

SEDC RESOLUTION NO. 2021-7

A RESOLUTION BY THE CITY OF SCHERTZ ECONOMIC DEVELOPMENT CORPORATION, TEXAS ADOPTING AN AGREEMENT FOR PROVISIONS OF PROFESSIONAL SERVICES BETWEEN THE CITY OF SCHERTZ AND THE CITY OF SCHERTZ ECONOMIC DEVELOPMENT CORPORATION, AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, the City of Schertz Economic Development Corporation (“SEDC”) is a non-profit industrial development corporation duly established under the Development Corporation Act of 1979, as amended (Section 501.001 et seq. Texas Local Government Code, formerly the Development Corporation Act of 1979) (the “Act”);

WHEREAS, all of the powers of the corporation are vested in the SEDC Board of Directors (the “Board”) appointed by the governing body of the corporation’s authorizing unity; and

WHEREAS, the SEDC desires to engage the City of Schertz for the provision of certain professional and other services to assist the SEDC in carrying out its goals and objectives; and

WHEREAS, the Act prohibits the City from providing things of value, including professional services, in aid of the SEDC without receiving fair value compensation in return; and

WHEREAS, the SEDC Board hereby finds that it is in the best interest to enter into the Agreement for Provisions of Professional Services Between the City of Schertz and the City of Schertz Economic Development Corporation, hereto attached as Exhibit A.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITY OF SCHERTZ ECONOMIC DEVELOPMENT CORPORATION THAT:

Section 1. The Board hereby authorizes the Agreement for Provisions of Professional Services Between the City of Schertz and the Schertz Economic Development Corporation in substantially the form set forth on Exhibit A.

Section 2. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the Board.

Section 3. All resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

Section 4. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 5. If any provision of this Resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Resolution and the application of

such provision to other persons and circumstances shall nevertheless be valid, and the Board hereby declares that this Resolution would have been enacted without such invalid provision.

Section 6. It is officially found, determined, and declared that the meeting at which this Resolution is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Resolution, was given, all as required by Chapter 551, Texas Government Code, as amended.

Section 7. This Resolution shall be in force and effect from and after its final passage, and it is so resolved.

PASSED AND ADOPTED, this 27th day of May, 2021.

CITY OF SCHERTZ ECONOMIC
DEVELOPMENT CORPORATION



Paul Macaluso, SEDC Board President

ATTEST:



Sammi Morrill, SEDC Board Secretary

EXHIBIT A

**AGREEMENT FOR PROVISIONS OF PROFESSIONAL SERVICES BETWEEN THE
CITY OF SCHERTZ AND THE CITY OF SCHERTZ ECONOMIC DEVELOPMENT
CORPORATION**

AGREEMENT FOR PROVISIONS OF PROFESSIONAL SERVICES
BETWEEN THE CITY OF SCHERTZ AND
THE CITY OF SCHERTZ ECONOMIC DEVELOPMENT CORPORATION

THE STATE OF TEXAS

KNOWN ALL MEN BY THESE PRESENTS:

COUNTY OF GUADALUPE

THIS AGREEMENT, executed the 27th day of May, 2021, by and between the CITY OF SCHERTZ, a municipal corporation, acting by and through its City Council, situated in Guadalupe County, Texas (hereinafter referred to as "City"), and the City of Schertz Economic Development Corporation, a Texas non-profit industrial development corporation (hereinafter referred to as "SEDC") acting by and through its President of the Board is as follows:

WITNESSETH:

I.

The City agrees to provide management, professional, administrative, financial and investment services to the SEDC according to the terms of this agreement. Direct services the City shall perform for the SEDC shall include:

1. Providing Salary, workers' compensation, health, and retirement expenses for City employees assigned to the SEDC.
2. Preparing all financial and investment reports and keeping all financial books and records required by applicable law.
3. Preparing a budget for the forthcoming year for review and approval by the Board and City Council.
4. Providing all necessary budgeting, accounting, financial management and investment management through the City's Finance Department.
5. Providing accounts payable, payroll, purchasing and other bookkeeping services with oversight and training of such services.
6. Providing for a repository of records, office and conference space.
7. Providing technology support of hardware, software and phone systems through the City's Information Technology Department.
8. Providing automotive support of vehicles through the City's Fleet Department.

9. Providing for legal services through the City Attorney's office at the rate that those services are provided to the City.
10. Providing for commercial insurance, communication equipment and services, and office equipment products and services at the rate that those products and services are provided to the City.
11. Providing for financial auditing services through the Finance Department at the rate that those services are provided to the City.
12. Provide an executive level presence in area Chambers of Commerce through the City Manager and/or his/her designee for marketing Schertz as preferred location for new and expanded business opportunities.
13. Providing executive and administrative support, review and oversight by the City Manager.

It is understood and agreed that access to City staff resources by the SEDC is secondary to the needs of the City Council of the City of Schertz.

II.

Subject to the SEDC continuing to contract with the City for management services, the SEDC will pay to the City for its services pursuant to this agreement, in the form of a flat fee (the Service Fee) in the amount of five hundred six thousand nine hundred eighty-four and zero cents (\$506,984.00) per year. Said amount to be paid in two equal payments on October 1, 2021 and April 1, 2022.

The SEDC will directly maintain the memberships necessary for the City to provide an executive level presence in area Chambers of Commerce through the City Manager and/or his/her designee for marketing Schertz as preferred location for new and expanded business opportunities.

In the event of the termination of this agreement, the SEDC will be responsible for paying the City only the portion of the cost allocated to periods prior to the effective date of the termination of the agreement.

III.

It is the express purpose of this agreement for the City to provide certain management, professional, administrative and financial services to the SEDC.

IV.

Subject to early termination as provided in Article V below, this agreement shall be in effect for a period of one year commencing October 1, 2021 and ending September 30, 2022, and

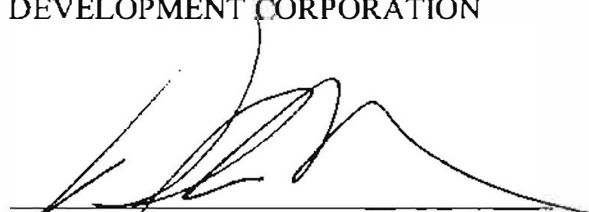
said agreement shall be extended for additional one-year terms thereafter under the same terms and conditions unless one party gives to the other party written notification at least thirty (30) days prior to the end of the existing term of its desire to terminate the agreement.

V.

1. This contract may be terminated by the City or SEDC, in whole, or from time to time, in part, upon thirty (30) days notice from the terminating party to the other party. Termination shall be effective thirty (30) days after delivery of Notice of Termination specifying to what extent performance or work under the contract shall be terminated thirty (30) days after receipt by the notified party.
2. After receipt of a Notice of Termination the City shall:
 - a. Stop work on the date as specified in the thirty (30) day Notice of Termination to the extent possible.
 - b. Place no further orders or subcontracts except as may be necessary for completion of the work not terminated.
 - c. Terminate all orders and subcontracts to the extent that they relate to the performance of work terminated by the Notice of Termination in so far as possible.
 - d. The SEDC shall pay all expenses incurred through the date of termination.

IN WITNESS WHEREOF, the parties have executed this Contract in the year and on the day indicated.

CITY OF SCHERTZ ECONOMIC
DEVELOPMENT CORPORATION



Paul Macaluso
President

CITY OF SCHERTZ, TEXAS



Dr. Mark Browne
City Manager