



**SEAGOVILLE, TEXAS  
CITY COUNCIL MEETING AGENDA  
THURSDAY, JULY 8, 2021**

**City Council Chambers, City Hall  
702 N. Hwy 175  
Seagoville, Texas 75159**

**WORK SESSION – 6:30 P.M.**

**Call to Order**

- A. Receive a demonstration from Boostlingo**
- B. Receive an update concerning Republic Services trash and bulk pickup and inoperable vehicle report**
- C. Discuss regular session agenda items**

**Adjourn**

**REGULAR SESSION - 7:00 P.M.**

**ROUTINE ANNOUNCEMENTS, RECOGNITIONS, and PROCLAMATIONS**

**Call to Order**

**Invocation**

**Pledge of Allegiance**

**Mayor's Report**

**Citizens Public Comment Period-** *This portion of the meeting is to allow each speaker up to six (6) minutes to address the council on items not posted on the current agenda. Council may not discuss these items but may respond with factual data or policy information, or place the item on a future agenda. Citizens wishing to speak on posted agenda items will be called upon at that time. Anyone wishing to speak shall submit a Speaker Request Form to the City Secretary.*

**CONSENT AGENDA-** The Consent Agenda contains items which are routine in nature and will be acted upon in one motion.

- 1. Consider approving City Council Meeting minutes for June 21, 2021 (City Secretary)**

**REGULAR AGENDA-**

- 2. First Reading - Discuss and consider approving a Resolution of the City Council of the City of Seagoville, Texas, approving the Economic Development Project between the Seagoville Economic Development Corporation, on the one hand, and KRR Malloy Bridge Residential, LLC, a Texas Limited Liability Company, and KRR Malloy Bridge Retail, LLC, a Texas Limited Liability Company, on the other hand (collectively, "company") as reflected in the terms and conditions of an Economic Development Incentive Agreement between the parties in substantially the form of that attached hereto as Exhibit "A"; and providing an effective date (City Manager)**
- 3. Discuss and consider approving an Ordinance of the City of Seagoville, Texas, authorizing and approving an amendment to Ordinance 14-2020, which adopted the Operating Budget for the Fiscal Year beginning October 1, 2020 and ending September 30, 2021, by amending the personnel costs in the Human Resources Department to provide an additional \$24,992.00 appropriation for the Director of Administrative Services from the General Fund balance; authorizing the City Manager to make said adjustments; providing for the repeal of all Ordinances in conflict; providing a severability clause; and providing an effective date (City Manager)**
- 4. Discuss and consider approving an Ordinance of the City of Seagoville, Texas, amending Ordinance 14-2020 which adopted the Operating Budget for the Fiscal Year beginning October 1, 2020 and ending September 30, 2021, as previously amended by transferring \$65,000 from the General Fund Reserve Fund Balance to the Parks: Other Contract Maintenance Fund; providing for the repeal of all Ordinances in conflict; providing a severability clause; and providing an effective date (Public Works Director)**
- 5. Discuss and consider approving an Ordinance of the City of Seagoville, Texas, amending Ordinance 14-2020 which adopted the Operating Budget for the Fiscal Year beginning October 1, 2020 and ending September 30, 2021, as previously amended, to increase the Storm Water Professional Fees budget by Twenty Eight Thousand Dollars (\$28,000.00); providing for the repeal of all Ordinances in conflict; providing a severability clause; and providing an effective date (Public Works Director)**
- 6. Discuss and consider approving a Resolution of the City Council of the City of Seagoville, Texas, approving an agreement for additional Professional Engineering Services on a Task Order Basis for On-Call Consultation Services related to Water and Wastewater Engineering Services as set forth in Exhibit "1 attached thereto, in an amount not to exceed Forty Nine Thousand Six Hundred Dollars (\$49,600); authorizing the City Manager to execute said agreement; providing a repealing clause; providing a severability clause; and providing an effective date (Public Works Director)**
- 7. Discuss and consider approving a Resolution of the City Council of the City of Seagoville, amending the Master Fee Schedule, as previously amended, by amending the section titled "General Government", subsection titled "Finance Charges", as set forth on the attached Exhibit "A"; providing a savings clause, providing a severability clause; and providing an effective date. (Finance Director)**

**8. Discuss and consider approving a Resolution of the City of Seagoville, Texas, awarding a contract to GROD Construction LLC for the base bid of the Haven Hills Phase 2 Drainage Improvements Project in the amount of Two Hundred Ten Thousand Eight Hundred Sixty One Dollars and No Cents (\$210,861.00); authorizing the City Manager to execute any and all necessary documents; and providing an effective date (Community Development Director)**

**9. Second Reading - Discuss and consider approving a Resolution of the City Council of the City of Seagoville, Texas, approving the Economic Development Project between the Seagoville Economic Development Corporation, on the one hand, and KRR Malloy Bridge Residential, LLC, a Texas Limited Liability Company, and KRR Malloy Bridge Retail, LLC, a Texas Limited Liability Company, on the other hand (collectively, "company") as reflected in the terms and conditions of an Economic Development Incentive Agreement between the parties in substantially the form of that attached hereto as Exhibit "A"; and providing an effective date (City Manager)**

**10. Receive Councilmember Reports/Items of Community Interest - as authorized by Section 551.0415 of the Texas Government Code.**

**11. Future Agenda Items – Council to provide direction to staff regarding future agenda items. These items will not be discussed and no action will be taken at this meeting.**

**Adjourn**

Posted Friday, July 2, 2021 by 5:00 P.M.

  
Kandi Jackson, City Secretary



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As authorized by Section 551.071(2) of the Texas Government Code, this meeting may be convened into closed executive session for the purpose of seeking confidential legal advice from the City Attorney on any agenda item listed herein.

The City of Seagoville does not discriminate on the basis of disability in the admission or access to, or treatment or employment in, its programs or activities. If you have a request for services that will make this program accessible to you, please contact the City of Seagoville at least 72 hours in advance at (972) 287-6819. (TDD access 1-800-RELAY-TX)

**DATES TO REMEMBER**

- **Monday, July 19, 2021 Regular City Council meeting**
- **Monday, August 2, 2021 Regular City Council Meeting**
- **Monday, August 16, 2021 Regular City Council Meeting**

## *Consent Session Agenda Item: 1*

**Meeting Date: July 8, 2021**

**ITEM DESCRIPTION:**

Consider approving Council Meeting minutes for June 21, 2021

**BACKGROUND OF ISSUE:**

Approve City Council Meeting minutes for June 21, 2021

**FINANCIAL IMPACT:**

N/A

**RECOMMENDATION:**

N/A

**EXHIBITS:**

June 21, 2021 Work Session Meeting Minutes  
June 21, 2021 Regular Meeting Minutes



**MINUTES OF CITY COUNCIL  
WORK SESSION  
JUNE 21, 2021**

**The Work Session of the City Council of the City of Seagoville, Texas was called to order at 6:32 p.m. on Monday, June 21, 2021, at City Hall, 702 N. Hwy 175, Seagoville, Texas with a quorum present, to wit:**

Dennis Childress	Mayor	
Jon Epps	Mayor Pro Tem	
Jose Hernandez	Councilmember	
Rick Howard	Councilmember	
Harold Magill	Councilmember	Arrived 6:44 p.m.
Mike Fruin	Councilmember	Absent

The following staff members were also present: City Manager Patrick Stallings, Police Chief Ray Calverley, Police Captain Steve Davis, Community Development Director Ladis Barr, City Attorney Victoria Thomas, Finance Director Gail French, Director of Administrative Services Cindy Brown, and City Secretary Kandi Jackson.

**B. Receive a presentation concerning Vehicle and City Ordinance Violations (Police Chief)**

*Police Chief Calverley presented the Vehicle and City Ordinance Violations.*

**C. Receive a presentation concerning dogs running at large and fireworks on or near Kleberg Road (Police Chief)**

*Police Chief Calverley presented the findings from citizens concerns of dogs running at large and fireworks on or near Kleberg Road.*

**A. Discuss Regular Session Agenda Items**

**7. Discuss and consider approving an Ordinance of the City of Seagoville, Texas, authorizing and approving an amendment to Ordinance 14-2020, which adopted the Operating Budget for the Fiscal Year beginning October 1, 2020 and ending September 30, 2021, by amending the Personnel Costs and Authorized Positions in the Animal Services Department to provide an additional \$8,954.00 appropriation for the creation and funding of a new Full Time Animal Control Officer from the General Fund Balance; authorizing the City Manager to make said adjustments; providing for the repeal of all Ordinances in conflict; providing a severability clause; and providing an effective date (Police Chief)**

*Police Chief Calverley explained this Ordinance authorizes and approves an amendment to Ordinance No. 14-2020, which adopted the Operating Budget for Fiscal Year beginning October 1, 2020 and ending September 30, 2021, by amending the Personnel Costs and Authorized Positions in the Animal Services Department to provide an additional \$8,954.00 appropriation for the creation and funding of a new Full Time Animal Control Officer from the General Fund Balance.*

**8. Discuss and consider approving a Resolution of the City of Seagoville, Texas, authorizing the purchase of One 2022 Ford F-150 Ext. Cab Pickup Animal Services Vehicle at a total cost of Forty Six Thousand, Five Hundred Nineteen Dollars and Eighty Four Cents (\$46,519.84) from Sam Pack's Five Star Ford through the Buyboard Cooperative Purchasing Program; authorizing the City Manager to execute any and all necessary documents; and providing an effective date (Police Chief)**

*Police Chief Calverley explained this Resolution authorizes the purchase of One 2022 Ford F-150 Ext. Cab Pickup Animal Services Vehicle at a total cost of Forty Six Thousand, Five Hundred Nineteen Dollars and Eighty Four Cents (\$46,519.84) from Sam Pack's Five Star Ford. He also stated this vehicle is needed should Item #7 be approved.*

**9. Discuss and consider approving a Resolution of the City Council of the City of Seagoville, Texas approving and authorizing the City Manager to sign the Interlocal Agreement between the Cities of Mesquite, Balch Springs, Seagoville, and Sunnyvale for the Southeast Collaboration for the purpose of providing mental health services in support of their governmental operations and residents; said agreement attached hereto as Exhibit "A", respectively; providing for the repeal of any and all Resolutions in conflict; and providing an effective date (City Manager)**

*City Manager Stallings stated this Resolution of the City Council of the City of Seagoville, Texas approving and authorizing the City Manager to sign the Interlocal Agreement between the Cities of Mesquite, Balch Springs, Seagoville, and Sunnyvale for the Southeast Collaboration for the purpose of providing mental health services agreement attached hereto as Exhibit "A".*

*Councilmember Hernandez asked for an annual update concerning the Southeast Collaboration for mental health services.*

**1. Consider approving City Council Meeting minutes for June 7, 2021 (City Secretary)**

*No questions.*

**Adjourned at 6:55 p.m.**

**APPROVED:**

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Mayor Dennis K. Childress

**ATTEST:**

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Kandi Jackson, City Secretary



**MINUTES OF CITY COUNCIL  
REGULAR SESSION  
JUNE 21, 2021**

**The Regular Session of the City Council of the City of Seagoville, Texas was called to order at 7:00 p.m. on Monday, June 21, 2021, at City Hall, 702 N. Hwy 175, Seagoville, Texas with a quorum present, to wit:**

Dennis Childress	Mayor
Jon Epps	Mayor Pro Tem
Jose Hernandez	Councilmember
Rick Howard	Councilmember
Harold Magill	Councilmember
Mike Fruin	Councilmember Arrived 7:01 p.m.

The following staff members were also present: City Manager Patrick Stallings, Police Chief Ray Calverley, Police Captain Steve Davis, Community Development Director Ladis Barr, City Attorney Victoria Thomas, Finance Director Gail French, Director of Administrative Services Cindy Brown, and City Secretary Kandi Jackson.

**Invocation** – *Invocation was led by Councilmember Magill.*

**Pledge of Allegiance** – *Pledge of Allegiance was led by Mayor Childress.*

**Presentation – Government Finance Officers Association Distinguished Budget**

**Presentation Award** *Mayor Childress Presented the Government Finance Officers Association Distinguished Budget Presentation Award.*

**Mayor’s Report** – *None.*

**Citizens Public Comment Period-** *This portion of the meeting is to allow each speaker up to six (6) minutes to address the council on items not posted on the current agenda. Council may not discuss these items but may respond with factual data or policy information, or place the item on a future agenda. Citizens wishing to speak on posted agenda items will be called upon at that time. Anyone wishing to speak shall submit a Speaker Request Form to the City Secretary.*

*Mirna Trujilo at 915 Seago Drive expressed concern about the sewer line maintenance at her address.*

**CONSENT AGENDA-** The Consent Agenda contains items which are routine in nature and will be acted upon in one motion.

**1. Consider approving City Council Meeting minutes for June 7, 2021 (City Secretary)**

*Motion to approve City Council Meeting minutes for June 7, 2021 – Howard, seconded by Hernandez; motion passed with all ayes. 5/0*

**REGULAR AGENDA-**

**2. Discuss and consider approving a Resolution of the City Council of the City of Seagoville, Texas canvassing and declaring the results of the June 5, 2021 Runoff Election for Councilmember Place 4; and providing for an effective date (City Secretary)**

*Motion to approve Consent Agenda Item #2 approving a Resolution of the City Council of the City of Seagoville, Texas canvassing and declaring the results of the June 5, 2021 Runoff Election for Councilmember Place 4; and providing for an effective date – Epps, seconded by Magill.*

*Mayor Pro Tem Epps rescinded his motion. Councilmember Magill rescinded his second.*

*Motion to approve Regular Agenda Item #2, a Resolution of the City Council of the City of Seagoville, Texas canvassing and declaring the results of the June 5, 2021 Runoff Election for Councilmember Place 4; and providing for an effective date – Epps, seconded by Magill; motion passed with all ayes. 5/0*

**3. Administer Oath of Office to newly elected Councilmembers (City Secretary)**

*City Secretary Jackson administered the Oath of Office to Councilmember Place 2, Jose “JoJo” Hernandez and Councilmember Place 4, Mike Fruin.*

**4. Discuss and consider selection of Mayor Pro Tem for 2021-2022 (City Council)**

*Motion to appoint Mike Fruin as Mayor Pro Tem for 2021-2022 – Epps, seconded by Hernandez; motion passed with all ayes. 5/0*

**5. Conduct interviews with Boards & Commissions Applicants for appointment and reappointments (City Secretary)**

*William (Theo) Hamilton at 806 Eastgate, Seagoville stated he would like Council to reconsider reappointing him to Seagoville Economic Development Corporation (SEDC) Place 4. He stated he felt like he contributed a lot during the last two (2) years that he served on the SEDC. He also felt like he fit in well with the other board members and still had a lot to contribute.*

*City Secretary Jackson stated there is currently a vacancy for Place 4 on the Seagoville Economic Development Corporation (SEDC). She stated the three applicants for Place 4 on the SEDC are Theo Hamilton, Lisa Niedermeier, and Philip Pelayo. She asked Council to make a motion concerning Place 4 on the SEDC and a separate motion for the reappointments to the other boards and commissions.*

*Motion to appoint Philip Pelayo to Place 4 on SEDC- Hernandez, seconded by Fruin; motion passed with all ayes. 5/0*

*Motion to reappoint Olu Olajimi to Place 1, Charles Galbreth to Place 3, and Tommy Lemond to Place 4 on the Planning & Zoning Commission; Jerry Yearout to Place 1 on the Board of Adjustments; Mary Graham to Place 3, and Pat Bearden to Place 5 on the Library Board; Charlotte Hernandez to Place 5 on the Keep Seagoville Beautiful Commission – Hernandez, seconded by Epps; motion passed with all ayes. 5/0*

**6. Discussion with Republic Services concerning polycarts and all services performed by Republic Services (Councilmember Howard)**

*Councilmember Hernandez stated he would like to go into Executive Session to receive legal advice after Councilmember Howard presents.*

*Councilmember Howard presented pictures of damaged polycarts.*

*Councilmember Fruin stated he feels like complaints from the City of Seagoville fall on deaf ears. He stated Republic Services was supposed to send a truck out this past weekend to pick up bulk. He also stated there is still bulk trash at 704 E. Farmers and he was informed by Republic Services that they completed the bulk pick up from the weekend.*

*Council recessed into Executive Session at 7:18 p.m.*

*Council reconvened into Regular Session at 7:41 p.m.*

*No action taken.*

*City Attorney Thomas stated Council recessed into Executive Session pursuant to Texas Government Code Section 551.071 to receive legal advice.*

**7. Discuss and consider approving an Ordinance of the City of Seagoville, Texas, authorizing and approving an amendment to Ordinance 14-2020, which adopted the Operating Budget for the Fiscal Year beginning October 1, 2020 and ending September 30, 2021, by amending the Personnel Costs and Authorized Positions in the Animal Services Department to provide an additional \$8,954.00 appropriation for the creation and funding of a new Full Time Animal Control Officer from the General Fund Balance; authorizing the City Manager to make said adjustments; providing for the repeal of all Ordinances in conflict; providing a severability clause; and providing an effective date (Police Chief)**

