RESOLUTION NO. R-2023-33

A RESOLUTION OF THE CITY OF BASTROP, TEXAS, APPROVING THE ATTACHED AGREEMENT AS EXHIBIT A, AND AUTHORIZING THE CITY MANAGER TO EXECUTE ALL NECESSARY DOCUMENTS RELATED TO THE AGREEMENT FOR SUBDIVISION PLAT REGULATION IN THE CITY OF BASTROP'S ETJ IN BASTROP COUNTY; PROVIDING FOR REPEAL; AND PROVIDING AN EFFECTIVE DATE.

- WHEREAS, the City has properly identified its incorporated municipal boundary ("City Limits") and its Extraterritorial Jurisdiction ("ETJ") within the County; and
- WHEREAS, the County has adopted and is enforcing subdivision and property development regulations pursuant to Texas Local Government Code Chapter 232; and
- **WHEREAS**, the City has adopted and is enforcing subdivision and property development regulations pursuant to Texas Local Government Code Chapter 212; and
- WHEREAS, the Parties are governmental entities authorized to enter into an interlocal cooperation agreement pursuant to Texas Government Code Chapter 791 ("Chapter 791"); and
- WHEREAS, Texas Local Government Code Chapter 242 ("Chapter 242", commonly referred to as *House Bill 1445*) mandates that a municipality and a county enter into an agreement providing for the regulation of the subdivision of land and approving of related permits in the ETJ; and
- **WHEREAS,** pursuant to Chapter 242, the City and the County may apportion the area within the ETJ and each entity may regulate subdivision plats and approve related permits; and
- WHEREAS, the Parties intend implementation of this Agreement to ensure fair, reasonable, effective, and efficient administration of development regulations and procedures related to subdivision plats and infrastructure, which the Parties agree are worthwhile and important public objectives that will be accomplished through this Agreement; and
- WHEREAS, the Parties concur that this Agreement is reasonable, prudent, and necessary for the public health, safety, and general welfare, and provides for safe, orderly, and responsible development.
- NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Bastrop:

- Section 1: All of the above premises are hereby found to be true and correct legislative and factual findings of the City Council of the City of Bastrop, Texas, and are hereby approved and incorporated into the body of this Resolution as if copied in their entirety.
- **Section 2:** The City Council hereby approves the Agreement for Subdivision Plat Regulation in the City of Bastrop's ETJ in Bastrop County.
- Section 3: The City Council herby authorizes the City Manager to execute all necessary documents related to the Agreement for Subdivision Plat Regulation in the City of Bastrop's ETJ in Bastrop County.
- **Section 4:** This Resolution shall be in full force and effect from and after its passage.
- Section 5: The City Council hereby finds and declares that written notice of the date, hour, place, and subject of the meeting at which this Resolution was adopted was posted and that such meeting was open to the public as required by law at all times during which this Resolution and the subject matter hereof were discussed, considered, and formally acted upon, all as required by the Texas Open Meetings Act, Chapter 551, Texas Government Code, as amended.

DULY RESOLVED & ADOPTED by the City Council of the City of Bastrop, TX, on this, the 7th day of March 2023.

Cornie B. Schroeder, Mayo

ATTEST:

Ann Franklin, City Secretary

APPROVED AS TO FORM:

Alan Bojorquez, City Attorney
Rezzin E, Ryllum, Assistant City Attorney

INTERLOCAL AGREEMENT FOR SUBDIVISION PLAT REGULATION IN BASTROP COUNTY AND THE CITY OF BASTROP'S EXTRATERRITORIAL JURISDICTION

PREAMBLE AND PRELIMINARY RECITALS

THIS INTERLOCAL AGREEMENT for Subdivision Regulation in Bastrop County and the City of Bastrop, Texas' Extraterritorial Jurisdiction ("ETJ") ("Agreement"), is by and between Bastrop County, Texas ("County"), a duly organized and operating county of the State of Texas, and the City of Bastrop, Texas ("City"), a duly organized and operating Home Rule municipality of the State of Texas. The County and City may be referred to jointly as "Parties" and individually as a "Party," which terms shall include the elected officials, appointed officials, employees, agents, representatives, permitted assigns, and successors in interest of both Parties, as applicable.

