

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
MESQUITE, TEXAS, AUTHORIZING THE CITY MANAGER  
TO EXECUTE AN INTERLOCAL AGREEMENT WITH THE  
MESQUITE INDEPENDENT SCHOOL DISTRICT PROVIDING  
FOR THE OPERATION AND USE OF THE MESQUITE  
EMPLOYEE HEALTH CENTER.

WHEREAS, the City of Mesquite (“City”) and the Mesquite Independent School District (“MISD”) each desire to operate the Mesquite Employee Health Center (“MEHC”), a health and wellness clinic and pharmacy and such other health-related functions as the City and MISD may determine, for the benefit of each of their respective qualifying employees and dependents and desire to reduce the costs associated with employee health care; and

WHEREAS, the City and MISD desire to join together and jointly operate the MEHC and extend to their qualified employees and dependents services to be provided by the MEHC; and

WHEREAS, the City and MISD have determined it would be in their respective best interests to share the MEHC services and expenses and operate the MEHC in accordance with the terms and conditions contained in the Interlocal Agreement attached hereto as Exhibit A and incorporated herein by reference; and

WHEREAS, the City and MISD are each authorized, individually, to perform the governmental functions and services herein contemplated; and

WHEREAS, the Interlocal Agreement Act, V.T.C.A., Texas Government Code, Chapter 791, provides authorization for any local government to contract with one or more local governments to perform governmental functions and services under the terms of the Act.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS:

SECTION 1. The City Manager is hereby authorized to execute the Interlocal Agreement attached hereto as Exhibit A between the City of Mesquite and Mesquite Independent School District providing for the operation and use of the Mesquite Employee Health Center.

DULY RESOLVED by the City Council of the City of Mesquite, Texas, on the 16th day of December 2024.

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Daniel Alemán, Jr.  
Mayor

ATTEST:

APPROVED AS TO LEGAL FORM:

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Sonja Land  
City Secretary

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David L. Paschall  
City Attorney

**INTERLOCAL AGREEMENT  
MESQUITE INDEPENDENT SCHOOL DISTRICT  
AND  
THE CITY OF MESQUITE  
FOR THE  
MESQUITE EMPLOYEE HEALTH CENTER**

This Interlocal Agreement ("Agreement") is entered into pursuant to the Interlocal Cooperation Act (Texas Government Code section 791.000 et seq.) by and between Mesquite Independent School District ("MISD") and City of Mesquite, Texas ("City") each individually referred to as a "party" and collectively as the "parties."

**RECITALS**

**WHEREAS** MISD and City each desire to operate The Mesquite Employee Health Center ("MEHC") for the benefit of each of their respective qualifying employees and dependents and desire to reduce the costs associated with employee health care.

**WHEREAS** MISD and City desire to work together to co-operate the MEHC and to extend to qualified employees and dependents of both entities services to be provided by the MEHC.

**WHEREAS** MISD and City have and do determine that it will be in the best interest of both MISD and City to share the MEHC services and expenses.

**WHEREAS** MISD and City are each authorized, individually, to perform the governmental functions and services herein contemplated.

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL PROMISES, BENEFITS AND AGREEMENTS MORE SPECIFICALLY HEREINAFTER SET FORTH, MISD AND CITY AGREE AS FOLLOWS:

1. **Purpose.** The purpose of this Agreement is to operate the Mesquite Employee Health Center for the benefit of qualified employees and dependents of MISD and City, establish the terms and conditions for operation of the MEHC, and provide for the sharing of costs and expenses associated with the MEHC.
2. **Term.** This Agreement shall commence on the date executed by a duly authorized representative of each party to this Agreement and shall continue in full force and effect for a period of five (5) years. Upon termination of this Agreement, the parties may, at their mutual discretion, agree in writing to renew the Agreement for an additional five (5) year period or may establish new terms and enter into a new agreement. Such new agreement must be approved and signed by both parties.
3. **Termination.** Either party may terminate this Agreement by giving the other party one hundred eighty (180) days written notice. MISD and City agree that this Agreement may be terminated at any time by the mutual agreement of the parties.

