

THE STATE OF TEXAS §
 §
 COUNTY OF FORT BEND §

INTERLOCAL COOPERATION AGREEMENT FOR
THE COLLECTION OF SPECIAL ASSESSMENTS
PUBLIC IMPROVEMENT DISTRICT NO. 2

This Interlocal Agreement (hereinafter referred to as "Agreement"), is made and entered into pursuant to the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code and Section 6.24 of the Texas Property Tax Code, by and between FORT BEND COUNTY, TEXAS (hereinafter referred to as "County"), acting through its governing body, FORT BEND COUNTY COMMISSIONERS COURT, and the CITY OF MISSOURI CITY, TEXAS for Public Improvement District No. 2 (hereinafter referred to as "PID #2"), duly organized and existing under the laws of the State of Texas, acting by and through the City Council of the City of Missouri City (hereinafter referred to as "City Council").

RECITALS

WHEREAS, City Council has the authority to authorize County to act as tax assessor/collector for PID #2, and County has the authority to so act; and,

WHEREAS, the Fort Bend County Tax Assessor/Collector has approved this Agreement; and,

WHEREAS, City Council and County believe it is in the best interests of the citizens of Fort Bend County to enter into this Agreement; and,

NOW THEREFORE, County and City Council for the mutual consideration hereinafter stated, agree as follows:

ARTICLE I
PURPOSE

The purpose of this Agreement is to designate and allow the Fort Bend County Tax Assessor/Collector as the tax assessor/collector for PID #2 for the collection of special assessments, including penalties, interest and attorney's fees for the collection of assessments owed PID #2.

ARTICLE II
TERM

- 2.01 This Agreement shall be effective on the date the last party executes this Agreement and shall terminate on June 30, 2018.
- 2.02 This Agreement shall automatically renew thereafter for four (4) additional one

- (1) year terms on an annual basis unless sooner terminated as provided herein.
- 2.03 City Council may terminate this agreement at any time by providing ninety (90) days advanced written notice to County.
- 2.04 County may terminate this agreement by providing written notice to City Council 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 City Council, City Council shall assume all contractual obligations entered into with County for services rendered to PID #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 PID #2 shall be made or PID #2 shall be invoiced for any amounts due from PID #2 pursuant to the terms of this Agreement. Payments are to be made on or about thirty (30) days after receipt of an invoice. Copies of all reports and all records of PID #2 shall be delivered to City Council when and if this Agreement is terminated or upon its expiration if not sooner terminated.

ARTICLE III OBLIGATIONS OF COUNTY

- 3.01 For the purposes and consideration herein stated and contemplated, County shall provide special assessment services by and through the Fort Bend County Tax Assessor/Collector for PID #2 for public improvement accounts within the jurisdiction of PID #2.
- 3.02 City Council hereby designates the County Tax Assessor/Collector as its Tax Assessor/Collector for PID #2 for purposes of compliance with Chapter 26 of the Texas Property Tax code, as amended.
- 3.03 County shall perform all the duties required by law of the Tax Assessor-Collector of PID #2 with regard to assessing and collection of public improvement special assessments.
- 3.04 City Council hereby expressly authorizes County to do and perform all acts necessary and proper to collect special assessments for PID #2, including but not limited to:
- A. Preparation of current and delinquent assessment rolls, pro-ration of assessments, correction of clerical errors in assessment rolls, collection of current liabilities, collection of delinquent assessments, and issuance of refunds.
 - B. Assessment and collection of special assessments owing to PID #2. The term "assess" does not include those functions defined as "appraisal" by the Property Tax Code.
 - C. Production of a consolidated tax/special assessment statement for both County and PID #2 taxes/assessments.

- D. Preparation and consolidation of tax/special assessment statements for each parcel on the assessment rolls of PID #2.
 - E. Mailing tax/special assessment statements.
 - F. Mailing notices of delinquent service charges in accordance with Section 33.07, 33.08 and 33.11 of the Texas Property Tax Code.
 - G. The performance for City Council of all duties provided by law of the State of Texas for the collection of taxes.
 - H. The performance of any additional, reasonable services which may be requested in writing by City Council and as agreed to by the Fort Bend County Tax Assessor/Collector.
- 3.05 County shall provide the following reports, upon request, by City Council:
- A. Report of the current year special assessment levy, showing assessment value, exemptions, abatements, net taxable values, special assessment rate, and special assessment levy for each parcel of property subject to PID #2;
 - B. Remittance report with each remittance to City Council showing the assessments paid by year, amount paid, principal and interest paid, service charge paid, etc.;
 - C. Monthly report of special assessment activity showing the amount of initial levy, collections during month for both current and delinquent special assessments, adjustments during the month, and the year-to-date collections percentage of current levy; and
 - D. Any additional reports which may be requested by City Council.
- 3.06 The special assessments collected by County for PID #2 shall be remitted as follows:
- A. A credit/debit memo within same depository bank; or
 - B. by ACH; or
 - C. by wire to PID #2's designated depository or agent; or
 - D. by check mailed to PID #2.
- 3.07 City Council shall provide written notification to County of the manner in which special assessments shall be remitted, as described in Section 3.06 above.
- 3.08 The special assessments collected by County shall be remitted to PID #2 at least once per week.
- 3.09 Wire transfers shall incur a charge of five dollars (\$5.00) for each transfer.
- 3.10 Refunds to special assessment payers and special assessment checks returned from banks shall be deducted from the County's remittance to PID #2.

