

THE STATE OF TEXAS §

Interlocal Cooperation Agreement

COUNTY OF TARRANT §

This Agreement is made and entered into by and between the CITY OF GRAPEVINE, TEXAS, a municipal corporation (the "City"), and THE GRAPEVINE HOUSING AUTHORITY, a public body corporate and politic (the "Authority").

WITNESSETH:

WHEREAS, the City Council of the City has heretofore found and declared that unsanitary and unsafe inhabited dwelling accommodations exist within the City, and, therefore, there is a need for the Authority to function within the City; and

WHEREAS, pursuant to such Declaration, and in accordance with Chapter 392 of the Texas Local Government Code, the Authority was created; and

WHEREAS, the Authority and the City are separate and independent political subdivisions exercising essential governmental functions; and

WHEREAS, the City and the Authority mutually desire to clarify and ratify the relationship between each party hereto.

NOW THEREFORE, in consideration of the Premises and the agreements, covenants and promises hereinafter set forth, it is agreed as follows:

1.

Reaffirmation of the Premises

The Authority and the City are separate entities having a mutual interest in the health and welfare of the citizens of Grapevine, Texas.

2.

Statutory Authority and Purpose of Agreement

This Agreement is entered into pursuant to Texas Government Code, Sections 392.059 and Chapter 791, the purpose of this Agreement being to provide for cooperation between the City and the Authority with respect to the functions and/or services.

3.

Scope of Services to be Provided by the City

In connection with the functioning of the Authority, the City shall cooperate with the Authority as follows:

(a) Personnel Services. The City shall provide the personnel to perform the job of Executive Director and maintenance work on behalf of the Authority. Such employees, when acting in connection with this Agreement, shall be agents of the Authority. The Authority agrees to pay to the City an amount equal to the employees' combined salaries and the City's portion of employment taxes, insurance costs, retirement contributions and other fringe benefits applicable to such employees, as detailed in the attached Exhibit "A", which is incorporated herein by reference. Exhibit A reflects the scope of services the City will provide to the Authority for the position of Executive Director and maintenance work, along with an estimate of actual City costs to provide those services. The Authority shall only be responsible to reimburse the City for no more than actual costs of the employees provided by the City. Any amount due to the City shall be payable by the Authority to the City by payment transfer from the separate bank account of the Authority fifteen (15) days from receipt of billing from the City. Said Exhibit A shall be applicable unless and until the City submits a revised cost schedule to the Authority. Any revised

cost schedule submitted by the City requires approval by the Authority prior to its incorporation herein. Nothing contained herein shall be deemed to constitute a prohibition of the Authority to employ its own staff who would not be employees of the City.

(b)Procurement Services. The City agrees to furnish, when requested by the Authority, procurement and administrative services relating to contracts for goods and services as required by the Authority in conducting its public operations. Such services shall include the solicitation of competitive bids, publication notices, solicitation of proposals, receipt of bids and proposals, assistance in evaluating the best bid or proposal and such other services as are currently provided in procurement for City operations. Authorization for such procurement services and approval of bids shall be at the sole discretion of the Authority. Such discretion shall be based on federal and state guidelines. The foregoing procedures are subject to change to the extent changes are necessary to maintain compliance with statutes, rules, regulations and/or guidelines as are promulgated by the U.S. Department of Housing and Urban Development, other applicable Federal agencies and/or the State of Texas. For procurements on behalf of the Authority, City will comply with Chapter 252 of the Texas Local Government Code. Nothing contained herein shall be deemed to prohibit the Authority from providing its own procurement services.

(c)Management Services. The Executive Director of the Authority provided by the City shall have general supervision over the administration of the business and the affairs of the Authority as set forth in the Authority's Bylaws. The Executive Director shall be a City employee deemed acting under this Agreement. The Executive Director shall manage and operate the Authority's programs utilizing the services set forth herein.

The Authority is not prohibited by this Agreement from performing for itself any of the services described herein, or any additional services as provided by law.

4.

Remuneration to the City

The Authority shall remunerate and/or reimburse the City for all services it performs from current revenues of the Authority on the basis of the, costs incurred by the City, as shown on Exhibit A.

5.

Insurance

The City and the Authority shall each obtain their own insurance coverages as necessary and proper, and reasonably available, including, without limitation, general liability insurance, workers' compensation, fidelity bonds and directors and officers liability including public officials errors and omissions insurance with limits of no less than \$ 1,000,000.00 insurance. The Authority shall name the City as additional insured on all applicable coverages. The City and the Authority acknowledge that in the event of any claim or cause of action which may arise between the City and the Authority, the name of the City as an additional insured under any Authority insurance policy shall cease solely for the purpose of the claim or cause of action and all benefits of such insurance shall revert solely to the policyholder and its other additional named insureds.

6.

Other Services

The City agrees to furnish to the Authority other services under such terms and conditions as the City and the Authority may agree upon pursuant to the Interlocal Cooperation Act. Payments to the City for such services shall be based upon the estimated cost for same pursuant to a letter agreement applicable to such service.

