

COMMUNICATIONS SYSTEM AGREEMENT

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AGREEMENT

THE STATE OF TEXAS

COUNTY OF BELL

AMENDMENT

The following is an amendment and restatement of this Agreement, taking into account amendments approved by the Cities of Belton, Harker Heights, Killeen and Temple, Texas (the "Cities") and Bell County, Texas (the "County"). The amendment took effect on _____, 2021, the date of final approval by the County and the Cities in accordance with Section 13 hereof. The original Agreement was dated October 1, 2002.

In order to establish, operate and maintain a consolidated communications system for the cities of Belton, Harker Heights, Killeen, and Temple, Texas (the "Cities"), and throughout Bell County, Texas (the "County"), including the communities and agencies served by the Bell County Sheriff's Office (including but not limited to those entities which are part of the RBO as defined in Section 3E), the parties agree to the following:

This agreement, entered into this _____ day of _____ in the year 2020 by and among the Cities, and the County is entered into pursuant to the provisions of Texas Government Code Ann. § 791.001 *et seq* (Vernon Supp. 1992) (the "Act") relating to joint exercise of powers, for the purpose of operating and maintaining a consolidated communications system. The Cities and the County shall sometimes be referred to herein as the "Parties".

WITNESSETH:

WHEREAS, the County has purchased and provided a trunked 800 Megahertz Public Radio System for the express purpose of the support of public health and safety; and

WHEREAS, the County has purchased and provided a computer system to provide Computer Aided Dispatch, police, fire and record management systems; and

WHEREAS, the County has purchased and provided a central facility to accommodate the consolidation of public health and safety communications for the County; and

WHEREAS, the Parties are each empowered by law to staff, maintain, and operate public buildings and related facilities for the purposes of public health and safety communications, all of which are proper "governmental functions and services" as defined in the Act; and

WHEREAS, the Parties desire to operate and maintain a consolidated county-wide public health and safety communications facility (hereinafter referred to as the "System"), and to provide an orderly method for the accomplishment thereof; and

WHEREAS, the Parties desire to accomplish the aforesaid purposes by jointly exercising their common powers in the manner set forth in this agreement.

NOW, THEREFORE, the Parties, for and in consideration of the mutual benefits, promises and agreements set forth herein, agree as follows:

Section 1. Purposes

The purpose of this agreement is to provide for the establishment, operation and maintenance of a consolidated County-wide communications system (hereinafter, the "System") by constructing, equipping, staffing, maintaining, and operating a facility or facilities which provide call receiving and dispatching services to the Parties and members of the RBO, by providing computers, radio systems and other equipment , and by further providing the System to the Parties. A description of the initial System is attached hereto as Exhibit "A".

The System will be provided to (i) the Cities, (ii) the County, and (iii) to other governmental entities, volunteer fire departments, EMS providers or other persons providing public health and/or safety services with the County to serve as the contract party for all such persons. Other services may be provided to other entities so long as there is no degradation of public health and/or safety services. Contracts may further be entered as provided in Section 4B regarding the extension of services beyond those rendered to the contracting Parties, as part of the authorized purposes hereunder.

This agreement also establishes and provides a forum for discussion, study, development and implementation of programs and services of mutual public health and safety communications interest.

This agreement is made pursuant to and under the provisions of the Act relative to the joint exercise of powers common to the County and the Cities.

Section 2. Designation of System Operator

Pursuant to and under the provisions of the Act, the Parties hereby appoint the County to serve as system operator. In that regard, the County shall have overall responsibility for System quality. The Parties acknowledge that System quality is subject to cost efficiency and budget constraints, and that various sections of this agreement impose requirements related to budget approval.

As System operator, the County shall provide staff (as employees of the County) who shall be responsible for:

- A. Training;
- B. System Dispatch and Operations;
- C. System Maintenance;
- D. Undertaking such other duties as may be required by the System Board of Directors (as defined below).

It is understood that the staff responsible for such functions, unless expressly otherwise authorized herein, shall be employees of the County. Salaries and benefits for all such persons shall be subject to the budget approval process set forth in Section 6 hereof.

Section 3. Governance

A. Board of Directors

The County and the Cities hereby establish a Board of Directors (the "Board"), for the System, and delegate to the Board the responsibility to make policy for the System. In carrying out its responsibility, the Board shall be subject to the following standards:

1. The System shall be intended to provide comprehensive health and safety communications coverage to all citizens of the County.
2. All System components shall be compatible with each other.

(NOTE: See last sentence of Section 8 which reads, "All system components must be approved by the System Director to confirm compatibility with the System prior to the purchase of the same.)

3. The choice of System components and the operation and maintenance of the System shall be based upon cost efficiency (including budget constraints) and effectiveness, and upon a desire to establish appropriate response to the health and safety needs of the citizens of the County.
4. The Parties acknowledge that System quality is subject to cost efficiency and budget constraints, and that various sections of this agreement impose requirements related to budget approval. These limitations shall not diminish the County's overall responsibility for the System.

The System shall be governed by the Board as to those decisions reserved to the Board in Section 4C or otherwise as expressly reserved to the Board herein. Except for his or her such specific decisions, all other aspects of System governance are reserved to the County. Each of the four Cities and the County (representing the County as a whole) shall have one seat on the Board. Each City's seat shall be filled by the City Manager of such City or his or her alternate. The County's seat shall be filled by the County Judge or his or her alternate. A Board member shall cease to be a Director if he/she ceases to hold office of the appointing Party, or if the appointing Party ceases to be a "Party" to this agreement. Each Director shall notify the Secretary of the Board of their respective alternates. The Secretary shall notify each Party of the designation of the other Parties' representatives and maintain an updated list of all Directors, alternates, and the entities they represent. Each of the City Managers and County Judge shall name his or her own alternate.

