

**INTERLOCAL AGREEMENT FOR COST SHARING
FOR UTILITY IMPROVEMENTS TO STATE HIGHWAY 123**

This Interlocal Agreement (the "Agreement") is by and between the City of Seguin, Texas, a Texas municipal corporation (the "City") and the Seguin Economic Development Corporation, a non-profit industrial development corporation ("SEDC") and is effective as of the date set forth below.

WHEREAS, on December 3, 2013, the City passed Resolution No. 2013R-159 authorizing the expenditure of funds to expand sewer utility services along State Highway 123 from Cordova Road going southward, and water utility services northward from the Continental facility to a tract owned by Helmerich & Payne, Inc. (the "Project"); and

WHEREAS, the City has asked the SEDC to financially contribute towards the Project due to its beneficial impact on the entire area which will bring opportunities for new and expanded business development due to the availability of accessible infrastructure; and

WHEREAS, by Resolution No. SEDC 13R-17 passed on November 6, 2013 the SEDC found that participating in the costs of the Project will enhance new and expanded business development in the area and in Seguin in general; and

WHEREAS, this Agreement shall constitute an interlocal cooperative agreement as authorized pursuant to the provisions of Chapter 791 of the Texas Government Code;

NOW THEREFORE, in consideration of the foregoing premises, the mutual covenants set forth in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the City and SEDC agree as follows:

1. The City will own and construct the Project and is responsible for all aspects of the construction, acquisition, design, upkeep, maintenance and operation of the Project and shall comply with all applicable law relating to the construction of public works.
2. Upon presentation of receipts showing the City's actual costs, the SEDC agrees to pay fifty percent (50%) of the City's costs of the Project, up to the amount of \$118,312.00.
3. Upon presentation of evidence of the City's actual costs, SEDC agrees to pay fifty percent (50%) of the City's actual costs to acquire easements and rights of way.
4. As used in this Agreement, the term "costs" shall include monies expended towards construction of the Project, including but not limited to land cost, materials, labor, design and engineering fees, professional services,

equipment, utilities and fuel, less any reimbursement paid to the City by third parties.

5. General Provisions.

- a. Default. In the event either the SEDC or the City should violate any of the terms of this Agreement, the other party shall promptly notify the other party of the violation. In the event this violation is not cured within thirty (30) days after the sending of such notice, the party sending the notice make seek any available judicial remedy.
- b. Severability. If any word, phrase, clause, sentence, paragraph, section or other portion of this Agreement is held to be invalid for any reason by a court or agency of competent jurisdiction, the remainder of the Agreement shall not be affected by the invalidity and shall be construed as if the invalid portion was not contained in the Agreement. The provisions of this Agreement are expressly deemed severable for this purpose.
- c. Entire Agreement. This Agreement contains the entire agreement of the parties and supersedes all prior or contemporaneous understandings or representations, whether oral or written, respecting the subject matter of this Agreement.
- d. Amendments. Any amendment of this Agreement must be in writing and signed by the authorized representative of each party to this Agreement.
- e. Applicable Law. This Agreement shall be construed under and in accordance with Texas law. Venue for any action arising hereunder shall be in Guadalupe County, Texas.

Executed and effective on December 3, 2013.

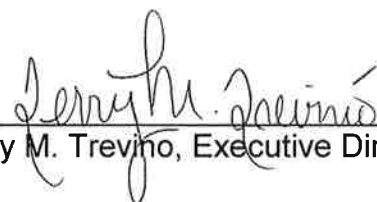
City of Seguin, Texas:

Seguin Economic Development Corporation

By:


Douglas G. Faseler, City Manager

By:


Terry M. Trevino, Executive Director