

**MEMORANDUM OF UNDERSTANDING REGARDING THE ECONOMIC  
DEVELOPMENT ADMINISTRATION DISASTER SUPPLEMENTAL GRANT  
BETWEEN TEXAS CITY TERMINAL RAILWAY  
AND THE CITY OF TEXAS CITY, TX**

I. PURPOSE

The purpose of this Memorandum of Understanding (“MOU”) is to outline the responsibilities of the Texas City Terminal Railway Company (“Port”) and the City of Texas City (“City”) related to the application and, if awarded, grant administration of the Economic Development Administration’s (“EDA”) Disaster Supplemental grant.

II. PROJECT AGREEMENTS AND AUTHORITIES

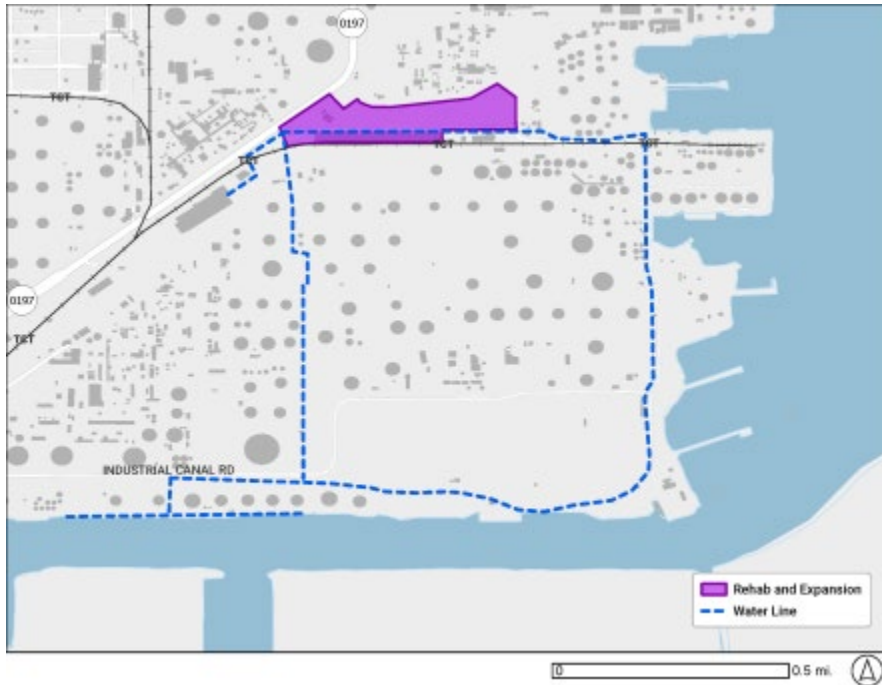
The Port has partnered with the City for the Fiscal Year (FY) 2025 Economic Development Administration Disaster Supplemental (EDA: DS) application. The City will apply on behalf of the Port for the Port of Texas City Streamlining Freight Logistics: Entrance Gate Realignment and Water Resilience Project (“Project”).

The Project will advance safety, efficiency, and reliability improvements to withstand disasters while maximizing private funding. The Project will support economic growth and well-paying jobs. The total project cost is estimated at \$14,437,000. The City will request \$7,218,500, a 50 percent cost share, and the Port plans to contribute the additional cost of the project.

The project consists of two components, both within the City’s boundary.

**Gate Realignment:** The realignment will shift the inspection and entrance gate approximately 1,650 feet. This realignment will separate industry roadway traffic and add a new connection for Port traffic. This scope also includes constructing a new southern exit gate to provide efficient flow of traffic and supplemental access.

**Waterline Resiliency:** The Port contracts with the City and is the sole provider of water utilities within the terminal. Access to reliable water is imperative for industrial operations. This Project will upgrade the existing waterline, constructed in the 1970s, and create a waterline loop. The construction will install 19,800 feet of a 6-inch water line to create a loop system.



**Figure 1: Project Map**

### III. COORDINATION BETWEEN THE CITY AND THE PORT

The City agrees to apply for EDA funding on behalf of the Port. The Port will provide all documentation related to the grant applications. It will be the City’s responsibility to upload documentation or provide access to the Port or their designee to upload all relevant documentation.

The Port, on behalf of the City, will maintain responsibility for all construction and operations requirements per this agreement. The constructed Project via this agreement will be provided exclusively to the Port. The Port has exclusive rights to those who can utilize this capacity.

### IV. GRANT AWARD

The City agrees to negotiate with the Port on the final grant award agreement. EDA, the City, and the Port will approve any modifications and the final grant award agreement.

The Port, on behalf of the City, will maintain responsibility for the contract for completion of the National Environmental Policy Act and any additional pre-award requirements as required by the awarding agency.

The grant award with the EDA will also include language for the required outcome metrics. These reports will be the responsibility and decision of the Port.

### V. CONSTRUCTION AND GRANT MANAGEMENT

The Port will be required to maintain grant compliance and assure the City that:

a. The Port will procure the construction and all other contracts aligned with federal procurement requirements, including but not limited to 2 C.F.R. 200.

b. Reimbursement request to the City will include:

- i. Expend the funds in compliance with all federal guidelines.
- ii. Complete and submit to the City a package to include, but not limited to:
  1. Invoice
  2. Invoice Approval
  3. Payment
  4. Debarment status

c. Create separate account tracking and documentation to be available for Schedule of Expenditures of Federal Awards audits.

i. Grant management oversight will be maintained on all project components, including but not limited to:

1. National Environmental Protection Act
2. Build America, Buy America.
3. Davis-Bacon Wage Act.

d. Maintain Sam.gov registration.

e. Maintain grant management support to prepare and submit to the City reporting requirements as agreed on during the Grant Award phase.

f. If awarded, the agreed-upon management fee will be included in the reimbursement based on project completion percentage to the City.

The City will be responsible for the following:

a. Open communication with the Port and EDA to include the Port in all communication regarding this Project.

b. Maintain Sam.gov registration.

c. Set up registration on EDA required system(s) and/or provide Port or their designee access to system(s) for reporting and draws as required by the grant.

i. City submittals must be completed within 30 days of the requested reimbursement package, provided the package is complete.

ii. Provide proof of reimbursement submittals.

iii. Reimburse funds to the Port not more than 30 days after receipt from EDA.

Include funding award as an account to be tracked for Schedule of Expenditures of Federal Award.

VI. NOTICES

a. Any notice, request, demand, or other communication required or permitted to be given under this MOU shall be deemed to have been duly given if in writing and either delivered personally or mailed, with return receipt, by registered or certified mail, as follows:

If to the City:

Mayor of Texas City  
1801 9<sup>th</sup> Avenue N  
Texas City, TX 77590

If to the Port:

Jason Hayley  
Texas City Terminal Railway Company  
2425 TX-146  
Texas City, TX 77590

b. A party may change the recipient or address to which such communications are to be directed by giving written notice to the other party in the manner provided in this paragraph, or through tracked email.

c. This MOU may be modified or amended only by written, mutual agreement of the parties.

IN WITNESS WHEREOF, the parties have executed this Memorandum of Understanding as of the day, month, and year signed below.

**Texas City Terminal Railway Company**

**Texas City, Texas**

BY: \_\_\_\_\_  
**Jason Hayley**

BY: \_\_\_\_\_  
**Dedrick D. Johnson**  
**Mayor, Texas City**

DATE: \_\_\_\_\_

DATE: \_\_\_\_\_