An alternate shall have the authority to vote in the name and stead of the person appointing the same. Alternates shall only be appointed in writing, and shall only have authority for the particular meetings for which appointment was made. Attendance by any regular Board Member (i.e., County Judge or City Manager) at a meeting shall, without the necessity of further action, revoke the authority given to any alternate of such regular Board Member with regard to such meeting. The appointing Board Member(s) shall have the right to change or revoke appointment of his or her designated alternate at any time.

The Act of at least three Board members shall be deemed the act of the Board, except as provided in Sections 4.C.1, 6.C.1. and 10. Each Board member shall have one vote, per capita (except as otherwise provided herein in Section 4.C.1, Section 6.C.1. and Section 10). The parties intend by this Section to require three votes to approve any matter, and not just a majority of a quorum (i.e., two out of three votes shall not constitute an act of the Board). Different voting requirements are set out in those specific circumstances referred to in Sections 4.C.1., 6.C.1., or 10.

1. Officers of the Board of Directors

(a) Designation of Officers

The officers of the Board shall be the Chair, the Vice-Chair, and the Secretary.

The office of Chair shall be the County Judge. The System Director (or, in the absence of the Director, a designated member of the Director's staff) shall serve as Secretary of the Board. The office of Vice-Chair shall be rotated on an annual basis, at the first meeting of each fiscal year based on the following rotation, which shall continue through the term of this agreement:

FISCAL YEAR	VICE-CHAIR
19-20	Killeen
20-21	Belton
21-22	Harker Heights
23-24	Temple

For all years after fiscal year 2023 – 2024, the same rotation shall be maintained.

(b) Duty of Officers

(1) Chair and Vice-Chair

The Chair, or in his/her absence the Vice-Chair, shall preside at and conduct all Board meetings. In the absence or inability of the Chair to act, the Vice-Chair shall act as the Chair.

(2) Secretary

The Secretary will give notice of regular meetings to the Board at least fifteen (15) calendar days in advance of the scheduled date. The Secretary will deliver the agenda and supporting documentation to each Board member at least three (3) calendar days prior to the meeting. The Secretary shall also post notice of any meeting of the System Board in the manner required by law, if any, and keep minutes of Board meetings.

In calculating "calendar days" the number of days shall include both the first day and last day of the period in question, and all days in between, regardless if weekends or legal holidays or otherwise (i.e., 20 calendar days from March 1 shall be March 20).

B. Auditor of the System

The County Auditor shall serve as Auditor for the System. Allocated costs for these services shall be a part of the System budget. The County Auditor shall attend the meetings of the Board of Directors and advise them in connection with any accounting, budgetary, monetary or other financial matters relating to the System. The County Auditor will assist the System Director in developing the annual budget and maintaining accurate fiscal projections and accounts for the System.

The Board may hire an independent auditor or financial consultant in the event of a conflict of interest between the County Auditor and Board on a particular matter, or otherwise as desired by the Board.

The County Auditor shall report to the Board, and be responsible to the Board, in the conduct of his or her duties as they relate to the System.

The County Auditor shall establish the budget format for the System, establish and maintain particular funds and accounts, and furnish monthly revenue, expenditures, and funds status to the Board and Commissioners Court. In carrying out such functions, the Auditor shall follow generally accepted accounting principles applicable to the County. The Auditor shall make System books and records available to the Board, and to the public to the extent required by law.

C. Attorney for the System

The County Attorney shall be the Attorney for the System. Allocated costs for these services shall be a part of the System budget. The Attorney shall advise the Board in connection with any legal matters relating to the System, and shall attend meetings of the Board as required to carry out his or her duties.

The Board may hire outside legal counsel in the event of a conflict of interest or otherwise as desired by the Board.

The System Attorney shall report to the Board, and be responsible to the Board, in the conduct of his or her duties as they relate to the System.

D. System Director

The System Director shall be appointed by the County Judge, in the manner required by Section 4.C.4. However, the County Judge shall seek the advice and counsel of the Board before making an appointment. The Director shall attend all meetings of the Board as an advisory member. The Director shall be an employee of the County. The Director shall be responsible for all operational and personnel matters relating to the System. In particular, the Director shall:

1. enforce strict compliance with the approved annual System budget and approve only expenditures authorized therein;
2. maintain an inventory of all property of the System and serve as custodian of the property;
3. have overall responsibility for the operation and maintenance of the System, subject to the specific authority retained herein by the Board, and the general supervisory authority of the County;
4. serve as Secretary of the Board of Directors and of the RBO.
5. establish and maintain the Standard Operational Procedures for the System.
6. provide reports to the Board, to include, but not limited to:
 - a. Notification to the Board of any emergency expenditures needed for the System within 7 days, or as soon as practicable.
 - b. Monthly member event count reports
 - c. Notifications as might be required by Section 4.F.

The Director may establish user committee(s) to assist Director in the maintenance and operation of the System.

