



12777 Hwy. 87 North
Orange, Texas 77632
409.746.2192 / sratx.org



January 21, 2026

Honorable Daryl Melton
Sabine County Judge
PO Box 720
Hemphill, Texas 75948

RE: Sabinetown Recreation Area Amphitheatre Project – Special Assistance Grant

Dear Judge Melton,

In response to the County's request, this letter is to inform you that the Sabine River Authority of Texas (SRA) Board of Directors approved a special assistance grant at the December 10, 2025, meeting. The Board has awarded \$250,000 to Sabine County to award Alternative Bid Items #4 Pavilion Lawn Sod, #5 Concrete Sidewalk Paving, and #6 Irrigation System.

Attached for your review and execution is a Special Assistance Grant Agreement. The Grant funds will be released to the County upon execution of the agreement. If you have any questions or concerns, please call Mark Mann - Operations Manager, or Don Iles - Middle Basin Regional Manager.

Sincerely,

A handwritten signature in black ink, appearing to read "David Montagne", written over a horizontal line.

David Montagne
Executive Vice-President & General Manager

cc: SRA File – Sabinetown Recreation Area



SPECIAL ASSISTANCE GRANT AGREEMENT

This Grant Agreement ("Agreement") is between the Sabine River Authority of Texas, a Texas governmental agency ("SRA") and Sabine County, a Texas governmental entity ("Recipient"). In consideration of the Recipient's commitments made in a grant request letter dated December 1, 2025 ("Grant Application"), SRA agrees to grant to Recipient \$250,000 ("Grant Money").

1. Use of Grant Money. This is a grant of funds to be used solely in funding alternative bid items, further described in the Grant Application attached hereto as Exhibit A and incorporated herein for all purposes ("Project"). This agreement does not alter the existing Interlocal Agreement between the SRA and Recipient executed August 25, 2025 attached as Exhibit B.
2. Project Completion Date. Recipient agrees to complete the Project in accordance with the existing Interlocal Agreement date of April 30, 2027.
3. Breach and Remedy. If Recipient breaches this Agreement, SRA shall notify Recipient in writing. Recipient shall have thirty (30) days in which to cure any identified breach. If any breach is not cured within thirty (30) days, Recipient shall refund to SRA all Grant Money received for the applicable Project within seven (7) days.
4. Record Keeping. Recipient shall maintain accurate records of all costs, payments, and related data to document proper use of the Grant Money. Recipient shall maintain such records for at least three (3) years after completion of the Project and shall make the records available to SRA for inspection upon reasonable notice during normal business hours.
5. Compliance with Laws. Recipient shall comply with all applicable federal, state and local laws, ordinances, and regulations in connection with the Project. Recipient shall also be responsible for obtaining all necessary permits, licenses, and any other such approvals required for the Project.
6. Right to Inspect. SRA shall have the right to enter upon and photograph the Project site at any reasonable time for the purpose of inspecting the Project, determining Project progress, and evaluating the Project for compliance with this Agreement.
7. Indemnification. **TO THE FULLEST EXTENT PERMITTED BY LAW, RECIPIENT AGREES TO INDEMNIFY AND HOLD SRA AND ITS DIRECTORS, OFFICERS, EMPLOYEES, AND AGENTS HARMLESS FROM AND AGAINST ANY AND ALL LIABILITIES, PENALTIES, FINES, DAMAGES, CLAIMS, DEMANDS, SUITS, CAUSES OF ACTION, JUDGMENTS, COSTS AND EXPENSES (INCLUDING REASONABLE EXPERTS' FEES AND ATTORNEY'S FEES) OF ANY NATURE WHATSOEVER, INCLUDING, WITHOUT LIMITATION THOSE CLAIMS THAT ARISE AS A RESULT 1) DAMAGE TO PROPERTY OF ANY PERSON, FIRM, CORPORATION OR GOVERNMENTAL AGENCY, INCLUDING PROPERTY OF SRA, 2) CONTAMINATION OF OR ADVERSE EFFECTS ON THE ENVIRONMENT, AND/OR 3) DEATH OF, OR INJURY TO, ANY PERSON OR PERSONS, INCLUDING EMPLOYEES OF SRA, ARISING OUT OF, AND TO THE EXTENT CAUSED BY, A NEGLIGENT ACT OR OMISSION OR WILLFUL MISCONDUCT OF RECIPIENT, ITS AGENTS, SERVANTS, EMPLOYEES, VOLUNTEERS, AND ITS SUPPLIERS AND SUBCONTRACTORS OF**

