

INTERLOCAL AGREEMENT
Between
Dickinson Water Control and Improvement District (WCID)
and
City of League City, Texas
(Emergency Water Supply)

THIS AGREEMENT is made and entered into this ____ day of _____, 2025, by and between Dickinson Water Control and Improvement District ("District") and City of League City ("City"), each alternative known as "Party" or collectively referred to as the "Parties".

RECITALS

WHEREAS, the District is a special district of the State of Texas, organized and operating under Chapter 49 and 51 of the Texas Water Code;

WHEREAS, the City is a home-rule municipality organized and operating under the Texas Local Government Code;

WHEREAS, both Parties operate public water supply systems and may, from time to time, experience emergency conditions that necessitate temporary supplemental water supply; and

WHEREAS, on January 1, 1987, the Parties entered an interlocal agreement for the mutual provision of emergency water service on an as-needed, interruptible basis;

WHEREAS, the Parties desire to enter a restated interlocal agreement to update the various terms and conditions related to the provision of emergency waters;

WHEREAS, this Agreement has been duly authorized by the governing body of each Party in accordance with Chapter 791 of the Texas Government Code, also known as the Interlocal Cooperation Act;

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein, the Parties agree as follows:

TERMS

1. Purpose

The purpose of this Agreement is to establish a cooperative framework under which each Party agrees to provide emergency water supply to the other on a temporary and interruptible basis during emergencies, subject to availability and the terms set forth herein. The recitals are hereby incorporated into this Agreement.

2. Emergency Supply Obligations

- a) "Emergency" shall mean a sudden or unforeseen event or condition, including but not limited to major equipment failure, source water interruption, or declared natural disaster, that materially impairs the ability of a Party to supply adequate potable water to its customers, and for which no reasonable or timely alternative supply exists.

- b) **Provision of Water.** In the event of an Emergency, and upon request, either Party shall use reasonable efforts to supply water to the other Party if capacity is available, as determined in the sole discretion of the supplying Party.
- c) **Interruptibility.** All water supplied under this Agreement shall be on an interruptible basis. The supplying Party retains the right to curtail or cease delivery at any time if needed to maintain system integrity or meet internal demand.
- d) **Delivery Point.** The Parties shall coordinate to identify mutually acceptable delivery point(s), and each Party shall be responsible for maintaining its own infrastructure up to and from the delivery point.
- e) **Volume and Demand Limitations:** The volume of water delivered by either Party shall not exceed 0.5 million gallons per day (MGD) unless otherwise mutually agreed upon. Any request for additional supply beyond this limit must be based on demonstrated need and is subject to availability.

3. Rate and Payment

- a) **Rate.** The receiving Party shall pay the supplying Party \$3.75 per 1,000 gallons of water delivered.
- b) **Metering and Reporting.** Water delivered shall be measured by a mutually agreed-upon metering device, and usage shall be reported monthly (or as otherwise agreed in writing).
- c) **Invoicing and Payment.** The supplying Party shall issue an invoice within 30 days following delivery. Payment shall be due within 30 days of receipt of the invoice.
- d) **Payments made under this Agreement shall be made from current revenues available to the paying Party, as required by Section 791.011(d)(3) of the Texas Government Code.**

4. Term and Termination

This Agreement shall become effective on the date of execution by both Parties ("Effective Date") and shall remain in effect until terminated by either Party upon thirty (30) days written notice.

5. Indemnity and Limitation of Liability

- a) The receiving Party accepts all water delivered "as is" and acknowledges that water supply during emergency events may not meet standard flow, pressure, or quality benchmarks.
- b) Each Party waives any claim against the other Party for damages resulting from water delivery shortfalls, interruptions, or quality variations under this Agreement, except to the extent caused by the supplying Party's gross negligence or willful misconduct.
- c) **TO THE EXTENT PERMITTED BY LAW, EACH PARTY AGREES TO INDEMNIFY AND HOLD HARMLESS THE OTHER FROM CLAIMS OR DAMAGES ARISING FROM ITS OWN SYSTEM OPERATIONS, CUSTOMER COMPLAINTS, OR THIRD-PARTY LIABILITIES RELATED TO THE DELIVERY OR RECEIPT OF EMERGENCY WATER.**

6. Dispute Resolution – Mediation.

In the event of any dispute, controversy, or claim arising out of or relating to this Agreement, the parties agree to first attempt to resolve the matter through confidential, non-binding mediation. Mediation shall be conducted by a mutually agreed neutral mediator with experience in international and public-sector disputes. Unless otherwise agreed, the mediation shall occur within thirty (30) days of written notice by either party and shall not exceed sixty (60) days from commencement. Participation in mediation is a condition precedent to pursuing further remedies

7. General Provisions

- a) Governing Law. This Agreement shall be governed by the laws of the State of Texas.
- b) Authority. Each Party certifies that it has full authority to enter into and perform this Agreement.
- c) This Agreement is non-exclusive and does not preclude either Party from securing other sources of emergency or backup water supply. No provision herein shall obligate either Party to prioritize water deliveries under this Agreement over obligations to its own customers or other contractual commitments.
- d) Entire Agreement. This Agreement constitutes the entire understanding between the Parties and supersedes any prior oral or written agreements regarding the subject matter hereof.
- e) No amendment to this Agreement shall be effective unless in writing and executed by both parties.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the dates set forth below.

(signature block on next page)

Executed on _____. (date to be filled in by City Secretary)

DICKINSON WATER CONTROL AND IMPROVEMENT DISTRICT - "WCID"



Ron Morales, Board President



Doreen Bridges, Board Secretary-Treasurer

CITY OF LEAGUE CITY – "City"

John Baumgartner, City Manager

Attest:

Diana Stapp, City Secretary

Approved as to Form:

Office of the City Attorney