E. Regulatory Board of Operations

An advisory entity will be created, subordinate to the System Board (Board of Directors), which is to be known as the Regulatory Board of Operations (hereinafter referred to as the "RBO"). Membership will be comprised of the chief officer or designee of each public safety agency receiving communications services from the System. Each public safety agency will notify the Secretary of the RBO of the names of their respective Chiefs or designees. The public safety agencies participating on the RBO include, but are not limited to the following:

-AMR Ambulance Service

- Acadian Ambulance Service
- Bartlett Police Department
- Bartlett Volunteer Fire Department
- Bell County Constable Office Pct. 1
- Bell County Constable Office Pct. 2
- Bell County Constable Office Pct. 3
- Bell County Constable Office Pct. 4
- Bell County Attorney's Office
- Bell County District Attorney's Office
- Bell County Emergency Management
- Bell County Sheriff's Department
- Bell County Fire Marshall
- Belton Police Department
- Belton Fire Department
- Central Texas College Police Department
- Harker Heights Police Department
- Harker Heights Fire Department
- Holland Police Department
- Holland Volunteer Fire Department
- Killeen Police Department
- Killeen Fire Department
- Killeen Independent School District Police Department
- Little River/Academy Police Department
- Little River/Academy Volunteer Fire Department
- Morgan's Point Resort Police Department
- Morgan's Point Resort Volunteer Fire Department
- Moffat Volunteer Fire Department
- Nolanville Police Department
- Nolanville (Central Bell) Volunteer Fire Department
- Rogers Police Department
- Rogers Volunteer Fire Department
- Salado Police Department
- Salado Volunteer Fire Department
- Southwest Bell Volunteer Fire Department
- Sparta Volunteer Fire Department
- Temple College Police Department
- Temple Police Department
- Temple Fire Department
- Texas A&M Central Texas Police Department
- Troy Police Department
- Troy Volunteer Fire Department
- University of Mary Hardin-Baylor Police Department

The entities or departments listed above and not a part of the County or the four Cities are referred to as the "Rural RBO Members". The Fort Hood Public Safety and Fire Departments and Bell County Communications Center Medical Director may also attend as a contributor (non-voting) to the RBO. Other entities that provide health or safety services in the County may participate in the RBO upon the approving vote of the RBO Board.

1. RBO Board

(a) Board Members

The voting body of the RBO (hereinafter, the "RBO Board") shall consist of eleven (11) members, chosen as follows:

- One (1) member shall be the Bell County Sheriff
- Eight (8) members shall be the Fire Chief and Police Chief from each of the four Cities.
- Two (2) members (one being a fire chief and one being a chief law enforcement officer) shall be elected by the Rural (i.e., non-City) RBO Members

In voting for the Rural RBO Board Members, each Rural RBO department shall have one (1) vote.

RBO Board Members shall be elected or appointed annually, to coincide with the System's fiscal year.

(b) RBO Board Officers

The RBO Board shall elect their Chair and Vice-Chair to conduct the business of the RBO in the first meeting of each fiscal year. Each officer will name his or her own alternate.

In the event that the Chair or Vice-Chair ceases to be an employee of their respective agency, they will cease to be a member of the RBO Board, and the resulting vacancy shall be filled by the entities which originally elected or appointed such RBO Board member at the next regularly scheduled meeting which follows the occurrence of the vacancy.

(c) Duties of Chair and Vice-Chair

The Chair shall preside at meetings of the RBO Board. In the absence or inability of the Chair to act, the Vice-Chair shall act as the Chair. The Chair, or in his/her absence the Vice-Chair, shall preside at and conduct all meetings of the RBO Board.

(d) Secretary

The System Director (or in the absence of the Director, a designated member of the Director's staff) shall serve as Secretary of the RBO Board. The Secretary shall send notice of meetings of the RBO Board to its members, and shall keep minutes of the meetings. The Secretary will deliver the agenda and supporting documentation to each RBO Board member at least seven (7) calendar days prior to the meeting. The Secretary shall also post notice of any meeting of the RBO Board or RBO Committees in the manner required by law, if any, and maintain the minutes of committee meetings.

F. Meetings of the System Board of Directors, RBO and RBO Board

1. Meetings of the System Board of Directors

The Board shall conduct regular meetings on the last Thursday of every odd numbered month. The first meeting after the start of each fiscal year shall be the annual meeting. The date and hour of any regular meeting shall be scheduled by order of the Board or by the Board Chair.

The Board shall provide for additional meetings as may be needed depending upon the pressure of business. A called Board meeting shall be called upon the request of the Chair or any two (2) Board members, with the persons calling the meeting setting the date and hour thereof. Absent an emergency, the Secretary of the Board shall give each Board member at least three (3) calendar days notice of any specially called Board meeting, such notice to set out the date, time, place, and proposed subject matter of the meeting.

The location for the conduct of meetings shall be as determined by the Board, and shall be the System's central dispatch building in the absence of a contrary determination. Changes in the location must be made by resolution of the Board or by the Chair, and notice of System Board meetings shall be posted in compliance with applicable law.

2. Meetings of the RBO Membership and RBO Board

The RBO membership (including the RBO Board) shall conduct regular meetings, holding at least one regular meeting every odd numbered months unless the RBO Board determines otherwise. Unless otherwise agreed by the RBO Board, regular meetings of the RBO Board shall be bi-monthly on the last Monday of each odd numbered month. The RBO Board may provide for additional meetings as needed depending upon the pressure of business and as may reasonably be requested by the Chair of the RBO Board, or by any two members of the RBO Board. The date and hour of any regular meeting shall be scheduled by order of the Chair of the RBO Board, a copy of the order to be filed with the Secretary of the System Board of Directors. Absent a contrary decision by the Chair of the RBO Board the location for the conduct of the meetings shall be the System's central dispatch building. Absent an emergency, the Secretary of the RBO shall give at least three (3) calendar days' notice of each RBO meeting to the members of the RBO.

