

## INTERLOCAL AGREEMENT

This Interlocal Agreement ("Agreement") by and between Denton County, Texas ("County"), with the agreement, consent, and participation of the Denton County tax assessor-collector (the "Tax Assessor"), and the North Texas Tollway Authority ("NTTA"), a regional tollway authority created under Chapter 366 of the Texas Transportation Code and a political subdivision of the State of Texas, is entered into as of the Effective Date, as defined on the signature page of this Agreement. County and NTTA may also each, individually, be referred to herein as a "Party" and, collectively, as the "Parties".

### WITNESSETH:

**WHEREAS**, Texas Government Code Chapter 791 authorizes local governments of the state to enter into contracts for governmental functions and services to increase their efficiency and effectiveness;

**WHEREAS**, County and NTTA are local governments as defined in Texas Government Code §791.003(4) and are authorized to enter into this Agreement by the action of their respective governing bodies as prescribed by law;

**WHEREAS**, Texas Transportation Code §502.011 authorizes a county tax assessor-collector or the Texas Department of Motor Vehicles (the "Department") to refuse to register or renew the registration of a motor vehicle if it has received written notice from a TPE (as defined below) that the owner of the vehicle has been finally determined to be a habitual violator as defined in Texas Transportation Code §372.106 (a "Habitual Violator"); and

**WHEREAS**, NTTA is a toll project entity ("TPE") under Texas Transportation Code §372.001(2), and Texas Transportation Code §372.111 allows a TPE to report habitual violator determinations to a county tax assessor-collector or the Department in order to cause the denial of vehicle registration as provided by Texas Transportation Code §502.011;

**WHEREAS**, a coordinated effort in the effectuation of Texas Transportation Code Chapters 372 and 502 is in each party's best interest and that of the public; and

**WHEREAS**, the Parties desire to expressly agree to the terms and conditions under which County will refuse to register or renew the registration of certain motor vehicles when the Tax Assessor receives information from NTTA via a "flag" in the Department's vehicle registration system (the "DMV System") that the owner of the vehicle has outstanding tolls and fees and that NTTA has made a final determination that the owner is a Habitual Violator.

**NOW THEREFORE**, County and NTTA, for and in consideration of the mutual obligations, terms, and conditions stated in this Agreement, agree as follows:

**ARTICLE I**  
**TERM; TERMINATION**

1.1 This Agreement will be effective on the Effective Date and will remain in full force and effect until terminated by either Party pursuant to Section 1.2 below (the “Term”).

1.2 Either Party may terminate this Agreement at any time upon 30 days’ prior written notice to the other Party.

**ARTICLE II**  
**RESPONSIBILITIES OF THE PARTIES**

2.1 NTTA’S RESPONSIBILITIES:

- a) NTTA may notify the Tax Assessor via the DMV System when a determination that a registered owner is a Habitual Violator has become final and imposition of a vehicle registration block is authorized by law. NTTA will only request the Department to flag records of vehicles for which the registered owner is a Habitual Violator and such status has not terminated under Texas Transportation Code §372.109.
- b) NTTA will supply County with an information sheet describing the procedure for flagged motor vehicle owners in the DMV System to resolve their outstanding tolls and fees.
- c) NTTA will provide Habitual Violators who have paid their outstanding tolls and fees with a “cleared” receipt that the vehicle owner may present to County. The receipt will include written instructions directing the owner to maintain it for 30 days. NTTA may also, at its option, enable owner generation of the receipt through NTTA’s online payment system.
- d) NTTA will be solely responsible for placing or clearing registration flags in the DMV System.
- e) NTTA will make the payments provided for in this Agreement from current funds available to NTTA.

2.2 COUNTY’S RESPONSIBILITIES:

- a) County will ensure that the Tax Assessor and/or its deputies review the DMV System for vehicle registration block flags for all owners who attempt to register any vehicle and will rely on the information in the DMV System regarding a vehicle owner’s payment or non-payment of tolls and fees to NTTA. Such information will constitute written notice under Section 502.011(a) of the Texas Transportation Code.

