

STATE OF TEXAS §
COUNTY OF HIDALGO §

**INTERLOCAL COOPERATION AGREEMENT
BETWEEN THE CITY OF PROGRESO, TEXAS
AND THE COUNTY OF HIDALGO, TEXAS**

This Agreement made and entered into this 30th day of June, 2023, by and between the **County of Hidalgo, Texas**, hereinafter referred to as "County", with the agreement, consent, and participation of the Hidalgo County Tax Assessor-Collector, hereinafter referred to as the "County or County Tax Assessor-Collector", and the **City of Progreso, Texas**, hereinafter referred to as "City", under the authority and in accordance with the Inter-local Cooperation Act, as set out in Chapter 791 of the Texas Government Code, and as authorized by Texas Transportation Code Chapter 702.

WITNESSETH:

WHEREAS, Texas Government Code Chapter 791 authorizes local governments of the State of Texas to enter into contracts for governmental functions and services to increase their efficiency and effectiveness; and

WHEREAS, County and City are local governments as defined in Texas Government Code Section 791.003(4), have the authority to enter into this agreement, and have each entered into this agreement by the action of its governing body in the appropriate manner prescribed by law; and

WHEREAS, Texas Transportation Code Section 702.003(a) allows a county tax assessor-collector to refuse to register a motor vehicle if the tax assessor-collector receives, under a contract, information from a municipality that the owner of the vehicle has an outstanding warrant from that municipality for failure to appear or failure to pay a fine on a complaint that involves the violation of a traffic law as defined by Texas Transportation Code Section 702.001(3).

WHEREAS, Texas Transportation Code Section 702.003(b) allows a municipality to contract with a county in which the municipality is located to provide information to the county tax assessor-collector to make a determination on whether a vehicle owner has outstanding warrants as set out above and deny vehicle registration to certain person; and

WHEREAS, such a consolidated effort in the effectuation of Texas Transportation Code Chapter 702, is in each party's best interest and that of the public and that this agreement will increase the effective and efficient functioning of each party; and

WHEREAS, County and City specify that each party paying for the performance of said functions of government shall make those payments from current funds available to the paying party;

NOW, THEREFORE, this agreement is hereby made and entered into by County and City for the mutual consideration stated herein:

1. PURPOSE OF AGREEMENT

The purpose of this Agreement is to state the terms and conditions under which the County Tax Assessor-Collector may refuse to register certain motor vehicles when the County Tax Assessor-Collector receives information from City that the owner of the vehicle has an outstanding warrant for failure to appear or failure to pay a fine on a complaint that involves a violation of a traffic law as defined by Texas Transportation Code Section 702.001(3).

2. DUTIES OF THE CITY

- 2.1 City shall contract with County to enable the County Tax Assessor-Collector to identify flagged vehicle owners that have an outstanding warrant from City for failure to appear or failure to pay a fine on a complaint that involves the violation of a traffic law as defined by Texas Transportation Code Section 702.001(3). City shall provide the County with a detailed listing, in the County requested format, of flagged vehicle owners and subsequently cleared vehicle owners in order to effectuate the purpose of this agreement. This shall enable the County Tax Assessor-Collector to determine whether a vehicle owner should be denied registration or re-registration. City shall in all instances ensure that all provisions of the Act are adhered to as well as all other applicable laws of the State of Texas.
- 2.2 City shall provide the County Tax Assessor-Collector with a signed and stamped Scofflaw Denial / Release Form issued from the County office or the online Scofflaw system and a Payment Receipt, if applicable, when a traffic law matter is cleared regarding a person:
 - 2.2.1 Against whom a judgment has been entered and who has paid the municipal court the full amount of the fine and court costs; or
 - 2.2.2 Who has perfected an appeal of the case for which the arrest warrant was issued; or
 - 2.2.3 Whose charge for which the arrest warrant was issued has been dismissed.
- 2.3 Upon receiving a Scofflaw Denial / Release Form as indicated above and a Payment Receipt, if applicable, the County Tax Assessor-Collector may not refuse to register the motor vehicle.
- 2.4 City shall provide to County a telephone number or the location of an office where individual inquiries and complaints can be made regarding

denial of registration by the County Tax Assessor-Collector due to outstanding City warrants, as well as to explain the procedures necessary to resolve the outstanding warrants in order to obtain valid registration.

