

STATE OF TEXAS)
)
COUNTY OF EL PASO)

INTERLOCAL AGREEMENT

THIS AGREEMENT is entered into on the last listed approved date below between the CITY OF EL PASO, TEXAS (“City of El Paso”, “Party”) and Town of Horizon City, TEXAS (“Town of Horizon City”, “Party”), and collectively known as (“Parties”), by and through its duly authorized officials, pursuant to the Interlocal Cooperation Act.

RECITALS

WHEREAS, the City of El Paso and Town of Horizon City are authorized to enter into this Agreement pursuant to the Interlocal Cooperation Act, Chapter 791, Texas Government Code; and

WHEREAS, this Agreement is for interlocal cooperation for the City of El Paso to provide certain services to Town of Horizon City and is necessary for the mutual advancement of the health and general welfare of the citizens of all jurisdictions concerned; and

WHEREAS, Town of Horizon City desires to have the City of El Paso’s appointed health authority serve as Town of Horizon City’s health authority; and

WHEREAS, Town of Horizon City will make available and/or transfer to the City of El Paso certain information, in conjunction with goods or services that are being provided by the City of El Paso to Town of Horizon City, which is confidential and must be afforded special treatment and protection; and

WHEREAS, the City of El Paso will also have access to and/or receive from Town of Horizon City certain information that can be used or disclosed only in accordance with this Agreement, the Texas Medical Records Privacy Act and the HHS Privacy Regulations; and

WHEREAS, the City of El Paso will include Town of Horizon City in public health research projects, to examine health conditions in Town of Horizon City, when funded by the State of Texas or the federal government and when research protocols are indicated for areas beyond the urban borders of the City of El Paso.

FOR THESE REASONS, and in consideration of the mutual promises contained in this Agreement, Town of Horizon City and the City of El Paso mutually agree as follows:

1. **SCOPE OF SERVICES.**

1.1 The City of El Paso shall perform the following services by and through its Department of Public Health, Department of Environmental Services, and Code Enforcement Department under the terms and conditions hereinafter stated, and Town of Horizon City hereby accepts and agrees to the following terms and conditions:

1.1.1 The City of El Paso will issue permits and provide inspection services of food establishments at a frequency and in accordance with recommended protocols as established by the Texas Department of State Health Services (DSHS). The City of El Paso will provide enforcement of applicable State laws and regulations as appropriate to help reduce the risk of foodborne illnesses in said establishments. Appropriate and customary fees will be charged to the establishments, as permitted by law.

1.1.1.1 The City of El Paso will provide food handler and food manager training in accordance with the Texas Food Establishment Rules found at 25 TAC 228.

1.1.2 The City of El Paso will provide public health related complaint investigation/enforcement services as determined to be appropriate by City of El Paso staff for those conditions that violate the Texas Health and Safety Code and applicable Town of Horizon City ordinances.

1.1.3 The City of El Paso will provide communicable disease investigation services for the purpose of tracking communicable diseases and helping to reduce transmission in accordance with appropriate epidemiological intervention. Services will be provided in a manner and at a frequency that is consistent with standard public health practices.

1.1.4 The City of El Paso will provide immunization services to residents of Town of Horizon City to include but not be limited to adult, adolescent and childhood immunizations as recommended by the Texas DSHS. Appropriate and customary fees will be charged to those receiving these services.

- 1.1.5 The City of El Paso will provide tuberculosis and sexually transmitted disease control services to residents of Town of Horizon City. Services may include testing, treatment and investigation of contacts, as appropriate. Appropriate and customary fees will be charged to those receiving these services.
- 1.1.6 The City of El Paso will provide Women, Infants and Children (WIC) Nutrition services to residents of Town of Horizon City in accordance with Texas DSHS requirements. Services may include medical health assessment, nutrition, breast-feeding promotion, social service referral, and food benefit issuances, as appropriate.
- 1.1.7 The City of El Paso will provide pediatric dental services to residents living in Town of Horizon City in accordance with Texas Title V requirements and in accordance with Texas Medicaid waiver guidelines.
- 1.1.8 The City of El Paso will provide informational programs including but not limited to injury prevention, asthma, diabetes, abstinence, maturation/puberty, and tobacco use prevention. These services are generally provided to Town of Horizon City's residents at local school facilities through the City of El Paso's Health Education Program.
- 1.1.9 The City of El Paso will NOT provide mosquito control services, including but not limited to, collecting and identifying mosquito species, larviciding, adulticiding, providing enforcement of violations that create mosquito harborage as appropriate, tracking of vector-borne disease, and educating the public regarding disease prevention strategies.
- 1.1.10 The City of El Paso will include the jurisdictional areas of Town of Horizon City within its programs and services for the purpose of the enhancement of the air quality, to include but not be limited to, routine ambient air monitoring, analysis of gasoline samples to ensure compliance with oxygen content, and investigation and enforcement of air-related nuisances and other requirements as set forth by the Texas Commission on Environmental

Quality and/or the United States Environmental Protection Agency as appropriate.

