

BOARD OF ALDERMAN

AGENDA ITEM MEMORANDUM

12/11/14
Item # 8
Regular Agenda
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DEPT./DIVISION SUBMISSION & REVIEW:

Kim Foutz, City Administrator

ITEM DESCRIPTION: Consideration and possible action on a Chapter 380 Grant Agreement between the Village of Salado and JES Dev. Co. for a residential senior housing project at the intersection of Mary Jane and Vanessa Drive.

STAFF RECOMMENDATION: Approve grant agreement as presented in the item description.

ITEM SUMMARY: JES Development submitted an application for tax credits through the Texas Department of Housing and Community Affairs in early 2014. In February 2014, the Board of Alderman passed a resolution in support of this project. As per the TDHCA program requirements, the resolution included a financial commitment for \$13,950 with \$930 annual payments for 15 years. Since that time JES's project was awarded the tax credits and is now ready to proceed. An application for a Minor Plat has been received for this project.

The BOA resolution indicated that financial support would be accomplished through tax abatement. Tax abatement is typically accomplished with a declining scale of abatement as opposed to regular annual payments. Therefore, staff developed a Chapter 380 Grant Agreement to accomplish the financial contributions.

Developer's obligations as outlined in the Agreement include:

- 2.1 Construction of the Facility will include the following:
 - a) 9 buildings with a total of 50 units as per **Exhibit "B" – Site Plan**
 - b) Minimum \$6,400,000 capital investment
 - c) Gated senior residential community restricted by age to 62+
 - d) Amenities including a- community center, , walking / golf cart path with seating, covered patio, exercise room, residential computer room, garden plots, and covered picnic area.
 - e) Parking provided at one space per unit
 - f) Masonry construction in a "hill country design" as per **Exhibit "C" – Building Facades**
 - g) Each building will contain two or more residential dwellings, ranging in size from one bedroom to two bedroom.
 - h) Developer will retain ownership throughout the useful life of the project.
 - i) Developer has applied for annexation and will apply for Planned Development Zoning for the 20.017 acres
 - j) The Facility will have on-site management and maintenance during daytime hours with 24 hour on-call service.

- k) The Facility, after annexation, will pay the full assessed amount in property tax per year to the Village which is estimated to be no less than \$7,500.
- l) Local business participation (buy local to the extent possible)
- m) Two full time jobs

Village's obligations as outlined in the Agreement include:

- Annual grant incentive payment of \$930.00 to be paid beginning on May 1, 2016 for 15 years
- Total incentive of \$13,950.00.

FISCAL IMPACT: With a capital investment of \$6,400,000 the annual estimated property tax to the Village is \$11,520. With a \$930 annual incentive payment, the Village will net \$10,590 per year.

ATTACHMENTS:

Proposed Chapter 380 Grant Agreement and exhibits

VILLAGE OF SALADO / JES DEVELOPMENT

CHAPTER 380

ECONOMIC DEVELOPMENT AGREEMENT

This Chapter 380 Economic Development Agreement ("*Agreement*") is made and entered into by and between JES Dev. Co., Inc., a Missouri corporation qualified to do business in Texas ("*Developer*"), and the VILLAGE OF SALADO, TEXAS, a general law city and municipal corporation ("*Village*").

RECITALS

WHEREAS, the Developer intends to build an affordable senior housing development (the "*Facility*") named Hidden Glen on a 20.017 acre tract of real property located at the intersection of Mary Lane and Vanessa Street, Bell County, Texas, depicted on *Exhibit "A"* attached hereto (the "*Property*"); and

WHEREAS, operation of the Facility is expected to create new jobs and tax value for the Village, and will promote local economic development, support affordable housing, and stimulate business and commercial activity in the Village; and

WHEREAS, the Village has determined that substantial economic benefit, including the generation of additional property taxes, the creation of new opportunities of employment, and support of affordable housing, will accrue to the Village as a result of the Developer's purchase of the Property, the construction of the Facility on the Property, and the development and operation of the Developer's business on the Property; and

WHEREAS, Developer submitted an application to the Texas Department of Housing and Community Affairs (TDHCA) for 2013 Housing Tax Credits for Hidden Glen and was awarded the assistance in an amount of \$514,453; and

WHEREAS, the Facility will consist of the development of 50 units of Age 62 and over Senior Housing; and

WHEREAS, on February 21, 2014 the Village Board of Aldermen passed Resolution No. 093 committing to \$13,950.00 in financial assistance to Developer, such commitment to be \$930.00 annually for a period of 15 years; and

WHEREAS, under Chapter 380 of the Texas Local Government Code, the Village has adopted an economic development program to promote local economic development and stimulate business and commercial activity within the Village; and

WHEREAS, the Village and the Developer want to set forth in this Agreement the terms and conditions of the grant to Developer of certain Village funds as an incentive for Developer's construction and use of the Facility on the Site and in support for the financial assistance required for the TDHCA Tax Credit Program; and

WHEREAS, the parties recognize that all agreements of the parties hereto and all terms and provisions hereof are subject to the laws of the State of Texas and all rules, regulations and interpretations of any agency or subdivision thereof at any time governing the subject matters hereof; and

WHEREAS, the Developer commits to using all possible local suppliers of goods and services and will provide the Village with reports of same.

