

STATE OF TEXAS §
 §
COUNTY OF HIDALGO §

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

THIS Interlocal Agreement (“Agreement”) is made this 17th day of February, 2015 and entered into by and between City of Granjeno, Texas (the “City”), and Hidalgo County acting by and through the Hidalgo County Urban County Program (“Program”) pursuant to the provisions of the Texas Interlocal Cooperation Act, as follows:

WITNESSETH:

WHEREAS, the City of Granjeno receives CDBG funding from the Hidalgo County Urban County Program (the “Program”);

WHEREAS, Urban County and the Urban County Advisory Council adopted that certain Redistribution & Recapture Policy For the Expenditure of Community Development Block Grant (CDBG) Funds on June 22, 2000 (the “Policy”);

WHEREAS, the Policy complies with the timelines required for the expenditure of CDBG funds of 24 CFR 570.902;

WHEREAS, the Policy provides if a city or county precinct does not meet expenditure ratio requirements, the city or precinct may lower their expenditure ratio by “loaning” their present funds to other cities and precincts;

WHEREAS, the City has not met City’s expenditure ratio requirement;

WHEREAS, City desires to “loan” the sum of Five Hundred Thousand and no/100ths to Hidalgo County Precinct 1 (“Precinct 1”) from its FY 25 (2012) Single Family Rehab line item in the amount of \$243,676.87 and the sum of \$256, 323.13 from FY 26 (2013) Parks, Recreation Facility Improvements line item (the Loan”); and

WHEREAS, Hidalgo County Precinct 1, the payee of the Loan, agrees to repay the amount of \$250,000.00 from Precinct 1 Year 16 CDBG funding and the amount of \$250,000.00 from Precinct 1 Year 17 CDBG funding when such funds are available to Precinct 1.

NOW THEREFORE, for and in consideration of the agreement of the City to “loan” the sum of \$500,000.00 of its CDBG funding to Hidalgo County Precinct 1 in accordance with the Policy and other good and valuable consideration, City and Precinct 1 agree as follows:

1. City and Precinct 1 direct the Hidalgo County Urban County Program to transfer on execution of the Agreement the sum of \$500,000.00 from City’s FY 25 and FY 26 accounts as described in the seventh whereas clause above from City to Precinct 1.

2. Precinct 1 directs the Hidalgo County Urban County Program to transfer from CDBG funds allocated to Precinct 1 in Precinct 1 year 2016 and year 2017 to City the amounts as described in the seventh whereas clause above.

3. **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.

4. **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.

5. **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 Granjeno and County, and not otherwise.

6. **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.

7. **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 Granjeno:	City of Granjeno, Texas Attention: Yvette Cabrera, Mayor 6603 S. FM 494 Grajeno, Texas 78572
If to County:	Hidalgo County Attention: Ramon Garcia, County Judge P.O. Box 758 Edinburg, Texas 78540-0758
If to Program:	Hidalgo County Urban County Program Attn: Diana R. Serna, Director 427 E. Duranta Avenue, Ste. 107 Alamo, Texas 78516
With copy to:	Commissioner A.C. Cuellar, Jr., Precinct No.1 1902 Joe Stephens Avenue Weslaco, Texas 78599

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

12. **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.

13. **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.

14. **Assignment.** This Agreement shall not be assignable.

15. **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.

16. **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.

17. **Authority to Execute.** The execution and performance of this Agreement by City and County have been duly authorized by all necessary laws, resolutions or corporate action, and this Agreement constitutes the valid and enforceable obligations of City and County in accordance with its terms.

18. **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.

19. **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 party 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.

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

HIDALGO COUNTY

By: Ramon Garcia
Ramon Garcia, County Judge

ATTEST:

Arturo Guajardo Jr. ^{nb}
Arturo Guajardo, Jr., County Clerk

Approved by Commissioners' Court
on 2-17-15

CITY OF GRANJENO, TEXAS

By: [Signature]
Yvette Cabrera, Mayor

ATTEST:

_____, City Secretary

APPROVED AS TO FORM:
ATLAS, HALL & RODRIGUEZ, LLP

By: Stephen L. Crain _____
Date