- 1.2 The City of El Paso agrees that in accordance with the provisions of any and all grants from federal and state agencies that are awarded on a county-wide basis, the City of El Paso will provide services in the jurisdictional areas of the Town of Horizon City as required under these grant provisions. Provided, however, nothing in this Agreement shall obligate the City of El Paso to perform services if the grant funds relating to a particular grant are not currently being paid to the City of El Paso, and, in any such instances, the City of El Paso shall give written notice to Town of Horizon City that the City of El Paso is not providing the particular services for the reason that it has not received funding under the applicable grant.
- 1.3 To the extent allowed by law, Town of Horizon City agrees to pass all ordinances and resolutions necessary to give the City of El Paso and City of El Paso personnel jurisdiction to provide public health, environmental, and code enforcement functions in Town of Horizon City pursuant to the terms of this Agreement, including its extraterritorial jurisdiction, if any, where the providing of public health and other services is authorized by law, and including the power to issue citations and notices of violations for violations of any ordinances pertaining to the protection of the public health and that pertain to services the City of El Paso agrees to render in accordance with the terms of this Agreement.
- 1.4 The City of El Paso agrees that it will file citations, complaints and violations occurring within the territorial limits of Town of Horizon City through Town of Horizon City Municipal Court. It is agreed that the appropriate personnel from the City of El Paso will be administratively directed to be present at such times as court sessions are set and cases involving the City of El Paso are on the court's docket, without the necessity for the issuance of a subpoena. Town of Horizon City Municipal Court will provide reasonable notice of any case settings to the City of El Paso.
- 1.5 The City of El Paso will provide necessary training for employees utilized in providing services under this Agreement, as may be required by law or determined

to be appropriate by the City of El Paso, and shall require all such personnel to maintain all required licenses and certifications in accordance with State and Federal laws.

- 1.6 Nothing within the terms of this Agreement shall require the City of El Paso to purchase additional equipment or hire additional personnel in order to comply with the terms of this Agreement.
- 1.7 The City of El Paso agrees that it will keep accurate records of all services provided to Town of Horizon City pursuant to this Agreement as part of its routine data collection processes and shall report such activities in its standardized records format to Town of Horizon City officials, as requested. However, the City of El Paso will not be required to furnish copies of any reports that are maintained on the City of El Paso's website and available to Town of Horizon City from the website.
- 1.8 On or before July 31st of every year, the City of El Paso shall provide to Town of Horizon City an initial projection based on the City Manager's filed proposed budget of Town of Horizon City's potential costs for a new Interlocal Agreement that, if agreed upon, would be effective September 1st of that year. The provision of this initial projection of potential costs will be used solely for the purposes of facilitating the budgeting process for the Town of Horizon City for its yearly budget.
- 1.9 It is understood and agreed between the Parties that any portion of this Agreement providing for the delivery of public health services for which Town of Horizon City does not grant legal authority shall be null and void and of no force and effect, and the City of El Paso shall not be obligated to provide those services.

2. **LOCATION OF PERFORMANCE.** The place where most services are to be performed is in Town of Horizon City, Texas, and any extraterritorial jurisdiction thereof where the City of El Paso may lawfully provide public health and environmental services as delegated and authorized under this Interlocal Agreement (jurisdictional areas of Town of Horizon City). Certain health services involving medical testing, treatment and laboratory analysis shall be performed at City Department of Public Health locations within the City of El Paso.

3. **APPOINTMENT OF HEALTH AUTHORITY.** The Parties agree that the individual appointed to serve as health authority for the City of El Paso will serve as the health authority for Town of Horizon City, in accordance with Section 121.028(c), Texas Health and Safety Code.

4. **TIMES OF PERFORMANCE.** The City of El Paso shall commence the provision of its services on the 1st day of September of every year, and shall terminate on the 31st day of August of every year, during the term of the Agreement, regardless of the date of execution of this Agreement.

4.1 This Agreement will be for a term of one year and will automatically renew for a term of one year, each year, unless the Parties execute a new agreement by August 31st for the next year of performance or unless either Party terminates this Agreement within 30 days after the beginning of the next fiscal year. If the Agreement is automatically renewed, the rate for service shall be as set forth in Schedule C of the annual budget as approved by City Council for the respective fiscal year as well as in Appendix A. The City shall update Appendix A every fiscal year. Any change to the rate for service reflected by the City of El Paso's Schedule C, Appendix A shall be effective for the period beginning on September 1st of the next year of performance. All other terms and conditions of the Agreement shall remain in full force and effect. By way of example, the Parties agree that if the City of El Paso adopts Schedule C in August of 2025, and said Schedule C changes any rate for service covered by this Agreement, said rate change shall be effective beginning on September 1, 2025 through August 31, 2026. For each year that this Agreement will be automatically renewed, the City of El Paso shall notify the Town of Horizon City by August 1st of each year regarding proposed service rates set forth in Schedule C for the upcoming fiscal year. The Parties understand that any rate provided prior to the El Paso City Council's adoption of Schedule C is merely a guide which may or may not be changed once the El Paso City Council approves Schedule C which will contain the actual rate for service. If, prior to September 1st, the Town of Horizon City notifies the City of El Paso that the new rates are unacceptable, the Parties shall

negotiate the new rates for the upcoming fiscal year by September 30th. This deadline may be extended by agreement of the Parties.