WHEREAS, the Parties are governmental entities authorized to enter into this Agreement pursuant to State law found in Chapter 791 of the Texas Government Code ("Chapter 791") and Chapter 242 of the Texas Local Government Code ("Chapter 242"), as amended, and further, the Parties have a long and successful history of working together for the public interest, and the execution and implementation of this Agreement is intended to advance that cooperative, good faith working relationship in the public interest, with particular focus on the development and regulation of subdivisions (as that term is defined by Chapter 212 and 232 of the Texas Local Government Code, as amended), in the unincorporated areas of Bastrop County, Texas, which fall within the City's ETJ (as that term is defined by Chapter 42 of the Texas Local Government Code, as amended), to promote the (1) health, safety, morals, and general welfare of the public, and (2) safe, orderly, and healthful development of those areas; and

WHEREAS, the Parties recognize the changes to Chapter 43 of the Texas Local Government Code as introduced by the passing of Senate Bill 6 in the 85th Legislature and by the passing of House Bill 347 in the 86th Legislature have limited the ability of municipalities to annex; and

WHEREAS, the Parties intend implementation of this Agreement to ensure fair and reasonable development regulations and procedures related to (1) subdivision, plats (including preliminary, final, re-plats and amended plats), design and planning procedures, (2) roads, water, storm water, sewer, and (3) other utility, drainage, and transportation infrastructure, in developments situated in portions of Bastrop County, Texas, that also fall within the City's ETJ, which the Parties acknowledge and agree are worthwhile and important public objectives, that will be accomplished through the Parties' successful implementation of this Agreement; and

WHEREAS, the County recognizes that the City holds a Certificate of Convenience and Necessity ("CCN") for Wastewater service within portions of the County and the Parties acknowledge the need for the City to provide these services to new developments and subdivisions as they occur within those portions of the ETJ under the CCN limits defined by Exhibit A; and

WHEREAS, the City has agreements/partnerships with CORIX and AQUA, and the City and the County recognize the importance and value of wholesale agreements.

WHEREAS; To protect the City's contractual agreements, revenue, and debt modeling, the City will have review authority for water and wastewater in areas where a wholesale agreement exists that feeds or is proposed to feed, into the City's water or wastewater systems as shown on attached map.

NOW, THEREFORE, in consideration of the representations, obligations, promises, warranties, and conditions of this Agreement, and the consideration herein described, the sufficiency of which is acknowledged, the Parties hereby agree as follows:

AGREEMENT

1. OBJECTIVE/PURPOSE OF AGREEMENT AND GEOGRAPHIC AREA COVERED.

- 1.1 It is the general objective of the Parties to the Agreement to detail the roles and responsibilities of the County and the City, and to identify the applicable regulations that will be applied by each, to all subdivisions that are developed in the City's ETJ that is located within Bastrop County, except as specifically exempted from this Agreement, as noted herein. The purpose of this Agreement is to ensure consistent regulation, clarity of applicability, and governmental responsibility and oversight for Developers, meaning land owners in the City's ETJ, who must comply with subdivisions, file plat applications, and construct subdivisions and infrastructure in these Areas.
 - 1.1.1 This Agreement shall apply to the unincorporated land (i.e., not located within Bastrop's or any other city's municipal/corporate limits) located in Bastrop County, Texas, but that is located inside the City's ETJ areas, as now existing or hereafter expanded or diminished as allowed by law. In the event that the City desires to expand, diminish, or otherwise alter the Voluntary ETJ, the City and County shall modify this Agreement to reflect the alteration. If the City's Statutory ETJ expands or diminishes during the term of this Agreement, the City shall notify the County 30 days prior to the modification being effective, and the Parties shall modify this Agreement to reflect the change.
 - 1.1.2 Notwithstanding anything stated in this Agreement to the contrary, this Agreement shall not apply to a tract of land in any part of the City's ETJ areas which is subject to: (1) land development pursuant to the statutes or rules of any special district as defined by Texas law; and (2) a land development agreement made under Subchapter G of Chapter 212 of the Texas Local Government Code, or other applicable provisions of the Texas Local Government Code, the Parties agree that the City shall be responsible for performing its review for acceptance and approval of subdivision plat applications and related plat documentation in such instances, provided that the land development agreement under Subchapter G of Chapter 212 of the Texas Local Government Code shall be a tri-party agreement between the City, County, and Developer.

