

## **AGREEMENT**

1. **Parties to the Agreement.** This agreement is between the Texas City Municipal Police Association (TCMPA), located in Texas City, Texas, and the City of Texas City. For the purposes of this agreement, Texas City Municipal Police Association will be designated as TCMPA and the City of Texas City will be designated as City.
2. **The Work to be Done.** By the terms of this agreement, TCMPA will remove building located at 4000 Bay Street, Texas City, Texas, and design, fabricate and install a utility building, as follows:
  - A. TCMPA will provide all engineering and construction management for the project.
  - B. Ostermayer and Sons Contracting, will be the general contractor and construction manager.
  - 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 TDI Windstorm Certified. The building design will incorporate features for maximum security and minimum potential damage from high winds and flood water.
  - D. The City will provide all dirt needed for foundation and sewer tap to the City line.
3. **Consideration.** The total cost of the building project will not exceed the current estimate of \$226,695.00 (budgeted amount). TCMPA will make a ten percent (10%) down payment of \$22,669.50. Any expenditures that exceed the budgeted amount will be paid one hundred percent (100%) by TCMPA.

4. **Financing of Project.**

TCMPA will execute a Promissory Note (copy attached) to the City for the amount of \$204,025.50. City will finance the project via a long-term zero interest loan to TCMPA, with details as follows:

- A. On date of signing this Agreement, TCMPA will make down payment of ten percent (10%) of the budgeted amount \$22,669.50.
- B. After the initial \$22,669.50 down payment, TCMPA will make payments on the \$204,025.50 note, beginning on \_\_\_\_\_, 2010, in the amount of \$1,000.00 monthly, until the entire balance is paid in full.

5. **Ownership.** All improvements will be owned by the TCMPA.

6. **Remedies of Parties.** If TCMPA or City is displeased with the facet of work or performance by the other party, either TCMPA 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.**

TCMPA will be the responsible user of the facility, including this new building and will continue to control the activities. The building may be utilized by the City upon TCMPA Board 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 TCMPA and City, respectively, and they by their signatures approve all of the elements of this agreement.

COMPLETED on this \_\_\_\_ day of March, 2010.

TEXAS CITY MUNICIPAL POLICE  
ASSOCIATION

CITY OF TEXAS CITY

By: \_\_\_\_\_  
Landis Cravens, President

By: \_\_\_\_\_  
Matthew T. Doyle, Mayor

\_\_\_\_\_  
Neal Mora, Building Committee Member

Attest:

\_\_\_\_\_  
Ross Clements, Building Committee Member

\_\_\_\_\_  
Pamela Lawrence, City Secretary

Witness:

\_\_\_\_\_

## PROMISSORY NOTE

\$204,025.50

TEXAS CITY, TEXAS \_\_\_\_\_, 2010

FOR VALUE RECEIVED, **Texas City Municipal Police Association (TCMPA)** promises to pay to the order of the **City of Texas City (City)** at 1801 – 9<sup>th</sup> Avenue North, Texas City, Texas 77590, the principal sum of Two Hundred Four Thousand Twenty-Five and 50/100 Dollars (\$204,025.50) with no interest thereon, principal payable in monthly installments of One Thousand and 00/100 Dollars (\$1,000.00), each.

The first of said installments is to become payable on the \_\_\_\_\_ day of \_\_\_\_\_, 2010, and a like installment to become payable on the same day of each month thereafter until this note has been fully paid. The failure to pay any one of said installment, or any part thereof, when due, shall, at the option of the holder of this Note, mature all of the unpaid balance due on this Note.

If default be made on this note and if the same be placed in the hands of an attorney for collection, or if collected by suit or through the Probate or Bankruptcy Court, or if any action of foreclosure be had hereon, fifteen percent (15%) shall be added to the principal and interest still unpaid as attorney's fees.

The maker and all endorsers, guarantors, and sureties of this note severally waive presentment for payment, demand, notice of intent to accelerate and notice of acceleration. The payee or holder of this note may at any time, upon the request of or by agreement with any of us, extend the date of maturity hereof without notice to any of the other makers, sureties, endorsers or guarantors who shall remain bound for the payment hereof.

The undersigned shall have the right to prepay all or any part of this note at any time without penalty.

**TEXAS CITY MUNICIPAL POLICE  
ASSOCIATION**

By: \_\_\_\_\_  
**Landis Cravens, President**



## OSTERMAYER & SONS CONTRACTING

Jason Ostermayer  
16414 Half Moon West  
Santa Fe, Texas 77517  
Office: 409-256-8840  
Fax: 409-925-6563

Proposal # 021510-1

Proposal # 021510-1

TCMPA  
Texas City, TX

Contact Name: Neal  
Phone: 409-682-6731  
Fax:  
Email: [nealmora559@gmail.com](mailto:nealmora559@gmail.com)

Date: 02/20/2010 Terms: Sign & Return Bid By: Jason Ostermayer

| Description | Qty | Amount |
|-------------|-----|--------|
|-------------|-----|--------|

### Job Details:

Ostermayer and Sons will provide the engineer for project with mech. Check list.

Remove old 30 x 60 x 12 metal building and haul off.

Build one foundation for metal building per engineer specs with brick ledge & handicap ramp.

dirt will be compact. Test and spread dirt.

Building will be 60 x 100 x 12 and a Whirlwind building.

Plumbing will have a backflow preventer

Erection on Building

Ostermayer and Sons will be responsible for plumbing, framing, sheetrock, float, texture, paint(interior), cabinets, interior doors, plumbing fixtures, bathroom-vanity tops, cabinets, and granite counter tops, and single phase electric service on the building and the electrical threw out the building.

AC on the outside will be elevated on a platform 7' to 8' with proper working space of 30".

We will also install single phase HVAC ( 20 Tons of air).

Ostermayer and Sons will provide, (ONLY), the proper paper work for Windstorm insurance that meets exceeds 120 mph gust.

Time line on completion of project , estimation of 3 months.

Any permits that need to be filled with the city will be filed properly.

### **\*\*EXCLUSIONS\*\***

Dirt, appliances, cost to add 3 phase from Texas New Mexico, sewer tap from the city.

### **PAYMENT DETAILS**

First draw of 30% to start project (\$68,019.00)

Second 30% draw one week before building is delivered. (\$68,019.00)

Third 30% draw is when inside of building is started (\$68,019.00)

Fourth draw is 10% that is on signing off on building completion. (\$22,638.00)

Thank you for your business and we hope you have a great day.

Any alternation or deviation from original plans involving extra costs will be executed upon written or verbal consent and will be listed on invoice as "extra". \*This proposal may be withdrawn by us if not accepted

within 20 days.

Total **\$226,695.00**

The above prices, specifications, and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above.

Date: \_\_\_\_\_ Signature: \_\_\_\_\_