

**INTERLOCAL AGREEMENT FOR
ADULT & YOUTH COUNSELING**

BETWEEN Denton County MHMR Center and the City of Lewisville, Texas

This Interlocal Agreement (hereinafter ‘Agreement’) is entered into by and between Denton County MHMR Center (hereinafter referred to as “Denton County MHMR”) and the City of Lewisville, Texas (“City” or “City of Lewisville”) (jointly, hereinafter referred to as the Parties) allowing the allocation of responsibilities between the Parties for the provision of services through the Adult & Youth Counseling program.

RECITALS

WHEREAS, the City Council has reviewed the scope of services of Denton County MHMR and has determined that Denton County MHMR performs an important human service for the residents of Lewisville without regard to race, religion, color or national origin and therefore Council recommends providing funding to support Denton County MHMR’s Adult & Youth Counseling program in Lewisville; and

WHEREAS, Denton County MHMR is an affiliate of a governmental unit, designated by the Commissioners Court of Denton County, Texas as a Community Mental Health and Mental Retardation Center for Denton County, pursuant to Art. 5547-203 of Vernon’s Texas Civil Statutes (V.T.C.S.) (now Texas Health & Safety Code Ch. 534); and

WHEREAS, Denton County MHMR is seeking support through the City of Lewisville Social Service Funds Grant for the provision of mental health services to Lewisville residents; and

WHEREAS, the City Council finds that the services provided by Denton County MHMR under this Agreement are beneficial to the residents of the City and serve a valid public purpose by providing direct services to low-to-moderate income Lewisville residents to address mental health needs, as outlined in Section II of this Agreement; and

WHEREAS, the City of Lewisville has determined that this Agreement contains sufficient controls to ensure that the above-mentioned public purposes are carried out in all transactions involving the use of public funds and resources; and

WHEREAS, the City of Lewisville has determined that Denton County MHMR merits assistance and has provided for \$14,000 in its budget for funding the Adult & Youth Counseling program.

NOW, THEREFORE, in consideration of the above recitals and covenants contained herein, the Parties hereto agree as follows:

I. Recitals and Purpose

- A. The recitals set forth above are true and correct and are incorporated herein by this reference.
- B. The purpose of this Agreement is to provide City support to Denton County MHMR’s Adult & Youth Counseling program for mental health support for Lewisville residents. Denton County MHMR shall in a satisfactory and proper manner perform the following tasks, and achieve the following goals, for which the monies provided by the City may be used: Denton County MHMR

Adult & Youth Counseling program shall provide sessions with a licensed counselor for adults and youth who are residents of Lewisville throughout all mental health Levels of Care, as defined by the Texas Health and Human Services Commission in the Texas Resilience and Recovery Utilization Management Guidelines: Adult Mental Health Services (“Management Guidelines”). A copy of the Management Guidelines is available to Denton County MHMR upon written request to the Director of the City of Lewisville’s Department of Neighborhood and Inspection Services or his designee (the “Director”).

II. Scope

- A. Minimum Targeted Lewisville (Unduplicated) Clients: 39
- B. Service Unit: Provide 86 Hours of Counseling. Each Hour of Counseling will be reimbursed up to \$162.15 per service unit, not to exceed \$14,000 for the entire Agreement.

III. Outcome Measures

- A. Intermediate Outcome Measure: To improve the participating individual's quality of life and symptoms as determined by a pre and post survey.
- B. Long-Term Outcome Measure: To decrease and eventually eliminate the waitlist so that individuals can begin counseling services immediately once identified and enrolled.
- C. Failure to meet the Intermediate or Long-Term Outcome Measures shall not be a breach of this Agreement but may affect future grants of funding from the City to MHMR.

IV. Responsibilities of the Parties

- A. Denton County MHMR shall:

- (a) Provide Adult & Youth Counseling services as outlined in Sections I and II.
- (b) Track Outcome Measures as outlined in Section III and complete the Performance Outcomes Survey following the end of the Term. A copy of the Performance Outcomes Survey is available for review through the City’s online grants portal.
- (c) Provide the City the following data and/or reports no later than the 15th of each month during the Term regarding the previous month’s data:
 - a. Performance Objectives Report
 - b. Client Services Summary Report
 - c. Request for Reimbursement

Forms for these reports are available on and submitted through the City’s online grants portal. Denton County MHMR shall ensure that the clients included in the above reports are reported as Unduplicated the first time they are included in a report during the Term, and that the client is then reported as Duplicated in all subsequent reports where the client

received services. Multiple failures to submit timely reports will be reflected in the grant file and may be considered in future application requests for City grants.