- 1.2 The City of Bastrop has an unusually extensive ETJ, which overlays many acres of otherwise unincorporated Bastrop County. The "City's ETJ" shall mean the extraterritorial jurisdiction of the City as determined by Chapter 42 of the Texas Local Government Code ("LGC"), as amended, which, by law, includes both the City's Statutory ETJ area and the City's Voluntary ETJ area. For purposes of this Agreement, the Parties Agree that the City's ETJ is composed of the two (2) geographic Areas as shown on the attached Exhibit "A" ("ETJ Area Map" or "Map"), and as described below. The two (2) City ETJ Areas covered by this Agreement are:
 - 1.2.1 **AREA S**: The "City's Statutory ETJ," referred to herein as "**Area S**" shall mean the ETJ area of the City defined by Section 42.021 of the Texas Local Government Code, as amended, without inclusion of any Voluntary ETJ area authorized by application of other parts of Chapter 42 of the LGC, as amended. The City's Statutory ETJ area existing on the Effective Date is more particularly described on the attached Exhibit "A" Map, as the green-shaded portion of the Map identified as "Area S." The City's Statutory ETJ area may be expanded or diminished as allowed by law, e.g., by annexation activities of the City, during the effective term of this Agreement.
 - 1.2.2 **AREA V**: The "City's Voluntary ETJ," referred to herein as "**Area V**" shall mean the ETJ area of the City defined by Sections 42.022 through 42.904 of the Texas Local Government Code, as amended, without inclusion of the Statutory ETJ area allowed by application of Section 42.021 of the LGC. The City's Voluntary ETJ currently existing on the Effective Date is more particularly described on the attached Exhibit "A" Map as the tan-shaded portion of the Map identified as "Area V." The City's Voluntary ETJ area may be expanded or diminished as allowed by law. If Voluntary ETJ is added during the Term of this Agreement, it shall be handled as "Area V" pursuant to this Agreement.
 - 1.2.2.1 When a Development is in the City's voluntary ETJ, and the Development is in the City's CCN, or the City has a wholesale agreement for water or wastewater, then the subdivision review process shall follow the procedures and authorities outlined in Section 5 of this agreement and Table 1 under Area S (Private Roads) or Area S (Public Roads) as applicable.
 - 1.2.2.2 When a development is subject to 1.2.2.1, the City shall provide executed copies of the agreements to the County within 10 business days.

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2. OVERVIEW OF SUBDIVISION ACTIONS CONTROLLED BY THE AGREEMENT.

- 2.1 The governmental subdivision standards and regulatory responsibilities set forth in this Agreement generally fall within the following eight categories:
- (1) What Subdivision/Construction Standards will apply?
- (2) Where does the Developer file and submit the Subdivision Application and Fee?
- (3) With which entity does the Developer submit Construction Plans for review and approval?
- (4) Will the County or the City perform the subdivision inspections and be paid the inspection fees?
- (5) Will the County or the City approve the subdivision plat under its governmental procedures?
- (6) Will the County or the City hold the applicable fiscal assurances/bonds during the platting and development of the subdivision and the Warranty Period?
- (7) Will the County or the City permit water and wastewater applications in the City's CCN areas?
- (8) Will the County or the City perform all other permitting or license review in the public ROW?

Chapter 242 places a mandatory obligation on the Parties to enter into a written agreement for the regulation of subdivisions in the City's ETJ areas. The following chart describes the Parties' agreement related to the apportionment of responsibilities, as between the County and City, concerning the above noted subdivision activities:

TABLE 1

Action	Area S (Private Roads)	Area S (Public Roads)	Area V
What Subdivision/Construction Standards Apply	City & County Joint Standards	City & County Joint Standards	County & City Joint Standards
Where to File Plat Application and Pay Fee	City	City	County
Where to Submit Construction Plan for Approval	City	City/ County Jointly	County
Inspections Done by/Insp. Fees Paid to	City	County	County
Plat Approval Provided by	City	City	County
Fiscal Assurance/Performance and Warranty Bonds Paid to & Held by	City	County	County
Water and Wastewater Permitting Review in the City of Bastrop CCN Performed by	City	City	County
All Remaining Permitting and Licensing within the public ROW Review Performed by	County	County	County

