

INTERLOCAL AGREEMENT

This Interlocal Agreement ("Agreement"), is made and entered into pursuant to the Interlocal Corporation Act (the "Act"), Chapter 791 of the Texas Government Code and Section 251.012 of the Texas Transportation Code, between **Collin County, Texas** ("County") a body corporate and politic, acting by and through its Commissioners Court and the **Collin County Municipal Utility District No. 1** ("District") a special district acting by and through its Board of Directors.

WHEREAS, County is a local government as defined by the Act, and as such is lawfully permitted to enter into an interlocal agreement;

WHEREAS, District is a local government as defined by the Act, and as such is lawfully permitted to enter into an interlocal agreement;

WHEREAS, County desires District's assistance in performing certain governmental functions and services;

WHEREAS, District desires to assist County in performing certain governmental functions and services.

THEREFORE, in consideration of the foregoing and further consideration of the mutual promises, covenants and conditions herein, the parties hereby agree as follows:

I. BASIC TERMS

1. County, by and through its Commissioners Court, hereby affirmatively finds that Collin County will receive a benefit as the result of this Project.

2. County, by and through its Commissioners Court, hereby affirmatively finds that the Project serves a public purpose.

3. County, by and through its Commissioners Court, hereby affirmatively finds that County is specifically authorized by law to individually and independently construct the Project on its own.

4. District, by and through its Board of Directors, hereby affirmatively finds that District is specifically authorized by law to individually and independently construct the Project on its own.

5. County and District agree that, in performing the governmental functions contemplated in this Agreement or in paying for the performance of those governmental functions, each party will make that performance or those payments from current revenues legally available to that party.

6. County and District affirmatively find that the performance of this Agreement is in the common interest of both parties, that undertaking this Agreement will benefit the public

and that the division of costs associated with the Project fairly and adequately compensate the performing party for its services or functions performed under this Agreement

7. Neither County nor District intends for any third party to obtain a right by virtue of this Agreement. District and County agree there shall be no waiver of sovereign immunity by either party as to the other party, and all third parties, with regard to this Agreement, and the Project (defined below) itself.

8. County agrees that District is relying upon County for notice to proceed with this Project, but that District shall not be required to perform this Agreement within any time limit.

9. District and County understand and agree that District is a separate and independent local governmental entity for purposes of this agreement, that no partnership or joint venture is formed or agreed upon, and that at no time will District's employees, agents or assignees be deemed for any purpose to be employees or agents of County. The District represents it stands as an Independent Contractor to the County for purposes of the Texas Transportation Code Section 251.012, regarding any portion of the Project within the municipal limits of the City of Celina. Written approval and consent for that portion of the Project lying within the City from the City of Celina is a prerequisite to the construction of the Project.

II. PURPOSE

The purpose of this Agreement is to provide for the construction, maintenance, repair and financing of County Road 51 by the District, under the terms and conditions set forth in this Agreement. The County shall have no obligation to construct, maintain, repair or finance any portion of that portion of CR 51 described in IV. below.

III. TERM

The term of this Agreement will be from the date of execution by the last party hereto until the City of Celina annexes the Project Site (defined below) or County assumes maintenance responsibility for the Project. Neither party may terminate this Agreement without the other party's prior written consent, within five years of the effective date of this Agreement. Thereafter, if the County determines the road has not been constructed as contemplated herein, or substantial progress made in the construction, the County may, at the County's option, terminate this Agreement whole, or in part with respect to that portion of the Project not completed.

IV. PROJECT DESCRIPTION

The Project ("Project") contemplated by this Agreement is described as the construction and maintenance of County Road 51 located both inside and outside the boundaries of the District which District and County mutually agree need improvement, as described and illustrated on Exhibit "A" attached hereto and incorporated herein by reference.

**V.
PROJECT LOCATION**

The location for the Project is identified on Exhibit "A" attached hereto and incorporated herein by reference ("Project Site").

**VI.
SCOPE OF WORK**

COUNTY'S RESPONSIBILITIES:

County will allow construction by District in existing County right of way in the area shown in Ex. A. The County has no obligation to acquire new or expand existing right of way for this Project.

DISTRICT RESPONSIBILITIES:

District shall construct County Road 51 within the Project Site to the City of Celina street standards. Upon completion of such construction, District will, at its sole expense, be responsible for the maintenance of portions of the Project that are located outside of the City of Celina's corporate limits. District will provide County with proof of insurance coverages, with the County as an "also insured" providing insurance coverage of the same or greater amounts required by the County of road and bridge contractors performing work for the county. Coverage will be maintained by the District for the construction of the Project until the project is complete, and all known claims are resolved.

**VII.
MISCELLANEOUS**

1. By entering into this Agreement, the parties do not intend to create any obligations, express or implied, other than those specifically set out in this Agreement.
2. Nothing in this Agreement shall create any rights or obligations as to any party who is not a signatory to this Agreement.
3. This Agreement shall be deemed mutually negotiated and drafted, and shall not be construed against the District or the County as the drafting party.
4. It is expressly understood and agreed that this Agreement will have no force or effect until duly executed by all parties. The Effective Date of this Agreement is the date signed by both parties, regardless of which party signs last.

5. To the extent permissible by law, the District will indemnify and hold the County harmless for all actions, or failures to act, of District pursuant to this agreement, including , but not limited to, the design, construction, repair, maintenance and/or operation of the Project. Venue for all purposes is Collin County, Texas.

