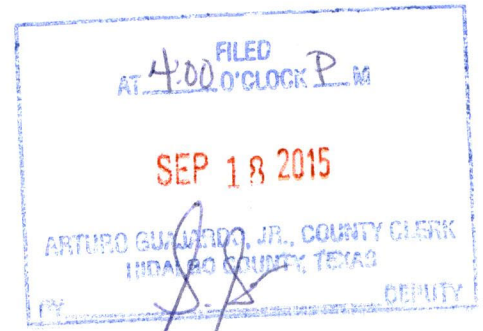


STATE OF TEXAS §
 §
COUNTY OF HIDALGO §



**INTERLOCAL AGREEMENT BETWEEN
THE PHARR-SAN JUAN-ALAMO INDEPENDENT SCHOOL DISTRICT AND
HIDALGO COUNTY**

This Lease is made and entered into by and between the **Pharr-San Juan-Alamo Independent School District** herein referred to as the “LESSOR” and **Hidalgo County through the Head Start Program**, herein referred to as the “LESSEE” in the Lease.

In consideration of the mutual covenants and agreements set forth in this Lease, and other good and valuable consideration, LESSOR demises and leases to LESSEE, and LESSEE leases from LESSOR, that certain described real property on which Head Start Building lies on and is situated at **2500 N. Cypress, Pharr, Texas 78577** more particularly described on Exhibit “A”, attached hereto. The premises leased hereunder are referred to in this Lease as “the Premises” known by lessee as “**Longoria Head Start Center**” or “the Leased Premises.”

ARTICLE 1. TERMS AND RENT

1.01 The Leased Premises and/or land shall be used for the purpose of Head Start Classrooms and for Head Start parents’ meetings subject to the special terms (if any) which may be listed below. The Leased Premises are deemed for the purposes of this Agreement to constitute all 100% percent of such building in which the Leased Premises are located.

1.02 Except as otherwise provided herein, the initial term of this lease shall be for twelve (12) months commencing on **August 1, 2015** ("commencement date") and ending on **July 31, 2016** ("termination date") unless sooner terminated as provided in this Lease, or unless renewed and extended in accordance with Paragraph 1.03, hereof.

Renewal or Termination

1.03 Provided LESSEE has not defaulted in any of the terms conditions or provisions thereof, LESSEE shall be given the right of renewal and extending the term of the lease hereof, commencing on the first day of August 1, 2016, for a one year term, on the same terms and conditions.

Each party shall give the other party notice of termination of the Lease, in writing, at least sixty (60) days prior to the termination of this Agreement or any subsequent Agreement, unless otherwise agreed by the parties. Either LESSEE or LESSOR shall have the right to terminate the Lease Agreement with or without cause with sixty (60) days written notice to the other.

1.04 LESSEE shall comply with the Texas Department of Human Services inspection in regards to the number of children that can safely occupy the building at any one time.

Base Rent

1.05 LESSEE agrees to pay LESSOR the rent amount of one dollar (\$1.00) per month payable on the last day of each month. Payment shall be mailed to the **Pharr-San Juan-Alamo I.S.D., 601 E. Kelly, Pharr, Texas 78577**, shown on Article VII, 7.01.

1.06 LESSOR covenants and agrees that LESSEE on paying the rent and other charges herein provided for and observing and keeping the covenants, conditions, and terms of this Lease on LESSEE'S part to be kept or performed, shall lawfully and quietly hold, occupy, and enjoy the Leased Premises during the term of this Lease without hindrance or disruption by LESSOR or any person claiming under LESSOR except such portion of the Leased Premises, if any as shall be taken under the power of eminent domain.

LESSEE shall accept possession of Leased Premises and equipment (if any) in their present condition and location.

ARTICLE 2. TAXES

Taxes

2.01 LESSOR shall pay all real property taxes assessments until this lease either expires or terminates as provided herein.

2.02 LESSOR shall pay all personal property taxes and assessments on such Leased Premises as presently owned by LESSOR.

ARTICLE 3. MAINTENANCE ON PREMISES

3.01 LESSEE agrees to maintain the Leased Premises in condition suitable for use for which this lease is intended.

3.02 LESSOR will keep all and singular the Leased Premises, including all of LESSOR'S fixtures, appurtenances, equipment and machinery in such repair as the same at the commencement of the term. All repairs shall be at LESSOR'S expense and shall remain the property of the LESSOR at the termination of the lease. Reasonable use and wearing of said fixtures,

appurtenances, equipment and machinery, damage thereto by accidental fire, accident, or natural disaster, shall be exempt from the provision.

