

**Interlocal Cooperation Agreement
Between the
City of Taylor Lake Village, Texas
and the City of El Lago, Texas**

THE STATE OF TEXAS §
 § KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF HARRIS §

This Interlocal Cooperation Agreement is entered into by and between the City of Taylor Lake Village ("Taylor Lake Village") and the City of El Lago ("El Lago"), each a municipal corporation located in Harris County, Texas, (hereinafter referred to, collectively, as "Cities").

WITNESS:

Whereas, the Interlocal Cooperation Act, Texas Government Code Chapter 791, (the "Act") authorizes municipalities such as Taylor Lake Village and El Lago to enter into agreements among themselves for the providing of governmental functions and services; and

Whereas, the Act specifically authorizes municipalities such as Taylor Lake Village and El Lago to enter into such an agreement for providing police protection and law enforcement; and

Whereas, pursuant to the Act, the Cities have created and desire to continue to operate a common police department named the Lakeview Police Department; and

Whereas, pursuant to the Act, the Cities desire that the Lakeview Police Department be governed by a police commission composed of four individuals sitting as a Board of Commissioners, which will enjoy all the privileges and immunities of a municipal police department under the laws of the State of Texas and the United States of America; **now, therefore, and**

Whereas, the Lakeview Police Department may, with the permission of the Cities and within the limits of the applicable approved budgets for any given year, enter into contracts with other governmental entities for the provision of police protection and law enforcement for the Cities, including but not limited to Harris County, Texas for the provision of detention facilities, the City of Webster, Texas for the provision of detention facilities and dispatch services and the City of League City, Texas for the provision of police software; now, therefore,

For and in consideration of the foregoing and of the mutual benefits to be derived hereunder, Taylor Lake Village and El Lago do hereby agree, covenant, and bind themselves as follows:

1. **Term.** This Agreement shall commence on the effective date hereof and terminate at midnight, September 30, 2014. Provided, further, this Agreement shall be automatically renewed for additional two year terms beginning at 12:01 a.m. on October 1, 2014 and each succeeding two year period and terminating at midnight, September 30, for each two year period thereafter, unless written notice of termination or non-renewal is received from one or the other Cities at least 275 days prior to the end of any term pursuant to Section 12 of this Agreement.

2. **Lakeview Police Department.** Taylor Lake Village and El Lago do hereby create and designate, pursuant to the Act, the Lakeview Police Department (the "LPD") that shall be jointly owned and operated by the Cities for the furnishing of all police services and law enforcement

activities to the Cities. The Cities will jointly share in all expenses of the operation as provided herein and the Cities shall be jointly responsible in all respects for the activities of the LPD.

3. **Police Services.** The LPD shall provide all law enforcement personnel necessary to furnish police services to the Cities. The Chief of Police of the LPD may nominate an individual for commission as a police officer to preserve the peace in the Cities. That individual shall be subject to approval by the Board of Commissioners as set forth herein and, should the Commission approve the individual, then the individual shall then be commissioned as a peace officer by both of the Cities. No such individual shall be qualified to act as a peace officer of the LPD until he or she has been commissioned as a peace officer by both of the Cities as provided herein.

4. **Immunity from Liability.** It is intended, agreed, and understood that the governmental immunity from liability to which a municipality or its police department is entitled under the laws of the State of Texas and the United States of America shall be extended to and include the LPD, its Board of Commissioners, and the Cities, and their agents, employees and officers. Nothing in this Agreement should be construed as a waiver of immunity from liability.

5. **Board of Commissioners.**

A. The affairs of the LPD shall be administered by a Board of Commissioners (the "Board"). The Board shall consist of four commissioners, two from each of the Cities as set forth herein.

B. **Designation; Term Limits.** The commissioners representing each of the Cities on the Board shall be named thereto as the representative of that city by formal resolution of the city council of each city. Except as contained herein, each commissioner shall serve for a term of two years as set forth herein, though the commissioners so named by any city may be changed at will by formal resolution of the city council of that city during the term of the commissioner. In the event such a change in commissioners by any city occurs, the city making such change shall immediately give notice as provided herein by furnishing a copy of the resolution of change to the other city and to the Board. No individual shall be named by a city to serve on the Board for greater than two successive terms.