WHEREAS, the Developer accepts the Village's incentive grant in the form of annual payments, in accordance with the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

I. Authority and Condition Precedent

1.1 The Village represents that its execution of this Agreement is authorized by Chapter 380 of the Texas Local Government Code and constitutes a valid and binding obligation of the Village.

1.2 Developer represents that its execution and performance of this Agreement constitutes a valid and binding obligation of the Developer in the event the Developer proceeds to construct the Facility in the Village. The Village acknowledges that the Developer is acting in reliance upon the Village's performance of its obligations under this Agreement, among other consideration, in making its decision to invest its funds and expand employment in the Village.

1.3 The Developer and the Village agree that all obligations stated in this Agreement shall be contingent upon the Developer's acquisition of fee simple title to the Property.

II. Developer Obligations

2.1 After the Effective Date (defined in **Section 4.1**) and before May 1, 2016, Developer shall begin construction on the Facility on the Property.

2.2 Construction of the Facility will include the following:

- a) 9 buildings with a total of 50 units as per **Exhibit "B" – Site Plan**
- b) Minimum \$6,400,000 capital investment
- c) Gated senior residential community restricted by age to 62+
- d) Amenities including a- community center, , walking / golf cart path with seating,

covered patio, exercise room, residential computer room, garden plots, and covered picnic area.

- e) Parking provided at one space per unit
- f) Masonry construction in a “hill country design” as per **Exhibit “C” – Building Facades**
- g) Each building will contain two or more residential dwellings, ranging in size from one bedroom to two bedroom.

2.3 Creation of New Full Jobs.

- (a) Developer shall create at least two (2) "New Full Time Jobs" by May 1, 2016 for Village residents, and recruit, employ, and maintain at least such number of New Full Time Jobs until the expiration of fifteen (15) years after first creating such number of jobs. For purposes of this Agreement, "*New Full-Time Jobs*" means full-time jobs created in or relocated to the Village after the construction of the Facility is completed and it is opened for business.
- (b) If Developer does not timely satisfy the job creation provisions for any year as set forth in the preceding **Section 2.3(a)**, Developer shall have a cure period of ninety (90) days after the end of the applicable year to create the requisite number of New Full Time Jobs.
- (c) Developer will not knowingly employ any undocumented worker. Any such employment will be subject to penalties imposed by state and/or federal law.

2.4 Other Obligations.

- a) Developer will retain ownership throughout the useful life of the project.
- b) Developer will petition the Village for annexation of approximately 20.017 acres to Planned Development District within ninety (90) days of the Effective Date of this Agreement. The Village and the Developer hereby approve this Agreement as a valid and legally sufficient request to extend the Village limits (i.e., incorporated municipal boundary) of the Village to cover the Property, and no additional petitions or requests from the Owner are necessary, beyond that included as **Exhibit “D”**. Owner may not withdraw or modify the Petition without the Village’s written consent. The Village agrees to apply a zoning classification to the Property that would not cause any then-current structure or the use of the Property to become noncomplying or nonconforming as a result of the classification.
- c) The Facility will have on-site management and maintenance during daytime hours with 24 hour on-call service.
- d) The Facility, after annexation, will pay the full assessed amount in property tax per year to the Village which is estimated to be no less than \$7,500.
- e) Management will ensure that applicants are age 62 or older and will conduct a background check as part of the resident application process.
- f) If Developer does not timely satisfy the Other Obligation provisions as set forth in the preceding Section 2.4(a-e), Developer shall have a cure period of ninety (90) days after the end of the applicable deadline to perform such obligations.

2.5 Local Business Participation. In an effort to further stimulate and positively impact the local economy, Developer shall use commercially reasonable efforts to provide local small businesses an equal opportunity to participate as suppliers for materials and services purchased by Developer exclusively for use at the Facility.

2.6 Compliance with Village Regulations. For the construction of the Facility, or the construction or remodeling of the Facility in the future, Developer will comply with all applicable Village Code regulations.

2.7 Failure to Meet Obligations. In the event that Developer fails to fulfill its obligations under the performance terms above, after receipt of notice and expiration of the cure period described in **Section 4.4** below, the Village may, as its sole and exclusive remedy, terminate this Agreement, whereupon the Village shall not be required to perform, and Developer shall not be entitled to receive any further performance by the Village under this Agreement, provided, however that Developer shall be obligated to pay the Village for any inspection or permitting services by the Village before the termination of this Agreement.

III. Village Obligations

3.1 Economic Development Incentive. In consideration of Developer performance of each of its obligations under this Agreement, the Village will make an annual grant incentive payment of \$930.00 to be paid on May 1 of each year for 15 years beginning on May 1, 2016 and ending on May 1, 2031 with a total incentive being \$13,950.00.

IV. General Terms

4.1 Effective Date and Term. This Agreement shall become enforceable and be effective upon December 11, 2014 (the "**Effective Date**") after approval by the Village Board of Aldermen. Unless this Agreement is terminated earlier in accordance with its terms, Developer obligations to perform under this Agreement shall be completed one year after the Facility has been opened for business. If the construction of the Facility has not been completed by December 1, 2016 then the Village's sole and exclusive remedy shall be to terminate this Agreement. This Agreement shall terminate on the fifteenth anniversary of the date on which Developer meets the requirements specified under Section 2 or May 1, 2031, whichever is earlier.