3.03 LESSEE shall provide housekeeping services for said premises, limited to sweeping, mopping and emptying trash cans, at most, every two (2) working days, and waxing floors not more often than every two (2) weeks.

3.04 In the event that the Leased Premises are destroyed by flood or other casualty, the parties agree that this lease will be terminated and shall not be in force and effect during that period of time while the Leased Premises cannot be used for the purposes intended by Agreement.

3.05 It is agreed that all permanent improvements made to or furnished by the LESSEE on the Leased Premises shall be deemed to be and shall become part of the realty and shall belong to LESSOR upon expiration of the Lease or any extension hereof; provided, however that all window air condition units, carpeting and lighting fixtures shall be deemed chattels temporarily attached to realty and shall remain the personal property of LESSEE and may be removed upon termination of the Lease or any extension hereof; provided, further, that all removal of such chattels will not damage the permanent improvement and if removed, shall be deemed the property of LESSEE and may be removed upon termination of the Lease.

3.06 LESSEE may make minor alterations such as painting the interior or exterior of said building, but if major alterations which might adversely affect the exterior or interior of said building are desired by the LESSEE, such alteration shall not be made, nor signs erected without the written consent of LESSOR.

3.07 LESSOR shall maintain the building roof, air conditioner, heating system, fire alarm, fire extinguishers, and security alarm during the lease of the building and will provide all major repairs at its own expense.

ARTICLE 4. UTILITIES

Utility Charge

4.01 LESSOR shall pay for the water, sewer, garbage, trash pickup services, telephone, gas, fire alarm monitoring and electricity furnished to the Lease Premises during the term of this lease.

ARTICLE 5. INSURANCE AND INDEMNITY

Property Insurance

5.01 LESSOR shall insure the building and equipment covered by this lease against fire, accident, or natural disaster. In the event the building(s), or equipment or any part thereof shall, during said term or any renewal hereof, be destroyed by fire, accident, or natural disaster the same shall be thereby rendered unfit for use and habitation, then and in such case, the rent heretofore reserved, or a just and proportionate part thereof, according to the nature and extent of the injury sustained, shall be suspended or abated until said Lease Premises shall have been put in proper condition for use and habitation, by LESSEE or this lease Agreement shall thereby be terminated and ended at the election of LESSEE or its legal representatives. LESSOR agrees to provide a copy to such policy of insurance to LESSEE at time of execution of this Agreement.

5.02 To the extent allowable under law, LESSEE agrees to hold LESSOR harmless for any liability for any accident or other legal cause of action

based upon any tort which occurs on the Lease Premises, caused solely by LESSEE, its agent or employees.

5.03 LESSEE agrees that during the term of this lease, it shall have in effect a liability insurance policy to protect LESSOR from any third party claims that may arise as a result of injuries caused to any person upon the premises herein described. The limits of this policy shall be not less than \$100,000.00 per person and 300,000 per occurrence.

MISCELLANEOUS

5.04 This Agreement shall be binding upon and insure to the benefit of the parties hereto and their respective successors, but LESSEE shall not assign any part of the premises.

5.05 LESSEE will not cause to be conducted upon the premises any trade or business, which increases the rate of insurance premiums on the Leased Premises, building(s) or contents.

5.06 LESSEE will permit LESSOR at reasonable times to make such repairs as it may deem necessary for the protection of the premises.

5.07 This Agreement shall be construed under and in accordance with the laws of the State of Texas and all obligations of parties created hereunder are performable in Hidalgo County, Texas.

5.08 Commitment of Current Revenues Only. In the event that, during any term hereof, either party hereto does not appropriate sufficient funds to meet the obligations of such party under this Agreement, then such party may terminate this Agreement upon sixty (60) days written notice to the other party. Both parties agree, however to use their best efforts to secure funds necessary

for the continued performance of this Agreement. The parties intend these provisions to be a continuing right to terminate this Agreement at the expiration of each budget period of the parties.