- 2.5 City shall conduct a publicity campaign to explain when registration will be denied and procedures necessary to obtain valid registrations.
- 2.6 City shall identify, by name, address, and telephone number, an individual or individuals who shall have authority on behalf of the City to coordinate, direct and supervise this Agreement.
- 2.7 City shall be liable for any damages that arise out of any registration denials of any vehicles that were flagged or should have been flagged.
- 2.8 City shall require all peace officers authorized to issue citations in City to provide written warning to each person to whom the officer issues a citation for a violation of a traffic law as defined by Texas Transportation Code Section 702.001(3).
- 2.9 The warning must state that if the person fails to appear in court as provided by law for the prosecution of the offense or fails to pay a fine for the violation, the person may not be permitted to register a motor vehicle in this state. The warning may be printed on the citation.
- 2.10 Should City desire to allow vehicle owners to pay outstanding fine(s) online through the County's contracted internet payment services vendor, then City will execute any and all documents necessary to effectuate said service.
- 2.11 City shall obtain and maintain any and all software and technological resources necessary to effectuate Scofflaw services.

3. DUTIES OF THE COUNTY TAX ASSESSOR-COLLECTOR

- 3.1 The County Tax Assessor-Collector shall:
 - 3.1.1 Refuse to register or reregister all motor vehicles which City has flagged with the County and identified in accordance with Texas Transportation Code Chapter 702.
- 3.2 County shall provide a form to distribute to flagged motor vehicle owners necessary to accomplish the purposes of this Agreement. The instructions shall include the following: steps necessary to resolve outstanding traffic violations and information on obtaining a vehicle registration; Municipal Court addresses; and contact information of an individual should a flagged motor vehicle owner wish to enter a complaint about a registration denial.

- 3.3 The County Tax Assessor-Collector shall register or re-register a motor vehicle upon receiving a Scofflaw Denial / Release Form and a Payment Receipt, if applicable, from City that the motor vehicle owner's traffic law matter is cleared pursuant to Section 2.2 above.
- 3.4 The County Tax Assessor-Collector shall at any time have the sole authority and prerogative to register or re-register a motor vehicle where there has been a valid transfer of title.

4. CONSIDERATION AND PAYMENT

- 4.1 The County Tax Assessor-Collector shall present an itemized invoice to City within 10 days after the end of each month during the term of this Agreement providing case number/citation number, date rejected and amount due of each motor vehicle owner for which the County tax Assessor-collector refused vehicle registration or re-registration. County shall be compensated as allowed by Texas Transportation Code Section 702.003(e-1) and according to 4.2 below. City's payment shall be due thirty (30) days from the receipt of the invoice.
- 4.2 City shall assess a \$20.00 fee as allowed by Texas Transportation Code Section 702.003(e-1) on a person who has an outstanding warrant from City for failure to appear or failure to pay a fine on a complaint that involves the violation of a traffic law as defined by Texas Transportation Code Section 702.001(3). The fee shall be assessed as the vehicle owner is flagged by City. The fee shall be collected by City and reimbursed to the County Tax Assessor-Collector for its expenses for providing services under this Agreement.
- 4.3 In the event the County denies registration and the City subsequently dismisses the charges entirely, or otherwise no collection is made, City shall not be required to pay County for the registration denial.
- 4.4 City shall pay to the County the amount of Section 702.003(e-1) fees that were collected and invoiced by County.
- 4.5 City shall, on a monthly basis, provide County a report reconciling the \$20.00 Section 702.003(e-1) fees paid to County in the preceding months for each citation settled by City during the same time period. The report submission shall include payment of any additional amounts owed to County pursuant to 4.2 above.