Only the RBO Board shall have voting rights as to any matter before the RBO, and any vote of the RBO Board shall be deemed taken on behalf of the RBO as a whole. A majority of the RBO Board shall constitute a quorum of the RBO Board, and the vote of a majority of RBO Board members present at a meeting at which a quorum is present shall be binding.

The RBO Board may designate subcommittees for technical or advisory projects, but subcommittees shall only make recommendations or provide advice to the RBO Board, and the RBO Board must approve subcommittee recommendations.

3. Meeting Rules

The System Board and the RBO Board shall adopt rules for conducting their respective meetings and other business.

4. Minutes

The Director (or in the absence of the Director, the designated member of the Director's staff) shall keep minutes of regular, adjourned regular and special meetings of both the System Board and the RBO Board. A copy of the System Board minutes and RBO Board minutes shall be provided to each System Board member, the System Director, and to each RBO member.

5. Quorum

A majority of the System Board determined per capita constitutes a quorum for the transaction of business by the System Board. A majority of the RBO Board determined per capita constitutes a quorum for the transaction of

business by the RBO Board.

6. Representation of the Regulatory Board of Operations

The Chairperson of the RBO Board will represent the RBO on the Board of Directors. The RBO chair shall be a non-voting member of the System Board of Directors, and shall attend all meetings of the System Board.

7. Voting

For purposes of this Agreement, "per capita" means that each City and the County shall have one vote each. "Majority in interest" means a group of Cities and/or the County whose "use percentage" (shown on Exhibit B) exceeds in the aggregate more than fifty percent (50%) during the year at which such vote is taken.

Section 4. Powers and Duties

A. Authority of the County

In accordance with the provisions of the Act, the Parties hereby delegate to the County, subject to the authority of the Board as set forth in Section 4C hereof, or otherwise expressly reserved herein, the power to acquire sites and construct, equip, staff, maintain, operate and lease, real and personal property (whether tangible or intangible), and related facilities (all being a part of the System) and to employ personnel or engage the services of others, for the purpose of providing for public health and safety communications in the County. It is the intention of this paragraph that the County have complete authority to carry out all activities related to the System, subject to the approval of the Board or the other Parties only if such approval(s) are expressly set out elsewhere in this agreement.

In carrying out its responsibilities, the County shall be subject to the same standards set forth in the first paragraph of Section 3A. As the provider of the System, the County shall endeavor to meet desired quality standards established by the Parties hereto, also taking into account cost efficiency, System effectiveness, budget constraints, and System compatibility.

The County is authorized in its own name to perform all acts necessary for the establishment, operation, and maintenance of the System, including, but not limited to, any or all of the following:

1. to make and enter into contracts, it being understood that all contracts regarding the System shall be entered in the name of the County unless the Board determines otherwise;
2. to employ or engage the services of agents, independent contractors, and employees;
3. to acquire, construct, manage, maintain and operate any buildings, works, improvements, equipment, or other real or personal property

(whether tangible or intangible);

4. to acquire, hold, lease, or dispose of property;
5. to incur debts, liabilities or obligations, provided the same shall be obligations of the County, with the only financial obligations of the Parties being as set forth in Section 6 or Section 10 hereof (or at the option of the Parties, as set forth in Section 8 hereof);
6. to receive gifts, Assessments and donation of property and funds, services and other forms of financial assistance, from persons, firms and corporations and any governmental entity;
7. to provide or contract for communications services to or with non-public agencies or other entities not a Party hereto;
8. to carry out the policies of the Board.

Such powers shall be exercised in the manner provided in the Act and as expressly set forth in this agreement. The County shall not carry out any activities contrary to the authority reserved to the Board in Section 4C hereof, or as otherwise expressly reserved to the Board herein but it is further understood that the Board's sole authority in regard to the System is as set out in Section 4C, or as otherwise expressly reserved to the Board herein.

The County is hereby authorized to exercise its powers as needed to implement the purposes of this agreement. The County is empowered and by this agreement authorized to assess the Parties to finance the entire operation and maintenance of the System in the manner set forth in this agreement.

B. Communication Services to Other Agencies

Upon the approval and recommendation of the Board of Directors, the County may provide dispatch or other communication services to private agencies and/or public agencies not a Party to this agreement, so long as there is no degradation of services to the public health and/or safety. Such service shall be evidenced by contract or interlocal government agreement.

The County shall establish the amount of charge for the service. Charges will be set with the intent of recovering all capital, operational, and maintenance costs expended in providing the services to a particular agency, both annually and for prorated periods thereof.

C. Authority of the Board of Directors

The Board of Directors, as the governing and administrative body of the System, shall exercise the following authority:

1. The Board shall recommend the annual System budget and provide

a copy of the proposed budget to the Cities and the County by each May 1 for the following fiscal year beginning each October 1, provided, the final budget shall be adopted by the County. In that regard, should any member of the Board request the same, the Board shall recommend an annual System budget by vote of a majority in interest (in the same manner referred to in Section 3.F.7) and not by a per capita vote.

2. The Board shall review System expenditures.
3. The Board shall consider the recommendations of the RBO.
4. The County Judge shall appoint the System Director. In making the appointment of the System Director, the County Judge shall seek advice and counsel from the Board.
5. The Board shall approve the provisions of communications services to any entities not a Party to this agreement, provided, the County shall ultimately approve the same and be the contract party for such agreements.

D. Advisory Authority of the RBO

The RBO shall review all Standard Operational Procedures (SOP), programs and situations and make recommendations as they pertain to the dispatch of police, fire and EMS services. If applicable, the RBO will consider User Committees' recommendations. At the request of the Board or the System Director, the RBO shall respond to requests for information, research and investigations.