(a) The payments to be made to Developer or other expenditures under this Agreement, if paid, shall be made solely from annual appropriations of the Village as may be legally set aside for the implementation of Article III, Section 52a of the Texas Constitution or Chapter 380 of the Local Government Code or any other economic development or financing program authorized by statute or home rule powers of the Village under applicable Texas law, subject to any applicable limitations or procedural requirements.

4.2 Representations and Warranties. The Village represents and warrants to Developer that the Program and this Agreement are within its authority, and that it is duly authorized and empowered to establish the Program and enter into this Agreement, unless otherwise ordered by a court of competent jurisdiction. Developer represents and warrants to the Village that it has the requisite authority to enter into this Agreement.

4.4 Default. Subject to Developer right to cure under **Section 2.3(b) and 2.4(f)**, if either the Village or Developer should default in the performance of any of their respective obligations of this Agreement, the other party shall provide such defaulting party written notice of the default, and a minimum period of ninety (90) days after the receipt of said notice to cure such default, prior to instituting an action for breach or pursuing any other remedy for default. If the Developer defaults on any obligation under this Agreement, the Village's sole and exclusive remedy shall be to terminate this Agreement and receive from Developer reimbursement for all previous payments made.

4.5 Entire Agreement. This Agreement contains the entire agreement between the parties. All prior negotiations, discussions, correspondence, and preliminary understandings between the parties and others relating hereto are superseded by this Agreement. This Agreement may only be amended, altered or revoked by written instrument signed by the Village and Developer.

4.6 Binding Effect. This Agreement shall be binding on and inure to the benefit of the parties and their respective successors and assigns.

4.7 Assignment. Except as provided below, Developer may not assign all or part of its rights and obligations to a third party without prior written approval of the Village, which approval shall not be unreasonably withheld, conditioned or delayed. Notwithstanding anything to the contrary, Developer may assign all or part of its rights and obligations without the prior consent of the Village to an affiliate of Developer and to a third party lender advancing funds for the acquisition, construction or operation of Developer's facilities.

4.8 Termination. In the event Developer elects not to proceed with the Project as contemplated by this Agreement, Developer shall notify the Village in writing, and this Agreement and the obligations on the part of both parties shall be deemed terminated and of no further force or effect. Notwithstanding anything herein to the contrary, Developer may terminate this Agreement at any time upon written notice to the Village. In such event, the parties shall have no further rights or obligations hereunder other than those accruing prior to such termination, subject to Developer having to pay the Village for any inspection or permitting services provided to Developer prior to any termination date.

4.9 INDEMNIFICATION. TO THE EXTENT PROVIDED BY LAW AND EXCEPT AS OTHERWISE MAY BE PROVIDED IN THIS AGREEMENT, EACH PARTY SHALL INDEMNIFY, HOLD HARMLESS AND DEFEND THE OTHER PARTY FROM ANY AND ALL LOSS, LIABILITY, CLAIM, LAWSUIT, INJURY, EXPENSE OR DAMAGE WHATSOEVER, INCLUDING BUT NOT LIMITED TO, ATTORNEYS' FEES AND COURT COSTS, ARISING OUT OF, INCIDENT TO OR IN ANY MANNER OCCASIONED BY THE PERFORMANCE OR NONPERFORMANCE BY SUCH INDEMNIFYING PARTY, ITS AGENTS, EMPLOYEES, SERVANTS, OR ASSIGNS, OF ANY COVENANT OR CONDITION OF THIS AGREEMENT OR BY THE NEGLIGENCE, IMPROPER CONDUCT OR INTENTIONAL ACTS OR OMISSIONS OF SUCH INDEMNIFYING PARTY, ITS AGENTS, EMPLOYEES, SERVANTS OR ASSIGNS.

4.10 Notice. Any notice or statement required to be delivered pursuant to this Agreement must be in writing and shall be deemed delivered by actual delivery, by facsimile with receipt of confirmation, or by depositing the same in the United States mail, certified with return receipt requested, postage prepaid, addressed to the appropriate party at the following addresses:

Jim Markel

Phone:

Fax:

VILLAGE:

Village Administrator
301 North Stagecoach Drive
Salado, Texas 76571
Phone: 254-947-5060
Fax: 254-947-5061

Either party may designate a different address at any time upon written notice to the other party.

4.10 Interpretation. Each of the parties has been represented by counsel of their choosing in the negotiation and preparation of this Agreement. Regardless of which party prepared the initial draft of this Agreement, this Agreement shall, in the event of any dispute regarding its meaning or application, be interpreted fairly and reasonably and neither more strongly for, nor against any party.

4.11 Applicable Law. This Agreement is made, and shall be construed and interpreted, under the laws of the State of Texas and venue shall lie in the State courts of Bell County, Texas.

4.12 Severability. In the event any provisions of this Agreement are illegal, invalid or unenforceable under present or future laws, and in that event, it is the intention of the parties that the remainder of this Agreement shall not be affected. It is also the intention of the parties that in lieu of each clause and provision that is found to be illegal, invalid or unenforceable, a provision be added to this Agreement which is legal, valid or enforceable and is as similar in terms as possible to the provision found to be illegal, invalid or unenforceable.

