

INTERLOCAL COOPERATION AGREEMENT

This **Interlocal Cooperation Agreement** (“Agreement”) is made and entered into effective as of the date of execution by authorized representatives of the parties, by and between the **City of Austin, Texas** (“Austin”), a Texas home rule municipal corporation, and the **City of Dripping Springs, Texas** (“Dripping Springs”), a Texas Type A general law municipality, acting by and through their authorized representatives.

Recitals

Whereas, Austin and Dripping Springs (sometimes hereinafter collectively referred to as the “Cities” or “Parties”) recognize that both the public interest and good government are best served by long-term, mutually cooperative relationships between neighboring cities; and

Whereas, agreements that establish boundaries within which specific duties are performed and standards are applied in a convenient and cost effective manner to assure quality urban planning and development serve the best interests of all citizens; and

Whereas, agreement regarding areas adjacent to the Cities’ respective corporate limits or extraterritorial jurisdiction (“ETJ”) will assist and enhance the planning and development of capital improvement programs and services; and

Whereas, Dripping Springs has requested that Austin release that portion of Austin’s ETJ owned by Randall Roessler and R. Lee Bryant consisting of approximately 33 acres as identified in Exhibit “A” (the “Release Area”) attached hereto and incorporated herein for all purposes. Austin has agreed to release the Release Area to Dripping Springs as set out in this Agreement so that it can be annexed into the Dripping Springs city limits; and

Whereas, this Agreement will accomplish legitimate public purposes of both Cities and will permit dependable urban planning that will benefit the public health, safety, and welfare of the Cities’ respective present and future citizens;

NOW, THEREFORE, pursuant to Chapter 791, Texas Government Code, and Chapter 42, Texas Local Government Code, and as otherwise authorized and permitted by the City Charter of Austin, the City Charter of Dripping Springs, and the laws of the State of Texas, for and in consideration of the covenants, conditions and undertakings hereinafter described, and the benefits to accrue to the citizens of the cities, and subject to each and every term and condition of this Agreement, the parties contract, covenant and agree as follows:

Article One Findings and Declarations.

Section 1.1. Fact Findings. The recitals hereinabove set forth are incorporated herein for all purposes and are found by the respective city councils of Austin and Dripping Springs to be true and correct. It is further found and determined that both the governing body of Austin and Dripping Springs have authorized and approved this Agreement by ordinance duly adopted by such respective governing body, and this Agreement will be and become in full force and effect upon the execution of this Agreement by their respective authorized representatives.

Section 1.2. Future Development Requirements. The application and enforcement of the Development Regulations in the Release Area, as set out below in this Agreement, are reasonable and necessary for the preservation and protection of water quality, the watershed, and valuable natural resources.

Article Two
Effective Date and Nature of Agreement

Section 2.1. Effective Date. The term of this Agreement shall commence on the date of signature by authorized representatives of both Cities (“Effective Date”).

Section 2.2. Intent and Purpose. The intent and purpose of this Agreement is to provide for effective and efficient urban planning, the review and approval of land development, and the planning of future municipal services, for the geographic area shown in Exhibit “A” (the “Release Area”).

Section 2.3. Map. The parties agree and intend that when identifying the Release Area, the map in Exhibit “A” shall control over any and all word descriptions in case of conflict; provided that to the fullest possible extent the map and the word descriptions shall be construed and interpreted in a manner to both give effect to and remain consistent with the law applicable to ascertaining the boundaries of political subdivisions.

Article Three
Actions by Dripping Springs

Section 3.1. Urban Planning. Dripping Springs will be solely responsible for providing urban planning for the Release Area and will review, provide oversight, and appropriate inspections to enforce all relevant portions of the City of Dripping Springs development codes and standards within the Release Area, including, but not limited to, regulations addressing site development, subdivision, water quality, and stormwater management.

Section 3.2. Development Regulations in the Release Area. Development in the Release Area will be limited to a maximum of thirty percent (30%) impervious cover on a gross site area basis and will comply with Dripping Springs’ water quality treatment requirements in effect at the time of permit application. The impervious cover limit applies to the physical impervious cover, not effective impervious cover, regardless of any other regulation or criteria.

Section 3.3. Compliance. The standards, regulations, and conditions set forth in this Agreement for the review and approval of development within the Release Area shall be applied and enforced by Dripping Springs, its officers, employees, agents and representatives, in a manner consistent with the wording and intent of this Agreement. They shall remain development regulations and requirements of Dripping Springs in the Release Area. Failure to comply with the standards and regulations set forth in or the intent of this Agreement shall be considered an event of default.

Article Four
Actions by Austin

Section 4.1. Release of ETJ. Austin will release to Dripping Springs the Release Area. The release of ETJ to Dripping Springs will occur upon execution of this Agreement by both Parties; provided that such release is subject to the condition that Dripping Springs agrees to the application and enforcement of the standards, regulations and conditions set forth in this Agreement for the review and approval of

development within the Release Area. It is the intent of the Parties that the Release Area be released to Dripping Springs and to no other municipality. In the event that this Agreement or the release of the Release Area to Dripping Springs are found to be ineffective or invalid, the release of the Release Area to Dripping Springs hereunder shall be void and the Release Area shall be deemed never to have been released from Austin's ETJ.

