



RESOLUTION NO. 2021-007

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CITY OF PATTISON, TEXAS (THE “CITY”), AUTHORIZING THE MAYOR TO REQUEST THAT THE WALLER-HARRIS EMERGENCY SERVICES DISTRICT NUMBER 200 (THE “DISTRICT”) EXECUTE A SALES & USE TAX ALLOTMENT AGREEMENT WITH THE CITY FORTHE ALLOTMENT OF SALES & USE TAXES TO THE CITY BY THE DISTRICT IN AREAS THAT HAVE BEEN OR MAY BE ANNEXED BY THE CITY THAT AREWITHIN THE DISTRICT’S BOUNDARIES.

WHEREAS, the District held a sales tax election on November 3, 2020 (the “Election”) which authorized the District to levy a one percent (1%) sales and use tax within the District’s boundaries, with certain exceptions (the “District Tax”); and

WHEREAS, certain property within the City’s extraterritorial jurisdiction became subject to the District Tax after the Election, which limits the City’s ability to collect its full two percent (2%) sales and use tax (the “City Tax”) within an area the City might annex; and

WHEREAS, the Parties were told by representatives and members of the District’s Board Of Directors (the “Board”) that the Election was not intended to limit the City’s ability to levy the City Tax within an area the City annexes (the “Representations”); and

WHEREAS, the City calls on the District to honor the Representations of the Board and enter into a Sales & Use Tax Allotment Agreement substantially similar to the agreement attached to this Resolution as “Exhibit A”; and, **NOW THEREFORE**,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PATTISON:

THAT the City of Pattison authorizes the Mayor or designee to request that the District honor the Representations made by the Board by entering a Sales & Use Tax Allotment Agreement substantially similar to the agreement attached to this Resolution as “Exhibit A”.

PASSED AND APPROVED ON OCTOBER 27, 2021.

APPROVED:



JOE GARCIA, MAYOR

ATTEST:



Lorene Hartfiel, City Secretary

SALES AND USE TAX ALLOCATION AGREEMENT

This Sales and Use Tax Allocation Agreement (this “Agreement”) is entered into by and between the City of Pattison, a State of Texas municipal corporation (the “City”) and the Waller-Harris Emergency Services The District, a political subdivision of the State of Texas, organized and operating pursuant to the provisions of Section 48-e, Article III of the Texas Constitution and Chapter 775 of the Texas Health and Safety Code (the “District”) (with the City and the District each being a “Party”, and collectively, the “Parties”), and is made effective on the date of execution by each Party’s authorized representative (the “Effective Date”).

RECITALS

WHEREAS, the District held a sales tax election on November 3, 2020 (the “Election”) which authorized the District to levy a one percent (1%) sales and use tax within the District’s boundaries, with certain exceptions (the “District Tax”); and

WHEREAS, certain property within the City’s extraterritorial jurisdiction (the “Future Annexation Area”) became subject to the District Tax after the Election, which limits the City’s ability to collect its full two percent (2%) sales and use tax (the “City Tax”) within an area the City might annex for any purpose within the Future Annexation Area; and

WHEREAS, the Parties agree that the Election was not intended to limit the City’s ability to levy the City Tax within an area the City might annex for any purpose within the Future Annexation Area by the District’s levy of the Tax; and

WHEREAS, through this Agreement, the Parties wish to memorialize the intent of the Parties to provide for the terms by which the District will allocate the District Tax to the City within an area the City has annexed for any purpose in the Future Annexation Area so that the City may collect the City Tax within the annexed area; and, **NOW THEREFORE**,

FOR GOOD AND VALUABLE CONSIDERATION, AND ACCORDING TO THE TERMS HEREIN CONTAINED, THE PARTIES AGREE AS FOLLOWS:

AGREEMENT

SECTION 1. PURPOSE. The Parties propose to enter into this Agreement pursuant to Section 775.0754 of the Texas Health and Safety Code in order to provide for the terms by which the District will allocate the District Tax to the City within an area the City has annexed for any purpose in the Future Annexation Area so that the City may collect the City Tax within the annexed area.

