

**Restated Cooperative Agreement for City-Operated
Corpus Christi-Nueces County Public Health District**

WHEREAS, the City of Corpus Christi ("City") and Nueces County, Texas ("County") established the *Corpus Christi-Nueces County Public Health District* (the "Health District") through a Cooperative Agreement (the "Cooperative Agreement") on or about September 30, 1984 for the cooperative administration of local public health programs and reformed the arrangement on April 21, 2009 pursuant to Chapter 121 of the Texas Health and Safety Code, and operated the Health District continuously since its formation with both City and County employees since that date;

WHEREAS, the City and County amended that Agreement pursuant to Chapter 121 of the Texas Health and Safety Code with the *First Amendment to the Reformed Cooperative Agreement to Operate a Public Health District* effective September 1, 2013, the *Second Amendment to the Reformed Cooperative Agreement to Operate a Public Health District* effective October 1, 2017, and the *Third Amendment to the Reformed Cooperative Agreement to Operate a Public Health District to Extend City Withdrawal to February 17, 2022 to Provide for Negotiations*, effective January 14, 2022, followed by the *Amended Cooperative Agreement for City-Operated Public Health District*, effective February 15, 2022 and subsequent *1st Amendment to the Amended Cooperative Agreement for City-Operated Public Health District*, effective April 10, 2024;

WHEREAS, the *Amended Cooperative Agreement for City-Operated Public Health District* provided for the City's exclusive management of the Health District according to multiple studies over the past two decades-that determined that the Health District should be restructured to provide additional operational efficiencies and improve employee morale;

WHEREAS, County employees transitioned to the City employment as illustrated in **Exhibit A**;

WHEREAS, the Health District primarily services an underserved population as defined in the Texas Health Institute Health Equities study, and the Health District Facilities are generally located geographically within those underserved areas, the Services provided under the Texas Healthcare Transformation and Quality Improvement Program will continue to focus on those areas of need identified in the Health Equities study of April 2021;

WHEREAS, the City and County seek to make minor adjustments to improve the efficiency and effectiveness of the Amended Cooperative Agreement; and

WHEREAS, by majority vote of each of the members of the Health District, the Cooperative Agreement and subsequent amendments are hereby amended, reformed, and restated as set forth herein.

NOW THEREFORE, the City and County agree as follows:

Section 1. Preamble & Parties. The preamble clauses are hereby adopted and acknowledged to establish the intent of the Parties. All parts of this Agreement are intended to comply with Texas law, and to the extent any portion is found to be contrary to Texas law, that will not affect the enforceability of the remainder of the Agreement. This Second Amended Cooperative Agreement ("Agreement") is between the City and the County as the original, current, and sole Health District members, and the provisions herein will be effective on the Effective Date of this Agreement (the "Effective Date").

Section 2. Organizational Structure.

a. *City Operation of Health District.* The City shall administer all of the services of the Health District, as identified herein (the "Services") and shall have administrative responsibility for all day-to-day operations of the Health District, administratively supervise all employees of the Health District, and prepare the annual budget of the District. The Health District will be composed exclusively of City employees.

As of the Effective Date, the City shall continue to be solely responsible for the Health District's compliance with all municipal, state, and federal laws, rules, and regulations. The City will handle legal representation of the Health

District for causes of action arising after the Effective Date of the *Amended Cooperative Agreement for City-Operated Public Health District*, being February 15, 2022. The City's defense of the Health District will include defense through potential judgment and appeal of a court proceeding arising from that post-Effective Date cause of action and the City shall bear all costs and expenses of that defense of the Health District. The City and the Health District are hereby presumed to not have a conflict of interest, and the City intends to utilize singular counsel to represent both the City and the Health District in defense of causes of action arising after the Effective Date of this Agreement.

The City will have sole authority to employ/appoint, direct, discipline, and terminate all employees of the Health District, including, but not limited to, the Health District Director, Assistant Health Directors, and Division Administrators. The City may re-organize the Health District business model at any time, eliminate positions, and create positions, so long as those Services required by Health and Safety Code 121.006(d), and the continued service of active grants are met. Associated savings will be shared with the County, and the County has the option to decline increased services associated with increased expenses.

