

STATE OF TEXAS §
 §
COUNTY OF HIDALGO §

**INTERLOCAL COOPERATION AGREEMENT
BETWEEN HIDALGO COUNTY
AND AGUA SPECIAL UTILITY DISTRICT**

THIS Agreement is made on this the__ day of _____, 2010, by and between the **AGUA SPECIAL UTILITY DISTRICT**, hereinafter referred to as “District”, 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, County is a political subdivision of the State of Texas;

WHEREAS, District is a utility district created under the laws of Texas;

WHEREAS, there is a Plat of a subdivision titled Vallejo Subdivision located on Volcano Road currently being reviewed and on file with the Hidalgo County Planning department (“Vallejo Subdivision”);

WHEREAS, The County desires to contribute CDBG funds to Agua for installation and connection of water meters the lots in Vallejo Subdivision located on Volcano Road in the rural area of Hidalgo County as described in Exhibit “A”;

WHEREAS, County agrees it is in its best interest to provide such contribution to Agua as described herein, and

WHEREAS, the parties are authorized to enter into this Agreement pursuant to the Interlocal Cooperation Act, Texas Govt. Code 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;

WHEREAS, Agua and County are agreeable to these terms; and

WHEREAS, the funds will be used for the project as outlined in Exhibit “B”;

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

1. County agrees to contribute CDBG funds allocated to Precinct No. 3 in the sum of Twenty-Six Thousand and Twenty Two Dollars (\$26,022.00) CDBG to Agua for the construction and installation of water meters to six (6) lots in Vallejo Subdivision being all of the lots in Vallejo Subdivision located on Volcano Road in rural Hidalgo County (the "Meters").
2. Following the contribution of the CDBG funds to Agua for construction and installation of the Meters as described in Exhibit "A", the parties agree that County will be released of any and all duties imposed by this Agreement.
3. 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.
4. **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 their 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.
5. **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.
6. **Entire Agreement.** This Agreement contains the entire contact 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 County and Agua and not otherwise.
7. **TEXAS LAW TO APPLY.** THIS AGREEMENT SHALL BE CONSTRUED UNDER AND IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, AND ALL OBLIGATION OF THE PARTIES CREATED HEREUNDER ARE PERFORMABLE IN HIDALGO COUNTY, TEXAS. THE PARTIES HEREBY CONSENT TO PERSONAL JURISDICTION IN HIDALGO COUNTY, TEXAS.
8. **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 County: Hidalgo County, Texas
Attention: Ramon Garcia, County Judge
P.O. Box 758
Edinburg, Texas 78540-0758

If to Agua: Agua Special Utility District
P. O. Box 4379
Mission, Texas 78573-0075

With copy to: Joe Flores, Commissioner, Precinct No. 3
724 North Breyfogle
Mission, Texas 78572

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.

9. **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.
10. **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.
11. **Assignment.** This Agreement shall not be assignable.
12. **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.
13. **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.
14. **Authority to Execute.** The execution and performance of this Agreement by County and the District have been duly authorized by all necessary laws, resolutions or corporate action, and this Agreement constitutes the valid and

enforceable obligations of County and the District in accordance with its terms.

15. **Governmental Purpose.** Each party hereto is entering into this agreement for the purpose of providing for governmental services or functions and will pay for such services out of current revenues available to the paying party as herein provided.
16. **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 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 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.
17. The approval of this Interlocal Cooperation Agreement in accordance with Texas Government Code 791.014 is evidenced by Exhibit "B" attached herein.

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

AGUA SPECIAL UTILITY DISTRICT

By: _____
Francisco "Frank" Flores
It's: General Manager

HIDALGO COUNTY, TEXAS

By: _____
Ramon Garcia, County Judge

ATTEST:

Arturo Guajardo, County Clerk

APPROVED AS TO FORM:
ATLAS & HALL, LLP


By:  _____
Stephen L. Crain

EXHIBIT "A"
DESCRIPTION OF ACTIVITY

Construction and installation of water meters to all lots located in Vallejo Subdivision located on Volcano Road, a Plat of which is currently being reviewed and on file with the Hidalgo County Planning Department.

EXHIBIT "B"
BUDGET

Contribution of CDBG funds allocated to Precinct 3 in an amount not to exceed \$26,022.00 from Urban County Year 23 Water and Sewer Funds.

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**APPROVAL OF
INTERLCOAL COOPERATION AGREEMENT
PROJECT**

In accordance with Texas Government Code §791.014, Hidalgo County, Texas, acting by and through the Hidalgo County Commissioners Court, has been advised of a proposed project. County desires to contribute CDBG funds to Agua for installation and connection of water meters to six (6) lots in Vallejo Subdivision located on Volcano Road in the rural area of Hidalgo County (the "Project") through an Interlocal Cooperation Agreement to be entered into with Hidalgo County and Agua Special Utility District.

By vote on _____ 2010, the Hidalgo County Commissioners Court has approved the Project identified above.


By: _____
Ramon Garcia, County Judge

ATTEST:

Arturo Guajardo, County Clerk

APPROVED AS TO FORM:

ATLAS & HALL, LLP

By:  _____
Stephen L. Crain

Bickerstaff Heath Delgado Acosta LLP

3711 S. MoPac Expressway Building One, Suite 300 Austin, Texas 78746 (512) 472-8021 Fax (512) 320-5638 www.bickerstaff.com

November 23, 2010

Ms. Diana R. Serna
Director
Hidalgo County Urban County Program
1916 Tesoro Blvd.
Pharr, Texas 78577

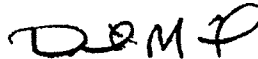
Re: Vallejo Subdivision

Dear Diana:

Attached is a copy of a letter I provided to Commissioner Flores yesterday confirming the above-referenced subdivision is in the Agua Special Utility District service area.

Let me know if you have any questions concerning this matter.

Kindest regards,



David Mendez

DM/dfb

Attachment

cc: Frank Flores, General Manager
Agua SUD

Bickerstaff Heath Delgado Acosta LLP

3711 S. MoPac Expressway Building One, Suite 300 Austin, Texas 78746 (512) 472 8021 Fax (512) 320-5638 www.bickerstaff.com

November 22, 2010

Via Facsimile: 956-585-2375

Commissioner Joe Flores
Hidalgo County
Hidalgo County Offices
724 North Breyfogle
Mission, TX 78572

Re: Vallejo Subdivision

Dear Commissioner Flores:

As requested by Domingo Villarreal from your office, I am confirming that the Vallejo Subdivision located in the vicinity of 3 Mile Line Road and Volcano Drive is within the service area of the Agua Special Utility District ("District"). Under the District's Certificate of Public Convenience and Necessity the District is the sole source of public water service for the subdivision.

Let me know if you have any questions concerning this matter.

Kindest regards,



David Méndez

DM/dfb

cc: Frank Flores, General Manager
Agua SUD