

## SEWER SERVICES INTERLOCAL AGREEMENT

THIS SEWER SERVICES INTERLOCAL AGREEMENT ("Agreement") is entered into by and between DENTON COUNTY FRESH WATER SUPPLY DISTRICT NO. 1-G ("DCFWS No. 1-G") and the City of Lewisville, Texas ("Lewisville"), hereinafter individually referred to as a "Party" and collectively as the "Parties."

WHEREAS, Lewisville maintains and operates a sewer collection main bordering the property, a 38.869 acre tract, described in Exhibit "A" attached hereto (the "City Sewer Main"); and

WHEREAS, DCFWS No. 1-G intends to fund and construct at its own expense an extension of the existing City Sewer Main as depicted on Exhibit "B" attached hereto (the "Sewer Extension" or "Project");

WHEREAS, in furtherance of the efficient construction, maintenance and operation of the Project, Lewisville and DCFWS No. 1-G have agreed to terms and provisions set forth below;

WHEREAS, this Agreement is authorized by Chapter 791 of the Texas Government Code and the performance of this Agreement by both Lewisville and DCFWS No. 1-G will be in the common interest of the Parties and will benefit the general public.

NOW, THEREFORE, Lewisville and DCFWS No. 1-G, for consideration herein set forth, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged and confessed, do hereby agree as follows:

1. Term. The term of this Agreement shall commence as of the date the last Party executes this Agreement and shall end the earlier of August 18, 2027 or upon annexation of the property by Lewisville

2. Construction of Sewer Extension.

(a) DCFWS No. 1-G agrees to construct, or cause to be constructed, the Sewer Extension as depicted on Exhibit "B" at its sole cost and expense. The Sewer Extension shall extend the existing City Sewer Main to the northeast corner of the property described in Exhibit "A".

(b) DCFWS No. 1-G shall serve, at its sole cost and expense, as the contracting entity for the design and construction of the Sewer Extension. DCFWS No. 1-G shall select a contractor to perform the activities necessary to construct the Sewer Extension according to the procedures prescribed by applicable law. The existence of this Agreement shall not subject any construction activities performed by DCFWS No. 1-G to any competitive bidding requirements applicable solely to Lewisville.

(c) Lewisville agrees to reasonably cooperate with DCFWS No. 1-G in order to effectuate the construction of the Sewer Extension. Such cooperation is anticipated to include, but not be limited to, provision of necessary easements, licenses,

permits, and other rights required to construct the Sewer Extension. After final completion of the Sewer Extension and acceptance thereof by Lewisville, DCFWSD No. 1-G shall dedicate the Sewer Extension to Lewisville.

3. Maintenance of Sewer Extension. After final completion of the Sewer Extension and conveyance and acceptance thereof by Lewisville, (a) Lewisville agrees to maintain the Sewer Extension at its sole cost and expense and in its sole discretion and (b) DCFWSD No. 1-G shall have no liability for the maintenance or operation of the Sewer Extension other than the requirement associated with a two-year maintenance bond which will be assigned from DCFWSD 1-G to Lewisville upon conveyance of the Sewer Extension. The Sewer Extension shall be referred to as "City Sewer Main" upon construction, completion and acceptance by Lewisville. DCFWSD No. 1-G shall conform to all inspection and maintenance requirements by Lewisville of the Sewer Extension during the two-year maintenance bond period.

4. Billing. DCFWSD No. 1-G shall be responsible for directly billing all sewer customers within the property described in Exhibit "A" served by the City Sewer Main at its standard DCFWSD No. 1-G sewer rates based on 100% water consumption. Within 15 days of DCFWSD No. 1-G generation of customer bills, DCFWSD No. 1-G shall remit full payment of billed service charges for sewer to Lewisville. DCFWSD No. 1-G shall provide Lewisville with copies of all bills and calculations with its monthly payment.

