

**INTERLOCAL AGREEMENT**  
**(BETWEEN MONTGOMERY COUNTY, TEXAS, AND CITY OF MONTGOMERY**  
**REGARDING REIMBURSEMENT OF COVID-19 RELATED EXPENSES)**

This Interlocal Agreement (“Agreement”) is entered into by and between **Montgomery County, Texas** (“County”) a political subdivision of the State of Texas (“County”), acting by and through its Commissioners Court (“Court”), and **City of Montgomery** (“City”), a political subdivision of the State of Texas acting by and through its City Council (“the Council”), (individually, a “Party”, and collectively, the “Parties”), that by the signatures of their respective authorized designees on this Agreement have consented to the terms thereof.

**RECITALS**

WHEREAS, the governing bodies of the Parties desire that County reimburse City, for certain eligible COVID-19 related expenses as detailed below, incurred by City in response to the COVID-19 public health emergency during the March 27, 2020 through December 30, 2020 period only; and

WHEREAS, in a duly held Regular Session meeting on April 27, 2021, the Court approved reimbursement to City for said expenses incurred by City, in the amount of \$15,619.40, subject to the recitals and provisions stated within this Agreement; and

WHEREAS, the Parties further desire to memorialize the aforementioned arrangement and make this Agreement pursuant to Chapter 791 of the Texas Government Code (Interlocal Cooperation Act) with respect to governmental functions in which the contracting parties are mutually interested.

NOW, THEREFORE, the Parties, in consideration of the mutual covenants and agreements herein contained, do mutually agree as follows:

**TERMS**

**I. Responsibilities of the Parties**

- A. Upon mutual execution of this Agreement, and prior to September 30, 2021, County shall reimburse City, in an aggregate amount of \$15,619.40, for eligible expenses incurred by the City, as detailed herein, subject to the following conditions:
- a) Expenses claimed for reimbursement under this Agreement, as necessary expenditures incurred due to the COVID-19 public health emergency, shall be limited to the following criteria and for the March 27, 2020 through December 30, 2020 period only:
    - i. *Expenses for acquisition and distribution of medical and protective supplies, including sanitizing products and personal protective equipment, for medical personnel, police officers, social workers, child protection services, and child welfare officers, direct service providers for older adults and individuals with disabilities in community settings, and other public health or safety workers in connection with the COVID-19 public health emergency;*
    - ii. *Expenses for disinfection of public areas and other facilities, e.g., nursing homes, in response to the COVID-19 public health emergency; and*
    - iii. *Expenses to improve telework capabilities for public employees to enable compliance with COVID-19 public health precautions.*

Any claimed expenses incurred by City prior to March 27, 2020 or after December 30, 2020 and/or any claimed expenses not meeting the above criteria, at the sole determination of County, shall not be reimbursed under this Agreement.

- b) City shall complete, submit and comply with, all required invoicing, documentation, auditing and reporting requirements, and any other conditions or formalities mandated by the County pursuant to this Agreement, and shall further comply with all applicable Federal, State and local laws, as well as this Agreement. By its signature hereunder, City acknowledges, represents and agrees that its expenses, as submitted for reimbursement, are true, valid and satisfy the eligibility criteria stated under Article I., Section A. a) hereinabove. City is, and remains for the duration of this Agreement, under an affirmative obligation to timely notify County, in writing, if City learns of any impediment(s) or change(s) affecting its request(s) for reimbursement under this Agreement;
- c) City acknowledges and agrees that County's reimbursement under this Agreement shall be in accordance with County's customary payment procedures. While preserving the integrity of the total sum stated above, County reserves the right to make any necessary adjustments to payment(s) as might be required by the County Auditor for any reason, during the course of this Agreement. City further acknowledges and agrees that any and all requests for reimbursement of expenses under this Agreement remain subject to audit by the County Auditor and any applicable state and/or federal agency with competent jurisdiction over the subject matter stated herein;
- d) City acknowledges that, in the event of a later finding by an internal audit or by a state/federal agency that County's reimbursement to City, of aforementioned expenses, is inaccurate, invalid and/or does not meet eligibility criteria, whether in whole or in part, City shall refund previously received monies to County, to the extent such are found inaccurate/ineligible/invalid by the auditing agency. Said refund must be received by County no later than the deadline indicated to City by County, following notification from the applicable body/agency of said finding. City shall further maintain, for the minimum period required under applicable laws, all records and other documentation relating to the reimbursement herein, and shall allow County access to, and the right to copy, audit and inspect, such records and documentation as deemed necessary by County, within said minimum period. In the event of an audit by any state/federal agency, or indication received thereof, the Parties agree to cooperate with each other generally, and particularly in the sharing/exchange of applicable information and documents, to the extent allowed by law and as required for compliance. The Parties acknowledge and agree that this Article I., Section A. d) survives termination of the Agreement; and
- e) At any time following County's aforementioned reimbursement, should either Party determine that the amount of the payment, or a portion thereof, is erroneous, for any reason whatsoever, the Parties shall cooperate with each other in rectifying the error to the extent possible.

