

**INTERLOCAL COST PARTICIPATION AGREEMENT  
FOR THE DITCH H PHASE I CONSTRUCTION**

THIS INTERLOCAL COST PARTICIPATION AGREEMENT FOR THE DITCH H PHASE I CONSTRUCTION (Agreement) is made by and between the Fort Bend County Drainage District (Drainage District) and the City of Sugar Land, Texas (City).

**BACKGROUND:**

The City and the Drainage District are working together to design and construct the Ditch H Channel Extension to Oyster Creek Project (Project). As authorized by Chapter 791, Texas Government Code, the City and the District are entering into this Agreement whereby each will pay 50% of the costs for the Phase I Project construction, which includes construction of a railway bridge. Union Pacific Railroad Company (Union Pacific) will construct the railway bridge under a contract with the Drainage District.

**AGREEMENT:**

For and in consideration of the mutual promises, covenants, obligations and benefits in the Agreement, the Drainage District and the City agree as follows:

**I.**

**Drainage District Obligations**

1. **Scope of Work.** The District will perform the work for Phase I of the Project as shown in the attached Exhibit A, which is incorporated into this Agreement. The Drainage District will enter into and administer:

- (1) a Drainage Facility and Waterway Agreement and related agreements (UP Contracts) with Union Pacific to construct the railway bridge required for Phase I Project construction; and
- (2) other agreements necessary to construct Phase I of the Project as shown in Exhibit A.

The District may perform portions of the Phase I construction work for the Project with its employees as shown in Exhibit A. Phase I Project construction work not included in Exhibit A requires the City's prior written approval. The Phase I Project construction must comply with the City's codes and ordinances.

2. **Review and Inspections.** During the work on Phase I of the Project, the City may review the documents, maps, plats, records, photographs, reports, and drawings pertaining to Phase I of the Project construction and may inspect the work in progress, provided that it does not interfere with the work.

**3. Progress Reports and Meetings.** The City may participate in all progress meetings during the Phase I Project construction. The Drainage District will submit copies of progress reports to the City describing in sufficient detail the progress of each element of the Phase I Project construction shown in Exhibit A. These reports shall be submitted to the City when the construction of each element of Phase I of the Project construction is 50% complete, 75% complete, and 100% complete. The Drainage District may submit construction reports received by the Drainage District from contractors detailing the progress of the Phase I Project construction if the Drainage District has reviewed the reports and confirmed their accuracy.

**4. Invoices and Billing.** The Drainage District will submit bills to the City for 50% of the Phase I Project construction work within 30 days of:

- (1) the Drainage District's receipt of an invoice from a contractor performing Phase I Project construction work;
- (2) the Drainage District's employees' completion of an element of the Phase I Project construction work shown on Exhibit A; and
- (3) the parties' execution of this Agreement for Phase I Project construction work already completed by the Drainage District or its contractors .

Work performed by the Drainage District's employees will be billed based on a time and materials basis.

**5. Completion of Phase I Construction.** Upon completion of Phase I of the Project construction, but no later than 90 days after, the Drainage District must furnish the City with a full accounting of the funds expended on the Phase I Project construction and a set of record drawings showing Phase I of the Project, as constructed.

## **II. City Obligations**

**1. Payment to the Drainage District.** The City will pay 50% of each bill received from the Drainage District within thirty days of receipt of the bill. Each bill must include:

- (1) a copy of the contractor's invoice to the Drainage District for Phase I Project construction work performed by a contractor; and
- (2) a detailed breakdown showing the hours spent by each Drainage District employee performing Phase I Project construction work, the hourly salary and benefits burden for each employee, and actual copies of invoices for the materials used in the Phase I Project construction work.

Phase I Project construction work performed by the Drainage District's employees will be calculated based on the employee's hourly salary plus benefits.

**2. Limit of Appropriation.** The City has allocated \$1, 375,000 to pay its obligations under this Agreement. The City's maximum obligation to pay the Drainage District for the Phase I Project construction is limited to and will not exceed \$1,375,000.

Services performed in addition to the scope listed in Exhibit A, and all costs associated with the additional services, shall be approved by the City and Drainage District prior to commencement of the additional services.

**III.**  
**Notices**

1. **Notice.** Any notice required to be given by one party to another must be given in writing addressed to the party to be notified at the address set forth below by:

- (1) delivering the notice in person;
- (2) depositing the notice in the U. S. Mail, certified or registered, return receipt requested, postage prepaid;
- (3) by depositing the notice with Federal Express or another nationally recognized courier service for next day delivery; or
- (4) sending the notice by telefax with confirming copy sent by mail.

Notice is deemed effective when received by the party to be notified. The addresses of the parties are shown below:

City of Sugar Land  
2700 Town Center Blvd. N.  
P.O. Box 110  
Sugar Land, Texas 77487-0110  
(281) 275-2218 (phone)  
(281) 275-2771 (fax)  
Attention: City Manager

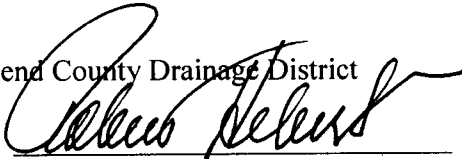
Fort Bend County Drainage District  
1004 Blume Road  
Rosenberg, Texas 77471  
(281) 342-2863 (phone)  
(281) 342-9130 (fax)  
Attention: Robert E. Hebert

**IV.**  
**Term of Agreement**

This Agreement begins upon the latest date of the parties' execution date of this Agreement and terminates upon completion of the Phase I Project construction work.

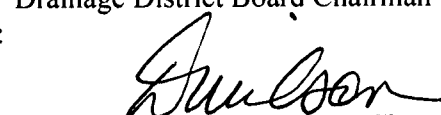
Fort Bend County Drainage District

BY:



Robert E. Hebert  
Drainage District Board Chairman

Attest:



Diane Wilson, County Clerk

Dianne

5/26/09  
Date

CITY OF SUGAR LAND

By: Alger Bogal 5-22-09  
Date

Attest: Glenda Gundermann  
Glenda Gundermann, City Secretary

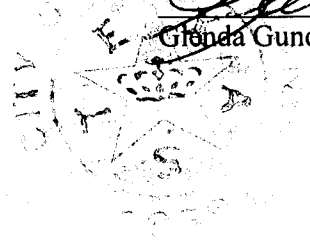


Exhibit A

Ditch H Extension  
Agreement between Drainage District  
and Sugar Land  
Phase 1

Union Pacific Agreement with Drainage District	2,043,010.00
Cable Adjustment (Level 3 Communications and Quest Communications)	250,000.00
Mulching (Drainage District contract with Novas)	16,500.00
Clearing (Drainage District Employees and Equipment)	12,952.00
Driveway Curb Cut and Staging Area (Permit and Material)	40,000.00
Access Road from Hwy 6 (FBC R&B Employees, Equipment and Material)	110,000.00
Contingency	100,000.00
TOTAL	2,572,462.00