



UNITED INDEPENDENT SCHOOL DISTRICT AGENDA ACTION ITEM

TOPIC: Approval of an Interlocal Agreement between United ISD, Laredo Community College (“LCC”) and the Fernando A. Salinas Trust (“Trust”) to further the educational mission of the District by allowing high school students to enroll in college petroleum engineering classes at LCC and further the charitable goals of the Trust by partly underwriting these classes

SUBMITTED BY: Laida P. Benavides, CPA **OF:** Division of Finance

APPROVED FOR TRANSMITTAL TO SCHOOL BOARD: _____

DATE ASSIGNED FOR BOARD CONSIDERATION: June 17, 2014

RECOMMENDATION:

It is recommended that the Board of Trustees approve the Interlocal Agreement with Laredo Community College (“LCC”) and the Fernando A. Salinas Trust (“Trust”).

RATIONALE:

The Interlocal Agreement allows UISD to further the educational mission of the District by allowing high school students to enroll in college petroleum engineering classes at LCC; allows LCC to further the college educational opportunities available to UISD students by offering college courses in the area of oil and gas specialization; and finally, allows the Fernando A. Salinas Trust to further the charitable goals of the Trust by partly underwriting the oil and gas specialization classes taken by UISD students.

BUDGETARY INFORMATION:

No Impact.

BOARD POLICY REFERENCE AND COMPLIANCE:

THE STATE OF TEXAS)
)
COUNTY OF WEBB)

INTERLOCAL AGREEMENT

This Interlocal Agreement (the “Agreement”) is entered into this _____ day of _____, 2014, by and between the UNITED INDEPENDENT SCHOOL DISTRICT (“UISD”), a political subdivision of the State of Texas acting through its Board of Trustees, the LAREDO COMMUNITY COLLEGE (“LCC”), a Higher Education Institution, governed through its Board of Trustees, and THE FERNANDO A. SALINAS TRUST, a Texas Charitable Trust.

WHEREAS, Chapter 791 of the Texas Government Code authorizes local governments and political subdivisions, including UISD and LCC, to contract with each other to perform governmental functions and services; and

WHEREAS, UISD, LCC and The FERNANDO A. SALINAS TRUST recognize the financial opportunities available to Laredoans due to the Eagle Ford Shale Oil boom; and

WHEREAS, UISD wishes to further the educational mission of the District by allowing high school students to enroll in college petroleum engineering classes at LCC ; and

WHEREAS, LCC wishes to further the college educational opportunities available to UISD students by offering college courses in the area of oil and gas specialization; and

WHEREAS, THE FERNANDO A. SALINAS TRUST seeks to further the charitable goals of the Trust by partly underwriting the oil and gas specialization classes being taken by UISD students; and

WHEREAS, UISD, LCC, and THE FERNANDO A. SALINAS TRUST have each entered into this Agreement by the action of their respective bodies in the appropriate manner prescribed by law; and

NOW THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree to the following:

**SECTION I
TERM**

1.1 Regardless of the date of execution, this agreement shall be effective September 1, 2013 and shall continue until December, 2015. This Agreement will be automatically renewed for two additional one year terms under the terms and conditions under this Agreement, except for the contributions made by LCC and The Fernando A. Salinas Trust.

SECTION II
UISD Scope of Services

2.1 Each semester, UISD will provide LCC a list of students that will be enrolling in oil and gas specialization classes offered by LCC. Each student may take a maximum of two (2) classes per semester. UISD will provide LCC all the information necessary for LCC to enroll said students. UISD will also provide classroom space at one of its high schools for said classes. LCC instructors will also avail themselves with the use of distance learning technology to teach those students enrolled in said classes but located at those high schools where LCC instructors are not present to conduct classes.

SECTION III
LCC Scope of Services

3.1 Each semester, LCC will offer oil and gas specialization classes to students enrolled in LCC and allow UISD students to enroll said classes. LCC will provide instructors to teach said classes at a UISD high school campus designated by UISD.

3.2 Under this Agreement, LCC will contribute Twenty-Five Thousand Dollars (\$25,000.00) to defray tuition enrollment costs to UISD student taking classes under this agreement. The Twenty-Five Thousand Dollars payment shall be made to UISD within thirty (30) days from the execution of this contract by LCC.

