

STATE OF TEXAS       §  
                                  §  
COUNTY OF HIDALGO   §

**INTERLOCAL COOPERATION AGREEMENT  
BETWEEN MILITARY HIGHWAY WATER SUPPLY  
CORPORATION AND COUNTY OF HIDALGO, TEXAS**

This Agreement is made on this the \_\_\_\_ day of \_\_\_\_\_, 2013, by and between **MILITARY HIGHWAY WATER SUPPLY CORPORATION** hereinafter referred to as "Corporation" 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**, Corporation is a water supply corporation located in Hidalgo County, Texas;

**WHEREAS**, County is a county in the State of Texas;

**WHEREAS**, County's proposed Precinct 2 Equipment and Maintenance Facility located on I Road South of Pecinas Road (the "Facility") lacks supply of potable water;

**WHEREAS**, Corporation has a ten inch (10") potable water supply line located on Dicker Road;

**WHEREAS**, County and Corporation desire to extend such a ten inch (10") potable water supply line from Corporation's potable water supply line on Dicker Road along I Road to the Facility (the "Line") approximately 7,200 linear feet (the "Work")

**WHEREAS**, County has determined that the County will receive benefit from the Work;

**WHEREAS**, Corporation and County have agreed to cooperate in performing the Work as further described herein;

**WHEREAS**, Corporation and County are authorized to enter into this Agreement pursuant to the Interlocal Cooperation Act, Texas Government Code 791.001et seq., (the "Act") which authorizes local governments to contract with each other to perform governmental functions and services under the terms of the Act.

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

1. County as its sole cost and expense shall through its own forces prepare all engineering plan and specifications, procure all materials for tapping into

Corporation's water potable water supply line on Dicker Road and install a ten inch (10") potable water supply line from Corporation's potable water supply line on Dicker Road along I Road to the Facility.

2. Corporation agrees to reimburse the County the excess cost of the materials for a ten inch (10") line over the cost of materials of an eight inch (8") line approximately Thirty Thousand and no/100ths dollars (\$30,000.00). Corporation shall reimburse County against invoice of County no later than thirty (30) days after receipt of invoice.
3. Corporation shall be responsible at its sole cost and expense, for approval of (a) the engineering plans and specifications, (b) providing with Corporation's own forces or through a third party contractor labor necessary to install a tap of the Line into Corporation's existing potable water line on Dicker Road and (c) inspecting and flushing the Line in accordance with all applicable standards for potable water lines.
4. Corporation and County will coordinate work schedules in order to provide for minimal disruption of traffic and operations around the vicinity of the Work and will use their best efforts to complete the improvements within ninety (90) days of the execution of this Agreement.
5. Upon completion of the Work described herein, the parties agree the Corporation shall own the Line and shall be responsible for the maintenance of the Line, and the County shall have no obligation whatsoever for future improvements or maintenance of the Line.
6. **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 and 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 provision of this Agreement shall be modified only to the extent necessary to bring them within the legal requirements and only during the times such conflict exists.
7. **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.
8. **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 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 Corporation and County, 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 OBLIGATION 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 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 Corporation:                      Military Highway Water Supply  
Corporation  
Attention: President, Board of  
Directors  
P. O. Box 250  
Progreso, Texas 78579

If to Hidalgo County:                Hidalgo County  
Attention: Ramon Garcia, County  
Judge  
302 W. University Drive  
Edinburg, Texas 78540-0758

With Copy to:                            Commissioner, Precinct No. 2  
Attention: Hector "Tito" Palacios  
300 West Hall Acres, Suite G  
Pharr, Texas 78577

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 convenience 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 singular shall include the plural whenever and so often as may be appropriate.
16. **Authority to Execute.** The execution and performance of this Agreement by Corporation and County have been duly authorized by all necessary laws, resolutions or corporate action, and this Agreement constitutes the valid and enforceable obligations of Corporation and County in accordance with its terms.
17. **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.
18. **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.
19. **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 herefrom and the remainder of this Agreement will have the same force and effect as if such part or parts had never been included herein.

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

STATE OF TEXAS       §  
                                  §  
COUNTY OF HIDALGO   §

**APPROVAL OF  
INTERLOCAL 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 project whereby County and Corporation desire to extend a ten inch (10") potable water supply line from Corporation's potable water supply line on Dicker Road along I Road to the Facility (the "Line") approximately 7,200 linear feet (the "Work") through an Interlocal Cooperation Agreement to be entered by and between Military Highway Water Supply Corporation and the County of Hidalgo, Texas,

By vote on Dec. 10 2013, the Hidalgo County Commissioners Court has approved the Project identified above.

Ramon Garcia  
By: Ramon Garcia, County Judge

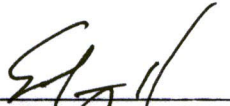
**ATTEST:**

  
\_\_\_\_\_  
Arturo Guajardo, County Clerk

APPROVED BY  
COMMISSIONERS' COURT  
ON: 12/10/13

**APPROVED AS TO FORM:**

ATLAS, HALL & RODRIGUEZ, LLP

By:   
\_\_\_\_\_  
Stephen L. Crain

**MILITARY HIGHWAY WATER  
SUPPLY CORPORATION**

By: Amado E Salinas  
Amado E. Salinas, General  
Manager

**HIDALGO COUNTY**

By: Ramon Garcia  
Ramon Garcia, County Judge

**ATTEST:**

Arturo Guajardo, Jr.  
Arturo Guajardo, Jr., County Clerk

**APPROVED AS TO FORM:**

**ATLAS, HALL & RODRIGUEZ, LLP**

By: SLC  
Stephen L. Crain

APPROVED BY  
COMMISSIONERS' COURT  
ON: 12/10/13