*Motion to approve an Ordinance of the City of Seagoville, Texas, authorizing and approving an amendment to Ordinance 14-2020, which adopted the Operating Budget for the Fiscal Year beginning October 1, 2020 and ending September 30, 2021, by amending the Personnel Costs and Authorized Positions in the Animal Services Department to provide an additional \$8,954.00 appropriation for the creation and funding of a new Full Time Animal Control Officer from the General Fund Balance; authorizing the City Manager to make said adjustments; providing for the repeal of all Ordinances in conflict; providing a severability clause; and providing an effective date – Magill, seconded by Howard; motion passed 4/1. (For: Howard, Hernandez, Magill, Epps; Against: Fruin)*

**8. Discuss and consider approving a Resolution of the City of Seagoville, Texas, authorizing the purchase of One 2022 Ford F-150 Ext. Cab Pickup Animal Services Vehicle at a total cost of Forty Six Thousand, Five Hundred Nineteen Dollars and Eighty Four Cents (\$46,519.84) from Sam Pack’s Five Star Ford through the Buyboard Cooperative Purchasing Program; authorizing the City Manager to execute any and all necessary documents; and providing an effective date (Police Chief)**

*Motion to approve a Resolution of the City of Seagoville, Texas, authorizing the purchase of One 2022 Ford F-150 Ext. Cab Pickup Animal Services Vehicle at a total cost of Forty Six Thousand, Five Hundred Nineteen Dollars and Eighty Four Cents (\$46,519.84) from Sam Pack’s Five Star Ford through the Buyboard Cooperative Purchasing Program; authorizing the City Manager to execute any and all necessary documents; and providing an effective date – Hernandez, seconded by Epps; motion passed 4/1. (For: Howard, Hernandez, Magill, Epps; Against: Fruin)*

**9. Discuss and consider approving a Resolution of the City Council of the City of Seagoville, Texas approving and authorizing the City Manager to sign the Interlocal Agreement between the Cities of Mesquite, Balch Springs, Seagoville, and Sunnyvale for the Southeast Collaboration for the purpose of providing mental health services in support of their governmental operations and residents; said agreement attached hereto as Exhibit “A”, respectively; providing for the repeal of any and all Resolutions in conflict; and providing an effective date (City Manager)**

*Motion to approve a Resolution of the City Council of the City of Seagoville, Texas approving and authorizing the City Manager to sign the Interlocal Agreement between the Cities of Mesquite, Balch Springs, Seagoville, and Sunnyvale for the Southeast Collaboration for the purpose of providing mental health services in support of their governmental operations and residents; said agreement attached hereto as Exhibit “A”, respectively; providing for the repeal of any and all Resolutions in conflict; and providing an effective date – Magill, seconded by Howard; motion passed with all ayes. 5/0*

**10. Receive Councilmember Reports/Items of Community Interest - as authorized by Section 551.0415 of the Texas Government Code.**

*None.*

- 11. Future Agenda Items** – Council to provide direction to staff regarding future agenda items. These items will not be discussed and no action will be taken at this meeting.

*None.*

**12. Recessed into Executive Session at 7:45 p.m.**

**Council will recess into executive session pursuant to Texas Government Code:**

- A. § 551.072. regarding deliberation of the purchase or value of real property, to wit, wastewater and temporary construction easements on, under, and over Parcels 5, 7 and/or 8 of the Northern Basin Interceptor Alignment Project**
  
- B. § 551.074. Personnel, to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee to wit: Assistant City Manager**

**13. Reconvened Into Regular Session at 8:18 p.m.**

**Council will reconvene into open session, and take action, if any, on matters discussed in Executive Session.**

- A. § 551.072. regarding deliberation of the purchase or value of real property, to wit, wastewater and temporary construction easements on, under, and over Parcels 5, 7 and/or 8 of the Northern Basin Interceptor Alignment Project**
  
- B. § 551.074. Personnel, to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee to wit: Assistant City Manager**

*No action taken.*

**14. Discuss and consider approving a Resolution of the City Council of the City of Seagoville, Texas, declaring a public necessity exists and finding a public use and purpose for the taking and acquiring of an approximately 4.963 acre tract of land for a 50 foot-wide wastewater easement and temporary construction easement, said tract being out of the Andrew Nail Survey, Abstract No. 1070, Dallas County, Texas and the John Lanier Survey, Abstract No. 805, Dallas County, Texas; providing for a last and final offer and authorization to purchase said easement for just compensation and, if such offer is refused, authorizing the filing of proceedings in Eminent Domain; and providing an effective date (City Attorney)**

*Motion to approve a Resolution of the City Council of the City of Seagoville, Texas, declaring a public necessity exists and finding a public use and purpose for the taking and acquiring of an approximately 4.963 acre tract of land for a 50 foot-wide wastewater easement and temporary construction easement, said tract being out of the Andrew Nail Survey, Abstract No. 1070, Dallas County, Texas and the John Lanier Survey, Abstract No. 805, Dallas County, Texas; providing for a last and final offer and authorization to purchase said easement for just compensation and, if such offer is refused, authorizing the filing of proceedings in Eminent Domain; and providing an effective date, with the City Attorney to complete the dollar amount in Section 4 as stated – Hernandez, seconded by Howard; motion passed with all ayes. 5/0*

**15. Discuss and consider approving a Resolution of the City Council of the City of Seagoville, Texas, declaring a public necessity exists and finding a public use and purpose for the taking and acquiring of an approximately 1.889 acre tract of land for a 35 foot-wide wastewater easement and an additional approximately 0.810 acre tract of land for an overlapping 50 foot wide temporary construction easement, said tracts being out of the Herman Heider Survey, Abstract No. 541 and the John Lanier Survey, Abstract No. 805, City of Seagoville, Dallas County Texas; providing for a last and final offer and authorization to purchase said easements for just compensation and, if such offer is refused, authorizing the filing of proceedings in Eminent Domain; and providing an effective date (City Attorney)**

*Motion to approve a Resolution of the City Council of the City of Seagoville, Texas, declaring a public necessity exists and finding a public use and purpose for the taking and acquiring of an approximately 1.889 acre tract of land for a 35 foot-wide wastewater easement and an additional approximately 0.810 acre tract of land for an overlapping 50 foot wide temporary construction easement, said tracts being out of the Herman Heider Survey, Abstract No. 541 and the John Lanier Survey, Abstract No. 805, City of Seagoville, Dallas County Texas; providing for a last and final offer and authorization to purchase said easements for just compensation and, if such offer is refused, authorizing the filing of proceedings in Eminent Domain; and providing an effective date, with the City Attorney to complete the dollar amount in Section 4 as stated – Hernandez, seconded by Epps; motion passed with all ayes. 5/0*

**16. Discuss and consider approving a Resolution of the City Council of the City of Seagoville, Texas, declaring a public necessity exists and finding a public use and purpose for the taking and acquiring of an approximately 0.597 acre tract of land for a 35 foot-wide wastewater easement and an additional approximately 0.249 acre tract of land for an overlapping 50 foot wide temporary construction easement, said tracts being out of the Herman Heider Survey, Abstract No. 541, City of Seagoville, Dallas County Texas; providing for a last and final offer and authorization to purchase said easements for just compensation and, if such offer is refused, authorizing the filing of proceedings in Eminent Domain; and providing an effective date (City Attorney)**

*Motion to approve a Resolution of the City Council of the City of Seagoville, Texas, declaring a public necessity exists and finding a public use and purpose for the taking and acquiring of an approximately 0.597 acre tract of land for a 35 foot-wide wastewater easement and an additional approximately 0.249 acre tract of land for an overlapping 50 foot wide temporary construction easement, said tracts being out of the Herman Heider Survey, Abstract No. 541, City of Seagoville, Dallas County Texas; providing for a last and final offer and authorization to purchase said easements for just compensation and, if such offer is refused, authorizing the filing of proceedings in Eminent Domain; and providing an effective date, with the City Attorney to complete the dollar amount in Section 4 as stated – Hernandez, seconded by Magill; motion passed with all ayes. 5/0*

**Adjourned at 8:23 a.m.**

**APPROVED:**

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Mayor Dennis K. Childress

**ATTEST:**

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Kandi Jackson, City Secretary

## *Regular Session Agenda Item: 2*

**Meeting Date: July 8, 2021**

### **ITEM DESCRIPTION:**

First Reading - Discuss and consider approving a Resolution of the City Council of the City of Seagoville, Texas, approving the Economic Development Project between the Seagoville Economic Development Corporation, on the one hand, and KRR Malloy Bridge Residential, LLC, a Texas Limited Liability Company, and KRR Malloy Bridge Retail, LLC, a Texas Limited Liability Company, on the other hand (collectively, “company”) as reflected in the terms and conditions of an Economic Development Incentive Agreement between the parties in substantially the form of that attached hereto as Exhibit “A”; and providing an effective date.

### **BACKGROUND OF ISSUE:**

The Seagoville Economic Development Corporation (“SEDC”) is authorized by the Development Corporation Act, Chapters 501-505 of the Texas Local Government Code (“Act”), to provide funding for projects which will promote and retain new and expanding business enterprises within the City. The SEDC has negotiated and intends to undertake a project which will promote and retain new and expanded business enterprises within the City with KRR Malloy Bridge Residential, LLC and KRR Malloy Bridge Retail, LLC, both Texas Limited Liability Companies (collectively “Company”), under the terms and conditions set forth in an Economic Development Incentive Agreement in substantially the form of the Agreement attached hereto as Exhibit “A”. Section 505.158 mandates that the SEDC may not undertake a project that requires an expenditure of more than \$10,000 until the governing body of the corporation’s authorizing municipality adopts a resolution authorizing the project after giving the resolution at least two separate readings.

### **FINANCIAL IMPACT:**

N/A

### **RECOMMENDATION:**

N/A

### **EXHIBITS:**

Resolution  
Incentive Agreement

**CITY COUNCIL OF THE CITY OF SEAGOVILLE, TEXAS**

**RESOLUTION NO. \_\_-R-2021**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEAGOVILLE, TEXAS, APPROVING THE ECONOMIC DEVELOPMENT PROJECT BETWEEN THE SEAGOVILLE ECONOMIC DEVELOPMENT CORPORATION, ON THE ONE HAND, AND KRR MALLOY BRIDGE RESIDENTIAL, LLC, A TEXAS LIMITED LIABILITY COMPANY, AND KRR MALLOY BRIDGE RETAIL, LLC, A TEXAS LIMITED LIABILITY COMPANY, ON THE OTHER HAND (COLLECTIVELY, “COMPANY”) AS REFLECTED IN THE TERMS AND CONDITIONS OF AN ECONOMIC DEVELOPMENT INCENTIVE AGREEMENT BETWEEN THE PARTIES IN SUBSTANTIALLY THE FORM OF THAT ATTACHED HERETO AS EXHIBIT “A”; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the Seagoville Economic Development Corporation (“SEDC”) is authorized by the Development Corporation Act, Chapters 501-505 of the Texas Local Government Code (“Act”), to provide funding for projects which will promote and retain new and expanding business enterprises within the City; and

**WHEREAS**, the SEDC has negotiated and intends to undertake a project which will promote and retain new and expanded business enterprises within the City with KRR Malloy Bridge Residential, LLC and KRR Malloy Bridge Retail, LLC, both Texas limited liability companies (collectively “Company”), under the terms and conditions set forth in an Economic Development Incentive Agreement in substantially the form of the Agreement attached hereto as Exhibit “A” (the “Project”) and

**WHEREAS**, section 505.158 mandates that the SEDC may not undertake a project that requires an expenditure of more than \$10,000 until the governing body of the corporation’s authorizing municipality adopts a resolution authorizing the project after giving the resolution at least two separate readings; and

**WHEREAS**, the City Council has determined that the Project contemplated by SEDC and Company under the terms and conditions set forth in the Economic Development Incentive Agreement will promote and retain new and expanded business enterprises within the City of Seagoville; and

**WHEREAS**, the City Council finds that the expenditure of funds by SEDC in undertaking the Project is authorized by the Act and that the Project should be approved and authorized; and

**WHEREAS**, the City Council has conducted two (2) readings of this resolution;

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEAGOVILLE, TEXAS:**

**Section 1.** The City Council hereby approves and authorizes the Project between the Seagoville Economic Development Corporation, on the one hand, and KRR Malloy Bridge

Residential, LLC and KRR Malloy Bridge Retail, LLC, both Texas limited liability companies (collectively, "Company") on the other hand, under the terms and conditions set forth in an Economic Development Incentive Agreement in substantially the form attached hereto as Exhibit "A".

**Section 2.** The City Council authorizes the SEDC to enter into any additional agreements necessary to undertake the Project in accordance with the terms and conditions set forth in the Economic Development Incentive Agreement.

**Section 3.** This resolution shall take effect immediately from and after its passage, and it is accordingly so resolved.

**DULY RESOLVED AND ADOPTED First Reading and Second Reading** of the City Council of the City of Seagoville, Texas, this the \_\_\_\_ day of \_\_\_\_\_ 2021.

**APPROVED:**

\_\_\_\_\_  
Dennis K. Childress, Mayor

**ATTEST:**

\_\_\_\_\_  
Kandi Jackson, City Secretary

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Victoria Thomas, City Attorney  
(062121vwtTM123154)

**Exhibit "A"**  
**Economic Development Incentive Agreement**  
**(to be attached)**

**STATE OF TEXAS** §  
§ **ECONOMIC DEVELOPMENT INCENTIVE AGREEMENT**  
**COUNTY OF DALLAS** §

This Economic Development Incentive Agreement (“Agreement”) is made by and between KRR Malloy Bridge Residential, LLC, a Texas limited liability company (“KRR Residential”), and KRR Malloy Bridge Retail, LLC, a Texas limited liability company (“KRR Retail”) (KRR Residential and KRR Retail, jointly and severally, may be referred to herein as “KRR ” or Company”), and the Seagoville Economic Development Corporation (the “SEDC”), each acting by and through their respective authorized representatives. SEDC and Company may be referred to herein each as a “Party” and collectively as the “Parties”.

**WITNESSETH:**

**WHEREAS,** Company owns or intends to purchase of an approximately 22.17 acre parcel of vacant, unimproved real property located at southeast corner of the intersection of U.S. Highway 175 and Malloy Bridge Road in the City of Seagoville, Texas (the “Property”); and

**WHEREAS,** Company desires to develop the Property by construction of a mixed use commercial retail and multifamily residential development consisting of (1) approximately 40,000 square feet of new commercial retail space, (2) 225 new one, two and three bedroom apartments and townhomes, and (3) the installation of an off-site sanitary sewer line and related facilities which will, upon completion, be dedicated to the City as public infrastructure and which will be constructed to allow for additional capacity for future developments and capacity for tie-ins by existing businesses; and

**WHEREAS,** Company has advised the SEDC that the total cost of the desired development is over \$25,000,000.00, and that a contributing factor that would induce Company to proceed with the development would be an agreement by SEDC to provide an economic development grant to Company to defray a portion of the costs of such development; and

**WHEREAS,** SEDC has adopted programs for promoting economic development; and

**WHEREAS,** the Development Corporation Act, Chapters 501-505, Texas Local Government Code (the “Act”), authorizes SEDC to provide economic development grants for business retention and/or expansion; and

**WHEREAS,** SEDC has determined that the Grant (hereinafter defined) to be made hereunder is required or suitable to retain, promote or develop new or expanded business enterprises and constitutes a “project”, as that term is defined in the Act; and

**WHEREAS,** SEDC has determined that making the Grant to Company in accordance with this Agreement will further the objectives of SEDC, will benefit the City and the City’s inhabitants and will promote local economic development and stimulate business and commercial activity in the City;

**NOW THEREFORE**, in consideration of the foregoing, and on the terms and conditions hereinafter set forth, and other valuable consideration the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

**Article I**  
**Definitions**

For purposes of this Agreement, each of the following terms shall have the meaning set forth herein unless the context clearly indicates otherwise:

“Bankruptcy or Insolvency” shall mean the dissolution or termination of Company’s existence as a going business, insolvency, appointment of receiver for any part of Company’s property and such appointment is not terminated within ninety (90) days after such appointment is initially made, any general assignment for the benefit of creditors, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Company and such proceeding is not dismissed within ninety (90) days after the filing thereof.

“City” shall mean the City of Seagoville, Texas.

“Commencement Date” shall mean the later of: (i) the date the final certificate of occupancy is issued by the City for Phase II or Phase III of the Improvements for the Required Uses; and (ii) the date said phase of the Improvement is open for business and serving the citizens of the City and its visitors for the Required Uses.

“Commencement of Construction” shall mean that (1) the plans have been prepared and all approvals thereof required by applicable governmental authorities have been obtained for construction of the Project, (2) all necessary permits for the Project have been issued by all applicable governmental authorities, and (3) construction of the vertical elements (whether located above or below ground) of the Project has commenced.

“Company” shall mean jointly and several liability, KRR Malloy Bridge Residential, LLC and KRR Malloy Bridge Retail, LLC, both Texas limited liability companies, which are the developers of the Project.

“Completion of Construction” shall mean that (1) Phase I Infrastructure Improvements have been fully and finally completed and accepted by the City, (2) the Phase II Multifamily Residential Improvements have been substantially completed, (3) a final, permanent certificate of occupancy for the Phase II Multifamily Residential Improvements Expansion has been issued, (4) Company is open and conducting business during normal business hours leasing and operating the Phase II Multifamily Residential Improvements, (5) the Phase III Commercial Retail Improvements have been substantially completed, (6) a final, permanent certificate of occupancy for all or any portion of the Phase III Commercial Retail Improvements has been issued, and (7) Company or its lessee or designee is open and conducting business during normal

business hours and operating all or a portion of the Phase III Commercial Retail Improvements.

