

## 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 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;

**WHEREAS**, this Agreement benefits District by promoting the development of property within the boundaries of District, and delaying significant expenditures of public funds for road improvements until such improvements are necessary.

**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 the Project (defined below).
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 responsibilities and 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 itself.

8. 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.

## **II. PURPOSE**

The purpose of this Agreement is to provide for the acquisition, construction, improvement, maintenance, repair and financing of portions of County Road 51, under the terms and conditions set forth in this Agreement.

## **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 District 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. District's obligation to maintain the Phase One Work (defined below) shall survive the termination of this Agreement until such time as the City of Celina annexes the Project Site (defined below).

## **IV. PROJECT DESCRIPTION**

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

## **V. PROJECT LOCATION**

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

## VI. SCOPE OF WORK

### COUNTY'S RESPONSIBILITIES:

At no cost to County, County will construct approximately 3,870 linear feet of a 20-foot wide all-weather driving surface (eight inch flex base material and two culverts) from the existing concrete northeast to CR 51 within the area shown by the red dashed line on Exhibit A (the "Phase One Work"). County has no obligation to acquire new or expand existing right of way for the Project. ~~County~~District will maintain the Phase One Work.

### DISTRICT RESPONSIBILITIES:

District shall acquire and provide that portion of the Project Site not within existing prescriptive rights-of-way.

After written notice to District that County has issued a notice to proceed with the Phase One Work within 30 days and before County begins the Phase One Work, District will pay \$67,654.20 to County, which is the estimated cost of the Phase One Work. If the actual cost of the Phase One Work exceeds the estimate, County will bill District for such actual costs in excess of the initial payment and District, within 45 days of receipt of such invoice, shall pay such excess actual costs to County provided there is no material change in the scope of the Phase One Work.

After the Phase One Work is complete and District elects, at its option, to upgrade the Project, District shall construct a concrete road generally in the vicinity of the Project Site to the City of Celina street standards (the "Phase Two Work"). Upon completion of such construction, District will, at its sole expense, be responsible for the maintenance of the Phase Two Work. District will provide County with proof of insurance coverage, with County as an "also insured" providing insurance coverage of the same or greater amounts required by County of road and bridge contractors performing work for County. Coverage will be maintained by District for the construction of the Phase Two Work until the Phase Two Work is complete, and all known claims related to the construction thereof are resolved, or two years after completion of the Project, whichever occurs last.

During all periods, other than periods of construction, District will assure unobstructed through access from Light Farms Way to CR 51 through those portions of the Phase One Work and the Phase Two Work.

## 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 District or 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, District will indemnify and hold County harmless for all actions, or failures to act, of District pursuant to this agreement, including , but not limited to, the design, acquisition, construction, improvement, 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  
c/o Public Works Department  
700 A. Wilmeth Road  
McKinney, Texas 75069  
E-mail: \_\_\_\_\_  
FAX: 972-548-3754

**If to District:**

Collin County Municipal Utility District No. 1  
c/o Crawford & Jordan, LLP  
19 Briar Hollow Lane, Suite 245  
Houston, Texas 77027  
Attn: Clay Crawford  
E-mail: [ccrawford@crawlaw.net](mailto:ccrawford@crawlaw.net)  
FAX: 713/621-3909

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

**COLLIN COUNTY:**

\_\_\_\_\_  
\_\_\_\_\_, Collin County Judge

\_\_\_\_\_  
Date

**ATTEST:**

\_\_\_\_\_  
\_\_\_\_\_, Collin County Clerk

**COLLIN COUNTY MUNICIPAL UTILITY DISTRICT NO. 1:**

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

\_\_\_\_\_  
Date

**ATTEST:**

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

# Exhibit "A"

## Project Location and Description

