THE STATE OF TEXAS §
§
COUNTY OF FORT BEND §

INTERLOCAL COOPERATION AGREEMENT FOR THE COLLECTION OF TAXES

This Agreement ("Agreement") is made and entered into by and between the County of Fort Bend, Texas, with the agreement, consent, and participation of the Fort Bend County Tax Assessor/Collector (singularly or collectively referred to as "County" or "County Tax Assessor/Collector"), and Fort Bend County Fresh Water Supply District No. 2 ("Fort Bend Fresh Water Supply No. 2"), a taxing entity in the State of Texas.

RECITALS

WHEREAS, Section 6.24 of the Texas Property Tax Code and the Interlocal Cooperation Act, Chapter 791, Texas Government Code, as amended, authorize political subdivisions of the State of Texas to enter into interlocal contracts for the provision of tax assessing and collecting services; and

WHEREAS, Fort Bend County acting by and through its Commissioner's Court with the approval of the County Tax Assessor-Collector, hereinafter referred to as the "County," has agreed to provide tax assessing and collecting services for Fort Bend Fresh Water Supply No. 2; and

WHEREAS, Fort Bend Fresh Water Supply No. 2 acting by and through its governing body, having authorized their President to execute this Agreement has agreed to authorize the County to provide tax assessing and collecting services for it in the form and manner most efficient and economical to it and its taxpayers; and

WHEREAS, Fort Bend Fresh Water Supply No. 2 has the authority to authorize the County to act as its Tax Assessor and Collector, and the County has the authority to act in that capacity;

NOW, THEREFORE, for and in consideration as hereinafter expressed and the mutual condition set out herein, it is agreed by and between the County and Fort Bend Fresh Water Supply No. 2 as follows:

ARTICLE I
PURPOSE

1.01 The purpose of this Agreement is to designate and allow the Fort Bend County Tax Assessor/Collector as the Tax Assessor/Collector for Fort Bend Fresh Water Supply No. 2 for the collection of ad valorem taxes, including penalties, interest and attorney's fees for the collection of taxes owed Fort Bend Fresh Water Supply No. 2 in Fort Bend County.

ARTICLE II
TERM

2.01 This Agreement shall be effective as of date executed by both Parties and shall terminate on June 30, 2027.

2.02 This Agreement shall automatically renew each July 1 for a one (1) year term thereafter and through June 30, 2031, unless sooner terminated as provided herein.

2.03 Fort Bend Fresh Water Supply No. 2 may terminate this agreement at any time by providing ninety (90) days advanced written notice to County.

2.04 County may terminate this agreement without cause by providing written notice to Fort Bend Fresh Water Supply No. 2 no later than six (6) months in advance of the expiration of the initial term of this Agreement or any renewal term.

2.05 In the event of termination of this Agreement by Fort Bend Fresh Water Supply No. 2, Fort Bend Fresh Water Supply No. 2 shall assume all contractual obligations entered into with County for services rendered to Fort Bend Fresh Water Supply No. 2 for the duration of the term of the Agreement and any renewal, and County shall be relieved of all contractual obligations under this Agreement.

2.06 As soon as practicable after the date of termination or the expiration of this Agreement, the County shall submit a final report containing the information set forth in Article III. At that time, distribution of the amount due to Fort Bend Fresh Water Supply No. 2 shall be made or Fort Bend Fresh Water Supply No. 2 shall be invoiced for any amounts due from Fort Bend Fresh Water Supply No. 2 pursuant to the terms of this Agreement. Payment by Fort Bend Fresh Water Supply No. 2 shall be due and payable, no later than thirty (30) days after receipt of an invoice. Copies of all reports and all records of Fort Bend Fresh Water Supply No. 2 shall be delivered to Fort Bend Fresh Water Supply No. 2 when and if this Agreement is terminated or upon its expiration if not sooner terminated.

ARTICLE III
OBLIGATION OF COUNTY

3.01 For the purposes and consideration herein stated and contemplated, County shall provide tax collection services by and through the Tax Assessor for Fort Bend Fresh Water Supply No. 2 for tax accounts within the jurisdiction of Fort Bend Fresh Water Supply No. 2, limited to Fort Bend County accounts.

3.02 Fort Bend Fresh Water Supply No. 2 hereby designates the County Tax Assessor/Collector as its Tax Assessor/Collector for purposes of compliance with Chapter 26 of the Texas Property Tax Code, as amended, for Fort Bend County accounts.

3.03 County shall perform all the duties required by law of the Tax Assessor-Collector of Fort Bend Fresh Water Supply No. 2 with regard to assessing and collection of ad valorem taxes.

