

EXHIBIT 2

THE STATE OF TEXAS §

THE COUNTY OF TRAVIS §

INTERLOCAL AGREEMENT

This Interlocal Agreement (the "Agreement") is made and entered into by and, between The City of Denton, Texas, a political subdivision of the State of Texas (hereinafter "CITY") and The Texas Department of Public Safety, an Agency of the State of Texas (hereinafter "TXDPS").

WHEREAS, both the CITY and TXDPS have the authority to enter into this Agreement pursuant to Chapter 791, Texas Government Code; and

WHEREAS, the service agreement for Vehicle Maintenance ("Service Level Agreement") contemplated under this Agreement is of mutual interest and benefit to TXDPS and to the CITY and will further the objectives of both parties in a manner consistent with the objectives of political subdivisions of the State of Texas; The City will provide vehicle maintenance services to the TXDPS, for a defined fee detailed below; and

WHEREAS, it is mutually beneficial to both parties to execute this Agreement whereby each entity can achieve common objectives relating to the services regarding vehicle maintenance and in the interest of saving taxpayer funding; and

WHEREAS, all payments collected by the CITY from vehicle maintenance services provided to TXDPS will be considered revenue to the CITY of Denton and the State of Texas shall pay all invoices presented, as statutorily prescribed by Texas Government Code 2251 (Prompt Payment Act).

WHEREAS, TXDPS agrees to utilize the vehicle maintenance services provided by the CITY, in this agreement for the purposes of vehicle maintenance only to TXDPS vehicles and equipment.

NOW THEREFORE, in consideration of the mutual representations, terms and covenant hereafter set forth, the parties hereby agree as follows:

1. **STATEMENT OF WORK.** CITY agrees to use reasonable efforts to perform the vehicle maintenance services described in the Service Level Agreement listed below in Section 2.
2. **SERVICE LEVEL AGREEMENT** - Services provided by CITY:
 - a. Schedule vehicle maintenance and repairs when notified by TXDPS;
 - b. Provide vehicle preventative maintenance and general repair services in a timely manner;
 - c. Process monthly repair invoices for payment.
3. **WARRANTY** -The CITY Fleet Services will warrant repair labor for a period of 60 days;
 - a. Parts will be warranted for 90 days, defective or failed parts will be replaced at no charge during warranty period;
 - b. All vehicle batteries will have an 18 month free replacement period.

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4. **RATE SCHEDULE** - Services provided by CITY at the following rates:
 - a. PM services flat rated based on vehicle class as follows:
 - b. Light duty - \$37.50 + Parts
 - c. Medium duty - \$37.50 + Parts
 - d. Other repairs to be invoiced at cost plus - labor rate of \$75 per hour + Parts
 - e. Parts invoiced at cost plus 25%
5. **CONTRACT PAYMENTS:** TXDPS shall reimburse the CITY per Section 4. Rate Schedule. FY expenses are estimated to be Fifty Thousand and no dollars (\$50,000.00); however may be higher or lower dependent upon vehicle maintenance requirements of TXDPS.

Payments shall be sent to the following address:

City of Denton, Accounts Payable Department
215 East McKinney Street
Denton, TX 76201
Attention: Accounts Payable
Phone: 940-349-8223
Email: accountspayable@cityofdenton.com

6. PROGRAM CONTACTS

TXDPS

Contract Monitor:
Brian Reynolds
Director of Fleet Operations
Brian.Reynolds@dps.texas.gov

Contract Administrator:
Deborah (Debbie) Goree,
Procurement and Contract Services
Deborah.goree@dps.texas.gov

CITY

Contract Monitor:
Terry Kader
Fleet Manager
940-349-8729
Terry.Kader@cityofdenton.com

For Written Notice:

City Manager
215 East McKinney Street
Denton, Texas 76209
940-349-7000
purchasing@cityofdenton.com

