

REIMBURSEMENT AGREEMENT

This Agreement ("Agreement") is entered into by and between **Harris County** ("County") and **Harris County Municipal Utility District No. 120** ("District") pursuant to the Interlocal Cooperation Act, Tex. Gov't Code Ch. 791.001, *et seq.* County and District may each be referred to herein individually as a "Party" or collectively as the "Parties".

RECITALS

WHEREAS, it is of mutual benefit to both Parties to provide utility adjustments at various locations along Addicks Clodine Road from Westpark Drive to Branch Forest Drive, and along Westpark Drive from Summit Valley Drive to Highway 6 ("Project"); as generally illustrated on Exhibit A attached hereto and incorporated herein by reference;

WHEREAS, both Parties desire to cooperate in accordance with the terms of this Agreement to jointly accomplish the construction of the Project; and

WHEREAS, both Parties agree that all funds used under this Agreement shall be from current fiscal funds.

NOW THEREFORE, in consideration of the mutual promises, obligations, and benefits herein set forth, the Parties agree as follows:

TERMS

Section 1. Responsibilities of the Parties

A. County's Responsibilities

- (i) Upon execution of this Agreement by the Parties, County will provide or cause to be provided engineering services and related support services necessary to develop plans, specifications and estimates ("PS&E") for construction of the Project.
- (ii) The County shall be responsible for obtaining all necessary permits and jurisdictional approvals for construction of the Project.
- (iii) Upon approval of the PS&E for the Project by the Parties, the County may proceed to authorize construction services under an existing on-call contract for construction services, or proceed to advertise for, receive bids, and award the construction contract for construction of the Project, in a manner similar to other County projects.
- (iv) Upon receipt of bids for the construction of the Project the County shall:
 - (a) Determine the lowest and best bidder and provide the bids to the District with its recommendation for award of the construction contract to such lowest and best bidder, as determined by the Harris County Commissioners Court; and
 - (b) Provide an invoice to the District for their cost share percentage for construction of the Project in accordance with Section 2 of this Agreement.
- (v) Upon award of a construction contract or authorization of construction services, County will manage and inspect the construction of the Project in a manner similar to that of other County construction projects.

- (vi) Upon completion of the construction of the Project, the County shall:
 - (a) Provide an opportunity for the District to participate in a final walk-through; and
 - (b) Provide a statement of final accounting to the District detailing all construction costs incurred and identify amount(s) to be invoiced or refunded to the District.

B. District's Responsibilities

- (i) The District will review the PS&E prepared by County and will notify the County of any objections or approval within ten (10) days of receipt by the District. If the District has not approved the PS&E within ten (10) calendar days from its receipt of the PS&E, then the PS&E submitted to the District will be deemed approved.
- (ii) Upon receipt of the bids and award recommendation from the County for construction of the Project, the District will Provide concurrence for award of the construction contract to such lowest and best bidder within five (5) business days from receipt of the recommendation from the County. If the District does not provide a response on the construction contract award recommendation within five (5) business days from its receipt of the recommendation from the County, then the recommendation submitted to the District will be deemed approved.
- (iii) Remit payment to the County for District Contribution for construction of the Project in accordance with Section 2 of this Agreement.
- (iv) Upon completion of the construction of the Project, the District shall continue to assume full responsibility for the ongoing maintenance and repairs of the Project.

