

THE STATE OF TEXAS
COUNTY OF WALLER

**INTERLOCAL AGREEMENT BY AND BETWEEN THE COUNTY OF
WALLER, TEXAS AND BROOKSHIRE-KATY DRAINAGE DISTRICT FOR AD
VALOREM ASSESSMENT AND COLLECTION**

This Interlocal Agreement for the assessment and collection of ad valorem taxes ("Interlocal") is entered into on the date of the last signature affixed hereto ("Effective Date") by and between Waller County, Texas ("County"), a political subdivision of the State of Texas, and Brookshire-Katy Drainage District ("Taxing Unit"), Drainage District, (each referred to individually as "Party" and collectively as "Parties").

WHEREAS, Waller County is a political subdivision of the State of Texas that is authorized by Texas Government Code Chapter 791 to enter into an interlocal agreement with another local government to provide governmental functions and services,

WHEREAS, Brookshire-Katy Drainage District is a Drainage District, which is a taxing unit under the laws of the State of Texas, and is authorized by Texas Tax Code § 6.24 to contract as provided by Texas Government Code Chapter 791;

WHEREAS, Texas Tax Code § 6.24 authorizes political subdivisions of the State of Texas to enter into interlocal contracts for the provision of tax assessing and collecting services; and

WHEREAS, Brookshire-Katy Drainage District, acting by and through its Board of Directors requests that the Waller County Tax Assessor-Collector perform duties relating to the assessment and collection of taxes for the Drainage District in the form and manner most economical to it and its taxpayers;

WHEREAS, the County, acting by and through its Commissioners Court, agrees to contract with Brookshire-Katy Drainage District for the Waller County Tax Assessor-Collector to perform duties relating to the assessment and collection of taxes for Brookshire-Katy Drainage District, as requested; and

WHEREAS, the Waller County Tax Assessor-Collector approves of this Interlocal Agreement;

NOW, THEREFORE, in consideration of the mutual promises, covenants, and conditions contained in the Contract, the Parties agree to the following terms and conditions:

SECTION 1. PURPOSE

- 1.1 Purpose: The purpose of this Contract is to establish the terms and conditions under which the Waller County Tax Assessor-Collector will provide to the Taxing Unit assessment and collection services related to ad valorem taxes owed to the Taxing Unit.

SECTION 2. OBLIGATIONS

- 2.1 Assessment and Collection: The Waller County Tax Assessor-Collector shall diligently assess and collect the ad valorem taxes the Taxing Unit imposes in Waller County, Texas, and shall promptly remit such taxes on a monthly basis to the Taxing Unit within thirty (30) days of the end of the month. The Tax Assessor-Collector shall remit the taxes into a depository specified by the Taxing Unit. The amounts remitted to the Taxing Unit shall be made only after the Fee for Services has been deducted in accordance with Section 3.1.
- 2.2 Record Keeping: The Waller County Tax Assessor-Collector shall prepare and mail all tax statements, provide monthly collection reports to the Taxing Unit, prepare tax certificates, develop and maintain both current and delinquent tax rolls, for relevant properties pursuant to applicable law, and develop and maintain such other records and forms as are necessary or required by law or state rules and regulations.
- 2.3 Written Policies and Procedures: Tax Assessor-Collector shall develop and maintain written policies and procedures concerning its operations, to make available to the Taxing Unit regarding the operation of the county tax office.
- 2.4 Taxing Unit's Records: The Taxing Unit shall promptly deliver to the Waller County Tax Assessor-Collector all records from the previous tax year that the Taxing Unit has accumulated and developed in the assessment and collection of taxes, and shall locate and furnish any other information and records as requested by the Tax Assessor-Collector to perform its duties. The records shall be delivered to the Tax Assessor-Collector by September 1, 2025 or as soon thereafter as possible, unless otherwise specified in writing by the Tax Assessor-Collector.
- 2.5 Taxing Unit's Effective Tax Rate: The Taxing Unit shall calculate its effective tax rate. The Taxing Unit shall be responsible for publishing and giving notice of said effective tax rate, and shall bear all costs associated therewith. The Taxing Unit shall be responsible for any and all costs associated with additional publication and notices that are necessary in the event the Taxing Unit fails to adopt its effective tax rate by the date required by applicable law, or if the effective tax rate adopted by the Taxing Unit is rolled back.
- 2.6 Additional Costs: The Taxing Unit shall pay any additional assessing costs incurred by the County for processing late and separate tax bills or issuing corrected bills, including but not limited to: preparation and mailing tax statements, postage, computer programming, paper, outsourcing, and employee's time associated therewith. The Tax Assessor-Collector shall strictly account for such costs, which shall be paid by the Taxing Unit upon submissions of an invoice by the County.
- 2.7 Taxing Unit's Legal Counsel: The Taxing Unit shall provide its own legal counsel to enforce the collection of its delinquent taxes in accordance with Texas Tax Code § 6.30.
- 2.8 Waiver of Penalties and Interest: The Tax Assessor-Collector may waive penalties, or interest accrued from delinquent payments or nonpayment, to pursuant to applicable law. The County is authorized to collect partial payments of taxes as

