INTERLOCAL AGREEMENT FOR MANAGEMENT OF GROUNDWATER WITHIN THE BOUNDARIES OF THE CORPUS CHRISTI AQUIFER STORAGE AND RECOVERY CONSERVATION DISTRICT

This Interlocal Agreement is entered into by and between the City of Corpus Christi, Texas ("City") and the Corpus Christi Aquifer Storage and Recovery Conservation District ("CCASRCD").

Recitals

WHEREAS, CCASRCD was established by the Texas Legislature, as an independent political subdivision of the State of Texas, with its own authority and duties established by State law, to develop and protect municipal aquifer storage areas created by the City of Corpus Christi,

WHEREAS, the City appoints the CCASRCD's board of directors,

WHEREAS, CCASRCD does not have the authority to tax, issue bonds, or use the power of eminent domain, but does have the authority to raise revenue through permit fees and fees for service,

WHEREAS, the activities of the CCASRCD are intended to support the City's potable water storage and distribution system, the activities of the CCASRCD need to be closely coordinated between the two entities, and

WHEREAS, the purpose of this Agreement is to clarify the roles of the City and CCASRCD relating to the development and protection of municipal aquifer storage areas created by the City of Corpus Christi,

NOW, THEREFORE in consideration of the mutual covenants in this Agreement, the participating local governments (the "Parties"), authorized by appropriate actions of their governing bodies, hereby agree as follows:

1. Scope of Services.

a. The City will perform the following services for CCASRCD:

(1) Authorize City employees to serve as directors of the CCASRCD, without compensation from CCASRCD.

(2) Allow the City Manager, or the City Manager's designee, to serve as the General Manager of the CCASRCD, without compensation from CCASRCD.

(3) Allow the Assistant City Manager to designate other City employees to perform services for the CCASRCD, without compensation from CCASRCD.

(4) As the agent of the CCASRCD, solicit, negotiate, and contract with consultants to assist with CCASRCD functions.

(a) The City employees involved shall follow normal City procurement policies.

(b) The Assistant City Manager, as CCASRCD General Manager, is authorized to execute contracts for consulting services that do not exceed the limit at which competitive bids are required under the Texas Local Government Code, as amended (which will be referred to in this Agreement as the "procurement limit"), without the approval of the CCASRCD Board of Directors.

(c) Contracts for consulting services over the procurement limit must be approved by the CCASRCD Board of Directors before it is executed.

(d) The City shall reimburse the CCASRCD for the costs of any contracts for consulting services.

(e) Before any contract for consulting services that will involve an expenditure over the procurement limit is executed, the CCASRCD shall obtain the concurrence of the City Council.

(5) All City employees acting as agents for the CCASRCD shall comply with both the City's and CCASRCD's codes of ethics. Acting for both the CCASRCD and City in the same or related matter is not considered a conflict of interest under either code of ethics.

(6) Authorize City employees to travel on CCASRCD business, and reimburse the City employees for any travel expenses under applicable City travel policies and procedures.

(7) Maintain the financial records of the CCASRCD. The records must be maintained as separate funds, and shall be maintained under applicable City policies and procedures as applied to other City funds.

(8) Invest any CCASRCD funds. The CCASRCD funds must <u>be</u> invested under applicable City policies and procedures in the same manner as the City invest its own funds.

(9) Maintain and manage the records of and information acquired by the CCASRCD.

(a) The CCASRCD's Records Management Program and Records Retention Schedule are modeled on the City's Records Management Program and Records Retention Schedule. (b) The CCASRCD General Manager is the CCASRCD Records Management Officer. The City Secretary will assist the CCASRCD Records Management Officer.

(c) The CCASRCD board designates the City Secretary, or his/her designee, as the Public Information Coordinator to satisfy the training requirement of Texas Government Code, Section 552.012.

(10) As agent for the CCASRCD, build, acquire, or obtain property and install improvements and facilities.

(a) The City shall reimburse the CCASRCD for 100% of the costs incurred to acquire or obtain property and to install or construct improvements and facilities.

(b) Before any property is acquired, capital improvements made, or facilities constructed or installed, which costs more than procurement limit, the CCASRCD shall obtain the concurrence of the City Council.

(11) Develop groundwater management plans, including:

(a) Regional comprehensive management plan with other groundwater and surface water management entities and

(b) CCASRCD management plan.

