

STATE OF TEXAS §

COUNTY OF NUECES §

**CARES ACT INTERLOCAL COOPERATION AGREEMENT BETWEEN THE
COUNTY OF NUECES, TEXAS AND THE
NUECES COUNTY HOSPITAL DISTRICT**

THIS Agreement is made on and entered into effective as of the 20th day of November, 2020, by and between **COUNTY OF NUECES, TEXAS**, hereinafter referred to as ("County"), and **NUECES COUNTY HOSPITAL DISTRICT** hereinafter referred to as ("District"), collectively referred to as "Parties" and pursuant to the provisions of the Texas Interlocal Cooperation Act ("Act"), Chapter 791, et seq., Texas Government Code, as follows:

WITNESSETH:

WHEREAS, the District is a hospital district defined as a "Local Government" under the Interlocal Cooperation Act, and a political subdivision organized under the laws of the State of Texas, within the boundary of Nueces County; and

WHEREAS, the County is defined as a "Local Government" under the Interlocal Cooperation Act, a political subdivision organized under the laws of the State of Texas; and

WHEREAS, the County and District and their respective constituents have been affected by the COVID- 19/Coronavirus public health emergency and the resulting Federal, State and Local disaster declarations and executive orders regarding the same; and

WHEREAS, the County and the District are authorized to enter into this Agreement pursuant to the Interlocal Cooperation Act, which authorizes local governments to contract with each other and with agencies of the state, to perform governmental functions and services under the terms of the Interlocal Cooperation Act; and



WHEREAS, on or about March 27, 2020 , the Federal Government passed the Coronavirus Aid, Relief and Economic Security Act (the "CARES Act"), including the Coronavirus Relief Fund (the "CRFund") which provides for direct payments to qualifying units of local governments navigating the impact of the COVID- 19 outbreak; and

WHEREAS, the County has and will receive a distribution of the CRFund to be used for expenditures that were directly related to and incurred as a result of the COVID- 19 public health emergency; and

WHEREAS, pursuant to guidance provided by Texas Department of Emergency Management who administers the CRFund a county may at its discretion elect to use a portion of its allocation to support a hospital district within their geographic boundaries;

WHEREAS, the County desires to make a portion of its CRFund allocation available for the benefit of its citizens in the District;

WHEREAS, amounts paid from the CRFund are subject to restrictions outlined in the Guidance and as set forth in section 601 (d) of the Social Security Act, as added by section 5001 of the CARES Act; and

NOW THEREFORE, County and District in consideration of the mutual covenants expressed hereinafter, agree as follows:

SECTION I RULES AND REGULATIONS

1.1 The District agrees to abide by the Guidance provided under the CARES Act, Coronavirus Relief Fund, and as more particularly described in section 601 (d) of the Social Security Act and any further guidance issued by the United States Department of Treasury.

SECTION II TERMS AND CONDITIONS



2.1 District agrees to comply with all terms and conditions required of entities accepting funds through a sub-recipient agreement and District further warrants and represents to the County that the funds it has incurred and expended meet the criteria allowed under the CRFund as outlined below :

1. Are necessary expenditures incurred due to the COVID-19 public health emergency;
2. Were not accounted for in the budget most recently approved as of March 27, 2020; and
3. Were incurred during the period that begins on March 1, 2020 and ends on December 30, 2020.

For purposes of the CARES Act Funds, incurred means performance or delivery must occur during the covered period.

2.2 County agrees that a portion of its CFR funds, \$157,525.35, will be provided to District as reimbursement for eligible purchases. District shall provide County with a Request for Reimbursement and accompanying supporting documentation. After County provides approval County will pay District such amounts and shall submit Request for Reimbursement directly to the Texas Department of Emergency Management (TDEM). Any reimbursement based on County submitted Request for Reimbursement will be made directly to County by TDEM.

2.3 County's review and approval of Request for Reimbursement does not ensure TDEM's acceptance and payment of reimbursement request. Should TDEM deny reimbursement request District shall promptly refund monies paid to District by County under this Agreement.

2.4 Costs incurred by District before commencement of this Agreement will be eligible for reimbursement.

SECTION III



RECORDS AND REPORTS

3.1 District agrees to establish and maintain all necessary records and reports that may be required for reimbursement of CRFunds.

3.2 Per the CARES Act Guidance, all government recipients are required to keep records sufficient to demonstrate that the amount of Fund payments to the government has been used in accordance with section 601(d) of the Social Security Act.