SECTION 2. SALES & USE TAX ALLOCATION. This Agreement does not have an expiration date. If a portion of the District is located within the City, or if the City annexes property for any purpose that is within the District, then the District shall allocate to the City the full amount of sales and use taxes allowed to be collected by the City in such area without any further action by the City. The sales and use tax allocated to the City by the District in such area may not exceed

two percent (2%), and may be used by the City for any lawful purpose. The Parties hereby agree that the allocation of sales tax contemplated in this Section by the District to the City shall be one hundred percent (100%) of the sales and use tax collected by the District within the area contemplated under this Section.

SECTION 3. AMENDMENT. This Agreement may be amended only by written agreement signed by the Parties.

SECTION 4. ENTIRE AGREEMENT. This Agreement constitutes the entire agreement between the Parties concerning the duration, rate, and allocation of the imposition of sales and use tax by the District in the area contemplated in this Agreement. There have been and are no agreements, covenants, representations, or warranties between the Parties other than those expressly stated or provided for herein.

SECTION 5. NO THIRD-PARTY BENEFICIARIES. This Agreement shall be for the sole and exclusive benefit of the Parties and shall not be construed to confer any benefit or right upon any other party, including any resident of the City or the District.

SECTION 6. SEVERABILITY. The provisions of this Agreement are severable, and if any word, phrase, clause, sentence, paragraph, section, or other part of this Agreement or the application thereof to any other person or circumstance shall ever be held by any court of competent jurisdiction to contravene or be invalid under the constitution or laws of the State of Texas for any reason, that contravention or invalidity shall not invalidate the entire Agreement. Instead, this Agreement shall be construed as if it did not contain the particular provision or provisions held to be invalid, the rights and obligations of the Parties shall be enforced accordingly, and this Agreement shall remain in full force and effect, as construed. The remainder of this Agreement and the application of such word, phrase, clause, sentence, paragraph, section, or other part of this Agreement to the other Parties or circumstances shall not be affected thereby.

SECTION 7. ASSIGNABILITY. This Agreement shall apply to and be binding upon the Parties and their respective officers, directors, successors, and assigns. This Agreement and any of the rights obtained hereunder are not assignable by either Party without the express written consent of both Parties, which consent shall not be unreasonably withheld.

SECTION 8. REPRESENTATIONS. Each Party represents that: (i) the execution and delivery of this Agreement has been duly authorized by its governing body; (ii) that the performance of this Agreement shall not result in a breach, violation, or default under any other agreement by which the Party is bound; (iii) that the performance of this Agreement will not violate any statute, rule, regulation, order, or other law to which the Party is subject; and, (iv) this Agreement is a binding and enforceable agreement on its part.

SECTION 9. GOVERNING LAW; VENUE. This Agreement shall be governed and construed in accordance with the laws of the State of Texas. This Agreement is performable in Waller County, Texas, and the sole and exclusive venue for any action arising out of the Agreement shall be in a court of competent jurisdiction in Waller County, Texas.

SECTION 10. EFFECTIVE DATE. This Agreement will be in full force and effect on the Effective Date and shall remain in full force and effect until terminated through written agreement by the Parties.

SECTION 11. NOTICES. All notices and communications under this Agreement shall be mailed by certified mail, return receipt requested, to the Parties at the following address:

For the District:
Waller-Harris ESD #200
P.O. Box 510
Waller, Texas 77484
Attn: President

For the City:

SIGNATURES

IN WITNESS WHEREOF, each Party, acting by and through its duly authorized officer or representative, does hereby sign, execute, and deliver this Agreement.

EXECUTED on this _____ day of _____, 2021.

FOR: THE CITY

FOR: THE DISTRICT:

JOE GARCIA, MAYOR

TOMMY DAVIS, PRESIDENT

ATTEST:

Lorene Hartfiel, City Secretary