

#9
THE STATE OF TEXAS §

INTERLOCAL AGREEMENT
Pursuant to the Interlocal Cooperation Act
Texas Government Code, Chapter 791

TOM GREEN COUNTY §

This AGREEMENT is made between TOM GREEN COUNTY, TEXAS, hereinafter referred to as the COUNTY, acting through its Commissioners' Court, and the Tom Green County Fresh Water Supply District #3, a M.U.D., hereinafter referred to as the FWSD 3, acting through its FWSD 3 Board.

The COUNTY agrees to use grant funds from its Program Year 2013-14 Community Development Block Grant Program – Drought Disaster Fund Contract to construct improvements to the FWSD 3'S public WATER system, if such is awarded to the COUNTY by the Texas Department of Agriculture (TDA), hereinafter referred to as the GRANT. The term of this Agreement shall be from February 4, 2014, until the project is administratively closed by TDA. Either party may terminate this Agreement with thirty (30) days written notice to the other party.

The COUNTY shall:

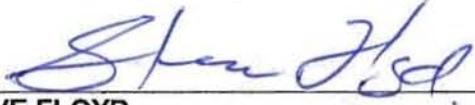
1. Endeavor to execute its GRANT responsibilities in a timely and efficient manner.
2. Be the repository of all receipts and documentation pertinent to the GRANT and furnish such to TDA upon its request.
3. Serve as the primary contact in all matters pertaining to the GRANT and the conduit for communication between itself, the FWSD 3, and TDA.
4. Provide pre-bid project design changes or change orders to the FWSD 3 for its review and approval prior to authorization by the COUNTY.
5. Gain FWSD 3 approval before awarding a construction contract that exceeds the funds available in the GRANT budget.
6. Ensure that the FWSD 3 shall not be responsible for any GRANT-related costs other than those outlined herein without the FWSD 3's written approval, except for costs associated with a violation or early termination of this Agreement by the FWSD 3.
7. Maintain at its sole discretion the option to approve construction contracts or change orders that would result in any obligation to pay for costs that exceed available GRANT funds.
8. Automatically transfer full ownership of the grant improvements to the FWSD 3 upon acceptance by the COUNTY of the Certificate of Construction Completion.

The FWSD 1 shall:

1. Comply with all COUNTY requests for information required to fulfill the COUNTY'S obligations under the GRANT.
2. Offer to provide public WATER services to all beneficiaries of this project at its officially adopted utility rates.
3. Permit unrestricted access by the COUNTY and its selected engineering, administrative, and construction contractors to those portions of the construction site under FWSD 3 control, to allow performance of the GRANT-related duties outlined in agreements these entities shall have with the COUNTY.
4. Be solely responsible for the continued ownership, maintenance and operation of any proposed public WATER system improvements upon acceptance by the COUNTY of the Certificate of Construction Completion.
5. Pay for any cost overruns attributable to construction contract award, change orders, project redesign, or additions to the GRANT scope of work that it has approved in writing
6. Pay for any costs resulting from violation or early termination of this Agreement by the FWSD 3 including repayment of any grant expenditures disallowed by TDA if the project is not completed and placed in service.
7. Automatically receive full ownership of the grant improvements upon acceptance by the COUNTY of the Certificate of Construction Completion.

The parties further agree that any GRANT funds provided by the COUNTY are without warranty of any kind to the FWSD 3 or any third party, and the FWSD 3 hereby agrees, to the extent allowable by law, to defend, hold harmless, and indemnify the COUNTY, its officers, agents, and employees for any claims for injury or death of any person or any property damage arising out of the COUNTY'S performance of its obligations under this Agreement. Nothing herein shall be construed to create any rights in third parties.

TOM GREEN COUNTY, TEXAS



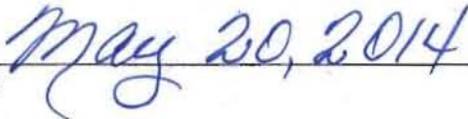
STEVE FLOYD
County Judge

TOM GREEN COUNTY FWSD 3



PRESIDENT

DATE



DATE



ATTEST:



County Clerk



FWSD 3 Secretary