- b) County will refuse to register or renew the registration of all motor vehicles flagged in the DMV System as having outstanding NTTA tolls and fees, unless the owner of such vehicle presents a cleared receipt as described in Section 2.1(c), in which case the County may proceed to register or renew the registration of the vehicle(s) covered by the cleared receipt.
- c) County will distribute the instruction sheet described in Section 2.1(b) to flagged motor vehicle owners.
- d) County may provide flagged vehicle owners with access to a computer terminal where the owner can access NTTA's online payment system.
- e) County may provide owners who pay online with printouts of any clearance receipts generated by the NTTA's online payment system.
- f) When the Tax Assessor reasonably determines that a vehicle registration block should not be honored, County may register or renew the registration of a motor vehicle otherwise flagged in the DMV System as set forth above.
- g) County will notify NTTA within three business days of its election to register or renew the registration of a motor vehicle pursuant to Section 2.2(f) above.

**ARTICLE III**  
**PAYMENT TERMS**

3.1 In complying with this Agreement, County will incur certain expenses, including costs for receiving the information and confirming the flags with the Department and the administrative cost of refusing to register or renew the registration of a vehicle. NTTA agrees to pay County \$5.24 for each flag accepted by the Department for refusal to register or renew the registration of a vehicle pursuant to this Agreement.

3.2 NTTA will identify to County the flags accepted by the Department for refusal to register or renew the registration of a vehicle. County, or the Tax Assessor on County's behalf, will present an itemized invoice to NTTA within 10 days of the end of each month during the Term, showing the total amount owed to County per Section 3.1 above for flags accepted by the Department during the preceding 30 days. NTTA will pay County the amount shown as owing on an invoice within 30 days of its receipt thereof.

NTTA will make payment under this Agreement to the address below:

James Wells  
Denton County Auditor  
401 W. Hickory  
Denton, TX 76201-9026

3.3 On or before September 30<sup>th</sup> of any year during the Term, either Party may request a modification in the payment terms of this Agreement. Any resulting modification will take effect on January 1<sup>st</sup> of the following year. If County and NTTA cannot reach an agreement on modification of the payment terms, then either Party may terminate the Agreement in accordance with Section 1.2 above.

**ARTICLE IV**  
**LIABILITY; IMMUNITY**

4.1 County and NTTA agree that each is responsible for its own negligent acts, omissions, or other tortious conduct in the course of performance of this Agreement and that no indemnification by or for either Party is provided for or intended hereunder.

4.2 Notwithstanding the terms of Section 4.1, neither of the Parties waive, nor shall be deemed hereby to have waived, any immunity or any legal or equitable defense otherwise available against claims arising in the exercise of governmental powers and functions.

**ARTICLE V**  
**CONFIDENTIALITY**

The information shared pursuant to this Agreement may be confidential by law or not subject to disclosure under the Texas Public Information Act. The Parties will take reasonable measures to maintain the confidentiality of the exchanged information and not reveal or disclose the information to any person, company, or other entity without the express written consent of the non-disclosing Party. Notwithstanding the above, it is expressly understood and agreed that County and its officers and employees may request advice, decisions, and opinions of the Attorney General of the State of Texas in regard to the application of the Public Information Act and will follow the advice, decision, and opinion of the Attorney General regarding the release of information requested pursuant to the Public Information Act.

**ARTICLE VI**  
**AUTHORITY; APPROVAL**

6.1 The respective signatories of the Parties are their properly authorized officials or representatives and have the necessary authority to execute this Agreement.

6.2 This Agreement is expressly subject to and contingent upon formal approval by County's Commissioners Court and by resolution of NTTA's Board of Directors.