5.09 LESSEE shall permit LESSOR and its agents to enter into and upon the Leased Premises at approved specified times after written notice to LESSEE for the purpose of inspecting the same or for the purpose of maintaining or making repairs to the Leased Premises required hereby. However, the LESSOR agrees to not disrupt or interfere with the LESSEE's program.

WAIVER OF BREACH

5.10 A waiver by either LESSOR or LESSEE of a breach of this Lease by the other party shall not constitute a continuing waiver or waiver of any subsequent breach of the Lease.

MISCELLANEOUS

Notices and Addresses

5.11 All notices required under this Lease will be deemed delivered when deposited in certified or registered mail, addressed to the proper party, at the following addresses:

LESSOR:

Pharr-San Juan-Alamo I.S.D.
Attn: Dr. Daniel P. King
Superintendent of Schools
601 E. Kelly
Pharr, Texas 78577

LESSEE:

Hidalgo County Head Start Program
Attn: Teresa Flores, Executive Director
P.O. Box 0117
Edinburg, TX 78540-0117

Either party may change the address to which notices are to be sent in by giving the other party notice of the new address in the manner provided in this section.

5.12 In case any one or more of the provisions contained in this Agreement shall for any reason be held by the court of competent jurisdiction to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions of the Agreement, and this Agreement shall be construed as if the invalid illegal, or unenforceable provision had never been included in the Agreement.

5.13 This agreement constitutes the sole and only Agreement of the parties to the Agreement and supersedes any prior understandings or written or oral Agreements between the parties respecting the subject matter of this agreement.

5.14 No amendment, modification, or alteration of the terms of this Agreement shall be binding unless it is in writing, dated subsequent to the date of this Agreement, and duly executed by the parties to this Agreement.

Rights and Remedies Cumulative

5.15 The rights and remedies provided by this lease Agreement are cumulative, and the use of any one right or remedy by either party shall not preclude or waive that party's right to use any or all other remedies. The rights and remedies provided in this Lease are in addition to any other rights the parties may have by law, statute, ordinance or otherwise.

Attorney's Fees

5.16 If, as a result of a breach of this Agreement by either party, the other party employs an attorney or attorneys to enforce its rights under this Lease, then the breaching or defaulting party agrees to pay the other party the reasonable

attorney's fees and cost incurred to enforce the Lease as awarded by a court of competent jurisdiction.

5.17 Neither LESSOR nor LESSEE shall be required to perform any term, condition, or covenant in this Lease so long as such performance is delayed or prevented by force majeure, which shall mean acts of God, strikes, lockouts, material or labor restrictions by any governmental authority, civil riot, floods, and other causes not reasonably within the control of LESSOR or LESSEE and which by the exercise of due diligence LESSOR or LESSEE is unable, wholly or in part, to prevent or overcome.

5.18 LESSEE shall, at the request of LESSOR, provide any and all information with respect to this Lease to any person designated by LESSOR.

5.19 Time is of the essence of this Agreement.

SIGNATURE PAGE TO FOLLOW

THE UNDERSIGNED LESSOR and LESSEE execute this Lease on the
day _____ of _____, 2015.

LESSOR:

BY: _____
Dr. Daniel P. King
Superintendent of Schools
Pharr-San Juan-Alamo Independent School District

LESSEE:

BY: Ramon Garcia
Ramon Garcia, County Judge

BY: Teresa Flores
Teresa Flores, Executive Director

ATTEST:
BY: Arturo Guajardo Jr
Arturo Guajardo, Jr.
Hidalgo County Clerk

APPROVED BY
COMMISSIONERS' COURT
ON: 6/2/15

APPROVED AS TO FORM:
Oxford & González, P.C.

BY: Ricardo Gonzalez
Ricardo Gonzalez

APPROVED AS TO FORM:
Atlas & Hall, LLP

BY: Stephen Crain
Stephen Crain

EXHIBIT "A"

Physical Address:

The Pharr-San Juan-Alamo I.S.D. building located at **2500 N. Cypress, Pharr, Texas 78577** and designated as Head Start Classrooms, Administration Office Space, a Cafeteria, and playground area

Legal Description:

The Northwest 5.0 acres, being the West 330 feet of the North 660 feet of Lot 142, KELLY PHARR SUBDIVISION, Hidalgo County, Texas, according to map thereof recorded in Volume 3, Pages 133 and 134, Deed Records of Hidalgo County, Texas.