Section 2. Funding of the Project

- A. The County will invoice the District in the amount of Sixteen Thousand Four Hundred Ninety and 00/100 Dollars (\$16,490.00) ("District Contribution") as generally illustrated on Exhibit B attached hereto and incorporated herein by reference. District shall remit payment of the District Contribution to the County within thirty (30) days of the receipt of the invoice. The Parties agree that any construction costs incurred during the construction of the Project or other work associated with the Project to be performed under this Agreement in excess of the funding will be funded by the District.
- B. During construction of the Project, the County Engineer may from time to time determine that a change(s) in contract ("CIC") is necessary in order to authorize additional construction to satisfactorily complete the Project. The County Engineer will then notify District of the cost of such CIC or CIC's. Such CIC or CIC's may include work beyond the construction initially advertised, included in the accepted bids, or upon which the Contractor based its bid, or beyond any initial authorization for construction services.
- C. County is not obligated to deposit the funds provided by District pursuant to this Agreement in an interest-bearing account. As such, District is not entitled to receive any interest earned on such funds. If County chooses to deposit such funds in an interest-bearing account, the interest earned thereon will be retained by County.
- D. County shall have no obligation for the costs associated with the Project contemplated under this Agreement until sufficient funds are certified by the County Auditor as available from current fiscal funds.

Section 3. Term and Termination

This Agreement shall commence upon final execution by all the Parties and shall remain in full force and effect until the completion of construction of the Project or the County's receipt of all payments due from the District under this Agreement, whichever occurs later unless earlier terminated in accordance with the terms of this Agreement. This Agreement may be terminated by the County at any time, by providing thirty (30) days' written notice to the District, in which case the County shall return any unexpended or uncommitted funds previously provided by the District under this Agreement. Should this Agreement be terminated, the District shall not be entitled to any payment or reimbursement of interest that may have been realized by the County on any such funds provided by the District.

Section 4. Limitation of Appropriation

- A. District understands and agrees, said understanding and agreement also being of the absolute essence of this Agreement, that the County is not currently appropriating any funds for the Project. County may appropriate funds to complete the Project, but such funds shall not under any conditions, circumstances, or interpretations thereof exceed the sum certified available by the Harris County Auditor.
- B. District understands and agrees, said understanding and agreement also being of the absolute essence of this Agreement, that failure of the Harris County Auditor to certify funds or to certify sufficient funding for any reason shall not be considered a breach of this Agreement.

Section 5. County's Request for Records, Right to Review and Audit

County and its authorized representatives have the right to review and audit all books, records, vouchers and documents of whatever nature related to District's performance under this Agreement during the period of performance of the Agreement and for six (6) years thereafter.

Section 6. Miscellaneous

- A. Non-Assignability. The County and the District bind themselves and their successors, executors, administrators, and assigns to the other Party of this Agreement and to the successors, executors, administrators, and assigns of such other Party, in respect to all covenants of this Agreement. Neither the County nor the District shall assign, sublet, or transfer its interest in this Agreement without the prior written consent of the other Party.
- B. Notice. Any notice required to be given under this Agreement ("Notice") shall be in writing and shall be duly served when it shall have been (a) personally delivered to the address below, (b) deposited, enclosed in a wrapper with the proper postage prepaid thereon, and duly registered or certified, return receipt requested, in a United States Post Office, addressed to County or the District at the following addresses:

District:	Harris County Municipal Utility District No. 120 c/o Allen Boone Humphries Robinson LLP 3200 Southwest Freeway, Suite 2600 Houston, Texas 77027 Attention: Christina Miller Email: cmiller@abhr.com
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County: Harris County Engineering Department
1111 Fannin, Floor 11
Houston, Texas 77002-1893
Attention: Interagency Agreement Coordinator

Any Notice given by mail hereunder is deemed given upon deposit in the United States Mail and any Notice delivered in person shall be effective upon receipt.

Each Party shall have the right to change its respective address by giving at least fifteen (15) days' written notice of such change to the other Party.

Other communications, except for Notices required under this Agreement, may be sent by electronic means or in the same manner as Notices described herein.