ANY TIER, THEIR AGENTS, SERVANTS AND EMPLOYEES.

IN THE EVENT THAT SRA IS FOUND TO BE CONCURRENTLY NEGLIGENT, RECIPIENT SHALL NOT INDEMNIFY FOR THE PROPORTIONATE NEGLIGENCE ATTRIBUTABLE TO SRA BUT SHALL INDEMNIFY FOR THE PORTION OF NEGLIGENCE ATTRIBUTABLE TO RECIPIENT, ITS AGENTS, SERVANTS, EMPLOYEES, AND ITS SUPPLIERS AND SUBCONTRACTORS OF ANY TIER, THEIR AGENTS, SERVANTS, AND EMPLOYEES.

8. Additional Provisions

A. Survival. Termination or expiration of this Agreement shall not relieve, reduce, or impair any rights or obligations of a Party which survive termination or expiration of this Agreement.

B. Integration. This Agreement contains the entire and integrated Agreement between the Recipient and SRA and supersedes all prior negotiations, correspondence, understandings, and representations.

C. Interpretation and Reliance. While this Agreement form was initiated by SRA, Recipient had the opportunity to take exception to and seek clarification of it. Thus, this Agreement is the product of negotiations between the Parties. No presumption will apply in favor of any Party in the interpretation of this Agreement or in resolution of any ambiguity of any provision.

D. Laws. This Agreement shall be governed, interpreted, and enforced under the laws of the State of Texas, without regard to its conflict of law principles. In the event of litigation between the Parties arising out of or related to this Agreement, venue for such litigation shall lie exclusively in a court of competent jurisdiction in Orange County, Texas, and none other.

E. Notice. All notices required under this Agreement must be made in writing and sent by registered or certified United States mail, return receipt requested or by nationally recognized courier service to the address below. Parties may change their address or other contact information by notifying the other Party pursuant to this Article. Nothing contained in this Article shall be construed to apply to routine communications between the Parties for execution of the Project or completion of the grant process.

Recipient:

Contact information contained in attached Grant Application.

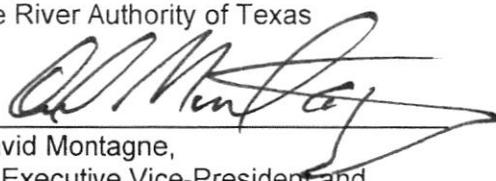
SRA:

Sabine River Authority of Texas
Attn: Zach Johnson
P.O. Box 579
Orange, TX 77631
Email: cap@sratx.org

The duly authorized representatives of the Parties have read all this Agreement and associated documents, and execute this Agreement by their signatures below:

SRA:

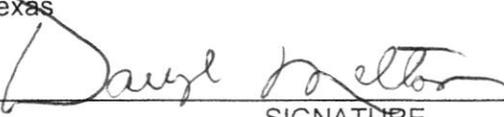
Sabine River Authority of Texas

By: 

David Montagne,
its Executive Vice-President and
General Manager

RECIPIENT:

Sabine County Texas

By: 
SIGNATURE

Printed Name: Daryl Melton

Title: County Judge

Signature Date ("Effective Date"): January 30, 2026

The State Of Texas §
County of Sabine §
I hereby certify that these documents were filed and duly
recorded in the Commissioner Court Minutes of Sabine
County, Texas.



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Jamie Clark - County Clerk
By: Salima Warner
Deputy