(12) Provide insurance coverage within the City's insurance plan for CCARSCD, its officers and City staff performing duties for CCARSCD.

b. The CCASRCD will perform the following services for the City:

(1) Adopt rules relating to the following, if necessary to protect the City's aquifer storage and recovery wells and system, before the wells and system are placed into operation:

(a) Limits on groundwater production,

(b) Spacing of wells,

(c) Conservation, preservation, protection, and recharge of groundwater,

(d) Subsidence control,

(e) Prevention of degradation of water quality, and

(f) Prevention of waste of groundwater.

(2) Enforce the CCASRCD rules by injunction, civil penalties, and other remedies.

(3) Build, acquire, or obtain property and install improvements and facilities.

(4) Purchase, sell, transport, and distribute surface water and groundwater, in consultation with the City. All contracts for the purchase, sale, transport, or distribution of surface or groundwater must be approved the City's City Council before it is executed.

(5) Conduct surveys of groundwater.

(6) Conduct research.

(7) Require submission of accurate well driller logs for wells within the CCASRCD boundaries.

(8) Require permits for drilling, equipping, operating, completing, or substantially altering wells and well pumps within the CCASRCD boundaries.

(9) Regulate well spacing and production.

(10) Require the closing or capping of open and uncovered wells.

(11) Regulate the transfer of groundwater outside CCASRCD.

(12) Adopt appropriate permit fees and fees for service to provide revenue for CCASRD activities.

(13) Provide reimbursement to the City for expenses incurred under this Agreement, when sufficient revenue exists in CCASRCD accounts for such reimbursement.

2. Budgets.

a. CCASRCD shall prepare and submit to the City's budget office a budget for its activities that includes projections of expenditures that the City is required to reimburse during the City's next fiscal year.

b. The City Council shall review and approve the portion of the CCASRCD budget that is funded by the City, as part of its approval of the City budget.

c. The expenditure for any items that are specifically identified in the CCASRCD budget that was approved by the City Council is considered to have been approved by the City Council.

d. Amendments to the budget may be made during a fiscal year with the approval of the City Council.

3. Other Agreements, Supplementary Agreements and Protocols. The Parties are encouraged to enter into additional agreements and protocols as convenient or necessary.

4. Implementation. The City Manager and CCASRCD General Manager are authorized and directed to take all steps necessary or convenient to implement this Agreement, and shall cooperate in developing a plan for the implementation of the activities provided for in this Agreement.

5. Participation Notice. Each Party shall notify the other Parties of its participation in this Agreement by furnishing an executed original of the attached Participation Notice.

6. Warranty. The Agreement has been officially authorized by the governing body of each Party, and each signatory to this Agreement guarantees and warrants that the signatory has full authority to execute this Agreement and to legally bind their respective Party to this Agreement.

7. Administrative Services. The City agrees to provide administrative services necessary to coordinate this Agreement, including providing Parties with a current list of contact information for each Party.

8. Federal and State Participation. Federal and state entities and other local governments may participate in this Agreement, to the extent of any limitations of their authority, by furnishing an executed original of the attached Participation Notice to the City.

9. Expending Funds. Each Party, which performs services under this Agreement, will do so with funds available from current revenues of the Party. No Party shall have any liability for the failure to expend funds to provide aid under this Agreement.

10. Term of Agreement.

a. This Agreement shall become effective as to each Party when approved and executed by that Party.

b. Once approved by all Parties, this Agreement shall be for a term of one year, and shall be automatically renewed annually, unless any party its participation by giving written notice to the other parties at least sixty days before the end of each annual term.

c. Termination of participation in this Agreement by any Party does not affect the continued operation of this Agreement between and among the remaining Parties, and this Agreement shall continue in force and remain binding on the remaining Parties.

11. Oral and Written Agreements. All oral or written agreements between the parties relating to the subject matter of this Agreement, which were developed prior to the execution of this Agreement, have been reduced to writing and are contained in this Agreement.

12. Entire Agreement. This Agreement, including Attachments, represents the entire Agreement between the Parties and supersedes any and all prior agreements between the parties, whether written or oral, relating to the subject of this agreement.

13. Interlocal Cooperation Act. The Parties agree that activities contemplated by this Agreement are "governmental functions and services" and that the Parties are "local governments" as that term is defined in the Interlocal Cooperation Act.