**ARTICLE VII**  
**NOTICE**

Any notice required in this Agreement must be in writing and delivered to the address below the recipient Party's name below. Delivery must be by hand; U.S. mail sent First Class, return receipt requested; or reputable overnight courier. Notice will be deemed delivered upon actual receipt by the recipient Party or, in the case of United States mail, three days after the postmark date. Notices must be sent to:

If to County:  
Mary Horn, Denton County Judge  
110 W. Hickory St.  
Denton, TX 76201  
Attn: Mary Horn  
E-mail: mary.horn@dentoncounty.com

If to NTTA via hand delivery or courier:  
North Texas Tollway Authority  
5900 W. Plano Parkway, Suite 100  
Plano, Texas 75093  
Attn: \_\_\_\_\_

*with a copy to attention of General Counsel  
at same address*

If to NTTA via U.S. Mail:  
North Texas Tollway Authority  
P.O. Box 260729  
Plano, Texas 75026  
Attn: \_\_\_\_\_

*with a copy to attention of General Counsel  
at same address*

## **ARTICLE VIII** **MISCELLANEOUS**

- 8.1 Venue. Venue to enforce this Agreement lies exclusively in Denton County, Texas.
- 8.2 Entire Agreement. This Agreement constitutes the entire agreement between the Parties as to the subject matter hereof and supersedes all prior negotiations, representations, and/or agreements, whether written or oral, pertaining to such subject.
- 8.3 Amendment. This Agreement may not be modified except by an instrument in writing signed by both Parties.
- 8.4 Relationship of the Parties. Nothing in this Agreement will be deemed or construed by the Parties as creating a joint enterprise, partnership, joint venture, or the relationship of principal and agent between County and NTTA.
- 8.5 No Third Party Beneficiaries. Nothing in this Agreement, or in any approval subsequently provided by either Party, may be construed as giving any benefits, rights, remedies, or claims to anyone not a party to this Agreement.

8.6 Assignment. No assignment of this Agreement will be valid without the written consent of the other Party.

8.7 Successors and Assigns. The Parties each bind themselves and their respective successors and assigns to the other party to this Agreement.

8.8 Remedies. No right or remedy granted in this Agreement or reserved to the Parties is exclusive of any right or remedy granted by law or equity, but each is cumulative of every right or remedy given hereunder.

8.9 Waiver. No covenant or condition of this Agreement may be waived without the express written consent of the waiving Party. The failure of either Party to object or take affirmative action with respect to any conduct of the other Party that is in violation of the terms of this Agreement will not be construed as a waiver thereof or of any subsequent breach or wrongful conduct.

8.10 Interpretation. This Agreement will not be constructed more or less favorably for a Party because of that Party's role, or presumed role, in drafting the Agreement.

8.11 Severability. If any provision of this Agreement is held invalid, void, or unenforceable, the remaining provisions hereof will not be affected or impaired, and such remaining provisions will remain in full force and effect.

8.12 Headings. The articles and sections used in this Agreement are for reference and convenience only and will not enter into the interpretation of this Agreement.

8.13 Counterparts. This Agreement may be executed in any number of counterparts, which, when taken together, will constitute one and the same instrument.

*[Signature page follows]*

IN WITNESS WHEREOF, the Parties have signed one or more counterparts hereof on the respective dates shown below, to be effective as of the latest date shown (the "Effective Date").

**COUNTY**

**DENTON COUNTY, TEXAS**

By: Mary Horn  
Name: Mary Horn  
County Judge  
Date: 10.4.16

APPROVED:

Nicole French  
Name: Nicole French  
Denton County Tax Assessor-Collector

ATTEST:

Ashley D'Amico  
Name: Ashley D'Amico  
Denton County Clerk



**NTTA:**

**NORTH TEXAS TOLLWAY AUTHORITY**

By: Gerald Carrigan  
Gerald Carrigan, Executive Director  
Date: 11/17/16

ATTEST:

Lorelei Griffith  
Name: Lorelei Griffith  
Secretary