

THE STATE OF TEXAS §

§

COUNTY OF ATASCOSA §

**INTERLOCAL COOPERATION AGREEMENT
FOR COWBOY CONNECT TRANSPORTATION SERVICES**

This Interlocal Cooperation Agreement (the “Agreement”) is made and entered into by and between the **County of Atascosa** (the “County”) and the **City of Poteet** (the “City”), each a local government and political subdivision of the State of Texas, and each acting by and through its duly elected officials. The County and the City are sometimes collectively referred to in this Agreement as the “**Parties**” or individually as a “**Party**.”

WHEREAS, Chapter 791 of the Texas Government Code authorizes interlocal cooperation agreements between local governmental entities for the purpose of performing governmental functions and services; and

WHEREAS, the County has contracted through an interlocal cooperation agreement for the provision of a fixed route public transportation service with Alamo Regional Transit (“ART”), an established public transportation system that is part of the Alamo Area Council of Governments (“AACOG”), another political subdivision of the State of Texas; and

WHEREAS, under the County’s interlocal cooperation agreement with AACOG, the cost of the provision of a fixed route public transportation service is split equally between the County and AACOG; and

WHEREAS, the County may enter into other interlocal cooperation agreements with the municipalities located within the geographical boundaries of Atascosa County for the provision of a fixed route public transportation service and to defray the County’s cost of providing said services, any and all of which are subject to the terms and conditions of the County’s interlocal cooperation agreement with AACOG; and

WHEREAS, the County has entered into interlocal cooperation agreements with the City of Pleasanton, the City of Jourdanton, and the City of Poteet, Texas, all within the geographical boundaries of Atascosa County; and

WHEREAS, the County and the City find that entering into an interlocal cooperation agreement for the provision of a fixed route public transportation service allows for the full and effective utilization of resources available to the County and the City and serves a public purpose for all Parties; and

WHEREAS, Chapter 418 of the Texas Government Code authorizes political subdivisions to provide for cooperation in disaster mitigation, preparedness, response, and recovery, and to otherwise render aid in times of emergency; and

WHEREAS, the Parties recognize the vulnerability of people, communities, and schools located within Atascosa County to damages, injuries, and loss of life and property resulting from disasters, natural or man-made catastrophes, and other emergencies; and

WHEREAS, the Parties agree that the full and effective utilization of the resources available to the County and the City serves a public purpose and is necessary for the prompt and efficient rescue, care, and treatment of persons victimized or threatened by disasters, natural or man-made catastrophes, and other emergencies.

NOW, THEREFORE, the County and the City, in consideration of the mutual covenants and agreements herein contained, do mutually agree as follows:

ARTICLE 1: GOODS AND SERVICES

1.1 For the price and terms provided in Article 2 below, Atascosa County agrees to furnish the City with a public transportation fixed-route service per a published schedule developed by Atascosa County, hereinafter “Services.” The Services will be open to the public and operate Monday through Friday, with the first run starting at 7:00 a.m. and the last run starting at 6:00 p.m. In addition, Atascosa County will provide the following:

- A. Publication of the Cowboy Connect service routes, maps, and bus schedules on its website;
- B. Capital equipment and other essentials related to the provision of public transportation, including vehicles and bus stop signs and poles;
- C. Vehicles and services that are compliant with the requirements of the Americans with Disabilities Act;
- D. Qualified drivers and/or bus operators; and
- E. Operating and administrative costs not covered by this Agreement that are associated with the operations of a fixed-route transportation service;

1.2 The City will provide the following:

- A. Timely input in the development and/or modification of routes, stops, and transfer points; and

- B. Appropriate sites for routes, stops, and transfer points, including providing areas for the installation of bus stop signs and poles, and benches or shelters with Semmie-Seats, as they become available.