SECTION IV
Fernando A. Salinas Trust Scope of Services and Payment Obligation

4.1 Under this Agreement, the Fernando A. Salinas Trust agrees to donate and pay One Hundred Fifty-Thousand Dollars (\$150,000.00) in order to defray tuitions cost to UISD students enrolled in oil and gas specialization classes at LCC. The Fernando Salinas Trust will pay LCC the amount of Sixty-three Thousand Three Hundred Eighty-Five Dollars (\$63,385.00) as payment for those UISD students that were enrolled in LCC Oil and Gas Classes during the Fall 2013 and Spring 2014 semesters. The payment shall be made to LCC within thirty days of the date to the last signatory to this Agreement. The balance of the amount, Eighty-Six Thousand Six Hundred Fifteen (\$86,615.00), pledged by the Fernando Salinas Trust shall be paid to LCC within thirty (30) days of receiving confirmation of enrollment by UISD staff.

4.2 It is the intent of the Parties that the intention and wishes of the Fernando A Salinas Trust is that the donation shall constitute The Fernando A. Salinas Trust's binding obligation and shall be enforceable at law and equity. The Fernando A. Salinas Trust acknowledges that UISD and LCC are relying and shall continue to rely on the Fernando A. Salinas Trust donation being fully satisfied as set forth herein.

**SECTION V
CONTRACTUAL RELATIONSHIP**

5.1 USD and LCC are governmental entities that are entering into this contract pursuant to Chapter 791, Texas Government Code, which establishes the legal relationship between the parties. No other legal relationship is intended to be created by this Agreement, to include but not be limited to landlord-tenant, employer-employee, or principal-agent. No provision of this Agreement that imposes an obligation or restriction on either party not permitted by applicable law shall be enforceable.

5.2 USD acknowledges and agrees that it does not have, and will not attempt to assert, the authority to make commitments for or to bind LCC to any obligation other than the obligations set forth in this Agreement. USD also acknowledges and agrees that it does not have, and will not attempt to assert, the authority to make commitments for or to bind USD to any obligation other than the obligations set forth in this Agreement.

**SECTION VI
RISK ALLOCATION – LIMITATION OF LIABILITY**

6.1 Liability.

This Agreement is not intended to alter or reallocate any defense or immunity authorized or available to any party under this Agreement by law.

6.2 Intentional Risk Allocation.

USD and LCC each acknowledge that the provisions of this Agreement were negotiated to reflect an informed, voluntary allocation between them of all risks (both known and unknown) associated with the transactions associated with this Agreement. The disclaimers and limitations in this Agreement are intended to limit the circumstances of liability. The remedy limitations, and the limitations of liability, are separately intended to limit the forms of relief available to the parties.

6.3 No Indemnification.

The parties expressly agree that, except as provided herein, no party shall have the right to seek indemnification or contribution from the other party for any losses, costs, expenses, or damages directly or indirectly arising, in whole or part, from this Agreement.

6.4 Fines and Penalties.

Each party shall be solely responsible for fiscal penalties, fines or any other sanctions occasioned as a result of a finding that violations of any applicable local, state or federal regulations, codes or laws occurred as a result of that parties actions, except as may be specifically provided by law.

**SECTION VII
GOVERNMENTAL FUNCTION AND IMMUNITY**

7.1 Governmental Function.

The parties expressly agree that, in all things relating to this Agreement, UISD and LCC enter into this Agreement for the purpose of performing a governmental function and are performing governmental functions, as defined by the Texas Tort Claims Act. The parties further expressly agree that every act or omission of each party, which in any way pertains to or arises out of this Agreement, falls within the definition of governmental function.

7.2 Sovereign Immunity.

UISD and LCC reserve, and do not waive, their respective rights of sovereign immunity and similar rights and do not waive their rights under the Texas Tort Claims Act. The parties expressly agree that neither party waives, nor shall be deemed hereby to waive, any immunity or defense that would otherwise be available to it against claims arising in the exercise of its powers or functions or pursuant to the Texas Tort Claims Act or other applicable statutes, laws, rules, or regulations.