- (d) Provide the City the completed forms described in section IV.A.(b) for the month of October 2025 within 15 days of the Effective Date.
 - (e) Retain all records pertinent to expenditures incurred under this Agreement for a period of three (3) years after the expiration or termination of this Agreement.
 - (f) Permit the Director to audit its program performance and accounts upon request.
 - (g) Not enter into any contracts that would encumber City funds disbursed under this Agreement for a period that would extend beyond the term of this Agreement.
 - (h) Appoint a representative who will be available to meet with the City of Lewisville's Director of Finance and other city officials upon request.
 - (i) Maintain, at its expense, insurance throughout the term of the Agreement, in accordance with Attachment A- Insurance Requirements. All Certificates of Insurance shall be kept current and shall be forwarded to the Grants Specialist of the City of Lewisville by cover letter from Denton County MHMR. Insurance certificate must be received and approved by the City's Risk Manager prior to Denton County MHMR submitting the first Request for Reimbursement as outlined above.
 - (j) Meet the requirements outlined in the City of Lewisville City Fund Monitoring Guide (City has copy available for review or reproduction).
- B. The City of Lewisville shall:
- (a) Provide reimbursement based on the cost per service unit delivered for services provided in the previous month, following the receipt, review, and approval by the Director, of the documentation required in Section IV.A above, up to a maximum repayment per month not to exceed one-tenth of the total award amount, subject to the following:
 - a. In the event that Denton County MHMR would be eligible for repayment for services provided during a month but is unable to receive full repayment for those services due to the monthly maximum repayment, Denton County MHMR may "roll over" the surplus services provided to a subsequent month during the term of this Agreement in which services provided have not reached the monthly maximum repayment limit, and they may be counted toward that month's total services provided. The City reserves the right to request additional documentation if necessary to ensure that Denton County MHMR does not receive duplicate payments for services.
 - b. The month of October 2025 shall be paid within 21 days after receipt, review, and approval by the Director of the documentation required in Section IV.A, above.
 - c. The last month of the term of this Agreement shall not have a maximum repayment limit.

- (b) Ensure that payment by the City of Lewisville for services provided hereunder will be reimbursed monthly within 21 days following timely receipt, review, and approval by the Director of proper reporting documents as outlined in Section VI.A, above. Reimbursements will be made at the contracted cost per service unit(s) (See Section II – Scope).

V. Terms and Conditions:

A. Effective Date and Term

The Effective Date of this Agreement shall be the date upon which this Agreement is executed by both Parties. This Agreement shall begin on the Effective Date and remain in effect until September 30, 2026, unless otherwise agreed to in writing by the Parties. This Agreement allows reimbursement for eligible services beginning October 1, 2025.

B. Legal Compliance

In performing its duties under this Agreement, each Party will comply with all applicable federal, state, and local laws, rules, and regulations, as well as any guidance issued by the Texas Health and Human Services Commission. The Parties acknowledge and agree that this Agreement is entered into pursuant to Chapter 791 of the Texas Government Code.

C. Information Security and Confidentiality

Each Party agrees to maintain confidentiality of all data, files, and records, including client records, related to the services provided pursuant to this Agreement as required by law and will comply with state and federal laws, including, but not limited to the Health Insurance Portability and Accountability Act of 1996 (HIPAA), and any applicable professional standards of practice with respect to client confidentiality.

Notwithstanding the foregoing, the Parties understand that both Parties are governmental entities subject to the Texas Public Information Act ("Act"). In the event that either Party receives a request for information under the Act, which either Party believes to be confidential under this Agreement or law, the Party receiving the request will seek a letter ruling from the Texas Attorney General to prevent the disclosure of the information and will notify the other Party to this Agreement if there are responsive records of the other Party subject to the request. If any information exempt from disclosure under the Act is disclosed or its security is otherwise compromised, the disclosing party shall notify the other party as soon as possible and shall make all reasonable efforts to retrieve the information.