3. TERM, TERMINATION, AND DEFAULT.

- 3.1.Term. The term of this Agreement shall begin on the Effective Date and shall run for a two (2) year term and shall automatically renew on its anniversary date every 2 years, unless otherwise terminated by either Party, or either party requests an amendment in writing, or the Texas State Legislature enacts legislation that could require an amendment.
- 3.2. Termination. This Agreement may be terminated as follows:
 - 3.2.1 The Parties may unilaterally or mutually agree to terminate this Agreement, for cause or no cause, by giving the other party a minimum of ninety (90) days written notice of the desire to terminate. During the period prior to the termination the Parties shall work together to wind-up any then-existing subdivision matters and pending issues. However, because an agreement of this type is required by State law to be in place between the Parties, in the event either or both Parties provide notice of termination, both Parties agree that they will voluntarily initiate good faith discussions to negotiate the provisions of a new agreement to take the place of the terminated contract, if such is required by law at that time, within thirty (30) days of the termination date of the then existing Agreement, or as soon as is feasible thereafter.
 - 3.2.2 Should a Party commit a default of this Agreement, the Parties shall communicate with each other in good faith to resolve the default. Should resolution not occur, the non-defaulting Party may terminate this Agreement by giving written default/termination notice to the defaulting Party at least Ninety (90) days prior to the termination date chosen by the non-defaulting Party. During that Ninety (90) day period, the Parties shall reasonably work together to wind-up and conclude all pending issues related to the Agreement.

4. GENERAL PROVISIONS APPLICABLE TO ALL AREA SUBDIVISIONS.

- 4.1 Regardless of the Area that a Subdivision is located within, if a subdivision plat application or related plat documentation submitted to the applicable governmental entity is in compliance with all applicable development regulations and requirements of the entity overseeing that subdivision, then such application or related subdivision plats shall be approved by the responsible entity, for proper filing, as required by law.
- 4.2 Unless otherwise mutually agreed to by the City and the County, the Parties shall be required to mutually enter into negotiations with a Developer to draft and execute a Tri-Party agreement covering the subdivision plat, or related permits, in the following instances:
 - 4.2.1 The subdivision is in Area S, and public infrastructure will be dedicated to the County; or
 - 4.2.2 The subdivision is in Area V, and:
 - 4.2.2.1 The Development is in the City's CCN or;

- 4.2.2.2 The Development intends to create a Special Utility District or;
- 4.2.2.3 City has a water and/or wastewater connection within 300' of the subdivision.
- 5. REGULATION OF SUBDIVISIONS IN AREA S: Pursuant to this Agreement, a subdivision that is currently existing and/or depicted on the attached Map to fall within Area S, or that is located wholly or a majority of which is to be located in Area S (referred to herein as an "Area S Subdivision") shall be regulated as follows:
 - 5.1 APPLICABLE REGULATORY STANDARDS. The City shall be responsible for performing its standard review for acceptance and approval of subdivision plat applications and related plat documentation pursuant to applicable State, Federal Regulations and as set forth in the City and County Joint Standards, as amended, except as specifically otherwise noted herein. All required documents for a plat application and related plat approval for an Area S Subdivision shall be filed with the City for review and action, unless exempted from filing a plat application by the proper application of a federal or state statute, or authorized local regulation.
 - 5.1.1 For all Area S Subdivisions, Developers shall be required to be in compliance with the City's and County's public road, drainage and other public infrastructure development and subdivision Joint Standards and requirements.
 - 5.1.1.1 For all Area S Subdivisions, when the City and County Joint Standards require a developer to dedicate, construct, install, or improve public road, drainage, or other public infrastructure (including but not limited to lighting, signage, traffic lights, sidewalks, parking areas, storm sewers or other drainage infrastructure), and when the subdivision infrastructure will require future maintenance by a governmental entity after acceptance, the City shall require an expressly worded 'plat note' to be shown on the final, approved plat documentation stating that all public infrastructure shall be maintained by the Developer, until such time that it is accepted, if at all, by a governmental entity for maintenance.
 - 5.2 RESPONSIBLE ENTITY; SUBDIVISION APPLICATION/FEES; AND APPROVAL OF CONSTRUCTION PLANS.
 - 5.2.1 Developers shall submit all subdivision applications and construction plans related to Area S Subdivisions and plats to the City of Bastrop's Department of Planning and Development, at 1311 Chestnut Street, Bastrop, Texas 78602, for review and processing by the City. The City shall ensure that all construction plans adhere to the City and County's joint adopted development standards in place at the time.
 - 5.2.1.1 For all Area S Subdivisions, upon its *receipt* of a subdivision plat application or related plat, the City shall deliver a copy for review of same to the County, complete with copies of all attached or related documents.

