

**INTERLOCAL AGREEMENT
REGARDING THE REPAIR OF CERTAIN WATER SYSTEM IMPROVEMENTS**

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

THIS INTERLOCAL AGREEMENT REGARDING THE REPAIR OF CERTAIN WATER SYSTEM IMPROVEMENTS ("Agreement") is entered into between Chisholm Trail Special Utility District, a conservation and reclamation district of the State of Texas (the "**District**") and Williamson County, a political subdivision of the State of Texas (the "**County**"). In this Agreement, the District and the County are sometimes individually referred to as a "**Party**" and collectively referred to as the "**Parties**".

RECITALS

Whereas, the County has acquired right-of-way and constructed county road improvements over existing District waterline easements and facilities at certain locations; and

Whereas, the County and the District desire to provide for the repair said line(s) in the event of a waterline break, leakage, or other conditions, and specifically desire to specify the respective responsibilities of the Parties for repair costs, traffic mitigation, roadway repairs, and other matters arising out of the construction of road improvements on top of a waterline.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual promises and agreements of the Parties contained in this Agreement, the Parties agree as follows:

**ARTICLE I
General Scope**

1.01 This Agreement applies to the following locations where the County has acquired right-of-way and constructed road improvements on the surface of lands in which District has or hereafter constructs water system improvements in pre-existing easements (collectively, the "Impacted Easements"):

- (i) CR 245;
- (ii) CR 219;
- (iii) Cedar Hollow Road; and
- (iv) any other location where the County constructs road improvements over lands in which the District possesses a pre-existing easement.

1.02 The Parties agree that this Agreement is not intended to modify any of District's rights under the Impacted Easements, and such rights shall remain in full force and effect. Nor is this Agreement intended to modify the County's rights with respect to its right-of-way, which rights shall remain in full force and effect.

ARTICLE II Road and Traffic Matters

2.01 Notice. District agrees to notify the County as soon as practicable regarding the necessity to access or repair a waterline or related improvements located within an Impacted Easement.

2.02 Road Closing and Traffic Matters. In the event the District has to repair or otherwise exercise its rights with respect to improvements located within the Impacted Easements, the County shall be solely responsible for taking any and all actions related to its right-of-way necessary to protect public safety; to provide traffic control; to close lanes; to implement speed zones; to perform roadway or median restoration, clean-up, or road and right-of-way repairs; and to take other actions related to the right-of-way arising out of or related to the exercise of the District's rights under such the Impacted Easement below such roads. The District shall have no responsibility to incur, or provide payment for, any costs in connection with such matters. The County shall not be responsible for the payment of cost of repairs to waterline improvements, except as provided in Article III below.

2.03 Emergencies. The Parties acknowledge that in the event of emergencies, it may not be practicable for the District to provide prior notice to the County before the District exercises its rights under the Impacted Easements.

2.04 Liability. The Parties agree that other than the cost of repairing its waterlines in accordance with Article III below, the District shall have no liability or responsibility for any costs, damages, or injury that arise out of, or are related to, the construction and operation of roadway improvements over District water system improvements within the Impacted Easements, including damage to the roadways, personal injury, or third person property damage. As between the District and the County, it is the Parties' mutual intention that the County shall be responsible for all such costs and damages.

ARTICLE III Water Line Repairs

3.01 District Responsibility. The District shall be responsible for performing all repairs to its facilities located within the Impacted Easements, and for otherwise complying with its obligations under the Impacted Easements.

3.02 Costs and Expenses. The District shall be responsible for all costs and expenses directly

related to repairing its waterline improvements (but excluding costs associated with repairing the road or right-of-way improvements and traffic matters) located within the Impacted Easements, except as follows:

- (i) The County shall be responsible for any costs or expenses incurred by the District in connection with performing repairs to its facilities the cause of which are directly related to, and proximately caused by, the presence of the road or right-of-way. By way of example, in the event a contractor of the County cuts a District waterline in connection with performing road improvements, the County shall be responsible for payment of all costs and expenses incurred by the District in connection with repairing its waterline caused by such contractor. The County agrees to reimburse all such costs and expenses within 30 days of receipt of a written invoice for payment from the District.
- (ii) In connection with performing any repairs of waterline improvements within the Impacted Easements, the District shall encase the waterline improvements while performing the repair. The County agrees to reimburse the costs associated with such encasement within 30 days of receipt of a written invoice for payment from the District.
- (iii) After installation of the encasement, and as between the Parties only, the District shall thereafter be responsible for all costs and expenses it incurs in connection with repairing facilities located within the encasement, regardless of the cause.
- (iv) The County shall not be responsible for any costs or expenses associated with injuries to persons or property arising out of the negligent acts or omissions, gross negligence, or willful misconduct of the District's employees in connection with performing any repairs to its waterline facilities located within the Impacted Easements.

ARTICLE IV Miscellaneous Provisions

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

4.02 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.

4.03 Payments 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.

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

4.05 Entire Agreement. This Agreement contains the entire agreement of the Parties regarding the subject matter and supersedes all prior or contemporaneous understandings or representations, whether oral or written, regarding the subject matter.

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

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

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:

District: 851 FM 970
P.O. BOX
Florence, Texas 76527
Attn: General Manager
Telephone: (254) 254-793-3013
Facsimile: (254) 793-3100

COUNTY: Williamson County
710 Main Street, Suite 101
Attn: Judge Dan A. Gattis
Telephone: (512) 943-1577
Facsimile: _____

4.08 Attorneys' Fees. In the event of any suit or other adjudication between the Parties to enforce any claim arising out of this Agreement or interpret the terms of this Agreement, the prevailing Party shall be entitled to recover its reasonable and necessary attorney's fees, expert witness fees, and all other costs and expenses incurred in resolving the suit or adjudication from the non-prevailing Party as provided by Texas Local Government Code § 271.159.

4.09 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.

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

[Signatures on the following page.]

Executed to be effective as of the last date of execution below.

WILLIAMSON COUNTY

By: 

Dan A. Gattis, County Judge

Date: 1-20-11

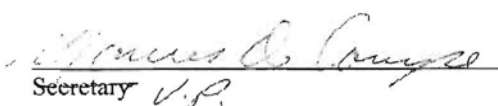
Witness

CHISHOLM TRAIL SPECIAL UTILITY DISTRICT

By: 

Mary Wilson, President

Date: 12-10-10


Secretary V.P.