**SECTION VIII
GENERAL PROVISIONS**

8.1 Compliance with Laws.

UISD, LCC, and the Fernando A. Salinas Trust shall comply with all applicable local, state, and federal laws in performance of their obligations under this Agreement.

8.2 Complete Agreement.

This Agreement constitutes the entire agreement between the parties relating to the terms and conditions of the Agreement. The parties expressly acknowledge and warrant that there exists no other written or oral understanding, agreements or assurances with respect to such matters except as are set forth herein. Unless expressly stated, this Agreement confers no rights on any person(s) or business entity(s) that is not a party hereto.

8.3 Amendment/Assignment.

This Agreement and the obligations hereunder shall not be amended, assigned, transferred or encumbered, in any manner, unless done so in writing and signed by the authorized representatives of the parties.

8.4 Governing Law.

This Agreement shall be construed and interpreted in accordance with the laws of the State of Texas, along with any applicable provisions of the federal law.

8.5 Venue.

The Parties hereto agree that this Agreement shall be enforceable in Laredo, Texas, and if legal action is necessary to enforce it, exclusive venue shall lie in Webb County, Texas. Should the need for dispute resolution arise, venue is in Webb County, Texas.

8.6 Severability.

All agreements and covenants contained in this Agreement are severable. Should any term or provision of this Agreement be declared invalid by a court of competent jurisdiction, the parties intend that all other terms and provisions of this Agreement should be valid and binding and

have full force and effect as if the invalid portion had not been included.

8.7 Section Headings.

The section headings contained in this Agreement are for reference purposes only and shall not in any way control the meaning or interpretation of this Agreement.

8.8 Current Revenues.

Pursuant to Texas Government Code §791.011(d)(3), each party paying for the performance of governmental functions or services must make those payments from current revenues available to the paying party.

8.9 Notices.

All notices provided under this Agreement shall be given by certified or registered mail, return receipt requested, postage fully prepaid, addressed to the proper party at the following addresses:

UISD: Mr. Robert J. Santos
Superintendent of Schools
United Independent School District
201 Lindenwood Drive
Laredo, Texas 78045

LCC: Juan L. Maldonado, President
Laredo Community College
Fort McIntosh Campus
West End Washington Street
Laredo, Texas 78040

TRUST: Mr. Javier B. Santos
420 Corpus Christi
Laredo, Texas 78042

Any notice so given shall be deemed properly delivered, given, served, or received on the date shown for delivery or rejection on the return receipt. Either party may change the address to which notices shall thereafter be given upon five (5) days prior written notice to the other party in the manner set forth herein.

8.10 Representation of Counsel; Mutual Negotiation.

Each party has had the opportunity to be represented by joint counsel of its choice in negotiating this Agreement. This Agreement shall therefore be deemed to have been negotiated and prepared at the joint request, direction, and construction of the parties, at arms' length, with the advice and participation of counsel, and will be interpreted in accordance with its terms without favor to any party.

8.11 Execution and Counterparts.

This Agreement may be executed in any number of counterparts, each of which, when so executed and delivered shall be deemed an original, and such counterparts together shall constitute only one

instrument. Any one of such counterparts shall be sufficient for the purpose of proving the existence and terms of this Agreement and no party shall be required to produce an original or all of such counterparts when making such proof.

8.12 Warranty of Capacity to Execute Contract.

The person signing this Agreement on behalf of the LCC, UISD, and THE FERNANDO A. SALINAS TRUST warrants that he/she has the authority to do so and to bind their respective party to this Agreement and all the terms and conditions contained herein.

(Signatures begin on the following page)

EXECUTED this _____ day of _____, 2014

UNITED INDEPENDENT SCHOOL DISTRICT

Mr. Javier Montemayor
Board President

Date: _____

ATTEST:

Mr. Ricardo Rodriguez
Board Secretary

EXECUTED this _____ day of _____, 2014

LAREDO COMMUNITY COLLEGE

Ms. Cynthia Mares
Board President

Date: _____

ATTEST:

Mr. Jesse A. Porra
Board Secretary

EXECUTED this _____ day of _____, 2014

FERNANDO A. SALINAS TRUST

Mr. Javier B. Santos

Date: _____