

STATE OF TEXAS §
 §
COUNTY OF HIDALGO §

**INTERLOCAL COOPERATION AGREEMENT BETWEEN THE
COUNTY OF HIDALGO AND CITY OF MISSION, TEXAS
CONCERNING CERTAIN IMPROVEMENTS TO AND PROJECT
DEVELOPMENT ACTIVITIES OF THE LOS EBANOS ROAD PROJECT,
FROM INTERSTATE HIGHWAY 2 (IH-2) TO MILITARY PARKWAY
(PHASE II)**

THIS agreement is made on this the ____ day of _____, 2026 by and between the COUNTY OF HIDALGO, Texas (hereinafter referred to as “County”) and the CITY OF MISSION, Texas (hereinafter referred to as the “City”), pursuant to the provisions of the Texas Interlocal Cooperation Act (the “Act”), Chapter 791 et seq., Texas Government code, as follows:

WITNESSETH:

WHEREAS the County is defined as a “Local Government” under the Act and a political subdivision organized under the laws of the State of Texas; and

WHEREAS the City is a municipality defined as a “Local Government” under the Act, and a political subdivision organized under the laws of the State of Texas, within the boundary of Hidalgo County, Texas; and

WHEREAS the City and County, desire to cooperate in developing Los Ebanos Road, from IH-2 to Military Parkway (hereinafter referred to as the “Project”) which is located within the limits and the jurisdiction of the City and the County as shown on Exhibit A; and

WHEREAS the City and the County, each pursuant to its statutory and constitutional authority, are responsible for maintenance and improvements to certain public roadways within their boundaries; and

WHEREAS the County finds that the Project is a major public thoroughfare that serves as a connecting link of the County Road system and that the Project is in the public interest of the City and County; and

WHEREAS the City and the County agree it is essential to develop this very important corridor to provide connectivity from an interstate highway to the industrial areas and connection to an international bridge; and

WHEREAS the City and County in cooperation with Rio Grande Valley Metropolitan Planning Organization (RGVMPO) have received approval from the Texas Department of Transportation (TxDOT) and Federal Highway Administration (FHWA) in functionally classifying this road as a major collector; and

WHEREAS the City and the County are authorized to enter into this Agreement pursuant to the Act, which authorizes local governments to contract with each other and with agencies of the state, to perform governmental functions and services under the terms of the Act; and pursuant to Section 251.012 of the Texas Transportation Code which authorizes counties to improve roadways within the limits of the city with the City’s consent; and

WHEREAS the City and the County entered into an Interlocal Agreement on ___ for Phase I and now desire to cooperate in proceeding with Phase II as outlined in **Exhibit B** attached hereto and incorporated for all purposes.

NOW, THEREFORE, the City and the County in consideration of the mutual covenants expressed hereinafter, agree to enter into this agreement as follows:

1. Parties agree that the County will be the fiduciary agent for the Project and assume the role of project development lead.
2. The City, pursuant to Texas Transportation Code 251.012, authorizes the County to perform the work and services described herein within their city limits and Extraterritorial Jurisdiction (ETJ).
3. The City agrees that the County will assume the role of project sponsor to develop Phase II of the Project within the limits of the City.
4. The County agrees to complete Phase II of project development as detailed below and more particularly described in **Exhibit B**:
 - ROW Map,
 - Surveys, and
 - Plans, Specifications & Estimates (PS&E)
5. The total Phase II project development cost is estimated to be \$2,857,900 as outlined in **Exhibit B**. Upon execution of this agreement, the City and the County shall fund Phase II as follows:
 - a. On April 1, 2026, or four months after the execution of this agreement, the City shall pay the County as its contribution to Phase II, \$405,933 and the County will contribute \$405,933.
 - b. On October 1, 2026, or 10 months after the execution of this agreement, the City shall pay the County as contribution to Phase II, \$405,933 and the County will contribute \$405,933.
 - c. On April 1, 2027, or 16 months after the execution of this agreement, the City shall pay the County as contribution to Phase II, \$617,084 and the County will contribute \$617,084.
6. Any actual costs in excess of the estimated project development cost (attached to this Agreement as **Exhibit B**) shall be shared by the City and County equally. Any amount that is not utilized in Phase II shall be reimbursed back to the City and County equally.
7. Once Phase II is substantially complete, the City agrees to enter into agreement for cost sharing with the County and cooperate in proceeding with Phase III (ROW Acquisition, Easements, Permits, Compensable Utilities and Attorney Fees), and Phase IV (Construction Oversight and Letting) as outlined in **Exhibit B**. Any construction overruns shall be shared by the City and County equally.
8. 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.