6. Notices, correspondence, and all other communications shall be addressed as follows:

If to County:

Collin County

Name: _____

Address: _____

E-mail: _____

FAX: _____

If to District:

Collin County Municipal Utility District No. 1

Name: c/o Crawford & Jordan, LLP

Address: 19 Briar Hollow Lane, Suite 245

Houston, Texas 77027

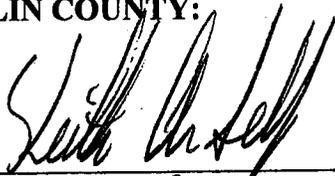
Attn: Clay Crawford

E-mail: cccrawford@crawlaw.net

FAX: 713/621-3909

IN WITNESS WHEREOF, the parties have executed Agreement on the dates indicated.

COLLIN COUNTY:

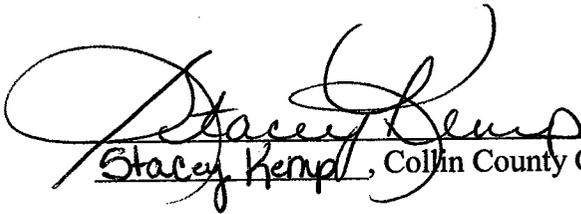


Keith Self, Collin County Judge

4/29/13

Date

ATTEST:



Stacy Kemp, Collin County Clerk

COLLIN COUNTY MUNICIPAL UTILITY DISTRICT NO. 1:



President, Board of Directors
Collin County Municipal Utility District No. 1

12/28/2012

Date

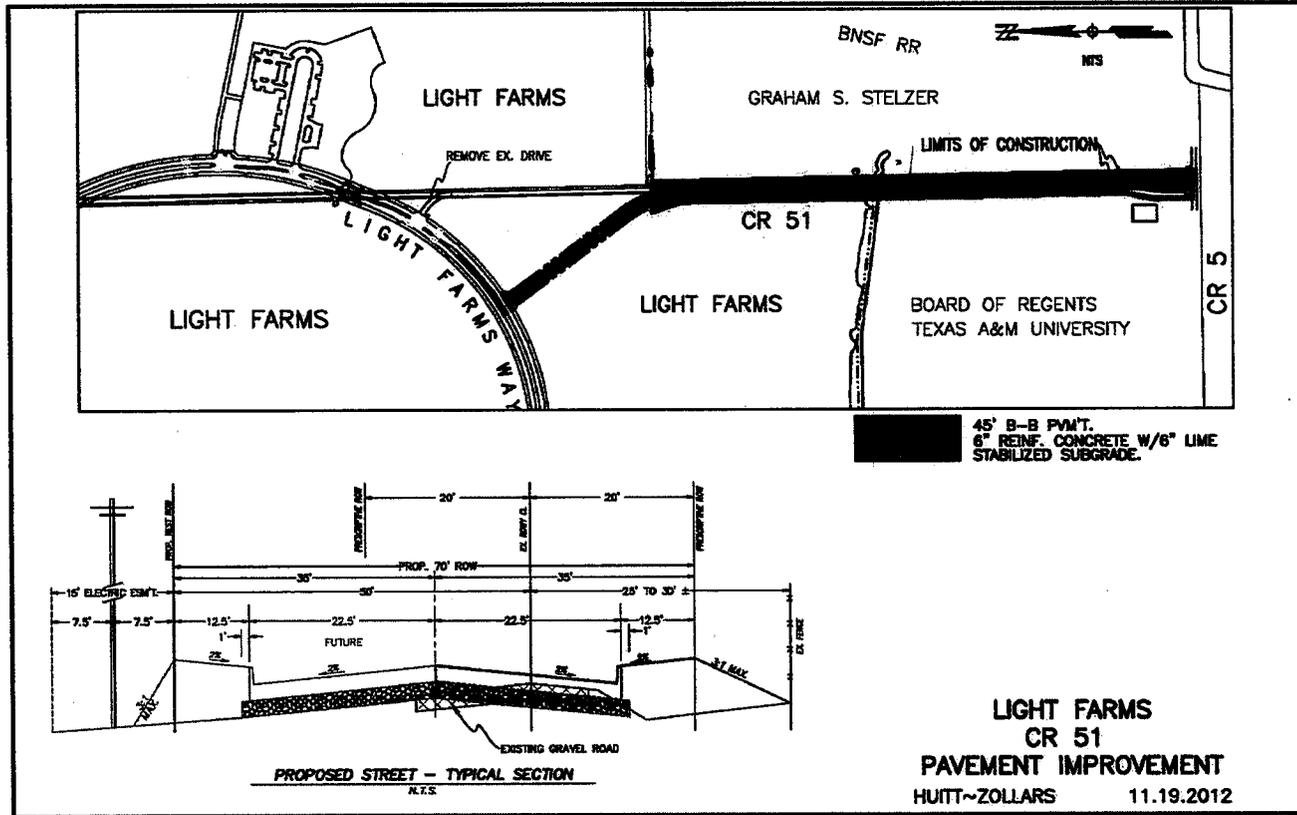
ATTEST:



Secretary, Board of Directors
Collin County Municipal Utility District No. 1

Exhibit "A"
Project Location and Description

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Project Location and Description



*No additional land outside of Collin Co. ROW req'd