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7. **TERM OF CONTRACT** The initial term of this Agreement is from date it is fully executed through August 31, 2017. This Agreement will be renewed automatically, effective September 1st of each Fiscal Year (FY) unless written notification is given by email, by either party to the authorized contact at least ninety (90) days in advance.
8. **TERMINATION** This agreement may be terminated by either party, upon ninety (90) days prior written notice.
9. **BREACH / OPPORTUNITY TO CURE** The parties hereto expressly covenant and agree that in the event either party is in default of its obligations herein, the party not in default shall provide to the party in default at least thirty (30) days written notice to cure said default before exercising any of its rights as provided for in this Agreement.
10. **LIABILITY** The parties to this Agreement and their respective officers and employees shall not be deemed to assume any liability for the acts, omissions and negligence of the other party.
11. **DISCLAIMER OF LIABILITY. THE CITY OF DENTON MAKES NO REPRESENTATIONS AND EXTENDS NO WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED IN CONNECTION WITH THE TECHNICAL REPORTS, INVENTION DISCLOSURES OR RESEARCH DATA FURNISHED UNDER THIS AGREEMENT. THERE ARE NO EXPRESS OR IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, OR THAT USE OF SUCH MATERIALS OR MODIFICATION OF SUCH MATERIALS WILL NOT INFRINGE ON ANY PATENT, COPYRIGHT, TRADEMARK, OR OTHER PROPRIETARY RIGHT.**
12. **FORCE MAJUERE** Except for the obligation for the payment of money, if either party fails to fulfill its obligations hereunder when such failure is due to an act of God, or other circumstance beyond its reasonable control, then said failure shall be excused for the duration of such event and for such a time thereafter as is reasonable to enable the parties to resume performance under this Agreement.
13. **DISPUTE RESOLUTION** All parties must use the dispute resolution process provided in Chapter 2260 of the Texas Government Code to attempt to resolve a dispute arising under this contract and such process is a required prerequisite to suit in accordance with Chapter 107, Texas Civil Practice and Remedies Code. All parties must submit written notice of a claim of breach of contract under this chapter to the other party. Nothing in this Agreement waives or relinquishes the right of either party to claim any exemptions, privileges and immunities as may be provided by law.
14. **REMEDIES** This Agreement shall be construed by and governed by the laws of the State of Texas. Venue for any legal action necessary to enforce the Agreement will be in Travis County, Texas. No remedy herein conferred upon any party is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute or otherwise. No single or partial exercise by any party of any right, power or remedy hereunder shall preclude any other or further exercise thereof.
15. **ENTIRE REPRESENTATION** This Agreement contains the entire agreement between the parties and supersedes any prior oral or written agreements, commitments, understandings, or communications with respect to the subject matter of the Agreement. No amendments or

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modification of this Agreement shall be effective unless set forth in writing executed by duly authorized representatives of each party. This Agreement shall be construed in accordance with the laws of the State of Texas.

16. **WAIVER** No waiver of any provision hereof or of any right or remedy hereunder shall be effective unless in writing and signified by the party against whom such waiver is sought to be enforced. No delay in exercising, no course of dealing with respect to, or no partial exercise of any right or remedy hereunder shall constitute a waiver of any right or remedy, or future exercise thereof.
17. **ASSIGNMENT** This Agreement may not be assigned in whole or in part by any of the Parties without prior written consent of the other party.
18. **SEVERABILITY.** In the event that any section, paragraph, sentence, clause or provision hereof is held by a court of competent jurisdiction to be invalid, such shall not affect the remaining portions of this Agreement and the same shall remain in full force and effect.
19. **AMENDMENTS.** This Agreement may be amended from time to time by written amendment by both parties.
20. **NOTICE.** Any notice required to be given in connection with this Agreement shall be in writing and shall be deemed effective if hand delivered, or if sent by United States certified mail, return receipt requested, postage prepaid, or if sent by private receipted courier guaranteeing same-day or next-day delivery, addressed to the respective party at its address provided below. If sent by U.S. certified mail in accordance with this Section, such notices shall be deemed given and received on the earlier of (a) actual receipt at the address of the named addressee, or (b) on the third (3rd) business day after deposit with the United States Postal Service. Notice given by any other means shall be deemed given and received only upon actual receipt at the address of the named addressee.
21. **NO THIRD PARTY BENEFICIARIES.** For purposes of this Agreement, including its intended operation and effect, the parties specifically agree and contract that: (1) the Agreement only affects matters/disputed between the parties to this Agreement, and is in no way intended by the parties to benefit or otherwise affect any third person or entity notwithstanding the fact that such third person or entity may be in contractual relationship with the State or City, or both; and (2) the terms of this Agreement are not intended to release, either by contract or by operation of law, any third person or entity from obligations owed by them to either the State or City.
22. **ENTIETY OF AGREEMENT.** This Agreement represents the entire understanding between both parties and supersedes all other negotiations, representations or agreements, written or oral, relating to this Agreement.

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The parties have caused this Agreement to be executed by their duly authorized representative.

TEXAS DEPARTMENT OF PUBLIC SAFETY


Robert J. Bodisch, Sr.
Deputy Director, Homeland Security and Services

Date: 7.27-16



CITY OF DENTON

By: _____
Howard Martin, City Manager

Date: _____

Approved as to legal form
City Attorney

By: _____

Date: _____