

**INTERLOCAL AGREEMENT  
REGARDING THE PARTICIPATION OF THE CITY OF LIBERTY HILL, TEXAS,  
AND WILLIAMSON COUNTY, TEXAS, IN THE DESIGN AND CONSTRUCTION  
COSTS RELATED TO THE  
BAGDAD INTERSECTION PROJECT**

THE STATE OF TEXAS                   §  
  §                   KNOW ALL BY THESE PRESENTS:  
COUNTY OF WILLIAMSON           §

**THIS INTERLOCAL AGREEMENT (“Agreement”)** is entered into between the City of Liberty Hill (“City”), a Texas home-rule municipality, and Williamson County, Texas, a political subdivision of the State of Texas (the “County”). In this Agreement, Liberty Hill and the County are sometimes individually referred to as a “Party” and collectively referred to as the “Parties.”

**WHEREAS**, the County is making roadway improvements to the intersection of Liberty Hill Bypass and Bagdad Road (“County Project”); and

**WHEREAS**, this County Project involves the relocation of approximately 1,196 linear feet of water line owned by the City, in the areas shown in Exhibit “A” attached hereto (the water line relocation near this intersection is referred to as the “City Project”); and

**WHEREAS**, the County has agreed to be responsible for all design and construction costs related to the City Project, and the County has agreed to reimburse the City for the costs of acquiring replacement easement rights necessary for the City Project (the “Easement”); and

**WHEREAS**, the City has acquired the Easement for the City Project, as recorded in Document No. 2025002883 (First Amendment to Pipeline and Right-of-Way Easement), in the Official Public Records of Williamson County, Texas, and the County has completed the City Project to relocate the water line into such Easement; and

**NOW, THEREFORE**, in consideration of the foregoing premises, and for other good and valuable consideration, the receipt and sufficiency of which is acknowledged, the County and City agree as follows:

**I.  
PURPOSE**

**1.01 General.** The purpose of this Agreement is to provide consent for the County’s participation in the design, acquisition, and construction of the City Project and for the reimbursement by the County to the City of an amount not to exceed One Hundred Twenty-Eight Thousand Twenty-Seven and 08/100 Dollars (\$128,027.08) for the Easement acquisition costs incurred by the City related to the construction of the City Project.

## II.

### DESIGN AND CONSTRUCTION OF CITY PROJECT

**2.01 Design of City Project.** The County shall be responsible for contracting with a firm (“Design Firm”) regarding the engineering and design for the City Project.

**2.02 Construction of the City Project.** The County shall construct the City Project and will jointly bid the City Project and construct it concurrently with the County Project at the County’s sole cost, including costs for any approved change orders or other costs exceeding the Opinion of Probable Costs. The proposed City Project improvements shall be as shown on the Preliminary Engineers Opinion of Probable Costs (“Opinion of Probable Costs”), as set forth in Exhibit “B” attached hereto. The County will present all change orders regarding the City Project to the City for approval prior to acceptance by the County.

**2.03 Construction Plans.** The City has been provided with the opportunity to review and has approved the County’s plans and specifications related to the City Project. Any changes or modifications to the plans by the County will be submitted to the City for review and approval prior to the County commencing construction or authorizing any change order.

**2.04 Replacement Easement.** The County will be responsible for reimbursing the City for the amount of One Hundred Twenty-Eight Thousand Twenty-Seven and 08/100 Dollars (\$128,027.08), as costs incurred by the City to acquire the Easement needed for the City Project, as set forth in the Easement Valuation attached hereto as Exhibit “C.”

**2.05 Inspection.** The City may inspect all aspects of the City Project during construction. Upon receipt of notification from the City that the City’s inspectors determine the construction by the County is not in accordance with the approved project plans, the County shall cease construction until the deficiency can be identified, and a corrective plan of construction implemented with the agreement of the City.

**2.06 Permits.** The County shall be responsible for obtaining permits, if any, required for the construction of the County and the City Projects. The City agrees to credit the County for all permitting and fees due to the City from the County related to the County and the City Projects.

**2.07 Insurance, Bonds and Warranties.** The County shall require the contractor for the County Project to name the City as an additional insured on any policies related to the City Project. The County shall require the contractors to provide all performance and maintenance bonds related to the City Project in favor of the City in amounts satisfactory to the City. All applicable warranties, performance, and maintenance bonds related to the City Project shall be transferred to the City upon the City’s acceptance of the City Project.

If the City identifies defects during a construction contractor’s applicable warrant of performance or maintenance bond period related to the City Project, the County represents and agrees that its engineer for the County Project shall cooperate with the City in providing documentation, clarifications, and review of the identified construction defect to the same extent

as the engineer would for the County under the engineer's scope of work for the County Project during such warranty period.

### **III. COUNTY AND CITY OBLIGATIONS**

**3.01 Permission to Construct.** The City agrees to allow the County to construct the City Project on and within City property.