“Completion of Phase I Infrastructure Improvements Construction” shall mean full and final completion of the Phase I Infrastructure Improvements and approval of the same by City.

“Completion of Phase II Multifamily Residential Improvements Construction” shall mean substantial completion and issuance of a final certificate of occupancy by City for occupancy of the Phase II Multifamily Residential Improvements.

“Completion of Phase III Commercial Retail Improvements Construction” shall mean substantial completion of the Phase III Commercial Retail Construction and issuance of a final certificate of occupancy by City for all or any portion thereof.

“Effective Date” shall mean the last date of execution hereof.

“Employment Positions” shall mean non-temporary full-time employment positions of the Company which are eligible for employee benefits and are created, maintained and filled at the Expansion

“Expiration Date” shall mean the fifth (5<sup>th</sup>) anniversary of the Commencement Date.

“Force Majeure” shall mean any contingency or cause beyond the reasonable control of a Party including, without limitation, acts of God or the public enemy, war, terrorist act, or threat thereof, riot, civil commotion, insurrection, government action or inaction (unless caused by the intentionally wrongful acts or omissions of the Party), fires, earthquake, tornado, hurricane, explosions, floods, strikes, slowdowns, work stoppages, epidemics or pandemics.

“Grant” shall mean an economic development grant in the amount equal to the costs incurred and paid by Company for the Phase I Infrastructure Improvements, not to exceed Six Hundred and Twenty-Five Thousand Dollars (\$625,000.00) to offset a portion of the costs paid and incurred by Company for the Project, to be paid in one lump sum payment within seventy-five (75) days of execution of this Agreement.

“Impositions” shall mean all taxes, assessments, use and occupancy taxes, charges, excises, license and permit fees, and other charges by public or governmental authority, general and special, ordinary and extraordinary, foreseen and unforeseen, which are or may be assessed, charged, levied, or imposed by any public or governmental authority on the Company or any property or any business owned by Company within the City.

“Improvements” shall mean the Phase I Infrastructure Improvements, the Phase II Multifamily Residential Improvements, and the Phase III Commercial Retail Improvements, all as defined herein.

“Phase I Infrastructure Improvements” shall mean design, engineering, and construction, on and off the Property, of a City Engineer-approved ten (10) to twelve (12)-inch wastewater/sanitary sewer pipe with a twenty-four (24)-inch encasement and all related appurtenances to run under U.S. Highway 175, to then traverse along U.S. Hwy-175 Frontage Road and then through the City wastewater easement all as shown on Exhibit “A” attached hereto and incorporated herein by reference, to allow for wastewater and sanitary sewer drainage from the west side of US Highway 175 to a newly installed sanitary sewer system on the east side of that Highway and to serve the Phase II Multifamily Residential Improvements (including clubhouse building) and the Phase III Commercial Retail Improvements and additionally to provide installation of additional sanitary manholes along the east side of the Project at the US Highway 175 Frontage Road for access/tie-in by existing and future buildings and development. The Phase I Infrastructure Improvements will be dedicated to the City upon completion.

“Phase II Multifamily Residential Improvements” shall mean design, engineering, and construction on the Property of (1) nine (9) apartment buildings (6 to be three-story buildings and 3 to be two-story buildings) containing a total of 213 unit apartment units consisting of one, two and three-bedroom units, (2) sufficient parking for all multifamily residential units, including 81 garage parking spots and covered parking for select exterior spaces, (3) twelve (12) 3-bedroom townhome units (1,689 square feet each for a total SF of 20,268), each with a one-car garage, (4) a clubhouse/leasing facility with tenant amenities including a large fitness center, hospitality and conference room, indoor mail and kiosk room, and laundry facility, (5) swimming pool with seating area and BBQ grills, (6) playground area, (7) walking trail in conjunction with multifamily residential apartment buildings, and (8) gated entrance and exit. Perimeter fencing will be six (6’) foot wrought iron. Masonry and slat fencing will separate the multifamily residential from the commercial retail portions of the Project. A six (6’) foot wrought iron fence will be installed around the perimeter of the pool and the playground. The apartment unit mix will be as follows:

<u>Bedroom/Bath</u>	<u>Square Footage</u>	<u>Quantity</u>	<u>SF Total</u>
1/1	684	15	10,260
1/1	942	24	22,608
2/2	1,158	24	27,792
2/2	1,053	48	50,544
2/2	1,043	24	25,032
2/2	1,254	24	30,096
2/2	1,095	30	32,850
3/2	1,290	24	30,960

“Phase III Commercial Retail Improvements” shall mean design, engineering and construction on the Property of three commercial retail buildings totaling 31, 700 square feet and two stand along retail pads, each approximately 4,150 square feet, for a total of approximately 40,000 square feet of developed commercial retail improvements. The 31,700 square feet will provide space for 8 to 10 different stores in the strip mall location.

“Project” shall mean (1) the design, construction, installation, equipping, and dedication on the Property and off-site of the Phase I Infrastructure Improvements as generally shown on Exhibit “A” attached hereto and incorporated herein by reference and (2) design, construction, equipping and operation on the Property of Phase II Multifamily Residential Improvements and Phase III Commercial Retail Improvements, generally in accordance with the concept plan and renderings attached hereto and incorporated herein by this reference as Exhibit B”. The Project shall include construction of necessary water and wastewater lines and related facilities, site plan and engineering services, construction of foundations and all elements of buildings, all required fire lanes, sidewalks, trails, and access and interior streets, and finish out on multifamily residential buildings. As shown on Exhibit “B”, the Phase III Commercial Retail Improvements shall be at the front of the development located on approximately 8.58 acres and the Phase II Multifamily Residential Improvements shall be located on approximately 12.987 acres, with the remaining 0.598 acres unassigned as trees and grass area.

“Property” shall mean a 22.17 acre parcel of real property located at southeast corner of the intersection of U.S. Highway 175 and Malloy Bridge Road in the City of Seagoville, Texas owned or to be owned by Company.

“Related Agreement” shall mean any agreement (other than this Agreement) by and between the Company and SEDC or the City.

“Required Uses” shall mean Company’s continuous operation, maintenance, and occupancy of (1) the Phase II Multifamily Residential Improvements as multifamily apartment and townhome dwelling facility with related amenities as a commercial aerospace manufacturing facility and (2) the Phase III Commercial Retail Improvements as commercial retail facilities for lease.

“SEDC” shall mean the Seagoville Economic Development Corporation.

## **Article II**

### **Term**

The term of this Agreement shall begin on the last date of execution hereof (the “Effective Date”) and continue until the Expiration Date, unless sooner terminated as provided herein.

## **Article III**

### **Grant**

3.1 Grant. SEDC agrees, subject to the continued satisfaction of all the terms and conditions of this Agreement by Company and the obligation of Company to repay pursuant to Article V hereof, to provide Company with the Grant as set forth herein.

3.2 Grant Limitations. Under no circumstances shall the obligations of SEDC hereunder be deemed to create any debt within the meaning of any constitutional or statutory provision. SEDC shall not be obligated to pay any commercial bank, lender or similar institution for any loan or credit agreement made by Company. None of the obligations of SEDC under this Agreement shall be pledged or otherwise encumbered by Company in favor of any commercial lender and/or similar financial institution.

3.3 Current Revenue. The Grant made hereunder shall be paid solely from lawfully available funds that have been appropriated by SEDC. SEDC shall have no obligation or liability to provide any Grant except as allowed by law. SEDC shall not be required to provide any of the Grant if prohibited under federal or state legislation or a decision of a court of competent jurisdiction.

#### **Article IV Conditions to Grant**

Company shall during the term of this Agreement satisfy and comply with the terms and conditions of this Agreement and specifically, each term and condition of this Article IV. The obligation of SEDC to provide the Grant or any portion thereof shall be conditioned upon Company's compliance with and satisfaction of the terms and conditions of this Agreement, including the Conditions Precedent set forth in Section 6.1 of this Agreement, and each of the conditions set forth in this Article IV.

4.1 Good Standing. Company shall not have an uncured breach or default of this Agreement or a Related Agreement.

4.2 Commencement of Construction. Commencement of Construction, as that term is defined herein, shall occur not later than one (1) year after the Effective Date of this Agreement.

4.3 Completion of Construction of Phase I and II Improvements. Completion of Phase I Infrastructure Improvements Construction and Phase II Multifamily Residential Improvements Construction, as each of those terms is defined herein, shall occur not later than five (5) years after the Effective Date of this Agreement.

4.4 Dedication of Phase I Infrastructure Improvements. Within sixty (60) days of Completion of Phase I Infrastructure Improvements Construction, as defined herein, Company will dedicate to City the Phase I Infrastructure Improvements along with any related or necessary easements or rights-of-way upon, under, or on the Property to provide the City with unhindered access to the Phase I Infrastructure Improvements or such portion thereof as may be located on or near the Property, for installation, removal, replacement, maintenance, repair, upgrade, construction, or reconstruction thereof.

4.5 Completion of Construction of Phase III Improvements. Completion of Phase III Commercial Retail Improvements Construction, as defined herein, shall occur not later than five (5) years after the Effective Date of this Agreement.

4.6 Required Uses. During the term of this Agreement following Completion of Construction and continuing thereafter until expiration of this Agreement or earlier termination Company and its authorized tenants and lessees shall continuously own and occupy the Property, the Phase II Multifamily Residential Improvements, and the Phase III Commercial Retail Improvements, all of which shall not be used during the term of this Agreement for any purpose other than the Required Uses as defined herein. Further, during the term of this Agreement, such occupation and use shall not cease for more than thirty (30) days except in connection with, and to the extent of, an event of Force Majeure.

4.7 Continuous Ownership. During the term of this Agreement following the Effective Date and continuing thereafter until the Expiration Date, the Property, including the Phase II Multifamily Residential Improvements and the Phase III Commercial Retail Improvements, shall be continuously owned by Company and occupied by the Company and its authorized tenants and lessees.

4.8 Capital Investment in Project. Company's Capital Investment for the Phase I Infrastructure Improvements, the Phase II Multifamily Residential Improvements, and the Phase III Commercial Retail Improvements shall be not less than Twenty-Five Million (\$25,000,000.00) Dollars. SEDC shall have a right, during the term of this Agreement, to request that Company provide proof of this Capital Investment. In the event of such request, Company shall, not later than fifteen (15) calendar days after the request by SEDC, deliver to SEDC copies of all records, contracts, receipts, invoices, bills, proofs of payment, and such other information as SEDC may reasonably request to document compliance with the required Capital Investment.

4.9 Capital Investment in Phase I Infrastructure Improvements. Company's Capital Investment for Phase I Infrastructure Improvements shall be not less than Six Hundred, Twenty-Five Thousand (\$625,000.00) Dollars. SEDC shall have a right, during the term of this Agreement, to request that Company provide proof of this Capital Investment. In the event of such request, Company shall, not later than fifteen (15) calendar days after the request by SEDC, deliver to SEDC copies of all records, contracts, receipts, invoices, bills, proof of payment, and such other information as SEDC may reasonably request. In the event the final total cost of the design, and construction of the Phase I Infrastructure Improvements, as reasonably verified by SEDC, is less than Six Hundred, Twenty-Five Thousand (625,000.00) Dollars, the Company shall, within thirty (30) days of receipt by Company of written demand by SEDC, pay the SEDC the difference in value between \$625,000.00 and the final total cost of the construction of the Phase I Infrastructure Improvements, as reasonably verified by SEDC.

## **Article V Termination; Repayment**

5.1 Termination. This Agreement terminates on the Expiration Date, and may, prior to the Expiration Date, be terminated upon any one or more of the following:

- (a) by mutual written agreement of the Parties;
- (b) upon written notice by either Party, if the other Party defaults or breaches any of the terms or conditions of this Agreement or a Related Agreement and such default or breach is not cured within thirty (30) days after written notice thereof;
- (c) upon written notice by SEDC, if any Impositions owed to SEDC, City or the State of Texas by Company shall have become delinquent (provided, however, Company retains the right to timely and properly protest and contest any such taxes or Impositions), and such delinquency is not cured within thirty (30) days following Company's receipt of written notice thereof;
- (d) upon written notice by SEDC, if Company suffers an event of Bankruptcy or Insolvency; or
- (e) upon written notice by either Party, if any subsequent Federal or State legislation or any decision of a court of competent jurisdiction declares or renders this Agreement invalid, illegal or unenforceable.

5.2 Repayment Following Termination Under Section 5.1(b). In the event the Agreement is terminated by SEDC pursuant to Section 5.1 (b):

- (a) due to a breach of an obligation set forth in section 4.2 hereof, Company shall immediately refund to the SEDC an amount equal to one hundred percent (100%) of the value of the Grant received by Company;
- (b) due to a breach of an obligation set forth in section 4.3 or section 4.4 hereof, Company shall immediately refund to the SEDC an amount equal to one hundred percent (100%) of the value of the Grant received by Company;
- (c) due to a breach of an obligation set forth in section 4.5 hereof, Company shall immediately refund to the SEDC an amount equal to fifty percent (50%) of the value of the Grant received by Company; and
- (d) due to a breach of an obligation set forth in section 4.6, 4.7, or 4.8 hereof, Company shall immediately refund to the SEDC an amount equal to twenty-five percent (25%) of the Grant received by Company.

The repayment obligations of the Company set forth in this Section 5.2 shall survive termination of this Agreement.

5.3 Repayment Following Termination Section 5.1(c), (d), and/or (e). In the event the Agreement is terminated by SEDC pursuant to Section 5.1(c), (d), and/or (e), the Company shall

immediately refund to SEDC an amount equal to one hundred percent (100%) of the value of the Grant paid by SEDC to the Company, plus interest at the rate of interest periodically announced by the *Wall Street Journal* as the prime or base commercial lending rate, or if the *Wall Street Journal* shall cease to exist or cease to announce a prime or base lending rate, than at the annual rate of interest from time to time announced by Citibank, N.A. (or by any other New York money center bank selected by the SEDC) as its prime or base commercial lending rate from the date on which the Grant is paid by SEDC until refunded by the Company. The repayment obligation of Company set forth in this Section 5.3 shall survive termination of this Agreement.

5.3 Offsets. SEDC may, at its option, offset any amounts due and payable under this Agreement against any debt (including taxes) lawfully due to City and/or SEDC from Company, regardless of whether the amount due arises pursuant to the terms of this Agreement, a Related Agreement, or otherwise, and regardless of whether or not the debt due SEDC has been reduced to judgment by a court.

## **Article VI Miscellaneous**

6.1 Conditions Precedent. The obligations of SEDC under this Agreement are subject to and conditioned on the following:

- (i) Company has secured and presented SEDC with proof of adequate, approved financing for the Project;
- (ii) Company has purchased the Property or title to the Property has otherwise been transferred to Company, and a copy of the deed, bearing evidence of the recording thereof in the Dallas County land records, has been provided to SEDC;
- (iii) The City Council of the City of Seagoville, Texas has, by resolution, approved this Incentive Agreement and the related Project; and
- (iv) The sixty (60)-day period provided for under Texas Local Government Code section 505.160 has passed and neither the SEDC nor the City has received a petition from more than ten (10%) percent of the registered voters of the City requesting that an election be held before the funding of the Project as contemplated by this Agreement is undertaken.

6.2 Binding Agreement. The terms and conditions of this Agreement are binding upon the successors and permitted assigns of the Parties hereto.

6.3 Limitation on Liability. It is understood and agreed between the Parties that Company and SEDC, in satisfying the conditions of this Agreement, have acted independently, and SEDC assumes no responsibilities or liabilities to third parties in connection with these actions.

6.4 No Joint Venture. It is acknowledged and agreed by the Parties that the terms hereof are not intended to and shall not be deemed to create a partnership or joint venture among the Parties. It is understood and agreed between the Parties that the Parties, in satisfying the

conditions of this Agreement, have acted independently, and SEDC assumes no responsibilities or liabilities to third parties in connection with these actions. Company agrees to indemnify and hold harmless SEDC from all such claims, suits, and causes of action, liabilities and expenses, including reasonable attorneys' fees, of any nature whatsoever arising out of Company's performance of the conditions under this Agreement.

6.5 Authorization. Each Party represents that it has full capacity and authority to grant all rights and assume all obligations that are granted and assumed under this Agreement. The undersigned officers and/or agents of the Parties hereto are the properly authorized officials and have the necessary authority to execute this Agreement on behalf of the Parties hereto.

6.6 Notice. Any notice required or permitted to be delivered hereunder shall be deemed received three (3) days thereafter sent by United States Mail, postage prepaid, certified mail, return receipt requested, addressed to the Party at the address set forth below (or such other address as such Party may subsequently designate in writing), or on the day actually received if sent by courier or otherwise hand delivered.

If intended for SEDC, to:

Seagoville Economic Development  
Corporation  
Attn: Patrick Stallings, Exec. Director  
702 N. Highway 175  
Seagoville, Texas 75159

With a copy to:

Victoria W. Thomas  
Nichols, Jackson, Dillard,  
Hager & Smith, L.L.P.  
1800 Ross Tower  
500 North Akard  
Dallas, Texas 75201

If intended for Company:

KRR Malloy Bridge Residential, LLC and  
KRR Malloy Bridge Retail, LLC  
Attn: Joseph Kemp  
1015 N. Duncanville Road  
Duncanville, Texas 75116

6.7 Entire Agreement. This Agreement constitutes the entire agreement between the Parties with respect to the subject matter of this Agreement. There is no other collateral oral or written agreement among the Parties that in any manner relates to the subject matter of this Agreement.