provided under Chapter 31 of the Tax Code. The County will perform any refunds as required pursuant to applicable law. Tax Records: The Taxing Unit may audit the tax records that are related to services the Tax Assessor-Collector performs pursuant to this Contract during reasonable times. The Taxing Unit shall pay all expenses related to any audit it requests. The Taxing Unit shall provide a copy of the report and related papers of any audit it conducts to the Tax Assessor-Collector and the County. Neither the County, nor the Waller County Auditor will perform any audit of the Taxing Unit. Extent of Obligations: The Tax Assessor-Collector shall perform all duties related to tax assessment and collection. The Taxing Unit agrees that notwithstanding the obligations contained within this Contract, the Taxing Unit is not reserving any authority that would compete or interfere with the responsibilities of the Tax Assessor-Collector.

SECTION 3. PAYMENT FOR SERVICES

- 3.1 Fee for Services: The Taxing Unit shall pay the County \$1.00 per account of taxable property on the tax roll for which the Tax Assessor-Collector assesses and/or collects ad valorem, taxes for the Taxing Unit.
- 3.2 Payment: Payment shall be made from the Tax Assessor-Collector's first collection of the current year's taxes, and deducted from the first disbursement of tax revenue to the Taxing Unit for the applicable tax year. If the amount collected does not cover the Fee for Services, The Tax Assessor-Collector shall issue an invoice to the Taxing Unit's governing body, at the address of the governing body contained within this Contract, of the outstanding balance owed to the County. Payment shall be due on any invoice issued by the Tax Assessor-Collector within 30 days of its due date.
- 3.3 Reporting: The Tax Assessor-Collector shall report all amounts taxes collected and payments deducted from any and all disbursements to the Taxing Unit.
- 3.4 Additional Costs Incurred: In the event that the Fee for Services is less than the actual cost incurred by the Tax Assessor-Collector in providing the services pursuant to this Contract, the Taxing Unit shall reimburse the County for the actual costs incurred. In such an event, the Tax Assessor-Collector shall provide the Taxing Unit with an invoice that shows the actual costs incurred. The Taxing Unit shall pay the invoice within 30 days of its receipt.
- 3.5 Payment After Termination: In the event the Contract is terminated in accordance with Section 4, the Taxing Unit shall pay the final invoice within 30 days of receipt of the invoice.

SECTION 4. TERM AND TERMINATION

- 4.1 Agreement Term: The term of this Contract shall begin on the Effective Date and shall end on **September 30, 2026** ("Initial Term"). Upon expiration of the Initial Term, the Agreement may be renewed for additional one (1) year periods by official action of the governing body of the Taxing Unit and the Waller County Commissioners Court ("Renewal Term").

- 4.2 Termination for Failure to Pay: The County may, in its sole discretion terminate this Contract without notice if the Taxing Unit fails to make a payment within 30 days of an invoice due date. The County's failure to demand payment is not a waiver of the Taxing Unit's obligation to make timely payment.
- 4.3 Termination for Cause or Inconvenience: Either Party may terminate this Contract for cause or convenience by providing written notice to the other Party at the address of the governing body contained within this Contract. The notice must state the reasons for such termination. The Contract shall continue in force for the 30 day notice period.
- 4.4 Notice of Termination: The terminating Party shall provide 30 days written notice of termination to the other Party as provided in Section 4.3.
- 4.5 Payment for Services Rendered Prior to Termination: The Taxing Unit shall pay County for all services rendered by the Tax Assessor-Collector pursuant to this Contract through the end of the 30 day notice period specified in Section 4.4. The Tax Assessor-Collector shall provide an invoice to the Taxing Unit for all outstanding balances owed to the County, including any owed for services rendered during the 30 day notice period.
- 4.6 Records After Termination: In the event of Termination and upon written request of the Taxing Unit, the County will provide the Taxing Unit copies of all necessary records pertaining to the assessment and collection of the Taxing Unit's taxes. The Taxing Unit shall pay the County for the reasonable costs associated with the provision of the records pursuant to this Section.

SECTION 5. PROPERTY VALUATION

- 5.1 Property Valuation: The County and Taxing Unit acknowledge and understand that the Waller County Appraisal District determines the value of all property subject to ad valorem taxation, and provides the property valuation to the Tax Assessor-Collector for tax assessment. After the assessments are made and certified, the Tax Assessor-Collector will not alter any assessment in any way. In the event that the Waller County Appraisal District alters an assessment, the Tax Assessor-Collector shall record that change pursuant to applicable law.

SECTION 6. LIMITATION OF LIABILITY AND INDEMNIFICATION

- 6.1 Limitation of Liability: Neither the County, nor the Tax Assessor-Collector shall be liable to the Taxing Unit for any claims, damages, or attorney's fees arising from or related to the intentional acts, negligence, wrongful acts, or omissions of County's or the Tax Assessor-Collector's officials or employees. Furthermore, the Taxing Unit waives any and all claims against the County which it may now or hereafter have for any and all acts of negligence alleged in the performance or the administration of this Contract.