5. **COMPENSATION.**

5.1 The Town of Horizon City agrees to pay the amount not to exceed Two Hundred Ten Thousand Five Hundred Fifty-Five Dollars and NO/100 (\$ 210,555.00) for services rendered in accordance with this Agreement, excluding the services described in Section 4.1. Payments shall be made in equal quarterly installments, each in the amount of Fifty-Two Thousand Six Hundred Thirty-Eight Dollars 75/100 (\$ 52,638.75) with the first payment becoming due and payable on the 1st day of September each year or within 10 days after the date that Town of Horizon City signs this Agreement, whichever is later. The quarterly installment described in this Section 5.1 does not include the services described in Section 4.1. The Cost Model attached hereto as Appendix A identifies the total cost of services offered by the City of El Paso to Town of Horizon City pursuant to this Agreement. The City shall update Appendix A every fiscal year.

5.2 The Parties acknowledge that the funds paid by the Town of Horizon City pursuant to Section 5.1 above may not be sufficient in the event of an unexpected occurrence such as an outbreak, epidemic (i.e. Zika, cholera), or intervention of emerging or new diseases or public health threats (chemical or biological) in the jurisdictional areas of Town of Horizon City. The Town of Horizon City shall name a person to serve as a point of contact to discuss these types of threats, their intervention, and any additional costs that the Town of Horizon City will need to pay to defray the resulting expenses. Such contact person shall be designated and disclosed to the City of El Paso.

6. **PAYMENTS PURSUANT TO THIS AGREEMENT.** Payments submitted under this Agreement shall be made payable to the City of El Paso, Attn: Comptroller, PO Box 1890, El Paso, TX 79950-1890. In addition to the compensation provided for herein, the City of El Paso shall receive all proceeds received from inspection and permit fees collected in the Town of Horizon City. Such fees, when set or revised by Town of Horizon City and to the extent allowed by law, shall be set in the same amounts as the fees for the identical services or charges as made by the

City of El Paso. All fees that Town of Horizon City collects for this purpose shall be paid to the City of El Paso on a quarterly basis, within thirty (30) days of the conclusion of the quarter. Town of Horizon City shall also provide the City of El Paso with a report indicating the amount of fees collected and the time period associated with such collection. In event that Town of Horizon City accrues an arrearage on payment, the City of El Paso Comptroller or any collection agency retained by the City to collect delinquent accounts may add a collection fee of 21% to the account receivable if owing to the City for more than sixty (60) days, pursuant to the El Paso City Code, Ordinance 14700.

7. **LAW GOVERNING CONTRACT.** The governing law for this Agreement shall be the laws of the State of Texas. The venue shall be in Town of Horizon City, Texas.

7.1 *Authority of the City of El Paso.* Town of Horizon City expressly agrees that the City of El Paso shall have authority to enforce all laws and ordinances applicable to those services covered in this Agreement, within the incorporated city limits and extraterritorial jurisdiction of Town of Horizon City, Texas. Town of Horizon City further agrees that, in the absence of any conflicting city ordinance, the City of El Paso shall have authority to enforce the laws of the State of Texas and the Town of Horizon City applicable to services covered in this Agreement, within the incorporated city limits and extraterritorial jurisdiction of Town of Horizon City, Texas. Town of Horizon City shall provide certified copies of all Town of Horizon City, Texas Ordinances affecting public health and environmental regulation upon execution of this Agreement and as requested by the City of El Paso, and to provide copies of all such newly-adopted or amended ordinance within 10 days after adoption or amendment. Copies of such ordinances shall be sent to the Director of the City of El Paso Department of Public Health, Director of the City of El Paso Department of Environmental Services, and to the Director of the City of El Paso Code Enforcement Department, as applicable.

7.2 *Privileges and Immunities.* All privileges and immunities from liability, exemptions from laws, ordinances and rules, pension, relief, disability, worker's compensation, and other benefits which apply to the activities of officers, agents, or employees of the City of El Paso when performing a function shall apply to such

officers, agents, or employees to the same extent while engaged in the performance of any of their functions and duties under the terms and provisions of this Agreement. Each Party reserves, and does not waive, its rights of sovereign immunity and rights under the Texas Tort Claims Act.

7.3 *Governmental Function.* The Parties expressly agree that, in all things relating to this Agreement, the City of El Paso is performing a governmental function, as defined by the Texas Tort Claims Act. The Parties further expressly agree that every act or omission of the City of El Paso, which, in any way, pertains to or arises out of this Agreement falls within the definition of governmental function.

7.4 *Exclusion of Incidental and Consequential Damages.* Independent of, severable from, and to be enforced independently of any other enforceable or unenforceable provision of this Agreement, NEITHER PARTY WILL BE LIABLE TO THE OTHER PARTY (NOR TO ANY PERSON CLAIMING RIGHTS DERIVED FROM THE PARTY'S RIGHTS) FOR INCIDENTAL, CONSEQUENTIAL, SPECIAL, PUNITIVE, OR EXEMPLARY DAMAGES OF ANY KIND including lost profits, loss of business, or other economic damage, and further including injury to property, mental anguish and emotional distress AS A RESULT OF BREACH OF ANY TERM OF THIS AGREEMENT, REGARDLESS OF WHETHER THE CITY WAS ADVISED, HAD OTHER REASON TO KNOW, OR IN FACT KNEW OF THE POSSIBILITY THEREOF.

