

**INTERLOCAL AGREEMENT REGARDING THE CONSTRUCTION OF AN EAST-
WEST COLLECTOR RELATIVE TO THE CONSTRUCTION OF A HIGH SCHOOL
AND CAREER TECHNICAL EDUCATION CENTER**

**THE STATE OF TEXAS §
 § **KNOW ALL BY THESE PRESENTS:**
COUNTY DENTON §**

This **Interlocal Agreement** (the “Agreement”) dated this _____ day of _____, **2025**, (“Effective Date”), is made and entered into by and between the **Town of Cross Roads, Texas**, hereinafter referred to as “**Cross Roads**,” and the **Denton Independent School District**, hereinafter referred to as “**DISD**”, each referred to separately as a “Party” and collectively as the “Parties.”

RECITALS:

WHEREAS, the Texas State Legislature has authorized the formulation of interlocal cooperation agreements between and among governmental entities; and

WHEREAS, the Parties have executed an Interlocal Agreement for the Acquisition and Development of Property for the Construction of a High School and Career Technical Education Center (the “Interlocal Agreement”);

WHEREAS, DISD is currently the owner of an approximately 32-acre parcel of land generally located at the southeast corner of US 380 and Naylor Road within the Town Limits of Cross Roads (the “Cross Roads Property” as described in the Interlocal Agreement); and

WHEREAS, DISD has purchased the Cross Roads Property and has also acquired approximately 113 acres of land immediately South of the Cross Roads Property which were previously owned by Bloomfield Homes (the “High School No. 5 Property” as described in the Interlocal Agreement); and

WHEREAS, the proposed high school DISD development on the High School No. 5 Property will create a need for public services in Cross Roads, including police and fire protection, along with the construction, operation, and maintenance of roadway and traffic light infrastructure; and

WHEREAS, DISD has plans to develop and construct an elite public high school on the High School No. 5 Property; and

WHEREAS, DISD is developing the High School No. 5 Property that fronts a future East/West collector from Naylor Road to FM 720 (the “East/West Collector”) in Cross Roads for possible development with the access as shown on the Site Plan (the “Collector Parcel” as depicted in Exhibit “A”); and

WHEREAS, the Collector Parcel represent significant opportunities for future retail, commercial, and sales tax-generating development in both Cross Roads and DISD

as well as significant opportunities for future educational facilities to enhance student learning.

NOW THEREFORE, IN CONSIDERATION of the mutual promises and agreements contained herein, the Parties do hereby agree as follows:

I.
PURPOSE/SCOPE

The recitals set forth above are true and correct and hereby incorporated as a part of this Agreement. The purpose of this Agreement is to set forth each Party's obligations relative to the construction of the East/West Collector.

II.
DISD'S DUTIES

DISD agrees to undertake each of the following obligations in a timely manner.

2.1 Escrow of construction funds

- A. DISD will escrow four million dollars (\$4,000,0000) (the "Escrow Funds") with Cross Roads within ten (10) days of the execution of this Agreement. Cross Roads agrees to keep funds in a separate interest-bearing account that would be refunded back to DISD.
- B. The parties agree that the Escrow Funds represent DISD's proportional share of the cost to construct the East/West collector and related infrastructure.
- C. The Escrow Funds may only be expended on costs directly for the construction of the East/West Collector.

2.2 Construction of certain infrastructure. DISD shall construct sidewalks of a minimum width of 8' adjacent to both the East/West Collector and Naylor, all necessary water lines adjacent to District property along Naylor Road and the East/West Collector, and any school zone signs (electric and static (including electric flashers)) along the East/West Collector and Naylor in conjunction with the construction of High School No. 5. DISD hereby affirms that these improvements are directly necessary for the construction and operation of High School No. 5 and that any and all costs are, at a minimum, roughly proportional to the impacts associated with the development of High School N. 5.

2.3 Right of way dedication. At no cost to Cross Roads, DISD shall dedicate at no cost all right of way and easements related to the construction of the East/West Collector.

2.4 DISD shall remit up to a maximum of \$5,000 to the Town upon receipt of applicable invoices and/or pay applications paid by the Town to reimburse the Town its softs costs related to the creation and implementation of this Agreement related to the East/West roadway near High School No. 5.

2.5 DISD acknowledges that Cross Roads will not issue Building Permits related to the construction of High School No. 5 until the Escrow Funds are deposited with the Town.

III. CROSS ROADS' DUTIES

Cross Roads agrees to undertake each of the following obligations in a timely manner.

3.1 Construction of the East/West Collector

- A. Cross Roads will undertake and manage, through a duly selected contractor at Cross Roads' or Denton County's election, the construction of the East/West Collector.
- B. Cross Roads will make best efforts to complete construction of the East/West Collector prior to the opening of High School No. 5.

3.2 Cross Roads will only issue full Building Permits for the construction of High School No. 5 under the following conditions:

- A. Compliance with all applicable development regulations; and
- B. DISD's deposit of the Escrow Funds.

3.3 Cross Roads agrees to permit access along Naylor Road generally consistent with Exhibit A and to allow said access to cross current Town-owned property as labeled on Exhibit A if said property has not yet been dedicated over to DISD as provided in the Interlocal Agreement. To the extent necessary the Parties will work cooperatively on a mutually agreeable document to address this access.

3.4 Cross Roads agrees that, in the construction of High School No. 5, DISD may construct on-site private concrete fire lanes with #3 rebar 18" on center on the High School No. 5 Property.

3.5 Cross Roads agrees that all plans or pay applications it receives relative to the East/West Collector and the associated Escrow Funds shall be immediately forwarded to DISD. No funds from the Escrow Account shall be withdrawn unless the expenditure directly relates to the construction of the East/West Collector and Cross Roads shall maintain documentation to memorialize same.

IV. DEFAULT, TERM, AND TERMINATION

4.1 DISD Default.

If at any time DISD shall (i) fail to timely perform any of its obligations hereunder, (ii) fail to pay Cross Roads after receipt of an invoice or statement for costs hereunder for a period of more than thirty (30) days, or (iii) commit any other material breach of this Agreement which remains uncured for a period of thirty (30) days after receipt of written notice from Cross Roads specifying

in reasonable detail the nature of the breach and the action required to cure; provided, however, that if such matter cannot be cured within such thirty (30) day period, DISD shall not be in default if DISD shall commence the cure within such thirty (30) days and thereafter diligently pursue the cure thereof, or (iv) make a general assignment for the benefit of creditors, and shall fail to correct any of the foregoing within seventy-two (72) hours after written notice thereof by Cross Roads, then Cross Roads, may upon thirty (30) days' written notice to DISD, either: 1) withhold permits; 2) require specific performance of DISD's obligations hereunder, or recover such actual damages (and not consequential damages) as to which Cross Roads may be entitled, whether under the terms of this Agreement or otherwise; or 3) exercise any other right or remedy at law or in equity. Any failure of Cross Roads to exercise any right or remedy as provided in this Agreement shall not be deemed a waiver by Cross Roads of any claim for damages it may have by reason of DISD Default under the terms of this Agreement.

4.2 Cross Roads Default.

If at any time Cross Roads shall (i) fail to timely perform any of its obligations hereunder, (ii) or commit any other material breach of this Agreement which remains uncured for a period of thirty (30) days after receipt of written notice from DISD specifying in reasonable detail the nature of the breach and the action required to cure; provided, however, that if such matter cannot be cured within such thirty (30) day period, Cross Roads shall not be in default if Cross Roads shall commence the cure within such thirty (30) days and thereafter diligently pursue the cure thereof, or (v) make a general assignment for the benefit of creditors or if bankruptcy, reorganization, and shall fail to any of the foregoing within seventy-two (72) hours after written notice thereof by DISD, then DISD, may upon thirty (30) days' written notice to Cross Roads, either require specific performance of Cross Roads' obligations hereunder, or recover such actual damages (and not consequential damages) as to which DISD may be entitled, whether under the terms of this Agreement or otherwise, or exercise any other right or remedy at law or in equity. Any failure of DISD to exercise any right or remedy as provided in this Agreement shall not be deemed a waiver by DISD of any claim for damages it may have by reason of Cross Road Default under the terms of this Agreement.