- C. Independent Parties. It is expressly understood and agreed by the Parties that nothing contained in this Agreement shall be construed to constitute or create a joint venture, partnership, association or other affiliation or like relationship between the Parties, it being specifically agreed that their relationship is and shall remain that of independent parties to a contractual relationship as set forth in this Agreement. The County is an independent contractor and neither it, nor its employees or agents shall be considered to be an employee, agent, partner, or representative of the District for any purpose. The District, nor its employees, officers, or agents shall be considered to be employees, agents, partners or representatives of the County for any purposes. Neither Party has the authority to bind the other Party.
- D. No Third Party Beneficiaries. This Agreement shall be for the sole and exclusive benefit of the Parties and their legal successors and assigns. The County is not obligated or liable to any party other than the District for the performance of this Agreement. Nothing in the Agreement is intended or shall be deemed or construed to create any additional rights or remedies upon any third party. Further, nothing contained in the Agreement shall be construed to or operate in any manner whatsoever to confer or create rights or remedies upon any third party, increase the rights or remedies of any third party, or the duties or responsibilities of County with respect to any third party.
- E. Waiver of Breach. No waiver or waivers of any breach or default (or any breaches or defaults) by either Party hereto of any term, covenant, condition, or liability hereunder, or the performance by either Party of any obligation hereunder, shall be deemed or construed to be a waiver of subsequent breaches or defaults of any kind, under and circumstances.
- F. No Personal Liability; No Waiver of Immunity.
- (1) Nothing in the Agreement is construed as creating any personal liability on the part of any officer, director, employee, or agent of any public body that may be a Party to the Agreement, and the Parties expressly agree that the execution of the Agreement does not create any personal liability on the part of any officer, director, employee, or agent of the County.
 - (2) The Parties agree that no provision of this Agreement extends the County's liability beyond the liability provided in the Texas Constitution and the laws of the State of Texas.
 - (3) Neither the execution of this Agreement nor any other conduct of either Party relating to this Agreement shall be considered a waiver by the County of any right, defense, or immunity on behalf of itself, its employees or agents under the Texas Constitution or the laws of the State of Texas.

- G. Applicable Law and Venue. This Agreement shall be governed by the laws of the State of Texas and the forum for any action under or related to the Agreement is exclusively in a state or federal court of competent jurisdiction in Texas. The exclusive venue for any action under or related to the Agreement is in a state or federal court of competent jurisdiction in Houston, Harris County, Texas.
- H. No Binding Arbitration; Right to Jury Trial. The County does not agree to binding arbitration, nor does the County waive its right to a jury trial.
- I. Contract Construction.
- (1) This Agreement shall not be construed against or in favor of any Party hereto based upon the fact that the Party did or did not author this Agreement.
 - (2) The headings in this Agreement are for convenience or reference only and shall not control or affect the meaning or construction of this Agreement.
 - (3) When terms are used in the singular or plural, the meaning shall apply to both.
 - (4) When either the male or female gender is used, the meaning shall apply to both.
- J. Recitals. The recitals set forth in this Agreement are, by this reference, incorporated into and deemed a part of this Agreement.
- K. Entire Agreement; Modifications. This Agreement contains the entire agreement between the Parties relating to the rights herein granted and the obligations herein assumed. This Agreement supersedes and replaces any prior agreement between the Parties pertaining to the rights granted and the obligations assumed herein. This Agreement shall be subject to change or modification only by a subsequent written modification approved and signed by the governing bodies of each Party.
- L. Severability. The provisions of this Agreement are severable, and if any provision or part of this Agreement or the application thereof to any person, entity, or circumstance shall ever be held by any court of competent jurisdiction to be invalid or unconstitutional for any reason, the remainder of this Agreement and the application of such provision or part of this Agreement to other persons, entities, or circumstances shall not be affected thereby.
- M. Survival of Terms. Any provision of this Agreement that, by its plain meaning, is intended to survive the expiration or earlier termination of this Agreement shall survive such expiration or earlier termination. If an ambiguity exists as to survival, the provision shall be deemed to survive.
- N. Multiple Counterparts/Execution. This Agreement may be executed in several counterparts. Each counterpart is deemed an original and all counterparts together constitute one and the same instrument. In addition, each Party warrants that the undersigned is a duly authorized representative with the power to execute the Agreement.
- O. Warranty. By execution of this Agreement, the District warrants that the duties accorded to the District in this Agreement are within the powers and authority of the District.