4.13 Paragraph Headings. The paragraph headings contained in this Agreement are for convenience only and will in no way enlarge or limit the scope or meaning of the various and several paragraphs.

4.14 No Third Party Beneficiaries. This Agreement is not intended to confer any rights, privileges or causes of action upon any third party.

4.15 No Joint Venture. It is acknowledged and agreed by the parties that the terms of this Agreement are not intended to and shall not be deemed to create any partnership or joint venture among the parties. The Village, its past and future officers, elected officials, employees and agents do not assume any responsibilities or liabilities to any third party in connection with Developer or the construction or operation of any portion of the Facility.

4.16 Public and Confidential Information. Information provided by or on behalf of Developer under or pursuant to or in connection with this Agreement (including, but not limited to, the terms of this Agreement and any and all non-public information provided by Developer) shall be maintained as confidential to the extent allowed by law. If Developer's proprietary, financial or trade secret information is requested under the Texas Public Information Act, the Village shall promptly notify Developer of such request and shall follow the standards set out in the Act and under the Texas Attorney General's procedures for such

requests. Other public records and information provided to the Village and its representatives to verify compliance with this Agreement shall be available for public inspection.

4.17 Exhibits. The following Exhibits are attached and incorporated by reference for all purposes.

- Exhibit "A" Description of Property
- Exhibit "B" Site Plan
- Exhibit "C" Building Facades
- Exhibit "D" Annexation Petition Form

4.18 Multiple Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, and all of which, taken together, shall constitute but one and the same instrument, which may be sufficiently evidenced by one counterpart.

EXECUTED by the authorized representatives of the parties on the dates indicated below to be effective as of the Effective Date.

THE VILLAGE OF SALADO

ATTEST:

By: Skip Blancett, Mayor

Randy Stonerod, Village Secretary

JES Dev. Co., Inc.

By: _____

Date: _____

By: Will Markel
Title: Vice President

ACKNOWLEDGMENT

STATE OF TEXAS §
 §
COUNTY OF BELL §

Before me, the undersigned authority, on this day personally appeared _____, who after first being by me duly sworn, acknowledged and stated the witness has executed the above and foregoing document for the purposes and consideration therein expressed, and in the Village therein expressed, and with full authority to so act, on this, the _____ day of _____, 2014.

