

STATE OF TEXAS)
)
COUNTY OF EL PASO)

SECOND AMENDMENT TO INTERLOCAL
AGREEMENT (“SECOND AMENDMENT”)

WHEREAS, on the 26th day of September 2022, the Lower Valley Water District (“LVWD” or “Subrecipient”) and the County of El Paso (“County”) entered into an Interlocal and Subrecipient Agreement for the Provision of First-Time Water and Wastewater Services, as previously amended on July 2, 2024 (collectively, the “Agreement”); and

WHEREAS, pursuant to the Agreement and in accordance with the Texas Interlocal Cooperation Act, Texas Government Code Chapter 791, the Parties agreed to collaborate on the procurement, construction, and operation of first-time water and wastewater services in several communities and Colonias located in northwest El Paso County, as well as in communities in east El Paso County; and

WHEREAS, under the Agreement, LVWD agreed to manage the procurement of construction, oversee the construction project, and incorporate the newly constructed water and wastewater system(s) into the LVWD system upon completion, ensuring the provision of first-time water and wastewater services within the County of El Paso; and

WHEREAS, pursuant to specifications outlined in the Final Rule, state and local funding allocated in the American Rescue Plan Act (“ARPA”) must be obligated by December 31, 2024 and fully expended by December 31, 2026, and spending must be used for costs incurred on or after March 3, 2021; and

WHEREAS, the County agreed to provide LVWD with funding for the project (“Program Funds”) on a reimbursement basis; and

WHEREAS, the Parties now wish to enter into this Second Amendment to modify and clarify the Agreement’s term and period of performance.

NOW, THEREFORE, in consideration of the mutual covenants set forth herein, the Parties agree to amend and supersede the Agreement as follows:

1. Remove SECTION 3 – TERM of the Agreement in its entirety and wholly replace it with:

“SECTION 3 - PERIOD OF PERFORMANCE.

This Agreement will commence on the date the last Party executed it and will end no later than December 31, 2026 (the "Term"). Under the ARPA, all funds allocated under this Agreement must be used for costs incurred on or after March 3, 2021. Further, funds must be "obligated" by December 31, 2024, and "expended" no later than December 31, 2026. If LVWD determines that it cannot "obligate" or "expend" funds prior to these deadlines, it will promptly notify the County, so that the Parties may negotiate appropriate changes in the

project budget and/or the project scope of work so that all obligations and expenditures are made by the relevant deadlines. In no event will reimbursable work under this Agreement continue after December 31, 2026. In addition, the Parties shall work together to ensure that reimbursement requests for expenditures are received by the County with enough lead time for the County to make reimbursements no later than December 31, 2026.

Funds not expended by December 31, 2026, will not be reimbursed by the County, and such funds will be returned to the Department of the Treasury by the County as required by relevant regulations.”

2. To the extent that any provisions in the main body of the Agreement conflict with the provisions of this Second Amendment, this Second Amendment shall control. Except as herein amended, all other terms and conditions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties execute this Second Amendment on the 10th day of March, 2025.

Lower Valley Water District

The County of El Paso, Texas

Gerald Grijalva, General Manager
Lower Valley Water District

Ricardo Samaniego, County Judge
El Paso County, Texas

APPROVED AS TO FORM:

APPROVED AS TO FORM:

Steve Blanco
Counsel for LVWD

Diana Shearer
Assistant County Attorney