The timing of this delivery shall allow the County ten (10) business days for review.

- 5.2.1.2 For all Area S subdivisions, within 10 days from its *action* on a subdivision plat application or related plat, the City shall deliver written notice of the action to the County, complete with copies of all documents which memorialize that action.
- 5.2.2 All fee deposits from the Developer on all Area S Subdivisions shall follow Table 1 in Section 2 of this agreement.

5.3 INSPECTIONS AND COLLECTION OF INSPECTION FEES.

- 5.3.1 For Public Roads in accordance with Table 1 in Section 2 of this agreement, the County shall be responsible for performing all inspections on the subdivision construction, retaining all inspection fees paid by the developer related to the subdivision, and providing the City with copies of inspection reports for same on all Area S Subdivisions.
- 5.3.2 For Private Roads in accordance with Table 1 in Section 2 of this agreement, the City shall be responsible for performing all inspections on the subdivision construction, retaining all inspection fees paid by the developer related to the subdivision, and providing the County with copies of inspection reports for same on all Area S Subdivisions.

5.4 PLAT APPROVAL AUTHORITY; PROCEDURES USED.

5.4.1 The City shall provide for the administration and completion of any required subdivision construction agreement, phasing agreement and other planning and construction issues ancillary thereto for all Area S Subdivisions, ensuring the County is included in any agreement related to the roads or other infrastructure that will be public.

5.5 BONDS/INFRASTRUCTURE WARRANTY AND MAINTENANCE GUARANTY; FISCAL ASSURANCES.

- 5.5.1 Fiscal Security Deposits. Table 1 of Section 2 shall define the party responsible for any requisite fiscal security deposits made by developers for the subdivision in Area S and for holding any applicable escrow fees deposited by developers for same, for the joint benefit of the Parties, as applicable.
- 5.5.2 Performance Bonding and Assurance. Table 1 of Section 2 shall define the party responsible for requiring, as a condition for plat approval, that developers who construct public road, utility, drainage, or other public infrastructure post fiscal assurance in a form and amount approved by the responsible party, to assure final and complete construction of all required subdivision infrastructure. As appropriate

- and applicable, such fiscal assurance shall conform to the standards of the responsible party's subdivision regulations.
- 5.5.3 Infrastructure Warranty and Maintenance Guaranty. Table 1 of Section 2 shall define the party responsible for requiring, as a condition for plat approval, that developers who construct public road, utility, drainage, or other public infrastructure provide to the responsible party a post-inspection/post-acceptance infrastructure warranty and maintenance guarantees, made to the responsible party, as set forth in the responsible party's Subdivision regulations. As appropriate and applicable, such fiscal assurance shall conform to the standards of the responsible party's subdivision regulations.

5.6 TRANSPORTATION MASTER PLAN COMPLIANCE.

5.6.1 The City and the County, as applicable, shall be responsible for requiring any development in the Area S ETJ to dedicate the necessary ROW as identified in the most recent edition of the City's Master Transportation Plan, the most recent edition of the County's Transportation Plan, and the most recent edition of the Capital Area Metropolitan Planning Organization's Regional Transportation Plan. Pursuant to Chapter 242 of the Texas Local Government Code, Section 242.001(g), in the event transportation plans conflict, the metropolitan planning organization's plan shall prevail.

