October 15, 2025

Hill Country Smiles 811 North Water Street Burnet, TX 78611

Re: Program Funding Assistance

Dear Sirs:

The City of Burnet has completed the annual budget process for the 2025/2026 fiscal year. As part of the approved budget, the City will provide funding for the Hill Country Smiles program in an amount of \$5,000.00.

Enclosed are two copies of the Interlocal Funding Agreement that was approved by the City Council. Please sign both copies and return the copy marked "Original" in the enclosed stamped envelope for our records.

Upon receipt of the signed agreement, the funding will be processed.

Should you need any additional information, please feel free to contact my office at (512) 715-3209 or by email at citysecretary@cityofburnet.com.

Sincerely,

Maria Gonzales City Secretary



NON-PROFIT ORGANIZATION FUNDING AGREEMENT

This Agreement (the "Agreement") is entered into by and between the Hill Country Smiles Board ("Recipient"), and the City of Burnet, a Texas home rule municipal corporation ("City"). Recipient and City are jointly referred to herein as the "parties" and individually as a "party."

RECITALS:

Whereas, City has made it a priority work to provide the tangible needs of children in need in the community (hereinafter "Public Services") to benefit the public health safety and welfare; and

Whereas, Recipient, is a Texas non-profit organization whose mission includes providing such Public Services; and

Whereas, City's Council deems it appropriate to provide a grant of funds to Recipient to defray some of the costs in Recipient's delivery of services to members of the community; and

Whereas, City's Council approved this Agreement on October 14, 2025, a regularly scheduled meeting.

AGREEMENT:

NOW, THEREFORE, for and in consideration of the agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, City and Recipient agree as follows:

ARTICLE 1 RECITALS

1.01 Recitals incorporated. The foregoing recitals are hereby incorporated herein for all purposes.

ARTICLE 2 TERM

2.01 Term. This Agreement shall be effectives as of the Effective Date; and, subject to early termination as provided herein, shall terminate on September 30, 2026.

ARTICLE 3 TERMS AND CONDITIONS

- 3.01 Public Services. Recipient agrees to provide the Public Services described as follows: education and care pertaining to oral health as it relates to overall health, to eliminate tooth decay and infection in the underserved population, all while cultivating lasting relationships throughout the community.
- 3.01.01 Special Conditions: Intentionally Blank.
- 3.02 City's Contribution. In consideration for the public services provided by recipient, City agrees to provide program funding assistance in the amount of \$5,000.00. The \$5,000.00 is the "Total Value Amount" of the City's obligation under this Agreement.
- 3.03 Payments. Intentionally blank.
- 3.04 Covenant. Recipient covenants and agrees that in providing the Public Services it shall not discriminate based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity.

ARTICLE 4 REPORTS

- 4.01 Reports generally. Recipient shall deliver a report detailing the use of the Payments on or before September 1, 2026.
- 4.02 Report content. Reports shall provide information on the project including total revenues, total expenses, and information regarding the impact of the Public Services, including the number of City of Burnet Citizens directly benefiting from the Program. Reports shall be in a form acceptable to the City Manager.

ARTICLE 5 DUTY TO CITY

5.01 Recipient's Duty to City. Recipient acknowledges that, pursuant to the terms of this Agreement, it has a fiduciary duty to the City with respect to its handling and use of the Payments provided under this Agreement.

ARTICLE 6 RECORDS

6.01 Records. Recipient shall maintain (or cause to be maintained) current and complete books and records reflecting expenditures of the Payments received under this Agreement. In the event a litigant in a judicial proceeding or an authorized state agency challenges any aspect of the City's Payment to Recipient under this Agreement, Recipient shall make such book and records available to

the City or the court, or such other state agency for inspection during normal business hours upon reasonable advance notice. All such records to the extent considered public records which fall within the provisions of the Texas Government Code, Section 572.001, *et seq.*, may be subject to disclosure and Recipient shall cooperate fully with City in timely producing all such records in response to any public request for same.

