



Harris-Galveston Subsidence District

Serving the Gulf Coast Community Since 1975

August 9, 2018

Tommy Arredondo
City of League City
300 W. Walker St.
League City, Texas 77573

Re: Interlocal Agreement for CITY OF LEAGUE CITY

Dear Student Sponsor:

Attached please find the Interlocal Agreement for the WaterWise program in the 2018-2019 school year. As you begin the process of reviewing the Interlocal Agreement for the 2018-2019 school year, we ask that you please provide us with any updated contact and mailing address information.

The Subsidence District would like to thank you for your continued participation as a sponsor in the District's Water Conservation Education Program.

—
If you have any questions, please feel free to call me at (281) 956-2190 or Jade Jones at (281) 956-2193.

Sincerely,

A handwritten signature in black ink that reads 'Jennifer Welch'.

Jennifer Welch
Water Conservation Coordinator
(281) 956-2190
jwelch@subsidence.org

Enclosure

STATE OF TEXAS §
COUNTY OF GALVESTON §

INTERLOCAL AGREEMENT

This Interlocal Agreement ("Agreement") entered into by and between the Harris-Galveston Subsidence District, a body corporate and politic under the laws of the State of Texas ("Subsidence District") and CITY OF LEAGUE CITY, also a body corporate and politic under the laws of the State of Texas ("Sponsor").

WITNESSETH:

THAT WHEREAS, the Subsidence District is the regulatory agency responsible for preventing subsidence through reduction of groundwater withdrawals, governed by Chapter 8801, Special District Local Laws Code, which specifically provides that the Subsidence District may cooperate with "any local government to establish water conservation goals, guidelines, and plans to be used within the district"; and

WHEREAS, the Subsidence District cannot achieve water conservation goals without the cooperation and assistance of the public water supply systems; and

WHEREAS, the Subsidence District has designed a program to increase water conservation through education of elementary and intermediate students administered through the public schools and other water conservation program objectives and initiatives; and

WHEREAS, this education of elementary and intermediate students, "Be a Water Detective - Learning to be WaterWise" has been tested in several area schools; and

WHEREAS, the plumbing retrofit devices used as part of the elementary and intermediate school education program have been tested in the Harris County Municipal Utility District No. 55, jointly sponsored by that District, the Texas Water Development Board, and the Subsidence District, and have demonstrated an average savings of 1,400 gallons of water per month per kit utilized and properly installed; and

WHEREAS, the Sponsor is also dedicated to conserving water supplies and providing outstanding service to their customers and taxpayers; and

WHEREAS, the governing bodies of the Subsidence District and the Sponsor have duly authorized this Agreement; and

WHEREAS, this Agreement is made pursuant to Chapter 791, Tex. Gov. Code, the Interlocal Cooperation Act;

NOW THEREFORE, for and in consideration of the mutual promises and representations herein contained, the parties hereby agree as follows:

**I.
PROGRAM ADMINISTRATION**

1.01 The Subsidence District will coordinate the Program by doing the following tasks:

(A) Purchase and distribute the school curriculum and home retrofit kits, including the teacher's guide, teaching aids, internet supporting materials, and mobile applications.

(B) Provide in-service training to teachers and provide all support functions such as slide presentations, video presentations, publications, and program outlines.

(C) Conduct an evaluation of the program, collecting and analyzing voluntarily provided evaluation forms from teachers, students, administrators and parents, and provide the evaluation results to the Sponsor.

(D) Provide information related to other water conservation program objectives and initiatives.

(E) Provide all necessary documentation to the Texas Education Agency, Texas Water Development Board, and Texas Commission on Environmental Quality.

1.02 The Subsidence District shall provide water conservation credits as follows:

(A) The Sponsor shall receive a Certificate of Deposit water conservation credit equal to 84,000 gallons of groundwater (which equals 1,400 gallons per month for five years) for each student sponsored in the Program.

(B) The Sponsor may hold, transfer, sell, or redeem the Certificates of Deposit at any time, provided however, that the Certificates of Deposit will be honored by the District for no longer than 20 years after the date the Certificate of Deposit is issued.