Notary Public in and for the State of Texas

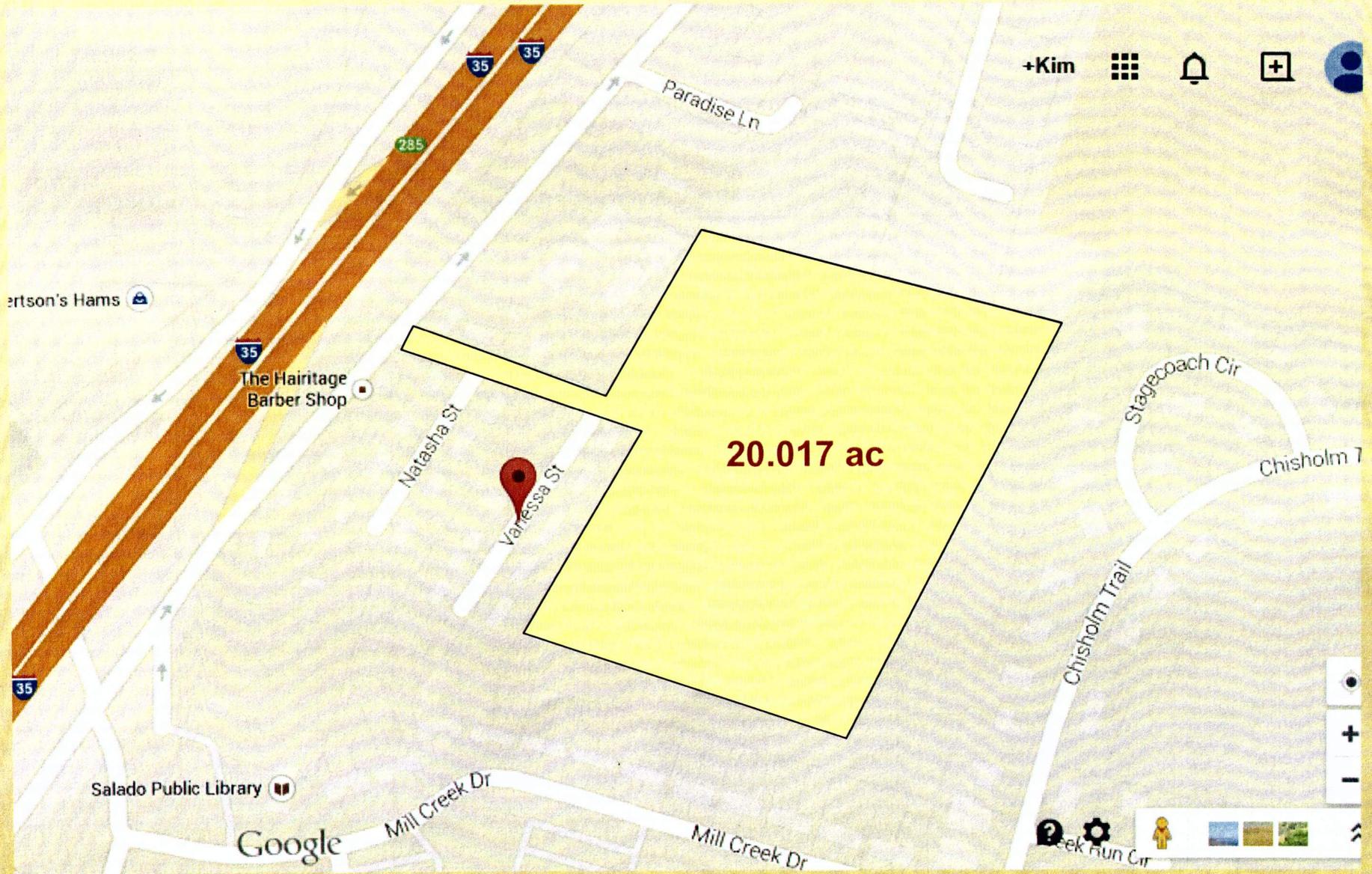
My commission expires: _____

Exhibit "A"

Property Description

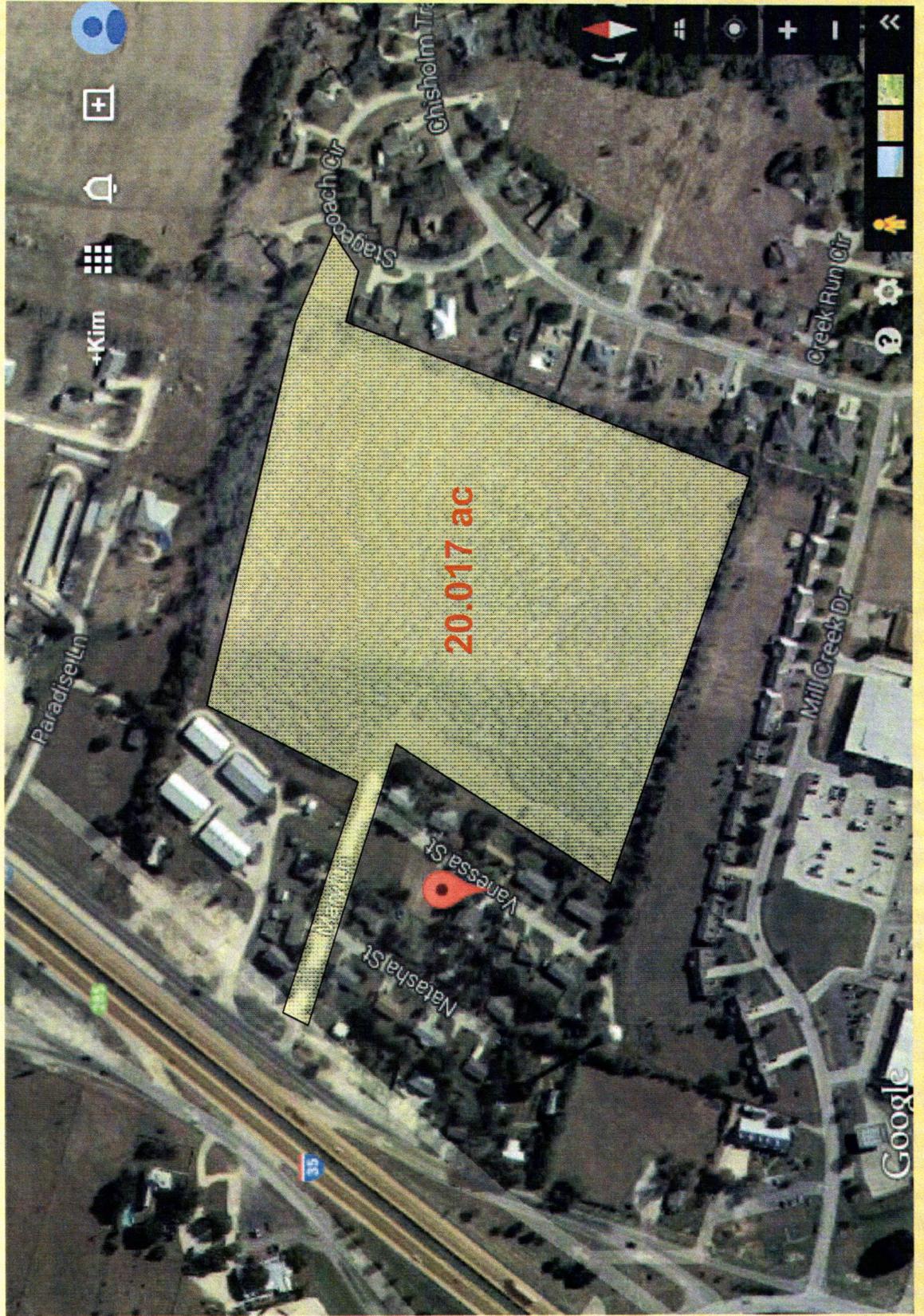
Attached is a metes and bounds description of the tract of land to be annexed, and a map or drawing, and when possible a survey, plat number, and street address

