

STATE OF TEXAS §
 §
COUNTY OF HIDALGO §

**MEMORANDUM OF UNDERSTANDING
BETWEEN NORTH ALAMO WATER SUPPLY CORPORATION
AND HIDALGO COUNTY, TEXAS**

THIS Memorandum of Understanding ("MOU") is made on this the 13th day of February 2007, by and between **NORTH ALAMO WATER SUPPLY CORPORATION**, hereinafter referred to as the "Corporation" and the **COUNTY OF HIDALGO, TEXAS**, hereinafter referred to as "County," pursuant to the provisions of the Texas Interlocal Cooperation Act, as follows:

WITNESSETH:

WHEREAS, Corporation is a non-profit corporation organized under the laws of Texas;

WHEREAS, County is a county in the State of Texas;

WHEREAS, County is seeking assistance from Corporation to relocate a waterline currently owned by Corporation that is located on County property in order for the County to make road improvements to North I Road;

WHEREAS, Corporation, through its engineer, has determined that the cost to relocate the waterline will not exceed Nineteen Thousand Two Hundred and Seventy Five Dollars and Fifty Cents (\$19,275.50);

WHEREAS, Corporation desires to assist County in completing the road improvements by relocating the waterline as described herein;

NOW, THEREFORE, Corporation and County, in consideration of the mutual covenants expressed hereinafter, agree as follows:

1. Corporation shall relocate an eight inch (8") waterline, more particularly described in Exhibit "A", located on County property along North I Road from Earling Road to the south (a length of approximately 1,300 linear feet) (the "Services") and shall invoice the County an amount not to exceed Nineteen Thousand Two Hundred and Seventy-five Dollars and Fifty Cents (\$19,275.50) for such work.
2. County agrees to pay Corporation for the Services performed within thirty (30) days of receipt of invoice from Corporation in an amount not to exceed the amount described in paragraph 1 above.

3. Notwithstanding the above paragraphs 1 and 2, should Corporation encounter additional expenses due to unforeseen circumstances in performing the Services, County agrees to reimburse such expenses, so long as such expenses are documented and approved by Commissioners Court **and are** reasonable and justified. Should additional expenses be required, Corporation agrees to coordinate approval for reimbursement through the County's Commissioners Court, prior to beginning the additional work or incurring any costs.
4. The parties agree it is in their mutual best interest to provide each other the assistance described in this MOU.
5. Corporation agrees to use its best efforts to complete the Services no later than 180 days from execution of this MOU.
6. **Termination.** Either party may terminate this MOU with or without cause upon thirty (30) days written notice.
7. **Conflict of Applicable Law.** Nothing in this MOU shall be construed so as to require the commission of any act contrary to law, and whenever there is any conflict between any provision of this MOU and any present or future law, ordinance, or administrative, executive or judicial regulation, order or decree, or amendment thereof, contrary to which the parties have no legal right to contract, the latter shall prevail, but in such event the affected provision or provisions of this MOU shall be modified only to the extent necessary to bring them within the legal requirements and only during the time such conflict exists.
8. **Entire Agreement.** This MOU contains the entire agreement between the parties hereto and each party acknowledges that neither has made (either directly or through any agent or representative) any representation or agreement in connection with this MOU not specifically set forth herein. This MOU may be modified or amended only by agreement in writing executed by Corporation and County, and not otherwise.
9. **TEXAS LAW TO APPLY.** THIS MOU SHALL BE CONSTRUED UNDER AND IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, AND ALL OBLIGATIONS OF THE PARTIES CREATED HEREUNDER ARE PERFORMABLE IN HIDALGO COUNTY, TEXAS. THE PARTIES HEREBY CONSENT TO PERSONAL JURISDICTION IN HIDALGO COUNTY, TEXAS.
10. **Notice.** Except as may be otherwise specifically provided in this MOU, all notices, demands, requests or communication required or permitted hereunder shall be in writing and shall either be (i) personally delivered against a written receipt, or (ii) sent by registered or certified mail, return receipt requested, postage prepaid and addressed to the parties at the addresses set forth below, or at such other

addresses as may have been theretofore specified by written notice delivered in accordance herewith:

If to NAWSC: North Alamo Water Supply Corp.
Attn:
420 S. Doolittle Road
Edinburg, Texas 78539

If to County: Hidalgo County, Texas
Attn: J.D. Salinas, III, County Judge
P.O. Box 758
Edinburg, Texas 78540

with copies to : Commissioner Hector Palacios
Precinct No. 2
301 E. State Street
Pharr, Texas 78577

Each notice, demand, request or communication which shall be delivered or mailed in the manner described above shall be deemed sufficiently given for all purposes at such time as it is personally delivered to the addressee or, if mailed, at such time as it is deposited in the United States mail.

11. **Additional Documents.** The parties hereto covenant and agree that they will execute such other and further instruments and documents as are or may become necessary or convenient to effectuate and carry out the terms of this MOU.
12. **Successors.** This MOU shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, legal representatives, successors, and assigns where permitted by this MOU.
13. **Assignment.** This MOU shall not be assignable.
14. **Authority to Execute.** The execution and performance of this MOU by Corporation and County have been duly authorized by all necessary laws, resolutions or corporate action, and this MOU constitutes the valid and enforceable obligations of Corporation and County in accordance with its terms.
15. **Commitment of Current Revenues Only.** In the event that, during any term hereof, the governing body of any party does not appropriate sufficient funds to meet the obligations of such party under this MOU, then any party may terminate this MOU upon ninety (90) days written notice to the other party. Each of the parties hereto agrees, however, to use its best efforts to secure funds necessary for the continued performance of this MOU. The parties intend this provision to be a

continuing right to terminate this MOU at the expiration of each budget period of each party hereto pursuant to the provisions of Tex. Loc. Govt. Code Ann. §271.903.

WITNESS THE HANDS OF THE PARTIES effective as of the day and year first written above.

NORTH ALAMO WATER SUPPLY CORPORATION

_____, President


ATTEST:

HIDALGO COUNTY



J.D. Salinas, III, County Judge

ATTEST:

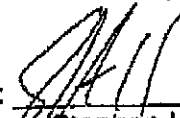


Arturo Gualardo, Jr., County Clerk *CCM*

**APPROVED BY
COMMISSIONERS' COURT**
ON: 4/13/07

APPROVED AS TO FORM:

ALTAS & HALL, L.L.P.

By: 

Stephen L. Crain