6.8 Governing Law. The Agreement shall be governed by the laws of the State of Texas, without giving effect to any conflicts of law rule or principle that might result in the application of the laws of another jurisdiction; and exclusive venue for any action concerning this Agreement shall be in the State District Court of Dallas County, Texas. The Parties agree to submit to the personal and subject matter jurisdiction of said court.

6.9 Amendment. This Agreement may only be amended by the mutual written agreement of the Parties.

6.10 Legal Construction. In the event any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect other provisions, and it is the intention of the Parties to this Agreement that in lieu of each provision that is found to be illegal, invalid, or unenforceable, a provision shall be added to this Agreement which is legal, valid and enforceable and is as similar in terms as possible to the provision found to be illegal, invalid or unenforceable.

6.11 Exhibits. All exhibits to this Agreement are incorporated herein by reference for all purposes wherever reference is made to the same.

6.12 Successors and Assigns. This Agreement may not be assigned without the prior written consent of SEDC.

6.13 Recitals. The recitals to this Agreement are incorporated herein.

6.14 Counterparts. This Agreement may be executed in counterparts. Each of the counterparts shall be deemed an original instrument, but all of the counterparts shall constitute one and the same instrument.

6.15 Survival of Covenants. Any of the representations, warranties, covenants, and obligations of the Parties, as well as any rights and benefits of the Parties, pertaining to a period of time following the termination of this Agreement shall survive termination.

6.16 Employment of Undocumented Workers. During the term of this Agreement, Company agrees to not knowingly employ any undocumented workers, and if convicted of a violation under 8 U.S.C. Section 1324a (f), Company shall repay the value or the costs incurred by SEDC to provide the Grants herein and any other funds received by Company from SEDC as of the date of such violation within 120 days after the date Company is notified by SEDC of such violation, plus interest at the rate of 4% compounded annually from the date of violation until paid. Company is not liable for a violation of this section in relation to any workers employed by a subsidiary, affiliate, or franchisee of Company or by a person with whom the Company contracts.

6.17 No Boycott of Israel. Company verifies that (i) it does not Boycott Israel; and (ii) will not Boycott Israel during the term of the Agreement or any Related Agreement. This section does not apply if the Company is a sole proprietor, a non-profit entity or a governmental entity; and only applies if: (i) the Company has ten (10) or more fulltime employees and (ii) this Agreement has a value of \$100,000.00 or more to be paid under the terms of this Contract.”

*[Signature Page to Follow]*

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

**SEAGOVILLE ECONOMIC DEVELOPMENT CORPORATION**

By: \_\_\_\_\_  
Patrick Stallings, Executive Director

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

**KRR MALLOY BRIDGE RESIDENTIAL, LLC,**  
a Texas limited liability company

By: \_\_\_\_\_  
Joseph Kemp, Manager

and

**KRR MALLOY BRIDGE RETAIL, LLC,**  
A Texas limited liability company

By: \_\_\_\_\_  
Joseph Kemp, Manager

**ACKNOWLEDGMENT**

STATE OF TEXAS  
COUNTY OF DALLAS

Before me, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared, Joseph Kemp, Manager of KRR Malloy Bridge Residential, LLC and Manager of KRR Malloy Bridge Retail, LLC, both Texas limited liability companies, known or proven to me to be the person and agent whose name is subscribed to the foregoing instrument and acknowledge to me that the same was the act of said KRR Malloy Bridge Residential, LLC and KRR Malloy Bridge Retail, LLC, that he was duly authorized to perform the same by appropriate resolution of each of the said companies, and that he executed the same as the act of said KRR Malloy Bridge Residential, LLC and KRR Malloy Bridge Retail, LLC, jointly and severally, for the purpose and consideration therein expressed and in the capacity therein stated after first having been duly authorized so to do.

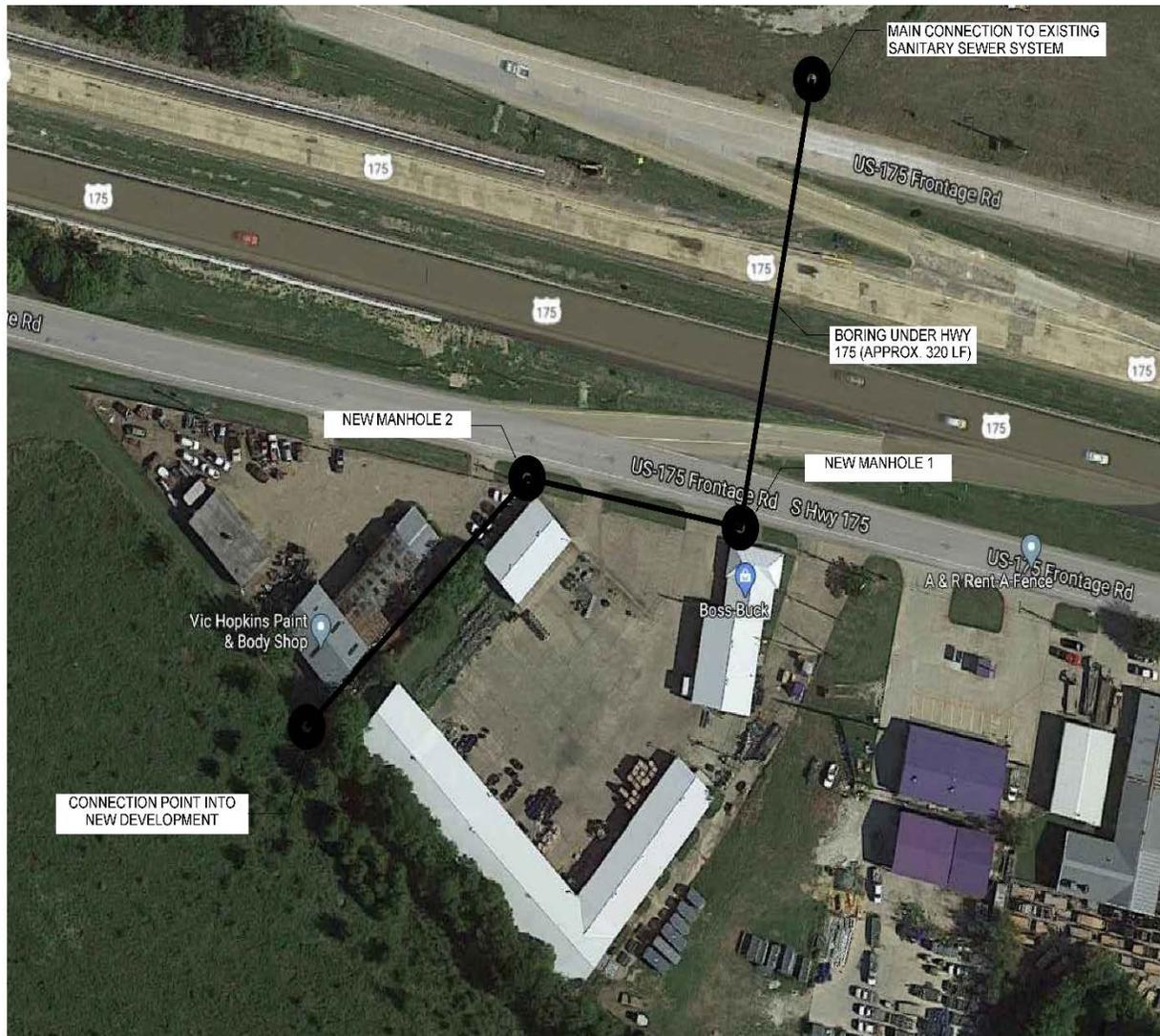
GIVEN UNDER MY HAND AND SEAL OF OFFICE this the \_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
Notary Public, State of Texas

## EXHIBIT "A"

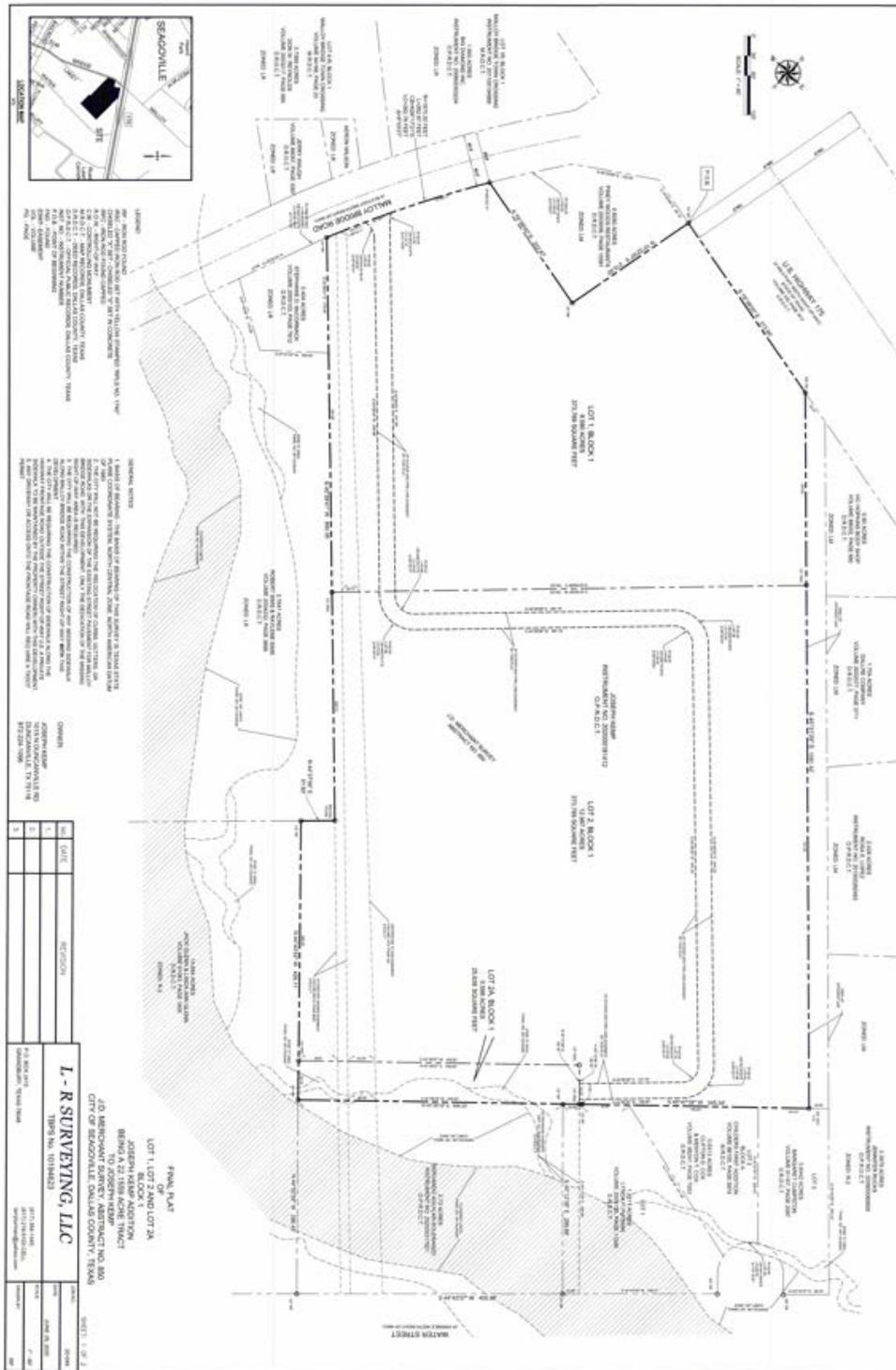
### Off Site Utilities:

- Connection To existing sanitary manhole
- Sanitary sewer crossing (boring) under Hwy 175
- 2 new manholes and open-cut sanitary installation to lot line (through utility easement provided via Vic Hopkins property)



# EXHIBIT "B"





## ***Regular Session Agenda Item: 3***

**Meeting Date: July 8, 2021**

### **ITEM DESCRIPTION:**

Discuss and consider approving an Ordinance of the City of Seagoville, Texas, authorizing and approving an amendment to Ordinance 14-2020, which adopted the Operating Budget for the Fiscal Year beginning October 1, 2020 and ending September 30, 2021, by amending the personnel costs in the Human Resources Department to provide an additional \$24,992.00 appropriation for the Director of Administrative Services from the General Fund balance; authorizing the City Manager to make said adjustments; providing for the repeal of all Ordinances in conflict; providing a severability clause; and providing an effective date.

### **BACKGROUND OF ISSUE:**

As a part of the Operating Budget, the City Council approved \$128,679.00 for personnel costs for the Director of Administrative Services. However, with the growth of the city that has occurred and continues to evolve, so does the need to ensure we provide the best service possible. Increasing the Salary of the Director of Administrative Services to allow additional duties to be added as needed would greatly increase our capability to provide the best and most prompt service

### **FINANCIAL IMPACT:**

Funding is available from the General Fund and would be part of the ongoing operations.

### **RECOMMENDATION:**

Staff Recommends approval.

### **EXHIBITS:**

Ordinance

**ORDINANCE NO. -2021**

**AN ORDINANCE OF THE CITY OF SEAGOVILLE, TEXAS, AUTHORIZING AND APPROVING AN AMENDMENT TO ORDINANCE 14-2020, WHICH ADOPTED THE OPERATING BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2020 AND ENDING SEPTEMBER 30, 2021, BY AMENDING THE PERSONNEL COSTS IN THE HUMAN RESOURCES DEPARTMENT TO PROVIDE AN ADDITIONAL \$24,992.00 APPROPRIATION FOR THE DIRECTOR OF ADMINISTRATIVE SERVICES FROM THE GENERAL FUND BALANCE; AUTHORIZING THE CITY MANAGER TO MAKE SAID ADJUSTMENTS; PROVIDING FOR THE REPEAL OF ALL ORDINANCES IN CONFLICT; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the City Council approved the 2020-2021 Operating Budget by Ordinance 14-2020 on September 14, 2020 appropriating the necessary funds out of the general revenues, grants and other revenues for the maintenance and operation of various funds, departments, activities and improvements of the City; and

**WHEREAS**, as a part of that Operating Budget, the City Council approved \$128,679.00 for personnel costs for the Director of Administrative Services; and

**WHEREAS**, with the growth of the city that has occurred and continues to evolve, so does the need to ensure we provide the best service possible; and

**WHEREAS**, increasing the Salary of the Director of Administrative Services to allow additional duties to be added as needed would greatly increase our capability to provide the best and most prompt service; and

**WHEREAS**, Texas Local Government Code § 102.010, “Changes in Budget for Municipal Purposes”, allows a municipality to amend its budget as deemed necessary for municipal purposes; and

**WHEREAS**, the City Manager is requesting authorization and approval of a proposed amendment to the Operating Budget to fund a Salary increase for the Director of Administrative Services in the amount of \$24,992.00 with funds in that amount from the General Fund fund balance; and

**WHEREAS**, upon full consideration of the matter, Council finds it in the best interest of the City of Seagoville to make such amendment to the budget adopted by Ordinance 14-2020;

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SEAGOVILLE, TEXAS:**

**SECTION 1.** That Ordinance 14-2020, adopted September 14, 2020 and approving the Operating Budget of the City for the Fiscal Year beginning October 1, 2020 and ending September 30, 2021 be amended by transferring from the General Fund fund balance \$24,992.00 for “PERSONNEL/Human Resources/Director of Administrative Services” for the purpose of funding a Salary increase for the Director of Administrative Services position, to read as follows:

	<u>Adopted</u>	<u>Amendment</u>	<u>Amended</u>
<b>PERSONNEL</b>			
Human Resources			
Director of Administrative Services	<b>\$128,679</b>	<b>\$24,992</b>	<b>\$153,671</b>

**SECTION 2.** That all provisions of the ordinance of the City of Seagoville in conflict with provisions of this ordinance, be and the same are hereby repealed, and all other provisions of the ordinances of the City of Seagoville not in conflict with the provisions of this ordinance shall remain in full force and effect.

**SECTION 3.** That should any sentence, paragraph, subdivision, clause, phrase, or section of this ordinance be adjudged or held to be unconstitutional, illegal, or invalid, the same should not affect the validity of this ordinance as a whole, or any part or provision thereof other than the part so decided to be invalid, illegal, or unconstitutional.

**DULY PASSED** by the City Council of the City of Seagoville, Texas, on 8th day of July, 2021.

APPROVED:

\_\_\_\_\_  
DENNIS K. CHILDRESS, MAYOR

ATTEST:

\_\_\_\_\_  
KANDI JACKSON, CITY SECRETARY

APPROVED AS TO FORM:

\_\_\_\_\_  
VICTORIA W. THOMAS, CITY ATTORNEY  
(063021vwtTM123326)

## ***Regular Session Agenda Item: 4***

**Meeting Date: July 8, 2021**

### **ITEM DESCRIPTION:**

Discuss and consider approving an Ordinance of the City of Seagoville, Texas, amending Ordinance 14-2020 which adopted the Operating Budget for the Fiscal Year beginning October 1, 2020 and ending September 30, 2021, as previously amended by transferring \$65,000 from the General Fund Reserve Fund Balance to the Parks: Other Contract Maintenance Fund; providing for the repeal of all Ordinances in conflict; providing a severability clause; and providing an effective date.