7.5 *Intentional Risk Allocation.* Each of the Parties acknowledges 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.

8. **HHS PRIVACY REGULATIONS.** The Health Insurance Portability and Accountability Act (HIPAA) *Standards for Privacy of Individually Identifiable Health Information* (Privacy Rule). See 45 CFR Part 160 and Subparts A and E of Part 164, requires that the City of El Paso

offer assurances to Town of Horizon City that the City of El Paso will safeguard any protected health information received or created on behalf of Town of Horizon City. Pursuant to this requirement, the Parties further agree to the terms and conditions of the standard HIPAA Business Associate Agreement set forth in Appendix B and incorporated herein as if fully set forth.

Town of Horizon City continues its authorization for the City of El Paso to possess and maintain any protected health information received or created on behalf of Town of Horizon City and previously possessed or maintained by the El Paso City-County Health and Environmental District, in accordance with the terms of the standard Business Associate Agreement set forth in Appendix B.

9. **TERMINATION.** This Agreement may be terminated in whole or in part by either Party upon sixty days written notice to the other Party at the following addresses, or at a new address as provided in writing to the nonmoving Party by a Party which has moved its physical location within thirty (30) days of said relocation without the necessity of amending this contract:

CITY OF EL PASO: City of El Paso
Attn: City Manager
P.O. Box 1890
El Paso, Texas 79950-1890

TOWN OF HORIZON CITY: Town of Horizon City
Attn: Mayor Andres Renteria
14999 Darrington Rd.
Horizon City, Texas, 79928

All payments by Town of Horizon City under this Agreement are payable only out of current Town of Horizon City revenues. In the event that funds relating to this Agreement do not become available, such as by Town of Horizon City, City Council not appropriating the funds, Town of Horizon City shall have no future obligation to pay or perform any future services related herein to the City of El Paso for Town of Horizon City's fiscal year during which time such funding is not available or appropriated; however, all services that have been provided by the City of El Paso shall be paid in accordance with Sections 5 and 6 of this Agreement. Should Town of Horizon City experience a funding unavailability related to the services described in this Agreement, Town of Horizon City shall immediately provide written notification to the City of El Paso of such case and either Party may choose to terminate the Agreement subject to this Section 9. In the event that

Town of Horizon City notifies the City of El Paso that Town of Horizon City is experiencing a funding unavailability related to this Agreement, the City of El Paso shall immediately cease providing the services described in this Agreement to Town of Horizon City except as required by related grant funding requirements to which the City of El Paso must adhere.

10. **INDEPENDENT CONTRACTORS.** The City of El Paso and Town of Horizon City are independent legal entities. Except to the extent required by section 437.009 of the Health and Safety Code, nothing in this Agreement shall be construed to create the relationship of employer and employee, or principal and agent, or any relationship other than that of independent parties contracting with each other solely for the purpose of carrying out the terms of this Agreement. Neither the City of El Paso nor Town of Horizon City nor any of their respective agents or employees shall control or have any right to control the activities of the other Party in carrying out the terms of this Agreement.

11. **SEVERABILITY.** Every provision of this Agreement is intended to be severable. If any term or provision hereof is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of this Agreement.

12. **HEADINGS.** The headings of sections and subsections of this Agreement are for reference only and will not affect in any way the meaning or interpretation of this Agreement.

13. **ENTIRE AGREEMENT; AMENDMENTS.** This Agreement constitutes the entire understanding of the Parties hereto with respect to the subject matter hereof and no amendment, modification or alteration of the terms shall be binding unless the same is in writing, dated subsequent to the date hereof and duly executed by the Parties hereto. The Parties reserve the right to amend this Agreement in the event either Party should experience an unforeseen, significant impact to their respective budget allocated for the services addressed in this Agreement.

(Signature pages follow)

STATE OF TEXAS)
)
COUNTY OF EL PASO)

INTERLOCAL AGREEMENT

Signature page for the City of El Paso, Interlocal Agreement between the City of El Paso and Town of Horizon City.

APPROVED this _____ day of _____, 2026.

CITY OF EL PASO:

Renard U. Johnson
Mayor

ATTEST:

Laura D. Prine
City Clerk

APPROVED AS TO FORM:

APPROVED AS TO CONTENT:

Mona M. Heydarian
Assistant City Attorney

Veerinder Taneja, Director
Department of Public Health

APPROVED AS TO FORM:

APPROVED AS TO CONTENT:

Joyce Garcia
Assistant City Attorney

Nicolas Ybarra, Director
Environmental Services Department

APPROVED AS TO FORM:

APPROVED AS TO CONTENT:

Eric Gutierrez
Senior Assistant City Attorney

Steve Alvarado, Director
Code Enforcement

(Signatures continue on the following page)

STATE OF TEXAS)
)
COUNTY OF EL PASO)

INTERLOCAL AGREEMENT

Signature page for Town of Horizon City, Interlocal Agreement between the City of El Paso and Town of Horizon City.