5.7 EXISTING COUNTY ROADWAYS.

5.7.1 Regarding subdivisions located in Area S, if the developer is required to undertake improvements to the surrounding County roadway network as defined in a Traffic Impact Analysis (TIA) or as determined by the County Engineer, said improvements shall be constructed to County standards regarding the design, construction, labor, services, and materials of said infrastructure. The County shall review and approve the construction plans for any such improvement prior to the issuance of any development permits or the approval of any final plat.

5.8 WATER AND WASTEWATER CCN AREAS.

- 5.8.1 The City will have review authority for water and wastewater utility review and approval within the portions of Area S that are within the City's CCN boundary as defined in Exhibit A.
- 6. REGULATION OF SUBDIVISIONS IN AREA V. Pursuant to this Agreement, a subdivision that is currently existing and/or depicted on the attached Map to fall within Area V, or that is located wholly or a majority of which is to be located in Area V (referred to herein as an "Area V Subdivision") shall be regulated as follows:
 - 6.1 APPLICABLE REGULATORY STANDARDS. The County shall perform its standard review for acceptance and approval of subdivision plat applications and related plat

documentation for an Area V Subdivision, pursuant to applicable State, Federal Regulations and City and County Joint Standards set forth in the County's Subdivision Standards and regulations, as amended, except as specifically otherwise noted herein.

- 6.1.1 Regarding an Area V Subdivision, the County shall require Developers' compliance with the then existing City and County Joint Standards, as well as the then existing City and County Joint Standards for public road, drainage, and other public infrastructure development standards and requirements.
- 6.2 RESPONSIBLE ENTITY; SUBDIVISION APPLICATION/ FEES; AND APPROVAL OF CONSTRUCTION PLANS.
 - 6.2.1 Developers shall submit all subdivision applications related to all Area V Subdivisions under this section and plats to Bastrop County Development Services, 211 Jackson Street, Bastrop, TX 78602.
 - 6.2.1.1 All required documents for an Area V Subdivision plat application and related plat approval shall be filed with the County for review and County action, unless exempted from filing by the proper application of a federal or state statute, or authorized local regulation.

6.3 INSPECTIONS AND COLLECTION OF INSPECTION FEES.

6.3.1 The Bastrop County Engineer (or designee) shall perform construction inspections of the public road, drainage, or other public infrastructure required and constructed in a subdivision located in Area V, in order to ensure developer compliance with all applicable design and construction standards and to form the basis for a recommendation to the Bastrop County Commissioners Court regarding whether said infrastructure should, or should not, be accepted for public maintenance, and the County shall be entitled to retain inspection fees paid by developer, related to same. Utility providers are responsible for the inspection related to the infrastructure that is not owned and maintained by Bastrop County.

6.4 PLAT APPROVAL AUTHORITY; PROCEDURES USED.

6.4.1 The County shall provide for the administration and completion of any required subdivision construction agreement, phasing agreement and other planning and construction issues ancillary thereto related to Area V Subdivisions.

6.5 BONDS/INFRASTRUCTURE WARRANTY AND MAINTENANCE GUARANTY; FISCAL ASSURANCES

6.5.1 Regarding all public road, drainage, or other public infrastructure required and constructed in a subdivision located in an Area V subdivision, all developer contracts with a contractor for subdivision infrastructure shall include: (a) a

- performance bond in the amount of the construction costs to ensure installation of the infrastructure, and (b) a warranty and maintenance bond, to the County, to warrant the materials, labor and workmanship of the installation related to the construction and maintenance for a period of time as set forth in the County's regulations.
- 6.5.2 Regarding an Area V Subdivision, the County shall provide for the administration and completion of acceptance and administration of all required fee deposits from the developer and the administration of fiscal security regarding those deposits.
- 6.5.3 Regarding an Area V Subdivision, public roads, utilities, drainage infrastructure, or other public infrastructure required for the subdivision, and as a condition for plat approval, the County shall require that a surety bond (or other financial guarantee in lieu of a bond), as authorized by state law, shall be executed in favor of the County. If a bond is required, it shall be in the form and include provisions as set forth in the County's Subdivision Regulations.