## II. Term and Termination

- A. This Agreement shall become effective on the date of last execution stated herein and, except to the extent of Article I., Section A. d) above, which survives termination of the Agreement, shall remain effective until September 30, 2021. Following County's payment in accordance with its routine procedures, the Agreement may be terminated, prior to its natural expiration, for any or no reason, by

either Party with written notice to the other Party and such termination alone shall not be deemed a breach or incur any penalty under this Agreement.

### III. Notice

- A. Any notice required or permitted between the Parties must be in writing, addressed to the attention of the respective designee, and shall be delivered in person, or mailed certified mail, return receipt requested at the following addresses:

CITY: City of Montgomery  
101 Old Plantersville Rd.,  
Montgomery, TX 77316  
Attention: Legal Department

COUNTY: Montgomery County Judge, Mark J. Keough,  
Office of the County Judge,  
501 N. Thompson, Suite 401,  
Conroe, Texas 77301

- B. Any Notice given hereunder is deemed given upon hand delivery or three (3) days after the date of deposit in the United States Mail. Each Party shall have the right to change its respective address by giving at least fifteen (15) days' written notice of such change to the other Party. Other communications, except for Notices required under this Agreement, may be sent by electronic means or in the same manner as Notices described herein.

### IV. Miscellaneous

- A. Insurance. All applicable insurance coverages shall be maintained by each Party through the course of its performance under this Agreement.
- B. Waiver. The waiver by either Party or a breach of any provision of this Agreement shall not operate as or be construed as a waiver of any subsequent breach.
- C. Expending Funds. No Party shall incur a debt pursuant to this Agreement, and all disbursements shall take place with appropriated funds from current revenues available to the disbursing Party, to the extent permitted by law.
- D. Other Mutual Aid/Interlocal Agreements. Nothing in this Agreement shall prevent the Parties from executing other mutual aid and/or interlocal agreements/memorandums of understanding, as permitted by law, with each other or third parties.
- E. Addendums/Amendments. This Agreement may only be amended by mutual agreement through written addendums and/or amendments, duly executed by both Parties or their authorized designees.
- F. Third Parties. This Agreement is intended to inure only to the benefit of the Parties hereto. This Agreement is not intended to create, nor shall be deemed or construed to create, any rights in third parties.
- G. 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 shall continue in full force and effect in accordance with its terms.