**3.02 County Reimbursement to the City.** The County shall reimburse the City for the City Project in the amount of One Hundred Twenty-Eight Thousand Twenty-Seven and 08/100 Dollars (\$128,027.08) for the cost of the Easement acquisitions ("County Participation Amount"), which shall be due to the City upon the full execution of this Agreement between the City and the County. The City shall submit a reimbursement request to the County for the County Participation Amount and supporting documentation of said easement acquisition costs to the County within thirty (30) days of execution of this Agreement. The County shall remit payment of the County Participation Amount to the City no later than thirty (30) days after the receipt of the City's reimbursement request and supporting documentation thereof.

**3.03 Texas Prompt Payment Act Compliance.** Payment for goods and services shall be governed by Chapter 2251 of the Texas Government Code. An invoice shall be deemed overdue the 31st day after the later of (1) the date Customer receives the goods under the contract; (2) the date the performance of the service under the contract is completed; or (3) the date the Williamson County Auditor receives an invoice for the goods or services. Interest charges for any overdue payments shall be paid by the County in accordance with Texas Government Code Section 2251.025. More specifically, the rate of interest that shall accrue on a late payment is the rate in effect on September 1 of the County's fiscal year in which the payment becomes due. The said rate in effect on September 1 shall be equal to the sum of one percent (1%); and (2) the prime rate published in the Wall Street Journal on the first day of July of the preceding fiscal year that does not fall on a Saturday or Sunday.

**3.04 Operation and Maintenance After Acceptance.** After the City inspects and accepts the City Project, the City will own and maintain the City Project, without need of formal conveyance. Upon the City's acceptance, the County shall provide the City with copies of all documents related to the City Project, including but not limited to: approved construction plans and specifications; final contracts and amendments, if any; approved change orders, if any; as-built drawings or surveys; applicable warranties and performance and maintenance bonds.

**3.05 County's Right to Audit.** The City agrees that the County or its duly authorized representatives shall, until the expiration of three (3) years after final payment under this Agreement, have access to and the right to examine and photocopy any and all books, documents, papers and records of the City which are directly pertinent to the services to be performed and amounts expended under this Agreement for the purposes of making audits, examinations, excerpts, and transcriptions. The City agrees that the County shall have access during normal

working hours to all necessary City facilities and records and shall be provided adequate and appropriate workspace in order to conduct audits in compliance with the provisions of this section. The County shall give the City reasonable advance notice of intended audits.

**3.06 NO LIABILITY OR WARRANTY OF SERVICES. THE CITY AGREES AND ACKNOWLEDGES THAT THE COUNTY DOES NOT ASSUME ANY LIABILITY FOR, OR WARRANT, THE SERVICES THAT A THIRD PARTY PROVIDES PURSUANT TO THIS AGREEMENT OR CONSTRUCTION AGREEMENT. THE CITY AGREES AND ACKNOWLEDGES THAT THE COUNTY SHALL NOT BE LIABLE FOR ANY CLAIM OR CAUSE OF ACTION THAT THE CITY MAY HAVE NOW OR IN THE FUTURE AGAINST AN ENGINEER OR THIRD PARTY FOR ANY DAMAGES OF ANY NATURE WHATSOEVER ALLEGEDLY SUSTAINED BY THE CITY, OR ANYONE HAVING A CLAIM BY, THROUGH OR UNDER THE CITY RELATED IN ANY WAY, DIRECTLY OR INDIRECTLY, WITH THE SERVICES PROVIDED BY A THIRD PARTY FOR THE CITY PROJECT PURSUANT TO THIS AGREEMENT.**

#### **IV. DISPUTES**

##### **4.01 Material Breach; Notice and Opportunity to Cure.**

(a) In the event that one Party believes that another Party has materially breached one of the provisions of this Agreement, the non-defaulting Party will make written demand to cure and give the defaulting Party up to 30 days to cure such material breach or, if the curative action cannot reasonably be completed within 30 days, the defaulting Party will commence the curative action within 30 days and thereafter diligently pursue the curative action to completion. Notwithstanding the foregoing, any matters specified in the default notice which may be cured solely by the payment of money must be cured within 10 days after receipt of the notice. This applicable time period must pass before the non-defaulting Party may initiate any remedies available to the non-defaulting party due to such breach.

(b) Any non-defaulting Party will mitigate direct or consequential damages arising from any breach or default to the extent reasonably possible under the circumstances.

(c) The Parties agree that they will negotiate in good faith to resolve any disputes and may engage in non-binding mediation, arbitration, or other alternative dispute resolution methods as recommended by the laws of the State of Texas.

**4.02 Equitable Relief.** In recognition that failure in the performance of the Parties' respective obligations could not be adequately compensated in monetary damages alone, the Parties agree that after providing notice and an opportunity to cure in accordance with Section 4.01 above, the Parties shall have the right to request any court, agency or other governmental authority

of appropriate jurisdiction to grant any and all remedies which are appropriate to assure conformance to the provisions of this Agreement. The defaulting Party shall be liable to the other for all costs actually incurred in pursuing such remedies, including reasonable attorney's fees, and for any penalties or fines as a result of the failure to comply with the terms including, without limitation, the right to obtain a writ of mandamus or an injunction requiring the governing body of the defaulting party to levy and collect rates and charges or other revenues sufficient to pay the amounts owed under this Agreement.