D. Liability and Insurance

- (a) Notwithstanding any provision to the contrary herein, this Agreement is a contract for and with respect to the performance of governmental functions by governmental entities.
- (b) It is understood and agreed between the Parties that each Party hereto shall be responsible for its own and its employees' acts of negligence in connection with this Agreement to the extent they would otherwise be liable under law. Neither Party shall be responsible for any negligent act or omission of the other Party or its employees in connection with this Agreement. It is specifically agreed that, as between the Parties, each Party to this

Agreement shall be individually and respectively responsible for responding to, dealing with, insuring against, defending and otherwise handling and managing liability and potential liability of itself and its employees pursuant to this Agreement, except as otherwise set forth herein.

- (c) Notwithstanding the foregoing, each Party hereto reserves and expressly does not waive any immunity or defense available at law or in equity, including governmental immunity, for any claim or cause of action whatsoever that may arise or result from the services provided and/or any circumstances arising under this Agreement. These provisions are solely for the benefit of the Parties hereto and not for the benefit of any person or entity not a party hereto; this Agreement shall not be interpreted nor construed to give any claim or cause of action to any third party. Neither Denton County MHMR nor the City of Lewisville shall be held legally liable for any claim or cause of action arising pursuant to or out of the services provided under this Agreement, except as specifically provided by the law. Where injury or property damage results from the joint or concurrent negligence of both parties, liability, if any, shall be shared by each party on the basis of comparative responsibility in accordance with the applicable laws of the State of Texas, subject to all defenses available to them, including governmental immunity.
- (d) This Agreement is expressly made subject to each Party's governmental immunity under the Texas Civil Practice and Remedies Code and all applicable federal, state, and local laws, rules, regulations, ordinances, and policies. Nothing in this Agreement shall be deemed to waive, modify or amend any legal defense available at law or in equity to Denton County MHMR or the City of Lewisville or to create any legal rights or claim on behalf of any third party. Neither Denton County MHMR nor the City of Lewisville waive, modify or alter to any extent whatsoever the availability of the defense of governmental immunity under the laws of the State of Texas.
- (e) Denton County MHMR and the City of Lewisville each have a duty to reasonably cooperate with each other in the event that a lawsuit is filed against either Party by any third party resulting from or related to the services performed under this Agreement.

E. Governing Law and Venue

The Parties hereby stipulate and agree that this Agreement shall be governed by the laws of the State of Texas. The Parties agree that if legal action is brought under this Agreement, the venue shall lie exclusively in the County of Denton, Texas.

F. Amendment

This Agreement contains all the terms and conditions agreed upon by the Parties. There are no provisions, terms, conditions, or obligations other than those contained herein. No amendment, modification, or alteration of the terms of this Agreement shall be binding unless the same is in writing, dated subsequent to the date hereof, and duly executed by the Parties hereto.

G. Suspension or Termination

The City of Lewisville may suspend payments to Denton County MHMR, in whole or part, or terminate this Agreement, for cause. Cause shall include but not be limited to the following:

1. Denton County MHMR's improper use, misuse, or inept use of funds.
2. Denton County MHMR's failure to comply with the terms and conditions of this Agreement, including but not limited to failure to provide services that have been identified herein as fulfilling an eligible public purpose in accordance with the requirements for such services as herein set forth.
3. Denton County MHMR's submission of data and/or reports that are inaccurate or incomplete in any material respect.
4. In the case of Force Majeure, as defined in Section V.J.(j) of this Agreement, below.

In case of suspension of payments, the City shall provide Denton County MHMR with written notice of such suspension and the conditions precedent to the resumption of funding and specify a reasonable date for compliance. Suspension shall become effective as of the date of such written notice. Once all conditions for compliance have been met, as determined by the City Manager or her designee, in her sole discretion, funding shall be resumed and Agency may submit the documentation required by Section V, above, for reimbursement of services provided during the suspension period within thirty (30) days of the end of such suspension period.

In case of termination for cause, the City shall provide Denton County MHMR with written notice of termination and the reasons therefor, and Denton County MHMR shall have thirty (30) days to cure ("Cure Period"). If the cause/s of termination is/are not cured, as determined by the City Manager in her sole and absolute discretion, within the Cure Period, this Agreement shall terminate. The City Manager shall have the authority, but not the obligation, to extend the Cure Period at her sole and absolute discretion for a period up to sixty (60) additional days, if she determines that substantial progress is being made toward curing the cause/s of termination.

In case of termination for cause due to inaccurate reports or data that are discovered after reimbursement of funds based on those reports or data, the City shall provide the Agency with a written invoice for repayment of all funds provided based on incorrect reports or data in the notice of termination, and the Agency shall reimburse such funds in full within the Cure Period.

