

**INTERLOCAL AGREEMENT**  
**Between**  
**Dickinson Water Control and Improvement District (WCID)**  
**and**  
**City of League City, Texas**  
**(611 FM 517)**

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 alternatively known as "Party" or collectively 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, this Agreement has been duly authorized by the governing body of each Party in accordance with Chapter 791 of the Texas Government Code, the Interlocal Cooperation Act (the "Act");

WHEREAS, the District has provided sanitary sewer service to the property located at 611 FM 517 Rd West ("Subject Property") from approximately 1982 to the present, although from 1998 onward the parties were unaware that the Subject Property remained connected to the District's sewer infrastructure thus sewer charges were never billed to the City during this time period;

WHEREAS, the City has agreed to reimburse the District for sanitary sewer services provided to the Subject Property from 1998 to the present;

NOW, THEREFORE, for and in consideration of the mutual promises, covenants, and agreements herein contained, the District and the City hereby enter into this Interlocal Agreement pursuant to the Act, and agree as follows:

**TERMS**

**1. Purpose**

This Agreement sets forth the terms under which the District shall continue to provide sanitary sewer services to the Subject Property, reimbursement terms, billing procedures, and future service conditions. The recitals are hereby incorporated into this Agreement.

**2. Term**

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.

### 3. Reimbursement

The City previously paid a one-time reimbursement to the District for sanitary sewer services provided from 1998 through the effective date of this Agreement. Payment was made on January 1, 2025, and both parties acknowledge receipt and satisfaction of this obligation. This reimbursement, along with the ongoing obligations and mutual covenants set forth herein, constitutes valid and sufficient consideration for this Agreement. 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. Ongoing Services and Billing

- a) The District shall continue to provide sanitary sewer service to the Subject Property.
- b) The City shall submit monthly water usage reports for the Subject Property to the District.
- c) The District shall bill the City monthly for "sewer only" services, based on reported water usage.

### 5. Capacity Coordination

- a) The City shall notify and coordinate with the District regarding any proposed reopening or redevelopment of the Subject Property.
- b) Upon such notice, the District shall have the opportunity to evaluate whether the proposed use will result in increased sanitary sewer flows beyond those associated with the prior use of the Subject Property.
- c) If the District determines that the increased flow can be accommodated within its existing infrastructure capacity, the District shall notify the City in writing, and the standard Out-of-District Customer (ODC) charge will be added to the City's monthly bill for the Subject Property.
- d) If the District determines that the proposed use would exceed the capacity of the District's sewer infrastructure or adversely impact its system, the City shall require the property owner or developer to construct suitable sewer infrastructure to connect the Subject Property to the City's sewer system, at no cost to the District.
- e) The District's determination under this Section shall be based on reasonable engineering judgment and may include the use of flow studies, capacity models, or other relevant data.

### 6. Authority

Each party represents that it has obtained all necessary approvals to enter into and perform this Agreement, including approval by ordinance, resolution, or board action as required by law. This Agreement is executed pursuant to official action of the governing bodies of each party as required by Chapter 791 of the Texas Government Code.

### 7. 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

8. Compliance with Law

The parties shall comply with all applicable federal, state, and local laws, regulations, and ordinances in the performance of this Agreement. Each party agrees that it shall perform its respective obligations under this Agreement with its own personnel and resources, and shall not delegate or subcontract performance without the prior written consent of the other party.

9. Indemnification

TO THE EXTENT PERMITTED BY LAW, THE DISTRICT AGREES TO INDEMNIFY, DEFEND, AND HOLD HARMLESS THE CITY, ITS OFFICERS, AGENTS, AND EMPLOYEES FROM AND AGAINST ANY AND ALL CLAIMS, LIABILITIES, DAMAGES, LOSSES, AND EXPENSES (INCLUDING REASONABLE ATTORNEYS' FEES) ARISING OUT OF OR RESULTING FROM THE DISTRICT'S PROVISION OF SANITARY SEWER SERVICES UNDER THIS AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE NEGLIGENCE OR WILLFUL MISCONDUCT OF THE CITY.

10. No Third-Party Beneficiaries

This Agreement is for the sole benefit of the parties and their permitted successors and assigns. Nothing herein shall be construed to create any rights in third parties.

11. Entire Agreement

This Agreement constitutes the entire understanding between the parties regarding the subject matter and supersedes all prior negotiations, understandings, and agreements.

12. Amendments

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.

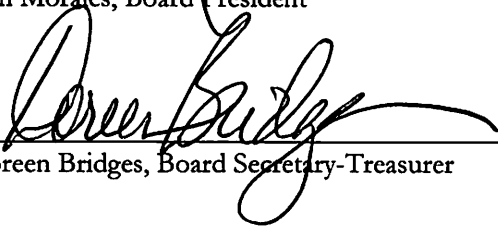
(signatures on next page)

Executed on \_\_\_\_\_. *(date to be filled in by City Secretary)*

**Dickinson Water Control and Improvement District - "District"**



\_\_\_\_\_  
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