7. ADMINISTRATIVE PROVISIONS.

- 7.1. ENTIRE AGREEMENT. This instrument is intended by the Parties as the final, complete and exclusive statement of the terms and conditions of this Agreement and is intended to supersede all previous agreements and understandings between the Parties relating to its specific subject matter. No prior stipulation, agreement, understanding or course of dealing between the Parties with respect to the specific subject matter of this Agreement shall be valid or enforceable unless embodied in this Agreement. No amendment, modification or waiver of any provision of this Agreement shall be valid or enforceable unless in writing and signed by all Parties. Each of the Parties shall pay all of its own costs and expenses (including travel expenses and attorney's fees) incurred in negotiating and preparing this Agreement and carrying out the transactions contemplated by this Agreement.
- 7.2. SEVERABILITY. If any provision of this Agreement is held to be illegal, unenforceable or invalid, it shall be severed and the remaining provisions of this Agreement shall not be affected thereby and shall remain in full force and effect.
- 7.3. ATTORNEY FEES, INTEREST, AND EXPENSES. In the event a Party commits a default of this Agreement, and litigation is filed regarding this Agreement, the prevailing Party in the litigation shall be entitled to recover its reasonable and necessary attorney's fees, court costs, interest, and expenses allowed by law and incurred by said Party in that litigation.
- 7.4. NO WAIVER/ASSIGNMENT. The failure of a Party in any one or more instances to insist upon the performance of any provision of this Agreement shall not be construed as a waiver of that Party's rights with respect to that or any continuing or subsequent default of the Agreement, and the Agreement shall remain in full force and effect. This Agreement is not assignable without the express written consent of all Parties.

- 7.5. GOVERNING LAW. This Agreement shall be construed and interpreted in accordance with the law of the State of Texas.
- 7.6. SIGNATORY AUTHORITY; REPRESENTATIONS/WARRANTIES. This Agreement shall inure to the benefit of and be binding upon the Parties and their legal representatives, successors and permitted assigns, subject to the proper application of the doctrine of governmental immunity which protects both Parties. Each Party warrants and represents to each other the following:
 - (a) The Party has read the Agreement in its entirety and understands all of its terms and provisions.
 - (b) The person signing this Agreement on behalf of the Party has the authority and power to execute it on behalf of the Party.
 - (c) This Agreement was approved by the governing body of the Party at a public meeting properly noticed and conducted pursuant to Chapter 551 of the Texas Government Code, the Texas Open Meetings Act.
 - (d) Pursuant to Texas Government Code Chapter 791, as amended, this Agreement: (1) is an authorized inter-local governmental contract; (2) provides for a governmental function and service that each Party is authorized to perform for the other Party; and (3) all monetary payment required by this Agreement to be paid from one Party to the other Party (i) shall constitute payment for the performing Party's performance of a governmental function and service to the paying Party, (ii) shall be paid from current revenues available to the paying Party, and (iii) are for an amount that fairly compensates the performing Party for said governmental function and service.
- 7.7. NOTICES. All notices required by this Agreement shall be in writing, correctly addressed to the required addressee, and delivered by: (a) certified United States mail, return receipt requested; or (b) courier or hand-delivery. No notice required by this Agreement shall be effective if delivered only by facsimile, e-mail, or other electronic transmission. The addresses and designated notice representatives of the Parties for notice under this Agreement are as follows, and a Party may revise this information by giving the other Party 3 days advance written notice of the change:

If to the County:

If to the City:

County Engineer City Manager
Bastrop County Development Services City Hall
211 Jackson Street 1311 Chestnut Street
Bastrop, Texas 78602 Bastrop, Texas 78602

Any notice required by this Agreement must be correctly addressed to the required addressee, and shall be deemed to have been given on the day the notice is delivered to the addressee by: (a) hand-delivery or courier service; or (b) United States certified mail,

return receipt requested.