### **BACKGROUND OF ISSUE:**

In the FY 2021 budget development process, an amount of \$95,000 was approved to provide resources for the annual mowing contract. Spring rains have extended efforts for mowing beyond initial expectations, requiring additional resources to successfully complete the fiscal year. Staff recommends increasing the FY 2021 appropriation from \$95,000 to \$160,000, an increase of \$65,000 to continue current level of mowing effort and also during the upcoming growing season.

### **FINANCIAL IMPACT:**

Increases the FY 2021 expenditure budget by \$65,000, making the total expenditure budget \$160,000. Resources to be provided from the General Fund reserve fund balance.

### **EXHIBITS:**

Ordinance

**ORDINANCE NO. -2021**

**AN ORDINANCE OF THE CITY OF SEAGOVILLE, TEXAS, AMENDING ORDINANCE 14-2020 WHICH ADOPTED THE OPERATING BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2020 AND ENDING SEPTEMBER 30, 2021, AS PREVIOUSLY AMENDED BY TRANSFERRING \$65,000 FROM THE GENERAL FUND RESERVE FUND BALANCE TO THE PARKS: OTHER CONTRACT MAINTENANCE FUND; PROVIDING FOR THE REPEAL OF ALL ORDINANCES IN CONFLICT; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the City Council of the City of Seagoville, Texas approved the fiscal year 2020-2021 Operating Budget for the City by Ordinance 14-2020 on September 14, 2020; and

**WHEREAS**, in that 2020-2021 Operating Budget, the City Council approved a \$95,000 expenditure budget in the General Fund for annual mowing; and

**WHEREAS**, Spring rains have extended efforts for mowing beyond initial expectations, requiring additional resources to successfully complete the fiscal year; and

**WHEREAS**, the Texas Local Government Code § 102.010, “Changes in Budget for Municipal Purposes”, allows a municipality to amend their budgets as deemed necessary for municipal purposes; and

**WHEREAS**, the City Manager is submitting an amendment to the City’s FY 2020-2021 budget to increase the budgeted expenditure in the General Fund for annual mowing; and

**WHEREAS**, upon full consideration of the matter, the City Council finds that such amendment is warranted and in the best interest of the taxpayers of the City of;

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SEAGOVILLE, TEXAS SUBJECT TO THE APPLICABLE STATE LAWS AND THE CITY CHARTER:**

**SECTION 1.** That the City of Seagoville Budget for Fiscal Year 2020-2021, as previously adopted by Ordinance 14-2020 on September 14, 2020 and as thereafter amended, shall be and hereby is further amended to transfer from the General Fund reserve fund balance an amount equal to \$65,000 to the Parks: Other Contract Maintenance Fund as follows:

	<u>Adopted</u>	<u>Amendment</u>	<u>Amended</u>
Other Contract Maintenance	\$ 95,000	\$ 65,000	\$160,000

**SECTION 2.** That all provisions of the ordinance of the City of Seagoville in conflict with provisions of this ordinance, be and the same are hereby repealed, and all other provisions of the ordinances of the City of Seagoville not in conflict with the provisions of this ordinance shall remain in full force and effect.

**SECTION 3.** That should any sentence, paragraph, subdivision, clause, phrase, or section of this ordinance be adjudged or held to be unconstitutional, illegal, or invalid, the same should not affect the validity of this ordinance as a whole, or any part or provision thereof other than the part so decided to be invalid, illegal, or unconstitutional.

**DULY PASSED** by the City Council of the City of Seagoville, Texas, on 8<sup>th</sup> day of July, 2021.

APPROVED:

\_\_\_\_\_  
DENNIS CHILDRESS MAYOR

ATTEST:

\_\_\_\_\_  
KANDI JACKSON, CITY SECRETARY

APPROVED AS TO FORM:

\_\_\_\_\_  
VICTORIA THOMAS, CITY ATTORNEY

## ***Regular Session Agenda Item: 5***

**Meeting Date: July 8, 2021**

### **ITEM DESCRIPTION:**

Discuss and consider approving an Ordinance of the City of Seagoville, Texas, amending Ordinance 14-2020 which adopted the Operating Budget for the Fiscal Year beginning October 1, 2020 and ending September 30, 2021, as previously amended, to increase the Storm Water Professional Fees budget by Twenty Eight Thousand Dollars (\$28,000.00); providing for the repeal of all Ordinances in conflict; providing a severability clause; and providing an effective date.

### **BACKGROUND OF ISSUE:**

In the FY 2021 budget development process, an amount of \$36,360 was approved to provide resources for the contract with HALFF Associates, Inc., for its Storm Water Maintenance Plan. A TCEQ inspection and additions to the permit are requiring additional resources to successfully complete the fiscal year. Staff recommends increasing the FY 2021 appropriation from \$36,360 to \$64,360, an increase of \$28,000 to make it through the fiscal year.

### **FINANCIAL IMPACT:**

Increases the FY 2021 expenditure budget by \$28,000, making the total expenditure budget \$64,360. Resources to be provided from the Stormwater reserve fund balance.

### **EXHIBITS:**

Ordinance

Exhibit B- Agreement for Additional Professional Services on a Task Order Basis for Assistance with the City's Storm Water Management Plan

**ORDINANCE NO. -2021**

**AN ORDINANCE OF THE CITY OF SEAGOVILLE, TEXAS, AMENDING ORDINANCE 14-2020 WHICH ADOPTED THE OPERATING BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2020 AND ENDING SEPTEMBER 30, 2021, AS PREVIOUSLY AMENDED, TO INCREASE THE STORM WATER PROFESSIONAL FEES BUDGET BY TWENTY EIGHT THOUSAND DOLLARS (\$28,000.00); PROVIDING FOR THE REPEAL OF ALL ORDINANCES IN CONFLICT; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the City Council of the City of Seagoville, Texas approved the fiscal year 2020-2021 Operating Budget for the City by Ordinance 14-2020 on September 14, 2020; and

**WHEREAS**, in that 2020-2021 Operating Budget, the City Council approved a \$36,360 expenditure budget in the Storm Water for Professional fees; and

**WHEREAS**, A TCEQ inspection and additions to the permit, requiring additional resources to successfully complete the fiscal year; and

**WHEREAS**, the Texas Local Government Code § 102.010, “Changes in Budget for Municipal Purposes”, allows a municipality to amend their budgets as deemed necessary for municipal purposes; and

**WHEREAS**, the City Manager is submitting an amendment to the City’s FY 2020-2021 budget to increase the budgeted expenditure in the Storm Water for Professional fees; and

**WHEREAS**, upon full consideration of the matter, the City Council finds that such amendment is warranted and in the best interest of the taxpayers of the City of;

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SEAGOVILLE, TEXAS SUBJECT TO THE APPLICABLE STATE LAWS AND THE CITY CHARTER:**

**SECTION 1.** That the City of Seagoville Budget for Fiscal Year 2020-2021, as previously adopted and amended, shall be and hereby is further amended to transfer \$28,000 from the General Fund balance to increase the Storm Water Professional fees budget by \$28,000 as follows:

	<u>Adopted</u>	<u>Amendment</u>	<u>Amended</u>
Professional Fees	\$ 36,360	\$ 28,000	\$64,360

**SECTION 2.** That all provisions of the ordinance of the City of Seagoville in conflict with provisions of this ordinance, be and the same are hereby repealed, and all other provisions of the ordinances of the City of Seagoville not in conflict with the provisions of this ordinance shall remain in full force and effect.

**SECTION 3.** That should any sentence, paragraph, subdivision, clause, phrase, or section of this ordinance be adjudged or held to be unconstitutional, illegal, or invalid, the same should not affect the validity of this ordinance as a whole, or any part or provision thereof other than the part so decided to be invalid, illegal, or unconstitutional.

**DULY PASSED** by the City Council of the City of Seagoville, Texas, on 8<sup>th</sup> day of July, 2021.

APPROVED:

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DENNIS CHILDRESS MAYOR

ATTEST:

---

KANDI JACKSON, CITY SECRETARY

APPROVED AS TO FORM:

---

VICTORIA THOMAS, CITY ATTORNEY



12225 Greenville Avenue, Ste. 200  
Dallas, Texas 75243  
(214) 572-2272  
Fax (214) 572-2273

## ADDITIONAL SERVICES CONFIRMATION

**To:** Pat Stallings  
City Manager  
City of Seagoville  
702 N Highway 175  
Seagoville, Texas, 75159

**Date:** 6/14/2021.

**From:** Timothy Lackey, P.E.

**AVO:** 37391.002

**Email:** tlackey@halff.com

**Project:** City of Seagoville - FY 2021  
Stormwater Management Plan  
Services

**VIA:** email

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As per your request we understand that you would like Halff Associates to continue to assist the City with the FY2020-2021 Storm Water Management Plan. Halff shall continue to provide storm water management engineering services for storm water utilities. The provisions of the existing contract of October 20, 2020 shall remain in effect over this additional work.

We estimate approximately \$ **28,000.00** will be needed to perform these services through a proposed duration period of June 2021 thru September 2021. (subject to the variability of as needed calls from the City). The total for additional services shall not exceed total of the additional \$28,000.00 without prior written consent.

We request your signature below to confirm the scope and fee; however, as requested, we are proceeding with the work as described above. If the scope and/or fee is not acceptable, please notify us immediately. If we do not receive notification of a change within ten (10) working day we will conclude that the scope and fee outlined above is acceptable and we will bill you accordingly when the work is completed.



12225 Greenville Avenue, Ste. 200  
Dallas, Texas 75243  
(214) 572-2272  
Fax (214) 572-2273

By: Tim Lackey  
(Print name)

Title: Vice President

Signature: *Tim Lackey*

Date: 6/14/2021

**ACCEPTED**

By: \_\_\_\_\_  
(Print name)

Title: \_\_\_\_\_

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

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

Attachments: NONE

SIGNED: *Tim Lackey*

COPIES:

- File
- Owner
- Contractor
- Other:

## ***Regular Session Agenda Item: 6***

**Meeting Date: July 8, 2021**

### **ITEM DESCRIPTION:**

Discuss and consider approving a Resolution of the City Council of the City of Seagoville, Texas, approving an agreement for additional Professional Engineering Services on a Task Order Basis for On-Call Consultation Services related to Water and Wastewater Engineering Services as set forth in Exhibit "1 attached thereto, in an amount not to exceed Forty Nine Thousand Six Hundred Dollars (\$49,600); authorizing the City Manager to execute said agreement; providing a repealing clause; providing a severability clause; and providing an effective date.

### **BACKGROUND OF ISSUE:**

The City of Seagoville has contracted with HALFF Associates, Inc., for an on-call consultation services and various other water and wastewater engineering issues. The services of a full-time engineer are not feasible at this point; however, staff finds it necessary many times throughout the year to consult with various professionals to ensure the best possible service for our community is provided. Approval of this agenda item will ensure that staff will have the ability to consult with extremely competent engineering professionals in the area of water and wastewater services to ensure that we make the best possible decisions for our residents, businesses and visitors to our community.

### **FINANCIAL IMPACT:**

Approved FY2021 Budget for professional services on a task order basis.

### **EXHIBITS**

Resolution – Approving an agreement for additional Professional Services on a Task Order Basis

Agreement for additional Professional Services on a Task Order Basis Authorization #1

**A RESOLUTION OF THE CITY OF SEAGOVILLE, TEXAS**

**RESOLUTION NO. \_\_\_ - R - 2021**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEAGOVILLE, TEXAS, APPROVING AN AGREEMENT FOR ADDITIONAL PROFESSIONAL ENGINEERING SERVICES ON A TASK ORDER BASIS FOR ON-CALL CONSULTATION SERVICES RELATED TO WATER AND WASTEWATER ENGINEERING SERVICES AS SET FORTH IN EXHIBIT "1" ATTACHED THERETO, IN AN AMOUNT NOT TO EXCEED FORTY NINE THOUSAND SIX HUNDRED DOLLARS (\$49,600); AUTHORIZING THE CITY MANAGER TO EXECUTE SAID AGREEMENT; PROVIDING A REPEALING CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, Half Associates, Inc., (“Engineer”) provides professional engineering services to the City of Seagoville (“City”) on an “as needed” or “task order” basis as determined by the City; and

**WHEREAS**, the City has a need for on-call consultation services relative to water and wastewater engineering services; and

**WHEREAS**, Engineer has agreed to provide said on-call consultation services on an as needed basis; and

**WHEREAS**, the City Council hereby finds that it is in the best interest of the City to approve the agreement for additional Professional Engineering Services on a Task Order Basis for on-call consultation services relative to water and wastewater engineering services as set forth in Exhibit "1" attached thereto, in an amount not to exceed Forty- Nine Thousand and Six Hundred Dollars and no cents (\$49,600.00), and authorizes the City Manager to execute the same;

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEAGOVILLE, TEXAS, THAT:**

**SECTION 1.** The City Council approves the agreement for Professional Engineering Services on a Task Order Basis for on-call consultation services relative to water and wastewater engineering services as set forth in Exhibit "1" attached thereto, in an amount not to exceed Forty- Nine Thousand Six Hundred Dollars and no cents (\$49,600), and hereby authorizes the City Manager to execute said Agreement and all necessary documents related thereto.

**SECTION 2.** That any prior Resolutions of the City Council of the City of Seagoville, Texas, in conflict with the provisions contained in this Resolution are hereby repealed and revoked.

**SECTION 3.** That if any article, paragraph, subdivision, clause or provision of this Resolution, as hereby amended, be adjudged invalid or held unconstitutional for any reason, such judgement or holding shall not affect the validity of this Resolution as a whole or any part or provision thereof, as amended hereby, other than the part so declared to be invalid or unconstitutional.

**SECTION 4.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Seagoville, Texas, and it is accordingly resolved.

**DULY PASSED** by the City Council of the City of Seagoville, Texas, on the 8<sup>th</sup> day of July, 2021.

APPROVED:

\_\_\_\_\_  
DENNIS K. CHILDRESS, MAYOR

ATTEST:

\_\_\_\_\_  
KANDI JACKSON, CITY SECRETARY

APPROVED AS TO FORM:

\_\_\_\_\_  
VICTORIA THOMAS, CITY ATTORNEY  
(063021vwtTM123331)

**EXHIBIT "1"**



12225 Greenville Avenue, Ste. 200  
Dallas, Texas 75243  
(214) 572-2272  
Fax (214) 572-2273

## ADDITIONAL SERVICES CONFIRMATION

**To:** Pat Stallings  
City Manager  
City of Seagoville  
702 N Highway 175  
Seagoville, Texas, 75159

**Date:** 6/14/2021.

**From:** Timothy Lackey, P.E.

**AVO:** 37392.002

**Email:** tlackey@halff.com

**Project:** City of Seagoville - FY 2021 On  
Call Services

**VIA:** email

---

As per your request we understand that you would like Halff Associates to continue to assist the City with the FY2020-2021 on call Services. Halff shall continue to provide on call engineering services for water and sewer utilities. The provisions of the existing contract of October 20, 2020 shall remain in effect over this additional work.

We estimate approximately \$ 49,600.00 will be needed to perform these services through a proposed duration period of June 2021 thru September 2021. (subject to the variability of as needed calls from the City). The total for additional services shall not exceed total of the additional \$49,600.00 without prior written consent.

We request your signature below to confirm the scope and fee; however, as requested, we are proceeding with the work as described above. If the scope and/or fee is not acceptable, please notify us immediately. If we do not receive notification of a change within ten (10) working day we will conclude that the scope and fee outlined above is acceptable and we will bill you accordingly when the work is completed.



12225 Greenville Avenue, Ste. 200  
Dallas, Texas 75243  
(214) 572-2272  
Fax (214) 572-2273

By: Tim Lackey  
(Print name)

Title: Vice President

Signature: *Tim Lackey*

Date: 6/14/2021

**ACCEPTED**

By: \_\_\_\_\_  
(Print name)

Title: \_\_\_\_\_

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

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

Attachments: NONE

SIGNED: *Tim Lackey*

COPIES:  File  Owner  Contractor  Other:

## ***Regular Session Agenda Item: 7***

**Meeting Date: July 8, 2021**

### **ITEM DESCRIPTION:**

Discuss and consider approving a Resolution of the City Council of the City of Seagoville, amending the Master Fee Schedule, as previously amended, by amending the section titled “General Government”, subsection titled “Finance Charges”, as set forth on the attached Exhibit “A”; providing a savings clause, providing a severability clause; and providing an effective date.

### **BACKGROUND OF ISSUE:**

During the pandemic, the decision was made to take credit card payments over the phone. The fees charged to the city for credit card processing has increased tremendously. The City would like to add 3.5% of Gross Sales to the Master Fee Schedule to help offset the rising cost.

Staff recommends that Council consider adding fees for over the phone credit card payments.

### **FINANCIAL IMPACT:**

Offset rising cost of Credit Card Processing fees charged to the City.