3.3 Pursuant to 2 CFR §200.333, District, as a sub-recipient of federal funds, must retain records and any supporting documentation for a minimum of three (3) years from the later of the completion of the CRFund's public objective, submission of the final expenditure report, any litigation, dispute or audit.

3.4 Records related to equipment acquired with CRFunds shall be retained for three (3) years after final disposition.

3.5 In the event the U.S. Department of Treasury disallows expenditures submitted by County for reimbursement District understands that any such monies will be repaid as directed by TDEM.

SECTION IV MONITORING VISITS

4.1 District shall give The United States Treasury Department, the Special Inspector General of the U.S. Department of Treasury, the Comptroller General of the United States, District, District Auditor, and any of their duly authorized representatives, unobstructed and full access to and the right to examine all books, accounts, records, reports, files, and other papers, things or property belonging to or in use by District pertaining to this Agreement as it pertains to the use of CARES Act funds.



**SECTION V
PAYMENT REQUESTS**

5.1 Requests for reimbursement, as described in paragraph 3.2 above, shall be submitted with supporting records and documentation necessary for submission to the U.S. Department of Treasury.

5.2 District shall further provide County with a final Cost Reimbursement Request Form, and all documentation required no later than 30 days after the period of performance of this Agreement, December 30, 2020.

**SECTION VI
AUDIT REQUIREMENTS**

6.1 District agrees to comply with the applicable requirements and standards as set forth in 2 CFR 200 Subpart F §§200.500 - 200.521 which are incorporated by reference herein.

**SECTION VII
TERMINATION**

7.1 Either party may terminate this Agreement with or without cause upon thirty (30) days written notice to each other. Termination of the Agreement does not exempt District's obligation to reimburse County for any incurred expenses disallowed by the U.S. Department of Treasury or any other overseeing federal agency.

**SECTION VIII
LIABILITY FOR DISALLOWED COSTS**

8.1 The District understands and agrees that as a sub-recipient under this Agreement it shall be liable as directed by TDEM for any costs disallowed pursuant to financial and compliance audit(s)

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of County CRFunds. The District further understands and agrees that reimbursement of such disallowed costs shall be paid by the District from funds that were not provided or otherwise made available to District pursuant to this Agreement or any other federal award.

SECTION IX INDEMNITY CLAUSE AND INSURANCE REQUIREMENT

9.1 THE PARTIES AGREE TO BE RESPONSIBLE EACH FOR THEIR OWN NEGLIGENT ACTS OR OMISSIONS, OR OTHER TORTIOUS CONDUCT IN THE COURSE OF THE PERFORMANCE OF THIS AGREEMENT WITHOUT WAIVING ANY SOVEREIGN IMMUNITY, GOVERNMENTAL IMMUNITY, OR OTHER DEFENSES AVAILABLE TO THE PARTIES UNDER FEDERAL OR STATE LAW. NOTHING IN THIS PARAGRAPH SHALL BE CONSTRUED TO CREATE OR GRANT ANY RIGHTS, CONTRACTUAL OR OTHERWISE, IN OR TO ANY THIRD PERSONS OR ENTITIES.

SECTION X DISPUTE RESOLUTION

10.1 The Parties' representatives will meet as needed to implement the terms of the Agreement and will make a good faith effort to informally resolve any disputes.

10.2 The laws of the State of Texas shall govern this agreement and all disputes arising out of or relating to this Agreement, without regard to any otherwise applicable conflict of law rules or requirements. Venue for any action, suit, litigation or other proceeding arising out of or in any way relating to this Agreement shall be in a court of competent jurisdiction in Nueces County, Texas.

10.3 The Parties agree to mandatory participation in mediation as an Alternative Dispute Resolution process, before any action, suit, litigation or other proceeding arising out of or in any way relating to this Agreement may be commenced.



SECTION XI PROCUREMENT

11.1 District agrees to conform to its own applicable purchasing laws, regulations, with respect to any purchases in relation to the CRFund and/or this Agreement.

SECTION XII CONFLICT OF INTEREST

12.1 District covenants that none of its elected officials, officers, employees, consultants, or agents who exercise influence on the decision-making process presently has or will have any interest, direct or indirect, with any person, corporation, company or association that is hired to carry out any of the activities covered by the CRFund. District agrees that all elected officials, officers, employees, consultants or agents shall comply with the requirements of Texas Local Government Code Chapter 176.

12.2 District is responsible for repayment of funds associated with any conflict of interest that may occur either knowingly or unknowingly.

