

## CAPITAL IMPROVEMENT FUNDING AGREEMENT

This Capital Improvement Funding Agreement (“Agreement”) by and between the City of Seguin, Texas, a Texas home rule municipality (“**City**”), and Baltisse-Ackerman Seguin I, LLLP (“**Developer**”), each acting by and through their duly authorized representatives, shall be effective on the date of approval and execution by and on behalf of the **City** (“**Effective Date**”).

**WHEREAS**, both City and Developer are currently making Water Utility improvements on or in the vicinity of the property owned by Developer in Seguin, Texas, consisting of approximately 58.3 acres of land and identified by Property ID Number 52786 in the Guadalupe Appraisal District records (hereinafter “**the Property**”);

**WHEREAS**, the City would like to augment the improvements Developer is making to the Water Utility improvements through the Property by adding a conduit line beside the Water Utility improvements that run from the south end of the Property to the north end of the Property (herein referred to as the “**Project**”), depicted in **Exhibit A**, which is attached hereto and incorporated herein for all purposes.

**WHEREAS**, Developer has offered to construct the Project and include the City’s conduit as part of the Project;

**WHEREAS**, the City will participate in the costs of constructing and installing the conduit and any other City-requested improvements associated with the Project that Developer would not otherwise need to construct for its own development on the Property, as set forth in this Agreement.

**WHEREAS**, beyond the limits of the Project, the City will be responsible for its own improvements, providing connections to the Water Utility at either limit of the Project.

**NOW, THEREFORE, BE IT AGREED, by the City and Developer:**

### I. Definitions

When used in this Agreement, capitalized terms not otherwise defined shall have the meanings set forth in the preamble above, and the definitions below:

**1.01 “Agreement”** shall refer to this Agreement between City and Developer.

**1.02 “Party” or “Parties”** means Utility and/or the City, individually or collectively, as applicable.

**1.03 “Project Area”** means the area in which the Project will be undertaken, which is more particularly depicted in **Exhibit “A”**.

**1.04 “Project Costs” or “Total Project Costs”** means the costs and expenses incurred by the Developer in relation to constructing the Project, which is inclusive of City Waterline Costs,

as defined below. The estimated Total Project Costs for the Project are attached hereto as **Exhibit B** and incorporated herein.

**1.05 “Easement(s)”** means the fifteen (15) foot wide permanent utility easement, dedicated to the City by Developer within the Project Area.

**1.06 “City Waterline Costs”** means all costs and expenses associated with installation of the conduit and any other City-requested improvements associated with the Project that Developer would not otherwise need to construct for its own development within the Project Area. An Estimate of City Waterline Costs is attached hereto as **Exhibit C** and incorporated herein. The estimates cited in Exhibit B are estimates only, and not necessarily an accurate estimate of final Utility Waterline Costs.

**1.07 “Waterline Design”** means the engineered plans designed for the City in connection with the Project. Waterline Design was reviewed and approved by City’s engineer, after which is was delivered to Developer for use during the construction phase of the Project.

## **II. Cost of Design and Reimbursement of Utility Waterline Construction Costs**

**2.01. Costs of Design.** Each Party has borne its own costs of design for the Project, which has been substantially completed. City’s design engineer shall approve and stamp final design plans for delivery to Developer prior to the commencement of construction on the Project.

### **2.02 Reimbursement of City Waterline Costs.**

(a) Developer hereby agrees to construct the Project in its entirety, including construction and installation of the conduit.

(b) City agrees to reimburse for its portion of the Total Project Costs, consisting of any direct or indirect costs ascribable to City Waterline Costs, the estimate of which is reflected in **Exhibit C**.

(c) Developer agrees to track Project Costs by accumulating actual direct and related indirect costs in accordance with established accounting protocols.

(d) Developer shall invoice City for City Waterline Costs on a monthly basis, after Developer has paid said costs as a part of Total Project Costs. City agrees to reimbursement Developer for City Waterline Costs within thirty (30) days of receiving an invoice.

(e) Developer will, upon satisfactory completion of the Project, perform a final walk-through of the Project with City and, after the final walk-through, shall send a final invoice, truing up and finalizing any reimbursable City Waterline Costs, after which City shall make final payment totaling the full reimbursement amount for all City Waterline Costs.

## **III. Project-Related Terms**

### **3.01 Inspections.**

(a) During construction, Developer shall provide City an opportunity to perform periodic walk-throughs of the Project. Developer shall provide prior notice to City of any on-site inspections of the Project, and the City may, at its option, be present for such inspections. For the purposes of inspections under this Article III, City designates the following point of contact:

\_\_\_\_\_.

(b) The Parties agree that City has not been and will not be responsible for acquiring any easements or rights of way for the Project. The easement(s) dedicated by Developer are sufficient to accommodate all of the Project Improvements.