(C) Redemption of the Certificate of Deposit requires the Subsidence District to increase the redeemer's groundwater allocation by the amount of the water conservation credit, provided however, that Certificates of Deposit issued beginning with the 2001-2002 school year (Series B) may only be applied

to a maximum of 30% of the permittee's total water demand. This absolute right to increase the groundwater allocation by up to 30% of the permittee's total water demand does not in any way affect the other terms and conditions of the groundwater permit and all groundwater withdrawals will be subject to the permit fees and other rules of the District in effect at the time of the permit.

1.03 The Subsidence District shall perform all coordination activities without additional charge to the Sponsor. The Sponsor may assist in any coordination activities and may participate in any phase of the program at its own discretion.

II. PAYMENT

2.01 The sponsor agrees to sponsor school(s) only within League City city limits. The sponsor agrees to sponsor 310 3rd, 4th, 5th, and 6th grade students within Clear Creek ISD school district in the WaterWise program for the 2018-2019 school year.

2.02 The Sponsor hereby agrees to pay to the Subsidence District, promptly upon receipt of an invoice from the Subsidence District, the total amount due, which is equal to \$36.46 per student sponsored. The above payment shall provide sponsorship for the above listed school(s) for one year. The amount of the invoice shall be calculated using the actual enrollment in the named schools for each year of the Project.

2.03 From time-to-time the Sponsor may seek to adjust the number of students sponsored by providing a written request to the Subsidence District, subject to the availability of schools willing to participate in the project.

2.04 The Sponsor agrees to pay a similar amount, adjusted for the actual cost of the sponsorship kit and the number of students sponsored, each year for the term of this Agreement.

2.05 This cost represents the sole monetary obligation of the Sponsor in exchange for and in consideration of the Subsidence District's obligations hereunder.

III.
TERM AND TERMINATION

3.01 The term of this Agreement shall be from the effective date hereof until termination of the 2018-2019 school year. This agreement may be renewed annually with written authorization of the Sponsor and approval of that authorization by the General Manager of the Subsidence District.

3.02 The Certificates of Deposit in the Groundwater Bank shall be transferred to the custody of the Sponsor upon receipt of payment from sponsor, and shall be honored by the Subsidence District for no longer than 20 years after the date the Certificate of Deposit is issued.

IV.
MISCELLANEOUS

4.01 Subsidence District is engaged as an independent contractor, and all of the services provided for herein shall be accomplished by Subsidence District in such capacity. The Sponsor will have no control or supervisory powers as to the detailed manner or method of the Subsidence District's performance of the subject matter of this Agreement. All personnel supplied or used by the Subsidence District shall be deemed employees or subcontractors of the Subsidence District and will not be considered employees, agents or subcontractors of the Sponsor for any purpose whatsoever.

4.02 Each party to the contract is paying for the performance of the contract from current revenues and will pay for each subsequent year this agreement continues from the revenues budget for that year. The parties agree that each party is paying fair compensation for the services or products rendered.

4.03 This Agreement merges the prior negotiations and understandings of the parties hereto and embodies the entire agreement of the parties, and there are no other agreements, assurances, conditions, covenants (expressed or implied) or other terms with respect to the Project, whether written or verbal, antecedent or contemporaneous with the execution hereof.

4.04 The Subsidence District may not assign or delegate any portion of its performance under this Agreement without the written consent of the Sponsor.

4.05 The Subsidence District shall remain obligated under all clauses of this Agreement that expressly or by their nature extend beyond the expiration or termination of this Agreement, including the obligation to honor Certificates of Deposit in the Groundwater Bank as provided in Section 1.02.

IN WITNESS WHEREOF, the parties put their hands to this Agreement on the dates indicated below. This Agreement shall be effective on the date of the last signature hereto.

SPONSOR

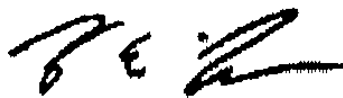
By: _____ (Title)

ATTEST:

By: _____
(Title)

Date: _____

HARRIS-GALVESTON SUBSIDENCE DISTRICT



By: Robert Thompson, Deputy General Manager

ATTEST:



By: Gregory M. Ellis, General Counsel

Date: 8/9/2018