SECTION 7. INDEPENDENT CONTRACTOR

- 7.1 Independent Contract: Each Party has and retains the exclusive right of control over its employees and contractors assigned to perform services under this Contract. Neither Party has the authority to bind or otherwise obligate the other Party orally, in writing, or otherwise. Each Party providing services to the other Party pursuant to this Contract is providing services as an independent contractor. Nothing in this Contract creates an employer-employee relationship between the employees of one Party and the other Party.

SECTION 8. MISCELLANEOUS

- 8.1 Entire Agreement: This Contract embodies the complete agreement of the Parties hereto, superseding all oral or written previous and contemporary agreements between the Parties and relating to matters in this Contract.
- 8.2 Amendments and Modifications: The Contract may not be modified, altered, or amended except by written instrument duly approved by the governing bodies of both Parties, and executed by both Parties.
- 8.3 Jurisdiction and Venue: This Contract is made in and shall be construed according to the laws of the State of Texas, without regard to its conflict of laws provisions. Venue of any court action(s) brought directly or indirectly by reason of this Contract shall be in a court of competent jurisdiction in Waller County, Texas. This Contract is made and is to be performed in Waller County, Texas.
- 8.4 Compliance with Law: The Parties hereby agree to comply with all federal, state, and local laws and ordinances applicable to the services to be performed under this Contract.
- 8.5 Severability: If any provision of this Contract is invalid, illegal, or unenforceable under any applicable statute, court decision, or rule of law, it is to that extent to be deemed omitted. In such event, there shall be substituted for such deleted provisions a provision as similar as possible in terms and in effect to such deleted provision that is valid, legal, or enforceable. The remainder of the agreement shall be valid and enforceable to the maximum extent possible.
- 8.6 Force Majeure: Except for the obligation to pay for the services rendered, each Party may be relieved of any obligation to the extent that its ability to perform its obligation is prevented or impaired by any cause generally recognized under Texas law as force majeure.
- 8.7 Titles Not Restrictive: The titles assigned to the various sections and paragraphs of this Contract are for convenience only. Titles shall not be considered restrictive of the subject matter of any part of this Contract.
- 8.8 No Third-Party Beneficiaries: This Contract does not inure to the benefit of any third party, except permitted successor or assigns.
- 8.9 Confidentiality: The County and Tax Assessor-Collector are bound by Texas Government Code Chapter 552, the Public Information Act, and other laws

concerning government records. The County will make good faith efforts to promptly notify the Taxing Unit if any such information is requested in a public information request, subpoena, or other method so the Taxing Unit may argue against the release of such information. Taxing Unit recognizes and understands that the final decision as to what information must be disclosed pursuant to the PIA lies with the Texas Attorney General. The Taxing Unit further agrees that the County may furnish information acquired through or pursuant to this Contract and that is requested through the PIA to the Texas Attorney General for a determination of whether the information must be disclosed. Neither the County, nor the Tax Assessor- Collector, or any of either's officers, or employees shall have any liability or obligation to any party for the disclosure to the public, or to any person or persons, of any items or data furnished to the County or Tax Assessor-Collector by the Taxing Unit in reliance on any statute, court opinion, court order, or the advice, decision, or opinion of the Texas Attorney General.

- 8.10 Authority to Sign: Signatories to this Contract represent and warrant that they have the authority to bind the respective parties.
- 8.11 Notices: Any written notice required to be given under this Contract shall be in writing and shall be, delivered by certified mail, return receipt requested. Notices shall be deemed received when the notice is deposited in the mail, enclosed in a wrapper with the proper postage paid. Any notice or certification to be provided pursuant to this Contract shall be delivered to the following persons, unless a substitute representative is designated in writing:

County:

Attn: County Judge
425 FM 1488, Suite 106
Hempstead, Texas 77445

With a copy to:

Waller County Tax Assessor- Collector
Attn: Tax Assessor 730 9th St.
Hempstead, TX 77445

Brookshire-Katy Drainage District:

Attn: President, Board of Directors
P.O. Box 608
Brookshire TX 77423

[Signature Page Follows]

IN WITNESS WHEREOF, this Contract is executed by authority of the governing bodies of the respective Parties hereto.

For the County:

County Judge
Carbett "Trey" Duhon, III

Date

ATTEST:

County Clerk
Debbie Hollan

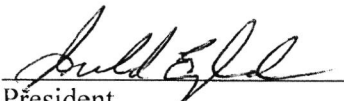
Date

APPROVED:

County Tax Assessor-Collector
Carolyn Miedke

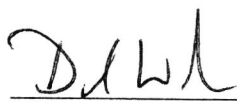
Date

For the Taxing Unit:



President
Arnold England

ATTEST:



Title:
Name: