

INTERLOCAL COOPERATION AGREEMENT
BETWEEN THE CITY OF AUSTIN AND TRAVIS COUNTY
FOR THE CREATION OF A LOCAL GOVERNMENT CORPORATION
TO MANAGE A SOBRIETY CENTER

PARTIES

This Interlocal Agreement ("Agreement") is entered into by the following parties: the City of Austin, a Texas home rule municipal corporation and political subdivision of the State of Texas ("City") and Travis County, a political subdivision of the State of Texas ("County").

RECITALS

City and County have historically worked collaboratively to provide magistration and detention services for criminal offenders in Travis County and the City of Austin, including offenders arrested for public intoxication.

City and County have researched the possibility of creating a Sobriety Center as an alternative to housing intoxicated persons in the County Jail. The conclusions from this research estimate that a Sobriety Center would offer both City and County a cost savings in law enforcement expenses, jail space, and judicial and medical resources.

City and County recognize that both nationally and within the State of Texas, sobriety centers have developed as a solution to the fiscal impact of placing inebriated persons in jails or hospitals. City and County wish to take proactive steps to divert the eligible publicly intoxicated persons within the City and County out of the jail and into a Sobriety Center.

City and County desire and intend to create a Local Government Corporation to operate a Sobriety Center, its daily management, staffing, service and fundraising needs. The authority to create this Corporation exists pursuant to the Texas Local Government Code, Chapter 394.

City and County desire to contribute to the Sobriety Center by providing financial support through various means articulated within this Interlocal. City and County have reached an agreement regarding their independent responsibilities and obligations to the Sobriety Center.

City and County are authorized to enter into their agreement through the Texas Constitution, Article 3, Section 64, and "The Interlocal Cooperation Act," Texas Government Code, Chapter 791.

NOW, THEREFORE, in consideration of the mutual promises and agreements contained herein, the sufficiency of which is acknowledged, City and County agree to the terms and conditions stated in this Agreement as follows:

DEFINITIONS

1.0 Terms Defined. In this Agreement, the following terms will have these meanings:

1.1 "Agreement" means this Interlocal Agreement between the City and County together with all exhibits and other attachments thereto, as the same may be amended or restated from time to time.

1.2 "City Council" means the City Council of the City of Austin, Texas.

1.3 "Commissioners Court" means the Commissioners Court of Travis County, Texas.

1.4 "County Purchasing Agent" means the Travis County Purchasing Agent, or her successor.

1.5 "Day(s)" means calendar day(s), unless otherwise specifically noted in any individual provision.

1.6 "Fiscal Year" means that twelve-month time period between any October 1 and the next following September 30.

1.7 "Parties" and/or Party" means the County and/or City.

1.8 "Subcontract" means any agreement between City and another party to fulfill, either directly or indirectly, any of the requirements of this Agreement, in whole or in part.

GENERAL TERMS

2.0 Purpose and Scope. The purpose of this Agreement is to set forth the terms and conditions under which City and County shall contribute to the creation of a Sobriety Center and to create a Local Government Corporation to manage that Sobriety Center.

3.0 Agreement Term. The term of this Agreement begins upon execution by both parties and will continue through September 30, 2017, unless sooner terminated as provided herein. Subject to continued funding by the Commissioners Court and City Council, this Agreement will automatically renew for a one year term, ending on September 30, 2018, unless terminated earlier in accordance with the terms of this Agreement.

4.0 Entire Agreement. All oral and written agreements between the Parties to this Agreement relating to a Sobriety Center that were made prior to the execution of this Agreement, including the applicable terms of the Agreement, have been reduced to writing and are contained in this Agreement.

5.0 Agreement Communications. City and County agree that, unless otherwise designated specifically in any provision, all communication, requests, questions, or other inquiries related to this Agreement shall initially be presented by and through the County Executive for the County and the Assistant City Manager for the City.

6.0 Amendments. Either Party may propose an Amendment to this Agreement. City will submit all requests for alterations, additions or deletions of the terms of this Agreement to the County Executive for consideration. Requests for alterations, additions or deletions of the terms of this Agreement by County will be submitted to the City Manager. If the County Executive and the City Manager or the City Manager's designee agree that an Amendment is in the best interest of both Parties, it will be taken before the governing bodies of the Parties for approval. An Amendment to this Agreement is effective when approved and signed by both Parties.

