

INTERLOCAL AGREEMENT BETWEEN WISE COUNTY, TEXAS  
AND HILLCREST NORTH MUNICIPAL UTILITY DISTRICT FOR ROAD REPAIRS AND  
MAINTENANCE

**THE STATE OF TEXAS**   §  
  §  
**COUNTY OF WISE**       §

**WHEREAS**, this agreement is made and entered into on the 26<sup>th</sup> day of June, 2023 by and between Wise County, Texas (COUNTY), through its Commissioners Court and the Hillcrest North Municipal Utility District (DISTRICT), under and pursuant to the Interlocal Cooperation Act, Chapter 791 Texas Government Code; and

**WHEREAS**, DISTRICT and COUNTY represent that each is independently authorized to perform the functions contemplated by this Agreement; and

**WHEREAS**, the DISTRICT currently has a need for road maintenance, enhancements, repairs and other projects located within its boundaries of the DISTRICT within the COUNTY and the DISTRICT is not equipped to render such services; and

**NOW, THEREFORE** in consideration of the above recitals, mutual benefits and promises each to the other made herein, the parties named above do hereby agree as follows:

**PUBLIC PURPOSE**

The purpose of this contract is for the COUNTY to aid with public projects to construct, improve, or repair a public road, alleyway (to include planned “pothole repair” of specific roadway areas), all being within the DISTRICT’s defined legal boundaries within said Precinct of the County Commissioner that is sponsoring the public project.

**PUBLIC PROJECT PROCEDURE**

Before any work can start on any and all public projects covered by this agreement the following process must be completed in accordance with Texas Government Code 791.014:

1. After establishing an agreed public project, The County Commissioner must submit the proposed project to the County Auditor. The County Auditor will in turn complete an “Approval of Project Agreement” from the information provided and returned to the County Commissioner from the DISTRICT.
2. The County Commissioner will then present the “Approval of Project Agreement” to the appropriate or designated DISTRICT representative for Project submission to/and for approval from its governing board.
3. If approval is granted by the DISTRICT, the DISTRICT must return the signed Project Agreement for the public project to the County Commissioner. The County Commissioner will then submit the approved Project Agreement to the County Judge to be placed on the Court’s Agenda for a recommendation and vote by the County Commissioner’s Court.

4. If approved by the COUNTY, then and only then, may work commence on the public project. After completion of the work, "Exhibit A" of the Approval of Project Agreement must be completed and returned to the County Auditor.
5. All repairs will be done in a workmanlike manner as measured by Wise County's usual practice in such projects. The COUNTY shall be in charge of all control procedures, means, coordination and final inspection of the Public Projects contemplated under this agreement.
6. Nothing herein shall alter or change the legal responsibility under existing law for maintenance and repairs from a party, nor will this agreement cause the County to incur additional liability other than the liability it would have without this agreement.

### **CONSIDERATION**

Total Charges for this agreement for the services and process mentioned above:

1. COUNTY, at its discretion, may furnish labor and/or equipment up to \$15,000 per project each County fiscal year, beginning October 1<sup>st</sup> and ending September 30<sup>th</sup> of said years that this agreement is in full force and effect. The funds used on each public project will be furnished from the current year's revenues.
2. Notwithstanding the foregoing, it is understood that each party paying for the performance of the mutual governmental functions, services, goods and materials must make those payments from the current fiscal year revenues available to the paying party.
3. The DISTRICT shall pay the vendors directly for the materials used on the approved public projects. At the end of every fiscal year, the DISTRICT shall submit a copy of any and all vendor invoices from the approved projects to the County Auditor.

### **NOTICE OF NONAPPROPRIATION**

If, for any fiscal year, a party fails to appropriate funds in amounts sufficient to pay or perform its obligations under this Agreement, such party shall endeavor to provide thirty (30) days notice of its intent not to appropriate the necessary funds for its performance of obligations under this Agreement.

### **TERM AND RENEWAL**

The effective date of this agreement shall be from October 1, 2023, or the date that both parties have signed within the 2022-2023 fiscal year, whichever is the later, and this contract shall expire at midnight of September 30, 2023. This agreement shall automatically renew yearly at midnight on October 1st. **The fiscal year of the COUNTY is from October 1 through September 30 of the next calendar year.**

### **TERMINATION**

**By Mutual Agreement:** This Agreement may be terminated by mutual agreement of the DISTRICT and the COUNTY, as evidenced by a written termination agreement.

