

INTERLOCAL GOVERNMENTAL AGREEMENT

This **INTERLOCAL GOVERNMENTAL AGREEMENT** is made as of the date set forth below by and between **HIDALGO COUNTY APPRAISAL DISTRICT**, a political subdivision of the State of Texas, ("District"), and the **COUNTY OF HIDALGO, TEXAS**, a political subdivision of the State of Texas, ("County"), as follows:

WHEREAS, the District and the County are each authorized to provide employment benefits to their respective employees, including, but not limited to group health insurance and group life and accidental death and disability insurance (life/AD&D);

WHEREAS, the County, in compliance with the laws of the State of Texas, requested bids on group health insurance and group life/AD&D insurance coverage;

WHEREAS, after review of all bids and proposals, the County authorized the establishment of a self-funded health insurance program with **BLUE CROSS BLUE SHIELD OF TEXAS** to act as the third party administrator and to provide the stop loss insurance under such program and to award the life/AD&D insurance contract to **ING LIFE INSURANCE COMPANY** on the terms and conditions set forth in Exhibit "A" attached hereto and made a part hereof;

WHEREAS, the District desires to provide its employee health insurance coverage through the County in order to maximize the economies of scale and the taxpayer funds used to provide such insurance;

WHEREAS, the District and the County desire to cooperate with each other in providing appropriate health insurance coverage to their employees on the most cost-efficient basis; and

WHEREAS, the governing bodies of the District and the County have authorized the execution of this Agreement;

NOW, THEREFORE, it is agreed by the District and the County as follows:

1. **Inclusion of District by County.** The County consents to the inclusion of District as part of County's employee group for both its self funded health insurance program with **BLUE CROSS BLUE SHIELD OF TEXAS** as set forth above and its life/AD&D insurance contract with **ING LIFE INSURANCE COMPANY** on the terms and conditions as described in Exhibit "A" attached hereto and made a part hereof.

2. **Direct Payment by District.** (a) All costs associated with premiums for both health and life/AD&D insurance coverages related to District's employees shall be paid directly by District to the County or at the written direction of the County to **BLUE CROSS BLUE SHIELD OF TEXAS** or **ING LIFE INSURANCE COMPANY** as the case may be.

(b) County is not responsible for the payment of any premiums or other administrative costs either as to "employer" or "employee" as the same relates to employees of the District. District is not responsible for the payment of any premiums or other administrative costs either as to "employer" or "employee" as the same relates to employees of the County.

(c) If upon termination of the coverages provided for herein, the County shall receive any refund from either **BLUE CROSS BLUE SHIELD OF TEXAS** or **ING LIFE INSURANCE COMPANY** for any fees, deposits or premiums related to the term hereof, County agrees to pay to District within ten (10) business days of the receipt of such refund a prorata

share thereof based upon the District's proportional payment of such fee, deposit or premium as compared to the County's proportional payment of such fee, deposit or premium.

3. **Notice by County.** County agrees to provide District thirty (30) days written notice of any change or termination of such health and life/AD&D insurance coverages prior to the effective date of any such change.

4. **Provision for Governmental Services.** The parties to this Agreement acknowledge that the performance and services provided under this Agreement must be paid for from current revenues available to each party. If such revenue is not available, each party has the right to terminate the Agreement without further obligation or liability upon thirty (30) days written notification of such termination to the other party.

5. **Term and Renewal.** To the extent any obligation or performance under this Agreement extends beyond one (1) year from the date hereof, this Agreement shall remain in effect only on the condition that the both parties shall ratify and extend this Agreement on an annual basis. Upon failure of either party to ratify and extend this Agreement, this Agreement shall terminate without further liability to either party.

6. **Conflict with 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 latter 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 this 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 among the parties hereto, and each party acknowledges that no other party has made (either directly or through any agent or representative) any representations or agreements in connection with this Agreement not specifically set forth herein. This Agreement may be modified or amended only by agreement in writing executed by the parties hereto, 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 communications 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 County: Hidalgo County
Attention: J.D. Salinas III, County Judge
Hidalgo County Courthouse
Edinburg, Texas 78539

If to District: Hidalgo County Appraisal District
Attention: Rolando Garza, Chief Appraiser
4405 S. Professional Drive
Edinburg, Texas 78539

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 convenient reference and shall not be deemed to affect the meaning or interpretation of any provision or 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 the singular shall include the plural whenever and as often as may be appropriate.

16. **Authority to Execute.** The execution and performance of this Agreement by each of the parties hereto have been duly authorized by all necessary laws, resolutions, ordinances or governing body action, and this Agreement constitutes the valid and enforceable obligations of the parties hereto in accordance with its terms.

17. **Severability.** Should any phrase, clause, sentence or section of this Agreement be judicially declared to be invalid, unenforceable or void, such decision will not have the effect of invalidating or voiding the remainder of this Agreement, and such part of this Agreement will be deemed to have been stricken here from and the remainder of this Agreement will have the same force and effect as if such part or parts had never been included herein.

18. **Mediation.** In the event of a dispute between the District and the County over issues related to this Agreement, the parties agree to submit such disputes to mediation by a mutually agreeable mediator prior to the institution of any suit to resolve the dispute or to enforce the terms of this Agreement. Any signatory to this Agreement who is the prevailing party in any legal proceeding against any other signatory brought under or with relation to this Agreement or transaction, shall be additionally entitled to recover Court costs and reasonable attorney's fees from the non-prevailing party.

EXECUTED the _____ day of _____, 2008.

COUNTY OF HIDALGO, TEXAS

By: _____
J.D. SALINAS III, County Judge

EXECUTED the 11th day of January, 2008.

HIDALGO COUNTY APPRAISAL DISTRICT

By: *Rolando Garza*
ROLANDO GARZA, Chief Appraiser

Exhibit A
Interlocal Governmental Agreement

BASIC PLAN - Blue Cross Blue Shield of Texas with \$1,000 Ded. - 70/50 Plan	MONTHLY	SEMIMONTHLY
Employee (Paid by District)	\$347.00	
Spouse	\$193.00	\$96.50
Child or Children	\$85.00	\$42.50
Family	\$277.00	\$138.50

OPTIONAL BUY-UP PLAN - Blue Cross Blue Shield of Texas with \$500 Ded - 80/50 Plan

Employee	\$31.00	\$15.50
Employee + Spouse	\$236.00	\$118.00
Employee + Child or Children	\$123.00	\$61.50
Employee + Family	\$359.00	\$179.50

LIFE AND AD & D INSURANCE

Rates with ING Life Insurance Company with \$25,000 Coverage	LIFE AND AD & D
	\$0.09
	or
	\$2.25 per employee