

**INTERLOCAL COOPERATION AGREEMENT BETWEEN  
NORTH TEXAS MUNICIPAL WATER DISTRICT AND THE EAST FORK  
SPECIAL UTILITY DISTRICT FOR WATER LINE INSTALLATION AT MUDDY  
CREEK WASTEWATER TREATMENT PLANT**

**THIS INTERLOCAL COOPERATION AGREEMENT** (the “Agreement”) is made and entered into by and between the **NORTH TEXAS MUNICIPAL WATER DISTRICT**, a Texas conservation and reclamation district and political subdivision of the State of Texas (hereinafter referred to as “NTMWD” or ‘District”) and the **East Fork Special Utility District**, a political subdivision of the State of Texas created under the authority of Section 59, Article XVI, Texas Constitution (hereinafter referred to as “EFSUD”). Individually, NTMWD and EFSUD may be referred to as a “Party” and collectively, NTMWD and EFSUD may be referred to as “Parties.”

**WHEREAS**, the Interlocal Corporation Act (the “Act”), codified as Chapter 791 of the Texas Government Code, provides the authority to political subdivisions for contract by and between each other to purchase goods and services and facilitate governmental functions of said political subdivisions under the terms of the Act; and

**WHEREAS**, NTMWD owns, operates, and maintains the Muddy Creek Wastewater Treatment Plant (WWTP) located along Pleasant Valley Road; and

**WHEREAS**, EFSUD wishes to extend its potable water system with a 12” distribution main (“EFSUD potable water line extension”) starting at its Elm Grove Storage Tank, continuing along Elm Grove Road to Pleasant Valley Road, and extending along Pleasant Valley Road connecting to its existing distribution main; and

**WHEREAS**, the NTMWD Muddy Creek WWTP property has sufficient unimproved acreage along Pleasant Valley Road to allow for the installation, operation, and maintenances of the EFSUD potable water line extension; and

**WHEREAS**, NTMWD currently provides retail water service to its Muddy Creek WWTP as well as certain properties along Pleasant Valley Road (“current NTMWD customers”), which are within the boundaries of the EFSUD Certificate of Convenience and Necessity (CCN); and

**WHEREAS**, EFSUD is willing to provide water service to Muddy Creek WWTP and two current NTMWD retail customers; and

**WHEREAS**, NTMWD is willing to dedicate an easement in the Muddy Creek WWTP property along Pleasant Valley Road for the EFSUD 12” distribution main extension; and

**WHEREAS**, the Parties agree that the value of shifting retail water service of current NTMWD customers to EFSUD from NTMWD, in the form of eliminated maintenance, regulatory, and administrative efforts, as well as the furtherance of District Policy No. 7, is comparable to the value of easement dedicated by NTMWD through this agreement; and

**NOW THEREFORE**, in consideration of the mutual covenants contained herein, EFSUD and NTMWD agree as follows:

## **ARTICLE ONE**

### **Dedication of Easement**

1.01 Dedication of Easement. NTMWD shall dedicate a 15-foot-wide water line easement and a 10-foot temporary construction easement to EFSUD at no cost to EFSUD at the Muddy Creek Wastewater Treatment Plant site, the location generally described in Exhibit A, attached hereto.

## **ARTICLE TWO**

### **Provision of Retail Water Service**

2.01 Agreement to Serve Muddy Creek WWTP. EFSUD hereby agrees to provide retail water service to Muddy Creek WWTP upon completion of the EFSUD potable water line extension, including furnishing an appropriately sized service line and meter and all related appurtenances at no cost to NTMWD. Upon connection, Muddy Creek WWTP shall become a regular retail water customer of EFSUD and pay published rates for metered water.

2.02 Agreement to Serve Current NTMWD Customers. EFSUD hereby agrees to provide retail water service to two current NTMWD customers upon completion of the EFSUD potable water line extension, including furnishing an appropriately sized service line and meter and all related appurtenances. Upon connection, current NTMWD customers shall become regular retail water customers of EFSUD and pay published rates for metered water.

## **ARTICLE THREE**

### **Term**

3.01 This Agreement shall be effective upon approval by the EFSUD and NTMWD Boards of Directors and subsequent execution by the EFSUD authorized representative and NTMWD's Executive Director. The effective date will be the latter of the dates this Agreement is executed by the Parties' authorized representatives.

## **ARTICLE FOUR**

### **Immunity**

4.01 Each of the Parties hereby expressly waives immunity from suit and immunity from liability to the extent necessary to enforce the terms of this Agreement including the indemnity obligations set forth herein. Except for this limited waiver, it is expressly understood and agreed that, in the execution of this agreement, neither Party waives, nor shall be deemed hereby to have waived any immunity or defense that would otherwise be available to it against claims arising in the exercise of governmental powers and functions. By entering into this Agreement, the Parties do not create any obligations, expressed or implied, other than those set forth herein, and this Agreement shall not create any rights in parties not signatories hereto.