### **RECOMMENDATION:**

Staff recommends approval

### **EXHIBITS:**

Resolution  
Master Fee Schedule

**A RESOLUTION OF THE CITY OF SEAGOVILLE, TEXAS**

**RESOLUTION NO.**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEAGOVILLE, AMENDING THE MASTER FEE SCHEDULE, AS PREVIOUSLY AMENDED, BY AMENDING THE SECTION TITLED “GENERAL GOVERNMENT”, SUBSECTION TITLED “FINANCE CHARGES”, AS SET FORTH ON THE ATTACHED EXHIBIT “A”; PROVIDING A SAVINGS CLAUSE, PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the City Council has previously adopted a Master Fee Schedule to provide for general and special fees and charges to be assessed and collected by the City, as authorized by the Code of Ordinances and other applicable codes, ordinances, resolutions and laws; and

**WHEREAS**, the City Council has, from time to time, amended the Master Fee Schedule; and

**WHEREAS**, the Code of Ordinances, section 1.01.012, requires that amendments to the Master Fee Schedule be by resolution; and

**WHEREAS**, with the increase in charges incurred by the City in relation to collection of payments over the phone by credit card, staff recommends and the Council finds it to be in the best interest and in service of the general welfare of the citizens of the City to amend the Master Fee Schedule to provide a fee equal to three and one half percent (3.5%) of the gross sales amount for the process of collecting payments over the phone by credit card;

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEAGOVILLE, TEXAS:**

**SECTION 1.** That the Master Fee Schedule, as previously amended, be and it is hereby amended, by amending the Section titled “General Government”, subsection titled “Finance Charges” to provide for the collection of a fee of three and one half percent (3.5%) of the gross sales amount for payments made by credit card over the phone, as set forth on the attached Exhibit "A.

**SECTION 2.** In the event there is a conflict between the fees listed in the attached Exhibit “A”, and any previous fees adopted by ordinance or resolution, the fees set forth in this Resolution shall supersede any previous fees adopted by ordinance or resolution.

**SECTION 3.** That all provisions of the Resolutions of the City of Seagoville, Texas, in conflict with the provisions of this Resolution be, and the same are hereby, repealed, and all other provisions of the Resolutions of the City not in conflict with the provisions of this Resolution shall remain in full force and effect.

**SECTION 4.** This Resolution and the fees established herein shall take effect immediately, and it is accordingly so resolved.

**DULY PASSED** by the City Council of the City of Seagoville, Texas, on the 8th day of July 2021.

**APPROVED:**

---

DENNIS CHILDRESS, MAYOR

**ATTEST:**

---

KANDI JACKSON, CITY SECRETARY

**APPROVED AS TO FORM:**

---

VICTORIA W. THOMAS, CITY ATTORNEY  
(063021vwtTM123325)

**EXHIBIT A**  
**[Master Fee Schedule]**

CITY OF SEAGOVILLE MASTER FEE SCHEDULE - FY 2020-2021  
GENERAL GOVERNMENT

DEPARTMENT	BASICS/COMMENTS	FEE EFFECTIVE 10/1/18	PROPOSED FEE INCREASE / DECREASE	FEE EFFECTIVE 10/1/19
GENERAL GOVERNMENT ADMINISTRATION / ALL DEPARTMENTS				
PUBLIC INFORMATION CHARGES				
Copies, standard size	Per page	\$ 0.10	\$ -	\$ 0.10
Copies, non-standard size	Per page	\$ 0.50	\$ -	\$ 0.50
Disc (CD-RW or CD-R)	Each	\$ 1.00	\$ -	\$ 1.00
Digital video disc (DVD)	Each	\$ 3.00	\$ -	\$ 3.00
VHS video cassette	Each	\$ 2.50	\$ -	\$ 2.50
Audio cassette	Each	\$ 1.00	\$ -	\$ 1.00
Other electronic media	Each	Actual cost	\$ -	Actual cost
Personnel charge	Per hour	\$ 15.00	\$ -	\$ 15.00
Overhead charge	Based on personnel charge	20%	\$ -	20%
Miscellaneous supplies		Actual cost	\$ -	Actual cost
Postage and shipping		Actual cost	\$ -	Actual cost
Certification of true copies		\$ 2.50	\$ -	\$ 2.50
Attestation under Seal of Seagoville		\$ 2.50	\$ -	\$ 2.50
DOCUMENTS				
Charter		\$ -	\$ -	\$ -
Code of Ordinances	Available from Franklin Legal Publishing	\$ -	\$ -	\$ -
FINANCE CHARGES				
Credit Card Phone Payment			3.5% of Gross Sale	
Returned Check		\$ 30.00	\$ -	\$ 30.00
Lien Administrative Fee		\$ 100.00	\$ -	\$ 100.00
Lien Per Annum		10%	\$ -	10%

## ***Regular Session Agenda Item: 8***

**Meeting Date: July 8, 2021**

### **ITEM DESCRIPTION:**

Discuss and consider approving a Resolution of the City of Seagoville, Texas, awarding a contract to GROD Construction LLC for the base bid of the Haven Hills Phase 2 Drainage Improvements Project in the amount of Two Hundred Ten Thousand Eight Hundred Sixty One Dollars and No Cents (\$210,861.00); authorizing the City Manager to execute any and all necessary documents; and providing an effective date.

### **BACKGROUND OF ISSUE:**

The City of Seagoville ("City") accepted sealed bids for the Haven Hills Phase 2 Drainage Improvements Project ("Project"). A total of five (5) bids were received, with four (4) of the bids being complete bids and one (1) being an incomplete bid. Halff Associates, Inc. (the "Engineer") has reviewed the bids, ensured all bid specifications were met, confirmed the surety company information, the experience record, and have determined that GROD Construction LLC is the lowest responsible bidder.

### **FINANCIAL IMPACT:**

\$210,861.00

### **RECOMMENDATION:**

Staff recommends approval

### **EXHIBITS:**

Resolution  
Bid Award Recommendation Letter

**THE CITY OF SEAGOVILLE, TEXAS**

**RESOLUTION NO. \_\_-R-2021**

**A RESOLUTION OF THE CITY OF SEAGOVILLE, TEXAS, AWARDING A CONTRACT TO GROD CONSTRUCTION LLC FOR THE BASE BID OF THE HAVEN HILLS PHASE 2 DRAINAGE IMPROVEMENTS PROJECT IN THE AMOUNT OF TWO HUNDRED TEN THOUSAND EIGHT HUNDRED SIXTY ONE DOLLARS AND NO CENTS (\$210,861.00); AUTHORIZING THE CITY MANAGER TO EXECUTE ANY AND ALL NECESSARY DOCUMENTS; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the City of Seagoville ("City") accepted sealed bids for base bid of the Haven Hills Phase 2 Drainage Improvements Project ("Project"); and

**WHEREAS**, a total of five complete(5) bids were received; and

**WHEREAS**, Halff Associates, Inc. (the "Engineer") has reviewed the bids, ensured all bid specifications were met, confirmed the surety company information, the experience record, and have determined that GROD Construction LLC is the lowest responsible bidder; and

**WHEREAS**, the City Council has determined this work is in the best interest of the citizens of Seagoville and hereby awards the contract for the base bid portion of the Project to GROD Construction LLC in the amount of Two Hundred Ten Thousand Eight Hundred Sixty One Dollars (\$210,861.00).

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEAGOVILLE, TEXAS:**

**Section 1.** The City Council hereby awards the contract for the base bid portion of the Haven Hills Phase 2 Drainage Improvements Project to GROD Construction in the amount of Two Hundred Ten Thousand Eight Hundred Sixty One Dollars (\$210,861.00) and the City Manager is hereby authorized to execute any and all documents necessary thereto and/or to complete the Project.

**Section 2.** All resolutions of the City of Seagoville heretofore adopted which are in conflict with the provisions of the resolution be, and the same are hereby repealed, and all resolutions of the City of Seagoville not in conflict with the provisions hereof shall remain in full force and effect.

**Section 3.** If any article, paragraph, subdivision, clause or provision of this resolution, as hereby amended, be adjudged invalid or held unconstitutional for any reason, such judgment or holding shall not affect the validity of this resolution as a whole or any part or provision thereof, as amended hereby, other than the part so declared to be invalid or unconstitutional.

**Section 4.** This resolution shall take effect immediately from and after its passage and it is accordingly so resolved.

**PASSED AND APPROVED** by the City Council of the City of Seagoville, Texas this 8<sup>th</sup> day of July, 2021.

**APPROVED:**

---

Dennis K. Childress, Mayor

ATTEST:

---

Kandi Jackson, City Secretary

APPROVED AS TO FORM:

---

Victoria Thomas, City Attorney  
(063021vwtTM123328)

June 29, 2021

036404

City of Seagoville, Texas  
702 US175 Frontage Road  
Seagoville, TX 75159

**Attention: Mr. Ladis Barr**

**Re: Bids for Haven Hills Drainage Improvements**

Dear Mr. Barr:

A total of five (5) complete bids were received for the project. An additional bid was received but was declared “non-responsive” by the City because the contractor did not include bid summary showing their total bid. The detailed bid tabulation sheet for the bids received is enclosed for your use. All Bidders submitted with their respective Bids a complete set of documents as required by the Contract Documents. The lowest base bid was submitted by GROD Construction LLC, with a total of \$210,861.00. The base bids ranged as high as \$434,920.00. In accordance with your request we are submitting this evaluation of the low bidder for only the base bid for the subject project.

The surety company to be used by GROD Construction LLC, is U.S. SPECIALTY INSURANCE COMPANY, 801 Figueroa Street, Suite 700, Los Angeles, CA 900017. We verified the following: 1) U.S. SPECIALTY INSURANCE COMPANY is on the Federal Register list of companies holding certificates of authority as acceptable sureties on federal bonds and as acceptable reinsuring companies. 2) The project total amount does not exceed U.S. SPECIALTY INSURANCE COMPANY’s bonding capacity as set by the Department of Treasury.

We checked the experience record provided by GROD Construction LLC, that included several roadway construction projects of similar nature and magnitude; and, resumes of the key personnel who will be assigned to the project. The projects and key personnel are summarized below:

**Similar Project Experience**

- City of Garland – Stroud Lane Street Replacement, Water Line Replacement
  - Timothy Tumulut, (972) 205-3555
  - \$1,323,557.70
- Town of Prosper – Downtown Enhancements
  - Emily Busby (972) 346-3502
  - \$1,994,883.00
- Northwest ISD – Northwest ISD Paving & Development Improvements
  - Sarah Stewart (817) 215-0086
  - \$1,132,686.95
- Town of Hickory Creek – Turbeville Road Reconstruction
  - Jefferey McSpedden (469) 576-5094
  - \$1,196,987.00
- Tarrant Community College District – TCCD NW Campus Water Modeling AVO
  - Gary Chambers (817) 726-1730
  - \$260,500.00



We checked the references listed in the experience record provided by GROD Construction LLC. All references contacted were positive and each said that GROD Construction LLC would be re-hired by their respective organizations if given the chance

Based on the information above we do not find grounds to disqualify GROD Construction LLC, from the project based on their financial capacity, experience, or prior performance as defined in the project specifications. This evaluation is limited to review of the Federal Register, project experience information furnished to Halff by GROD Construction LLC, and verifying references listed above. Halff recommends the project be awarded to GROD Construction LLC, for the Base Bid, at the next City Council meeting.

Sincerely,

**HALFF ASSOCIATES, INC.**

A handwritten signature in blue ink, appearing to read "Bogumil Nosek".

Bogumil Nosek, P.E.  
Project Manager

Attachments:

Bid Summary  
Bid Tabulation  
GROD Construction LLC Profit & Loss Statement for the first quarter of 2021

**BID SUMMARY**

**City of Seagoville**

**Haven Hills Ph. 2 Drainage Improvements - Woodhaven Drive at May Road**

**Bid Date: June 22, 2021**

<b>Bidder</b>	<b>Bid Total (Calculated)</b>	<b>Bid Total (As Read)</b>
GROD Consntruction	\$210,861.00	\$210,861.00
SJ&J Construction, LLC	\$213,300.00	\$213,300.00
McMahon Contracting L.P.	\$246,534.47	\$246,534.47
Capko Concrete Structures, LCC	\$270,895.00	\$270,895.00
Vaustino Construction Company	\$434,920.00	\$434,440.00

**BID TABULATION**

City of Seagoville

Haven Hills Ph. 2 Drainage Improvements - Woodhaven Drive at May Road

Bid Date: June 22, 2021

Item Number	Estimated Quantity	Unit	Unit Price	GROD Construction		S&J Construction, LLC		McMahon Contracting L.P.		Capko Concrete Structures, LCC		Vaustino Construction Company	
				Unit Price	Total Amount	Unit Price	Total Amount	Unit Price	Total Amount	Unit Price	Total Amount	Unit Price	Total Amount
I-1	1	LS	MOBILIZATION	\$25,000.00	\$25,000.00	\$50,000.00	\$50,000.00	\$61,000.00	\$61,000.00	\$25,000.00	\$25,000.00	\$10,000.00	\$10,000.00
I-2	1	LS	TRAFFIC CONTROL	\$6,200.00	\$6,200.00	\$10,000.00	\$10,000.00	\$7,700.00	\$7,700.00	\$20,000.00	\$20,000.00	\$7,000.00	\$7,000.00
I-3	160	LF	REMOVE 21" RCP	\$20.00	\$3,200.00	\$50.00	\$8,000.00	\$16.36	\$2,617.60	\$50.00	\$8,000.00	\$96.00	\$15,360.00
I-4	55	SY	REMOVE CONC. FLUME	\$19.00	\$1,045.00	\$40.00	\$2,200.00	\$10.00	\$550.00	\$90.00	\$4,950.00	\$10.00	\$550.00
I-5	500	CY	UNCLASSIFIED CHANNEL EXCAVATION	\$58.00	\$29,000.00	\$20.00	\$10,000.00	\$27.96	\$13,980.00	\$50.00	\$25,000.00	\$20.00	\$10,000.00
I-6	85	CY	FLEXIBLE BASE	\$92.00	\$7,820.00	\$100.00	\$8,500.00	\$65.95	\$5,605.75	\$106.00	\$9,010.00	\$30.00	\$2,550.00
I-7	331	LF	U-SHAPED CONC. CHANNEL (1.75' DEEP, 9' BOTTOM WIDTH)	\$157.00	\$51,967.00	\$100.00	\$33,100.00	\$213.92	\$70,807.52	\$250.00	\$82,750.00	\$800.00	\$264,800.00
I-8	148	LF	TRAPEZOIDAL CHANNEL (2.0' DEEP, 5.75' BOTTOM WIDTH, SLOPED SIDE)	\$223.00	\$33,004.00	\$125.00	\$18,500.00	\$247.91	\$36,690.68	\$300.00	\$44,400.00	\$500.00	\$74,000.00
I-9	25	SY	18" DRY ROCK RIPRAP WITH FILTER FABRIC AND BEDDING	\$285.00	\$7,125.00	\$240.00	\$6,000.00	\$74.25	\$1,856.25	\$153.00	\$3,825.00	\$200.00	\$5,000.00
I-10	3	EA	CONNECT EXISTING PIPE TO PROPOSED CHANNEL	\$900.00	\$2,700.00	\$2,000.00	\$6,000.00	\$1,064.25	\$3,192.75	\$500.00	\$1,500.00	\$1,000.00	\$3,000.00
I-11	15	EA	TREE REMOVAL	\$550.00	\$8,250.00	\$300.00	\$4,500.00	\$782.56	\$11,738.40	\$900.00	\$13,500.00	\$700.00	\$10,500.00
I-12	120	LF	TEMPORARY 6' CHAIN LINK FENCE	\$9.50	\$1,140.00	\$15.00	\$1,800.00	\$8.85	\$1,062.00	\$10.00	\$1,200.00	\$5.00	\$600.00
I-13	60	LF	REMOVE AND REPLACE WOODEN FENCE	\$95.00	\$5,700.00	\$30.00	\$1,800.00	\$50.15	\$3,009.00	\$40.00	\$2,400.00	\$25.00	\$1,500.00
I-14	90	LF	REMOVE AND REPLACE CHAIN LINK FENCE	\$50.00	\$4,500.00	\$30.00	\$2,700.00	\$42.78	\$3,850.20	\$30.00	\$2,700.00	\$10.00	\$900.00
I-15	1	LS	PAVEMENT MARKERS	\$150.00	\$150.00	\$20,000.00	\$20,000.00	\$1,890.00	\$1,890.00	\$2,000.00	\$2,000.00	\$5,000.00	\$5,000.00
I-16	1	LS	EROSION CONTROL	\$3,500.00	\$3,500.00	\$10,000.00	\$10,000.00	\$2,245.54	\$2,245.54	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00
I-17	520	SY	ESTABLISH GRASS BY SODDING ALONG CHANNEL (INCLUDING TOPSOIL)	\$13.00	\$6,760.00	\$10.00	\$5,200.00	\$7.59	\$3,946.80	\$8.00	\$4,160.00	\$8.00	\$4,160.00
I-18	1	LS	RESTORE GRASS BY SEEDING WITHIN ACCESS & CONSTRUCTION EASEMENT	\$3,800.00	\$3,800.00	\$5,000.00	\$5,000.00	\$4,791.98	\$4,791.98	\$5,500.00	\$5,500.00	\$5,000.00	\$5,000.00
I-19	1	LS	MISC. UTILITY RELOCATION AND ADJUSTMENT (ALLOWANCE)	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00
<b>BID TOTAL (CALCULATED)</b>					<b>\$210,861.00</b>		<b>\$213,300.00</b>		<b>\$246,534.47</b>		<b>\$270,895.00</b>		<b>\$434,920.00</b>
<b>BID TOTAL (AS READ)</b>					<b>\$210,861.00</b>		<b>\$213,300.00</b>		<b>\$246,534.47</b>		<b>\$270,895.00</b>		<b>\$434,440.00</b>

Total amount of \$120 for Bid Item I-12 in Vaustino Construction Company bid was in error. It should be \$600.