Article Five General and Miscellaneous

Section 5.1. Development Approval and Policy Making Authority. Dripping Springs shall have exclusive responsibility for urban planning within the Release Area that is consistent with this Agreement, and the approval of land development and subdivisions within the Release Area in compliance with this Agreement. Dripping Springs shall further have control, supervision, and policy making authority for and with respect to city services and future services within the Release Area, to the fullest extent authorized by State law and not inconsistent with this Agreement.

Section 5.2. Other Services. Nothing in this Agreement shall be deemed to create, by implication or otherwise, any duty or responsibility of either of the Cities to undertake any other action or to provide any service within the Release Area, except as specifically set forth in this Agreement.

Section 5.3. Jurisdiction. This Agreement shall not be deemed to extend or increase the jurisdiction or authority of either of the cities except as necessary to implement and give effect to this Agreement. All governmental and proprietary functions and services to be performed and provided by Dripping Springs within the Release Area shall, except as provided otherwise by State law and in this Agreement, be and remain in the sole discretion of Dripping Springs. Nothing in this Agreement shall be deemed to be applicable to, or an attempt to limit or restrict, the legal rights, authority or jurisdiction of any other governmental entity.

Section 5.4. Governmental Immunity. Nothing in this Agreement shall be deemed to waive, modify or amend any legal defense available at law or in equity to either of the Cities nor to create any legal rights or claims on behalf of any third party. Neither Austin nor Dripping Springs waives, modifies, or alters to any extent whatsoever the availability of the defense of governmental immunity under the laws of the State of Texas.

Section 5.5. Quality of Service. Except that Dripping Springs will review and approve or disapprove subdivisions and land development within the Release Area in compliance with the requirements set forth in Section 3, this Agreement is not intended to and shall not be deemed to establish any additional requirement for, or any specific or implied additional standard or quality for, any level of planning or service to be provided by Dripping Springs within the Release Area. Provided that Dripping Springs shall enforce the planning and land development standards set forth in Section 3, the level and quality of urban planning and services to be provided within the Release Area shall be established by Dripping Springs' budgets, appropriations, resolutions and ordinances adopted by its governing body in the exercise of its legislative discretion.

Section 5.6. Default and Remedies. In the event that one Party believes that the other Party is in default of any of the provisions in this Agreement, the non-defaulting Party will make written demand to cure to the defaulting Party and give the defaulting Party up to 14 business days to cure the default or, if the curative action cannot reasonably be completed within 14 business days, the defaulting Party will

commence the curative action within 14 business days and thereafter diligently pursue the curative action to completion. This period must pass before the non-defaulting Party may initiate any remedies available to the non-defaulting Party due to such default. The non-defaulting Party shall mitigate direct or consequential damages arising from any default to the extent reasonably possible under the circumstances. The Parties agree that they will use their best efforts to resolve any disputes and may engage in nonbinding arbitration or other alternative dispute resolution methods as recommended by the laws of the State of Texas before initiating any lawsuit to enforce their rights under this Agreement. The Parties shall have all remedies available in law or in equity, and nothing in this Agreement shall be construed to limit either Party's right to recover damages or to seek other authorized and appropriate curative remedies if a breach of contract action is filed by a non-defaulting Party to this Agreement.

Section 5.7. Amendments and Modifications. This Agreement may not be amended or modified except in writing executed by both Austin and Dripping Springs and authorized by their respective governing bodies.

Section 5.8. Severability. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof, but rather this entire Agreement will be construed as if not containing the particular invalid or unenforceable provision or provisions, and the rights and obligations of the parties hereto shall be construed and enforced in accordance therewith. The parties hereto acknowledge that if any provision of this Agreement is determined to be invalid or unenforceable, it is their desire and intention that such provision be reformed and construed in such a manner that it will, to the maximum extent practicable, be deemed to be validated and enforceable.

Section 5.9. Gender, Number and Headings. Words of any gender used in this Agreement shall be held and construed to include any other gender, and words in the singular number shall be held to include the plural, unless the context otherwise requires. The headings and section numbers are for convenience only and shall not be considered in interpreting or construing this Agreement.

Section 5.10. Execution in Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall be considered fully executed when all parties have executed an identical counterpart, notwithstanding that all signatures may not appear on the same counterpart.

IN WITNESS WHEREOF, the parties have executed and attested this Agreement by their officers thereunto duly authorized as of the date first written above.

[Signature Pages to Follow]

CITY OF AUSTIN:

By: _____
Spencer Cronk, City Manager

Date: _____

ATTEST:

Jannette S. Goodall
City Clerk

CITY OF DRIPPRING SPRINGS:

By: _____
Michelle Fischer, City Administrator

Date: _____

ATTEST:

Andrea Cunningham
City Secretary