CREATION OF A JOINT LOCAL CORPORATION

7.0 Participation in Creation. The Parties agree to work together to create a certificate of formation to create a Local Government Corporation ("LGC"). The Parties will also cooperate to propose Bylaws for the LGC. The parties will cooperate in the appointment of the residents who will file an application for creation of the joint LGC according to Local Government Code §394.011. After incorporation the new legal entity will be responsible for procuring and maintaining legal counsel separate and apart from either the City or County.

8.0 Resolution. When the Parties have reached agreement on the terms of the formation of the LGC and the bylaws, each Party's government body will adopt a resolution that authorizes formation of the LGC.

9.0 Board Members of the LGC. The Parties agree that the LGC should have a nine (9) member board of directors, with knowledge, experience or specialization in the following areas: legal; medical; behavioral health; public health; chemical dependency and addiction; philanthropy and fundraising; business and tax; and community advocacy. The Parties agree that the City will nominate the four (4) board members, the County will nominate the four (4) board members, and both parties will mutually agree on the ninth board member. The Parties will confer to ensure that the areas of expertise have representation on the board. Additionally, there will be five (5) ex-officio members, who do not have voting rights, but who will contribute to the success of the Sobriety Center. The ex-officio members will be the following officials or their designees: the City Manager, the County Judge, the head of the City's Police Department, the head of the ATCEMS Department and the head of the City's Health and Human Services Department.

10.0 Insurance. City and County acknowledge and agree that each Party is self-insured and will require that the LGC maintain such coverage at a level sufficient to cover the needs of the Sobriety Center, pursuant to applicable generally accepted business standards. Parties will negotiate the terms of the required insurance for the LGC according to the interests of the Parties' risk managers.

COUNTY'S RESPONSIBILITIES AND OBLIGATIONS

11.0 County's Contributions. County will provide the building to be used for the Sobriety Center and the building's initial renovation and retrofit. Additionally, County will maintain and repair the building as such need arises.

11.1 Medical Examiner Building. As soon as County has vacated the current Travis County Medical Examiner Building ("ME"), the entire building will be made available for all Sobriety Center services provided by the LGC and any future use deemed compatible with the purposes of the Sobriety Center. County will provide parking for Sobriety Center staff in the parking lots adjacent to the ME.

11.2 Renovation. The ME will be renovated to suit the needs of the Sobriety Center. The Travis County Facilities Management Department ("FMD") will do the planning, programming, design, and project management of the renovation. The renovation cost, estimated at a one-time cost of \$887,057, will include the design and construction cost. After the initial renovation, all future renovation must be approved by FMD.

11.3 License to LGC. County agrees to grant the LGC a license agreement for the use of the first and second floors of the ME for the purpose of operating the Sobriety Center. County agrees to a term of no less than ten years for the LGC's license and during that time, County will charge the LGC the nominal cost of \$10 a month. County will take credit annually for 10% of the appraised value of the ME. The appraisal will be conducted by FMD with the approval of City.

11.4 Physical Maintenance and Repairs. As long as the LGC uses the ME for the Sobriety Center, FMD will be responsible for all physical maintenance of the building itself and repairs to protect County equipment, structure, roof, and other structural needs. FMD must have access to Sobriety Center in order to maintain and repair the building.

CITY'S RESPONSIBILITIES AND OBLIGATIONS

12.0 City's Contributions. City agrees to pay the LGC's annual operating costs that are not covered by other sources of revenue. Initially, the majority of these costs will be covered by City, however the expectation is that once the LGC has incorporated, it will seek other fundraising opportunities, such as private and corporate donations as well as available grant funding. City and County anticipate that the LGC may be able to cover many of the operating costs in future fiscal years, however a Cost Model is set out and attached to this Agreement as Exhibit A for the expected costs for the first two years of the Sobriety Center's existence.

12.1 Operating Costs. The City agrees to pay the LGC's annual operating costs, including but not limited to personnel salaries, benefits, necessary training and licensures.

12.2 Custodial Maintenance and Security. While County provides the ME and its physical maintenance, the LGC's operating costs will include the custodial maintenance, housekeeping, utility service, grounds keeping, and garbage pickup for the ME, as well as any

future renovations. Additionally the LGC or city will be responsible for the security needs of the Sobriety Center. City and LGC will determine the type of security necessary and whether it will be provided by a Security contract or members of the Austin Police Department.

