

State of Texas §

County of Bell §

Interlocal Agreement

This Interlocal Agreement is made and entered into by and among the City of Killeen ('City') and Bell County ('County'), collectively, 'the Parties'.

Recitals

WHEREAS, the Texas Government Code, Title 7, Chapter 791 provides for interlocal cooperation Contracts, or interlocal agreements, among political subdivisions of the State of Texas; and

WHEREAS, the Texas Government Code, Title 7, Chapter 791, states that its purpose is to increase the efficiency and effectiveness of local governments by authorizing them to contract with each other; and

WHEREAS, the Texas Government Code, Title 7, Chapter 791 further allows for interlocal agreements for 'governmental functions', as defined by Chapter 791, Texas Government Code; and

WHEREAS, the Texas Government Code, Title 7, Chapter 791 allows counties, municipalities and other political subdivisions of the State of Texas to enter into interlocal agreements under the terms and conditions set forth in Texas Government Code, Title 7, Chapter 791; and

WHEREAS, City is a home rule city under the laws of the State of Texas and, accordingly, has authority to enter into an interlocal agreement; and

WHEREAS, the County is a political subdivision of the State of Texas and, accordingly, has authority to enter into an interlocal agreement; and

WHEREAS, the County has indicated a need to relocate the Bell County Killeen Annex, currently located on Priest Drive in Killeen; and

WHEREAS, First National Bank of Texas has indicated it is amenable to transfer ownership of the property and all buildings ('Property') located at 507 North Gray, Killeen, Texas, to the County for the purposes of locating the Bell County Killeen Annex; and

WHEREAS, the City is supportive of this location for the Bell County Killeen Annex and has an interest in revitalizing its downtown area and seeks to keep and attract entities to locate in that area; and

NOW, THEREFORE, in consideration of the mutual promises, obligations, and benefits to derived by the Parties pursuant to this interlocal agreement, the Parties hereby agree that:

1. The County agrees to:
 - a. Notify the City when the County has received and closed on the Property;
 - b. Demolish or contract for the demolition of the buildings on the Property within six (6) months of receipt of the Property;

- c. Construct a new building(s) on the Property with square footage of at least thirty thousand (30,000) square feet, with the new building(s) substantially complete within thirty-six (36) months of receipt of the Property;
 - d. Locate all departments in the newly-constructed building on the Property that are currently located on Priest Drive, Killeen, Texas, although staffing levels may vary.
 2. The City agrees to:
 - a. Reimburse the County for all reasonable demolition costs, [subject to paragraph 4 below](#).
 - b. Reimbursement costs will not include payment of any salaries or other costs of employment for any County employee.
 3. Each party paying for the performance of governmental functions or services must make those payments from current revenues available to the paying party.
 4. Each party acknowledges that the County has allocated \$10,000,000 for the design and construction of the new Killeen Annex ~~and that the City has allocated \$300,000 for the cost of demolition of the existing structures on site.~~ [In the event the estimated demolition costs exceed \\$500,000, the City has the option to terminate this agreement by giving written notice to the County.](#)
 5. This interlocal agreement becomes effective on the date the last signature is affixed and remains in effect the obligations of the Parties are complete, unless terminated earlier by mutual written consent of the parties.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed, effective on this the _____, day of _____, 2022.

City of Killeen

Bell County

Kent Cagle

City Manager

David A. Blackburn

County Judge