14. Severability. If any provision of this Agreement is held invalid for any reason, the invalidity does not affect other provisions of the Agreement, which can be given effect without the invalid provision. To this end the remaining provisions of this Agreement are severable and continue in full force and effect.

15. Validity and Enforceability. If any current or future legal limitations affect the validity or enforceability of a provision of this Agreement, then the legal limitations are made a part of this Agreement and shall operate to amend this Agreement to the minimum extent necessary to bring this Agreement into conformity with the requirements of the limitations, and so modified, this Agreement continue in full force and effect.

16. Not for Benefit of Third Parties. This Agreement and all activities under this Agreement are solely for the benefit of the Parties and not the benefit of any third party.

17. Exercise of Police Power. This Agreement and all activities under this Agreement are undertaken solely as an exercise of the police power of the Parties, exercised for the health, safety, and welfare of the public generally, and not for the benefit of any particular person or persons and the Parties shall not have nor be deemed to have any duty to any particular person or persons.

18. City policies and procedures to control. In activities conducted or performed by City staff under the terms of this Agreement, City staff shall conform to applicable City policies and procedures, as though the staff member was performing a City task or duty.

19. Immunity not Waived. Nothing in this Agreement is intended, nor may it be deemed, to waive any governmental, official, or other immunity or defense of any of the Parties or their officers, employees, representatives, and agents as a result of the execution of this Agreement and the performance of the covenants contained in this Agreement.

20. Civil Liability to Third Parties. Each Responding Party will be responsible for any civil liability for its own actions under this Agreement, and will determine what level, if any, of insurance or self-insurance it should maintain for such situations.

21. No Liability of Parties to One Another. One Party may not be responsible and is not civilly liable to another for not responding, or for responding at a particular level of resources or in a particular manner. Each Party to this Agreement waives all claims against the other Parties to this Agreement for compensation for any loss, damage, personal injury, or death occurring as a consequence of the performance of this Agreement, except those caused in whole or in part by the negligence of an officer, employee, or agent of another Party.

22. Notices.

a. Notices under this agreement may be delivered by mail as follows:

City:

City of Corpus Christi Attn: City Manager P.O. Box 9277 Corpus Christi, Texas 78469-9277

CCASRCD:

Corpus Christi Aquifer Storage and Recovery Conservation District Attn: General Manager P.O. Box 9277 Corpus Christi, Texas 78469-927

b. The parties to this agreement may specify to the other party in writing another address for notice.

23. Amendments to Agreement.

a. This Agreement may not be amended except by written agreement approved by the governing bodies of the Parties.

b. No officer or employee of any of the Parties may waive or otherwise modify the limitations in this Agreement, without the express action of the governing body of the Party.

24. Captions. Captions to provisions of this Agreement are for convenience and shall not be considered in the interpretation of the provisions.

25. Governing Law and Venue. This Agreement shall be governed by the laws of the State of Texas. Venue for an action arising under this Agreement shall be in accordance with the Texas Rules of Civil Procedure.

CORPUS CHRISTI AQUIFER STORAGE AND RECOVERY CONSERVATION DISTRICT

ATTEST:

scan. Mai By:

Oscar Martinez, President

Date: 3.3.08

Fred Segundo, Secretary

3-3-08 Date:

CITY OF CORPUS CHRISTI

ATTEST

Armando Chapa

City Secretary

APPROVED AS TO FORM:

This <u>29</u> day of February, 2008

Gary ₩. Smith Assistant City Attorney For City Attorney

By: George K. Noe

City Manager

027606 AUTHUNGEL TY COUNCIL 03/11/08 \wedge SECRETARY

PARTICIPATION NOTICE

I hereby notify the Parties that Corpus Christi Aquifer Storage and Recovery Conservation District has approved participation in the Interlocal Agreement for Management of Groundwater within the Boundaries of the Corpus Christi Aquifer Storage and Recovery Conservation District, by lawful action of its governing body, a true copy of which is attached and incorporated in this Agreement.

Fred Segundo

3-3-08

Date

PARTICIPATION NOTICE

I hereby notify the Parties that the City of Corpus Christi has approved participation in the Interlocal Agreement for Management of Groundwater within the Boundaries of the Corpus Christi Aquifer Storage and Recovery Conservation District, by lawful action of its governing body, a true copy of which is attached and incorporated in this Agreement.

Jo Chin

_____<u>3/i4/08</u>____

Armando Chapa City Secretary