4.3 Term. This Agreement shall be in full force and effect as of the date entered above. Unless terminated by either party as provided for herein, this Agreement shall continue until the closing of the transactions and obligations contemplated by this Agreement. Prior to those closings, the Parties may terminate this Agreement upon mutual written consent of both Parties.

V. IMMUNITY

This Agreement is a "contract" pursuant to Sections 271.151-271.160 of the Local Government Code. It is expressly understood and agreed that in the execution of this Agreement, no party waives nor shall be deemed hereby to waive any other immunity or defense that would otherwise be available to it against claims arising in the exercise of governmental powers and functions save and except for Subchapter I and Sections 271.151-271.160 of the Local Government Code.

VI.
NO SUCCESSORS AND ASSIGNS

Neither Cross Roads nor DISD shall assign, sublet, subcontract, or transfer any interest in this Agreement without the written consent of the other party. No assignment, delegation of duties or subcontract under this Agreement will be effective without the written consent of the other party. This Agreement is solely for the benefit of the Parties hereto.

VII.
APPLICABLE LAW AND VENUE

This Agreement is entered into subject to the Interlocal Cooperation Act, the governing charters and/or ordinances of Cross Roads and DISD, as they may be amended from time to time, and is subject to and is to be construed, governed, and enforced under all applicable Texas and Federal laws. The Parties agree that the execution and performance of this Agreement shall be in Denton County, Texas, and that if legal action is necessary to enforce this Agreement, exclusive venue will lie in the state courts located in Denton County, Texas.

VIII.
DISPUTE RESOLUTION

As a prerequisite to all Disputes except those relating to equitable remedies, which are not resolved within thirty (30) days after same have arisen shall be submitted for, or determined by, non-binding mediation. Prior to mediation, the Parties shall participate in at least one in-person meeting of the principal representative(s) for each Party. Following such meeting, mediation of any Dispute shall be initiated by either Party by making a binding written demand therefore to the other Party. With respect to such mediation, the Parties shall, within ten (10) days after delivery of such written demand for mediation, appoint a mediator who is (a) a reputable person actively engaged in the commercial real estate industry for a continuous period of not less than ten (10) years, and (b) is in no way affiliated, or has had material business dealings, with either Party. Such mediation shall occur within thirty (30) days after the mediator has been appointed and shall occur at a mutually acceptable location in Denton County, Texas. The costs of such mediation services shall be shared equally (but each party shall bear the cost of their own travel and attorneys' fees).

No right or remedy granted herein or reserved to the Parties is exclusive of any other right or remedy herein by law or equity provided or permitted. Each right or remedy shall be cumulative of every other right or remedy given hereunder. No covenant or condition of this Agreement may be waived without written consent of the Parties. Forbearance or indulgence by either party shall not constitute a waiver of any covenant or condition to be performed pursuant to this Agreement.

IX.
SEVERABILITY

If any of the terms, sections, subsections, sentences, clauses, phrases, provisions, covenants, conditions, or any other part of this Agreement are for any reason held to be invalid, void, or unenforceable, the remainder of the terms, sections, subsections, sentences, clauses,

phrases, provisions, covenants, and conditions or any other part of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

X.
ENTIRE AGREEMENT

This Agreement embodies the complete agreement of the Parties hereto superseding all oral or written previous and contemporary agreements between the Parties relating to matters herein; and except as otherwise provided herein, cannot be modified without written agreement of the Parties.