**4.03 Agreement's Remedies Not Exclusive.** The provisions of this Agreement providing remedies in the event of a Party's breach are not intended to be exclusive remedies. The Parties retain, except to the extent released or waived by the express terms of this Agreement, all rights at law and in equity to enforce the terms of this Agreement.

## V. GENERAL PROVISIONS

**5.01 Authority.** This Agreement is made in part under the authority conferred in Chapter 791, *Texas Government Code*.

**5.02 Term.** This Agreement shall commence upon execution of this Agreement and shall end upon the completion of the City Project and the last expiration of any applicable contractor's warranty or performance, or maintenance bond related to the City Project.

**5.03 Severability.** The provisions of this Agreement are severable and, if any provision of this Agreement is held to be invalid for any reason by a court or agency of competent jurisdiction, the remainder of this Agreement will not be affected, and this Agreement will be construed as if the invalid portion had never been contained herein.

**5.04 Payment from Current Revenues.** Any payments required to be made by a Party under this Agreement will be paid from current revenues or other funds lawfully available to the Party for such purpose.

**5.05 Cooperation.** The Parties agree to cooperate at all times in good faith to effectuate the purposes and intent of this Agreement.

**5.06 Entire Agreement.** This Agreement contains the entire agreement of the Parties regarding the subject matter hereof and supersedes all prior or contemporaneous understandings or representations, whether oral or written, regarding the subject matter and only relates to those portions of the City Project shown in Exhibit A.

**5.07 Amendments.** Any amendment of this Agreement must be in writing and will be effective if signed by the authorized representatives of the Parties.

**5.08 Applicable Law; Venue.** This Agreement will be construed in accordance with Texas law. The venue for any action arising hereunder will be in Williamson County, Texas.

**5.09 Notices.** Any notices given under this Agreement will be effective if (i) forwarded to a Party by hand-delivery; (ii) transmitted to a Party by confirmed telecopy; or (iii) deposited with the U.S. Postal Service, postage prepaid, certified, to the address of the Party indicated below:

**LIBERTY HILL:** City of Liberty Hill  
926 Main Street  
Liberty Hill, Texas 78642  
Attn: City Manager  
Telephone: 512-778-5449  
Facsimile: 512-778-5418

**COUNTY:** 710 S. Main Street, Ste. 101  
Georgetown, Texas 78626  
Attn: Steven Snell  
Telephone: (512) 943-1550  
Facsimile: (512) 943-1662

**5.10 Counterparts; Effect of Partial Execution.** This Agreement may be executed simultaneously in multiple counterparts, each of which will be deemed an original, but all of which will constitute the same instrument.

**5.11 Authority.** Each Party represents and warrants that it has the full right, power, and authority to execute this Agreement.

**5.12 Effective Date.** This Agreement is executed to be effective on the date the last Party signs this Agreement.

**5.13 No Joint Venture.** The City Project is a sole project of the County and is not a joint venture or other partnership with Liberty Hill.

*(SIGNATURES ON FOLLOWING PAGE)*

THE CITY OF LIBERTY HILL, TEXAS

By: Crystal Mancilla  
Name: Crystal Mancilla  
Its: Mayor

THE STATE OF TEXAS           §  
  §  
COUNTY OF WILLIAMSON       §

THIS INSTRUMENT was acknowledged before me on this 10<sup>th</sup> day of December, 2025, by Crystal Mancilla Mayor of the City of Liberty Hill, Texas, on behalf of said Liberty Hill.

Lisa Elaine Simpson  
Notary Public, State of Texas



**WILLIAMSON COUNTY, TEXAS**

By: \_\_\_\_\_  
Steven Snell, County Judge

**ATTEST:**

By: \_\_\_\_\_  
Nancy Rister, County Clerk

THE STATE OF TEXAS           §  
  §  
COUNTY OF WILLIAMSON       §

**THIS INSTRUMENT** was acknowledged before me on this \_\_\_\_ day of \_\_\_\_\_, 2025, by Steven Snell, County Judge of Williamson County, Texas, on behalf of said County.

\_\_\_\_\_  
Notary Public, State of Texas

**Exhibit "A"**

**Exhibit "B"**

**Exhibit "C"**

Easement Cost Analysis

Water Line portion of Easement 1 (East of CR 279)  
[Easement 1 was prior easement rights Acquired by the City in this same area]

Description	Area (ac)	Area (sf)	Price (\$/sf)	Total Price
Permanent Easement	0.717357	31248.1	\$ 4.00	\$ 124,992.28
Temporary Easement	2.039195	88827.4	\$ 0.80	\$ 71,061.88
<b>Total</b>				<b>\$ 196,054.16</b>
Water Line Portion of Easement 1 Cost				<b>\$ 98,027.08</b>
Water Line Easement Rights Amendment				<b>\$30,000.00</b>
<b>Total County Participation Amount for Easement Reimbursement</b>				<b>\$ 128,027.08</b>