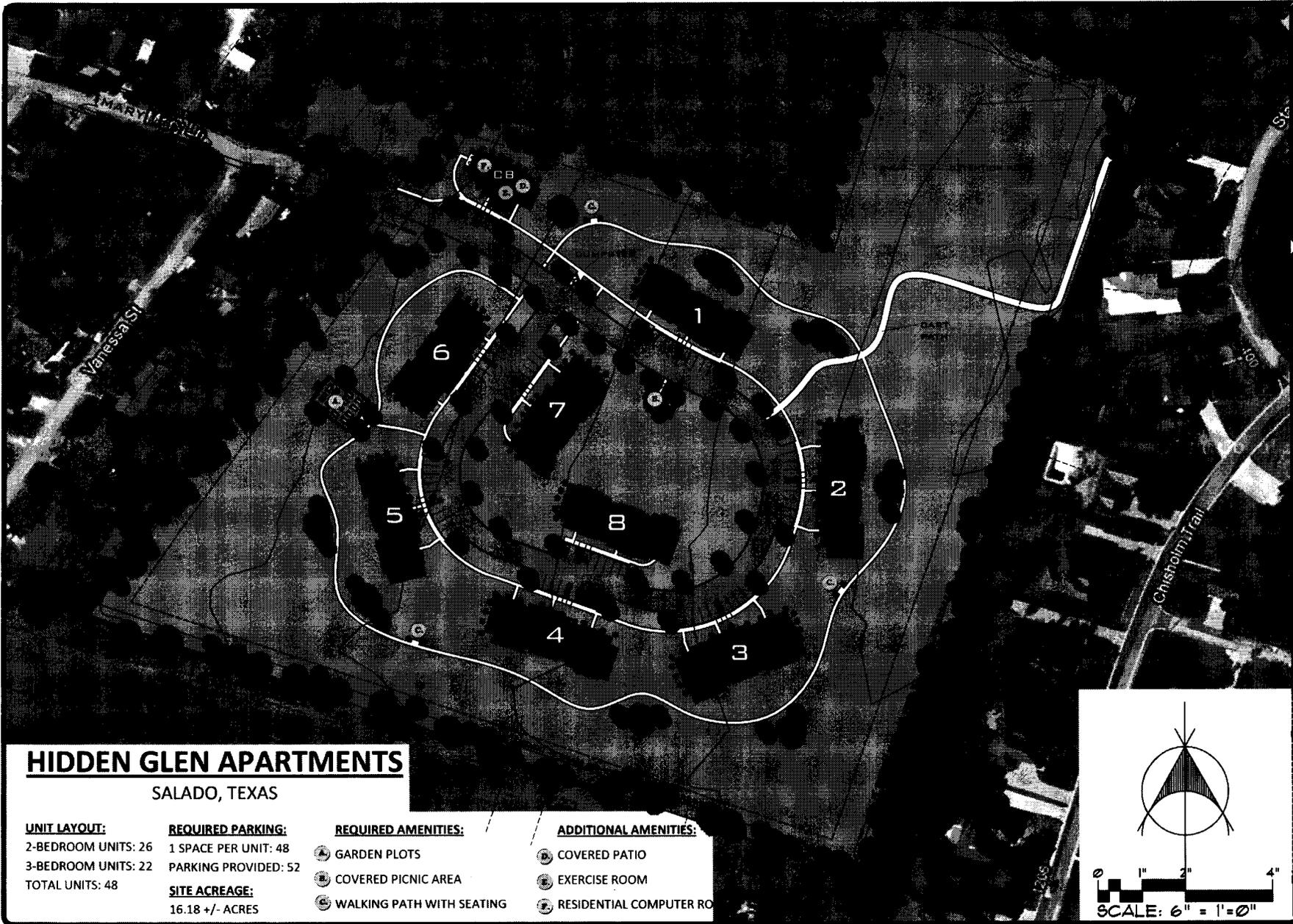
Location Map



Location Map

Exh "A"





HIDDEN GLEN APARTMENTS

SALADO, TEXAS

UNIT LAYOUT:

2-BEDROOM UNITS: 26
 3-BEDROOM UNITS: 22
 TOTAL UNITS: 48

REQUIRED PARKING:

1 SPACE PER UNIT: 48
 PARKING PROVIDED: 52

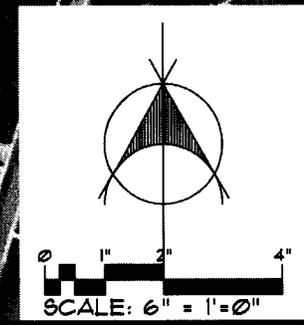
SITE ACREAGE:
 16.18 +/- ACRES

REQUIRED AMENITIES:

- ① GARDEN PLOTS
- ② COVERED PICNIC AREA
- ③ WALKING PATH WITH SEATING

ADDITIONAL AMENITIES:

