

**INTERLOCAL AGREEMENT BETWEEN**  
**NUECES COUNTY, TEXAS AND THE NUECES COUNTY HOSPITAL DISTRICT**

This Agreement, effective as of the date of the last signature below, is entered into by and between Nueces County, Texas (“County”), a political subdivision of the State of Texas, and the Nueces County Hospital District (“Hospital District”), a political subdivision and special district of the State of Texas created pursuant to Article IX, Section 4 of the Texas Constitution, under the authority and in accordance with the Interlocal Cooperation Act, as set out in Chapter 791 of the Texas Government Code.

**WITNESSETH:**

**WHEREAS**, the Hospital District and the County recognize the need to attract and retain competent and able employees by providing health benefits and life insurance; for their employees;

**WHEREAS**, the Hospital District and the County recognize the need to foster, promote and encourage employment by and service to political subdivisions as a career profession for people of high standards of competence and ability;

**WHEREAS**, the Hospital District and the County have authority to provide health and accident, group dental, accidental death and dismemberment, hospital, surgical, and medical expense coverage for political subdivision officials, employees, retirees, and their dependents pursuant to §172.004 of the Texas Local Government Code;

**WHEREAS**, the Hospital District and the County have authority to enter an interlocal contract to provide administrative functions as defined by §791.003 pursuant to Chapter 791 of the Texas Government Code to other political subdivisions; and,

**WHEREAS**, the provision of health, life, vision, and dental insurance coverages for political subdivision employees and their dependents are an administrative function of government.

**NOW, THEREFORE**, for and in consideration and exchange of mutual covenants and conditions contained herein the Hospital District and the County agree as follows:

**I.**

The purpose of this Interlocal Agreement is to enable the Hospital District employees to participate in Nueces County’s Employee Benefit Plans.

**II.**

County agrees to provide certain administrative functions for the Hospital District by agreeing herein to include Hospital District employees as participants in the County’s Employee Group Health

Insurance Plan, Employee Group Life Insurance Plan, Employee Group Vision Insurance Plan, and Employee Group Dental Insurance Plan (collectively, the “County’s Employee Benefit Plans”).

### III.

In consideration of services performed by the County under this Agreement, and upon receipt of a monthly invoice from the County for insurance premiums for the Hospital District employees participating in the County’s Employee Benefit Plans, the Hospital District agrees to remit payment for the following:

- i. all premiums for Hospital District employee participation in the County’s Employee Benefit Plans.

The Hospital District will not be invoiced for the County’s Employee Group Health Insurance Plan-related Stop Loss Coverage Premiums. Premiums for the Stop Loss Coverage are included in the premiums paid for Hospital District employee coverage and are not billed separately; and

- ii. an additional 10% of the cost of the monthly Employee Group Health Insurance Plan premiums for Hospital District employees.

The additional 10% sum remitted by the Hospital District shall be applied at the end of the fiscal year October 01, 2024, through September 30, 2025, as follows:

- toward any monetary loss resulting from healthcare claims of Hospital District employees during the fiscal year of October 01, 2024 to September 30, 2025; and
- all remaining funds from the Hospital District’s remittance of an additional amount of 10% of the cost of the monthly premiums for healthcare coverage of Hospital District employees shall be credited to the Hospital District for subsequent healthcare expenses of Hospital District employees for the following fiscal year.

### IV.

The Hospital District shall promptly notify the County in writing when an employee is no longer employed by the Hospital District. The Hospital District shall ensure that the Hospital District’s list of eligible employees is kept current at all times.

### V.

Each party hereto paying for the performance of governmental functions or services hereunder must make those payments from current revenues available to the paying party.

### VI.

This Agreement shall be governed by and construed in accordance with the laws of the State of Texas. Venue of any legal action filed shall be in a court of competent jurisdiction in Nueces County, Texas.

**VII.**

Upon execution of this Agreement by both parties, payments by the Hospital District to the County for any services provided after October 1, 2024, shall be calculated pursuant to the terms of this Agreement, and are herein ratified. All terms and conditions as set out in this agreement apply to such ratified compensation, fees, and services.

The initial term of this Agreement shall terminate at the close of business on September 30, 2025.

Thereafter, the term of the Agreement shall run from October 01 to September 30 of the following year and shall automatically renew on a fiscal-year basis unless either party terminates the Agreement by providing written notice of termination at least six (6) months prior to the effective date of the termination as provided in this Paragraph VII.

**VIII.**

This Agreement may be amended by mutual consent of both parties. In order to be effective, any amendment to the Agreement must be in writing and signed by both parties after approval by the governing bodies at a noticed meeting.

**IX.**

In the event that one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability of the Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein, but shall not affect the remaining provisions of this Agreement, which shall remain in full force and effect.

**X.**

Each party shall have and retain the exclusive right of control over its employees and contractors assigned to perform services under this Agreement in accordance with the applicable laws of the State of Texas. Neither party has the authority to bind nor otherwise obligate the other orally, in writing or by any act or omission. Nothing contained herein shall establish an agency, employee-employer relationship, partnership, joint enterprise, joint employer, or joint venture relationship by or between the parties.

**XI.**

All notices pursuant to this Agreement shall be deemed given when, either delivered in person or deposited in the United States mail, return receipt requested, addressed to the appropriate party at the following addresses:

IF TO THE COUNTY:  
County Judge  
Nueces County Courthouse, Room 303  
901 Leopard Street  
Corpus Christi, Texas 78401

IF TO THE HOSPITAL DISTRICT:  
Administrator/Chief Executive Officer  
Nueces County Hospital District  
555 North Carancahua St., Suite 950  
Corpus Christi, Texas 78401-0835

**XII.**

Neither the Hospital District nor the County waives any defenses assertible by either party including Governmental immunity, or immunity from liability afforded under law.

**XIII.**

This Agreement must be approved by the governing bodies of both parties in accordance with the Texas Interlocal Cooperation Act.

**XIV.**

The undersigned signatories hereby represent and warrant that they are officers and that they have full and complete authority to enter into this Agreement. This Agreement contains the entire Agreement among the parties and supersedes all other negotiations and agreements, whether written or oral. No prior agreement or understanding between the parties pertaining to any such matter contained herein shall be effective.

**NUECES COUNTY**

**NUECES COUNTY HOSPITAL DISTRICT**

By: \_\_\_\_\_  
Connie Scott  
County Judge

By: \_\_\_\_\_  
Jonny F. Hipp  
Administrator/CEO

Date: \_\_\_\_\_

Date: \_\_\_\_\_

ATTEST:

By: \_\_\_\_\_  
Kara Sands  
County Clerk

Date: \_\_\_\_\_