XI.
AUTHORIZATION

The undersigned officers and/or agents are properly authorized to execute this Agreement on behalf of the Parties hereto and each party hereby certifies to the other that any necessary resolutions or actions extending such authority have been duly passed and are now in full force and effect.

XII.
RELATIONSHIP OF THE PARTIES

Nothing herein shall be construed as creating a partnership or joint venture between Cross Roads and DISD, or their agents, employees, and subcontractors.

XIII.
NOTICES

Notices required pursuant to the provisions of this Agreement shall be conclusively determined to have been delivered when (1) hand-delivered to the other party, its agents, employees, or representatives, (2) delivered by overnight courier service such as FedEx or UPS with written confirmation of receipt, (3) received by the other party by United States Mail, registered, return receipt requested, or (4) upon an electronic mail transmission (which may include notice via an Adobe® portable format (.pdf) document as an attachment to such electronic mail transmission) sent to the Notified Party at the email address set forth in the Contact Information for the Notified Party as provided herein (an "Email Notice"), which Email Notice shall be deemed delivered when receipt is acknowledged by the recipient through a reply email (including automated reply) or other writing ("Email Notice Acknowledgment"); provided that if no Email Notice Acknowledgment is received by the end of the next Business Day after the initial Email Notice is sent, then the sender may send a duplicate Notice (with a certification that the initial Email Notice was sent) by another method provided above within one additional Business Day thereafter, in which case the duplicate Notice shall be deemed to have been delivered on the date of the initial Email Notice to the addresses as follows:

CROSS ROADS

Jason Laumer, Town Administrator
3201 US Hwy 380, Suite 105

Cross Roads, Texas 76227
Email- j.laumer@crossroadstx.gov

With a copy to:

Matthew C. G. Boyle, Town Attorney
BOYLE & LOWRY, LLP
4201 Wingren, Suite 108
Irving, Texas 75062
Email- mboyle@boyle-lowry.com

DENTON INDEPENDENT SCHOOL DISTRICT

Dr. Susannah Holbert-O'Bara, Superintendent
1307 N. Locust
Denton, Texas 76201
Email- sobara@dentonisd.org

With a copy to:

Deron Robinson, General Counsel for Denton ISD
1307 N. Locust
Denton, Texas 76201
Email- drobinson@dentonisd.org

XIV. FORCE MAJEURE

Cross Roads and DISD shall exercise their best efforts to meet their respective duties and obligations as set forth in this Agreement, but shall not be held liable for any delay or omission in performance due to force majeure or other causes beyond their reasonable control (force majeure), including, but not limited to, compliance with any government law, ordinance or regulation, acts of God, acts of the public enemy, fires, strikes, lockouts, natural disasters, wars, riots, material or labor restrictions by any governmental authority, transportation problems, pandemics, and/or any other similar causes.

XV.
PUBLIC PURPOSE

The Parties acknowledge and agree that the donation and exchange of property related to this Agreement has been deemed a public purpose by the governing body of each party pursuant to Section 272.001(1) of the Texas Local Government Code. Any documents evidencing title and right to possession of, or transferring interest in, the parcels of land that are the subject of this agreement shall include a provision that title to each Parcel will revert to the donating party if the acquiring party ceases to use the land in carrying out the public purposes as stated in this Agreement.

ACCEPTED AND AGREED:

Town of Cross Roads

Attest:

By: _____

By: _____

Mayor T. Lynn Tompkins, Jr.

Donna Butler, Town Secretary

Date: _____

Approved as to Form:

By: _____

Matthew C. G. Boyle, Attorney for Cross Roads

Denton Independent School District:

Attest:

By: _____

By: _____

Dr. Susannah Holbert-O'Bara, Superintendent

Dr. Jeremy Thompson, Deputy Supt.

Date: _____

Approved as to Form:

By: _____

Deron Robinson, General Counsel for DISD