- ④ COVERED PATIO
- ⑤ EXERCISE ROOM
- ⑥ RESIDENTIAL COMPUTER ROOM



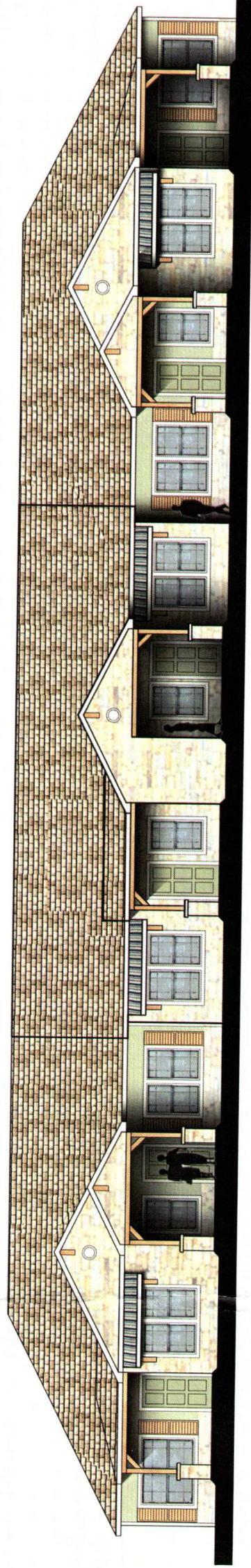
NOT RELEASED FOR CONSTRUCTION

DATE	BY	REV	DATE

MARTIN RILEY ASSOCIATES - ARCHITECTS, P.C.
 25 CHURCH STREET SUITE 20 DECATUR GEORGIA 30030-330 404-773-2000
 HIDDEN GLEN
 8/2008



Exh C



SALADO, TX

JANUARY 28, 2014

FRONT ELEVATION



STATE OF TEXAS
COUNTY OF BELL

§
§
§

PETITION FOR VOLUNTARY ANNEXATION

To the Mayor and Board of Aldermen of the Village of Salado:

The undersigned owner(s) of the tract of land described below (the "tract") hereby petition the Village of Salado to extend the present incorporated municipal boundaries (i.e., City limits) so as to include in, and annex as a part of, the Village of Salado, the property described on Exhibit "A", which is attached and incorporated herein for all purposes.

We certify and swear that the tract is:

- 1. one-half mile or less in width; and
- 2. adjacent (i.e., contiguous) to the municipal boundary; and
- 3. the location upon which fewer than three registered voters reside, or is vacant or without residents.

We certify and swear that this petition is signed and acknowledged by each and every person and corporation owning said tract or having an interest in any part thereof.

[Handwritten Signature]
Name

12-4-14
Date

Name

Date

This instrument was acknowledged before me by Will Markel
on this the 4th day of December, 2014.

ALICE JONES
Notary Public-Notary Seal
STATE OF MISSOURI
Commissioned for Boone County
My Commission Expires: August 3, 2017
ID. #13849633

Alice Jones
Notary Public, State of ~~Texas~~ Missouri
My commission expires: 8/3/17

BOARD OF ALDERMAN

AGENDA ITEM MEMORANDUM

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Consent Agenda
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DEPT/DIVISION REVIEW: Kim Foutz, City Administrator

ITEM DESCRIPTION: Consideration and possible action on an Interlocal Cooperation Agreement with Bell County for the construction of road improvements in the amount of \$60,230; acquisition of rejuvenated cold mix (RAP) in the amount of \$3,441; and pavement striping.

COMMITTEE AND STAFF RECOMMENDATION: The Streets Improvement Committee and staff recommend approval.

ITEM SUMMARY AND ANALYSIS: At the November 6, 2014 Board of Aldermen meeting, the BOA voted to direct staff to prepare an Interlocal Agreement with Bell County to perform seal coating on Royal Street, Baines Street, and Chisholm Trail.

Highlights of the proposed Interlocal Cooperation Agreement include:

- Contract term of 18 months.
- County provides traffic control and insurance.
- County performs seal coat and level up of Royal Street, Baines Street, and Chisholm Trail (labor, equipment, materials, sweeping). Note: the Administrator has received some Alderman feedback that they may want to delay Royal Street until after the new wastewater collection line is complete.
- Work is likely to be performed in the fall of 2015 and concluded in the summer of 2016.
- Village is provided the ability to purchase (optional) up to 100 CY of rejuvenated cold mix (RAP) at \$3,341 for other Village road repair projects. This material may be stockpiled at a County facility.
- Village is responsible for location of and payment for utility adjustments/relocations, if any.
- The engineer's estimate of probable cost for seal coating is \$60,230. The actual cost may vary, depending on material costs at the time the work is performed. The Village will also be billed for reimbursement of contracted services for pavement striping. Note: seal coat charges will be for materials only and do not include any labor costs.

FISCAL IMPACT: Total estimated cost is \$63,571 plus striping costs subject to the stipulations stated above. In the FY 2014-15 budget, there is \$200,000 budgeted for streets improvement. In addition, a budget amendment will be made to make available the carry-over street funds from last year of \$200,000 resulting in a total streets budget for FY 2014-15 of \$400,000.

ATTACHMENTS:

Interlocal Cooperation Agreement and supporting materials



County Engineer

P. O. Box 264 • Belton, Texas 76513 • (254) 933-5275 • Fax (254) 933-5276

BRYAN NEAVES, P. E.