**3.02 Project Plans.** The Parties agree that the City Waterline improvements will be built according to the plans and specifications, stamped and provided by City's engineer, which will be substantially in the form of the plans attached hereto as **Exhibit A**. The Parties recognize that modifications must sometimes occur due to site conditions or other factors encountered during construction. If such modifications are needed, Developer will communicate those modifications to City by or before the time they are being implemented.

## **V. The Agreement**

**5.01** This agreement in its entirety consists of the following:

1. This Agreement, including all recitals, which the Parties agree are true and correct;
2. Design and Depiction of Project (Exhibit "A");
3. Estimated Total Project Costs (Exhibit "B");
4. Estimated City Waterline Costs (Exhibit "C");

All attachments are included herein as if fully set forth. In the event it is determined that a substantial change from the statement of work contained in this Agreement is required, reimbursement therefore shall be limited to costs covered by a modification or amendment of this Agreement or a written change or extra work order approved by the City and Developer.

## **VI. Miscellaneous Terms**

**6.01 Delay.** The completion date for the Project may be extended for delays caused by events outside Developer's control, including an event of "Force Majeure," which shall include a strike, war or act of war (whether an actual declaration of war is made or not), insurrection, riot, act of public enemy, accident, fire, flood or other act of God, sabotage, or other events, or any other event in which City has exercised all due care in the prevention thereof so that the causes or other events are beyond the control and without the fault or negligence of Developer.

**6.02 Audit.** City shall have a right to audit Total Project Costs as a means of determining the validity of City Waterline Costs by giving the Developer advanced written request for audit five (5) or more days prior to conducting the audit. Developer shall either provide electronic copies of relevant audit materials or provide physical copies of relevant audit materials and a means for reviewing those materials during regular business hours at Developer offices.

**6.03 Compliance.** To the knowledge of Developer, all conduct under this agreement, including not limited to the adjustment, removal and relocation of the facility, the development and reimbursement of cost, any environmental requirements, and retention of records has been in accordance with all applicable federal and state laws, rules and regulations, including, without limitation (but only to the extent applicable to the Project), the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act, 42 U.S.C. §§ 4601, et seq., the National Environmental Policy Act, 42 U.S.C. §§ 4231, et seq., the Buy America provisions of 23 U.S.C. §§ 313 and 23 CFR 635.410, the Utility Relocations, Adjustment, and Reimbursement provision of 23 CFR 645, Subpart A, and with the Utility Accommodation provision of 23 CFR 645, Subpart B.

**6.04 Termination.** This agreement is subject to cancellation by the City at any time up to the date that work under this agreement has commenced. If the City terminates the Agreement after Developer has incurred City Waterline Costs, the City will still be liable for reimbursement to Developer for all such costs incurred by the Developer up to the day that Developer is notified of the cancellation. Upon presentment of an invoice by Developer for such costs, the City agrees to promptly pay the costs.

**6.05 Contacts.** The Parties agree that, for the purposes of Notice under this contract, and for the purposes of invoicing and payment, the following contacts shall be utilized:

FOR CITY:

\_\_\_\_\_  
\_\_\_\_\_  
Seguin, TX 78155

WITH COPY TO:

Mark Kennedy  
City Attorney  
205 N. River St.  
Seguin, TX 78155

FOR DEVELOPER: c/o Ackerman & Co., LLC  
10 Glenlake Parkway  
South Tower, Suite 1000  
Atlanta, Georgia 30328  
Attn: Jeff Bryant

(SIGNATURES FOLLOW IN THE NEXT PAGE)

The Parties hereby agree to the terms and conditions of the above Agreement, as evidenced by their duly-authorized signatures, below.

DEVELOPER:

BALTISSE-ACKERMAN SEGUIN I, LLLP,  
a Georgia limited liability limited partnership

By: Ackerman Seguin I Guarantor, LLC,  
a Georgia limited liability company  
Its: General Partner

By: \_\_\_\_\_  
Donald K. Miller, Manager

CITY:

BY: \_\_\_\_\_  
Steve Parker, City Manager

ATTEST: \_\_\_\_\_  
Kristin Mueller, City Secretary



# EXHIBIT A

## PROPOSED WATER LINE AND CONDUIT IMPROVEMENTS EXHIBIT ACKERMAN TRACT

STA 31+59.90  
16" PVC WATER LINE  
(END OF ACKERMAN  
CONTRACTOR IMPROVEMENTS)

STA 31+62.52 1.04' R  
4" PVC FIBER OPTIC CONDUIT  
(END OF ACKERMAN  
CONTRACTOR IMPROVEMENTS)

