

# **INTERLOCAL COOPERATION AGREEMENT**

**for**

## **SOMERVELL COUNTY WATER DISTRICT TO PROVIDE WATER SERVICE TO AREAS WITHIN THE CORPORATE LIMITS OF THE CITY OF GLEN ROSE**

**THIS AGREEMENT** is made and entered into by and between the CITY OF GLEN ROSE, a General Law City, located in Somervell County, Texas, hereinafter referred to as “CITY” and the Somervell County Water District, created by an act of the State Legislature in 1985 pursuant to Article XVI, Section 59 of the Texas Constitution, hereinafter referred to as “DISTRICT”.

### **RECITALS**

**WHEREAS**, both the City and the District are engaged in the retail distribution of water;

**WHEREAS**, all of Somervell County is included within the boundaries of the District;

**WHEREAS**, the City, historically, has provided utility service, including water service, to properties located within the City’s corporate limits;

**WHEREAS**, in 2008 the City annexed the Squaw Creek Golf Course property and 102 acres bounded by Highway 67, CR 303 and Farm Road 200, but due to the distance between those properties and the City’s existing water and wastewater infrastructure, has not yet extended its water or wastewater utilities into that area;

**WHEREAS**, the 102 acres and tracts, which have been and are expected to be, carved out of the Squaw Creek Golf Course property are candidates for development and stand in immediate need of utility service;

**WHEREAS**, the City has budgeted funds for extending water and sewer mains to the vicinity of the above referenced properties;

**WHEREAS**, the District has an extensive network of water mains within the City’s ETJ and part of that network is adjacent to the aforementioned properties that were annexed in 2008;

**WHEREAS**, the City and the District believe it to be in the best interest of local taxpayers that the aforementioned properties and other properties within the ETJ, which later may be annexed

into the City and developed, be served with water from the District's existing network of water mains so that the City can focus its efforts on providing sewer service to those areas;

**WHEREAS**, pursuant to Texas Local Government Code §282.002(a) and Texas Transportation Code 311.002(a), the City has exclusive control over City streets and public places;

**WHEREAS**, pursuant to Utilities Code §182.025, "An incorporated city or town may make a reasonable lawful charge for the use of a city street, alley, or public way by a public utility in the course of its business";

**WHEREAS**, acknowledging that the City collects franchise fees from other utilities providing service to customers within the City's corporate limits, the District agrees to pay a 5% franchise fee for all retail water sales made within the City's corporate limits; and,

**WHEREAS**, pursuant to the terms of the District's enabling legislation, "All public agencies, municipal corporations, and political subdivisions of the state, including specifically the cities of Stephenville and Glen Rose, are authorized to enter into contracts and agreements with the district for a water supply, or for any purpose relating to the district's powers or functions, on such terms and conditions as the parties may agree"

**NOW THEREFORE**, for and in consideration of the mutual promises, covenants, and conditions contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the City and the District hereby agree as follows:

1. The District, hereby, is granted a franchise by the City to provide water service to the Squaw Creek Golf Course, tracts which have been or will be carved from the Squaw Creek Golf Course, the 102.06 acres bounded by Highway 67, CR 303, and Farm Road 200, the Tres Rios RV Resort on CR 312, and other properties which may be annexed into the City at a future date which are already receiving water service from the District or are readily serviceable from the District's network of water mains.
2. The City acknowledges the District's right to easements in the City's streets and alleys, but requires the District to coordinate installations in those streets and alleys with City staff, and further requires that after installing its water lines and/or facilities that the District restore the City's streets and alleys as nearly as possible to their original condition solely at the District's expense.
3. The District agrees to pay the City a five percent (5%) franchise fee on the gross receipts collected from all customers and consumers within the City's corporate limits, except for the wholesale sales made to the City for use in its water utility. The District agrees to pay

the five percent (5%) franchise fee annually on the first Monday in February on the gross receipts from the previous calendar year to the City Secretary along with a statement indicating the derivation and calculation of such payment.

4. The District agrees to provide the City with the customer water usage data needed by the City to calculate those customers' City wastewater service charges for all customers served by the District within the City's corporate limits.
5. This Agreement becomes effective for a term of one (1) year once approved by the District's Board of Directors and the City Council and signed by authorized representatives of both parties.
6. This Agreement shall automatically renew for another one (1) year term, unless either party provides written notice to the other of its intent to terminate this agreement not less than six (6) months before the end of the then current term.

EXECUTED this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

**SOMERVELL COUNTY  
WATER DISTRICT**

**CITY OF GLEN ROSE**

By: \_\_\_\_\_  
Ben Mieth, President

By: \_\_\_\_\_  
Julia Douglas, Mayor

ATTEST:

By: \_\_\_\_\_

By: \_\_\_\_\_  
Stephanie Ritchie, City Secretary