November 12, 2014

Kim Foutz, City Administrator
Village of Salado Texas
P.O. Box 219
Salado, Texas 76571

Re: Maintenance of various roads in Salado, Interlocal Agreement

Dear Kim,

I have prepared two copies of an Interlocal Agreement for your consideration. I have outlined the location and estimated cost for the materials and services related to seal coating three streets in Salado. The cost estimates are broken down by each location. The agreement is set for 18 months to allow work to take place in 2016.

A summary of agreement is 1. Seal coat and level up work performed by Bell County on Baines, Royal, and Chisolm Trail, 2. Option for Salado to purchase 100 CY of recycled cold mix material for your street services to use on other locations. Please note that we contract the striping and processing the cold mix. Our cost for the contractor's work will be billed at the same price we are invoiced.

The agreements should be reviewed and signed. You can return them to my office and I will place the item on the County Commissioners Court agenda for approval. The Judge will sign the copies and I will return an original to you for your file.

If you have any questions, you may contact our office.

Respectfully,

Bryan Neaves, P.E.
Bryan Neaves, P.E.
CC: Tim Brown, Pct 2 Commissioner

IN THE COUNTY OF BELL
STATE OF TEXAS

*
* **INTERLOCAL COOPERATION AGREEMENT**
*

I.

WHEREAS, the parties to this agreement believe that it is in the best interest of the public to improve the efficiency and effectiveness of local governments by authorizing the fullest possible range of intergovernmental contracting authority at the local level including contracts between counties and other political subdivisions as permitted by the Government Code 791.011; and Vernon's Ann. Tex. Stat.;

WHEREAS, the parties to this agreement believe that efficient utilization of publicly owned property is in the best interest of the public;

THEREFORE BE IT RESOLVED AND AGREED THAT THE Commissioners' Court of Bell County, Texas, and The Village of Salado, Texas who are the parties to this agreement, enter into a contract for the purpose as set out in the next paragraph.

PURPOSE

This agreement is for Seal Coating and furnishing cold mix on various streets located in Salado, Texas. Exhibit "A" shows the location for these projects.

The County will provide labor, equipment, and materials to: 1) place hot mix level course, 2.) distribute asphalt and aggregate for the final surface, and 3.) sweep loose aggregate afterwards.

The Village of Salado, Texas will reimburse Bell County for actual cost of all materials used.

TERMS

This agreement shall be for a term of 18 months beginning from the date of execution by both parties unless either party sends written notice of termination to the other party by certified mail deliverable to Bell County Courthouse in Belton, Texas or unless the stated purpose of this agreement has been completed. Once notice of termination is sent, it shall be effective to terminate this agreement after the expiration of 30 days from the date notice is sent by certified mail.

Bell County will provide traffic control during the seal coat and level up streets shown in the Exhibit "B". These streets are Royal, Baines, and Chisholm Trail. This work will

likely be performed in the fall of 2015 and concluded in the summer of 2016. Bell County will communicate with the Village of Salado to schedule the work to meet the needs of both parties.

The Village of Salado may purchase approximately 100 CY of rejuvenated cold mix (RAP) from Bell County for their use on other projects. The Village of Salado will haul and repair other locations using the cold mix that is stockpiled at the County Road and Bridge Department in Belton. This material may be obtained on a seasonal basis and does not require the County to provide upon demand.

The Village of Salado shall 1) locate and pay for utility adjustments, if necessary, 2) pay for the material cost on the seal coat project, 3.) pay for contract services of pavement marking and processing rejuvenated cold mix materials at Bell County's actual cost, and 4.) Address citizen requests and handle public information releases, if necessary.

MODIFICATION

This agreement constitutes the entire agreement between the parties, and it may be modified only by mutual consent of the parties and changes become effective when stated in writing, approved by the governing bodies of the parties, and executed by the authorized representatives of the County and the Village of Salado, Texas.

FEES

The Village of Salado, Texas agrees to pay the County the actual cost of materials which has been estimated at \$ 60,230 for seal coating performed by Bell County and the optional purchase of cold mix for an additional \$3,341. This estimate is based upon the Engineer's Estimate of Probable Cost shown in Exhibit "B". Actual cost may vary due to supplier unit cost changes or quantity changes during construction. Any modifications to the quantities shall be mutually agreed upon. The payment of said fees shall be by a method as follows: Check made payable to Precinct 2 Maintenance.

INSURANCE

The Bell County Road and Bridge Department agrees that it shall have a valid policy of insurance which will cover any reasonable claim of damages to person or property, such occurrence of damages relating to alleged acts of negligence committed by said party.

INDEMNIFICATION

The Village of Salado, Texas agrees to indemnify and save Bell County from all claims, demands or allegations of damages of any person or persons by the reason of the execution of the terms of this agreement, if such claims, demands or allegations of damages are not the result of negligent acts of Bell County, its employees or authorized agents.

EXECUTION

This agreement having been approved by the Commissioners' Court of Bell County and by The Village of Salado, TX, parties hereby bind themselves to this agreement as evidenced by the authorized signatures below.

Signed and executed this ____ day of ____, 2014

COUNTY OF BELL

STATE OF TEXAS

BY:

Jon Burrows
County Judge

Mayor of Salado

ATTEST:

Shelley Coston
County Clerk

City Secretary for Salado