7.

Status of Commissioners and Employees

Any personnel employed to perform the Executive Director and maintenance work on behalf of the Authority pursuant to this Agreement, or employed to perform services on behalf of the Authority as stated in Paragraph 6 of this Agreement shall be employees of the City of Grapevine, not of the Authority. Any other persons employed by the Authority shall be employees of the Authority and not employees of the City of Grapevine. Authority Commissioners shall be unpaid volunteers and shall not be employees of either the City or the Authority. Both the City and the Authority agree that no joint employment relationships are intended by this Agreement. This Agreement does not create any contract of employment or contract of benefits with any person.

Nothing in this Agreement should be construed as a guarantee of continued employment or continuation of office to any person by the City or the Authority.

8.

Indemnification

(a) Indemnification by the Authority. To the extent allowed by law, the Authority agrees to indemnify, defend and hold the City, its officers, agents, and employees harmless against any and all claims, demands, causes of action and liabilities whatsoever arising out of the Authority's operations or its failure to fulfill its obligations and duties pursuant to this Agreement.

(b) Indemnification by the City. To the extent allowed by law, the City agrees to indemnify, defend and hold the Authority, its officers, directors, employees, and agents, harmless against any and all claims, demands, causes of action and liabilities whatsoever arising out of the City's cooperation with the Authority or the City's failure to fulfill its obligations and duties pursuant to this Agreement.

9.

Successors and Assigns

The City and the Authority each bind themselves, their successors and assigns to perform this Agreement. Neither the City nor the Authority will assign, sublet, subcontract or transfer any interest in this Agreement without the written consent of the other party. No assignment, delegation of duties or subcontract under this Agreement will be effective without the written consent of the City.

10.

Applicable Law

This Contract is entered into subject to applicable federal and state law and to the City of Grapevine Charter and ordinances of City, as they may be amended from time to time, and is subject to Texas and federal laws. Situs of this Contract is agreed to be Tarrant County, Texas, for all purposes, including performance and execution.

II.

No Third-Party Beneficiary

For purposes of this Agreement, including its intended operation and effect, the parties (the City and the Authority) specifically agree and covenant that: (1) the Agreement only affects matters/disputes between the parties to this Agreement, and is in no way intended by the parties to benefit or otherwise affect any third person or entity, notwithstanding the fact that such third person or entities may be in a contractual relationship with the City or the Authority or both; and (2) the terms of this Agreement are not intended to release, either by contract or operation of law, any third person or entity from obligations due by them to either the City or the Authority.

12.

Venue

The parties to this Agreement agree and covenant that this Agreement will be enforceable in Grapevine, Texas; and that if legal action is necessary to enforce this Agreement, exclusive venue will lie in Tarrant County, Texas

13.

Headings

The headings of this Agreement are for the convenience of reference only and shall not affect in any manner any of the terms and conditions hereto.

14

Default

If either party hereto shall default in the performance of any of the terms or conditions of this Agreement, such defaulting party shall have thirty (30) days after delivery to such defaulting party of written notice of such default within which to cure such default.

15.

Term and Termination

The term of the Agreement shall from the expiration of the prior agreement executed between these parties and for one (1) year beyond the date of the full execution of this Agreement. This Agreement may be renewed upon the mutual agreement of the parties for up to four (4) one (1) year terms. This Agreement may be amended or revised at any time upon written consent of the parties. The parties agree not to terminate this Agreement unless thirty (30) day's written notice of such intention to terminate is given by the party desiring termination to the non-terminating party.

16.

Legal Construction

In case any one (1) or more of the 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 provisions hereof and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

17.

Duties and Requirements

The Authority agrees that its performance under this Agreement shall comply with the Texas Local Government Code, Chapter 392, and agrees that the duties, requirements and tasks its Executive Director shall request of the City's staff members will be in accordance with such law.

18.

Attorney Fees

If any action at law or in equity, including an action for declaratory relief, is brought by either party to enforce or interpret the provisions of this Agreement, the prevailing party shall be entitled to recover reasonable attorney's fees from the other party, which fees may be set by the court in the trial of such action or may be enforced in a separate action brought for that purpose, and which fees shall be in addition to any other relief which may be awarded.

19.

Notice


Notices under this Agreement shall be given to the following parties by certified mail, return receipt requested, to the addresses indicated below or at such other addresses as may be designated in writing by the parties from time to time:

Housing Authority Grapevine Housing Authority
Grapevine, Texas
Attention: Chairman

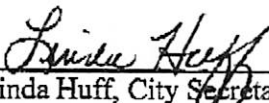
City of Grapevine City of Grapevine
Grapevine, Texas
Attention: City Manager

EXECUTED this 19 day of February, 2002, in duplicate originals.

CITY OF GRAPEVINE, TEXAS

By: 
Roger Nelson City Manager

ATTEST:

By: 
Linda Huff, City Secretary



APPROVED BY COUNCIL 02-19-2002