E. User Committees

User Committees members and chairs will be appointed by the RBO Board. The Committees will be open to personnel directly employed by agencies represented in this agreement, and will be representatives of the particular discipline being considered by that committee. User Committees will make recommendations on proposed SOP. User Committees should be comprised of individuals with expertise or experience in that discipline. The System Director or his designee shall be a member of each Committee.

F. Member Duty to Notify of Protocol Changes

All members have the right to change, alter, or otherwise modify their respective protocols relating to any matter associated with the operation and response of their first responder agency. However, with respect to any changes, alterations, or modifications that have the potential to impact event counts attributable to that member, said member shall notify the Director within 7 days of any changes, alterations, or modifications. The Director shall then notify all the members within 7 days.

Section 5. Facility

The County is empowered to purchase, lease or otherwise obtain the use of an existing facility or build a new facility for the purposes of locating and establishing the consolidated communications center, all at the County's expense. The center proper shall include at least the following: (1) dispatch area; (2) supervisors and management administrative offices, including Director, operational and technical managers, clerical, computer resource and reception office space; (3) radio equipment room; (4) computer/telephone/recording equipment room; (5) storage for inventory, supplies and records; (6) locker room; (7) bathroom/shower facilities; (8) kitchen; (9) lunch/break room; (10) multi-purpose classroom, conference room and emergency operations center.

All equipment and materials within the facility will be supported and maintained through an annual operational budget. All new equipment or materials used as part of the "System" will be owned as set forth Section 8.

The Parties agree that this shall not be a contract for the financing or acquisition of any of the assets comprising the System, including the center.

Section 6. Fiscal Year and Annual Budget

A. Fiscal Year

The System's fiscal year shall be the twelve month period commencing each October 1, and ending the following September 30.

B. Annual Budget

1. The System shall operate only under an approved fiscal year budget. The System may not operate at a deficit. The Parties shall pay for the entire costs of operation and maintenance of the System, with annual System expenditures determining the total amount of assessment required.
2. From the date of this Agreement through the end of fiscal year ending September 30, 2020, the assessments and Assessments shall be as set forth in Exhibit "B".
3. Each annual operating budget shall include a reasonable reserve contingency. Money may be expended from this reserve only with the express approval of the County. The unspent portion of the reserve shall be carried forward to the next fiscal year (in addition to the reserve Assessment for each such fiscal year). The Auditor shall periodically report to the Board on the amount on deposit in such fund, how the same is invested, and how it is being expended.
4. The total assessment against each of the Parties will be reduced by revenue from entities not a party hereto (i.e., not otherwise expensed to serve the System), by unexpected or unencumbered funds

available at the end of each fiscal year prior to the year for which the budget is applicable, or by other revenues available to the System (in excess of amounts required by the budget) as of the date such budget is determined. In that regard, the Parties acknowledge that the County shall have the right to deny service to entities other than the Cities unless such entities agree to pay a share of System assessments. In that event, before any such entity becomes a "Party" hereto, the same shall require those approvals referred to in Sections 13 and 14 hereof.

5. In the event that emergency expenditures are required to maintain System integrity in excess of amount budgeted therefore, the County is authorized to incur the same first from the reserve, and second from other funds available to the County. The budget for the next fiscal year shall include amounts to restore such reserve fund, or to reimburse the County for any unreimbursed expenditures, respectively.
6. The budget shall be recommended to the County for each fiscal year on or before May 1st prior to the beginning of such fiscal year. A copy of the System budget and each Party's assessment shall be delivered to each Party immediately after the System budget is adopted.
7. Notwithstanding that the County is solely responsible to pay all Capital Costs each year's System budget shall state those Capital Costs the County anticipates it will incur during the same following budget year.

For the purposes of this agreement, "Capital Costs" shall mean all costs incurred by the County for assets having a useful life of longer than one year from the date of acquisition and have a dollar value greater than \$100,000 or that are associated with the communication center building or backbone, regardless of the dollar value. The backbone consists of the server room, the equipment at the tower sites and the symphony consoles. Examples of building and backbone assets include, but are not limited to, HVAC, UPS, parking lots and dispatch consoles. The County shall determine which costs are "Capital Costs" which benefit the System in accordance with generally accepted accounting principles.

8. The Parties hereby agree that payment of the assessments shall fairly compensate the performing Parties (including the County) for the services or functions performed hereunder, as provided in the Act.
9. As provided in Section 4.C.1, the System budget for each fiscal year must be recommended by the System Board, but be finally approved by the County. In that regard, the County shall have discretion to

follow its normal budget process as it would for any unit of County government, including the authority to adopt the final budget notwithstanding contrary recommendations of the Board. The County may make adjustments to the budget during any year if required to maintain System integrity.

C. Budget Elements

Each Party hereby agrees to pay an amount equal to its Assessment, as based upon the assessment percentages as described in Exhibit "B."

The County shall be responsible for all capital expenditures, as may be necessary to accomplish the purposes set forth in this Agreement for a consolidated communications system.

1. Payment of Assessments

Upon adoption of the fiscal year budget by the County and the forwarding thereof to the governing bodies of the Parties by the Board Secretary, unless otherwise specified by the order of the Board, the Assessments as described in Exhibit "B" are automatically due and payable without further notice as follows:

October 15	25% of total Assessment
January 15	25% of total Assessment
April 15	25% of total Assessment
July 15	25% of total Assessment

In the event funds are not available as needed, the County shall advance necessary funds as with any other division of County government.