- H. Severability. If a provision contained in this Agreement is held invalid for any reason, the invalidity does not affect other provisions of this Agreement that can be given effect without the invalid provision, and to this end the provisions of this Agreement are severable.
- I. LIABILITY AND INDEMNITY. EXCEPT TO THE EXTENT REQUIRED UNDER THIS AGREEMENT AND/OR BY LAW, THERE IS NO OBLIGATION ON EITHER PARTY TO INDEMNIFY THE OTHER PARTY UNDER THIS AGREEMENT. THE PARTIES UNDERSTAND AND AGREE THAT EXCEPT TO THE EXTENT REQUIRED HEREIN, A PARTY TO THIS AGREEMENT DOES NOT ASSUME CIVIL LIABILITY UNDER ANY THEORY OF LAW FOR THE ACTIONS OR INACTIONS OF THE OTHER PARTY, WITH RESPECT TO PERFORMANCE AND OBLIGATIONS REQUIRED HEREIN. IN ANY EVENT, EACH PARTY TO THIS AGREEMENT DOES NOT WAIVE OR RELINQUISH ANY LIABILITY CAP, IMMUNITY OR DEFENSE, AVAILABLE TO IT BY LAW, ON BEHALF OF ITSELF, OFFICERS, EMPLOYERS, AGENTS, AND VOLUNTEERS AS A RESULT OF ITS EXECUTION OF THIS AGREEMENT AND THE PERFORMANCE OF THE COVENANTS CONTAINED HEREIN.
- J. Prior Agreements. This Agreement contains all commitments and agreements of the Parties regarding the subject matter stated herein. All previously entered into Memorandums of Understanding/Interlocal Agreements/Mutual Aid Agreements between the Parties, for the specific purposes identified herein, are superseded by this Agreement.
- K. Authority. Each Party acknowledges and agrees that its signatories herein have full authority to execute this Agreement and to legally bind the respective Party to this Agreement.
- L. Governing Law and Venue. The laws of the State of Texas shall govern this Agreement. Venue for an action arising out of or in connection with this Agreement shall lie exclusively in Montgomery County, Texas.
- M. Headings. The headings at the beginning of the various provisions of this Agreement have been included only to more quickly locate the subject covered by each provision and are not to be used in construing this Agreement.
- N. State or Federal Funds. To the extent performance under this Agreement is dependent on State and/or Federal funds available to either Party for particular purposes, the Parties agree to cooperate with each other in preparing, obtaining and sharing any required documentation for utilization of such funds including, but not limited to, executing any required amendments to this Agreement. To the extent applicable, a recipient Party under this Agreement further agrees to utilize funds available under this Agreement to supplement rather than supplant funds otherwise available. Any terms and conditions, consistent with the purposes of this Agreement, required by applicable law to be included in this Agreement in relation to aforementioned State and/or Federal funds, shall nevertheless be deemed included, whether or not expressly stated herein. The Parties further agree to cooperate with each other in executing mutually acceptable modification(s)/amendment(s) to this Agreement if such modification(s)/amendment(s) become necessary, during the course of performance under this Agreement, in order to maintain compliance with applicable State and Federal law.
- O. Non-Appropriation. To the extent performance under this Agreement may be dependent upon approval of funding, notwithstanding anything to the contrary herein, if the Commissioners Court of

Montgomery County, fail to provide funding for this Agreement during budget planning and adoption of the budget for the following fiscal year(s) from the effective date of this Agreement, Montgomery County may terminate this Agreement upon thirty (30) days written notice to City and/or City may terminate this Agreement upon thirty (30) days written notice to Montgomery County. Said failure to provide funding for this Agreement, and consequent termination of the Agreement, shall not be deemed a default or breach by either Party under this Agreement.

- P. Counterparts; Facsimile or Email Signatures. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, and all of such counterparts shall constitute one agreement. To facilitate execution of this Agreement, the Parties may execute and exchange by telephone facsimile or email counterparts of the signature pages.

IN WITNESS WHEREOF, the Parties have duly executed on the respective dates appearing above each Party's signature.

**[Remainder of this page intentionally left blank; signatures on separate execution pages to follow.]**

**EXECUTED AND AGREED** to on the \_\_\_\_ day of \_\_\_\_\_, 2021.

**CITY OF MONTGOMERY**

By: \_\_\_\_\_  
Name:  
Title:

**ATTEST (IF APPLICABLE):**

\_\_\_\_\_  
Name:  
Title:

**APPROVED AS TO FORM (IF APPLICABLE):**

By: \_\_\_\_\_  
Name:  
Title:

**EXECUTED AND AGREED** to on the \_\_\_\_ day of \_\_\_\_\_, 2021.

**MONTGOMERY COUNTY, TEXAS**

By: \_\_\_\_\_  
MARK J. KEOUGH, COUNTY JUDGE

**ATTEST:**

\_\_\_\_\_  
MARK TURNBULL  
COUNTY CLERK