

**INTERLOCAL AGREEMENT
BETWEEN
WILLIAMSON COUNTY, TEXAS
AND
THE CITY OF LEANDER, TEXAS**

THIS INTERLOCAL (the "Agreement") is made and entered into effective this _____ day of _____, 2008, by and between WILLIAMSON COUNTY (the "County") and the CITY OF LEANDER, TEXAS (the "City"), political subdivisions of the State of Texas (collectively referred to herein as the "Parties").

WITNESSETH:

WHEREAS, V.T.C.A., Government Code, Chapter 791, the Texas Interlocal Cooperation Act, provides that any one or more public agencies may contract with each other for the performance of the governmental functions and for the joint use of the facilities or services for the promotion and protection of the health and welfare of the inhabitants of this State and the mutual benefit of the parties; and

WHEREAS, the County is considering the design and reconstruction of a two lane roadway currently known as County Road 269, 22 feet wide from FM 2243 to Ronald W. Reagan Blvd., approximately in the location shown in Exhibit "A", attached hereto and incorporated herein (the "Road"); and

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the undersigned parties agree as follows:

I. TERMS AND CONDITIONS

1. The County hereby agrees to perform all necessary and appropriate engineering, design and reconstruction of the Road. The County agrees to design and reconstruct the Road to the current City standards.
2. As consideration for the reconstruction of County Road 269 by the County, the City will, upon completion of the reconstruction, annex all right-of-way within said segment and maintain the roadway within said segment. The City will

reimburse the County the City's pro rata portion of the cost of reconstruction. The City's pro rata portion is defined as the length of County Road 269 that is within the corporate boundary of the City at the date of the execution of this agreement divided by the total length of the Road. The City agrees to grant the County any necessary design exceptions as may be needed in order to prevent the acquisition of any additional right-of-way by the County in order to reconstruct the pavement and drainage system to the existing rural nature of the Road. If any additional ROW is identified as necessary to the construction proposed, and before the county changes plans, redesigns or incurs additional costs, the County will give the City the opportunity to acquire necessary ROW from the property owner.

3. For the purpose of budgeting, the current estimate of City costs is \$25,643.48. The City will, however, agree to a participation of, up to \$30,000. The City will provide for \$15,000 to begin the project and pay the remainder upon completion and prior to annexation.

II. MISCELLANEOUS

1. Severability. The parties agree that in the event any provision of this Agreement is held by a court of competent jurisdiction to be in contradiction of any laws of the State or the United States, the parties will immediately rectify the offending portions of this Agreement. The remainder of the Agreement shall be in full force and effect.

2. Prior Agreements. The parties understand, agree and declare that no promise, warranty, statement or representation of any kind whatsoever, which is not expressly stated in this Agreement, has been made by any party hereto of its officers, employees or other agents to induce execution of this Agreement.

3. Execution. This Agreement may be simultaneously executed in any number of counterparts, each of which will serve as an original and will constitute one and the same instrument.

4. Governing Law. This Agreement will be governed by the Constitution and laws of the State of Texas.

5. Successors and Assigns. The assignment of this Agreement by either Party is prohibited without the prior written consent of the other Party.

6. Headings. The captions and headings appearing in this Agreement are inserted merely to facilitate reference and will have no bearing upon its interpretation.

7. Waiver. Any waiver by any party of its rights with respect to a default or requirement under this Agreement will not be deemed a waiver of any subsequent default or other matter.

8. Amendments. This Agreement may be amended or modified only by written agreement duly authorized and executed by the duly authorized representatives of the Parties.

9. Cooperation. Each Party agrees to execute and deliver all such other and further instruments and undertake such actions as are or may become necessary or convenient to effectuate the purposes and intent of this Agreement.

10. Venue. All obligations of the Parties are performable in Williamson County, Texas and venue for any action arising hereunder will be in Williamson County.

11. Third Party Beneficiaries. Except as otherwise expressly provided herein, nothing in this Agreement, express or implied, is intended to confer upon any person, other than the Parties, any rights, benefits, or remedies under or by reason of this Agreement.

12. Representations. Unless otherwise expressly provided, the representations, warranties, covenants and other agreements will be deemed to be material and continuing, will not be merged, and will survive the termination or expiration of this Agreement.

14. Exhibits. All exhibits attached to this Agreement are hereby incorporated in this Agreement as if the same were set forth in full in the body of this Agreement.

15. Entire Agreement. This Agreement, including any attached exhibits, contains the entire agreement between

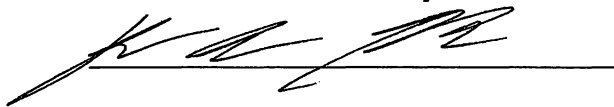
the Parties with respect to the subject matter and supersedes all previous communications, representations, or agreements, either verbal or written, between the Parties with respect to such matters.

16. Term. This Agreement shall automatically terminate if a contract for the Project is not awarded within three (3) years after this Agreement is executed by both parties.

17. Current Funds. The obligation of the parties under this agreement shall be paid from current funds.

IN WITNESS WHEREOF, the Parties hereto have caused this instrument to be signed, sealed and attested in duplicate by their duly authorized officers, as of the Effective Date.

WILLIAMSON COUNTY, TEXAS

A handwritten signature in dark ink, appearing to read 'D. A. Gattis', is written over a horizontal line.

DAN A. GATTIS, County Judge Williamson County, Texas

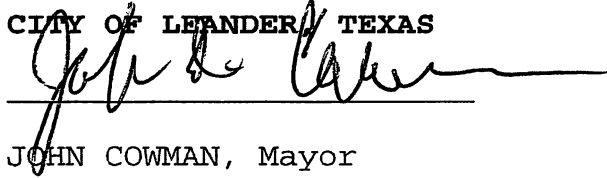
Approved as to Form:

By: _____
Hal C. Hawes
Assistant Williamson County Attorney

By: _____
James Gilger, CPA,

Williamson County Contract
Management Auditor

CITY OF LEANDER, TEXAS

A handwritten signature in black ink, appearing to read "John Cowman", is written over a horizontal line.

JOHN COWMAN, Mayor

City of Leander, Texas

ATTEST:

A handwritten signature in black ink, appearing to read "Debbie Hail", is written over a horizontal line.

City Secretary