4. **Cost Sharing.** All operating costs and liability of any nature associated with the operation of the MEHC shall be paid by MISD and City on a pro rata basis based upon a percentage determined by dividing the number of each party's employees and dependents utilizing the MEHC by the total number of employees and dependents of both entities that utilize the MEHC. The percentage to be paid by each party shall be adjusted monthly based upon actual utilization of the MEHC by each party's qualified employees and dependents during the month. Any services rendered under this Agreement that are for the sole benefit of one party (the "Benefiting Party") shall be paid for solely by the Benefiting Party, including all associated costs, fees, and expenses incurred in connection with such services. All payments required to be made by either party shall be made from current revenues available to the paying party within thirty (30) days of receipt of invoice in accordance with the Prompt Payment Act, Texas Government Code Chapter 2251. MISD and City agree that the payments herein contemplated fairly compensate the performing party for the services or functions performed under this Agreement.
5. **Third-Party Administrator ("TPA").** MISD and City agree that it is in their best interest to contract with a Third-Party Administrator ("TPA") to oversee the operations of the MEHC. The TPA fees will be shared by the parties on a pro rata basis, as calculated above in Section 4, Cost Sharing.
6. **Obligations of Third-Party Administrator.** The TPA shall:
  - a. Provide all personnel for the MEHC, which personnel shall, to the extent required by law, be licensed or certified by the State of Texas, and be in good standing. MISD may elect to continue employment of any current MISD employees working at the MEHC until the position is vacated. Once vacated, the position will be provided by the TPA.
  - b. Provide all necessary supplies, equipment, and insurance.
  - c. Purchase and supply all pharmaceuticals needed to operate the MEHC.
  - d. Maintain all files, records, and documentation regarding each patient in accordance with applicable law, including the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and The Health Information Technology for Economic and Clinical Health Act (HITECH).
7. **Premises.** MISD agrees to provide the premises and adequate parking facilities for the MEHC and shall not charge the City any rent for the use of these facilities. The City, however, shall be responsible for paying utilities on a pro rata basis, as reasonably allocated to its use of the premises. Routine repairs and maintenance will be the responsibility of MISD. In the event any repair or maintenance necessary under this Agreement costs Five Thousand dollars (\$5,000.00) or more, the parties shall bear the costs equally.
8. **Governance.** In this Agreement, a TPA has been appointed to manage the daily operations of the MEHC. While the TPA is responsible for overseeing all aspects of the MEHC's functioning, the actions and decisions of the TPA and TPA's employees and agents are subject to oversight by both MISD and the City. MISD and the City will set guidelines and expectations for the TPA's roles. To ensure that the MEHC aligns with the needs and objectives of both parties, quarterly meetings will be held where representatives from MISD, the City, and the TPA will review and discuss the MEHC's performance and address any operational issues. Additional meetings may be scheduled as needed to address any immediate or emergent needs.
9. **Qualified Employees and Dependents.** MISD and City each agree to provide a list of qualified employees and dependents eligible to avail themselves of the service offered by the MEHC. This list shall be updated every month by the 15th day of each month.

10. **Execution.** If the governing body of a party is required to approve this Agreement, it shall not become effective until approved by the governing body of that party. In that event, this Agreement shall be executed by the duly authorized official(s) of the party as expressed in the approving resolution or order of the governing body of said party.
11. **Execution in Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, and all of which shall together constitute one and the same instrument. This Agreement shall become binding when one or more counterparts of this Agreement, individually or taken together, shall bear the signatures of all the parties reflected hereon as the signatories.
12. **No Joint Enterprise.** This Agreement is not intended to create a joint enterprise or partnership. By entering this Agreement, the parties are undertaking a governmental function or service, the purpose of which, is to further the public good. The parties do not jointly or severally have a pecuniary purpose or profit motive in executing or performing this Agreement. The parties do not have an equal or mutual right of control.
13. **Entire Agreement.** This Agreement supersedes any and all other agreements, either oral or in writing, between the parties hereto with respect to the subject matter thereof and no other agreement, statement, or promise relating to the subject matter of this Agreement, which is not contained herein, shall be valid or binding.
14. **Amendment.** This Agreement may only be amended by the mutual agreement of the parties hereto, in writing, signed by a duly authorized representative of each party and attached to and incorporated into this Agreement. All amendments to the Agreement shall be submitted to the Mesquite City Council and MISD Board of Trustees for their consideration and approval.
15. **Severability.** In the event that any one or more of the provisions contained in this Agreement shall be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions herein, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.
16. **Force Majeure.** In the event that either party shall be prevented from performing its duties under this Agreement by an act of nature, by acts of war, riot, or civil commotion, by an act of State, by strikes, fire, flood, or by the occurrence of any other event beyond the control of the parties hereto, it shall not be considered a breach of this Agreement.
17. **Exclusivity.** This Agreement is non-exclusive, and nothing herein shall in any way limit the right of the Parties to enter into agreements with other individuals or entities to provide the same or similar service.
18. **HIPAA Compliance.** Any covered information that City and the MISD share under this Agreement will be handled in compliance with HIPAA.
19. **Assignment.** Due to the unique nature of this Agreement, the parties agree that neither party may assign this Agreement without the written approval of the other.
20. **Captions.** The headings of the various sections of this Agreement have been inserted for convenient reference only and shall not modify, define, limit or expand the expressed provisions of this Agreement.

21. Choice of Law/Venue. This Agreement shall be governed by Texas law and venue shall be proper solely in Dallas County, Texas.

Executed this 9 day of December, 2024.

Mesquite Independent School District

By: 

Board of Trustees, President

Attest:

City of Mesquite

\_\_\_\_\_  
City Secretary

By: \_\_\_\_\_

~~Mayor~~ **City Manager**