ARTICLE 2. AGREEMENT PRICE AND PAYMENT TERMS

- 2.1 In accordance with the County’s interlocal cooperation agreement with AACOG, the cost of the Services shall be divided annually as identified below:
 - A. Atascosa County: one-half of the Total Cost;
 - B. The City of Pleasanton: one-fourth of the Total Cost;
 - C. The City of Jourdanton: one-eighth of the Total Cost; and
 - D. The City of Poteet: one-eighth of the Total Cost.
- 2.2 The City agrees to compensate the County for the provision of Services between the dates of **October 1, 2025**, and **September 30, 2026**, in an amount not to exceed **\$16,956.50**. The Parties further agree that, in accordance with §791.011(e) of the Texas Government Code, this amount fairly compensates the County for the provision of Services required by this Agreement. For reference, a copy of the ART Budget Request for the 2026 Fiscal Year is attached at **EXHIBIT “A.”**
- 2.3 In accordance with §791.011(d) of the Texas Government Code, the City represents and warrants that it has sufficient current revenues available on the Effective Date of this Agreement to make all payments required by this Agreement.

ARTICLE 3. TERM OF AGREEMENT AND RENEWAL

- 3.1 The term of this Agreement shall begin on the Effective Date identified below and shall be for one (1) calendar year, unless sooner terminated under Article 5.
- 3.2 **Renewal Terms**. Subject to the discretion of the governing body of each Party and an affirmative vote as recorded in its official minutes, the Parties may agree to renew and/or extend the term of this Agreement (each year an individual “Renewal Term”); provided that the City has sufficient current revenues available on the Effective Date of any Renewal Term to make all payments required by this Agreement in accordance with §791.011(d) of the Texas Government Code.
 - A. All terms of this Agreement shall continue in full force and effect and remain binding on each Party during each Renewal Term, unless otherwise agreed and amended in writing.

- B. Each Party shall notify the other of its intent to renew and/or extend the term of this Agreement within sixty days of the expiration of the Effective Date.
- C. To facilitate the City's reasoned consideration of its financial obligations for any Renewal Term, the County shall provide to the City a copy of any ART Budget Request for an upcoming fiscal year within thirty (30) days of the County's receipt of the same.
- D. Any change, whether an increase or a decrease, in the compensation required under this Agreement shall be based first on the County's annual 50% portion of the cost for the Services as determined by the County's interlocal cooperation agreement with AACOG, and then in consideration of the City's proportionate share for the Services, as defined in Article 2.

ARTICLE 4. NONDISCRIMINATION AND EQUAL OPPORTUNITY POLICY

- 4.1 In accordance with federal and state law, including, but not limited to, 49 U.S.C. 5311, which governs the Formula Grants for Rural Areas, and 49 U.S.C. 5339, which governs the Grants for Buses and Bus Facilities Program, and the terms of the County's interlocal cooperation agreement with AACOG, which is incorporated herein by reference as if written in full, neither the County nor the City shall unlawfully discriminate against anyone, or exclude or deny anyone from utilizing the Services or enjoying its benefits on the basis of race, color, religion, sex, age, disability, veteran status, or national origin.

ARTICLE 5. EARLY TERMINATION OF AGREEMENT

- 5.1 The termination of this Agreement at any time other than the term and expiration as defined by Paragraph 3.1 shall be considered an "Early Termination."
- 5.2 This Agreement may be terminated without penalty at any time by either Party upon ninety (90) days' written notice. While the Early Termination of this Agreement shall release each Party from any and all prospective obligations, the City shall pay the County all fees related to the provision of Services incurred up to the date of Early Termination.
- 5.3 Termination for breach of contract under Article 6 does not waive either Party's right to pursue all remedies available under the law.

ARTICLE 6. BREACH OF CONTRACT & DISPUTE RESOLUTION

- 6.1 **Breach of Contract.** Under this Article and without limiting any other terms of this Agreement or definitions in the law, "default" or "breach of contract" generally occurs when a Party fails to keep, observe, or perform any material agreement, term, or provision of this Agreement to be kept, observed, or performed by it and the defaulting Party fails to cure the default for a period of thirty (30) days after written notice thereof by the other Party.