5. TERM AND TERMINATION

This Agreement shall be effective as of the date of execution first written above, and shall supersede any other prior Agreements. Any Agreement entered into after the expiration of a prior Agreement for the same service, shall be effective as of the first day after the expiration of the prior Agreement. The term of this Agreement shall be for three (3) year(s) and this Agreement shall automatically renew for two (2) additional one year terms upon the same terms and conditions described herein. Either party may terminate this Agreement with or without cause upon sixty (60) days written notice to the other.

6. NOTICE

Official notice shall be by written notice and delivery to all of the parties to this Agreement. Delivery shall be by fax or deposit in the United States Postal Service, first class, return receipt requested to:

If to County: County of Hidalgo, Texas
Attn: Richard F. Cortez, County Judge
100 N Closner Blvd
Edinburg, TX 78539

With Copy to: County Tax Assessor-Collector
Attn: Pablo (Paul) Villarreal, Jr.
2804 US Hwy 281
Edinburg, TX 78539

If to City of Progreso: City of Progreso
Attn: Gerardo Alanis, Mayor
118 South Cage Blvd
Progreso, TX 78579

With Copy to: Progreso Municipal Court
Attn: Orlando Jimenez, Presiding Judge
300 N FM 1015 Rd
Progreso, TX 78579

7. INDEMNIFICATION

To the extent allowed by law, County and City agree that both County and City shall each be responsible for their own negligent acts or omissions or other tortuous conduct in the course of performance of this Agreement, without waiving any sovereign or governmental immunity available to either County or City under Texas law and without waiving any available defenses under Texas law. Nothing in this paragraph shall be construed to create or grant any rights, contractual or otherwise, in or to any third persons or entities.

8. FISCAL FUNDING

Notwithstanding anything to the contrary herein, this Agreement is expressly contingent upon the availability of county funding for each item and obligation contained herein. City shall have no right of action against the County in regards to this Agreement, specifically including any funding by County of this Agreement in the event that the County is unable to fulfill its obligations under this Agreement as a result of the lack of sufficient funding for any item or obligation from any source utilized to fund this Agreement or failure of any funding party to budget or authorize funding for this during the current or future fiscal years. In the event of insufficient funding, or if funds become unavailable in whole or part, the County, at its sole discretion, may provide funds from a separate source or terminate this Agreement. In the event that payments or expenditures are made, they shall be made from current funds as required by Chapter 791 of the Texas Government Code.

Notwithstanding anything to the contrary herein, this Agreement is expressly contingent upon the availability of City funding for each item and obligation contained herein. County shall have no right of action against City in regards to this Agreement, specifically including any funding by City of this Agreement in the event that City is unable to fulfill its obligations under this Agreement as a result of the lack of sufficient funding for any item or obligation from any source utilized to fund this or failure of any funding party to budget or authorize funding for this Agreement during the current or future fiscal years. In the event of insufficient funding, or if funds become unavailable in whole or part, City, at its sole discretion, may provide funds from a separate source or terminate this Agreement. In the event that payments or expenditures are made, they shall be made from current funds as required by Chapter 791 of the Texas Government Code.

9. VENUE

Venue to enforce this Agreement shall lie exclusively in Hidalgo County, Texas, and it will be subject to the laws of the State of Texas.

10. NONDISCRIMINATION

Parties to this Agreement shall not discriminate on the basis of race, color, national origin, sex, religion, age, disability, sexual orientation, or any other protected class under law.

11. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the parties hereto and may not be modified except by an instrument in writing executed by the parties hereto as herein provided.

12. SEVERABILITY

If any provision of this Agreement shall be held invalid, void or unenforceable, the remaining provisions hereof shall not be affected or impaired, and such remaining provisions shall remain in full force and effect.

13. DEFAULT/WAIVER/MITIGATION

It is not a waiver of default if the non-defaulting party fails to declare immediately a default or delays in taking any action. Pursuit of any remedies set forth in this Agreement does not preclude pursuit of other remedies in this Agreement or provided by law.