- 7.8. DOCUMENT CREATION, USAGE AND PREAMBLE INTERPRETATION. The rule of construction that ambiguities in a document are construed against the Party who drafted it shall not apply in interpreting this Agreement. As used in this Agreement, singular nouns and pronouns shall include the plural, and the masculine gender shall include the feminine gender, and vice versa, where necessary for a correct meaning. All statements made in the preamble and preliminary recitals of this Agreement, and all attached documents, are incorporated by reference for all purposes. The Parties agree that to the full extent possible, each has a duty to mitigate damages.
- 7.9. PERFORMANCE, VENUE, AND MEDIATION. This Agreement shall be performed in Bastrop County, Texas, and venue for any suit regarding this Agreement shall be in a court of competent jurisdiction in Bastrop County, Texas, or in the appropriate federal court designated for Bastrop County, Texas in the Western District of Texas. The Parties agree that prior to initiating the mandatory dispute resolution remedy set forth in Chapter 242 of the Texas Local Government Code, as amended, the Parties shall jointly participate in non-binding mediation to resolve any disputes related to this Agreement. In the event of such mediation, each Party shall pay its own expenses incurred for the mediation, including attorney fees, mediator fees, and travel expenses. The mediator shall be selected by the Parties; however, should the Parties fail to agree on a mediator, the dispute shall be submitted to the Center for Public Policy Dispute Resolution, School of Law, University of Texas at Austin, 727 East Dean Keeton Street, Austin, Texas 78705, for mediated resolution. Notwithstanding the above, a Party may file suit solely for injunction or mandamus relief regarding this Agreement without first submitting that dispute to mediation.
- 7.10. COUNTERPARTS AND CAPTIONS. This Agreement may be executed in several counterparts, each of which shall be deemed to be an original, and all of which together shall be deemed to be one and the same instrument. Signed counterparts of this Agreement may be delivered by facsimile or by scanned pdf image, each of which shall have the same force and effect as an original signed counterpart. Copies of signatures to this Agreement are effective as original signatures. The captions of the paragraphs or subparagraphs of this Agreement are inserted for convenience of reference only and shall not be deemed to modify or otherwise affect the provisions of this Agreement.
- 7.11. DEFAULT SURVIVES TERMINATION. Notwithstanding anything to the contrary stated in this Agreement, and subject to the proper application of the doctrine of governmental immunity which protects both Parties, should a Party commit a default regarding any obligation, promise, representation, or warranty contained in this Agreement, including the payment or use of funds, that default event, any related default claim, and this provision, shall survive the termination of this Agreement and can be asserted in litigation against the defaulting Party. A defaulted payment amount or other monetary default shall accrue prejudgment interest in favor of the non-defaulting Party at the highest amount allowed by law until the total default is paid in full.

- 7.12. TIME. Time is of the essence. Unless otherwise designated in this Agreement, all references in this Agreement to "days" shall mean calendar days. Business days, if used in this Agreement, shall exclude Saturdays, Sundays, and legal public holidays as then recognized and observed by the City or County. If the date for performance of any obligation falls on a Saturday, Sunday, or legal public holiday as then recognized and observed by the City or County, the date for performance will be the next following regular business day.
- 7.13. NO IMMUNITY WAIVER. By signing this Agreement, neither Party waives or relinquishes any protection afforded by the proper application of the doctrine of governmental immunity. Nothing in this Agreement shall be construed or interpreted as waiving or attempting to waive any protection afforded a Party by the proper application of the doctrine of governmental immunity.
- 7.14. NO SPECIAL RELATIONSHIPS. There are no third-party beneficiaries regarding this Agreement. The Parties' relationship is that of an ordinary, arms-length contractual relationship, and the Parties do not intend by this Agreement or otherwise to create the relationship of principal and agent, partner(s), joint venture(s), or any other special relationship.
- 7.15. RATIFICATION AND VALIDATION. The County and City hereby ratify all plats approved by the County and the City pursuant to, and in accordance with, the Interlocal Agreement effective on January 10, 2006, executed by the City and the County for the review of subdivision applications in Bastrop County and in the City's ETJ ("2006 Interlocal Agreement"). A plat approved since January 11, 2011, is conclusively presumed valid, and in full force and effect, and to have been approved in accordance with all applicable statutes, orders and ordinances, if a lawsuit to annul or invalidate the plat was not filed on or before the Effective Date of this Agreement.

THIS AGREEMENT is executed by the Parties and will become effective on the later of the dates shown below (the "Effective Date").

BASTROP COUNTY:

by:

Gregory Klaus, County Judge

Bastrop County, Texas

hu.

Connie Schroeder, Mayor City of Bastrop, Texas

CITY OF BASTROP:

EXHIBIT A