

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF JOHNSON CITY APPROVING THE INTERLOCAL COST SHARING AGREEMENT BETWEEN THE CITY AND THE NORTH BLANCO COUNTY EMERGENCY SERVICES DISTRICT NO. 1 REGARDING THE FY 2021-22 COMMUNITY DEVELOPMENT BLOCK GRANT**

**Recitals**

**Whereas**, the City Council of the City of Johnson City (“City”) applied for and was awarded a Community Development Block Grant issued by the Texas Department of Agriculture for Fiscal Year 2021-22 for the (i) replacement and/or repair of malfunctioning fire hydrants and insertion valves throughout the City, and (ii) for the addition of new fire hydrants and insertion valves in the City; and

**Whereas**, the award is for a grant total of \$350,000 (“Grant”) of which the City’s share of the application fees and costs total \$117,150; and

**Whereas**, the North Blanco County Emergency Services District No. 1 (“District”) has agreed, following payment of the Grant to the City, to reimburse the City the amount of \$50,000.00 (“District Reimbursement”) for the City’s application fees and costs; and

**Whereas**, the City and the District desire to entire into an Interlocal Cost Sharing Agreement (“Agreement”), attached hereto as Exhibit “A” and incorporated fully herein, reflecting the terms and conditions for the District Reimbursement.

**Now, therefore, be it resolved** by the City Council of the City of Johnson City that:

Section 1. The foregoing recitals are adopted as facts and are incorporated fully herein.

Section 2. The City Council hereby approves the Agreement and authorizes the Mayor to execute the Agreement on behalf of the City and to deliver copies of this Resolution to the District.

Section 3. This Resolution shall be effective immediately upon adoption by the City Council.

**PASSED AND APPROVED** by the City Council of the City of Johnson City, Texas on the \_\_\_\_\_ day of \_\_\_\_\_, 2022.

APPROVED:

\_\_\_\_\_  
Rhonda Stell  
Mayor

ATTEST:

\_\_\_\_\_  
Whitney Walston  
City Secretary

***EXHIBIT A***

**INTERLOCAL COST SHARING AGREEMENT**

Between The City of Johnson City and  
The North Blanco County Emergency Services District No. 1

Regarding the Community Development Block Grant for Fire Protection

Date: \_\_\_\_\_

**INTERLOCAL COST SHARING AGREEMENT**  
Between The City of Johnson City and  
The North Blanco County Emergency Services District No. 1  
Regarding the Community Development Block Grant for Fire Protection

This Interlocal Cost Sharing Agreement (“Agreement”) is made and entered into pursuant to the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, by and between the City of Johnson City (“City”), a Type A General Law municipality, and the North Blanco County Emergency Services District No. 1 (“District”), a political subdivision of the state organized and operating pursuant to Section 48-e, Article III of the Texas Constitution and Chapter 775 of the Texas Health and Safety Code, as amended, acting by and through their authorized officials for the purposes and considerations described herein. District and City are collectively referred to as the “Parties” and individually as a “Party.”

**RECITALS**

**Whereas**, the City provides all improvements and facilities for fire protection within the city limits of Johnson City; and

**Whereas**, Health and Safety Code Section 775.031 outlines the District’s powers which include, among other things, the authority to provide emergency services; to enter into and perform necessary contracts; to lease, own, maintain operate, and provide emergency services vehicles and other necessary or proper apparatus, instrumentalities, equipment, and machinery to provide emergency services; to construct, lease, own, and maintain real property, improvements, and fixtures necessary to house, repair, and maintain emergency services vehicles and equipment; to contract with other entities, including other districts or municipalities, to make emergency services facilities and emergency services available to the district; and to contract with other entities, including other districts or municipalities, for reciprocal operation of services and facilities if the contracting parties find that reciprocal operation would be mutually beneficial and not detrimental to the district; and

**Whereas**, in February, 2022, the District and the Johnson City Volunteer Fire Department (“JCVFD”) entered into a service contract (“Service Contract”) which states in Section 1, Consideration, paragraph 1.1, “In consideration for the monies and equipment to be provided [by the District] to the [JCVFD] under the terms of this Agreement, the [JCVFD] will provide the following services (collectively referred to below as “Fire Services”) within the District’s legal boundaries on a 24-hour basis: Fire Protection and Suppression; Fire Prevention; Hazardous Materials Response, at the level qualified; First Responder Emergency Medical Services, when qualified; Emergency Rescue; and, Other assistance to the public as necessary.”; and

