

STATE OF TEXAS

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**AN INTERLOCAL AGREEMENT  
BETWEEN COLLIN COUNTY AND COLLIN  
COUNTY EMERGENCY SERVICES DISTRICT  
NO. 1 FOR ADMINISTRATIVE SERVICES**

COUNTY OF COLLIN

Collin County (the "COUNTY") and Collin County Emergency Services District No. 1 (the "ESD"), each referred to as a "Party" and collectively as the "Parties" agree to this Interlocal Agreement (ILA). This Agreement, incorporating all exhibits hereto, is effective upon the signature of the Parties.

**WHEREAS**, on November 4, 2025, the eligible Collin County voters approved the creation of the Collin County Emergency Services District No. 1; and

**WHEREAS**, on December 8, 2025, by Court Order 2025-1309-12-08, the Collin County Commissioners Court approved a resolution creating the Emergency Services District No. 1; and

**WHEREAS**, the Commissioners Court approved a Statement of Shared Principles for the ESD through Court Order 2025-216-02-24, on February 24, 2025 (Exhibit A); and

**WHEREAS**, to minimize administrative costs of the ESD, the Parties agree that the structure provided by this agreement and the services rendered hereunto will support the ESD in the performance of its statutory and regulatory obligations with the greatest efficiency; and

**WHEREAS**, the expenses of any payments or performance required by the ILA shall come from revenues legally available to the ESD; and

**WHEREAS**, the subject of the ILA is necessary for the benefit of the public and each Party has the legal authority to perform and to provide the governmental functions or services which are the subject matter of this ILA; and

**WHEREAS**, the parties find that the performance of the ILA is in the common interest of the Parties, and the performance and payment fairly compensate the Parties.

**NOW, THEREFORE**, the Parties agree as follows:

1. The ESD Board of Commissioners agrees to abide by the Commissioners Court Statement of Shared Principles adopted on February 24, 2025 through Court Order 2025-216-02-24 and shall do so until the Commissioners Court amends said Statement.
2. The ESD Board of Commissioners shall be responsible for facilitating the provision of fire and emergency services within the ESD's boundaries.
3. To cover the initial and startup costs of the ESD, the COUNTY shall pay the ESD an amount not to exceed one hundred thousand dollars \$100,000 ("initial costs") for legally eligible expenses from the date that both parties execute this Agreement. The COUNTY shall pay the ESD one hundred thousand dollars (\$100,000) thirty (30)

days after the execution of this Agreement. ESD shall reimburse COUNTY the funds paid, for initial costs, by the COUNTY to the ESD by January 31, 2027.

4. The COUNTY shall provide administrative services for the ESD including:
  - a. General administrative services including posting meeting agendas, budget and tax rate notices, accounting and bookkeeping, managing bank accounts and investments, development of financial statements, record keeping, support during the ESD Board of Commissioners meetings, and meeting minutes;
  - b. Development of the annual budget and tax rate based on the direction of the ESD Board of Commissioners;
  - c. Audit services including annual financial report(s);
  - d. Budget, accounts payable, accounts receivable, and audit functions for the ESD;
  - e. Aid ESD in the performance of its duties under Chapter 2256, Texas Government Code (Public Funds Investment Act);
  - f. Upon request, meeting space for ESD Board of Commissioners;
  - g. Any and all duties related to items needing to be purchased in accordance with the purchasing and procurement requirements set forth in Chapter 775 of the Texas Health and Safety Code; and
  - h. Other duties mutually agreed to by both parties in writing.

The COUNTY, through the services outlined herein and any other service mutually agreed to by both Parties, will support the ESD Board of Commissioners in the management of its contracts, fulfillment of its statutory obligations, and in the day-to-day management of the ESD.

5. For duties performed in (4) before October 1, 2026, the County shall charge, and the ESD shall pay, a fee equal to ten thousand dollars (\$10,000) a month for services provided by the County to the ESD including salaries of staff and expenses related to ESD business excepting travel, dues, banking and investment expenses, insurance, and legal costs. Monthly payment for services rendered between the effective date of this Agreement and September 30, 2026, shall be due within sixty (60) days after the end of each month.
6. To perform duties in (4) on or after October 1, 2026, the County shall charge, and the ESD shall pay, a fee equal to one hundred twenty thousand dollars (\$120,000) annually for salaries or portions of salaries of staff providing services to the ESD and expenses related to ESD business excepting travel, dues, insurance, and legal costs. The fee shall be due by November 1, 2026, or as soon as practical and on the 1<sup>st</sup> of November each subsequent year. The COUNTY may allocate existing or new staff, or a portion of said staff position(s), to the duties and functions outlined in this Agreement. Staffing decisions shall be determined by the COUNTY.
7. If the COUNTY chooses not to bill volunteer and paid fire departments for fire dispatch services, the ESD will provide, as partial compensation for the services rendered by paid and volunteer fire departments within the fire districts that contract with the County for dispatch services, reimbursement to the COUNTY for radio and dispatch services provided by the COUNTY to said departments. . The amount will be determined annually and provided to the ESD by August 1 of every year. The calculation will be determined by totaling the annual actual expenses of the program,

the COUNTY's annual indirect cost, and annual depreciation on assets owned or allocated to the program. Seventy-five (75) percent of the total will be divided by the number of radios on the dispatch system in each jurisdiction and the remaining twenty-five percent (25%) will be divided by the number of calls for services in each jurisdiction. Reimbursement will be due by November 1 each year.