(a) The rate per 1,000 gallons used to calculate the amount due to Lewisville shall be the DCFWSD No. 1-G retail sewer rate per 1,000 gallon or Lewisville retail sewer rate per 1,000 gallon, whichever is greater and based on 100% consumption customer DCFWSD No. 1-G water service meter. The Lewisville retail rate shall only be used to calculate amount due to Lewisville upon prior written approval by Lewisville.

(b) Any bills generated without accurate water readings shall be calculated based on previous 6-month history. Individual water meters serving such property shall be tested and certified every 5 years or more frequently as requested by Lewisville.

5. Future Connections. All future connections to the Sewer Extension not specifically contemplated by Exhibit A shall require an amendment to this Agreement.

6. Notices. All notices or other communications required or permitted to be given pursuant to this Agreement shall be in writing and shall be considered as properly given (i) if mailed by first class United States mail, postage prepaid, registered or certified with return receipt requested, (b) by delivering same in person to the intended addressee, (c) by delivery to an independent third party commercial delivery service for same day or next day delivery and providing for evidence of receipt at the office of the intended addressee, or (d) by prepaid telegram, telex, or facsimile to the addressee. Notice so mailed shall be effective upon its deposit with the United States Postal Service or any successor thereto; notice sent by such a commercial delivery service shall be effective upon delivery to such commercial delivery service; notice given by personal delivery shall be effective only if and when received by the addressee; and notice given by other means shall be effective only if and when received at the office or designated place or machine of the intended addressee. For purposes of notice, the addresses of the parties shall be as set forth below; provided, however, that either party shall have the right to

change its address for notice hereunder to any other location within the continental United States by the giving of thirty (30) days' notice to the other party in the manner set forth herein.

If to Lewisville:                      City Manager  
    City of Lewisville  
    P.O. Box 299002  
    151 West Church Street  
    Lewisville, TX 75057

If to DCFWSD No. 1-G:              General Manager  
    Denton County FWSD No. 1-G  
    2540 King Arthur Blvd, Ste. 220  
    Lewisville, TX 75056

7.     Termination/Default. In the event of any default in connection with any provision contained herein, this Agreement may be terminated by the non-defaulting party if such default continues for a period of thirty (30) days after the non-defaulting party provides written notice to the defaulting party of the non-defaulting party's intention to declare the Agreement terminated. If the default is not cured within the 30-day period, this Agreement shall terminate as if the Agreement had expired at the end of its term.

8.     Venue. The Parties agree that if legal action is brought under this Agreement, exclusive venue shall lie in the Courts of Denton County, Texas, and its terms or provisions, as well as the rights and duties of the Parties hereunder, shall be governed by the laws of the State of Texas.

9.     Severability. In case any one or more of the terms, sentences, paragraphs or provisions contained, in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other terms, sentences, paragraphs or provisions hereof, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

10.    Amendments. This Agreement may be amended or modified only by the mutual agreement of both Parties and such amendment or modification must be in writing and executed by an authorized representative of each Party.

11.    No Reimbursement. Neither Party to this Agreement shall be entitled to payment for or reimbursement of costs incurred in connection with the activities contemplated herein from the other Party, except any amounts advanced to DCFWSD No. 1-G by a developer of lands within DCFWSD No. 1-G for construction costs or other related costs of the Sewer Extension may be reimbursed by DCFWSD No. 1-G to the extent allowable by law.

12.    Counterparts. This Agreement may be executed in multiple counterparts and shall be binding on and endure to the benefit of each Party, and each counterpart shall be deemed an original for all purposes when duly authorized by the governing body of each Party and signed by such Party's duly authorized representative.

13. Prior Agreements Superseded. This Agreement supersedes any prior understandings or written or oral agreements between the parties respecting this subject matter.

14. Binding Nature. This Agreement shall be binding on and inure to the benefit of the Parties and their respective heirs, executors, administrators, legal representatives, successors, and assigns as permitted by this Agreement.