Amounts advanced by the County shall be deemed System expenditures, to be reimbursed by all Parties in the next assessment due after each such advance is made.

Assessments shall be payable only from current revenues of each Party, as provided in the Act. Each Party agrees to provide in its annual budget for current revenues to be available in an amount adequate for that Party's Assessment for the same fiscal year.

At least annually, the Director shall present a cost of service study to the Board showing annual System costs as compared to budgeted line items.

A five (5)% late charge shall be imposed upon Assessment payments not received within thirty (30) calendar days following the scheduled dates for payment. An additional five (5)% shall be imposed if payment is not made within an additional thirty (30) calendar days. If an Assessment, including late charges, is not paid in full within seventy-five (75) calendar days following any scheduled due date, the Party shall be in default and subject

to termination upon the vote of a majority in interest (determined in accordance with Section 3.F.7) of the other members on the Board. The late Party shall not have the right to vote, or be counted in determining a majority in interest.

D. Budget Authority of Director

The Director for the System has the power fully to implement the approved budget. However, the Director may not exceed the personnel staffing authorized in the budget, either in number, position, classification or salary. In addition, the Director may not exceed any line item, utilize the reserve contingency, or exceed the total amount of approved budgeted expenditures without the approval of the County.

The Director may recommend expenditures for approval separate from the budget process, in which case the further recommendation of the Board and approval by the County is required prior to any actual expenditure. The Director may also seek authorization from the Board, and subsequently the County, for budgetary transfers or budget adjustments as necessary.

Section 7. Personnel

A. Director

The Director is authorized to act on the behalf of the Board and the County in all matters of personnel administration, given the positions and funding authorized by the County in the annual System budget. This includes, but is not limited to, hiring, supervisory direction, performance evaluations, disciplinary actions and terminations.

The County shall establish employment conditions and regulations, including policies and procedures. Insofar as the staff will be County employees, the Personnel Handbook shall be consistent with County employment policies.

System personnel shall be subject to grievance or other personnel procedures applicable to County employees.

B. Supervisory and Operations Positions

The County shall employ supervisory and operations staff as approved in each System budget. All such persons shall be employees of the County. All positions must be recommended by the Board as part of the System budget process, and provided for in the annual System budget adopted by the County. The County may utilize the services of the personnel director of any of the Parties to create any needed class specifications, job descriptions, or address other personnel matters.

C. Salaries and Benefits

The Board shall recommend, and the County shall determine, the salaries of the System staff as part of the budget process. Employee benefits shall be determined in accordance with the County's employee benefit plan for persons making such salaries.

Section 8. Capital Assets and Acquisitions

Except as provided below, this agreement shall not be construed to require sharing of any capital costs whatsoever. The Parties intend:

1. To share the costs of operating and maintaining the System, but
2. The County shall be responsible for system capital costs, save and except capital System improvements initiated by any other party.

The County shall acquire and be the owner of the initial System, provided, the City of Temple shall acquire and own the initial Intergraph Public Safety Contract and related assets (with such assets and contract to be dedicated exclusively to the System, and to be a part of the System throughout the term of this agreement). Thereafter capital assets shall be acquired in the name of, and at the expense of the Cities or the County, as each such purchasing Party shall determine from time to time. No new capital assets will be acquired which would not be compatible with the System at the time of acquisition.

The County will determine what communications equipment is necessary to operate and maintain the System and be responsible for any equipment expense with a dollar threshold of more than \$100,000 or that is part of the communication center building or backbone.

Each Party shall have the right to add components (the "Separate Components") to be used by such Party along with the System, but such Separate Components (a) shall not be part of the "System" (i.e., not subject to the terms hereof) unless all Parties agree, and (b) must be compatible with the remainder of the System.

All System Components must be approved by the System Director to confirm compatibility with the System prior to the purchase of the same.

Section 9. Term of Agreement

This agreement shall be effective from the date of execution and shall extend to September 30, 2025. This agreement shall continue in full force and effect thereafter, provided any Party may withdraw on two years notice as provided in Section 10 B, or a Party may be terminated as provided in Section 10 A.

Withdrawal or termination of any Party shall not have the effect of terminating this agreement as to the remaining Parties. Should a Party withdraw or be terminated, the Assessment percentages of the remaining Parties shall be adjusted to take into account such withdrawal or termination.

Section 10. Termination or Withdrawal

A. Termination

Each Party shall remain a Party to this agreement and share in the costs of operation and maintenance of the System until the end of the Term applicable to such Party (being the latter of (a) September 30, 2025, or (b) the period which is two years after such Party gives written notice of withdrawal). If, in the interim, a Party defaults on payment of any Assessment, or otherwise breaches this agreement, such Party shall be subject to termination as a Party to this agreement upon the vote of a majority in interest (determined in the same percentage as set forth in Section 3.F.7) of the other Parties. The breaching Party shall not be entitled to vote on its own termination, or be counted in determining a majority in interest. The terminated Party shall remain liable for any defaulted payment and late charges for the period ending on the last day of the fiscal year after the fiscal year in which the breach occurred. Such subsequent Assessments will be determined as if the terminated Party were still a Party to the agreement at the same Assessment rate in effect at the date of termination. The Assessment will be due and payable at the same time Assessments are due from the remaining Parties for the fiscal years in question.

The remaining Parties shall attempt to mitigate the damages caused by termination by either obtaining other "Parties" hereto, or by reducing System expenses, but until any mitigation actually occurs the terminated Party shall remain liable for its assessment in full for the remainder of the Term. The type of activities to be taken in mitigation shall be determined in the sole discretion of the remaining Parties.