C. **Alternate Commissioners.** In addition, each city shall name one alternate commissioner who shall serve in the event of the absence of either of the commissioners for whom he serves as alternate. Such alternate commissioner shall be named and changed in the same manner and with the same notice as the regular commissioners of the city. Service time of an alternate commissioner shall not be counted towards disqualification of the person for serving two full, successive terms as a commissioner on the Board of Commissioners; provided, however, that no individual shall serve for greater than two full, successive terms as an alternate commissioner and two full, successive terms as commissioner. In the event of the resignation of a commissioner from the Board, that commissioner shall be replaced by the alternate commissioner named by the respective city to serve in his or her absence. After completing the

resigning commissioner's term, the alternate commissioner replacing the individual is then authorized to serve two full, successive terms as commissioner. However, in no event shall one individual serve more than eight successive years as an alternate commissioner and commissioner on the Board.

D. **Ex-Officio Officers.** No Mayor of either of the Cities shall serve at any time as a commissioner or alternate commissioner on the Board of Commissioners but, rather, each Mayor of the Cities shall serve throughout their term as Mayor as an ex-officio member of the Board and will be permitted to attend all meetings, including executive sessions, of the Board. The Mayors, however, will not have voting privileges on the Board. In addition, not more than one councilperson from each city may serve as a commissioner or alternate commissioner at any time during their respective terms as a councilperson from the Cities.

6. **Powers and Duties of the Board.** The Board of Commissioners is empowered to:

A. Draft a constitution, by-laws, and procedures for the orderly execution of its duties; provided, however, such constitution and by-laws and also all such procedures shall not become effective until they have been approved by the city council of each of the Cities;

B. Prepare and submit annual budgets on a fiscal year basis to each of the Cities no later than June 1 of each year. The budgets shall be approved by formal resolution of the city council of each of the Cities prior to September 1 of the year in which the Board's budget is received;

C. Collect the funds paid by each city for the provision of police services as contracted for herein and pursuant to the formula for payment set forth herein. The Board shall insure that all funds are utilized only for the purposes set forth in this Agreement and as contemplated by the Act and shall insure that standard professional accounting and bookkeeping procedures are utilized to maintain the funds. Any expenditure of funds contemplated by the Board not specifically authorized by the annual budget approved by each city shall not be made until formal approval by resolution of the council of each city is obtained;

D. Disburse the collected funds up to those sums authorized in the budget approved by the Cities in order to procure and provide those police services that are made the basis of this Agreement. Any inter-budgetary transfers of funds or expenditures contemplated that are not budgeted shall be approved first by the city councils of the Cities as indicated herein;

E. Prepare monthly statements of accounts, income, and expenses paid during each the month and cumulatively during the current calendar year on an accrual basis. Copies of such statements are to be delivered to each of the Cities on a monthly basis, and in no event later than the tenth day of each successive month;

F. Prescribe a table of organization and provide or assist in the provision of the police services described herein as may be deemed necessary by the Board of Commissioners;

G. Select and appoint a Chief of Police ("Chief") as set forth herein and determine the policies for the Chief in the use of the police resources and services described herein, the policies to be formally set forth in the procedures manual and manual of personnel policies developed and approved by the Board, subject to approval of the Cities as set forth herein. The Chief shall be selected and appointed by the Board and shall be subject to approval of the city council of each city. The Chief shall serve at the will of the Board and may, at any time during his or her service, be terminated as Chief of Police by majority vote of the Board of Commissioners as herein set out, subject to approval of the city council of each of the Cities. The Board shall further be responsible for the selection and appointment of all police officer personnel as contained herein. The Chief shall be responsible for the appointment of all civilian personnel employed by the LPD, subject to confirmation by the Board;

H. Purchase, receive, lease or otherwise acquire, use, and otherwise deal in and with any personal property necessary to the performance of the police services described herein;

I. Maintain its accounting records in accordance with generally accepted accounting principles. These records shall be kept at all times at the office of the LPD and shall be made available at all reasonable times for inspection by any duly authorized representative of the city council of either or both of the Cities;

J. Within 145 days of the end of the fiscal year, cause to be performed an annual audit of all income and disbursements as specified by state law; and

K. To the extent permitted by law, enter into such contracts, within the limits of the applicable approved budget for any given year and only as contemplated by this Agreement, and exercise all powers necessary or appropriate to effectuate any and all of the purposes and powers described herein.