SECTION XIII MISCELLANEOUS PROVISIONS

13.1 Conflict with Applicable Law. Nothing in this Agreement shall be construed so as to require the commission of any act contrary to law, and whenever there is any conflict between any provision of this Agreement and any present or future law, ordinance or administrative, executive or judicial regulation, order or decree, or amendment thereof, contrary to which the parties have no legal right to contract, the latter shall prevail, but in such event the affected provision or provisions of this Agreement shall be modified only to the extent necessary to bring them within the legal requirements and only during the time such conflicts exists.



13.2 No Waiver. No waiver by County or District of any breach of any provision of this Agreement shall be deemed to be a waiver of any preceding or succeeding breach of the same or any other provision thereof.

13.3 Entire Agreement. This Agreement contains the entire contract between the parties hereto, and each party acknowledges that neither has made (either directly or through any agent or representative) any representations or agreements in connection with this Agreement not specifically set forth herein. This Agreement may be modified or amended only by agreement in writing executed by County and District, and not otherwise.

13.4 Texas Law to Apply. This Agreement shall be construed under and in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Nueces County, Texas. The parties hereby consent to personal jurisdiction in Nueces County, Texas.

13.5 Notice. Except as may be otherwise specifically provided in this Agreement, all notices, demands, requests or communications required or permitted hereunder shall be in writing and shall either be (i) personally delivered against a written receipt, or (ii) sent by electronic mail, or (iii) sent by registered or certified mail, return receipt requested, postage prepaid and addressed to the parties at the addresses set forth below, as may have been theretofore specified by written notice delivered in accordance herewith:

If to County:

County of Nueces

Attention: County Judge

901 Leopard, Rm 303

Corpus Christi, TX 78401

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If to District:

Nueces County Hospital District

Attention: Administrator/ CEO

555 N. Carancahua Street, Room 950-A

Corpus Christi, Texas 78401

13.6 Each notice, demand, request or communication which shall be delivered or mailed in the manner described above shall be deemed sufficiently given for all purposes at such time as it is personally delivered to the addressee or, if mailed, at such time as it is deposited in the United States mail.

13.7 Additional Documents. The parties hereto covenant and agree that they will execute such other and further instruments and documents as are or may become necessary or convenient to effectuate and carry out the terms of this Agreement.

13.8 Successors. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, legal representatives, successors, and assigns where permitted by this Agreement.

13.9 Assignment. This Agreement shall not be assignable by District.

13.10 Headings. The headings and captions contained in this Agreement are solely for convenient reference and shall not be deemed to affect the meaning or interpretation of any provision or paragraph hereof.

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13.11 Non-Discrimination. The Agreement and all related activities shall be conducted in a manner that does not discriminate against any person on a basis prohibited by applicable law or County and District policy, including without limitation race, gender, color, national origin, religion, sex, age, veteran status, disability or any other protected status. District and County shall comply with applicable law, including but not limited to the provisions of Title VI of the Civil Rights Act of 1964.

13.12 Governmental Purpose. To the extent applicable, each party hereto is entering into this agreement for the purpose of providing for governmental services or functions and will pay for such services out of current revenues available to the paying party as herein provided.

13.13 Governing Provisions. Parties shall comply with all applicable laws and regulations. A non-exclusive list of regulations commonly applicable to Federal and State grants and equipment can be found in the 2 CFR 200 Uniform Administrative Requirements, Cost Principles and Audit Requirements.

13.14 Legal Construction/Severability. In case any one or more of the provisions contained in this Agreement will for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability will not affect any other provision thereof, and this Agreement will be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

13.15 Immunity. This Agreement is expressly made subject to the County's Sovereign Immunity, Title 5 of the Texas Civil Practice and Remedies Code and District's governmental immunity, and all applicable federal and state law. The Parties expressly agree that no provision of this Agreement is in any way intended to constitute a waiver of immunities from suit or from liability that the County or District has by operation of law.



13.16 Authority to Execute. The execution and performance of this Agreement by County and District have been duly authorized by all necessary laws, resolutions or corporate action, and this Agreement constitutes the valid and enforceable obligations of County and District in accordance with its terms.

WITNESS THE HANDS OF THE PARTIES effective as of the day and year first written above.

NUECES COUNTY HOSPITAL DISTRICT

By: Jonny H

Jonny Hipp
Administrator/CEO

NUECES COUNTY

By: B. Canales

Barbara Canales
County Judge

~~ATTEST:~~ WITNESS

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~~District Secretary~~

ATTEST:

Kara Sands

Kara Sands
County Clerk



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