

COUNTY OF HIDALGO           §  
  §  
STATE OF TEXAS               §

**MEMORANDUM OF UNDERSTANDING BETWEEN THE MCALLEN FOREIGN TRADE ZONE, INC. AND THE COUNTY OF HIDALGO, TEXAS**

This **Agreement** (“Agreement”) is made and entered into by and between the **MCALLEN FOREIGN TRADE ZONE, INC. (MFTZ)**, a nonprofit funded by the City of McAllen, Texas as authorized by the laws and Constitution of the State of Texas, and the **COUNTY OF HIDALGO, TEXAS**, by and through the **Hidalgo County Health & Human Services Department (COUNTY)**, a political subdivision of the State of Texas and a Texas Human Services Department.

**WHEREAS**, the COUNTY approved the participation of the Hidalgo County Health & Human Services Department’s participation in the **Essential Economic Trade Initiative (EETI)** by Commissioner Court action on July 13<sup>th</sup> 2021, a COVID-19 vaccination program supporting an effort to maintain economic and trade continuity for US based companies with parts and supplies manufacturing in maquiladoras in across the border; and

**WHEREAS**, participation in the EETI included several partners, including the MFTZ; and

**WHEREAS**, this Agreement is of mutual interest and benefit to MFTZ and the COUNTY;

**NOW, THEREFORE**, in consideration of the mutual promises and covenants herein contained, the COUNTY and MFTZ (sometimes collectively referred to herein as the “Parties”) agree as follows:

1.     Services and Cost

a.     During the term of this Agreement, COUNTY shall provide vaccination services, including personnel, supplies and equipment to the EETI (the “Services”). The Services may be modified, reduced or expanded with the advance written consent of the Parties.

b.     As consideration for the services provide by COUNTY, MFTZ agrees to collect from U.S. based companies operating maquiladoras in Mexico, or from Mexican associations of maquilas or maquila workers (“Mexican entities”) to reimburse COUNTY for allowable cost for the Services, payable against written invoice submitted by COUNTY to MFTZ.

2.     COUNTY’s Responsibilities and Representations

a.     COUNTY represents that all persons connected, with COUNTY in providing services for the EETI and who are directly in charge of providing the Services are duly registered and/or licensed under the laws, rules and regulations of any authority having jurisdiction, if so required by such laws, rules and regulations.

b.     COUNTY represents that to the best of its actual knowledge, as a result of providing the Services, there are no conflicts of interest between the COUNTY and any other person or entity

for whom COUNTY is providing services. If, during the course of this Agreement, COUNTY becomes aware of facts that constitute or may reasonably lead to a conflict of interest, COUNTY shall promptly notify the MFTZ.

c. COUNTY shall: i) designate an administrator to oversee and administer COUNTY's performance of the Services; ii) provide one or more qualified personnel, supplies and equipment appropriate for the Services; iii) assume full responsibility for complying with the requirements of the state, and federal laws with respect to any services provided by COUNTY in connection with the EETI;

### 3. MFTZ's Responsibilities and Representations

a. The COUNTY shall: i) designate a contact person to communicate with MFTZ about any specific requirements of the services provided by COUNTY in connection with the EETI; ii) make all required payments to COUNTY within 30 days of receipt of the invoice, in accordance with the Texas Prompt Payment Act.

b. If the MFTZ fails to make any payment as required by this Agreement, the MFTZ agrees to indemnify COUNTY for all costs and expenses incurred by COUNTY in its efforts to collect all amounts due including, but not limited to, court filing fees, litigation expenses, attorneys' fees, and any bank fees to the extent allowed under Texas law.

### 4. Term of the Agreement

a. The parties agree that the term of this agreement shall be for a period of six (3) months with the effective date of July 13, 2021, and ending date of October 13, 2021, or until the termination of the EETI, whichever date is sooner.

b. The parties agree that they may for any reason, or no reason, terminate this Agreement at any time upon giving five (5) days advance written notice to the other party. If MFTZ terminates this Agreement for convenience, it shall have no liability to the COUNTY of any kind other than reimbursing any cost invoiced by the COUNTY for any services that were performed.

c. The MFTZ acknowledges and agrees that by providing the Services, COUNTY is not making any representation or warranty concerning the COUNTY's future performance or success and that COUNTY is not responsible in any way for the operation of MFTZ's business.

d. Neither party will be liable or responsible to the other for any loss or damage or for any delays or failure to perform due to causes beyond its reasonable control including acts of God, strikes, epidemics, war, riots, flood, fire, sabotage, or any other circumstances of like character.

### 4. Miscellaneous

a. The relationship created by this Agreement shall be that of independent contractor. Nothing in this Agreement shall be read to make the employees or agents of either party an employee or an agent of the other.

b. This Agreement constitutes all representations, oral and written, of the work to be performed, replaces all previous agreements, and constitutes the entire agreement between the

Parties; this Agreement may be modified only in writing, signed by each party, after reasonable notice.

c. This Agreement shall be governed by and construed in accordance with the laws of the state of Texas. Each party submits to the exclusive jurisdiction of the courts located in Hidalgo County, Texas for the purpose of any action or proceeding brought by either of them in connection with this Agreement or any alleged breach thereof.

h. Neither party shall assign its rights or obligations hereunder without the prior written consent of the other party. MFTZ shall not subcontract, either directly or indirectly, any of its responsibilities hereunder without the prior written consent of the COUNTY.

**IN WITNESS WHEREOF**, COUNTY and MFTZ have executed and delivered this Agreement as of the date first above written.

**COUNTY OF HIDALGO (Health & Human Services Department):**

By: \_\_\_\_\_  
Eduardo Olivarez  
Chief Administrative Officer

**MCALLEN ECONOMIC DEVELOPMENT CORPORATION**

By: \_\_\_\_\_  
Keith Patridge  
President/CEO