CITY OF SEGUIN **RESOLUTION NO.___________**

STATE OF TEXAS

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEGUIN, TEXAS, AUTHORIZING THE SEDC EXECUTIVE DIRECTOR TO EXECUTE A PERFORMANCE AGREEMENT BETWEEN THE SEGUIN ECONOMIC DEVELOPMENT CORPORATION, AND VME, LLC, AND UNITED ALLOY TEXAS, LLC.

WHEREAS, the Seguin Economic Development Corporation (the "SEDC") is a public instrumentality and non-profit economic development corporation duly established and operating under Texas Local Government Code, Chapters 501 and 504, *et seq*., as amended, known as the Development Corporation Act of 1979 (the "Act"); and

WHEREAS, the Act, as amended (Section 501.001 et seq, Texas Local Government Code, formerly the Development Corporation Act of 1979) authorizes a development corporation to fund certain projects as defined by the Act and requires development corporations to enter into performance agreements to establish and provide for the direct incentive or make an expenditure on behalf of a business enterprise under a project; and

WHEREAS, Section 501.158 of the Act requires a performance agreement to provide at a minimum for a schedule of additional payroll or jobs to be created or retained and capital investment to be made as consideration for any direct incentives provided or expenditures made by a corporation under an agreement and to specify the terms under which repayment must be made if the business enterprise does not meet the performance requirements specified in the agreement; and

WHEREAS, VME, LLC ("VME") and United Alloy Texas, LLC ("UAT), (VME and UAT herein collectively referred to as "Company") is seeking to expand their current operations in Seguin by constructing a new 10,000 light industrial building on their existing property and enhancing their internal facility with added heavy crane operations; while also committing to a minimum capital investment of $1.5 million dollars in the construction of the expansion building and related improvements, as well as the acquisition of machinery and equipment for manufacturing purposes (the "Project"); and

WHEREAS, the Company also intends to create at least 45 new full-time jobs by December 31, 2027; and

WHEREAS, the Company has requested economic incentives in the form of a Performance Agreement with the SEDC to assist in constructing the facility, creating primary jobs, and promoting and enhancing the economic development in the City of Seguin; and

WHEREAS, the Bylaws for the SEDC provide that after approval by the SEDC Board, the Seguin City Council must also approve all incentive agreements authorized by the SEDC Board of Directors; and

WHEREAS, on July 23, 2026, the Board of Directors for the SEDC voted to approve authorizing the SEDC Executive Director to execute a Performance Agreement with VME, LLC and United Alloy Texas, Inc.; and

WHEREAS, the SEDC has reviewed the terms, conditions, incentives and obligations related to the implementation of the Project, has considered and evaluated the financial and other merits of the Project, and has found it in compliance with the Act to be meritorious of incentives in the form of an infrastructure grant in the amount of $375,000 for construction of the expansion building and associated new machinery and equipment vale, and a jobs grant in an amount of $125,000 for the successful hiring of 45 new full time jobs resulting from the expansion, in a total amount not to exceed $500,000 in financial assistance.

NOW, THEREFORE BE IT RESOLVED by the City Council of Seguin, Texas:

SECTION 1. All the recitals above are true and correct and are incorporated herein as if restated in full.

SECTION 2. The City of Seguin City Council authorizes the SEDC Executive Director to execute a Performance Agreement between the SEDC and VME, LLC, and United Alloy Texas, LLC, as reflected in the attached Exhibit A.

SECTION 3. This Resolution is effective upon passage.

PASSED AND APPROVED this 4th day of August 2026.

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DONNA DODGEN
MAYOR

ATTEST:

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KRISTIN MUELLER
CITY SECRETARY

EXHIBIT A: PERFORMANCE AGREEMENT BETWEEN THE SEGUIN ECONOMIC DEVELOPMENT CORPORATION AND VME, LLC, AND UNITED ALLOY TEXAS, LLC