12.3 FFE. City will provide the original furnishings, fixtures, and equipment for the Sobriety Center. The LGC will maintain and replace as necessary.

12.4 ITS Security. City will pay for the IT services and IT security of the Sobriety Center, and the LGC systems will be configured to be compatible with the Austin Police Department.

COST MODEL

13.0 Exhibit A. County and City agree that the amounts to be paid by County and City to the LGC pursuant to this Agreement shall be computed in accordance with the Cost Model attached hereto as Exhibit A and made a part hereof. The Cost Model shows amounts for Fiscal Years 2017 and 2018 as well as future projections.

14.0 Term. For and in consideration of the services to be rendered by the LGC pursuant to this Agreement, the City will pay the LGC in accordance with the amounts enumerated in Exhibit A.

15.0 Agreement. City and County agree that the payments provided herein fairly divide the costs of creating the Sobriety Center and will fairly compensate the LGC for performing that service. County and City agree that any future additional space needs by the LGC will be jointly planned between the LGC, City and County and will be subject to available funding.

TERMINATION

16.0 Mutual Termination. Either Party has the right to terminate this Agreement, in whole or in part, when the Parties agree that the continuation of the activities funded under this Agreement would not produce beneficial results commensurate with the further expenditure of funds; provided that both Parties agree, in writing, upon the termination conditions, including the effective date of the termination, the provisions under which termination shall be accepted; and, in the case of partial termination, the portion of the Agreement to be terminated.

17.0 Failure to Continue Negotiations. If at any point it becomes clear that the Parties can no longer agree on the terms of either the LGC's formation or bylaws, either or both Parties may terminate this Agreement.

18.0 Failure to Fund. If at any point during the budget planning and adoption process, the governing body of either party fails to provide funding for the LGC or Sobriety Center, prior to the existence of the LGC, either or both Parties may terminate this Agreement. The Parties acknowledge that funding for the LGC and the Sobriety Center will be from current revenues available to each Party.

19.0 Other Reasons for Termination. A Party may terminate this Agreement if it is unable to conform to changes required by federal or state laws or regulations.

20.0 Notice of Termination. Either Party may terminate this Agreement, in whole or in part, without cause, if the Party wanting to terminate the Agreement notifies the other Party in compliance with the Notice provisions of this Agreement of the decision to terminate this Agreement, the effective date of termination, which must be at least three (3) months (or any time period agreed to in writing by the Parties) after that notice, and, in the case of partial termination, the portion of the Agreement to be terminated.

MISCELLANEOUS PROVISIONS

21.0 Monitoring. Parties agree that they will monitor the LGC and the Sobriety Center to ensure that its operations meet or exceed the expectations of its intended purpose. The LGC will give Parties access to and the right to examine all books, accounts, records, reports, files and other papers, things or property belonging to or in use by the LGC at reasonable times and for reasonable periods. These rights to access shall continue as long as the records are required to be retained by the LGC and for any additional time period that the records are retained by the LGC.

22.0 Evaluation of Performance. The LGC will evaluate the Sobriety Center's performance over its initial five full fiscal years of operation, to include a formal assessment as to whether the current Medical Examiner's office location continues to be the best solution for its programmatic goals, in light of changing conditions in areas adjacent to the Sobriety Center as well as opportunities that might exist to co-locate the facility with supplemental resources in other parts of the city. The report shall be submitted to the City and County no later than six months after the end of the evaluation period.

23.0 Access to Sobriety Center. Parties shall have the right to perform periodic on-site monitoring of the LGC to ensure that the operation of the Sobriety Center meets or exceeds the expectations of Parties, and of the adequacy, effectiveness and timeliness of the LGC's performance at reasonable times. Such monitoring visits may include review of any and all performance activities as well as any and all records or other documentation (including financial) maintained in relation to the LGC's performance as it operates the Sobriety Center. Within thirty (30) days of each monitoring visit, the Parties shall provide the LGC with a written report of the monitor's findings. If the report notes deficiencies in LGC's performances, it shall include requirements and deadlines for the correction of those deficiencies by the LGC. Additionally, County Facilities Management Division must have access to the Sobriety Center at all times in order to maintain or repair structural damage or for any other reasonable purpose.

24.0 Authority to Obligate. It is acknowledged by City that no officer, agent, employee or representative of County other than the Commissioners Court has any authority to sign any document or make any type of agreement obligating County unless expressly granted that authority by the Commissioners Court under a specific provision of this Agreement or by separate action by Commissioners Court.