14. FEDERAL OR STATE OF TEXAS FUNDING

In the event that any work or part thereof is funded by State of Texas or U.S. Government funding and any statute, rule, regulation, grant, contract provision or other State of Texas or U.S. Government law, rule, regulation or other provision imposes additional or greater requirement(s) than stated herein, City agrees to timely comply therewith without additional cost or expense to County.

15. HEADINGS

The titles which are used following the number of each paragraph are only for convenience in locating various provisions of this Agreement and shall not be deemed to affect the interpretation or construction of such provision.

16. NUMBER AND GENDER

Words of any gender used in this Agreement shall be held and construed to include any other gender; and words in the singular shall include the plural and vice versa, unless the text clearly requires otherwise.

17. COUNTERPARTS

This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

18. REMEDIES

This Agreement shall not be considered as specifying the exclusive remedy for any Agreement default, but all remedies existing at law and in equity may be availed of by either party to this Agreement and shall be cumulative.

19. **ADDITIONAL DOCUMENTS**

The parties hereto covenant and agree that they will execute each such other and further instruments and documents as are or may become necessary or convenient to effectuate and carry out the terms of this contract/agreement.

THE GOVERNING BODY, by resolution or ordinance, dated May 15, 2023, has authorized the Local Government to obtain the services as outlined above.

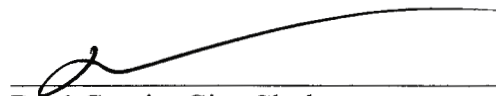
WITNESS THE HANDS OF THE PARTIES effective as of the day and year discussed in section five (5) above.

CITY OF PROGRESO



Gerardo Alanis, Mayor

ATTEST:

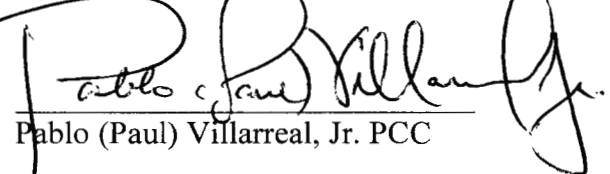


Raul Garcia, City Clerk


HIDALGO COUNTY


Richard F. Cortez, County Judge

**HIDALGO COUNTY TAX
ASSESSOR-COLLECTOR**



Pablo (Paul) Villarreal, Jr. PCC

ATTEST:


Arturo Guajardo, Jr., County Clerk

APPROVED AS TO FORM:

Office of Criminal District Attorney

By: 
Robert Viña III
Assistant District Attorney

APPROVED BY
COMMISSIONERS COURT
ON: 6/30/23

AI-91381

Tax Office 8. A.

CC REGULAR AGENDA SPECIAL MTG

Meeting Date: 06/30/2023

Submitted For: Edgar Jaramillo, TAX OFFICE

Submitted By: Edgar Jaramillo

Department: TAX OFFICE

CAPTION

Discussion and approval to execute an inter-local agreement between the County of Hidalgo and the City of Progreso for implementation of scofflaw procedures and processes for vehicle registration denial services.

BACKGROUND

The purpose of this agreement is to state the terms and conditions under which the County Tax Assessor-Collector may refuse to register certain motor vehicles. The County Tax Assessor-Collector will receive information from the city that the owner of the vehicle has an outstanding warrant for failure to appear or failure to pay a fine on a complaint that involves the violation of a traffic law as defined by Texas Transportation Code Section 702.001(3).

Fiscal Impact

Attachments

City of Progreso Scofflaw Interlocal Agreement 05-15-23

City of Progreso Scofflaw Resolution 05-15-23-186

City Scofflaw Transportation Code 702.003

Credit Card Processing Agreement - City of Progreso

Legal Approval, Scofflaw Inter-local agreement with the City of Progreso 06-21-23

Form Review

Inbox	Reviewed By	Date
Budget & Management	dmolina	06/26/2023 04:11 PM
Final Approval	Monica Salinas	06/26/2023 05:42 PM
Form Started By: Edgar Jaramillo		Started On: 06/26/2023 09:22 AM
Final Approval Date: 06/26/2023		