**Whereas**, in order for the JCVFD to provide fire protection services within the City as required by the Service Contract, each fire hydrant and insertion valve in the City must be, and at all times remain, (i) in compliance with all applicable rules and regulations governing their use, (ii) in good operating condition necessary for their intended use, and (iii) in compliance with all rules, regulations and best industry standards and practices applicable to such fire hydrants and insertion valves; and

**Whereas**, the City desires to upgrade and improve its fire protection facilities and has applied for a Community Development Block Grant (“CDBG”) for Fiscal Year 2021-22 to be issued by the Texas Department of Agriculture (“TDA”) for the (i) replacement and/or repair of malfunctioning fire hydrants and insertion valves throughout the City, and (ii) for the addition of new fire hydrants and insertion valves in the City (“CDBG Project”); and

**Whereas**, the application is for a grant total of \$350,000 (“Grant”) (i) for the replacement and/or repair of nineteen (19) malfunctioning fire hydrants and twelve (12) insertion valves as depicted on Exhibit “A”, attached hereto and incorporated fully herein, and (ii) for the addition of new fire hydrants and insertion valves in the City; and

**Whereas**, the District recognizes that the use of such improvements by the District will be essential to and necessary for the provision of fire services by the District in the City and will serve as a benefit to facilitate and advance the purpose of the District “to protect the Lives and Property of the Citizens of the District, with Fire Protection, Emergency Medical Services and Ambulance Services, and any other services that it can render”; and

**Whereas**, the City’s application fees and costs total \$117,150 (“City’s Application for Fees and Costs”), which includes \$2,400 for the application fee, \$40,250 for the grant administration fee, \$35,000 for the City’s cash match/contribution, and \$39,500 for engineering fees; and

**Whereas**, the TDA recently approved the City’s application awarding a total grant amount of \$350,000 to the City; and

**Whereas**, the Parties previously entered into a Memorandum of Understanding (“MOU”) whereby the District agreed to reimburse the City the amount of \$50,000.00 (“District Reimbursement”) for the City’s Application for Fees and Costs as its share of the project costs; and

**Whereas**, the Parties find that the CDBG Project serves a public purpose and agree that it is in their respective best interests to enter into this Agreement to facilitate their respective government functions to the citizens of the City and the District; and

**Whereas**, the Parties desire to enter into this agreement wherein the District will contribute funds towards the costs of the CDBG Project; and

**Whereas**, Chapter 791 of the Texas Government Code grants the authority to the Parties to enter into this Agreement.

**Now, therefore**, for and in consideration of the mutual covenants, agreements and benefits of both Parties, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

## AGREEMENT

1. **Incorporation of Recitals.** The foregoing Recitals are true and correct and are incorporated fully herein.
2. **Purpose.** The purpose of this Agreement is to outline the funding obligations by the Parties related to the CDBG grant.
3. **District Rights and Responsibilities.**
  - a) The District shall submit to the City a maximum contribution of \$50,000 as the District Reimbursement within thirty (30) days of receipt by the District of an invoice for those costs from the City. In accordance with Government Code Section 791.011(d)(3), said payment shall be made from current revenues available to the District.
  - b) Notwithstanding anything herein to the contrary, in no event shall the District be responsible for payment of any other costs or expenses whatsoever arising from the CDBG project other than the District Reimbursement outlined herein.
  - c) It is understood and agreed that the payment of said sum constitutes the sole involvement of the District with respect to the CDBG Project.
4. **City Rights and Responsibilities.**
  - a) The City shall be responsible for compliance with all contractual and other obligations relative to the CDBG Project and funding in accordance with TDA project contract rules and regulations. This includes:
    - i) Preparation of engineering services and construction plans for the project;
    - ii) Bidding and awarding the project construction contract(s); and
    - iii) Administration of the project including payment of all costs and expenses and submission of documents to the TDA for reimbursement.
  - b) The City shall consult with the District for advisory purposes only on the specifications of the improvements for the project.
  - c) If for any reason the Grant is cancelled or terminated, the City shall refund the District Reimbursement to the District.
  - d) The City shall hold title to the improvements and be responsible for maintenance upon completion.
5. **Liability and Immunity.**
  - a) In accordance with Government Code Section 791.006, this Agreement shall not be construed as a joint enterprise for the purpose of assigning or determining liability. No provisions of this Agreement extend the liability of either Party beyond the liability provided in the Texas Constitution and the laws of the State of Texas.



