INTERLOCAL AGREEMENT BETWEEN COLLIN COUNTY AND THE CITY OF McKINNEY, TEXAS CONCERNING THE DESIGN AND CONSTRUCTION OF THE FM 543 CONNECTOR AT US 75 BOND PROJECT # 07-036

WHEREAS, the County of Collin, Texas ("County") and the City of McKinney, Texas ("City") desire to enter into an agreement concerning the construction of the FM 543 Connector at US 75 (the "Project") in McKinney, Collin County, Texas; and

WHEREAS, the Interlocal Cooperation Act (Texas Government Code Chapter 791) authorizes any local government to contract with one or more local governments to perform governmental functions and services under the terms of the Act; and

WHEREAS, the 2007 Collin County Bond Program includes funding for the FM 543 Connector from US 75 to FM 1461, 2007 Bond Project #07-036, of which these improvements are a part.

WHEREAS, the City and County have determined that the improvements may be constructed most economically by implementing this agreement.

NOW, THEREFORE, this agreement is made and entered into by the County and the City upon and for the mutual consideration stated herein.

WITNESSETH:

ARTICLE I.

The City has arranged to design and construct improvements to the FM 543 Connector at US 75, hereinafter called the "Project". The Project consists of constructing a new four lane roadway from US 75 to a terminus to the northwest (approximately 1,700 linear feet) and a new two lane roadway from the new four lane roadway to FM 543 (approximately 1,900 linear feet). The Project is part of a planned arterial roadway that will connect US 75 at FM 543 to FM 1461 at Lake Forest Drive. The Project will be designed to meet or exceed the current Collin County design standards and shall be constructed in accordance with the plans and specifications approved by the City.

ARTICLE II.

The City shall prepare plans and specifications for the improvements, accept bids and award a contract to design and construct the improvements and administer the design and construction contract. In all such activities, the City shall comply with all state statutory requirements. The City shall provide the County with a copy of the executed design and construction contracts for the Project.

ARTICLE III.

The City shall acquire approximately 10.5 acres of real property in the vicinity of the improvements for use as right-of-way, approximately 15.1 acres of real property in the vicinity of the improvements for use as permanent easements, and approximately 10.4 acres of real property in the vicinity of the improvements for use as temporary easements.

ARTICLE IV.

The City estimates the total actual cost of the Project to be approximately \$5,100,000. The County agrees to fund the cost to construct the improvements in an amount not to exceed \$2,455,000. The County shall remit 50 percent of this amount (\$1,227,500) to the City within thirty (30) days after issuing a notice to proceed for construction of the improvements, as authorized by the City Council, and the City requests payment. The County will remit the remaining 50 percent within thirty (30) days after receipt of

notice from the City that the construction project is 50 percent complete. The "total cost of the project" shall include the acquisition of necessary land rights, engineering, construction, inspection, and testing.

ARTICLE V.

The County's participation in the Project shall not exceed \$2,455,000.

ARTICLE VI.

The City shall prepare for the County an itemized statement specifying Project costs that have been incurred to date and submit detailed Project cost and progress reports every thirty (30) days until Project completion.

ARTICLE VII.

The City and County agree that the party paying for the performance of governmental functions or services shall make those payments only from current revenues legally available to the paying party.

ARTICLE VIII.

INDEMNIFICATION. TO THE EXTENT ALLOWED BY LAW, EACH PARTY AGREES TO RELEASE, DEFEND, INDEMNIFY, AND HOLD HARMLESS THE OTHER (AND ITS OFFICERS, AGENTS, AND EMPLOYEES) FROM AND AGAINST ALL CLAIMS OR CAUSES OF ACTION FOR INJURIES (INCLUDING DEATH), PROPERTY DAMAGES (INCLUDING LOSS OF USE), AND ANY OTHER LOSSES, DEMANDS, SUITS, JUDGMENTS AND COSTS, INCLUDING REASONABLE ATTORNEYS' FEES AND EXPENSES, IN ANY WAY ARISING OUT OF, RELATED TO, OR RESULTING FROM ITS PERFORMANCE UNDER THIS AGREEMENT, OR CAUSED BY ITS NEGLIGENT ACTS OR OMISSIONS (OR THOSE OF ITS RESPECTIVE OFFICERS, AGENTS, EMPLOYEES, OR ANY OTHER THIRD PARTIES FOR WHOM IT IS LEGALLY RESPONSIBLE) IN CONNECTION WITH PERFORMING THIS AGREEMENT.

ARTICLE IX.

 $\underline{\text{VENUE}}$. The laws of the State of Texas shall govern the interpretation, validity, performance and enforcement of this agreement. The parties agree that this agreement is performable in Collin County, Texas and that exclusive venue shall lie in Collin County, Texas.

ARTICLE X.

<u>SEVERABILITY</u>. The provisions of this agreement are severable. If any paragraph, section, subdivision, sentence, clause, or phrase of this agreement is for any reason held by a court of competent jurisdiction to be contrary to law or contrary to any rule or regulation having the force and effect of the law, the remaining portions of the agreement shall be enforced as if the invalid provision had never been included.

ARTICLE XI.

<u>ENTIRE AGREEMENT.</u> This agreement embodies the entire agreement between the parties and may only be modified in a writing executed by both parties.

ARTICLE XII.

<u>SUCCESSORS AND ASSIGNS.</u> This agreement shall be binding upon the parties hereto, their successors, heirs, personal representatives and assigns. Neither party will assign or transfer an interest in this agreement without the written consent of the other party.

ARTICLE XIII.

<u>IMMUNITY</u>. It is expressly understood and agreed that, in the execution of this agreement, neither party waives, nor shall be deemed hereby to have waived any immunity or defense that would otherwise be available to it against claims arising in the exercise of governmental powers and functions. By entering into this agreement, the parties do not create any obligations, express or implied, other that those set forth herein, and this agreement shall not create any rights in parties not signatories hereto.

ARTICLE XIV.

<u>TERM.</u> This agreement shall be effective upon execution by both parties and shall continue in effect annually until final acceptance of the Project. This agreement shall automatically renew annually during this period.

APPROVED AS TO FORM:	COUNTY OF COLLIN, TEXAS
By:	By:Name: Keith Self Title: County Judge
Date	Date:
ATTEST:	CITY OF McKINNEY, TEXAS
By:	By: Name: Jason Gray Title: City Manager Date: Executed on behalf of the City of McKinney pursuant to City Council Resolution No
APPROVED AS TO FORM:	
By: Name: Mark Houser Title: City Attorney Date:	