- 6.2 Requirements of the AACOG Interlocal Cooperation Agreement. The City's failure to adhere to any requirement of the County's interlocal cooperation agreement with AACOG is material and shall constitute a breach of contract. In such a circumstance, and if the City fails to cure such a breach for a period of thirty (30) days, the County may terminate this Agreement without penalty.
- 6.3 Dispute Resolution. It is the intent of the Parties to pursue all peaceable resolutions for any and all disputes arising in the performance of this Agreement. Accordingly, if a dispute arises in the performance of this Agreement, the Parties agree to engage in alternative dispute resolution in good faith before filing suit for breach of contract or to enforce compliance with the terms of this Agreement. The Parties may utilize the procedures described in §791.015 of the Texas Government Code, the procedures described in this Article, or any other alternative dispute resolution as otherwise deemed prudent by the governing bodies.
- A. *Performance during Dispute.* Unless the dispute concerns the non-payment of Services required under this Agreement, for which the County may immediately discontinue Services without penalty, the Parties agree to continue performing their duties and obligations as identified in this Agreement without disruption during any dispute.
- B. *Notification.* A Party must be notified of an alleged default or breach of contract in writing (the "Notice"), which must be mailed to the address and addressed to the representative authorized to receive notice, as identified in Article 7. To facilitate a timely resolution, the Notice must describe the alleged default or breach with particularity, identify the legal theory of recovery, and specify the relief sought. The Notice may be amended or supplemented, and the other Party may deliver counter notices. The Party receiving the Notice shall present it for the governing body's consideration and action and/or direction no later than the next regular meeting of the receiving government body.
- C. *Cure Period.* The Party receiving notice of an alleged default or breach shall have thirty (30) days to cure or to begin and continue with reasonable diligence and in good faith to cure the alleged default or breach. If the default or breach cannot be corrected within a reasonable time, despite the alleged breaching Party's reasonable diligence and good faith effort to do so, the Parties may agree to an Early Termination of this Agreement in accordance with the terms of Article 5, or the Parties may engage in alternative dispute resolution.
- D. *Initial Meeting.* The Parties may hold an initial meeting to attempt to informally negotiate a resolution of the dispute. If so selected, each Party shall appoint a representative or representatives to negotiate in good faith. The appointed representatives shall meet at a mutually agreeable location in Atascosa County within twenty (20) business days of the receipt of any Notice. If the representatives cannot resolve the dispute, the Parties may agree to refer the dispute to non-binding mediation.

- E. *Non-Binding Mediation.* The Parties may agree to refer the dispute to non-binding mediation over which any qualified mediator may preside, provided, however, that if the Parties utilize the services of the Bexar County Dispute Resolution Center, the Parties shall adhere to the Center's mediation procedures. Unless otherwise assigned by the Bexar County Dispute Resolution Center, the Parties shall agree to the appointment of a mediator, and the Parties shall pay one-half the cost of any mediation services.
- F. *Meetings Held in Compliance with the Law.* All meetings between the Parties shall be held in accordance with the law, including, but not limited to, the Texas Open Meetings Act, Chapter 551 of the Texas Government Code, as written and as interpreted by The Office of the Attorney General of Texas.
- G. *Remedies Not Exclusive.* No right or remedy herein conferred upon or reserved to either of the Parties is intended to be exclusive of any other right or remedy, and each and every right and remedy shall be cumulative to any other right or remedy given hereunder or now or hereafter legally existing upon default or breach. The failure of either Party to insist upon the strict observance or performance of any of the provisions of this Agreement or to exercise any right or remedy provided in this Agreement shall not impair any such right or remedy nor be construed as a waiver or relinquishment thereof with respect to subsequent default or breach. Every right and remedy given by this Agreement to the Parties may be exercised from time to time and as often as may be deemed expedient by the Parties.

ARTICLE 7. NOTICE TO PARTIES

- 7.1 **Notices.** Any notice, demand or other document which either Party is required or may desire to give, deliver to, or make upon the other Party shall be in writing and may be personally delivered, sent by an overnight delivery service, or given by registered or certified mail, return receipt request, postage prepaid, addressed to the Parties at their respective addresses set forth below. Notices delivered personally shall be deemed received at the time of actual receipt. Mailed notices shall be deemed communicated three (3) days after the date of mailing.