Either party may terminate this Agreement without cause upon giving the other party sixty (60) days written notice of such termination.

In case of termination for any reason, the Agency shall provide the City with a final report for disbursement as required by Section V, above. Termination or disbursement of funds shall not constitute a waiver of any claim the City may otherwise have arising out of this Agreement.

H. Notice

Any notice provided or permitted to be given under this Agreement must be in writing and may be served via email, read receipt requested, by depositing same in the United States mail, addressed to the party to be notified, postage pre-paid and registered or certified with return receipt requested, or by delivering the same in person to such party via a hand-delivery service, Federal Express or any courier service that provides a return receipt showing the date of actual delivery of same, to the address thereof. Notice given in accordance herewith shall be effective upon receipt at the address of the addressee. Notice delivered by email will be deemed to have been received when sent, even if the sender receives a machine-generated message that delivery has failed. If a party sending an email notice under this Agreement receives a machine-generated message that delivery has failed, for that notice to be valid the sender must no later

than ten business days after sending the email message deliver a tangible copy of that notice as otherwise set forth herein. Communication, details, and notices concerning this Agreement shall be directed to the following representatives:

Denton County MHMR Center Pam Gutierrez, Executive Director
75-1368151
2519 Scripture St
Denton, TX 76201
pam@dentonmhmr.org

City of Lewisville, Texas Rachel Hiles, Grants Specialist
151 W Church St
Lewisville, TX 75057
rhiles@cityoflewisville.com

Either Party may change the address to which notices are to be sent by giving the other Party written notice in the manner provided in this paragraph.

I. Independent Parties

Each Party shall operate hereunder as an independent contractor and not as an officer, agent, servant, or employee of the other party. Neither party shall be responsible under the Doctrine of Respondent Superior for the acts and omissions of the officers, members, agents, servants, employees, or officers of the other.

J. Financial Obligations

Both Parties agree to be responsible for their own costs associated with performing their respective obligations under this Agreement. In the event of a dispute under this Agreement, both Parties are responsible for their own attorney fees and costs.

K. General Provisions

- (a) The undersigned represent that they have authority to sign this Agreement on behalf of their entity and that such binding authority has been granted by proper order, resolution, ordinance, or other authorization of the governing body of each Party.
- (b) The provisions of this Agreement are to be deemed severable such that should any one or more of the provisions or terms contained in this Agreement be, for any reason, held to be invalid, illegal, void or enforceable, such holding shall not affect the validity of any other provision or term herein, and the Agreement shall be construed as if such invalid, unenforceable, illegal or void provision did not exist.
- (c) All fees or payments required as part of this Agreement are subject to annual appropriations by each party's respective governing body.
- (d) The Parties agree that each is an independent contractor of the other and not an agent, servant, joint enterpriser, joint venture or employee of the other party to this Agreement.

- (e) The Parties agree and acknowledge that nothing in this Agreement is intended to create any third-party beneficiary status to any person not a party to this Agreement. No party other than Denton County MHMR and the City of Lewisville may claim a benefit pursuant to this Agreement.
- (f) The waiver or failure of either Party to exercise in any respect any right provided for in this Agreement shall not be deemed a waiver of any further right under this Agreement.
- (g) Denton County MHMR binds itself and its partners, successors, executors, administrators and assigns to this Agreement in respect to all covenants of this Agreement. Denton County MHMR shall not assign, sublet or transfer its interest in this Agreement without the written consent of the City. Nothing herein shall be construed as giving any right or benefits hereunder to anyone other than the City and Denton County MHMR.
- (h) If by reason of Force Majeure, either party hereto shall be rendered unable wholly or in part to carry out its obligations under this Agreement then such party shall give notice and full particulars of Force Majeure in writing to the other party within a reasonable time after occurrence of the event or cause relied upon, and 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, except as hereinafter provided, 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 any contingency or cause beyond the reasonable control of the Agency created by acts of God or the public enemy, war, riot, terrorism, civil commotion, insurrection, governmental or de facto governmental action including, but not limited to, government actions pertaining to the determination of flood zones or FEMA actions (unless caused by acts or omissions of the Agency), fire, explosion or flood, strikes; provided, however, that (a) the event giving rise to Force Majeure was not caused by the act or omission of the Agency and makes the performance of any obligation created under this Agreement illegal or impossible; and (b) the Agency gives reasonable notice of the event giving rise to Force Majeure and exercises all reasonable diligence to remove the cause of Force Majeure..
- (i) This Agreement shall be deemed drafted equally by all Parties hereto. The language of all parts of this Agreement shall be construed as a whole according to its fair meaning, and any presumption or principle that the language herein is to be construed against any party shall not apply. Headings in this Agreement are for the convenience of the Parties and are not intended to be used in construing this document.
- (j) This Agreement may be executed in counterparts, and each fully executed counterpart shall be deemed an original instrument.
- (k) The obligations of the City and the Agency under this Agreement that by their nature would continue beyond expiration or termination of this Agreement shall survive any such expiration or cancellation.
- (l) The Agency and the person or persons signing and executing this Agreement on behalf of the Agency, or representing themselves as signing and executing this Agreement on behalf