ARTICLE IV OBLIGATIONS OF PID #2

- 4.01 PID #2 has levied the special assessments and shall report to County the special assessments due on each lot within PID #2 by October 1 of each year. In the event the special assessment is reported subsequent to October 1 of any year, PID #2 shall reimburse County for any additional costs incurred, in accordance with this Article.

- 4.02 PID #2 agrees to promptly deliver to County all records necessary to perform its duties under the terms of this Agreement.
- 4.03 For services rendered pursuant to this Agreement, PID #2 agrees to pay County the following amounts, which the Parties agree is reasonable compensation as allowed by Tax Code Section 6.27:
 - A. Thirty-five cents (\$0.35) per parcel per year;
 - B. Other costs for which PID #2 will reimburse the County for actual costs incurred for any additional services provided.
- 4.04 PID #2 shall pay to County the cost of assessment and collection as provided in Section 4.03. The payment shall be remitted to County after the mailing of consolidated tax/special assessment statements and no more than 30 days after receipt of County itemized invoice.

ARTICLE V ADMINISTRATIVE PROVISIONS

- 5.01 All records necessary to be maintained by County for the assessment and collections of special assessments shall be kept clearly on the books and records of County, and a designated representative of PID #2, including district auditors, is authorized to examine the records maintained by County at such reasonable time and interval as PID #2 deems necessary. Such books and records will be kept in the offices of County.
- 5.02 PID #2 may maintain, at their own cost, a Public Fidelity Bond covering all offices, officials and employees in the amount of one hundred thousand dollars (\$100,000.00).
- 5.03 PID #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 special assessment records, including the delinquent special assessment rolls.
- 5.04 Neither the County nor the County Tax Assessor/Collector shall be legally responsible to PID #2 for any failure to collect assessments unless the failure results from the failure to perform the duties imposed by the law or by this Agreement.
- 5.05 PID #2 reserves the right to institute such suits for the collection of delinquent assessments as PID #2 deems necessary and to contract with an attorney for collection of delinquent assessments.
- 5.06. County shall comply with all provisions of the Texas Property Tax Code, as amended, and any mutually agreed upon written policies regarding collection of special assessments which PID #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 for the taxes owed to the County, PID #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 PID #2.

- 5.08 PID #2's performance under this Agreement is conditioned on the appropriation of funds by PID #2 on a yearly basis for payment of the Collection Fee, and shall constitute a commitment of current revenues only. The failure by PID #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

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 may be amended by the mutual agreement of the parties hereto in writing to be attached to and incorporated into this Agreement.
- 7.02 Venue for any litigation involving this Agreement shall be in Fort Bend County, Texas.
- 7.03 If any one or more of the provisions contained in this Agreement shall be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision thereof and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.
- 7.04 This Agreement supersedes any and all other agreements, either oral or in writing between the parties hereto with respect to the subject matter hereof, and no other agreement, statement, or promise relating to the subject matter of this Agreement which is not contained herein shall be valid or binding.
- 7.05 This Agreement may not be assigned by either party.

ARTICLE VIII NOTICES

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 PID #2 at the mailing address as hereinafter set out. If mailed, any notice of communication shall be deemed to be

received three (3) days after the date of deposit in the United States Mail. Unless otherwise provided in this Agreement, all notices shall be delivered to PID #2 or the County at the following addresses:

To County: The Honorable Patsy Schultz
Fort Bend County Tax Assessor-Collector
1317 Eugene Heimann Circle
Richmond, Texas 77469-3623

To District: City of Missouri City
Public Improvement District #2
Attn: Mayor Allen Owen
1522 Texas Parkway
Missouri City TX 77489-2170

Copy to: Fort Bend County Attorney
401 Jackson
Richmond, Texas 77469-3108

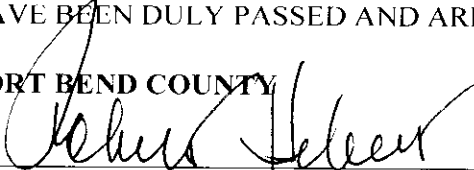
Either party may designate a different address by giving the other party ten (10) days written notice thereof.

ARTICLE IX
ENTIRE AGREEMENT AND ATTACHMENT

This Agreement contains the entire Agreement among the parties and supercedes all other negotiations and agreements, whether written or oral.

THE UNDERSIGNED OFFICER AND/OR AGENTS OF THE PARTIES HERETO ARE THE PROPERLY AUTHORIZED OFFICIALS 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 RESOLUTIONS AND/OR ORDERS EXTENDING SAID AUTHORITY HAVE BEEN DULY PASSED AND ARE NOW IN FULL FORCE AND EFFECT.

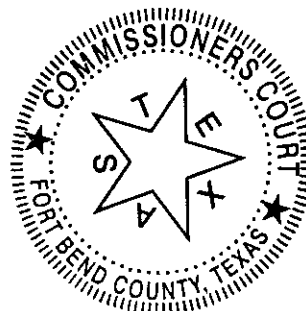
FORT BEND COUNTY


Robert E. Hebert, County Judge


Laura Richard, County Clerk

7-18-2017
Date

7-18-17
Date



APPROVED:

Patsy Schulz
Patsy Schulz, Tax Assessor/Collector

7/7/17
Date

**CITY OF MISSOURI CITY
PUBLIC IMPROVEMENT DISTRICT #2**

Allen Owen
Allen Owen, Mayor

Maria Jackson
Maria Jackson, City Secretary

June 5, 2017
Date

June 5, 2017
Date

