

WATER SUPPLY INTERLOCAL AGREEMENT

PANOLA COUNTY / FAIR PLAY WSC

This is an agreement between Panola County Texas, a political subdivision of the State of Texas acting by its duly elected Commissioners Court, herein called "County" and Fair Play Water Supply Corporation, with its principal business office at 227 CR 212, Beckville, Texas, herein called "Corporation."

The purpose of this agreement is to set forth the terms between the parties. The County applied for and is receiving a 2016 Texas Community Development Program Block Grant from the Texas Department of Agriculture (TDA) in the amount of \$275,000.00 to be used for water improvements, engineering costs and grant administration.

Contractor shall provide first-time water service to fourteen (14) households in the Fair Play WSC service area. Construction shall consist of the installation of approximately twenty-two thousand six hundred linear feet (22,600 l.f.) of six-inch (6") and two-inch (2") water main, boring and related appurtenances located at:

Location	From	To
CR 235	Existing Pump Station	State Highway 79
State Highway 79	CR 235	CR 189
CR 189	State Highway 79	CR 188
CR 188	State Highway 79	west of CR 189


Those terms are:

1. The County agrees to serve as fiscal agent for the grant.
2. The Corporation's **matching funds** for this project total \$57,250.00 for construction, administration, and engineering fees. The Corporation agrees to bear any and all costs incidental to this project above grants funds and matching funds committed.
3. A Selection Committee, consisting of at least one County designee and at least one Corporation designee, will be assigned to request, receive and rate proposals for grant management and project engineering services on behalf of the County. At least one County Committee member must be an elected official. The Committee shall establish written criteria for proposals or may use the recommended language found in the Texas Community Development Block Grant Implementation Manual. The Committee shall promote the participation of MBEs and Section 3 Businesses. After rating the proposals, the Committee will make contract award recommendations to the County. Contracts for professional services will be executed between the County and the recommended firm(s).
4. All other contractors, suppliers, and vendors will contract with the Corporation for the construction of the water improvements by the terms of the grant and this agreement. All advertisements and notices required by the grant shall be the sole responsibility of the Corporation.
5. Upon approval by the Corporation and the County, invoices will be paid by the County from grant funds and/or Corporation funds only. The County agrees to keep and maintain a separate account of all grant

funds received and payments made from those funds.

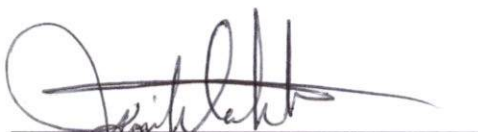
6. The Corporation shall follow all applicable federal and state laws, regulations, and requirements of the Texas Department of Agriculture for bidding, contract award, contract preparation, and labor standards as specified in the Texas Community Development Block Grant Program Implementation Manual. Corporation shall provide to County an original of all contracts, payroll documentation, and labor standards forms.
7. The Corporation agrees to advise the County and its representative(s) of errors, mistakes, potential problems or any other problematic issue(s) coming under observation during the progress of the work and will make good faith efforts to correct any errors that come to light in a timely and reasonable manner.
8. This agreement may not be assigned to any other party without prior mutual written consent.
9. This is the only agreement between the parties concerning the matter herein. All prior oral or written agreements are merged herein.
10. This agreement is performable in its entirety in Panola County, Texas. Corporation agrees that it will completely indemnify and hold harmless County from any and all claims and from any and all financial obligations or claimed obligation relating to project.
11. It is understood and agreed that neither County nor Corporation, shall in any sense be considered a partner or joint venture with each other, nor shall Corporation in any manner hold itself out as an agent or official representative of County. The Corporation shall not in any manner incur any expense or liability on behalf of County other than what may be expressly allowed under this agreement. County will not be liable for any loss, cost, expense or damage, whether indirect, incidental, punitive, exemplary, or consequential of any kind whatsoever for any acts by the parties or failure to act relating to the project under this agreement.
12. In case any one or more of the provisions contained in this agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision in this agreement and this agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained in it.

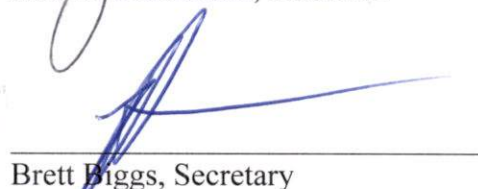
**Signed by the County this
13th day of June, 2016**


LeeAnn Jones, County Judge


Bobbie Davis, County Clerk

**Signed by the Corporation this
8th day of June, 2016**


Jimmie Dale Dunn, President


Brett Biggs, Secretary