Section 3. Financial Administration.

a. *City Payment for Health District.* Subject to receipt of funds from the County, other entities paying for services of the health district, and other entities that have agreed to provide grants and other payments for operation of the health district, the City will pay for administration of the Health District pursuant to Tex. Health & Safety Code § 121.047.

b. *County Payments for Health District.*

(1) The County's membership contribution for each Fiscal Year is **\$1,800,000, beginning on October 01, 2025**. The County's membership contributions will be due in equal monthly installments of **\$150,000**, no later than the first day of each month.

(2) In the event the City and the County agree to continue Health District services in future fiscal years, the City and County agree to negotiate the amount of the County's membership contribution for future fiscal years before or concurrent with the budgeting process for the Parties and before adopting future budgets to account for inflation and service levels. Agreement on such amended County membership contributions shall be reached by August 15th prior to each fiscal year, and in the absence of Agreement, the County agrees for the next fiscal year to continue payment of the County's membership contribution currently in place. The City may terminate and/ or suspend services where payment has not been agreed upon by August 15th, beginning the fiscal year for which the Health District budget is being negotiated.

(3) If the County proposes, adopts, or amends a budget to provide less funding than the previous fiscal year or as agreed, County will immediately notify the City of such proposal, adoption, or amendment. Budgeted services within Nueces County by the Health District will be adjusted accordingly.

(4) Each party acknowledges that services or costs for services in future years may change depending on the available funding from grants, general funds available from each party, and other funding sources.

(5) If the County is in arrears on payments of its membership contributions by more than 90 days to the City, the Health District may suspend all or some of the services provided to areas outside the City limits and/ or require payment for services provided to non-City residents and/ or suspend the operation of County-requested programs and/ or programs established to benefit the County. Such suspension may be for the period of arrearage or other period as necessary to ensure the Health District is operated with its budget. Both parties acknowledge that some programs may not be suspended in order to comply with grant conditions or laws, but such failure to suspend shall not waive the City's rights pursuant to this paragraph.

c. *Grants and Income of the Health District.*

(1) For the duration of this amendment, funds from existing DSHS grants and contracts will continue to be transferred to the City for the performance of the listed services; unless prohibited by the grant's terms, all existing grants will remain with the Health District and be managed by the City, and existing grant funds will be transferred to the control and administration of the City. If grants are delayed, restricted, or slowed, the City will not consider the County responsible therefor, but the County agrees to use its best efforts to provide for the transfer of grant control to the City.

(2) *County Grants for Health Services to be performed by County* The County reserves the right to seek grants to perform public health functions after October 1, 2024. Notwithstanding anything within this agreement, the County may apply for grants that the County will be performing independent of the Health District, and such related funds shall be kept by the County. The County will coordinate with the City prior to application for such grants.

(3) Income, including fees, charges, administrative penalties, and other payments attributable to the City's administration of Health Department programs will inure to the Health District to be used for administration of the Health District, including but not limited to:

- fees and/or charges for the laboratory,
- fees and/or charges for any clinic operated by the Health District, and
- fees and/or charges for food establishments.

(4) Vital records fees previously paid to the Health District will inure to the City Secretary pursuant to contract with the State Department of State Health Services, Contract Number, HHSREV100000815.

(5) Any grant funds, State or Federal program reimbursements, or fees for service programs received by the County on behalf of the Health District or intended for the Health District will be transferred to the City within 30 days of receipt.

Section 4. Modification of Cooperative Agreement. Any member may request a modification to this Agreement by giving at least 90 days written notice of its request with sufficient clarity to the other member(s). Modifications will not take effect until approved by the governing body of each member.

Section 5. Admission of New Members. Pursuant to Tex. Health & Safety Code §121.042, additional governmental entities may request membership in the Health District, for the purpose of receiving public health services, by making written application to the designated representatives of the original members. Any new member(s) must be approved by the governing bodies of each member and shall agree to contribute financially to the operation of the Health District in relation to the cost of the provision of services for that new member. Should any member provide written notice of withdrawal pursuant to Section 7, said withdrawing member shall not be able to prevent additional member(s) from joining the District during the withdrawal period.

Section 6. Withdrawal from Health District. Members may withdraw from the Health District upon not less than 120 days written notice to all other members, with the understanding that all Health District Services provided to the withdrawing member(s) shall cease as of the Effective Date of the withdrawal, or sooner, if the member(s) is in arrearage. Withdrawal of a member does not result in dissolution of the Health District. To the extent not prohibited by law, the Health District is intended by the parties to be able to continue with one member.

Section 7. Expulsion from Health District. Members may be expelled from membership in the Health District by agreement of the original members of the Health District. Prior to such expulsion, the affected party shall be given reasonable opportunity to correct the action leading to such expulsion.

Section 8. Dissolution of Health District. The Health District may be dissolved by joint agreement of Nueces County and the City of Corpus Christi. It is the intent of the parties that withdrawal of either member does not result in dissolution of the Health District. If the withdrawal of member(s) from the Health District leaves it with a single member, then the remaining member may choose to dissolve the Health District on its own motion or continue to provide Services as it sees fit.

Section 9. Selection and Removal of the Health District Director and Health Authority. City will have sole authority to employ/appoint, direct, discipline, and terminate the Health District Director. The County hereby delegates its authority to appoint, evaluate, direct, discipline, and terminate the Health District Director to the City Manager pursuant to Tex. Health & Safety Code § 121.045. If the Health District Director is not a physician, the Health District Director shall appoint a person to serve as the Health Authority for the Health District. The Health Authority shall be subject to approval of the governing bodies of the members and otherwise as required by Tex. Health & Safety Code § 121.045(d). The Health Director shall have the sole authority to determine conditions of employment of the Health Authority, to the extent not prohibited by law, direct the Health Authority, and terminate the Health Authority pursuant to Health & Safety Code §121.024, §121.0245, and §121.025. The County Commissioners Court may, after motion in an open meeting, at any time, file a written request to the Health Authority (with a copy to the Health Director and City Manager) requesting the Health Authority perform or cease performing an action pursuant to his/her authority as a Health Authority. The City Manager, Health Director, or designee thereof will respond to such request within 10 business days thereafter. If a matter within the authority of the City Council is implicated by the response, then the Commissioners Court may request consideration of such matter by the City Council.

Section 10. Filing of Agreement and Modifications. Pursuant to Texas Health and Safety Code §121.044, a copy of this Agreement, including its attachments and counterparts, and any subsequent modifications shall be included in the minutes of the governing body of each member of the Health District and filed with the county clerk of each member county, the city secretary of each member municipality, and the Texas Department of State Health Services.

Section 11. Functions of the Health District.

a. **Services and Programs.** “Services” as used herein includes the following, pursuant to Tex. Health & Safety Code § 121.006(d), which the City agrees to provide through the Health District after the Effective Date:

- personal health promotion and maintenance services;
- infectious disease control and prevention services;
- environmental and consumer health programs;
- public health education and information services;
- laboratory services; and
- administrative services

b. The City’s assumption of the sole operation of the Health District enables the Health District to regularly provide essential public health services through out Corpus Christi and the entire County pursuant and subject to Tex. Health & Safety Code §121.043. Provision of the services to the parts of Nueces County outside the City limits will be subject to receipt of County funds to pay for said services and compliance with grant conditions and law applicable thereto.

Section 12. Additional Services Provided to County

a. *Calderon Clinic.* Each fiscal year, the City or Health District will provide health personnel (employees or contractors) to operate a two-day per week (Tuesday and Thursday 9am-4pm) health clinic in the Calderon Building in Robstown; funding for the cost of the services offered is included in the current County’s membership contribution. The clinic will be a satellite office of services currently provided by the Health District, which include but are not limited to, (1) immunizations for children and adults eligible under State /Federal immunization program; (2) preventative health screening for diabetes, high blood pressure (hypertension), and high cholesterol; (3) health screening and treatment for sexually transmitted infections (STIs); (4) HIV screening, risk-reduction counseling, and care coordination; (5) tuberculosis (TB) screening and reporting.