15. Other Instruments. The Parties agree that they will execute any other instruments and documents that may become necessary or convenient to effectuate and carry out the project contemplated by this Agreement.

16. No Oral Commitments. This Agreement contains all commitments, agreements, warranties and representations of the Parties. Any oral or written commitments, agreements, warranties or representations not contained herein shall have no force or effect to alter any term or condition of this Agreement.

17. Savings Provision. In the event that any term or provision of this Agreement shall be determined by a court of competent jurisdiction to be invalid or unenforceable, this Agreement shall, to the extent reasonably possible, remain in force as to the balance of its terms and provisions as if such invalid term or provision were not a part hereof.

18. Compliance with Texas Law. Both Parties agree that this document appropriately states the purpose, terms, rights and duties as to be performed with this Agreement as required by Chapter 791 of the Texas Government Code. Notwithstanding anything to the contrary, each Party paying for the performance of governmental functions or services under this Agreement must make those payments from current revenues available to the paying party.

19. No Waiver of Immunity. Lewisville and DCFWSD No. 1-G expressly agree and understand that by executing this Agreement, neither Party is waiving any applicable immunities granted to them by any state or federal law.

20. Gender. Whenever the context shall require, all words in this Agreement in any gender shall be deemed to include the masculine, feminine, or neuter gender, all singular words shall include the plural, and all plural words shall include the singular.

[Remainder of Page Blank; Signature Page Follows]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement to be effective upon execution and dating by each Party. This Agreement shall be effective from the last date signed and marked on this Agreement by a participating Party.

**APPROVED BY THE CITY COUNCIL OF THE CITY OF LEWISVILLE, TEXAS:**

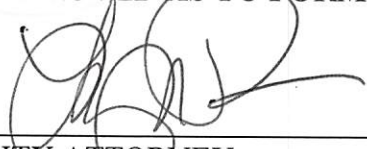
  
\_\_\_\_\_  
CITY MANAGER

DATE: 9-16-2013

**ATTEST:**

  
\_\_\_\_\_  
CITY SECRETARY

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
CITY ATTORNEY

**DENTON COUNTY FRESH WATER SUPPLY DISTRICT NO. 1-G:**

\_\_\_\_\_  
PRESIDENT, BOARD OF DIRECTORS

DATE: \_\_\_\_\_

**ATTEST:**

\_\_\_\_\_  
SECRETARY, BOARD OF DIRECTORS

(District Seal)

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement to be effective upon execution and dating by each Party. This Agreement shall be effective from the last date signed and marked on this Agreement by a participating Party.

**APPROVED BY THE CITY COUNCIL OF THE CITY OF LEWISVILLE, TEXAS:**

\_\_\_\_\_  
CITY MANAGER

DATE: \_\_\_\_\_

**ATTEST:**

\_\_\_\_\_  
CITY SECRETARY

**APPROVED AS TO FORM:**

\_\_\_\_\_  
CITY ATTORNEY

**DENTON COUNTY FRESH WATER SUPPLY DISTRICT NO. 1-G:**

  
\_\_\_\_\_  
PRESIDENT, BOARD OF DIRECTORS

DATE: 9/19/2013

**ATTEST:**

  
\_\_\_\_\_  
SECRETARY, BOARD OF DIRECTORS

(District Seal)