CATERPILLAR INC.  
LOT 1, CATERPILLAR  
POWER SYSTEMS  
SUBDIVISION  
VOL. 7, PG. 653, PR

PROPOSED 16" PVC  
WATER LINE

PROPOSED 4" PVC  
FIBER OPTIC CONDUIT

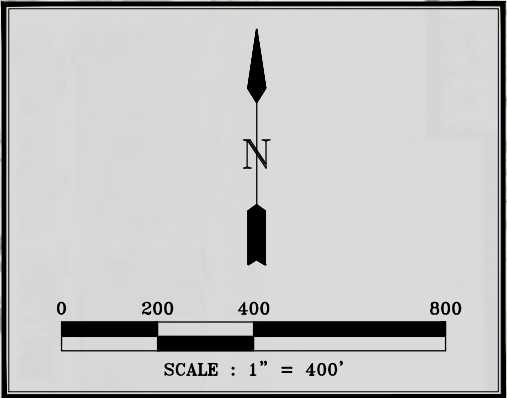
ACKERMAN TRACT  
LOT 1  
60.416 ACRES

ACKERMAN TRACT  
LOT 2  
58.034 ACRES

ET SEGUIN DIST LLC  
LOT 1, BV ADDITION  
VOL. 7, PG. 787, PR

FM HIGHWAY 464  
(VARIABLE WIDTH R.O.W, MIN 70')

STA 0+10.19  
BEGIN 16" PVC WATERLINE  
BEGIN 4" PVC FIBER OPTIC CONDUIT



LEGEND	
	PROPOSED WATER LINE
	PROPOSED FIBER OPTIC CONDUIT
	EXISTING WATER LINE
	PROPERTY LINE
	EASEMENT

NOTE: FIBER OPTIC LINE OFFSET DISTANCE FROM 16" WATER MAIN HAS BEEN EXAGGERATED FOR VISUAL CLARITY. ACTUAL PROPOSED FIBER OPTIC LINE SHALL BE CONSTRUCTED PARALLEL TO THE 16" WATER LINE AT A CODE MINIMUM OFFSET AS SPECIFIED IN THE PLANS.



# EXHIBIT B

CITY OF SEGUIN  
NEWQUEST WATER LINE PROJECT  
OPINION OF PROBABLE PROJECT COST - ACKERMAN TRACT  
OCTOBER 24, 2025

ID No.	Description	Unit	Estimated Quantity	Price Per Unit	Amount
1	16" C-900 PVC WATER LINE (INCLUDES DETECTION TAPE)	LF	3,150	\$135.00	\$425,250.00
2	4" PVC CONDUIT (INCLUDES DETECTION TAPE AND TRACER WIRE)	LF	3,163	\$40.00	\$126,520.00
3	2'-6" X 4' X 3' PULL BOX	EA	6	\$5,500.00	\$33,000.00
4	2' X 3' X 3' PULL BOX	EA	3	\$5,000.00	\$15,000.00
5	16" MJ BUTTERFLY VALVE	EA	7	\$12,000.00	\$84,000.00
6	FIRE HYDRANT ASSEMBLY	EA	7	\$11,000.00	\$77,000.00
7	EXISTING WATER MAIN CONNECTION	EA	1	\$7,500.00	\$7,500.00
8	DUCTILE IRON FITTINGS (WATER)	TON	1.92	\$13,000.00	\$24,901.50
9	TRACER WIRE (WATER)	LF	3,150	\$1.00	\$3,150.00
10	OSHA TRENCH PROTECTION (WATER)	LF	3,150	\$5.00	\$15,750.00
11	SILT FENCE	LF	3,204	\$4.00	\$12,816.00
12	HYDROMULCH	SY	3,743	\$1.50	\$5,614.50
13	ROCK FILTER DAM	LF	30	\$50.00	\$1,500.00
14	STABILIZED CONSTRUCTION ENTRANCE	EA	1	\$3,000.00	\$3,000.00
		<b>CONSTRUCTION TOTAL</b>			<b>\$835,002.00</b>

# EXHIBIT C

CITY OF SEGUIN  
NEWQUEST WATER LINE PROJECT  
OPINION OF PROBABLE PROJECT COST - CONDUIT - ACKERMAN TRACT  
OCTOBER 24, 2025

ID No.	Description	Unit	Estimated Quantity	Price Per Unit	Amount
1	4" PVC CONDUIT (INCLUDES DETECTION TAPE AND TRACER WIRE)	LF	3,163	\$40.00	\$126,520.00
2	2'-6" X 4' X 3' PULL BOX	EA	6	\$5,500.00	\$33,000.00
3	2' X 3' X 3' PULL BOX	EA	3	\$5,000.00	\$15,000.00
		CONSTRUCTION TOTAL			\$174,520.00