- b) No provision of this Agreement nor the conduct of any Party shall affect or waive any sovereign or governmental immunity available to either party nor waive any defenses or remedies at law available to either party and/or its elected officials, officers, employees and agents under Federal or Texas law.
- c) This provision regarding liability and immunity shall survive termination of this Agreement.
6. **Effective Date, Term and Termination.** This Agreement shall commence on the last date of execution by the Parties and shall terminate upon the later of (a) payment in full of the District Reimbursement by the District to the City; or (2) upon completion of the initial consultation with the District on project improvement specifications.
7. **Applicable Law.** The laws of the State of Texas shall govern this Agreement. Venue for any disputes arising under this Agreement shall be in Blanco County, Texas.
8. **Severability.** If for any reason any clause, sentence, paragraph, section or part of this Agreement is held invalid, unconstitutional, or unenforceable by a court of law or administrative agency with jurisdiction over the matter, such action shall not affect any valid provision of this Agreement.
9. **Waiver of Contractual Right.** A waiver by either Party of a breach of this Agreement must be in writing to be effective. Such waiver shall not affect the waiving party's rights with respect to any other or subsequent breach. The failure of any Party to enforce any provision of this Agreement shall not be construed as a waiver of limitation to that Party's right to subsequently enforce and compel strict compliance with every provision of the Agreement.
10. **Dispute Resolution; Litigation Costs.** In the event of any disagreement or conflict concerning the interpretation of this Agreement, and such disagreement cannot be resolved by the Parties, such disagreement shall be submitted to non-binding mediation prior to commencing any litigation or other dispute resolution procedure. The costs associated with any such mediation shall be equally shared by the parties. Each party shall be responsible for the payment of its own attorney fees. In the event of litigation, each Party shall be responsible for its attorney fees, court costs or other legal expenses.
11. **Confidentiality/Public Information.** In addition to responding to any Texas Public Information Act request(s) submitted to the District in accordance with state law, District agrees to notify City regarding such requests. District and City agree to not divulge, disseminate, publish, or otherwise communicate any information it obtains by virtue of this Agreement that is deemed confidential by law.
12. **Notice.** Any notice required shall be in writing and shall be delivered either in person or deposited in the United States mail, postage prepaid, addressed to the party at the address shown herein. A notice shall be deemed delivered when received if delivered personally or if sent by Federal Express or other carrier; or 72 hours after deposit if sent by First Class, certified mail, return receipt requested, through the U.S. Postal Service.

To City: Rick Schroder, Chief Administrative Officer  
City of Johnson City  
P.O. Box 369  
303 E. Pecan Drive  
Johnson City, Texas 78636

To District: David O'Bannon, President  
North Blanco County Emergency Services District No. 1  
P.O. Box 494  
Johnson City, Texas 78636

with copy to: The Carlton Law Firm, P.L.L.C.  
4301 Westbank Drive  
Suite B-130  
Austin, Texas 78746

13. **Assignment**. This Agreement may not be assigned or transferred to any other person, firm, or corporation without the prior written consent of the parties.
14. **Entire Agreement; Amendment**. This Agreement represents the entire agreement between the Parties. This Contract supersedes any prior oral or written communications, representations or agreements between the Parties relating to the Project. This Agreement may be modified or amended at any time in writing signed by both Parties and upon City Council approval.
15. **Counterparts**. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which shall constitute one and the same document. Facsimile or electronic transmission of executed signatures are deemed to constitute fully enforceable and binding originals.

**In witness whereof**, the Parties execute this Agreement and to be effective as of the last written date indicated below, and in accordance with the Resolutions of the City Council of the City dated \_\_\_\_\_, 2023, and the Board of Directors of the North Blanco County Emergency Services District No. 1 dated \_\_\_\_\_, 2023, both attached hereto as Exhibits "B" and "C", respectively, and incorporated fully herein.