## ***Regular Session Agenda Item: 9***

**Meeting Date: July 8, 2021**

### **ITEM DESCRIPTION:**

Second Reading - Discuss and consider approving a Resolution of the City Council of the City of Seagoville, Texas, approving the Economic Development Project between the Seagoville Economic Development Corporation, on the one hand, and KRR Malloy Bridge Residential, LLC, a Texas Limited Liability Company, and KRR Malloy Bridge Retail, LLC, a Texas Limited Liability Company, on the other hand (collectively, “company”) as reflected in the terms and conditions of an Economic Development Incentive Agreement between the parties in substantially the form of that attached hereto as Exhibit “A”; and providing an effective date.

### **BACKGROUND OF ISSUE:**

The Seagoville Economic Development Corporation (“SEDC”) is authorized by the Development Corporation Act, Chapters 501-505 of the Texas Local Government Code (“Act”), to provide funding for projects which will promote and retain new and expanding business enterprises within the City. The SEDC has negotiated and intends to undertake a project which will promote and retain new and expanded business enterprises within the City with KRR Malloy Bridge Residential, LLC and KRR Malloy Bridge Retail, LLC, both Texas Limited Liability Companies (collectively “Company”), under the terms and conditions set forth in an Economic Development Incentive Agreement in substantially the form of the Agreement attached hereto as Exhibit “A”. Section 505.158 mandates that the SEDC may not undertake a project that requires an expenditure of more than \$10,000 until the governing body of the corporation’s authorizing municipality adopts a resolution authorizing the project after giving the resolution at least two separate readings.

### **FINANCIAL IMPACT:**

N/A

### **RECOMMENDATION:**

N/A

### **EXHIBITS:**

Resolution  
Incentive Agreement

**CITY COUNCIL OF THE CITY OF SEAGOVILLE, TEXAS**

**RESOLUTION NO. \_\_-R-2021**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEAGOVILLE, TEXAS, APPROVING THE ECONOMIC DEVELOPMENT PROJECT BETWEEN THE SEAGOVILLE ECONOMIC DEVELOPMENT CORPORATION, ON THE ONE HAND, AND KRR MALLOY BRIDGE RESIDENTIAL, LLC, A TEXAS LIMITED LIABILITY COMPANY, AND KRR MALLOY BRIDGE RETAIL, LLC, A TEXAS LIMITED LIABILITY COMPANY, ON THE OTHER HAND (COLLECTIVELY, “COMPANY”) AS REFLECTED IN THE TERMS AND CONDITIONS OF AN ECONOMIC DEVELOPMENT INCENTIVE AGREEMENT BETWEEN THE PARTIES IN SUBSTANTIALLY THE FORM OF THAT ATTACHED HERETO AS EXHIBIT “A”; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the Seagoville Economic Development Corporation (“SEDC”) is authorized by the Development Corporation Act, Chapters 501-505 of the Texas Local Government Code (“Act”), to provide funding for projects which will promote and retain new and expanding business enterprises within the City; and

**WHEREAS**, the SEDC has negotiated and intends to undertake a project which will promote and retain new and expanded business enterprises within the City with KRR Malloy Bridge Residential, LLC and KRR Malloy Bridge Retail, LLC, both Texas limited liability companies (collectively “Company”), under the terms and conditions set forth in an Economic Development Incentive Agreement in substantially the form of the Agreement attached hereto as Exhibit “A” (the “Project”) and

**WHEREAS**, section 505.158 mandates that the SEDC may not undertake a project that requires an expenditure of more than \$10,000 until the governing body of the corporation’s authorizing municipality adopts a resolution authorizing the project after giving the resolution at least two separate readings; and

**WHEREAS**, the City Council has determined that the Project contemplated by SEDC and Company under the terms and conditions set forth in the Economic Development Incentive Agreement will promote and retain new and expanded business enterprises within the City of Seagoville; and

**WHEREAS**, the City Council finds that the expenditure of funds by SEDC in undertaking the Project is authorized by the Act and that the Project should be approved and authorized; and

**WHEREAS**, the City Council has conducted two (2) readings of this resolution;

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEAGOVILLE, TEXAS:**

**Section 1.** The City Council hereby approves and authorizes the Project between the Seagoville Economic Development Corporation, on the one hand, and KRR Malloy Bridge

Residential, LLC and KRR Malloy Bridge Retail, LLC, both Texas limited liability companies (collectively, "Company") on the other hand, under the terms and conditions set forth in an Economic Development Incentive Agreement in substantially the form attached hereto as Exhibit "A".

**Section 2.** The City Council authorizes the SEDC to enter into any additional agreements necessary to undertake the Project in accordance with the terms and conditions set forth in the Economic Development Incentive Agreement.

**Section 3.** This resolution shall take effect immediately from and after its passage, and it is accordingly so resolved.

**DULY RESOLVED AND ADOPTED First Reading and Second Reading** of the City Council of the City of Seagoville, Texas, this the \_\_\_\_ day of \_\_\_\_\_ 2021.

**APPROVED:**

\_\_\_\_\_  
Dennis K. Childress, Mayor

**ATTEST:**

\_\_\_\_\_  
Kandi Jackson, City Secretary

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Victoria Thomas, City Attorney  
(062121vwtTM123154)

**Exhibit "A"**  
**Economic Development Incentive Agreement**  
**(to be attached)**

**STATE OF TEXAS** §  
§ **ECONOMIC DEVELOPMENT INCENTIVE AGREEMENT**  
**COUNTY OF DALLAS** §

This Economic Development Incentive Agreement (“Agreement”) is made by and between KRR Malloy Bridge Residential, LLC, a Texas limited liability company (“KRR Residential”), and KRR Malloy Bridge Retail, LLC, a Texas limited liability company (“KRR Retail”) (KRR Residential and KRR Retail, jointly and severally, may be referred to herein as “KRR ” or Company”), and the Seagoville Economic Development Corporation (the “SEDC”), each acting by and through their respective authorized representatives. SEDC and Company may be referred to herein each as a “Party” and collectively as the “Parties”.

**WITNESSETH:**

**WHEREAS**, Company owns or intends to purchase of an approximately 22.17 acre parcel of vacant, unimproved real property located at southeast corner of the intersection of U.S. Highway 175 and Malloy Bridge Road in the City of Seagoville, Texas (the “Property”); and

**WHEREAS**, Company desires to develop the Property by construction of a mixed use commercial retail and multifamily residential development consisting of (1) approximately 40,000 square feet of new commercial retail space, (2) 225 new one, two and three bedroom apartments and townhomes, and (3) the installation of an off-site sanitary sewer line and related facilities which will, upon completion, be dedicated to the City as public infrastructure and which will be constructed to allow for additional capacity for future developments and capacity for tie-ins by existing businesses; and

**WHEREAS**, Company has advised the SEDC that the total cost of the desired development is over \$25,000,000.00, and that a contributing factor that would induce Company to proceed with the development would be an agreement by SEDC to provide an economic development grant to Company to defray a portion of the costs of such development; and

**WHEREAS**, SEDC has adopted programs for promoting economic development; and

**WHEREAS**, the Development Corporation Act, Chapters 501-505, Texas Local Government Code (the “Act”), authorizes SEDC to provide economic development grants for business retention and/or expansion; and

**WHEREAS**, SEDC has determined that the Grant (hereinafter defined) to be made hereunder is required or suitable to retain, promote or develop new or expanded business enterprises and constitutes a “project”, as that term is defined in the Act; and

**WHEREAS**, SEDC has determined that making the Grant to Company in accordance with this Agreement will further the objectives of SEDC, will benefit the City and the City’s inhabitants and will promote local economic development and stimulate business and commercial activity in the City;

**NOW THEREFORE**, in consideration of the foregoing, and on the terms and conditions hereinafter set forth, and other valuable consideration the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

**Article I**  
**Definitions**

For purposes of this Agreement, each of the following terms shall have the meaning set forth herein unless the context clearly indicates otherwise:

“Bankruptcy or Insolvency” shall mean the dissolution or termination of Company’s existence as a going business, insolvency, appointment of receiver for any part of Company’s property and such appointment is not terminated within ninety (90) days after such appointment is initially made, any general assignment for the benefit of creditors, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Company and such proceeding is not dismissed within ninety (90) days after the filing thereof.

“City” shall mean the City of Seagoville, Texas.

“Commencement Date” shall mean the later of: (i) the date the final certificate of occupancy is issued by the City for Phase II or Phase III of the Improvements for the Required Uses; and (ii) the date said phase of the Improvement is open for business and serving the citizens of the City and its visitors for the Required Uses.

“Commencement of Construction” shall mean that (1) the plans have been prepared and all approvals thereof required by applicable governmental authorities have been obtained for construction of the Project, (2) all necessary permits for the Project have been issued by all applicable governmental authorities, and (3) construction of the vertical elements (whether located above or below ground) of the Project has commenced.

“Company” shall mean jointly and several liability, KRR Malloy Bridge Residential, LLC and KRR Malloy Bridge Retail, LLC, both Texas limited liability companies, which are the developers of the Project.

“Completion of Construction” shall mean that (1) Phase I Infrastructure Improvements have been fully and finally completed and accepted by the City, (2) the Phase II Multifamily Residential Improvements have been substantially completed, (3) a final, permanent certificate of occupancy for the Phase II Multifamily Residential Improvements Expansion has been issued, (4) Company is open and conducting business during normal business hours leasing and operating the Phase II Multifamily Residential Improvements, (5) the Phase III Commercial Retail Improvements have been substantially completed, (6) a final, permanent certificate of occupancy for all or any portion of the Phase III Commercial Retail Improvements has been issued, and (7) Company or its lessee or designee is open and conducting business during normal

business hours and operating all or a portion of the Phase III Commercial Retail Improvements.

“Completion of Phase I Infrastructure Improvements Construction” shall mean full and final completion of the Phase I Infrastructure Improvements and approval of the same by City.

“Completion of Phase II Multifamily Residential Improvements Construction” shall mean substantial completion and issuance of a final certificate of occupancy by City for occupancy of the Phase II Multifamily Residential Improvements.

“Completion of Phase III Commercial Retail Improvements Construction” shall mean substantial completion of the Phase III Commercial Retail Construction and issuance of a final certificate of occupancy by City for all or any portion thereof.

“Effective Date” shall mean the last date of execution hereof.

“Employment Positions” shall mean non-temporary full-time employment positions of the Company which are eligible for employee benefits and are created, maintained and filled at the Expansion

“Expiration Date” shall mean the fifth (5<sup>th</sup>) anniversary of the Commencement Date.

“Force Majeure” shall mean any contingency or cause beyond the reasonable control of a Party including, without limitation, acts of God or the public enemy, war, terrorist act, or threat thereof, riot, civil commotion, insurrection, government action or inaction (unless caused by the intentionally wrongful acts or omissions of the Party), fires, earthquake, tornado, hurricane, explosions, floods, strikes, slowdowns, work stoppages, epidemics or pandemics.

“Grant” shall mean an economic development grant in the amount equal to the costs incurred and paid by Company for the Phase I Infrastructure Improvements, not to exceed Six Hundred and Twenty-Five Thousand Dollars (\$625,000.00) to offset a portion of the costs paid and incurred by Company for the Project, to be paid in one lump sum payment within seventy-five (75) days of execution of this Agreement.

“Impositions” shall mean all taxes, assessments, use and occupancy taxes, charges, excises, license and permit fees, and other charges by public or governmental authority, general and special, ordinary and extraordinary, foreseen and unforeseen, which are or may be assessed, charged, levied, or imposed by any public or governmental authority on the Company or any property or any business owned by Company within the City.

“Improvements” shall mean the Phase I Infrastructure Improvements, the Phase II Multifamily Residential Improvements, and the Phase III Commercial Retail Improvements, all as defined herein.

“Phase I Infrastructure Improvements” shall mean design, engineering, and construction, on and off the Property, of a City Engineer-approved ten (10) to twelve (12)-inch wastewater/sanitary sewer pipe with a twenty-four (24)-inch encasement and all related appurtenances to run under U.S. Highway 175, to then traverse along U.S. Hwy-175 Frontage Road and then through the City wastewater easement all as shown on Exhibit “A” attached hereto and incorporated herein by reference, to allow for wastewater and sanitary sewer drainage from the west side of US Highway 175 to a newly installed sanitary sewer system on the east side of that Highway and to serve the Phase II Multifamily Residential Improvements (including clubhouse building) and the Phase III Commercial Retail Improvements and additionally to provide installation of additional sanitary manholes along the east side of the Project at the US Highway 175 Frontage Road for access/tie-in by existing and future buildings and development. The Phase I Infrastructure Improvements will be dedicated to the City upon completion.

“Phase II Multifamily Residential Improvements” shall mean design, engineering, and construction on the Property of (1) nine (9) apartment buildings (6 to be three-story buildings and 3 to be two-story buildings) containing a total of 213 unit apartment units consisting of one, two and three-bedroom units, (2) sufficient parking for all multifamily residential units, including 81 garage parking spots and covered parking for select exterior spaces, (3) twelve (12) 3-bedroom townhome units (1,689 square feet each for a total SF of 20,268), each with a one-car garage, (4) a clubhouse/leasing facility with tenant amenities including a large fitness center, hospitality and conference room, indoor mail and kiosk room, and laundry facility, (5) swimming pool with seating area and BBQ grills, (6) playground area, (7) walking trail in conjunction with multifamily residential apartment buildings, and (8) gated entrance and exit. Perimeter fencing will be six (6’) foot wrought iron. Masonry and slat fencing will separate the multifamily residential from the commercial retail portions of the Project. A six (6’) foot wrought iron fence will be installed around the perimeter of the pool and the playground. The apartment unit mix will be as follows:

<u>Bedroom/Bath</u>	<u>Square Footage</u>	<u>Quantity</u>	<u>SF Total</u>
1/1	684	15	10,260
1/1	942	24	22,608
2/2	1,158	24	27,792
2/2	1,053	48	50,544
2/2	1,043	24	25,032
2/2	1,254	24	30,096
2/2	1,095	30	32,850
3/2	1,290	24	30,960

“Phase III Commercial Retail Improvements” shall mean design, engineering and construction on the Property of three commercial retail buildings totaling 31, 700 square feet and two stand along retail pads, each approximately 4,150 square feet, for a total of approximately 40,000 square feet of developed commercial retail improvements. The 31,700 square feet will provide space for 8 to 10 different stores in the strip mall location.

“Project” shall mean (1) the design, construction, installation, equipping, and dedication on the Property and off-site of the Phase I Infrastructure Improvements as generally shown on Exhibit “A” attached hereto and incorporated herein by reference and (2) design, construction, equipping and operation on the Property of Phase II Multifamily Residential Improvements and Phase III Commercial Retail Improvements, generally in accordance with the concept plan and renderings attached hereto and incorporated herein by this reference as Exhibit B”. The Project shall include construction of necessary water and wastewater lines and related facilities, site plan and engineering services, construction of foundations and all elements of buildings, all required fire lanes, sidewalks, trails, and access and interior streets, and finish out on multifamily residential buildings. As shown on Exhibit “B”, the Phase III Commercial Retail Improvements shall be at the front of the development located on approximately 8.58 acres and the Phase II Multifamily Residential Improvements shall be located on approximately 12.987 acres, with the remaining 0.598 acres unassigned as trees and grass area.

“Property” shall mean a 22.17 acre parcel of real property located at southeast corner of the intersection of U.S. Highway 175 and Malloy Bridge Road in the City of Seagoville, Texas owned or to be owned by Company.

“Related Agreement” shall mean any agreement (other than this Agreement) by and between the Company and SEDC or the City.

“Required Uses” shall mean Company’s continuous operation, maintenance, and occupancy of (1) the Phase II Multifamily Residential Improvements as multifamily apartment and townhome dwelling facility with related amenities as a commercial aerospace manufacturing facility and (2) the Phase III Commercial Retail Improvements as commercial retail facilities for lease.

“SEDC” shall mean the Seagoville Economic Development Corporation.

## **Article II**

### **Term**

The term of this Agreement shall begin on the last date of execution hereof (the “Effective Date”) and continue until the Expiration Date, unless sooner terminated as provided herein.

## **Article III**

### **Grant**

3.1 Grant. SEDC agrees, subject to the continued satisfaction of all the terms and conditions of this Agreement by Company and the obligation of Company to repay pursuant to Article V hereof, to provide Company with the Grant as set forth herein.

3.2 Grant Limitations. Under no circumstances shall the obligations of SEDC hereunder be deemed to create any debt within the meaning of any constitutional or statutory provision. SEDC shall not be obligated to pay any commercial bank, lender or similar institution for any loan or credit agreement made by Company. None of the obligations of SEDC under this Agreement shall be pledged or otherwise encumbered by Company in favor of any commercial lender and/or similar financial institution.

3.3 Current Revenue. The Grant made hereunder shall be paid solely from lawfully available funds that have been appropriated by SEDC. SEDC shall have no obligation or liability to provide any Grant except as allowed by law. SEDC shall not be required to provide any of the Grant if prohibited under federal or state legislation or a decision of a court of competent jurisdiction.

#### **Article IV Conditions to Grant**

Company shall during the term of this Agreement satisfy and comply with the terms and conditions of this Agreement and specifically, each term and condition of this Article IV. The obligation of SEDC to provide the Grant or any portion thereof shall be conditioned upon Company's compliance with and satisfaction of the terms and conditions of this Agreement, including the Conditions Precedent set forth in Section 6.1 of this Agreement, and each of the conditions set forth in this Article IV.