In the event of joint or concurrent negligence of the Parties, responsibility, if any, shall be apportioned comparatively in accordance with the laws of the State of Texas without, however, waiving any governmental immunity or defense available to any party individually under Texas law. Each Party shall be responsible for its sole negligence. The provisions of this paragraph are solely for the benefit of the Parties and are not intended to create or grant any rights, contractual or otherwise, to any other person or entity.

## **ARTICLE FIVE**

### **Notice**

5.01 Any notice or communication required or permitted shall be in writing and shall be deemed to be delivered when actually received or, regardless of whether actually received or not, (i) when deposited with Federal Express, DHL, UPS, or other nationally recognized overnight courier service, (ii) when received if delivered by hand, or (iii) when deposited in the United States mail, postage prepaid, registered or certified mail, return receipt requested, addressed to the addressee as follows and to such other address as shall hereafter be designated by written notice by the addressee actually received by the other Party at least twenty (20) days prior to the effective date of the change.

East Fork Special Utility District  
Attention: General Manager  
1355 Troy Road  
Wylie, TX 75098

North Texas Municipal Water District  
Attention: Executive Director  
501 E. Brown St.  
Wylie, Texas 75098

The Parties hereto shall have the right from time to time and at any time to change their respective addresses and each shall have the right to specify as its addresses any other address by at least twenty (20) days' written notice to the Party hereto.

## **ARTICLE SIX Severability**

6.01 The provisions of this Agreement are severable. If any paragraph, section, subsection, sentence, clause or phrase of this Agreement is, for any reason, held by a court of competent jurisdiction to be contrary to law or contrary to any rule or regulation having the force and effect of the law, the remaining portions of the Agreement shall be enforced as if the invalid provision had never been included.

## **ARTICLE SEVEN Successors and Assigns**

7.01 This Agreement shall be binding upon the Parties hereto and their successors and assigns. No Party will assign or transfer an interest in this Agreement without the prior written consent of the other Parties.

## **ARTICLE EIGHT Venue**

8.01 The laws of the State of Texas shall govern the interpretation, validity, performance and enforcement of this Agreement. The Parties agree that this Agreement is performable in Collin County, Texas, and that exclusive venue shall lie in a state court in Collin County, Texas.

## **ARTICLE NINE Interpretation**

9.01 This is a negotiated document, and should any part of this Agreement be in dispute, the Parties agree that the Agreement shall not be construed more favorably for any Party.

## **ARTICLE TEN Remedies, Non-Waiver**

10.01 No right or remedy granted herein or reserved to the parties is exclusive of any right or remedy granted by law or equity, but each shall be cumulative of every right or remedy given hereunder. No covenant or condition of this Agreement may be waived without the express written consent of the Parties. It is further agreed that one or more instances of forbearance by any Party in the exercise of its respective rights under this Agreement shall in no way constitute a waiver thereof.

**ARTICLE ELEVEN**  
**Entire Agreement**

11.01 This Agreement embodies the entire agreement between the Parties and may only be modified in writing executed by all Parties.

11.02 Each party hereto acknowledges that they have read and understand the effect of this agreement, have been advised by counsel as to the effect of this agreement, and executes the agreement of their own free will and accord for the purposes and considerations set forth.

IN WITNESS WHEREOF, North Texas Municipal Water District and East Fork Special Utility District have caused this Agreement to be executed either on their behalf by their duly authorized representatives or personally, as of the date first set above.

*(signature pages will follow)*

**EXECUTED** this \_\_\_\_\_ day of \_\_\_\_\_, 2025.

**East Fork Special Utility District**

By: \_\_\_\_\_

Name: Dana Andrews

Title: General Manager

**STATE OF TEXAS**

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**COUNTY OF Collin**

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This instrument was acknowledged before me on \_\_\_\_\_, 2025,  
by \_\_\_\_\_, of EAST FORK SPECIAL UTILITY DISTRICT,  
a governmental agency and body politic and corporate, on behalf of said agency  
and body politic and corporate.

\_\_\_\_\_  
Notary Public, in and for the State of Texas.

**EXECUTED** this \_\_\_\_\_ day of \_\_\_\_\_, 2025.

**North Texas Municipal Water District**

By: \_\_\_\_\_

Name: Jennafer P. Covington

Title: Executive Director

**STATE OF TEXAS** §

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**COUNTY OF COLLIN** §

This instrument was acknowledged before me on \_\_\_\_\_, 2025, by \_\_\_\_\_ of the NORTH TEXAS MUNICIPAL WATER DISTRICT, a governmental agency and body politic and corporate, on behalf of said agency and body politic and corporate.

\_\_\_\_\_  
Notary Public, in and for the State of Texas