7. **Meetings.** The Board of Commissioners shall meet at least one time in each calendar month during any term of this Agreement, and all such meetings shall be held pursuant to the applicable laws of the State, including Chapter 551, Government Code. The times of meetings shall be determined and specified in the by-laws of the Board, as should all meeting rules and regulations necessary. A majority of the Board shall constitute a quorum for the transaction of business by the Board, provided, however, that at least one commissioner from each of the Cities must be present in order for a quorum to be constituted and in order for the Board to transact business pursuant to this Agreement. All actions of the Board must be approved by the favorable vote of a majority of its members voting.

8. **Chairman and Vice-Chairman of the Board.** A member of the Board of Commissioners shall be designated as Chairman and another member as Vice Chairman. The

positions of Chairman and Vice Chairman shall be alternated annually between representatives of each city, with each city having a representative serving in one of the positions each year. The city whose representative is not sitting as Chairman of the Board shall, by formal resolution of its city council prior to October 1 of that year, designate which of its two commissioners shall sit as Vice-Chairman. The duties of the Chairman and Vice Chairman are the same as the other commissioners except that additionally the Chairman shall call and preside at all meetings he attends and shall be the ceremonial officer in charge of the Board. The Vice Chairman shall call and preside at meetings in the absence of the Chairman.

9. **Funding.** Each city shall fund the LPD budget on a 50/50 basis; that is, each city agrees hereby to provide funds for one-half of the budgeted expenses of the LPD for each year of this Agreement, the budgeted expenditures having been approved prior to September 1 of each such year by the city council of each city. As contained herein, all such funds shall be provided by the city council of each city to the LPD on an apportioned basis, on or before the first day of each month of each year in which the LPD continues to operate pursuant to this Agreement.

10. **Personal Property: Ownership and Use of Equipment.** The ownership of existing vehicles and all equipment currently dedicated to law enforcement and police protection purposes by each of the Cities, if any, shall remain the property of the city presently owning same and no changes in the title or ownership to any such equipment or vehicles shall be made. All such vehicles and equipment shall, however, be dedicated by each city to the LPD for its use in law enforcement and police protection operations and the Board of Commissioners shall be responsible for the use of all such vehicles and equipment. Any future sale of any such vehicles or equipment shall inure solely to the benefit of the city owning such vehicles or equipment and not to the LPD or in any way to the other city not owning the vehicles or equipment. To the extent permitted by law, all personal property assets, including vehicles and equipment, acquired before or after the effective date of this Agreement by the LPD for law enforcement and police protection services, including vehicles and equipment, shall be the property of the LPD in whose name the title of the vehicles and equipment shall be. All of such assets, including all vehicles and equipment, shall, however, be specifically held by the LPD in trust for the Cities and it is understood by the Cities and the LPD that each such city owns a one-half interest in all such assets, including all such vehicles and equipment.

11. **Real Property: Ownership and Use of Land and Improvements.** Each city will provide certain of its land and facilities for the use and benefit of the LPD as agreed in the attached "Facilities Agreement" (Exhibit A). The Cities agree that any request for additional space needed for the use and benefit of the LPD will be treated as a request to each city independent of the annual budget.

12. **Notice.** Any notice required to be given by terms of this Agreement shall be given by registered or certified mail, return receipt requested, to the Cities at the following mailing addresses:

City of Taylor Lake Village
500 Kirby Road
Taylor Lake Village, Texas 77586

with a copy to:

Scott Bounds
Olson & Olson
2727 Allen Parkway, Suite 600
Houston, Texas 77019

City of El Lago
411 Tallowood Drive
El Lago, Texas 77586

with a copy to:

Arthur Val Perkins
Gardere
Wells Fargo Plaza, Suite 3400
1000 Louisiana
Houston, Texas 77002

Notice also may be given by actual delivery of notice to the office of the city during normal business hours on Monday through Friday, except on national holidays. Notice of a change of address shall be given in like manner.

13. **Service of Process.** Upon receipt of service of process naming it, the LPD, as the police department for the Cities, the Board of Commissioners shall cause a complete copy of such process to be delivered promptly to each of the Cities.

14. **Citations Not Accepted.** The Board of Commissioners is not authorized to and shall not accept service of citation or other process for the Cities upon matters that are the subject of this Agreement.

15. **Insurance.** For the protection of the officers and employees of the LPD, the Board of Commissioners and employees thereof, the Cities, their respective mayors, councilmen, officers, and employees thereof, the Board of Commissioners shall acquire and maintain in force the following insurance protection:

A. Fidelity and surety insurance covering theft, embezzlement, or other wrongful or fraudulent taking, pledging, appropriation or use of any funds or property of the LPD.