of the Agency, do hereby warrant and certify that this Agreement has been approved by appropriate action of the Agency, and that the person or persons signing and executing this Agreement have been duly authorized by the Agency to sign and execute this Agreement on behalf of the Agency and to validly and legally bind the Agency to all terms and conditions herein set forth.

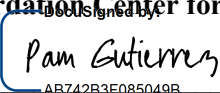
(m) By signature below, the Parties to this Agreement hereby bind themselves to the terms stated herein, including any and all attachments referred to herein.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, the Parties have executed and entered into this Agreement on the ____ day of _____, 2025.

**Denton County MHMR Center
a Community Mental Health and Mental
Retardation Center for Denton County**

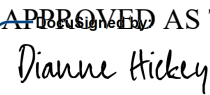
**City of Lewisville, TEXAS
a Texas home-rule municipality**

BY: 
AB742B3F085049B...
Pam Gutierrez, Executive Director

BY: _____
Claire Powell, City Manager

DATE: September 4, 2025 | 10:18:43 AM CDT

DATE: _____

APPROVED AS TO FORM:

5E6D3DA9363A421...
Dianne Hickey, Board Chair

APPROVED AS TO FORM:

Lizbeth Plaster, City Attorney

ATTACHMENT A

INSURANCE REQUIREMENTS GENERAL CONTRACTS FOR SERVICES

A. MINIMUM SCOPE OF INSURANCE

Coverage shall be at least as broad as:

1. Insurance Services Office Commercial General Liability coverage "occurrence" form CG 00 01 (10 01). "Claims Made" form is unacceptable.
2. Workers' Compensation insurance as required by the Labor Code of the State of Texas, including Employers' Liability Insurance.

B. MINIMUM LIMITS OF INSURANCE

Vendor shall maintain limits throughout contract not less than:

1. Commercial General Liability: \$500,000 per occurrence/\$1,000,000 aggregate for bodily injury, personal injury and property damage. Policy will include coverage for:
 - a. Premises – Operations
 - b. Broad Form Contractual Liability
 - c. Products and Completed Operations
 - d. Personal Injury
 - e. Broad Form Property Damage
 - f. If applicable, Explosion Collapse and Underground (XCU) Coverage, Fire Damage, and Medical Expense.

NOTE: The aggregate loss limit applies to each project.

2. Workers' Compensation and Employer's Liability: Workers' Compensation Statutory limits as required by the Labor Code of the State of Texas and Employer's Liability minimum limits of \$500,000 per injury, \$500,000 per occurrence, and \$500,000 per occupational disease.

C. OTHER INSURANCE PROVISIONS

The policies are to contain, or be endorsed to contain the following provisions:

1. General Liability Coverage
 - a. The City, its officers, officials, employees, Boards and Commissions and volunteers are to be added as "Additional Insured" as respects liability arising out of activities performed by or on behalf of the vendor, products and completed operations of the vendor, premises owned, occupied or used by the

Contractor. The coverage shall contain no special limitations on the scope of protection afforded to the City, its officers, officials, employees or volunteers.

2. Waiver of Subrogation - All Coverages

- a. Each insurance policy required by this exhibit shall waive all rights of subrogation against the City, its officers, officials, employees, and volunteers for losses arising from work performed by the vendor for the City.

3. Notice of Cancellation - All Coverages

- a. Each insurance policy required by this exhibit shall be endorsed to state that coverage shall not be suspended, voided, canceled or non-renewed by either party, reduced in coverage or in limits except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given the City, or ten (10) days prior written notice for non-payment of premium.