All Parties agree that the System is configured, and System expenditures are committed, on the understanding that all Parties will remain "Parties" at least until the end of the Term, and that the payments to be made hereunder represent reasonable liquidated damages and not a penalty.

B. Withdrawal

A Party may give notice of withdrawal as a Party to this agreement without penalty provided such withdrawal shall not be effective prior to September 30, 2025, and withdrawal shall be effective only upon two (2) year's written notice to the other Parties. Such withdrawing Party shall perform all obligations under this agreement until the effective date of withdrawal.

C. Legal Redress

The County shall have the right to seek legal redress, if necessary, to obtain payment on amounts due, or otherwise to enforce the terms of this agreement.

D. Use of System and System Assets

Upon termination or withdrawal:

1. Any withdrawing or terminated Party shall no longer receive services from the System after the effective date of termination or withdrawal. The "effective date of termination" shall be the end of the applicable period in Section 10A(i) or (ii). The effective date of withdrawal is defined in Section 10B.
2. The withdrawing or terminating Party shall leave as part of the System (i) those assets owned by it, (ii) previously used as part of the System, and (iii) which the remaining Parties desire to use as part of the System. If the remaining Parties desire to use any such assets, they shall purchase the same at the then current book value from the withdrawing or terminating party. If such a purchase occurs, an offset may be taken of (i) any amount owed by the withdrawing or terminating Party hereunder against (ii) the amount paid for such assets, said offset to be taken at the time of the purchase.

E. Review of Agreement

A review of this agreement will occur annually during each annual budget process.

Section 11. Dissolution

This Agreement may be terminated in its entirety only on or after _____, , and then only with the unanimous consent of the Parties. Dissolution shall only be effective upon the last day of the fiscal year, but shall in no event be effective until the requirements of Section 12 are met. Any individual Party may withdraw as provided in Section 10 B.

Section 12. Disposition of Assets

A. Process of Winding Up

This agreement may not be terminated or disposition of assets made to the Parties to the agreement until the County reasonably exhausts all means of collecting any monies due hereunder, and identifies and satisfies all obligations and liabilities related to the System. A final accounting shall be prepared by the Auditor, and be submitted to the County and the Board and be approved by both the County and the Board, before any final disposition of assets may be made and termination of the agreement consummated.

B. Asset Distribution

Upon termination the Parties shall retain title to those assets purchased in their individual names. As to any capital assets purchased in common and as to any monies held in System accounts, such capital assets and monies shall be distributed according

to the relative assessments paid by the Parties during the five years immediately preceding termination.

Section 13. Amendment to Agreement

The agreement may be amended only by a unanimous vote of the Parties hereto as of the date of the Amendment. Any proposed amendment shall be formally directed to the Board. The Board shall then review the proposed amendment and forward the proposed amendment with its own recommendation to the governing body of each Party to the agreement. A proposed amendment must be approved by the governing body of each Party to be effective. The Secretary shall notify each Party of the resultant action.

Section 14. Additional Parties to Agreement

Entities which are not Parties in this agreement, may become Parties hereto only by amendment to this agreement as defined in Section 13 and subject to the following terms and conditions:

A. Buy-in

A new Party's assessment shall be determined by formula approved by the Board. Any Parties incurring capital costs for the System (anticipated to be solely the County) shall determine the capital portion of any buy-in fee for long term fixed assets used in the System (capital expenditures) and associated debt attributed to the System at the time of the buy-in. Payment of such capital portion of the buy-in fee shall be made to the Parties which previously incurred capital costs for assets used as part of the System, in proportion to the costs paid by such Parties.

The Board may determine as an additional component of any buy-in fee a charge to be made for the new Party's assuming the use of the operating System.

B. Effective Date

The effective date of the amendment to this agreement and inclusion as an additional Party shall only occur on the first day of any fiscal year. Such public agencies that become Parties hereto shall be entitled to all rights and obligations of "Parties" hereto and may appoint one RBO Board member for each new Party and a representative to the RBO Board as defined in this agreement.

Section 15. Street Use License

Each City hereby grants to the County a non-exclusive license to use the public roads, streets, alleys, and rights-of-way of such City where the System is to be located. This license shall be granted within each City so long as any Party is making use of the System, notwithstanding the City granting such license may no longer be a party to this agreement. This license is subject to any applicable City Charter limitations as to each City. Each City reserves the right to oversee construction and maintenance of the System within its City limits with regard to safety concerns or code requirements of such City. Each City shall determine, in cooperation with the County, the location of the

System within such City. Such license is granted to allow, and limited to, all Parties to this Agreement having authority to carry out the intents and purposes of this Agreement, including but not limited to the right to install, remove, operate, maintain, modify, move (but only with the consent of the City) or otherwise use the System. In consideration of the public benefit to be derived by each City from the provision of the System, each City agrees not to assess or impose any fee for any use of the System in furtherance of the Agreement and in conformance with this limited license.

This license is not a franchise, nor is it intended to give any third parties (whether profit or nonprofit) permission to lease, rent, purchase or access all or a portion of the System for any purpose other than contemplated herein by the parties. Each City reserves the right to require a franchise agreement from any user of the System not a party to this Agreement.