B. Comprehensive liability insurance coverage on all such personnel in an amount to be determined by the Cities. Each city shall also be named on the face of the policy *as* an "insured".

C. Public liability insurance coverage on all vehicles, each city being named on the face of the policy as an "insured", such policy to afford bodily injury, property damage and comprehensive coverage in amounts and with deductible coverages to be determined by the Cities.

D. An umbrella insurance policy, in excess of the insurance limits contained in the policies prescribed in sections B and C above, providing additional coverage in an amount to be determined by the Cities.

16. **Control of Personnel and Equipment.** Except as set out in this Agreement, all police personnel are under the direction, control and supervision of the LPD. All vehicles and equipment owned and/or operated by the Lakeview Police Department, pursuant to this Agreement, shall be used only for official police business and in accordance with such rules, regulations, policies and procedures governing the LPD.

17. **Termination.** Notice of termination or non-renewal of this Agreement by one city must be delivered at least 275 days prior to the end of the initial term or any renewal term of this Agreement. Upon timely receipt of notice of termination from a city, the following procedures will control:

A. To permit an orderly transfer of property and shift of police responsibility, this Agreement, after notice of termination or non-renewal, shall remain in effect for one additional year, such additional year to commence on the first anniversary date (October 1) next following receipt of such notice as is prescribed in paragraph 1 hereof. No further notice of termination or non-renewal need be given.

B. At the time of termination, the assets of the LPD, other than realty (land and improvements), shall be distributed in kind and equal shares. If such assets are not susceptible to division in kind, such assets shall be distributed on the basis of their market value and, if necessary, such distribution shall be made by drawing of lots.

C. The Cities shall make every reasonable effort to agree to the budget for the following year of operation of the LPD by approving a budget submitted by the LPD to each of the Cities as set forth herein. If the Cities are not able to agree regarding the budget, then the budget for the preceding year of operation shall control and shall be utilized as the budget of the final year of operation for the LPD.

D. Notwithstanding any other provision of this paragraph 17, the Cities may mutually agree to any other suitable withdrawal or terminating procedure.

18. **Availability of Funds.** All expenditures made by each city in fulfilling its obligations hereunder shall be paid only from current revenues legally available to the city. Each city agrees that it shall make payments for this Agreement from current revenues available to the city and that it will not budget or expend funds for other law enforcement or other police services unless it has current revenues available to make payments for this Agreement.

19. **No Third Party Beneficiaries.** The provisions of this Agreement are for the benefit of the Cities only. There are no third party beneficiaries of this Agreement.

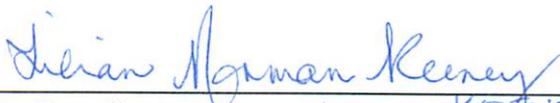
20. **Place of Performance; Venue.** All obligations of each city shall be performed in Harris County, Texas. Venue for any action arising out of this Agreement shall lie exclusively in the state courts in Harris County, Texas.

21. **Severability.** If any provision(s) of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, (1) such provision(s) shall be fully severable, (2) this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision had never been part of this Agreement, and (2) the remaining provisions of this Agreement shall remain in full force and effect.

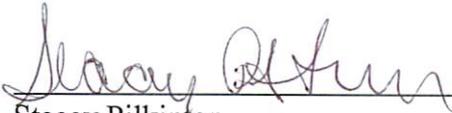
22. **Entire Agreement.** This is the complete and entire Agreement between the Cities with respect to the matters herein and supersedes any prior negotiations, agreements, representations and understandings, if any. This Agreement may not be modified, discharged or changed in any respect whatsoever except by a further agreement in writing approved by the city councils of both Cities.

EXECUTED this 20th day of September, 2012.

CITY OF TAYLOR LAKE VILLAGE, TEXAS


Jon Powell LILLIAN NORMAN KEENEY
Mayor Pro temp.

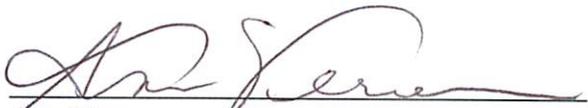
ATTEST:


Stacey Pilkinton
City Secretary

CITY OF EL LAGO, TEXAS


Brad Emel
Mayor

ATTEST:


Ann Vernon
City Secretary