

## CONSTRUCTION AGREEMENT

1. **Parties to the Agreement.** This agreement is between the Texas City Professional Firefighters Union Local 1259 (TCPFU), located in Texas City, Texas, and the City of Texas City. For the purposes of this agreement, Texas City Professional Firefighters Union Local 1259 will be designated as "TCPFU" and the City of Texas City will be designated as "City".

2. **The Work to be Done.** By the terms of this agreement, TCPFU will cause to be designed a new building, as follows:

A. The cost to create construction documents is included in the current project budget.

B. The building contractor will be determined through a competitive sealed bid process facilitated by the City.

C. The building will be City permitted and constructed to meet all applicable codes including, but not limited to, IBC, IECC, FEMA, NEC, ADA and TOI Windstorm Certified. The building design will incorporate features for maximum security and minimum potential damage from high winds and flood water.

D. The City oversee and manage the construction of the building.

E. The building will be constructed on a site located at the northwest corner of Magnolia Avenue and Elenora Street (33<sup>rd</sup> Street North).

3. **Consideration.** The total cost of the building project will not exceed the current estimate of \$500,000.00 (budgeted amount). TCPFU will make a five percent (5%) down payment of \$25,000.00. Any expenditures that exceed the budgeted amount will be paid one hundred percent (100%) by TCPFU.

4. **Financing of Project.**

A. TCPFU will execute a Promissory Note (copy attached) to the City for the amount of \$500,000.00 and the City will finance the project via a long-term zero interest loan to TCPFU, with details as follows:

i. On date of signing this Agreement, TCPFU will make down payment of five percent (5%) of the budgeted amount or \$25,000.00.

ii. After the initial \$25,000.00 down payment, TCPFU will make payments on the \$500,000.00 Promissory Note, beginning on June 1, 2021, in the amount of \$1400.00 monthly, until the entire balance is paid in full.

5. **Ownership.** Once completed, all improvements will be owned by the TCPFU.

6. **Remedies of Parties.** If TCMFA or City is displeased with any facet of work or performance by the other party, either TCMFA or City has the option of terminating the contract. The procedure for this is as follows:

A. The party with a grievance will first notify the other party with a registered letter detailing the problem(s).

B. The party receiving the letter will have four (4) weeks from the letter date to respond and offer a solution.

C. If the proposed solution is satisfactory to the other party, the problem must be corrected within two (2) weeks.

D. If the solution is unsatisfactory or if, at the end of two weeks, the issue has not been resolved, the aggrieved party has the option of unilaterally canceling this agreement.

E. If the agreement is canceled, monies due from one party to the other must be paid promptly. City is not required to refund monies for items partially complete and may bill for items in progress that were not previously billed.

7. **Use.**

TCPFU will be the responsible for the upkeep and maintenance of the facility, including this new building and will continue to control the activities. The building may be utilized by the City upon TCPFU's approval.

8. **Venue.** Any litigation must be filed and based in Galveston County, Texas.

9. **Signatories to the Agreement.** The following persons declare by their signatures that they are legally empowered to sign this agreement for TCPFU and City, respectively, and they by their signatures approve all of the elements of this agreement.

EXECUTED on this \_\_\_\_ day of \_\_\_\_\_, 2021.

**Texas City Professional Firefighters  
Union Local 1259**

**City of Texas City, Texas**

By: \_\_\_\_\_  
\_\_\_\_\_, President

By: \_\_\_\_\_  
Dedrick Johnson, Sr. Mayor