**District Dissolution:** This agreement will terminate when the District dissolves or stops collecting the taxes included under the road powers.

**For Nonappropriation of funds:** As mentioned above, if a party fails to appropriate funds necessary for performance of the obligations under this Agreement, the other party may terminate this Agreement.

**By Either party:** This agreement may be terminated at any time for convenience or fault upon thirty (30) days written notice to the other party.

### **DISPUTE RESOLUTION**

**Dispute Resolution Process.** Before commencing formal legal proceedings concerning any dispute arising under or relating to this Agreement, or any breach thereof, the Parties agree to observe the following Dispute Resolution Process.

**Notice.** A written complaint which contains sufficient detail to clearly identify the problem(s) giving rise to the dispute, and the responding Party shall have a reasonable opportunity to respond.

**First Resolution Meeting.** After consulting with and obtaining input from the appropriate individuals so as to facilitate a complete discussion and proposed solution, the Parties shall schedule a meeting and designate representative to attend such meeting to attempt to facilitate an agreed resolution.

**Second Resolution Meeting.** If the Parties' designated representatives cannot reach an agreed resolution, the following representatives shall meet to discuss the matter: DISTRICT: Superintendent; COUNTY: Commissioner and/or County Judge.

**Successful Resolution.** If resolution is made, it shall be reduced to a written agreement to be approved by each side's governing body. If approved, the written agreement will become an amendment to the original agreement. However, it will not supersede any term or condition except those dealing with the subject matter of the dispute.

**Unsuccessful Resolution.** If all above options are completed and the Parties are unable to reach a resolution, either Party may pursue all legal and equitable remedies available to it under Texas law.

### **GENERAL PROVISIONS**

**Severability Clause:** The Parties intend for the various provisions of this Agreement to be severable so the invalidity, if any, of one or more sections of this Agreement shall not affect the validity of the remaining provisions of the Agreement.

**Counterparts:** This document may be executed in any number of original signature counterparts, each of which shall for all purposes be deemed an original, and all such counterparts shall constitute one and the same document.

#### **Notices:**

**To COUNTY:** Any Notice permitted or required to be given to the COUNTY hereunder must be in writing and may be given by Certified United States Mail, Return Receipt Requested, postage prepaid, addressed to:

County Judge  
P.O. Box 393  
Decatur, Texas 76234

**To DISTRICT:** Any notice permitted or required to be given to the DISTRICT hereunder must be in writing and may be given by Certified United States Mail, Return Receipt Requested, postage prepaid, addressed to:

Mindy Koehne  
Attorney  
16000 North Dallas Parkway, Suite 350  
Dallas, Texas 75248

Any notice permitted or required to be given hereunder shall be deemed to have been given upon deposit of the notice in the United States Mail as aforesaid.

**Authority to Contract:** Each party has the full power and authority to enter into and perform this Agreement, and the person signing this Agreement on behalf of each party has been properly authorized and empowered to enter into this Agreement.

**Governing Law/Venue:** This Agreement shall be interpreted in accordance with the laws of the State of Texas and Wise County is the proper venue for any action regarding this contract.

**Limitation of Liability:** By entering into this agreement, neither party waives sovereign immunity defenses or any other limitation of liability. No provision of this agreement is intended to modify or waive any provision of the Texas Tort Claims Act as amended. The District agrees to accept full responsibility for the acts, negligence and/or omissions of all District employees, agents, subcontractors and/or contract laborers and for all persons doing work under a contract or agreement with the District. The County agrees to accept full responsibility for the acts, negligence and/or omissions of all County employees, agents, subcontractors and/or contract laborers and for all persons doing work under a contract or agreement with Wise County.

**Entire Agreement:** This Agreement represents the entire agreement of the parties and supersedes any verbal or written representations of, to or by the parties to each other.

**Amendment:** If the Parties desire to modify this Agreement during or after the initial term, any modifications may be either incorporated herein by a written amendment or set forth in an entirely new written agreement. Any modifications must be properly approved and signed by authorized representatives of the Parties.

DATED to be effective this the 14 day of July, 2023

WISE COUNTY

BY: 

Wise County Judge

Date: 8-14-23

HILLCREST NORTH MUD

BY: 

Title: President

Date: 07-14-23