**EXHIBIT "A"**

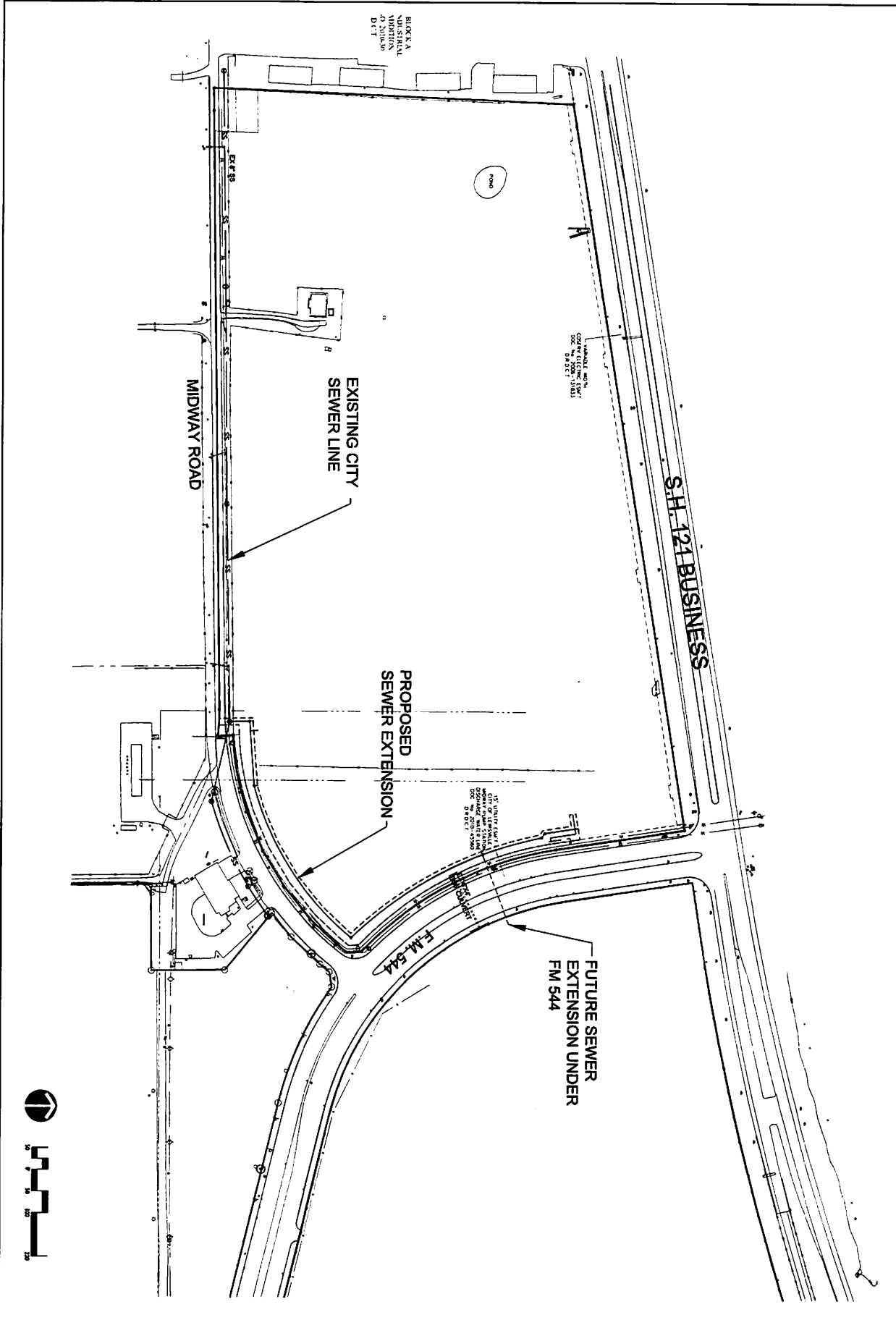
[To Be Attached]





**EXHIBIT "B"**

[To Be Attached]



DATE: 07/29/2013  
 DESIGNED BY:  
 DRAWN BY:  
 CHECKED BY:  
 C.L.C. BY:  
 SCALE: AS SHOWN  
 PROJECT #4812005  
 SHEET #  
 EX-B

REVISIONS


**WATER AND SEWER SERVICES  
 INTERLOCAL AGREEMENT  
 EXHIBIT B**

**LandDesign.**  
 78PC F-14754  
 222 West Lee Collins Blvd., Suite 4024 Irving TX 75039  
 W. 214.782.4000 P. 214.229.1112  
 www.LandDesign.com