

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING ("MOU") is between the **CITY OF SEGUIN, TEXAS**, a home rule municipality and political subdivision of the State of Texas (the "City"), and the **SEGUIN ECONOMIC DEVELOPMENT CORPORATION** (the "SEDC"), a Texas Type-A Economic Development Corporation incorporated by the City of Seguin and having its' principal administrative offices located at 211 N. River Street, Seguin, Texas 78155, acting through the SEDC Board of Directors and its Executive Director.

SECTION 1. BACKGROUND

1. The Seguin Economic Development Administration (SEDC) owns a tract of land located between 8th Street and North Guadalupe Street in Seguin, Guadalupe County, Texas. This acreage is slated for future industrial development.
2. The existing roadways in the bounds of the commercial park include Rio Nogales Drive and 8th Street. 8th Street, which currently ends near the Niagara Bottling LLC property, provides access to the commercial park businesses.
3. The SEDC is planning to develop the approximately 33 acres in the commercial park that houses multiple existing and developing privately-owned businesses. To facilitate access to the commercial park, and to provide needed transportation infrastructure to existing and future businesses, the City of Seguin is proposing an expansion of the existing street that services the park. The proposed project includes an extension of 8th Street, and the addition of a truck turnaround (**Exhibit 1**). The proposed extension will provide access to the SEDC property.
4. The project proposes a non-concentric truck turnaround to be constructed at the south end of 8th Street on SEDC property. In addition to providing, a turnaround for trucks, the cul-de-sac will also provide an entrance (driveway) to the SEDC property.
5. The City and the SEDC have determined that the installation of the Infrastructure Improvements is in the best interest of the City and will serve the legitimate public purpose of economic development in this area of the city. Furthermore, the economic activity generated from this project will positively impact the City economy, overall, which has been adversely affected by the COVID-19 disaster.

SECTION 2. PURPOSE AND SCOPE

The Purpose of this MOU is to clearly define the roles and responsibilities of each of the parties as they relate to the Matching Funds contribution and the construction of the Infrastructure

Improvements, and to accomplish any and all things as may be necessary in order to secure approval for the EDA Grant. It is the intent of the parties that upon conveyance of the Matching Funds by SEDC to the City, the funds will be applied by the City toward the construction of the Infrastructure Improvements and for other public purposes related to the development of the 8th Street Extension Project.

SECTION 3. RESPONSIBILITIES OF SEDC

- A.** The SEDC will assist the City in supporting the application for the EDA Grant.
- B.** The SEDC will work with the City to acquire ROW to adequately serve the development of the 8th Street Extension Project.
- C.** The SEDC represents that it has sufficient reserves to pay its allocated portion for the cost of the Infrastructure Improvements up to **\$107,951**. Upon receipt of notice from the City that the City has selected a contractor to design and construct the Infrastructure Improvements, the SEDC will stand ready to support the timely processing of invoice payments.

SECTION 4. RESPONSIBILITIES OF THE CITY

- A.** With the assistance of the SEDC, the City will develop and submit an application to the Economic Development Administration, a division of the United States Department of Commerce (the "EDA"), for a Public Works and Economic Adjustment Assistance(PWEAA) grant (the "EDA Grant") requesting **\$863,609** in funding for the Infrastructure Improvements. The City will take any and all steps as may be necessary to obtain approval for the EDA Grant.
- B.** Upon receipt of approval for the EDA Grant, the City will procure a qualified contractor to design and construct the Infrastructure Improvements in an amount not to exceed **\$1,079,511** (total project costs). The Infrastructure Improvements consist of the following:
 - 1.** 8th St. roadway extension of approximately 750 linear feet
 - 2.** Associated Drainage facility work
 - 3.** Non-concentric truck turnaround
- C.** The City represents that it has sufficient reserves to pay its allocated portion for the cost of the Infrastructure Improvements up to **\$107,951**. The City will pay for the cost of the Infrastructure Improvements as the same shall become due and payable. The City will be reimbursed for such costs from the proceeds of the EDA Grant, in accordance with the terms of the EDA Grant.