3.04 Fort Bend Fresh Water Supply No. 2 shall adopt a tax rate in accordance with Tax Code 26.05 (a)

3.05 Fort Bend Fresh Water Supply No. 2 hereby expressly authorizes County to do and perform all acts necessary and proper to collect taxes for Fort Bend Fresh Water Supply No. 2, including but not limited to:

A. Calculation of taxes, preparation of current and delinquent tax rolls, proration of taxes, correction of clerical errors in tax rolls, collection of current liabilities, collection of delinquent taxes, issuance of refunds.

B. County shall assess and collect the ad valorem property taxes owing to the Fort Bend Fresh Water Supply No. 2. The term "assess" does not include those functions defined as "appraisal" by the Property Tax Code.

C. The county shall produce a consolidated tax statement for both County and Fort Bend Fresh Water Supply No. 2 taxes.

D. County shall prepare consolidated tax statements for each parcel on the tax rolls of Fort Bend Fresh Water Supply No. 2.

E. County shall mail statements.

F. County shall mail notices of delinquent service charges in accordance with Section 33.07, 33.08 and 33.11 of the Texas Property Tax Code.

G. County shall perform for Fort Bend Fresh Water Supply No. 2 all duties provided by law of the State of Texas for the collection of taxes.

H. County shall perform any additional, reasonable services, which may be requested by Fort Bend Fresh Water Supply No. 2. County shall bill all additional services to Fort Bend Fresh Water Supply No. 2 at actual costs.

3.06 County shall provide the following reports, upon request, by Fort Bend Fresh Water Supply No. 2.

A. Report of the current year tax levy, showing taxable value, exemptions, abatements, net taxable values, tax rate, and tax levy for each parcel of property;

B. Remittance report with each remittance to Fort Bend Fresh Water Supply No. 2 showing the taxes paid by year, amount paid, principal and interest paid, service charge paid, etc.;

C. Monthly report of tax activity showing the amount of initial levy, collections during month for both current and delinquent taxes, adjustments during the month, and the year-to-date collections percentage of current levy; and

D. Any additional reports, which may be requested by the Fort Bend Fresh Water Supply No. 2.

3.07 The taxes collected by County for Fort Bend Fresh Water Supply No. 2 shall be remitted as follows:

A. a credit/debit memo within same depository bank: or

B. by ACH; or

3.08 Fort Bend Fresh Water Supply No. 2 shall provide written notification to County of the manner in which taxes shall be remitted, as described in Section 3.07 above.

3.09 The taxes collected by County shall be remitted at least once per week.

3.10 Wire transfers may incur a charge of five dollars ($5.00) for each transfer.

3.11 Refunds to taxpayers and taxpayer checks returned from banks shall be deducted from the County's remittance to Fort Bend Fresh Water Supply No. 2.

ARTICLE IV
OBLIGATIONS OF FORT BEND FRESH WATER SUPPLY NO. 2

4.01 Fort Bend Fresh Water Supply No. 2 agrees to promptly deliver to County all records necessary to perform its duties under the terms of this Agreement.

4.02 For services rendered pursuant to this Agreement, Fort Bend Fresh Water Supply No. 2 agrees to pay County for the actual costs incurred, for assessing or collecting taxes for Fort Bend Fresh Water Supply No. 2 in accordance with Tax Code Section 6.27. The Parties acknowledge and agree that these amounts as of the date of this Execution are as follows:

A. Forty cents ($0.40) per parcel per year;

B. One dollar ($1.00) per account to add delinquent accounts to County's records;

C. Two dollars and seventy-seven cents ($2.77) per account outside of Fort Bend County; and

D. Other costs for which Fort Bend Fresh Water Supply No. 2 will reimburse the County for actual costs incurred for any additional services requested by Fort Bend Fresh Water Supply No. 2 or mandated by state statute.

4.03 County will review actual costs annually and advise Fort Bend Fresh Water Supply No. 2 of any cost change in advance of the auto renewal. The Agreement will then renew at those rates without need to amend this document unless otherwise terminated by the Parties.

4.04 Fort Bend Fresh Water Supply No. 2 shall pay to County the cost of assessment and collection as provided in Section 4.02. The payment shall be withdrawn from the January collection by County each year.

ARTICLE V
ADMINISTRATIVE PROVISIONS

5.01 All records necessary to be maintained by County for the assessment and collections of taxes shall be kept clearly on the books and records of County, and a designated representative of Fort Bend Fresh Water Supply No. 2, including Fort Bend Fresh Water Supply No. 2's auditors, is authorized to examine the records maintained by County at such reasonable time and interval as Fort Bend Fresh Water Supply No. 2 deems necessary. Such books and records will be kept in the offices of County.

5.02 Fort Bend Fresh Water Supply No. 2 shall maintain a Public Fidelity Bond covering all offices, officials and employees for one hundred thousand dollars ($100,000.00).

5.03 Fort Bend Fresh Water Supply No. 2 shall transfer to the possession and control of County, without charge, copies of all records necessary for the performance of the duties and responsibilities of County pursuant to this Agreement, which shall include all tax records, including the delinquent tax rolls.