Section 16. Severability; Compliance with Applicable Law

Should any part, term, portion or provision of this agreement, or the application thereof to any person or circumstances, be in conflict with any State or Federal law, or otherwise be rendered unenforceable or ineffectual, the validity of the remaining parts, terms, portions or provisions, or the application thereof to other persons or circumstances, shall be deemed severable and shall not be affected thereby. The Parties further intend for this Agreement to be modified to comply with any applicable state or federal law (should it be determined not to be in compliance), and to remain binding between them as so modified. In particular, but without limiting the generality of the foregoing, the Parties intend for this Agreement to remain binding against each of them notwithstanding any legal requirement that would alter the term hereof, or change the way in which any party is required to pay its share of assessments; (i.e., the Parties will remain bound hereunder, subject to such modified terms).

In carrying out its obligations hereunder, the County shall follow those laws applicable to Texas counties.

Section 17. Force Majeure.

(a) If for any reason of "force majeure" any of the Parties hereto shall be rendered unable, wholly or in part, to carry out its obligations under this agreement, other than the obligation of the Parties to make the payments required under the terms of this agreement, then if such party shall give notice and the full particulars of such reasons in writing to the other Parties within a reasonable time after the occurrence of the event or cause relied on, the obligation of the Party giving such notice, so far as it is affected by such "force majeure", shall be suspended during the continuance of the inability then claimed, but for no longer period, and such Party shall endeavor to remove or overcome such inability with all reasonable dispatch. The term "force majeure" as employed herein shall mean acts of God, strikes, lockouts, or other industrial disturbances, acts of the public enemy, orders or actions of any kind of the Government of the United States or of the State of Texas or any civil or military authority, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, hurricanes, storms, floods, washouts, droughts, arrests, restraints of government and people, civil disturbances, explosions, breakage or accident to dams, machinery, pipelines, or canals or other structures or machinery, on

account of any other cause not reasonably within the control of the Party claiming such inability. It is understood and agreed that the settlement of strikes and lockouts shall be entirely within the discretion of the Party having the difficulty, and that the above requirement that any "force majeure" shall be remedied with all reasonable dispatch shall not require the settlement of strikes and lockouts by receding to the demand of the opposing parties when such settlement is unfavorable to it in the judgment of the Party having the difficulty.

(b) No damage shall be recoverable from the County or the Cities by reason of the causes above mentioned.

IN WITNESS WHEREOF, the Parties hereto have caused this agreement to be executed and attested by their proper officers hereunto duly authorized, and their official seals to be hereto affixed, as of the day and year first above written.

City of Belton, Texas

BY: _____

City of Harker Heights, Texas

BY: _____

City of Killeen, Texas

BY: _____

City of Temple, Texas

BY: _____

Bell County, Texas

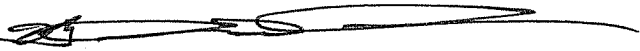
BY:  _____

Exhibit "A"

The System shall be comprised of the following:

- (1) Communications Center building located at 708 West Avenue O, Belton, Texas (referred to in Section 5 of the Agreement).
- (2) Fiber Optic Backbone.
- (3) 800 MHZ radio system.
- (4) Computer Aided Dispatch equipment and software.

Exhibit "B"

- (1) Assessment percentages shall be determined based on the number of "Events" within the jurisdiction of each Party during the calendar year ending before the applicable budget year. An "Event" is (i) every dispatch of a law enforcement unit to answer a call originating within the jurisdiction of a Party, and (ii) all law enforcement calls (i.e., calls by an officer) from within the jurisdiction of a Party. "Law enforcement units" include police, sheriff's department, Department of Public Safety, constables and other law enforcement officials (but not fire and EMS calls).

As an example, "Events" occurring during the calendar year ending December 31, 2020 shall be used to establish assessments for the 2021-2022 fiscal year.

- (2) The assessment percentages shall be applied to the actual System budget for the applicable fiscal year. The budget figures below are examples only.
- (3) The County shall pay as its assessment the (i) Bell County Base, plus (ii) its percentage based on Events.

Estimated assessment percentages and County Base Assessments for fiscal years 2020-2021 are as follows:

**actual events, subject to annual review*

Law Enforcement Count 2020 Calendar Year Assessment				Proposed 2021-2022 Budget	
	Based on Usage %	Usage x 50%			
Killeen	35.82	17.910		1,700,502.00	
Temple	22.10	11.050		1,049,165.00	
Harker Heights	8.40	4.200		398,778.00	
Belton	6.95	3.475		329,941.00	
Bell County	26.73	13.365		1,268,968.00	
Bell County		50.000		4,747,355.00	
Total	100.00	100.000		9,494,709.00	
<i>Bell County Total</i>				<i>6,016,323.00</i>	

	2020-2021 Approved Budget	2021-2022 Approved Budget	Incr. (Decr.) FY21 to FY22	
Killeen	1,520,395.43	1,700,502.00	180,106.57	11.85%
Temple	1,078,736.96	1,049,165.00	(29,571.96)	-2.74%
Harker Heights	391,302.01	398,778.00	7,475.99	1.91%
Belton	328,471.94	329,941.00	1,469.06	0.45%
Bell County	1,300,952.16	1,268,968.00	(31,984.16)	-2.46%
Bell County	4,619,858.50	4,747,355.00	127,496.50	2.76%
Total	9,239,717.00	9,494,709.00	254,992.00	
<i>Bell County Subtotal</i>	<i>5,920,810.66</i>	<i>6,016,323.00</i>	<i>95,512.34</i>	<i>1.61%</i>
<i>Special Projects</i>	<i>215,000.00</i>	<i>175,000.00</i>	<i>(40,000.00)</i>	
<i>Bell County Total</i>	<i>6,135,810.66</i>	<i>6,191,323.00</i>	<i>55,512.34</i>	