SECTION 5. AGREEMENT

NOW THEREFORE, in order to implement the Project, the City and the SEDC agree as follows:

1. The SEDC will assist the City with the coordination and management, and grant administration for the Project.
2. The City agrees to collect and disburse all funding related thereto in accordance with the terms and conditions of the EDA Contract.
3. Following completion of the Project, as determined by final acceptance thereof by the EDA, the City agrees that it shall be responsible for on-going maintenance of any improvements related to the Project which are within the City's area of exclusive jurisdiction and the proposed infrastructure related to the Project and all costs related thereto. For purposes hereof, the term "on-going maintenance" shall be deemed to include, at a minimum, cleaning, clearing/mowing and repairing of any of the constructed facilities through this project.
4. The SEDC will assign the lands for ROW to facilitate the truck turn around as described in the application.
5. The SEDC will provide a Matching Funds contribution for project costs not to exceed **\$107,951**.
6. All fund requests made to the EDA for the project will requested by the City. Funds will be received by the City and payments made by the City.
7. All amendments concerning or affecting an increase in the amount of payment or cost under this Agreement shall be effective only if they are agreed upon.
8. This Agreement contains the entire agreement between the parties relating to the rights herein granted and obligations herein assumed. Any oral representations or modifications concerning this Agreement shall be of no force or effect excepting subsequent modifications in writing, signed by both parties.
9. This Agreement is entire as to all of the performances to be rendered under it. Breach of any obligation to be performed by either party shall constitute a breach of the entire agreement and shall give the other party the right to terminate this Agreement.
10. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas. The obligations and undertaking of each of the parties to this agreement shall be performable in Guadalupe County, Texas.
11. The parties agree to negotiate in good faith in an effort to resolve any dispute related to this Agreement that may arise between the parties. If the dispute cannot be resolved by negotiation, the dispute shall be submitted to mediation before resort to litigation. If the need for mediation arises, a mutually acceptable mediator shall be chosen by the parties to

the dispute who shall share the cost of mediation services equally. Mediation is a voluntary dispute resolution process in which the parties to the dispute meet with an impartial person, called a mediator, who would help to resolve the dispute informally and confidentially. Mediators facilitate the resolution of disputes but cannot impose binding decisions. The parties to the dispute must agree before any settlement is binding.

(signature page follows)

EXECUTED on this the _____ day of _____, 2020.

CITY OF SEGUIN, TEXAS

Steve Parker, City Manager

SEGUIN ECONOMIC DEVELOPMENT CORPORATION

Joshua Schneuker, Executive Director

EXHIBIT 1 - SITE PLAN
CITY OF SEGUIN, TEXAS
PROPOSED 8TH STREET ROAD
EXTENSION PROJECT

REGIONAL
DETENTION
POND

NIAGARA
BOTTLING

PROPOSED ROAD
EXTENSION

SEDC 32.6
ACRE TRACT

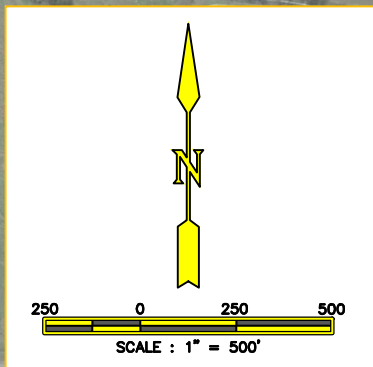
GUADALUPE STREET

8TH STREET

UP RAILROAD

PROPOSED TRUCK
TURNAROUND

WEST NEW BRAUNFELS STREET



LEGEND



SEDC TRACT



PROPOSED ROAD EXTENSION


TRC ENGINEERS, INC.
505 E. HUNTLAND DRIVE, STE. 250 AUSTIN, TX 78752
T.B.P.E. FIRM REGISTRATION # F-8632
(512) 454 - 8716