b. *Mobile Health Clinic Bus.* Each fiscal year, the City or Health District will provide health personnel employees or contractors for the operation of a two-day per month (Time and Duration specified by the City) mobile health clinic in exchange for the County provision of funds for such function which are included in the current County’s

membership contribution. The mobile clinic will be a satellite office of services currently provided by the Health District, which include but are not limited to, (1) immunizations for children and adults eligible under State /Federal immunization program; (2) preventative health screening for diabetes, high blood pressure (hypertension), and high cholesterol; (3) HIV risk-reduction counseling, and care coordination. The County will provide the bus, maintenance, and fuel for the said function. The County will provide driver and motor vehicle liability insurance for the bus's operation. To ensure adequate staffing and effective event promotion, the mobile health clinic will be scheduled at least three months in advance. City and County may both promote the scheduled mobile clinics. Priority for mobile clinic sites will be given to brick-and-mortar locations and those outside the City of Corpus Christi city limits.

Section 13. Reporting.

a. The Health District shall provide regular quarterly presentations to the County Commissioners Court regarding the services provided inside and outside of the City limits, for the quarter immediately preceding the most recent quarter. To ensure such presentations are placed on the County Commissioner's Court agenda, such presentations will be provided to the County Judge two weeks prior to the County Commissioner's Court regularly scheduled meeting.

b. The Health District will respond in a reasonable time in writing to the written requests of the County Commissioners Court regarding all aspects of the operations of the Health District and the provision of Services pursuant to this Amended Cooperative Agreement.

c. The Health District shall maintain all Health District records consistent with the Texas Government Code, as well as state and federal confidentiality and privacy laws, including but not limited to, the Health Insurance Portability and Accountability Act of 1996 (HIPAA), and shall provide ready and immediate access to the County to all documentation of the Health District, including but not limited to financial statements and supporting documentation, with the caveat that some documentation may require de-identification measures for patients or execution of HIPAA-compliant documentation.

Section 14. Governmental Immunity is Retained and No Third-Party Beneficiaries. This Agreement is solely between the City and the County. There are no third-party beneficiaries who may enforce this Agreement or any of the agreements between the City and County, including, but not limited to, the original Memorandum of Understanding, Cooperative Agreement, and other agreement(s) establishing the Health District or any amendments or reformation thereto. Both parties maintain their governmental immunity and all attributes thereof and do not waive any immunities by execution of this Agreement or any other documents. Further, all of the Health District's activities are declared to be governmental and all of the activities of the City and the County and any of the employees of either entity that are related to the Health District are declared to be governmental. No action of any employee or officer of the City, County, or Health District may waive the governmental immunity of the City, the County, or the Health District. All employees performing the governmental functions of the Health District under this Agreement are considered Health District employees for purposes of asserting governmental immunity and all acts of the Health District are governmental.

Section 15. Name of Health District. The name of the Health District is not changed at this time. The City will consult with the County and granting agencies on the future name for the Health District and timing for implementation hereof and expects to revisit that issue in the future. Following reasonable consultation with the County and granting agencies, the City will have the authority to change the name of the Health District.

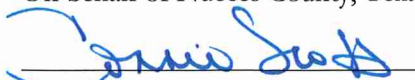
Section 16. Sunset Review of Health District. The City will initiate a Sunset Review of the Health District after Fiscal Year 2029 and every 3 years thereafter. This Sunset Review will address the effectiveness and efficiency of the business model and service delivery to the entities who are members of the Health District. This Sunset Review will be performed by representatives appointed by the City Manager and the County Commissioners Court. The City Council will use the findings of the Sunset Report as an advisory tool to decide how to move forward with the Health District.

Section 17. Effective Date of Agreement. Following the approval of the governing body of each member and execution by the designated representative of the Second Amended Cooperative Agreement shall supersede the existing Agreements. Upon execution of this Agreement by both parties, all prior withdrawals are hereby rescinded.

Signatures on the following page.

EXECUTED on the 24th day of September, 2025.