9. **Term.** The term of this Agreement shall be from the effective date of this Agreement to the date indicated herein or when Phase II of the project is completed or as otherwise agreed to by the parties.
10. **Termination.** Either party may terminate this Agreement with or without cause upon thirty (30) days written notice to the other.
11. **Liability Insurance.** Each entity will carry sufficient liability insurance at the statutorily required limits, pursuant to the Texas Tort Claims Act.
12. **Nature of Relationship.** Nothing contained in this Agreement shall be deemed or construed to create the relationship of principal and agent or that of partnership or joint venture or any association between the parties, and any intention to create a joint venture or partnership relationship between the parties hereto is hereby expressly disclaimed. No provision contained in this agreement, nor any acts of the parties hereto shall be deemed to create any relationship between the City and the County other than what is specifically described within the Agreement. The County shall maintain exclusive control, direction and management of its own employees, and the City shall have no rights with respect thereto, except for the right to enforce covenants of the Agreement as set forth herein.
13. **Indemnification.** To the extent permitted under the Constitution and Laws of the State of Texas, the City agrees to indemnify and hold harmless and defend the County, its agents, employees, and officers from and against any claim, loss, damage, liability and expense including reasonable attorney's fees, incurred or suffered by it, by reason of any and all claims, demands or causes of action asserted or that may be asserted, against any or all of the above named parties, whether alleging intentional or negligent acts or omissions, and whether seeking compensatory or punitive damages, and involving arising out of, or in any manner related to this Agreement.
14. **Immunities.** It is expressly understood and agreed that, in the execution of this Agreement, neither City nor the County waive, nor shall be deemed hereby to waive, any immunity or defense that would otherwise be available to it against claims arising in the exercising of governmental powers and functions.
15. **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 the Agreement shall be modified only to the extent necessary to bring them within the legal requirements and only during the time such conflict exists.
16. **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.
17. **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 agreement or representative) 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 the City and the County, and not otherwise.

18. **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.
19. **Notice.** Except as maybe 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 CITY: City of Mission
 Attention: Hon. Norie Gonzalez-Garza, Mayor
 1201 E. 8th St.
 Mission TX 78572

If to COUNTY: Hidalgo County, Texas
 Attention: Hon. Richard F. Cortez, County Judge
 100 E. Cano St., Second Floor
 Edinburg, Texas 78539

With copy to: Hon. Everado “Ever” Villarreal, Commissioner Precinct 3
 724 Breyfogle Road
 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.

20. **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.
21. **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.
22. **Assignment.** This Agreement shall not be assignable.
23. **Headings.** The headings and captions contained in this Agreement are solely for the convenience reference and shall not be deemed to affect the meaning or interpretation of any provision of paragraph hereof.
24. **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 as often as may be appropriate.
25. **Non-Discrimination.** The Agreement and all related activities shall be conducted in a manner that does not discriminate against any person on a basis prohibited by applicable

law or City and County policies, including without limitation of race, color, national origin, religion, sex, age, veteran status, disability or any other category protected under law.

26. **Governmental Purpose.** Each party hereto is entering into the 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.
27. **Commitment or Current Revenues Only.** In the event that, during any term hereof, the Commissioner's Court does not appropriate sufficient funds to meet the obligations under this Agreement, the County may terminate this Agreement upon ninety (90) days' written notice to the City. The County agrees; however, to use reasonable 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 the County. *Agreements for the acquisition, including lease of real or personal property under Tex. Loc. Govt. Code Ann. §271.903.*
28. **Governing Provisions.** Parties shall comply with all applicable laws and regulations. A non-exclusive list of regulations commonly applicable to Federal and State grants, and equipment can be found in the new 2 CFR 200 Uniform Administrative Requirements and Cost Principles and Audit Requirements.
29. **Legal Construction/Severability.** In case any one or more of the provisions contained in this Agreement will for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability will not affect any other provision thereof, and this Agreement will be construed as if such invalid, illegal or unenforceable provision had never been contained herein.
30. **Prior Agreements.** This Agreement supersedes and terminates all previous Inter-local Agreement(s) between the parties hereto concerning the subject matter hereof, except for any Inter-local Agreement dated prior to this Agreement to the extent work is being performed under said Agreement at the time of executing this Agreement. Once ongoing work under any such previous Inter-local Agreement(s) is completed and payment is remitted such previous Inter-local Agreement(s) shall terminate at such time.
31. **Authority to Execute.** The execution and performance of this Agreement by the City and the County have been duly authorized by all necessary laws, resolutions or corporate action, and this Agreement constitutes the valid and enforceable obligations of the City and the County in accordance with its terms.

[SIGNATURE PAGE TO FOLLOW]

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

APPROVED BY COMMISSIONERS' COURT ON APRIL 28TH, 2026

Agenda Item No. 103261 Executive Office: _____

COUNTY OF HIDALGO

Hon. Richard F. Cortez, County Judge

ATTEST:

Arturo Guajardo, Jr., County Clerk

CITY OF MISSION

Hon. Norie Gonzalez-Garza, Mayor

ATTEST:

Ana Carrillo, City Secretary

APPROVED AS TO FORM:

By: _____
Mission City Attorney

**APPROVED AS TO FORM:
Office of the Criminal District Attorney,
Toribio "Terry" Palacios**

By: Michelle Lopez, Assistant District Attorney

STATE OF TEXAS §
 §
COUNTY OF HIDALGO §

**APPROVAL OF
INTERLOCAL COOPERATION AGREEMENT
LOS EBANOS ROAD 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 regarding Los Ebanos Road, from IH-2 to Military Parkway which is in part within the city limits of Mission and in part within the jurisdiction of Hidalgo County, through an Inter-local Cooperation Agreement to be entered into between the City of Mission, Texas and Hidalgo County.

By vote on _____, 2026, the Hidalgo County Commissioners’ Court has approved the project identified above.

By: Richard F. Cortez, County Judge

ATTEST:

Arturo Guajardo, Jr., County Clerk

APPROVED AS TO FORM:
Office of the Criminal District Attorney,
Toribio “Terry” Palacios

Michelle Lopez, Assistant District Attorney