ARTICLE 7 AUDIT

7.01 In the event a litigant in a judicial proceeding, or authorized state agency, challenges any aspect of the City's payments this Agreement City reserves the right for City's internal audit department personnel, or an independent certified public accounting firm selected by City, to conduct examinations, during normal business hours, of the books and records maintained by Recipient with respect to the Payments received under this Agreement, which books and records shall be made available to City at a mutually agreeable location in Burnet County, Texas, upon at least thirty (30) days' notice to Recipient of City's inspection and audit.

ARTICLE 8 DEFAULT

8.01 Recipient Default. City may terminate this Agreement by furnishing written notice to Recipient if at any time during the term of this Agreement Recipient materially fails to perform any of its obligations hereunder and such failure to perform such covenant continues for thirty (30) days after written notice given by City to Recipient.

ARTICLE 9 LIABILITY OF RECIPIENT AND CITY

- 9.01 No Liability of City Personnel. Recipient agrees that no provision of this Agreement is intended to or shall be interpreted to negate or diminish any statutory or common law rights the City may have to immunity under the laws of the State of Texas. Further, Recipient agrees that under no circumstances shall any officer or employee of City be personally liable for any of the obligations of City under this Agreement.
- INDEMNIFICATION. RECIPIENT AGREES TO INDEMNIFY, SAVE AND HOLD 9.02 CITY, ITS AGENTS, OFFICERS, HARMLESS REPRESENTATIVES. EMPLOYEES, AND AFFILIATES, OF AND FROM ANY AND ALL PRESENT OR FUTURE CLAIMS, DEMANDS OR CAUSES OF ACTION THAT MAY ACCRUE ON ACCOUNT OF, OR IN ANY WAY ARISING OUT OF, RECIPIENT'S WRONGFUL ACTS AND/OR OMISSIONS UNDER THIS AGREEMENT AND/OR RECIPIENT'S MISUSE OF PUBLIC REVENUES AND/OR THE MISMANAGEMENT OF SUCH REVENUES.

- 9.03 Reimbursement of Funds. If this Agreement or the use of Payments under this Agreement is deemed to be impermissible by a court having jurisdiction over the Parties and subject matter, then Recipient agrees to pay back to the City any Payments made by the City that were adjudicated to have been impermissibly paid by City to Recipient or misspent by Recipient.
- 9.04 City's Liability Limitations. Should City fail to timely, fully and completely comply with any one or more of the requirements, obligations, duties, terms, conditions or warranties of this Agreement, such failures shall be an Act of Default by City and City shall have sixty (60) days to cure and remove the Default upon receipt of written notice to do so from Recipient. Further, Recipient specifically agrees that City's liability under this Agreement shall in no event exceed the Total Value Amount, less any Payments received by Recipient; and City shall not be liable to Recipient for any other actual, incidental or consequential damages, direct or indirect, or interest for any Act of Default by City under the terms of this Agreement.
- 9.05 Attorney's Fees. Neither Party shall be liable to the other for any Attorney's Fees or costs incurred in the enforcement of this Agreement; except the City shall be entitled to recover reasonable and necessary attorney's fees, expert witness fees and court costs, incurred to recover Payments made under this Agreement that were adjudicated by a court of competent jurisdiction to have been impermissibly paid by City to Recipient or misspent by Recipient.