8. No part of this Agreement supersedes the powers and duties nor diminishes nor precludes the responsibilities of the ESD Board of Commissioners as described in Chapter 775 Texas Health and Safety Code.
9. This Agreement may be terminated for any reason by COUNTY or ESD upon an affirmative vote of either Party's governing body. A terminating Party must give at least one (1) year's notice of termination to the other Party. Date of termination shall be effective on the last day of the fiscal year of the COUNTY and ESD.
10. This Agreement shall continue from year to year unless terminated by either Party according to the provisions outlined herein.
11. Public Information Act. Information, documentation, and other material related to this Agreement may be subject to public disclosure pursuant to Chapter 552 of the Texas Government Code (the "Public Information Act").
12. Governmental Liability. Each Party expressly waives all claims against the other Party for compensation for any loss, damage, personal injury, or death occurring as a consequence of the performance of this Agreement. Any third-party claims against the County or the ESD shall be governed by the Texas Tort Claims Act or other appropriate statutes and laws of the State of Texas and the United States.
13. Sovereign Immunity. The Parties expressly agree that no provision of this Agreement is in any way intended to constitute a waiver by the ESD or the COUNTY of any immunities from suit or from liability that ESD or COUNTY may have by operation of law.
14. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the state of Texas, without regard to the conflicts of law provisions. The venue of any suit arising under this Agreement is fixed in a district court of Collin County, Texas for a claim arising under state law or the Sherman division of the Eastern District of Texas for a claim arising under federal law, unless the specific venue is otherwise identified in a statute which directly names or otherwise identifies its applicability to COUNTY or the ESD.
15. Severability. If any term or provision of this Agreement is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction. Upon such determination that any term or other provision is invalid, illegal, or unenforceable, the parties hereto shall negotiate in good faith to modify this Agreement so as to affect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as

originally contemplated to the greatest extent possible.

16. Joint Venture & Agency. The relationship between the Parties to this Agreement does not create a partnership or joint venture between the Parties. This Agreement does not appoint any Party as agent for the other Party.
17. Third Party. The Parties do not enter into this Agreement to protect any specific third party. The intent of this Agreement excludes the idea of a suit by a third-party beneficiary. The Parties do not consent to the waiver of sovereign immunity under Texas law to the extent any Party may have immunity under Texas law.
18. Force Majeure. No Party shall be liable or responsible to the other Party, nor be deemed to have defaulted under or breached this Agreement, for any failure or delay in fulfilling or performing any term of this Agreement, when and to the extent such failure or delay is caused by or results from acts beyond the affected Party's reasonable control, including, without limitation: acts of God; flood, fire or explosion; war, invasion, riot or other civil unrest; actions, embargoes or blockades in effect on or after the date of this Agreement; or national or regional emergency (each of the foregoing, a "Force Majeure Event"). A Party whose performance is affected by a Force Majeure Event shall give notice to the other Party, stating the period of time the occurrence is expected to continue and shall use diligent efforts to end the failure or delay and minimize the effects of such Force Majeure Event.
19. Expenses for Enforcement. In the event either Party hereto is required to employ an attorney to commence legal proceedings to enforce the provisions hereof, the prevailing Party shall be entitled to recover from the other, reasonable attorney's fees and court costs incurred in connection with such enforcement including collection.

**IN WITNESS WHEREOF**, the Parties hereto have caused this Agreement to be executed on the date of their respective signatures.

**Collin County, Texas**

**Collin County Emergency Services  
District No. 1**

By:

By:

\_\_\_\_\_  
Chris Hill  
Collin County Judge

  
\_\_\_\_\_  
[NAME]  
President  
Emergency Services District 1

Date: \_\_\_\_\_

Date: 2/3/2024

## Exhibit A – Statement of Shared Principles

State of Texas	§	Court Order
Collin County	§	2025-216-02-24
Commissioners Court	§	

### Statement of Shared Principles for Emergency Services Districts

In response to the citizen petition calling for the creation of Collin County Emergency Services District No. 1 ("District"), and in the interest of providing transparency and clarity, the Collin County Commissioners Court hereby adopts this Statement of Shared Principles to summarize our guiding values for the District.

1. The District should provide fire and emergency services by contracting with established fire departments.
2. The District should minimize administrative costs to ensure greater investment in fire and emergency services.
3. The District should support existing fire service contracts between municipalities and municipal utility districts.
4. The District should avoid double taxation of residents in municipal utility districts.
5. The District is not able to provide fire and emergency services outside the District. If a city council prevents its extraterritorial jurisdiction (ETJ) from being included in the District (per Texas Health & Safety Code Section 775.014), citizens of the ETJ must then appeal to their city council for fire and emergency services.
6. Collin County is committed to working with municipal and volunteer fire department partners to provide superior fire and emergency services until the District begins operations.

A motion was duly made, seconded, and carried by a majority of the court members in attendant during a regular session on Monday, February 24, 2025.



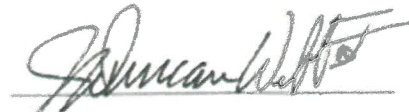
Chris Hill, County Judge



Darrell Hale, Commissioner, Pct 3



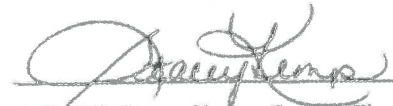
Susan Fletcher, Commissioner, Pct 1



Duncan Webb, Commissioner, Pct 4



Cheryl Williams, Commissioner, Pct 2



ATTEST: Stacey Kemp, County Clerk