	Bexar	161.70
352	A. Cabasos	277	Medina	5.97

being 784.95 acres out of 826.13 acres conveyed from Douglas V. McNeel, et ux, to McNeel Trust by a Warranty Deed executed the 31st day of December, 2003, and recorded in Volume 10502 at Page 674 of the Official Public Records of Bexar County, Texas; and 37.94 acres conveyed as 37.97 acres from Gallagher Ranch Partners, Ltd. to Douglas V. McNeel by a Special Warranty Deed executed the 17th day of September, 2013, and recorded in Volume 16346 at Page 710 of the Official Public Records of Bexar County, Texas; and being more particularly described by metes and bounds as follows:

BEGINNING at a ½" iron stake found for the southeast corner of said 37.97 acres and the herein described tract, the most easterly corner of 1000.99 acres conveyed from William Philip Gramm and Wendy Lee Gramm to Gramm Family Farm Partnership by a Special Warranty Deed executed the 18th day of November, 2002, and recorded in Volume 467 at Page 1015 of the Official Public Records of Medina County, Texas; the west line of 250.542 acres conveyed from F.B. Rooke & Sons, et al, to The State of Texas by a Donation Deed executed the 19th day of February, 1989, and recorded in Volume 4628 at Page 1979 of the Official Public Records of Bexar County, Texas; also being the west line of State Highway No. 211;

THENCE, with the common line between said 37.97 and 1000.99 acre tracts, N60°59'32"W., 1328.29 ft. to a found ½" iron stake; N26°11'49"W., 284.55 ft. to a set ½" iron stake; N14°05'40"W., 1226.60 ft. to a found ½" iron stake; N27°05'14"W., 194.62 ft. to a ½" iron stake found for a reentrant corner of said 37.97 acres and the herein described tract; N78°09'06"W., 1174.10 ft. to a found ½" iron stake; N70°46'52"W., at 27.86 ft. passing the south common corner between said 37.97 and 826.13 acre tracts, then continuing with the common line between said 826.13 and 1000.99 acre tracts for a total distance of 110.00 ft. to a found ½" iron stake; N35°02'48"W., 1385.24 ft. to a set ½" iron stake; N21°25'15"W., 1075.42 ft. to a found ½" iron stake; N55°25'21"W., 258.81 ft. to a found ½" iron stake; N53°26'28"W., 133.69 ft. to a found ½" iron stake; N39°01'07"W., 230.86 ft. to a found ½" iron stake; N84°46'06"W., 53.73 ft. to a set ½" iron stake; N70°29'50"W., 231.89 ft. to a found ½" iron stake; N61°49'36"W., 2942.13 ft. to a ½" iron stake found for a southwest corner of said 826.13 acres and the herein described tract; a reentrant corner of said 1000.99 acres; N07°55'49"W., along or near a fence, 287.66 ft. to a ½" iron stake found for a reentrant corner of said 826.13 acres and the herein described tract; N65°05'08"W., 1025.25 ft. to a set ½" iron stake; N50°40'59"W., 1883.52 ft. to a found ½" iron stake; N57°08'48"W., 1417.66 ft. to a found ½" iron stake; N45°14'48"W., 635.60 ft. to a found ½" iron stake; N38°31'21"W., 211.25 ft. to a found ½" iron stake; N36°19'54"W., 211.72 ft. to a found ½" iron stake; N48°41'27"W., 338.49 ft. to a found ½" iron stake; N46°36'08"W., 251.59 ft. to a found ½" iron stake; and N26°11'03"W., 316.06 ft. to a ½" iron stake found for the west corner of said 826.13 acres and the herein described

tract; the south line of 2179.29 acres conveyed as Exhibit F from William D. McNeel to Neel Ann McNeel Scott by a Correction Instrument executed the 29th day of April, 1986, and recorded in Volume 3679 at Page 1480 of the Official Public Records of Bexar County, Texas;

THENCE, along or near a fence, with the common line between said 826.13 and 2179.29 acre tracts, N55°22'04"E., 519.22 ft. to an unmarked point which bears 0.80 ft. S79°38'36"E from a fence angle post; N87°45'56"E., 779.11 ft. to an unmarked point which bears 0.34 ft. N25°53'33"E from a fence angle post; S64°28'12"E., 279.04 ft. to an unmarked point which bears 1.08 ft. N87°50'37"E from a fence angle post; S42°16'58"E., 327.54 ft. to an unmarked point which bears 0.54 ft. N02°44'25"E from a fence angle post; S74°15'29"E., 484.41 ft. to a set ½" iron stake; and N66°38'44"E., 122.23 ft. to a ½" iron stake set for the northwest corner of 40.80 acres conveyed as Exhibit A from Douglas V. McNeel, et ux, to Gallagher Ranch Partners, Ltd. by a Special Warranty Deed executed the 17th day of September, 2013, and recorded as Document No. 2013006843 in the Official Public Records of Medina County, Texas;

THENCE, upon, over and across said 826.13 acres, with the west and south lines of said 40.80 acres, S23°45'55"E., 341.63 ft. to a ½" iron stake set for the southwest corner of said 40.80 acres, a reentrant corner of the herein described tract; and S85°39'01"E., 2722.54 ft. to a ½" iron stake found for the southwest corner of 12.00 acres conveyed as Tract F-1 from Neel Ann McNeel Scott and Robert R. Scott, Jr., to Gallagher Ranch Partners Ltd. by a General Warranty Deed executed the 11th day of August, 2006, and recorded as Document No. 20060194402 in the Official Public Records of Medina County, Texas; a reentrant corner of said 826.13 acres, the southeast corner of said 40.80 acres;