ARTICLE 10 NOTICE

10.01 Notice. Any notice provided for in or permitted under this Agreement shall be made in writing and may be given or served by: (i) delivering the same in person to the Party to be notified, (ii) depositing the same in the United States mail, postage prepaid, registered or certified with return receipt requested, and addressed to the Party to be notified at the address herein specified, or (iii) delivery by private courier with proof of delivery required. If notice is deposited in the United States mail pursuant to (ii) of this Article, it will be effective from and after the date of receipt or delivery thereof if refused. Notice given in any other manner shall be effective only if and when received by the Party to be notified. For the purpose of notice, the address of the parties shall be, until changed as hereinafter provided for, as follows:

If to City: City of Burnet

Attention: City Manager

P. O. Box 1369 301 E. Jackson Burnet, Texas 78611 If to Recipient: Hill Country Smiles

811 N. Water Street Burnet, Texas 78611

The Parties shall have the right, at any time, to change their respective addresses and each shall have the right to specify as its address any other address by at least fifteen (15) days' written notice to the other Party. Each Party shall have the right from time to time to specify additional parties to whom notice hereunder must be given by delivering to the other Party fifteen (15) days' written notice thereof setting forth the address of such additional party or parties; provided, however, that neither Party shall have the right to designate more than two (2) such additional parties. Notice required to be delivered hereunder to either Party shall not be deemed to be effective until the additional parties, if any, designated by such Party have been given notice in a manner deemed effective pursuant to the terms of this Article.

ARTICLE 11 RELATIONSHIP

Recipient shall at all times be the independent contractor of City and not the employee or agent of City, with respect to the matters provided for herein. Recipient shall have no right or power to contract with third parties for, on behalf of, or in the name of City or to otherwise bind or obligate the City.

ARTICLE 12 ASSIGNMENT

- 12.01 Binding Effect. This Agreement shall be binding upon and inure to the benefit of Parties and their respective heirs, representatives, successors and permitted assigns.
- 12.02 Assignment by Recipient. Recipient shall not have the right to assign its rights hereunder without the expressed prior written consent of City

ARTICLE 13 MISCELLANEOUS

- 13.01 Amendments. This Agreement may be amended only by a written instrument so stating which is executed by the Parties hereto.
- 13.02 Authority. The person executing this Agreement on behalf of Recipient and City each represents that he/she has the power and authority to do so and to bind his/her principal to the terms of this Agreement.

- 13.03 Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original of this Agreement but all of which, taken together, shall constitute one and the same agreement.
- 13.04 Exhibits. Intentionally deleted.
- 13.05 Force Majeure. It is expressly understood and agreed by the parties to this Agreement that if the performance of any obligations hereunder is delayed by reason of war, civil commotion, acts of God, inclement weather, fire or other casualty, or court injunction, the party so obligated or permitted shall be excused from doing or performing the same during such period of delay, so that the time period applicable to such obligation or requirement shall be extended for a period of time equal to the period such party was delayed.
- 13.06 Governing Law and Venue. This Agreement shall be construed, interpreted and applied in accordance with and shall be governed by the laws applicable to the State of Texas. Venue for any disputes arising under this Agreement shall be in Burnet County, Texas.
- 13.07 Headings. All headings herein are inserted only for convenience and ease of reference and are not to be considered in the construction or interpretation of any provision of this Agreement.
- 13.08 Severability. If any provision of this Agreement shall be invalid or unenforceable for any reason and to any extent, the remainder of this Agreement shall not be affected thereby, but shall be enforced to the greatest extent permitted by law.
- 13.09 Waivers. No failure or delay of a Party in the exercise of any right given to such Party hereunder or by law shall constitute a waiver thereof, nor shall any single or partial exercise of any such right preclude other further exercise thereof or of any other right. The waiver by a Party of any breach of any provision hereof shall not be deemed to be a waiver of any subsequent breach thereof or of any breach of any other provision hereof.

Remainder of this page intentionally left blank. Signatures follow on the next page.

THIS AGREEMENT IS DATED EFFECTIVE AS OF THE 14th DAY OF OCTOBER, 2025.

RECIPIENT:
Hill Country Smiles Board A not for profit organization
Ву:
Name:
Title:
Date:
CITY: CITY OF BURNET, TEXAS, A Texas home-rule municipality
By: Gary Wideman, Mayor
Date:
ATTEST:
Maria Gonzales, City Secretary