APPROVED this _____ day of _____, 2026.

TOWN OF HORIZON CITY:

Andres Renteria
Mayor, Town of Horizon City

ATTEST:

APPROVED AS TO FORM:

Printed Name: _____
City Clerk, Town of Horizon City

Printed Name: _____
Attorney, Town of Horizon City

APPENDIX A

Municipality									
Program	El Paso	Anthony	Clint	Horizon	Socorro	Vinton	County	San Elizario	Total Operational Cost
Administration	\$ 6,115,219.00	\$ 33,071.00	\$ 8,315.00	\$ 202,596.00	\$ 309,051.00	\$ 24,179.00	\$ 1,014,853.00	\$ 91,132.00	\$ 7,798,416.00
Administration (GF)	\$ 3,347,159.00	\$ 18,101.00	\$ 4,551.00	\$ 110,891.00	\$ 169,159.00	\$ 13,234.00	\$ 555,479.00	\$ 49,881.00	\$ 4,268,455.00
Administration Support Services(GF)	\$ 2,768,060.00	\$ 14,970.00	\$ 3,764.00	\$ 91,705.00	\$ 139,892.00	\$ 10,945.00	\$ 459,374.00	\$ 41,251.00	\$ 3,529,961.00
Percent of Total Cost	78.42%	0.42%	0.11%	2.60%	3.96%	0.31%	13.01%	1.17%	100.00%
Population	678,815	3,671	923	22,489	34,306	2,684	112,653	10,116	865,657
ESD Grand Total	\$ 240,237.00	\$ 1,299.00	\$ 327.00	\$ 7,959.00	\$ 12,141.00	\$ 950.00	\$ 39,869.00	\$ 3,580.00	\$ 306,362.00
Air Quality (per capita)	\$ 240,237.00	\$ 1,299.00	\$ 327.00	\$ 7,959.00	\$ 12,141.00	\$ 950.00	\$ 39,869.00	\$ 3,580.00	\$ 306,362.00
Code Enforcement Grand Total	\$ 886,980.00	\$ 4,797.00	\$ -	\$ -	\$ 44,826.00	\$ 3,507.00	\$ 147,199.00	\$ 13,218.00	\$ 1,100,527.00
Food Inspections	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Vector Control	\$ 886,980.00	\$ 4,797.00	\$ -	\$ -	\$ 44,826.00	\$ 3,507.00	\$ 147,199.00	\$ 13,218.00	\$ 1,100,527.00
GRAND TOTAL	\$ 7,242,436.00	\$ 39,167.00	\$ 8,642.00	\$ 210,555.00	\$ 366,018.00	\$ 28,636.00	\$ 1,201,921.00	\$ 107,930.00	\$ 9,205,305.00
PREVIOUS FEE	\$ 7,600,768.00	\$ 41,103.00	\$ 9,081.00	\$ 221,749.00	\$ 390,588.00	\$ 30,052.00	\$ 1,258,750.00	\$ 113,346.00	\$ 9,665,439.00
Variance FY2026	\$ (358,332.00)	\$ (1,936.00)	\$ (439.00)	\$ (11,194.00)	\$ (24,570.00)	\$ (1,416.00)	\$ (56,829.00)	\$ (5,416.00)	\$ (460,134.00)
% Change	-4.71%	-4.71%	-4.83%	-5.05%	-6.29%	-4.71%	-4.51%	-4.78%	-4.76%

APPENDIX B

STATE OF TEXAS) HIPAA BUSINESS ASSOCIATE AGREEMENT
)
COUNTY OF EL PASO))

THIS AGREEMENT is entered into on _____, 2026, by the CITY OF EL PASO, TEXAS through the Department of Public Health (CITY), as the Covered Entity, and the Town of Horizon, (BUSINESS ASSOCIATE) by and through their duly authorized officials, in order to comply with 45 C.F.R. §164.502(e) and §164.504(e), governing protected health information (PHI) and business associates under the Health Insurance Portability and Accountability Act of 1996 (P.L. 104-191), 42 U.S.C. Section 1320d, et. seq., and regulations promulgated thereunder, as amended from time to time (statute and regulations hereafter collectively referred to as "HIPAA"). Covered Entity and Business Associate may be referred to herein individually as (Party) or collectively as (Parties).

RECITALS

WHEREAS, CITY has engaged BUSINESS ASSOCIATE to perform services or provide goods, or both; and

WHEREAS, CITY possesses individually identifiable health information that is defined in and protected under HIPAA, and is permitted to use or disclose such information only in accordance with HIPAA; and

WHEREAS, BUSINESS ASSOCIATE may receive such information from CITY, or create and receive such information on behalf of CITY, in order to perform certain of the services or provide certain of the goods, or both; and

WHEREAS, CITY wishes to ensure that BUSINESS ASSOCIATE will appropriately safeguard individually identifiable health information.