To Atascosa County:

Weldon P. Cude
Atascosa County Judge
1 Courthouse Circle Drive, Ste. 101
Jourdanton, TX 78026

To City of Poteet:

Melissa Popham
City Administrator, City of Poteet, Texas
491 Avenue H
P.O. Box 378
Poteet, Texas 78065

7.2 Change of Address. Each Party hereto may designate a different address for itself by giving a notice in accordance with Paragraph 7.1.

ARTICLE 8. LIMITATION OF LIABILITY

8.1 Nothing in this Agreement shall be construed as making either Party responsible for the payment of compensation and/or any benefits, including health, property, motor vehicle, workers' compensation, disability, death, or dismemberment insurance for the other Party's employees or equipment. Unless otherwise specified, nothing contained in this Agreement shall be construed as making the City responsible for wages, materials, logistical support, equipment, insurance, or related travel expenses incurred by the County or its employees.

8.2 Nothing in this Agreement shall be construed as giving the City the right to direct or control the County in its provision of Services, including, but not limited to, the County's ability to control and determine the supply of buses, drivers, employees, or other resources necessary for the County's faithful execution of this Agreement.

8.3 The Texas Tort Claims Act. The Parties agree that each is a governmental entity and political subdivision subject to the terms of the Texas Tort Claims Act, Chapter 101 of the Texas Civil Practice & Remedies Code. In entering this Agreement, neither Party waives sovereign or governmental immunity, any defenses, or any limitations of liability as may be provided for by law. No provision of this Agreement modifies or waives any provision of the Texas Tort Claims Act. The Parties agree that neither Party assumes civil liability under any theory of law for the actions of the other Party in the performance of this Agreement, unless otherwise allowed by law.

8.4 Damages. Unless otherwise allowed by law:

- A. The City is not liable for damage to equipment, injury to any person, or for the actions of the County, including its employees;
- B. All property damaged or destroyed in the performance of this Agreement is the financial responsibility of the County and may be recovered through insurance acquired by the County, or through any other resources available to the County; provided, however, that the County shall not be required to name the City as an additional insured on any insurance policy the County acquires for the provision of Services under this Agreement; and
- C. The County shall not be liable to the City for any indirect, special, incidental, punitive, or consequential damages, including, but not limited to, loss of profits, loss of business, or other loss arising out of or resulting from the performance of this Agreement.

8.4 Responses to Disasters. Nothing in this Agreement shall be construed as giving the City a cause of action for default or breach against the County for the failure to provide Services if the County redirects and/or uses any bus, equipment, driver, employee, or other material

resource normally provided under this Agreement in response to a disaster, as that term is defined in §418.004 of the Texas Government Code, or any exercise, drill, or other training activity designed to train and prepare for, cope with, respond to, or prevent the occurrence of any disaster, and to actual and imminent incidents or events that endanger the health, safety, or welfare of the public and require the use of special equipment, trained personnel, or personnel in order to reduce, counteract, or remove the danger caused by the disaster, incident, or event. In any such disaster, incident, or event, the Parties expressly agree that the provision of aid and assistance, including the temporary reassignment of any bus, equipment, driver, employee, or other material resource, serves a public purpose greater than the provision of Services until such disaster, incident, or event has expired or the said resources are no longer required.