On behalf of Nueces County, Texas:



Connie Scott
Nueces County Judge

Attest:



Kara Sands, County Clerk *lu*

Approved as to Form:



Jenny Dorsey, County Attorney

On behalf of City of Corpus Christi, Texas:

Peter Zanoni
City Manager

Attest:

Rebecca Huerta, City Secretary

Approved as to Form:

Miles Risley, City Attorney

EXHIBIT A

a. If, prior to the end of the 2021-2022 fiscal year, the City terminates, without good cause, an FLSA non-exempt ex-County Health District employee (graded in 100 levels for City purposes) from the Health District who was hired by the City after the Effective Date of this Agreement, then the City will apply its Reduction in Force policy to attempt a placement of that employee elsewhere in the City organization with a priority on placement within the Health District.

To the extent that the County has awarded ARPA (American Rescue Plan Act) premium pay and or Retention Grant awards to County employees who become City employees, those awards will transfer to the City to continue to administer to those employees at the rate determined by the Commissioners Court for the remainder the 2021-2022 fiscal year, but only as long as the employee remains with the City Health District. The City will invoice the County periodically for the amount of the ARPA pay earned by each employee for the previous period, and the County will send that pay in a separate check to the City. The City will then distribute said pay to the former County employees as additional, temporary premium pay and make all required deductions therefrom.

b. Grants requiring County Employment. If the terms of a grant require a grant-funded position to continue employment directly by the County, then that position may continue in County employment until the grant can be modified to allow for City employment. The parties will work to obtain modification of that grant to allow for that position to be changed as soon as possible. After the Effective Date, these County Employees will nevertheless be subject to the City policies, rules, and regulations, and the management of the Health District will have full authority over all the conditions of their employment including evaluation, directions, discipline, and termination as long as they are performing Health District Services. Employees occupying positions previously in County Departments 3091 (City/ County Health Unit) and or 1377 (1115 Waiver) will not be considered within the scope of this paragraph.

c. Health District Reorganization. Upon the Effective Date, the Health District will be considered to be reorganized, and all employees will be considered effectively terminated from any position they hold, and all positions in the Health District will be considered newly created, and both City employees and County employees who are occupying any positions with similar titles following the Effective Date of this Agreement will be considered to no longer be employed by either entity unless the City chooses to retain them in the newly created Health District positions. The newly created positions will be occupied by City employees, regardless of which entity previously employed them.

d. County Employees given same rights to Apply for Open Health District Positions as City Employees. Non-executive employee positions in the Health District will initially be open for internal applicants of the Health District, including County employees. The Health District shall be an equal employment opportunity employer and utilize the City's employment policies and procedures. All positions shall be filled without regard for the race, national origin, religion, sex, sexual orientation, gender identity, disability, age, or transgender, veteran, or marital status, or any other protected status of any applicant.

e. Rollover of Sick & Vacation Time to City, FMLA. County employees who worked for the Health District who are hired by the City after the Effective Date shall be granted the right to roll over up to 40 hours of their accrued unused County Sick Leave and up to 240 hours of their accrued unused County Vacation Leave into their Sick Leave and Vacation Leave accounts with the City. To obtain the benefit of this rollover, a County employee must first take the full payout of their accrued vacation leave (up to 96 hours).

Former Health District employees who were County employees shall not be subject to the City's initial-hiring probationary period or be restricted in the use of their paid leave as a result of being employed by the City for less than 6 months. Additionally, former Health District employees who were FMLA-eligible County employees shall not be denied eligibility for protected leave under the Family and Medical Leave Act ("FMLA") because they have not been employed by the City for at least one year or be considered to have worked fewer than 1250 hours in the past 12 months, if they have met these requirements during their employment by the County, and their allotment of available FMLA shall be adjusted by the number of hours such employee used in the rolling back twelve-month

period before becoming a City employee. County employees who are rehired by the City will immediately qualify for health insurance coverage, and will not suffer a break in coverage caused by their move to the City. For purposes of vacation leave accrual, if a former County Health District employee is hired by the City for Health District Services, then that former County employee's years of service will be calculated on the basis of their years of service with the County in addition to their years with the City.