NOW THEREFORE, CITY and BUSINESS ASSOCIATE agree as follows:

A. HIPAA Terms

1. **Definitions.** The following terms shall have the meaning ascribed to them in this Section. Other capitalized terms shall have the meaning ascribed to them in the context in which they first appear, or as provided in (l)(h) to this Section.
 - a. **Agreement** shall refer to this document.
 - b. **Business Associate** means the Town of Horizon.

- c. **HHS Privacy Regulations** shall mean the Code of Federal Regulations ("C.F.R.") at Title 45, Sections 160 and 164, in effect, or as amended.
 - d. **Individual** shall mean the person who is the subject of the Information, and has the same meaning as the term "individual" as defined in 45 C.F.R. 164.501.
 - e. **Information** shall mean any "health information" provided and/or made available by the CITY to BUSINESS ASSOCIATE, and has the same meaning as the term "health information" as defined by 45 C.F.R. 160.102.
 - f. **Parties** shall mean the CITY and BUSINESS ASSOCIATE.
 - g. **Secretary** shall mean the Secretary of the Department of Health and Human Services ("HHS") and any other officer or employee of HHS to whom the authority involved has been delegated.
 - h. **Catch-all definition:** The following terms used in this Agreement shall have the same meaning as those terms in the HIPAA Privacy, Security, Breach Notification and Enforcement Rules at 45 C.F.R. Part 160 and 164, in effect, or as amended: breach, data aggregation, designated record set, disclosure, health care operations, protected health information, required by law, subcontractor, and use.
2. **Limits on Use and Disclosure Established by Terms of Agreement.** BUSINESS ASSOCIATE hereby agrees that it shall be prohibited from using or disclosing the Information provided or made available by the CITY for any other purpose other than as expressly permitted or required by this Agreement (ref 45 C.F.R. 164.504(e)(2)(i).)
 3. **Stated Purposes for which BUSINESS ASSOCIATE May Use or Disclose Information.** The Parties hereby agree that BUSINESS ASSOCIATE shall be permitted to use and/or disclose Information provided or made available from CITY for the following stated purposes: To provide public health, research, and related support services (service) to the community of the CITY for the mutual benefit and general welfare of BUSINESS ASSOCIATE and the CITY (ref 45 C.F.R. 164.504(e)(2)(i); 65 Fed. Reg. 82505.)

4. **Use of Information for Management, Administrative and Legal Responsibilities.** BUSINESS ASSOCIATE is permitted to use Information if necessary for the proper management and administration of BUSINESS ASSOCIATE or to carry out legal responsibilities of BUSINESS ASSOCIATE. (ref 45 C.F.R. 164.504(e)(4)(i)(A-B)).
5. **Disclosure of Information for Management, Administration and Legal Responsibilities.** BUSINESS ASSOCIATE is permitted to disclose Information received from CITY for the proper management and administration of BUSINESS ASSOCIATE or to carry out legal responsibilities of BUSINESS ASSOCIATE, provided:
 - a. The disclosure is required by law; or
 - b. The BUSINESS ASSOCIATE obtains reasonable assurances from the person to whom the information is disclosed that it will be held confidentially and used or further disclosed only as required by law or for the purposes for which it was disclosed to the person, the person will use appropriate safeguards to prevent use or disclosure of the information, and the person immediately notifies the BUSINESS ASSOCIATE of any instance of which it is aware in which the confidentiality of the information has been breached. (ref 45 C.F.R. 164.504(e)(4)(ii)).
6. **Data Aggregation Services.** BUSINESS ASSOCIATE is also permitted to use or disclose Information to provide data aggregation services, as that term is defined by 45 C.F.R. 164.501, relating to the health care operations of CITY. (ref 45 C.F.R. 164.504(e)(2)(i)(B)).
7. **BUSINESS ASSOCIATE OBLIGATIONS:**
 - a. **Limits on Use and Further Disclosure Established by Agreement and Law.** BUSINESS ASSOCIATE hereby agrees that the Information provided or made available by the CITY shall not be further used or disclosed other than as permitted or required by the Agreement or as required by federal law. (ref 45 C.F.R. 164.504(e)(2)(ii)(A)).
 - b. **Appropriate Safeguards.** BUSINESS ASSOCIATE will establish and maintain appropriate safeguards to prevent any use or disclosure of the Information, other than as provided for by this Agreement. (ref 45 C.F.R. 164.504(e)(2)(ii)(B)).
 - c. **Reports of Improper Use or Disclosure.** BUSINESS ASSOCIATE hereby agrees that it shall report to CITY **within**

five (5) days of discovery any use or disclosure of Information not provided for or allowed by this Agreement. (ref 45 C.F.R. 164.504(e)(2)(ii)(C)).