25.0 NOTICES

25.1 Requirements. Except as otherwise specifically noted herein, any notice required or permitted to be given under this Agreement by one Party to the other shall be in writing and shall be given and deemed to have been given immediately if delivered in person to the address set forth in this section for the Party to whom the notice is given, or on the third day following mailing if placed in the United States Mail, postage prepaid, by registered or certified mail with return receipt requested, addressed to the Party at the address hereinafter specified.

25.2 County Address. The address of County for all purposes under this Agreement shall be:

Roger Jefferies, County Executive (or his successor)
Travis County Criminal Justice & Planning
P. O. Box 1748
Austin, Texas 78767

And

Cyd Grimes (or her successor)
Travis County Purchasing Agent
P. O. Box 1748
Austin, Texas 78767

25.3 City Address. The address of the City for all purposes under this Agreement and for all notices hereunder shall be:

Rey Arellano (or his successor in office)
Assistant City Manager
P. O. Box 1088
Austin, Texas 78767

25.4 Change of Address. Each Party may change the address for notice to it by giving written notice of the change. Any change of address by City, including a change in the City's authorized representative, shall be reported to the County Executive and the Purchasing Agent within twenty (20) days of the change. Any change of address by County, including a change in the County's authorized representative, shall be reported to the City within twenty (20) days of the change.

26.0 Dispute Resolution/Mediation. Initial disputes and unresolved questions or issues of City or County shall initially be presented by City to County by submission in writing to the County Executive with a copy to the County Purchasing Agent and by County to City by submission in writing to the Assistant City Manager. If satisfactory resolution cannot be achieved between the Parties within a reasonable time, and should mediation be acceptable to both Parties in resolving a

dispute arising under this Agreement, the Parties agree to use the Dispute Resolution Center of Austin, Texas, as the provider of mediators for mediation as described in the TEX. CIV. PRAC. AND REM. CODE, Section 154.023. Unless both Parties are satisfied with the result of the mediation, the mediation will not constitute a final and binding resolution of the dispute. All communications within the scope of the mediation shall remain confidential as described in TEX. CIV. PRAC. AND REM. CODE, Sec. 154.073, unless both Parties agree, in writing, to waive the confidentiality.

27.0 Force Majeure. Neither Party shall be financially liable to the other Party for delays or failures to perform under the Agreement where such failure is caused by force majeure (i.e. those causes generally recognized under Texas law as constituting impossible conditions). Such delays or failures to perform shall extend the period of performance until these exigencies have been removed or until the Parties agree in writing to either amend or terminate the Agreement. The Party seeking to avail itself of this clause shall notify the other Party within five (5) business days or otherwise waive the right as a defense, unless notification is impractical under the circumstances, in which case notification shall be done in as timely a manner as possible. City agrees that breach of this provision entitles County to reduce or stop payments or immediately terminate this Agreement.

28.0 Publicity. In any publicity prepared or distributed by or for City related to this Agreement, the participation and contributions of County shall be mentioned as having made the project possible, either through use of the County logo or in applicable text. Prior to publication or any disbursement of such publicity, City must provide a copy of the final form of the publicity to County. When appropriate as determined by County Executive, City shall publicize the services and activities of City and County under this Agreement. City shall work with County to allow for distribution from appropriate County locations of any materials prepared related to services provided under this Agreement.

29.0 Third Party Beneficiary. This Agreement sets out the agreements and obligations between City and County only, and no provision in this Agreement creates any rights in any person or entity that is not a party to this Agreement. The rights to performance in this Agreement are only enforceable by City and County.

30.0 Legal Authority. The person or persons signing this Agreement on behalf of each Party warrant that he, she or they have been duly authorized by their respective entities to sign this Agreement on behalf of the entity and to bind the entity validly and legally to all terms, performances, and provisions in this Agreement. Each Party warrants that the Party possesses the legal authority to enter into this Agreement and to perform the services that Party has obligated itself to perform under this Agreement.

CITY OF AUSTIN

By: _____
Marc A. Ott
City Manager

Date: _____

TRAVIS COUNTY

By: _____
Sarah Eckhardt
Travis County Judge

Date: _____

COUNTY APPROVALS:

As to Legal Form:

Assistant County Attorney

Date: _____

Purchasing:

Cyd Grimes, County Purchasing Agent

Date: _____