***Signature page[s] follow.***

*Signature Page[s]*

**CITY OF JOHNSON CITY – “CITY”**

\_\_\_\_\_  
Rhonda Stell, Mayor  
City of Johnson City

Date: \_\_\_\_\_

*Attest:*

\_\_\_\_\_  
Whitney Walston  
City Secretary

Date: \_\_\_\_\_

**NORTH BLANCO EMERGENCY SERVICES DISTRICT NO. 1 – “DISTRICT”**

\_\_\_\_\_  
David O’Bannon, President

Date: \_\_\_\_\_

*Attest:*

\_\_\_\_\_  
District Secretary

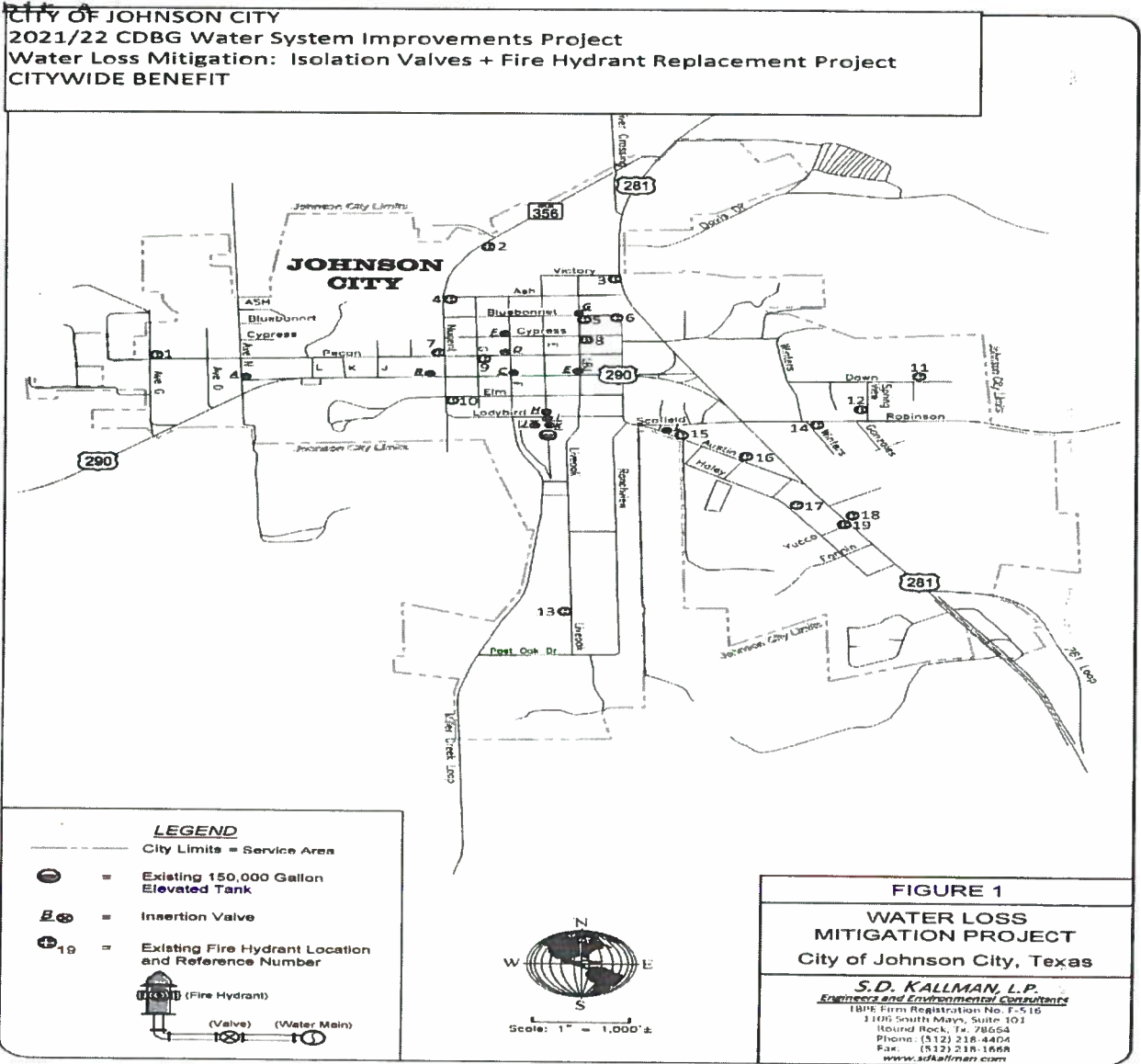
Date: \_\_\_\_\_

\_\_\_\_\_  
Printed Name



# Exhibit A

Exhibit A



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**Exhibit B**  
**Resolution of the City Council**  
**of the**  
**City of Johnson City**

**Date \_\_\_\_\_, 2023**

**Exhibit C**  
**Resolution of the Board of Directors**  
**of the**  
**North Blanco County Emergency Services District No. 1**

**Date \_\_\_\_\_, 2023**