- d. **Subcontractors and Agents.** BUSINESS ASSOCIATE hereby agrees that any time Information is provided or made available to any subcontractors or agents, BUSINESS ASSOCIATE must enter into a subcontract with the subcontractor or agent that contains the same terms, conditions and restrictions on the use and disclosure of Information as contained in this Agreement. (ref 45 C.F.R. 164.504(e)(2)(ii)(D)).
 - (i) **45 C.F.R. 164.502(e)(1)(ii) and 164.308(b)(2). In accordance with 45 C.F.R. 164.502(e)(1)(ii) and 164.308(b)(2),** if applicable, BUSINESS ASSOCIATE agrees to ensure that any subcontractors that create, receive, maintain, or transmit protected health information on behalf of BUSINESS ASSOCIATE agree in writing to the same restrictions and conditions that apply through this Agreement to BUSINESS ASSOCIATE with respect to such Information.
- e. **Right of Access to Information.** BUSINESS ASSOCIATE hereby agrees to make available and provide a right of access to Information by an Individual. This right of access shall conform with and meet all of the requirements of Section 181.102 of the Texas Health and Safety Code, requiring that not later than the 15th business day after the date of the receipt of a written request from a person for the person's electronic health record, BUSINESS ASSOCIATE shall provide the requested record to the person in electronic form unless the person agrees to accept the record in another form, and with any further requirements of 45 C.F.R. 164.524, including substitution of the words "COVERED ENTITY" with BUSINESS ASSOCIATE where appropriate. (ref 45 C.F.R. 164.504(e)(2)(ii)(E)).
- f. **Correction of Health Information by Individuals.** BUSINESS ASSOCIATE shall, upon receipt of notice from the CITY, amend or correct protected health information (PHI) in its possession or under its control so long as the information is maintained in a designated record set 45 CFR 164.526
- g. **Amendment and Incorporation of Amendments.** BUSINESS ASSOCIATE agrees to make Information available for amendment and to incorporate any amendments to Information in

accordance with 45 C.F.R. 164.504(e)(2)(ii)(F)).

- h. **Provide Accounting.** BUSINESS ASSOCIATE agrees to make Information available as required to provide an accounting of disclosures in accordance with 45 C.F.R. 164.528, including substitution of the words "COVERED ENTITY" with BUSINESS ASSOCIATE where appropriate. (ref 45 C.F.R. 164.504(e)(2)(ii)(G)).
- i. **Access to Books and Records.** BUSINESS ASSOCIATE hereby agrees to make its internal practices, books, and records relating to the use or disclosure of Information received from, or created or received by BUSINESS ASSOCIATE on behalf of the CITY, available to the Secretary or the Secretary's designee for purposes of determining compliance with the HHS Privacy Regulations. (ref 45 C.F.R. 164.504(e)(2)(ii)(H)).
- j. **Return or Destruction of Information.** At the termination of this Agreement, BUSINESS ASSOCIATE hereby agrees to adhere to Section B.3. of this Agreement. (ref 45 C.F.R. 164.504(e)(2)(ii)(I)).
- k. **Mitigation Procedures.** BUSINESS ASSOCIATE agrees to have procedures in place for mitigating, to the maximum extent practicable, any deleterious effect from the use or disclosure of Information in a manner contrary to this Agreement or the HHS Privacy Regulations. (ref 45 C.F.R. 164.530(±)).
- l. **Sanction Procedures.** BUSINESS ASSOCIATE agrees and understands that it must develop and implement a system of sanctions for any employee, subcontractor or agent who violates this Agreement of the HHS Privacy Regulations. (ref 45 C.F.R. 164.530(e)(1)).
- m. **Subpart E of 45 C.F.R. Part 164.** To the extent BUSINESS ASSOCIATE is to carry out one or more of CITY'S obligations under Subpart E of 45 C.F.R. Part 164, BUSINESS ASSOCIATE shall comply with the requirements of Subpart E that apply to CITY in the performance of such obligation(s).
- n. **Prohibition against the Sale of Protected Health Information.** The BUSINESS ASSOCIATE shall comply with the requirements of Texas Health and Safety Code Sec. 181.153, and any amendments of that section.

the time specified by the CITY.

- b. Immediately terminate the Business Associate Agreement if BUSINESS ASSOCIATE has breached a material term of this Business Associate Agreement and cure is not possible.
- c. Notify the Secretary of HHS if termination is not possible.

3. **Obligations of Business Associate Upon Termination.** Upon termination of this Agreement for any reason, BUSINESS ASSOCIATE, with respect to protected health information received from CITY, or created, maintained, or received by BUSINESS ASSOCIATE on behalf of CITY, shall:

- a. Retain only that protected health information which is necessary for BUSINESS ASSOCIATE to continue its proper management and administration or to carry out its legal responsibilities;
- b. Return to CITY, or, if agreed to by CITY, destroy, the remaining protected health information that the BUSINESS ASSOCIATE still maintains in any form and BUSINESS ASSOCIATE shall certify to the CITY that the Information has been destroyed;
- c. Continue to use appropriate safeguards and comply with Subpart C of 45 CFR Part 164 with respect to electronic protected health information to prevent use or disclosure of the protected health information, other than as provided for in this Section, for as long as BUSINESS ASSOCIATE retains the protected health information;
- d. Not use or disclose the protected health information retained by BUSINESS ASSOCIATE other than for the purposes for which such protected health information was retained and subject to the same conditions set out at Section 1.e and 1.f above, which applied prior to termination; and
- e. Return to CITY or, if agreed to by CITY, destroy, the protected health information retained by BUSINESS ASSOCIATE when it is no longer needed by BUSINESS ASSOCIATE for its proper management and administration or to carry out its legal responsibilities.
- f. Survival. The obligations of BUSINESS ASSOCIATE under this Section shall survive the termination of this Agreement.

