

**INTERLOCAL AGREEMENT
for
STREET ACCESS**

This Agreement is made by and between the City of Carrollton, Texas, acting by and through its City Manager with authority from his City Council (hereinafter "City") and Denton County Fresh Water Supply District No. 1-A, acting by and through its President with authority from its board of directors (hereinafter "District").

WHEREAS, the District desires to build a road to be known as King Arthur Blvd. and the road is to be located predominately outside of the City and within the boundaries of the area known as Castle Hills; and

WHEREAS, an extension of King Arthur Blvd. will intersect Josey Lane at the intersection of Josey Lane and Diamond Ridge, which intersection and extension is located within the boundaries of the City (hereinafter the "Intersection"); and

WHEREAS, the City and the District desire to have King Arthur Blvd. Extension (as defined below) constructed so as to provide access from Castle Hills to the City;

NOW THEREFORE, in consideration of the premises and of the mutual covenants and agreements of the parties hereto to be by them respectively kept and performed as hereinafter set forth, the City and the District do mutually agree as follows:

1. District shall obtain rights of way, in substantially the form of the Right-of-Way Deed attached hereto as Exhibit A, necessary to construct and shall construct a road at its expense in the location and in accordance with the engineering plans and specifications attached hereto as Exhibit B (such road hereinafter referred to as "King Arthur Extension"). The name of King Arthur Extension shall be King Arthur Blvd.
2. District shall assume maintenance responsibilities for all landscaped areas within the rights of way, which responsibilities may be assigned to other entities in the future.
3. City shall assume maintenance responsibilities for the concrete road surface on the King Arthur Extension after the expiration of the maintenance bond period of the initial construction contract.
4. City shall notify District when a signal light is warranted at the Intersection, and within 90 days of such notification, District shall provide to the City the equipment for the signal light, which equipment shall be standard signalization equipment similar to the signal light equipment at the intersection of Hebron Parkway and Rolling Oaks. The study and standards justifying the warrant shall be those contained in the Texas Manual On Uniform Traffic Control Devices.

5. City shall provide all design and installation efforts at the Intersection necessary to install the signalization equipment and shall maintain the equipment. The light shall be installed within 60 days of receipt of the standard signalization equipment provided under paragraph 4 above.
6. This Agreement shall become effective on the date last executed.
7. Any amendment to this Agreement must be executed in writing by both parties.
8. Should any one or more of the provisions of this Agreement be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision thereof, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.
9. This Agreement shall be construed under and in accordance with the laws of the State of Texas.
10. This Agreement constitutes the sole and only agreement of the parties hereto and supersedes any prior understandings or written or oral agreements between the parties respecting the subject matter of this Agreement.
11. Any notice provided for or permitted to be given hereunder must be given at the addresses designated below by (i) depositing same in the U.S. Mail, postage prepaid, registered or certified, return receipt requested, (ii) delivering the same to the party to be notified, (iii), sending a prepaid telex or telegram, or (iv) by facsimile transmittal. Such notice shall be effected upon receipt, as evidence by the executed postal or other receipts or by the facsimile confirmation. Notice addresses may be changed by giving written notice of a change to all addressees in this section.

If to City: City of Carrollton
 Attention: City Manager
 1945 E. Jackson Road
 P.O. Box 110535
 Carrollton, Texas 75011-0535
 Fax: 972 466-3252

With a copy to: Robert Brown
 Vial, Hamilton, Koch, & Knox, L.L.P.
 1717 Main Street, Suite 4400
 Dallas, Texas 75201-7388
 Fax: 214 712-4402

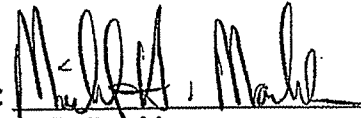
If to District: President
Denton County Fresh Water Supply District No. 1-A
600 N. Pearl, Suite 900
Dallas, Texas 75201
Fax: 214 954-6386

With a copy to: Jeffrey W. Hurt
Leonard Hurt Frost & Lilly
600 N. Pearl, Suite 900
Dallas, Texas 75201
Fax: 214 954-6386

CITY OF CARROLLTON

DENTON COUNTY FRESH WATER
SUPPLY DISTRICT NO. 1-A

By: 
Its City Manager

By: 
Its President

Date: August 13, 1998

Date: _____