5.04 County shall not be legally responsible to Fort Bend Fresh Water Supply No. 2 for any failure to collect taxes, nor shall the County Tax Assessor-Collector be legally responsible unless the failure to collect taxes results from failure to perform the duties imposed by law and by this Agreement.

5.05 Fort Bend Fresh Water Supply No. 2 reserves the right to institute such suits for the collection of delinquent taxes, as Fort Bend Fresh Water Supply No. 2 deems necessary and to contract with an attorney for collection of delinquent taxes.

5.06 County shall comply with all provisions of the Texas Property Tax Code, as amended, and any policies and procedures regarding collection of ad valorem property taxes which Fort Bend Fresh Water Supply No. 2 may adopt.

5.07 In the event County waives any penalty and/or interest on any parcel, pursuant to Section 33.011 of the Property Tax Code, Fort Bend Fresh Water Supply No. 2 consents to the waiver of the penalty and/or interest on the same parcel(s), and hereby authorizes County to waive such penalty and/or interest on behalf of Fort Bend Fresh Water Supply No. 2.

5.08 Fort Bend Fresh Water Supply No. 2's performance under this Agreement is conditioned on the appropriation of funds by Fort Bend Fresh Water Supply No. 2 on a yearly basis for payment of the Collection Fee, and shall constitute a commitment of current revenues only. The failure by Fort Bend Fresh Water Supply No. 2's governing body to appropriate funds sufficient for payment of such Collection Fee shall be grounds for termination of this Agreement.

ARTICLE VI
LIABILITY

6.01 Each party to this Agreement agrees that it shall have no liability whatsoever for the actions or omissions of an individual employed by another party, regardless of where the individual's actions occurred. Each party is solely responsible for the actions and/or omissions of its employees and officers.

ARTICLE VII
MISCELLANEOUS

7.01 This Agreement shall be governed by and constructed in accordance with the laws of the State of Texas.

7.02 No assignment of this Agreement or of any right accrued hereunder shall be made, in whole or in part, by either party without the prior written consent of the other party. Venue shall be in Fort Bend County, Texas.

7.03 The undersigned officer and/or agents of the parties hereto are the properly authorized officials of the party presented and have the necessary authority to execute this Agreement on behalf of the parties hereto and each party hereby certifies to the other that any necessary approvals have been duly passed and approved and are now in full force and effect.

7.04 The parties to this Agreement do not intend by this Agreement that any specific third party may obtain a right by virtue of the execution of performance of this Agreement.

7.05 In the event that any one or more of the terms, provisions or conditions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect the other terms, provisions or conditions; and the Agreement shall be construed as if such invalid, illegal, or unenforceable term, provision or condition had never been contained in it.

7.06 The parties may not amend or waive this Agreement, except by a written agreement executed by both parties.

ARTICLE VIII
NOTICES

8.01 Any notice required to be given under the provisions of this Agreement shall be in writing and shall be duly served when it shall have been deposited, enclosed in a wrapper with the proper postage prepaid thereon, and duly registered or certified, return receipt requested, in a United States Post Office, addressed to Fort Bend Fresh Water Supply No. 2 at the mailing address as hereinafter set out. If mailed, any notice of communication shall be deemed to be received five (5) days after the date of deposit in the United States Mail. Unless otherwise provided in this Agreement, all notices shall be delivered to Fort Bend Fresh Water Supply No. 2 or the County at the following addresses:

To County:

The Honorable Carmen P Turner, MPA, PCC, CTOP, PCAC
Fort Bend County Tax Assessor-Collector
1317 Eugene Heimann Circle
Richmond, Texas 77469-3623

To Fort Bend Fresh Water Supply No. 2:

Fort Bend County Fresh Water Supply District No. 2
Attn: Wallace & Philbin, L.L.P.
6363 Woodway Drive, Suite 800
Houston, Texas 77057
lgerlich@wpmudlaw.com

Either party may designate a different address by giving the other party ten (10) days written notice thereof.

ARTICLE IX
ENTIRE AGREEMENT

9.01 This executed instrument is understood and intended to be the final expression of the parties' agreement and is a complete and exclusive statement of the terms and conditions with respect thereto, superseding all prior agreements or representations, oral or written, and all other communication between the parties relating to the subject matter of this agreement. Any oral representations or modifications concerning this instrument shall be of no force or effect excepting a subsequent modification in writing signed by all the parties hereto, except as provided in Section 4.03 of this Agreement.

FORT BEND COUNTY:

Attest:

Daniel Wong, County Judge

Laura Richard, County Clerk

Date: _____

FORT BEND COUNTY FRESH WATER SUPPLY DISTRICT NO. 2:

Attest:

Date: 7/7/26

Reviewed:

Carmen P. Turner, MPA, PCC, CTOP, PCAC
Tax Assessor-Collector