THENCE, with the common line between said 826.13 and 12.00 acre tracts, N75°47'56"E., 246.64 ft. to a found ½" iron stake; N49°06'10"E., 89.74 ft. to a found ½" iron stake; N76°29'22"E., 111.61 ft. to a set ½" iron stake; S71°30'28"E., 81.24 ft. to a found ½" iron stake; N88°56'52"E., 254.83 ft. to a ½" iron stake found for the southeast corner of said 12.00 acres, a reentrant corner of said 826.13 acres and the herein described tract; and N04°22'03"E., at 530.39 ft. passing the east common corner between said 12.00 acres and 12.00 acres conveyed as Tract E in said Document No. 20060194402, then continuing with the common line between said 826.13 and 12.00 acre tracts for a total distance of 1240.47 ft. to a ½" iron stake found for the south corner of 0.88 acre conveyed as Exhibit E from Douglas V. McNeel, et ux, to McNeel Trust by a Correction Special Warranty Deed executed the 17th day of July, 2013, and recorded as Document No. 20130148866 in the Official Public Records of Bexar County, Texas;

THENCE, upon, over and across said 826.13 acres, with the southeast line of said 0.88 acre, N33°07'32"E., 268.21 ft. to a fence post found for the east corner of said 0.88 acre, an angle in the west line of 631.64 acres conveyed as Exhibit B from Hawn Land, Ltd. to Christopher C. Hill by a General Warranty Deed executed the 26th day of December, 1996, and recorded in Volume 6969 at Page 1618 of the Official Public Records of Bexar County, Texas; the east line of said 826.13 acres, the most northerly corner of the herein described tract;

THENCE, along or near a fence, with the common line between said 826.13 and 631.64 acre tracts, S38°42'35"E., 1169.54 ft. to a fence post; and S66°30'56"E., 2863.55 ft. to a fence post found for the northeast corner of said 826.13 acres and the herein described tract; the northwest corner of 709.6 acres conveyed as Exhibit A-1 from Gallagher Headquarters Ranch Development, Ltd. to City of San Antonio by a Correction General Warranty Deed executed the 30th day of January, 2006, and recorded as Document No. 20060030371 in the Official Public Records of Bexar County, Texas;

THENCE, along or near a fence, with the common line between said 826.13 and 709.6 acre tracts, S00°21'52"E., 6737.45 ft. to a ½" iron stake found for the north common corner between said 826.13 and 37.97 acre tracts, the southwest corner of said 709.6 acres, a reentrant corner of the herein described tract;

THENCE, along or near a fence, with the common line between said 37.97 and 709.6 acre tracts, S71°15'14"E., 2313.39 ft. to a ½" iron stake set for the most northerly northeast corner of said 37.97 acres, a northeast corner of the herein described tract, the west line of 20 acres conveyed from Gallagher Headquarters Ranch Development, Ltd. to Daniel E. Zinsmeister, et ux, by a General Warranty Deed with Vendor's Lien executed the 5th day of May, 1999, and recorded in Volume 7967 at Page 1957 of the Official Public Records of Bexar County, Texas;


THENCE, along or near a fence, with the common line between said 37.97 and 20 acre tracts, S18°44'48"W., at 19.96 ft. passing the west common corner between said 20 acres and 20.0 acres conveyed from Charles Jerome Haner and Barbara Ann Haner to Charleshaner, L.P. by a Warranty Deed executed the 10th day of June, 2013, and recorded as Document No. 20130155692 in the Official Public Records of Bexar County, Texas; then continuing with the common line between said 37.97 and 20.0 acre tracts, at 638.76 ft. passing the west common corner between said 20.0 acres and 20 acres conveyed from Gallagher Headquarters Ranch Development, Ltd. to Rudolpho P. Alaniz and Leticia B. Alaniz by a General Warranty Deed with Vendor's Lien executed the 6th day of November, 1998, and recorded in Volume 7724 at Page 1003 of the Official Public Records of Bexar County, Texas; then continuing with the common line between said 37.97 and 20 acre tracts for a total distance of 1125.00 ft. to a ½" iron stake set for a reentrant corner of said 37.97 acre and the herein described tract, the most westerly southwest corner of said 20 acres; S26°14'52"E., 295.21 ft. to a ½" iron stake found for the most southerly southwest corner of said 20 acres, a reentrant corner of said 37.97 acres and the herein described tract; and S71°15'13"E., 1111.20 ft. to a ½" iron stake found for the east common corner between said 37.97 and 20 acre tracts, the most easterly northeast corner of the herein described tract; the west line of said 250.542 acres and said State Highway No. 211;

THENCE, along or near a fence, with the common line between said 37.97 and 250.542 acre tracts, the west line of said State Highway No. 211, S20°51'03"W., 448.88 ft. to the PLACE OF BEGINNING.

I hereby certify that this field notes description and accompanying plat are accurate representations of the property contained therein as determined by a survey made on the ground under my direction and supervision, except no survey was made to reestablish Patent Survey lines or Corners; that all property corners are as stated. (Bearing basis = True north based on GPS observations)

Dates surveyed: September 24 through October 21, 2013

Dated this 29th day of October, 2013


Mike A. Grogan
Registered Professional Land Surveyor No. 5296
Licensed State Land Surveyor
Firm Number 10160200