[EXECUTION PAGE FOLLOWS]

HARRIS COUNTY

By: _____
Lina Hidalgo
County Judge

APPROVED AS TO FORM:

CHRISTIAN D. MENEFEE
County Attorney

By: An Le
An Le
Assistant County Attorney
CAO File No.: 22GEN2399

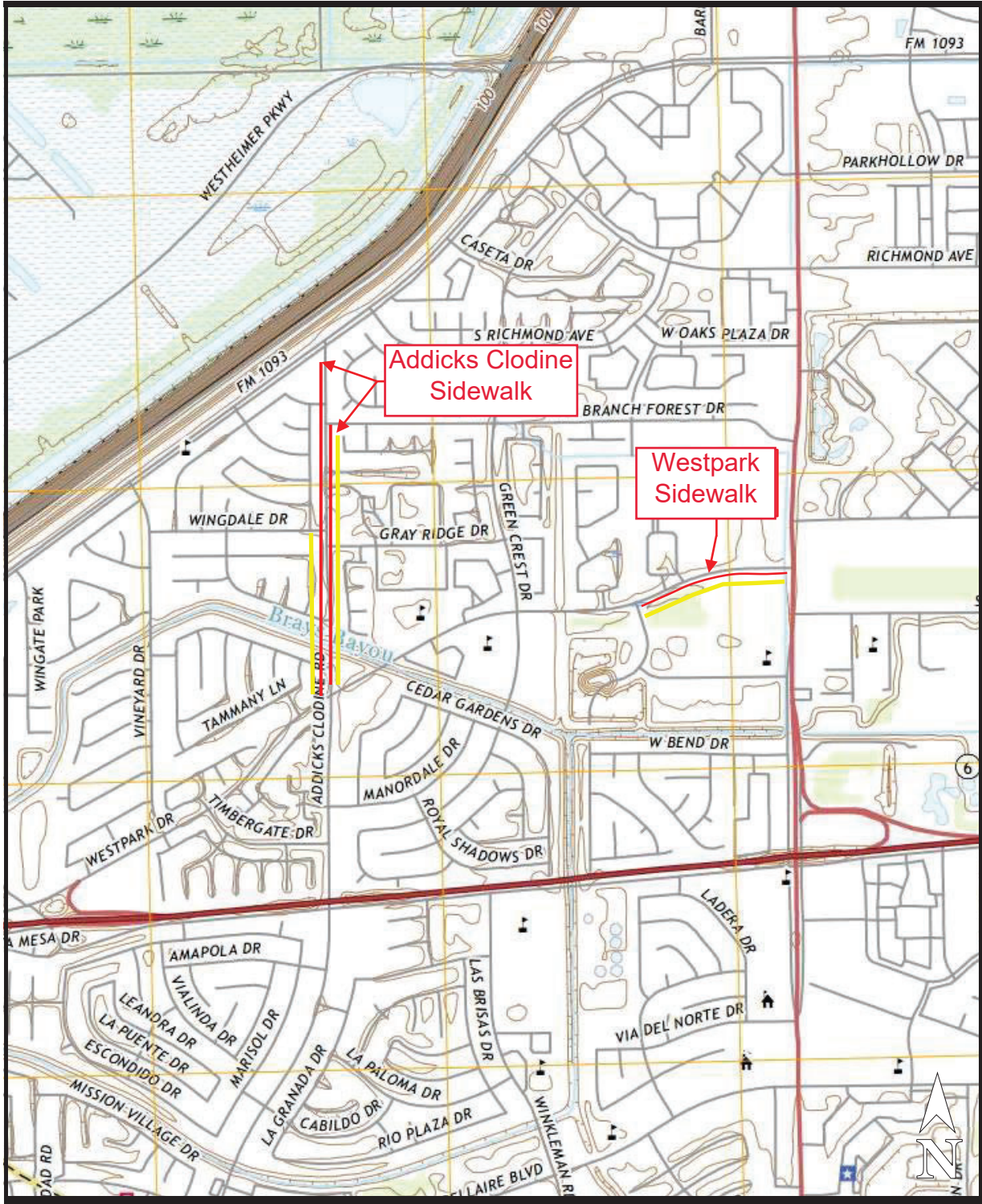
**HARRIS COUNTY MUNICIPAL UTILITY
DISTRICT NO. 120**

By: Gary Gassmann
Gary Gassmann
President

ATTEST

By: Daphne Main
Asst. Secretary

EXHIBIT A



Limits of HCMUD No. 120

EXHIBIT B

Harris County MUD 120

Utility adjustments at various locations along Addicks Clodine Road from Westpark Drive to Branch Forest Drive, and along Westpark Drive from Summit Valley Drive to Highway 6.

24-Jun-22

Description	Estimated District Cost (Estimate Used In Agreement)		
		District Cost Based on Bids	District Cost Based on Final Pay Estimate
Total Construction Cost	\$ 12,000.00	\$ -	\$ -
Total Change in Contract (CIC) Line Items	\$ -	\$ -	\$ -
Subtotal	\$ 12,000.00	\$ -	\$ -
Contingency -10% For Potential High Bids	\$ 1,200.00	\$ -	\$ -
Subtotal	\$ 13,200.00	\$ -	\$ -
Contingency -10% For Potential CIC's	\$ 1,320.00	\$ -	\$ -
Subtotal	\$ 14,520.00	\$ -	\$ -
Engineering Costs - Fixed Fee	\$ 1,970.00	\$ 1,970.00	\$ 1,970.00
Total HCMUD No. 120 Cost	\$ 16,490.00		
Previous Payments Received	\$ -	\$ -	\$ -
Total Due From HCMUD NO. 120	\$ 16,490.00	\$ -	\$ -

ORDER OF COMMISSIONERS COURT

The Commissioners Court of Harris County, Texas, met in regular session at its regular term at the Harris County Administration Building in the County of Houston, Texas, on _____, with all members present except _____.

A quorum was present. Among other business, the following was transacted:

