

STATE OF TEXAS §
 §
COUNTY OF HIDALGO §

COPY

**INTERLOCAL COOPERATION AGREEMENT
BETWEEN HIDALGO COUNTY AND
HIDALGO COUNTY DRAINAGE DISTRICT NO. 1**

THIS AGREEMENT is made on this the 28th day of December 2006 by and between **HIDALGO COUNTY DRAINAGE DISTRICT NO 1**, hereinafter referred to as "Drainage District", and **HIDALGO COUNTY, TEXAS**, hereinafter referred to as "County", pursuant to the provisions of the Texas Interlocal Cooperation Act, as follows:

WHEREAS, Hidalgo County Drainage District No. 1 (the "Drainage District") is in need of technical advise and expertise in the area of acquisition of right of way and other real property;

WHEREAS, Hidalgo County, through its Right of Way Department (the "Department"), is available and willing to assist the Drainage District by providing such expertise and technical advise to the Drainage District on an as needed basis;

WHEREAS, the parties hereto have determined it is beneficial to both parties to enter into this Agreement and that the benefits to each are reasonable;

WHEREAS, the Drainage District and the County are authorized to enter into this Agreement pursuant to the Interlocal Cooperation Act, Texas Government Code Section 791.001 et. seq., (the "Act") which authorizes local governments to contract with each other to perform governmental functions and services under the terms of the Act.

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

1. The County, through the Department, shall assist the Drainage District with compliance and interpretation of procedures for right of way and real property acquisitions. All property acquisitions and real estate matters shall be conducted in the usual and costmary manner of the Department on an as needed basis.
2. The Drainage District agrees to compensate the Department for the costs associated with right of way acquisitions and real estate matters in an amount not to exceed Seventy-Two Thousand Five Hundred One Dollars and 50/100ths (\$72,501.50) for a period of one (1) year.
3. The County may provide, upon written request from the Drainage District, additional services upon such terms and conditions as may be mutually agreed to between the Drainage District and the County.

4. This Agreement shall be for a period of one (1) year from the date first written above and may be renewed for three (3) additional one (1) year terms under the same terms and conditions upon written agreement between the parties.
5. Each party agrees to conform to its own applicable purchasing laws, regulations, policies, and procedures with respect to the portion of the work under this Agreement performed by each party.
6. **Conflict of Applicable Law.** Nothing in this Agreement 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 Agreement 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 later shall prevail, but in such event the affected provision or provisions of this Agreement shall be modified only to the extent necessary to bring them within the legal requirements and only during the time such conflict exists.
7. **No Waiver.** No waiver by any party hereto of any breach of any provision of the Agreement shall be deemed to be a waiver of any preceding or succeeding breach of the same or any other provision hereof.
8. **Entire Agreement.** This Agreement contains the entire contract 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 Agreement not specifically set forth herein. This Agreement may be modified or amended only by agreement in writing executed by Drainage District and County, and not otherwise.
9. **TEXAS LAW TO APPLY.** THIS AGREEMENT 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 Agreement, 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 Drainage District No. 1

Drainage District No. 1
Attention: Godfrey Garza, Jr.
902 N. Doolittle Road
Edinburg, Texas 78539

If to Hidalgo County:

Hidalgo County, Texas
Attention: County Judge
100 E. Cano, 2nd Floor
Edinburg, Texas 78539

With Copy to:

Hidalgo County Right of Way Dept.
Jose Pena, Director
509 E. Earling Road
San Juan, Texas 78589

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 Agreement.
12. **Successors.** This Agreement 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 Agreement.
13. **Assignment.** This Agreement shall not be assignable.
14. **Headings.** The headings and captions contained in this Agreement are solely for convenience reference and shall not be deemed to affect the meaning or interpretation of any provision of paragraph hereof.
15. **Gender and Number.** All pronouns used in this Agreement shall include the other gender, whether used in the masculine, feminine or neuter gender, and singular shall include the plural whenever and so often as may be appropriate.
16. **Authority to Execute.** The execution and performance of this Agreement by Drainage District and County have been duly authorized by all necessary laws, resolutions or corporate action, and this Agreement constitutes the valid and enforceable obligations of Drainage District and County in accordance with its terms.

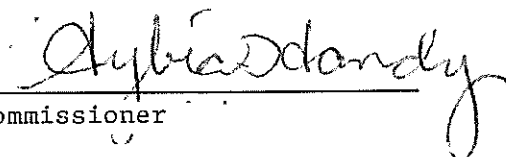
17. **Governmental Purpose.** Each party hereto is entering into this Agreement for the purpose of providing governmental services or functions and will pay for such services out of current revenues available to the paying party as herein provided.
18. **Commitment of Current Revenues Only.** In the 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 Agreement, then any party may terminate this Agreement upon sixty (60) 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 Agreement. The parties intend this provision to be a continuing right to terminate this Agreement 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.

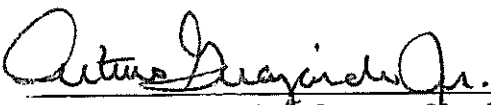
HIDALGO COUNTY DRAINAGE DISTRICT NO. 1

By: 
Godfrey Garza, Manager

HIDALGO COUNTY.

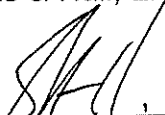
By: 
Sylvia Handy, Commissioner

ATTEST:


Arturo Guajardo Jr. County Clerk

APPROVED AS TO FORM:

Atlas & Hall, L.L.P.

By: 
Stephen L. Crain

APPROVED BY COMMISSIONERS' COURT ON: December 28, 2006.