

## 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, group life and accidental death and disability insurance (life/AD&D);

WHEREAS, the County is also authorized to provide its employees with the option to obtain additional insurance coverages at the employee's own expense for such products as long term disability, vision, dental, cancer, critical illness insurance and additional life insurance coverage beyond the limits provided by the employer (hereinafter collectively referred to as the "Voluntary Products");

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

WHEREAS, after review of all bids and proposals, the County authorized the establishment of a self-funded group health insurance program with BLUE CROSS BLUE SHIELD OF TEXAS to act as the third party administrator for and to provide the stop loss insurance under such group health insurance program and to award the life/AD&D insurance contract to FORT DEARBORN 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 employees group health insurance and life/AD&D coverages 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 group health insurance and life/AD&D coverages to their employees on the most cost-efficient basis;

WHEREAS, the District also desires to offer its employees, at such employee's sole cost and expense, the opportunity to elect dental and vision insurance from the array of Voluntary Products coverages as offered to the County's employees; 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 FORT DEARBORN LIFE INSURANCE COMPANY on the terms and conditions as described in Exhibit "A" attached hereto and made a part hereof. In addition, the County consents to the inclusion of the District as part of County's employee group for the additional Voluntary Products coverages available to County's employees, limited however, to dental and vision insurance.

2. **Direct Payment by District.** (a) All costs associated with premiums for both health and life/ADD&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 FORT DEARBORN 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 FORT DEARBORN LIFE INSURANCE COMPANY E 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.

(d) All costs associated with premiums for any Voluntary Products selected in writing by any District employee shall be withheld from such employee's payroll and be paid directly by District on behalf of such employee to the County or at the written direction of the County to BLUE CROSS BLUE SHIELD OF TEXAS or FORT DEARBORN LIFE INSURANCE COMPANY as the case may be. District is not responsible to either the County or any third party for the cost of any such Voluntary Products coverages.

(e) District agrees to name County as an additional insured on District's Texas Municipal League Joint Self-Insurance Fund Liability Coverage (the "Liability Coverage"). District also agrees to provide County with verification of the Liability Coverage and County's designation as an additional insured thereon.

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. County agrees to provide District thirty (30) days written notice of any change or termination of such Voluntary Products 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: Ramon Garcia, 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 \_\_\_\_\_, 2013.

**COUNTY OF HIDALGO, TEXAS**

By: \_\_\_\_\_  
**RAMON GARCIA, County Judge**

EXECUTED the 9<sup>th</sup> day of January, 2013.

**HIDALGO COUNTY APPRAISAL DISTRICT**

By: Rolando Garza  
**ROLANDO GARZA, Chief Appraiser**

ATTEST:

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Arturo Guajardo Jr., County Clerk

Approved As To Form:  
Atlas, Hall and Rodriguez, LLC

By:\_\_\_\_\_

**Exhibit A  
Interlocal Governmental Agreement**

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

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

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**LIFE AND AD & D INSURANCE**

<b>Rates with Fort Dearborn Life Insurance Company with \$25,000 Coverage</b>	<b>LIFE AND AD &amp; D</b>
	\$0.09 or \$2.25 per employee

## HIDALGO COUNTY

### VOLUNTARY INSURANCE PRODUCTS - 2013 RATES

HUMANA DENTAL		
TIER	MONTHLY DEDUCTION	BI-WEEKLY DEDUCTION
EMPLOYEE ONLY	\$ 27.91	\$ 13.96
EMPLOYEE & SPOUSE	\$ 48.63	\$ 24.32
EMPLOYEE & CHILD(REN)	\$ 47.03	\$ 23.52
EMPLOYEE & FAMILY	\$ 80.07	\$ 40.04

VSP VISION CARE		
TIER	MONTHLY DEDUCTION	BI-WEEKLY DEDUCTION
EMPLOYEE ONLY	\$ 8.04	\$ 4.02
EMPLOYEE & SPOUSE	\$ 16.08	\$ 8.04
EMPLOYEE & CHILD(REN)	\$ 17.22	\$ 8.61
EMPLOYEE & FAMILY	\$ 27.50	\$ 13.75

**\*ADDITIONAL VOLUNTARY PRODUCTS:**

<b>TRANSAMERICA</b>	<b>*RATES FOR THESE PRODUCTS ARE DETERMINED BY AGE, GENDER, SALARY AND PLAN SELECTION.</b>  <b>NOTE: NEW CARRIERS AND RATES WILL BECOME EFFECTIVE APRIL 1, 2013.</b>
ACCIDENT	
CANCER	
CRITICAL ILLNESS	
UNIVERSAL LIFE	
<b>UNUM</b>	
DISABILITY	