

INTERLOCAL COOPERATION AGREEMENT
[MUNICIPAL DIRECT EXPENSE FUNDING]

As provided for by Chapter 791 of the Texas Government Code, this Interlocal Cooperation Agreement ("Agreement") is entered into by and between Collin County, Texas (hereinafter "County") and the City of Allen, Texas (hereinafter "City") under the County's Emergency Program for Direct Costs Expended by Municipalities located in Collin County to address and respond to COVID-19.

1. **Program Description.** The County has received federal funding under the Coronavirus Aid, Relief, and Economic Security Act (hereinafter "CARES ACT") to address and respond to the effects of the COVID-19 emergency. Assisting municipalities within the County in recovering their costs directly incurred in responding to the COVID-19 emergency is a legitimate and lawful use of the CARES ACT funding.
2. **Incorporation of Program.** The Order of the Collin County, Texas Commissioners Court establishing a COVID-19 Emergency Program for Direct Costs Expended by Municipalities located in Collin County to Address and Respond to COVID-19 (hereinafter "Direct Costs Program") is attached hereto and incorporated by reference herein.
3. **Grant and Funding to City.** Subject to the terms and conditions of this Agreement, the County agrees to grant and transfer to the City the sum of \$5,376,848.82 of its CARES ACT funding ("Municipal Funds"). The City agrees to deposit these Municipal Funds into a separate, segregated account created solely for holding and dispersing these Municipal Funds. The account must be an interest-bearing account and similarly insured and protected as the City's other funds.
4. **Use of Municipal Funds.** The City may use its Municipal Funds for reimbursing itself for COVID-19 expenditures already paid and incurred, and for expenditures to assist it with its ongoing responses to COVID-19 as detailed in the CARES ACT, the Direct Costs Program and this Agreement. Municipal Funds may be used for all expenditures that municipalities are eligible to recover under the CARES ACT as described under said Act and the U.S. Department of the Treasury's Coronavirus Relief Fund Guidance for State, Territorial, Local, and Tribal Governments as applies to municipalities. Payments for the performance of governmental functions or services shall be made from current revenues available to the paying party.
5. **City's Obligations relating to its Use of the Municipal Funds.** The City agrees to:
 - a) only use the Municipal Funds in compliance with this Agreement and for eligible expenditures related to the COVID-19 emergency;
 - b) reimburse and return to the Municipal Funds account within thirty days any portion of the Municipal Funds that the County, the U.S. Department of Treasury, or their designee, deems were not used for COVID-19 purposes, or not used pursuant to the terms of this Agreement, or if the City's Municipal Funds account is already closed out, the reimbursement and return of the ineligible expenditure shall be made to the County;
 - c) document and justify that each expenditure from its Municipal Funds was an eligible expenditure under this Agreement and the CARES ACT. All documentation shall be delivered to the County no later than January 15, 2021, and shall be kept by the City for a minimum of four years from the close of the Direct Costs Program;

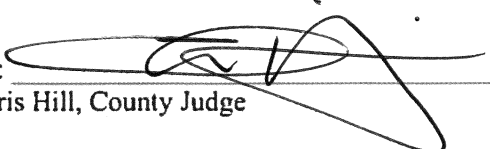
- d) allow inspection of all documentation and records related to its expenditure of its Municipal Funds by the County or the U.S. Department of Treasury upon reasonable request;
 - e) use the Municipal Funds only for eligible expenditures made between March 1, 2020 and 11:59 p.m., December 30, 2020;
 - f) return and re-pay within thirty days to the County any Municipal Funds not expended by 11:59 p.m., December 30, 2020;
 - g) acknowledge and recognize that the source of these Municipal Funds is Collin County and its CARES ACT allocation for any public programs or initiatives using these Municipal Funds;
 - h) coordinate with the County any public programs or initiatives so that no duplication of services, initiatives or programs occurs; and
 - i) impose similar terms and conditions upon any sub-recipient of its Municipal Funds.
6. Reports. The City shall provide periodic reports relating to the use of the Municipal Funds as requested or required by the County.
7. Eligibility Issues. If the City is not sure that an expenditure will qualify, it should seek an opinion from its City Attorney prior to making the expenditure.
8. Nature of Funding. The CARES ACT funding is being received from the County to the City as a sub-recipient. As a sub-recipient of CARES ACT funding the City acknowledges that its use of the funds is subject to the same terms and conditions as the County's use of such funds. The City hereby agrees to comply with all terms and conditions of the CARES ACT funding, and to hold the County harmless against any repayments, penalties, or interest incurred as a result of the City's failure to comply with all terms and conditions of the CARES ACT funding. Funds spent in non-compliance with the CARES ACT are subject to recapture by the County for return to the Direct Costs Program or for return to the U.S. Treasury Department.
9. Attorney's Fees and Costs. In accordance with the Program, the County shall be entitled to recover its reasonable and necessary attorney's fees and costs against the City if it is required to undertake litigation to enforce the terms of this Agreement to the extent allowed by law.
10. Law and Venue. The laws of the State of Texas shall govern this Agreement, except where clearly superseded by federal law. Venue of any dispute shall be in a court of competent jurisdiction in Collin County, Texas.
11. No Assignment. The City may not assign this Agreement.
12. Entire Agreement. This Agreement supersedes and constitutes a merger of all prior oral and/or written agreements and understandings of the parties on the subject matter of this Agreement and is binding on the parties and their legal representatives, receivers, executors, successors, agents and assigns.
13. Amendment. Any Amendment of this Agreement must be by written instrument dated and signed by both parties.

14. Severability. No partial invalidity of this Agreement shall affect the remainder unless the public purpose to be served hereby is so greatly diminished thereby as to frustrate the object of this Agreement.

15. Waiver. No waiver by either party of any provision of this Agreement shall be effective unless in writing, and such waiver shall not be construed as or implied to be a subsequent waiver of that provision or any other provision.

16. Signature Authority. The signatories hereto have the authority and have been given any approvals necessary to bind by this Agreement the respective parties for which they sign.

COLLIN COUNTY, TEXAS

By: 
Chris Hill, County Judge

18 MAY 2020
Date

Attest:

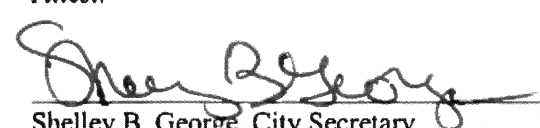

County Clerk

CITY OF ALLEN, TEXAS

By: 
Eric Ellwanger, City Manager

5/14/2020
Date

Attest:


Shelley B. George, City Secretary