C. Remedies. If CITY determines that BUSINESS ASSOCIATE has breached or violated a material term of this Agreement, CITY may, at its option, pursue any and all of the following remedies:

1. Exercise any of its rights of access and inspection under Section A.7.e. of this Agreement;
2. Take any other reasonable steps that CITY, in its sole discretion, shall deem necessary to cure such breach or end such violation; and/or
3. Terminate this Agreement immediately.
4. Injunction. CITY and BUSINESS ASSOCIATE agree that any violation of the provisions of this Agreement may cause irreparable harm to CITY. Accordingly, in addition to any other remedies available to CITY at law, in equity, or under this Agreement, in the event of any violation by BUSINESS ASSOCIATE of any of the provisions of this Agreement, or any explicit threat thereof, CITY shall be entitled to seek an injunction or other decree of specific performance with respect to such violation or explicit threat thereof, without any bond or other security being required and without the necessity of demonstrating actual damages. The Parties' respective rights and obligations under this Section C.4. shall survive termination of the Agreement.
5. Indemnification. Removed.

D. Miscellaneous

1. **Regulatory References.** A reference in this Agreement to a HIPAA section means the section as in effect or as amended.
2. **Amendment.** CITY and BUSINESS ASSOCIATE agree that amendment of this Agreement may be required to ensure that CITY and BUSINESS ASSOCIATE comply with changes in state and federal laws and regulations relating to the privacy, security, and confidentiality of protected health information. CITY may terminate this Agreement upon 60 days written notice in the event that BUSINESS ASSOCIATE does not promptly enter into an amendment that CITY, in its sole discretion, deems sufficient to ensure that CITY will be able to comply with such laws and regulations. This Agreement may not otherwise be amended except by written agreement between the Parties and signed by duly authorized representatives of both Parties.
3. **Interpretation.** Any ambiguity in this Agreement shall be interpreted to permit compliance with HIPAA.

4. **Notices.** Any notice or demand required under this Agreement will be in writing; will be personally served or sent by certified mail, return receipt requested, postage prepaid, or by a recognized overnight carrier which provides proof of receipt; and will be sent to the addresses below. Either Party may change the address to which notices are sent by sending written notice of such change of address to the other Party.

CITY: City of El Paso
Attn: City Manager
P. O. Box 1890
El Paso, Texas 79950-1890

COPY TO: City of El Paso
Department of Public Health
Attn: Director
5115 El Paso Drive
El Paso, TX 79905

BUSINESS ASSOCIATE: Town of Horizon
Attn: Andres Renteria
14999 Darrington Rd.
Horizon City, TX 79928

5. **Non-Waiver.** No failure by any Party to insist upon strict compliance with any term or provision of this Agreement, to exercise any option, to enforce any right, or to seek any remedy upon any default of any other Party shall affect, or constitute a waiver of, any Party's right to insist upon such strict compliance, exercise that option, enforce that right, or seek that remedy with respect to that default or any prior, contemporaneous, or subsequent default. No custom or practice of the Parties at variance with any provision of this Agreement shall affect or constitute a waiver of, any Party's right to demand strict compliance with all provisions of this Agreement.
6. **Headings.** The headings of sections and subsections of this Agreement are for reference only and will not affect in any way the meaning or interpretation of this Agreement.
7. **Governing Law, Jurisdiction.** This Agreement will be governed by and construed in accordance with the laws of the State of Texas, without regard to its principles of conflict of laws, with venue in El Paso County, Texas.
8. **Compliance with Laws.** BUSINESS ASSOCIATE agrees that its obligations pursuant to this Agreement shall be performed in compliance

with all applicable federal, state, and/or local rules and regulations. In the event that applicable federal, state or local laws and regulations or applicable accrediting body standards are modified, BUSINESS ASSOCIATE reserves the right to notify CITY in writing of any modifications to the Agreement in order to remain in compliance with such law, rule or regulation.

9. **Severability.** In the event that one or more provision(s) of this Agreement is deemed invalid, unlawful and/or unenforceable, then only that provision will be omitted, and will not affect the validity or enforceability of any other provision; the remaining provisions will be deemed to continue in full force and effect.

10. **No Third-Party Beneficiaries.** Nothing express or implied in this Agreement is intended or shall be deemed to confer upon any person other than CITY and BUSINESS ASSOCIATE, and their respective successors and assigns, any rights, obligations, remedies or liabilities.

11. **Entire Agreement: Counterparts.** This Agreement constitutes the entire Agreement between CITY and BUSINESS ASSOCIATE regarding the services to be provided hereunder. Any agreements, promises, negotiations, or representations not expressly set forth in this Agreement are of no force or effect. This Agreement may be executed in any number of counterparts, each of which will be deemed to be the original, but all of which shall constitute one and the same document.