ORDER AUTHORIZING EXECUTION OF A INTERLOCAL AGREEMENT BETWEEN HARRIS COUNTY AND HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 120 TO PROVIDE UTILITY ADJUSTMENTS AT VARIOUS LOCATIONS ALONG ADDICKS CLODINE ROAD FROM WESTPARK DRIVE TO BRANCH FOREST DRIVE, AND ALONG WESTPARK DRIVE FROM SUMMIT VALLEY DRIVE TO HIGHWAY 6 AND ALL RELATED APPURTENANCES IN HARRIS COUNTY PRECINCT 4

Commissioner _____ introduced an order and moved that Commissioners Court adopt the order. Commissioner _____ seconded the motion for adoption of the order. The motion, carrying with it the adoption of the order, prevailed by the following vote:

	Yes	No	Abstain
Judge Lina Hidalgo	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Comm. Rodney Ellis	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Comm. Adrian Garcia	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Comm. Tom S. Ramsey, P.E.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Comm. Lesley Briones	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The County Judge thereupon announced that the motion had duly and lawfully carried and that the order had been duly and lawfully adopted. The order thus adopted follows:

IT IS ORDERED THAT:

1. The Harris County Judge is authorized to execute on behalf of Harris County the attached Interlocal Agreement between Harris County and Harris County Municipal Utility District No. 120 to provide utility adjustments at various locations along Addicks Clodine Road from Westpark Drive to Branch Forest Drive, and along Westpark Drive from Summit Valley Drive to Highway 6 and all related appurtenances in Harris County Precinct 4.
2. All Harris County officials and employees are authorized to do any and all things necessary or convenient to accomplish the purposes of this order.