ARTICLE 9. MISCELLANEOUS

- 9.1 Governing Law and Venue. This Agreement, and any dispute or claim arising from this Agreement, shall be governed by the law of the State of Texas, and no consideration shall be given to choice of law rules. Venue shall be proper in a court of competent jurisdiction of Atascosa County, along with its appropriate appellate courts, or, if it has or can acquire jurisdiction, the Western Texas District of the United States District Courts.
- 9.2 Compliance with Laws and Changes in Law. The Parties shall observe and comply with all applicable federal, state, and local laws, rules, ordinances, and regulations that affect the conduct of the Services provided and the performance of the obligations undertaken under this Agreement. The Parties agree that any alterations, additions, or deletions to the terms of this Agreement that are required by changes in federal or state law or regulations are automatically incorporated into the Agreement without written amendment hereto, and shall become effective on the date designated by such law or by regulation.
- 9.3 Severability. If any provision of this Agreement is construed by a court of competent jurisdiction to be illegal or invalid, such construction shall not affect the legality of the other provisions in the Agreement. The illegal or invalid provision will be deemed severed and stricken from the Agreement as if it had never been incorporated herein, but all other provisions shall remain in full force and effect.
- 9.4 Entire Agreement, Amendments, & Integration. This Agreement constitutes the entire agreement between the Parties and is not effective unless it is in writing and signed by both Parties. This Agreement may not be amended, altered, modified, or changed in any way, except in writing that is signed by the Parties. With the sole exception of the County's interlocal cooperation agreement with AACOG, to which all terms of this Agreement are subject, there are no other agreements, representations, or warranties, whether oral or written, regarding the subject matter of this Agreement. Any amendment to this Agreement shall be attached to this Agreement and integrated for all purposes, and all the terms herein that are not specifically addressed in the amendment shall remain in full force and effect.

- 9.5 Binding Agreement. When this Agreement is signed and delivered by the Parties, this Agreement shall inure to the benefit of, be binding upon, and be enforceable against each Party and their respective permitted successors, assigns, transferees, and delegates.
- 9.6 Non-Exclusive Agreement. This Agreement is not intended to be an exclusive agreement, and the County may enter into other similar agreements, provided, however, that any agreement between the County and another municipality within the geographical boundaries of Atascosa County for the provision of Services must be reconciled with the terms of this Agreement.
- 9.7 Signature Authority. Each individual signing this Agreement represents and warrants that the individual is authorized to sign on behalf of the Party and to bind the Party to perform the duties and obligations contained herein.
- 9.8 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which, when taken together, shall constitute but one and the same instrument. This Agreement may be executed electronically (e.g., via DocuSign) and delivered by electronic mail transmission (i.e., .pdf or similar format). An executed copy of this Amendment delivered by electronic mail transmission shall be deemed to be an original counterpart hereof for all purposes.

EFFECTIVE DATE

This Agreement shall be effective on **October 1, 2025**.

THIS PART IS LEFT INTENTIONALLY BLANK.

Signature Pages Follow

IN WITNESS WHEREOF, the Parties hereto have signed or have caused their respective names to be signed on the ____ day of _____, 2025.

ATASCOSA COUNTY, TEXAS:

CITY OF POTEET:

Weldon P. Cude
County Judge, Atascosa County, Texas

Melissa Popham
City Administrator, City of Poteet, Texas

ATTEST:

Theresa Carrasco
County Clerk, Atascosa County, Texas

Abigayle Frautschi
City Secretary, City of Poteet, Texas

EXHIBIT “A”



To: County of Atascosa
ATTN: Honorable
Weldon P. Cude
Subject: Alamo Regional Transit's budget request for FY 2026

This request is for the continuation of the current configuration of the Public Transportation service within the county.

Alamo Regional Transit (ART) is an established public transportation system that has been offering mobility solutions to the Alamo Region for over 20 years. ART is a part of the Alamo Area Council of Governments (AACOG); AACOG is a political subdivision of the state and has been in operation in the region since 1968.

The total cost for this service is split equally, of which the County of Atascosa will pay 50% and AACOG pays 50%. AACOG uses 5311 rural transportation funds and State Service Expansion funding to cover its portion of expenses.

Alamo Regional Transit focused on delivering more efficient service over the last year. Alamo Regional Transit agrees to provide the County of Atascosa with a deviated fixed route service as specified in the Interlocal Agreement. The total cost of the project is \$ 271,304 with Atascosa Counties portion totaling \$135,652 which represents 50% and shall be paid in two amounts on November 15, 2025 (\$67,826) and April 15, 2026 (\$67,826).

Summary of request for public transportation funding:

Continuation of Established Public Transportation Service

Total Request =\$135,652

Thank you for the opportunity to continue to serve the County of Atascosa, please let me know if we need to provide additional information.

Sincerely,

Sean Scott

Sean Scott
Senior Director AACOG