4.1 Good Standing. Company shall not have an uncured breach or default of this Agreement or a Related Agreement.

4.2 Commencement of Construction. Commencement of Construction, as that term is defined herein, shall occur not later than one (1) year after the Effective Date of this Agreement.

4.3 Completion of Construction of Phase I and II Improvements. Completion of Phase I Infrastructure Improvements Construction and Phase II Multifamily Residential Improvements Construction, as each of those terms is defined herein, shall occur not later than five (5) years after the Effective Date of this Agreement.

4.4 Dedication of Phase I Infrastructure Improvements. Within sixty (60) days of Completion of Phase I Infrastructure Improvements Construction, as defined herein, Company will dedicate to City the Phase I Infrastructure Improvements along with any related or necessary easements or rights-of-way upon, under, or on the Property to provide the City with unhindered access to the Phase I Infrastructure Improvements or such portion thereof as may be located on or near the Property, for installation, removal, replacement, maintenance, repair, upgrade, construction, or reconstruction thereof.

4.5 Completion of Construction of Phase III Improvements. Completion of Phase III Commercial Retail Improvements Construction, as defined herein, shall occur not later than five (5) years after the Effective Date of this Agreement.

4.6 Required Uses. During the term of this Agreement following Completion of Construction and continuing thereafter until expiration of this Agreement or earlier termination Company and its authorized tenants and lessees shall continuously own and occupy the Property, the Phase II Multifamily Residential Improvements, and the Phase III Commercial Retail Improvements, all of which shall not be used during the term of this Agreement for any purpose other than the Required Uses as defined herein. Further, during the term of this Agreement, such occupation and use shall not cease for more than thirty (30) days except in connection with, and to the extent of, an event of Force Majeure.

4.7 Continuous Ownership. During the term of this Agreement following the Effective Date and continuing thereafter until the Expiration Date, the Property, including the Phase II Multifamily Residential Improvements and the Phase III Commercial Retail Improvements, shall be continuously owned by Company and occupied by the Company and its authorized tenants and lessees.

4.8 Capital Investment in Project. Company's Capital Investment for the Phase I Infrastructure Improvements, the Phase II Multifamily Residential Improvements, and the Phase III Commercial Retail Improvements shall be not less than Twenty-Five Million (\$25,000,000.00) Dollars. SEDC shall have a right, during the term of this Agreement, to request that Company provide proof of this Capital Investment. In the event of such request, Company shall, not later than fifteen (15) calendar days after the request by SEDC, deliver to SEDC copies of all records, contracts, receipts, invoices, bills, proofs of payment, and such other information as SEDC may reasonably request to document compliance with the required Capital Investment.

4.9 Capital Investment in Phase I Infrastructure Improvements. Company's Capital Investment for Phase I Infrastructure Improvements shall be not less than Six Hundred, Twenty-Five Thousand (\$625,000.00) Dollars. SEDC shall have a right, during the term of this Agreement, to request that Company provide proof of this Capital Investment. In the event of such request, Company shall, not later than fifteen (15) calendar days after the request by SEDC, deliver to SEDC copies of all records, contracts, receipts, invoices, bills, proof of payment, and such other information as SEDC may reasonably request. In the event the final total cost of the design, and construction of the Phase I Infrastructure Improvements, as reasonably verified by SEDC, is less than Six Hundred, Twenty-Five Thousand (625,000.00) Dollars, the Company shall, within thirty (30) days of receipt by Company of written demand by SEDC, pay the SEDC the difference in value between \$625,000.00 and the final total cost of the construction of the Phase I Infrastructure Improvements, as reasonably verified by SEDC.

## **Article V Termination; Repayment**

5.1 Termination. This Agreement terminates on the Expiration Date, and may, prior to the Expiration Date, be terminated upon any one or more of the following:

- (a) by mutual written agreement of the Parties;
- (b) upon written notice by either Party, if the other Party defaults or breaches any of the terms or conditions of this Agreement or a Related Agreement and such default or breach is not cured within thirty (30) days after written notice thereof;
- (c) upon written notice by SEDC, if any Impositions owed to SEDC, City or the State of Texas by Company shall have become delinquent (provided, however, Company retains the right to timely and properly protest and contest any such taxes or Impositions), and such delinquency is not cured within thirty (30) days following Company's receipt of written notice thereof;
- (d) upon written notice by SEDC, if Company suffers an event of Bankruptcy or Insolvency; or
- (e) upon written notice by either Party, if any subsequent Federal or State legislation or any decision of a court of competent jurisdiction declares or renders this Agreement invalid, illegal or unenforceable.

5.2 Repayment Following Termination Under Section 5.1(b). In the event the Agreement is terminated by SEDC pursuant to Section 5.1 (b):

- (a) due to a breach of an obligation set forth in section 4.2 hereof, Company shall immediately refund to the SEDC an amount equal to one hundred percent (100%) of the value of the Grant received by Company;
- (b) due to a breach of an obligation set forth in section 4.3 or section 4.4 hereof, Company shall immediately refund to the SEDC an amount equal to one hundred percent (100%) of the value of the Grant received by Company;
- (c) due to a breach of an obligation set forth in section 4.5 hereof, Company shall immediately refund to the SEDC an amount equal to fifty percent (50%) of the value of the Grant received by Company; and
- (d) due to a breach of an obligation set forth in section 4.6, 4.7, or 4.8 hereof, Company shall immediately refund to the SEDC an amount equal to twenty-five percent (25%) of the Grant received by Company.

The repayment obligations of the Company set forth in this Section 5.2 shall survive termination of this Agreement.

5.3 Repayment Following Termination Section 5.1(c), (d), and/or (e). In the event the Agreement is terminated by SEDC pursuant to Section 5.1(c), (d), and/or (e), the Company shall

immediately refund to SEDC an amount equal to one hundred percent (100%) of the value of the Grant paid by SEDC to the Company, plus interest at the rate of interest periodically announced by the *Wall Street Journal* as the prime or base commercial lending rate, or if the *Wall Street Journal* shall cease to exist or cease to announce a prime or base lending rate, than at the annual rate of interest from time to time announced by Citibank, N.A. (or by any other New York money center bank selected by the SEDC) as its prime or base commercial lending rate from the date on which the Grant is paid by SEDC until refunded by the Company. The repayment obligation of Company set forth in this Section 5.3 shall survive termination of this Agreement.

5.3 Offsets. SEDC may, at its option, offset any amounts due and payable under this Agreement against any debt (including taxes) lawfully due to City and/or SEDC from Company, regardless of whether the amount due arises pursuant to the terms of this Agreement, a Related Agreement, or otherwise, and regardless of whether or not the debt due SEDC has been reduced to judgment by a court.

## **Article VI Miscellaneous**

6.1 Conditions Precedent. The obligations of SEDC under this Agreement are subject to and conditioned on the following:

- (i) Company has secured and presented SEDC with proof of adequate, approved financing for the Project;
- (ii) Company has purchased the Property or title to the Property has otherwise been transferred to Company, and a copy of the deed, bearing evidence of the recording thereof in the Dallas County land records, has been provided to SEDC;
- (iii) The City Council of the City of Seagoville, Texas has, by resolution, approved this Incentive Agreement and the related Project; and
- (iv) The sixty (60)-day period provided for under Texas Local Government Code section 505.160 has passed and neither the SEDC nor the City has received a petition from more than ten (10%) percent of the registered voters of the City requesting that an election be held before the funding of the Project as contemplated by this Agreement is undertaken.

6.2 Binding Agreement. The terms and conditions of this Agreement are binding upon the successors and permitted assigns of the Parties hereto.

6.3 Limitation on Liability. It is understood and agreed between the Parties that Company and SEDC, in satisfying the conditions of this Agreement, have acted independently, and SEDC assumes no responsibilities or liabilities to third parties in connection with these actions.

6.4 No Joint Venture. It is acknowledged and agreed by the Parties that the terms hereof are not intended to and shall not be deemed to create a partnership or joint venture among the Parties. It is understood and agreed between the Parties that the Parties, in satisfying the

conditions of this Agreement, have acted independently, and SEDC assumes no responsibilities or liabilities to third parties in connection with these actions. Company agrees to indemnify and hold harmless SEDC from all such claims, suits, and causes of action, liabilities and expenses, including reasonable attorneys' fees, of any nature whatsoever arising out of Company's performance of the conditions under this Agreement.

6.5 Authorization. Each Party represents that it has full capacity and authority to grant all rights and assume all obligations that are granted and assumed under this Agreement. The undersigned officers and/or agents of the Parties hereto are the properly authorized officials and have the necessary authority to execute this Agreement on behalf of the Parties hereto.

6.6 Notice. Any notice required or permitted to be delivered hereunder shall be deemed received three (3) days thereafter sent by United States Mail, postage prepaid, certified mail, return receipt requested, addressed to the Party at the address set forth below (or such other address as such Party may subsequently designate in writing), or on the day actually received if sent by courier or otherwise hand delivered.

If intended for SEDC, to:

Seagoville Economic Development  
Corporation  
Attn: Patrick Stallings, Exec. Director  
702 N. Highway 175  
Seagoville, Texas 75159

With a copy to:

Victoria W. Thomas  
Nichols, Jackson, Dillard,  
Hager & Smith, L.L.P.  
1800 Ross Tower  
500 North Akard  
Dallas, Texas 75201

If intended for Company:

KRR Malloy Bridge Residential, LLC and  
KRR Malloy Bridge Retail, LLC  
Attn: Joseph Kemp  
1015 N. Duncanville Road  
Duncanville, Texas 75116

6.7 Entire Agreement. This Agreement constitutes the entire agreement between the Parties with respect to the subject matter of this Agreement. There is no other collateral oral or written agreement among the Parties that in any manner relates to the subject matter of this Agreement.

6.8 Governing Law. The Agreement shall be governed by the laws of the State of Texas, without giving effect to any conflicts of law rule or principle that might result in the application of the laws of another jurisdiction; and exclusive venue for any action concerning this Agreement shall be in the State District Court of Dallas County, Texas. The Parties agree to submit to the personal and subject matter jurisdiction of said court.

6.9 Amendment. This Agreement may only be amended by the mutual written agreement of the Parties.

6.10 Legal Construction. In the event any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect other provisions, and it is the intention of the Parties to this Agreement that in lieu of each provision that is found to be illegal, invalid, or unenforceable, a provision shall be added to this Agreement which is legal, valid and enforceable and is as similar in terms as possible to the provision found to be illegal, invalid or unenforceable.

6.11 Exhibits. All exhibits to this Agreement are incorporated herein by reference for all purposes wherever reference is made to the same.

6.12 Successors and Assigns. This Agreement may not be assigned without the prior written consent of SEDC.

6.13 Recitals. The recitals to this Agreement are incorporated herein.

6.14 Counterparts. This Agreement may be executed in counterparts. Each of the counterparts shall be deemed an original instrument, but all of the counterparts shall constitute one and the same instrument.

6.15 Survival of Covenants. Any of the representations, warranties, covenants, and obligations of the Parties, as well as any rights and benefits of the Parties, pertaining to a period of time following the termination of this Agreement shall survive termination.

6.16 Employment of Undocumented Workers. During the term of this Agreement, Company agrees to not knowingly employ any undocumented workers, and if convicted of a violation under 8 U.S.C. Section 1324a (f), Company shall repay the value or the costs incurred by SEDC to provide the Grants herein and any other funds received by Company from SEDC as of the date of such violation within 120 days after the date Company is notified by SEDC of such violation, plus interest at the rate of 4% compounded annually from the date of violation until paid. Company is not liable for a violation of this section in relation to any workers employed by a subsidiary, affiliate, or franchisee of Company or by a person with whom the Company contracts.

6.17 No Boycott of Israel. Company verifies that (i) it does not Boycott Israel; and (ii) will not Boycott Israel during the term of the Agreement or any Related Agreement. This section does not apply if the Company is a sole proprietor, a non-profit entity or a governmental entity; and only applies if: (i) the Company has ten (10) or more fulltime employees and (ii) this Agreement has a value of \$100,000.00 or more to be paid under the terms of this Contract.”

*[Signature Page to Follow]*

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

**SEAGOVILLE ECONOMIC DEVELOPMENT CORPORATION**

By: \_\_\_\_\_  
Patrick Stallings, Executive Director

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

**KRR MALLOY BRIDGE RESIDENTIAL, LLC,**  
a Texas limited liability company

By: \_\_\_\_\_  
Joseph Kemp, Manager

and

**KRR MALLOY BRIDGE RETAIL, LLC,**  
A Texas limited liability company

By: \_\_\_\_\_  
Joseph Kemp, Manager

**ACKNOWLEDGMENT**

STATE OF TEXAS  
COUNTY OF DALLAS

Before me, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared, Joseph Kemp, Manager of KRR Malloy Bridge Residential, LLC and Manager of KRR Malloy Bridge Retail, LLC, both Texas limited liability companies, known or proven to me to be the person and agent whose name is subscribed to the foregoing instrument and acknowledge to me that the same was the act of said KRR Malloy Bridge Residential, LLC and KRR Malloy Bridge Retail, LLC, that he was duly authorized to perform the same by appropriate resolution of each of the said companies, and that he executed the same as the act of said KRR Malloy Bridge Residential, LLC and KRR Malloy Bridge Retail, LLC, jointly and severally, for the purpose and consideration therein expressed and in the capacity therein stated after first having been duly authorized so to do.

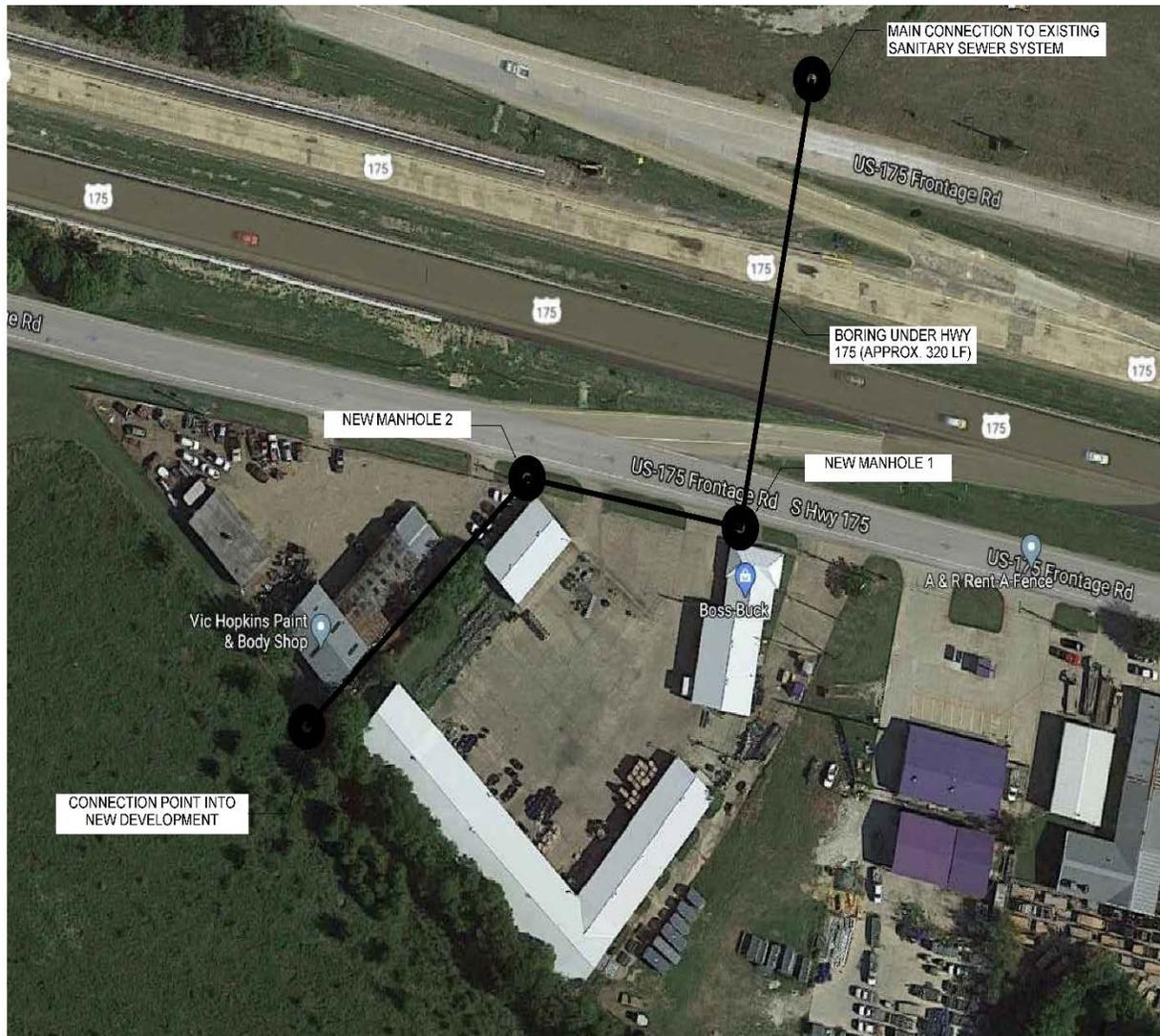
GIVEN UNDER MY HAND AND SEAL OF OFFICE this the \_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
Notary Public, State of Texas

## EXHIBIT "A"

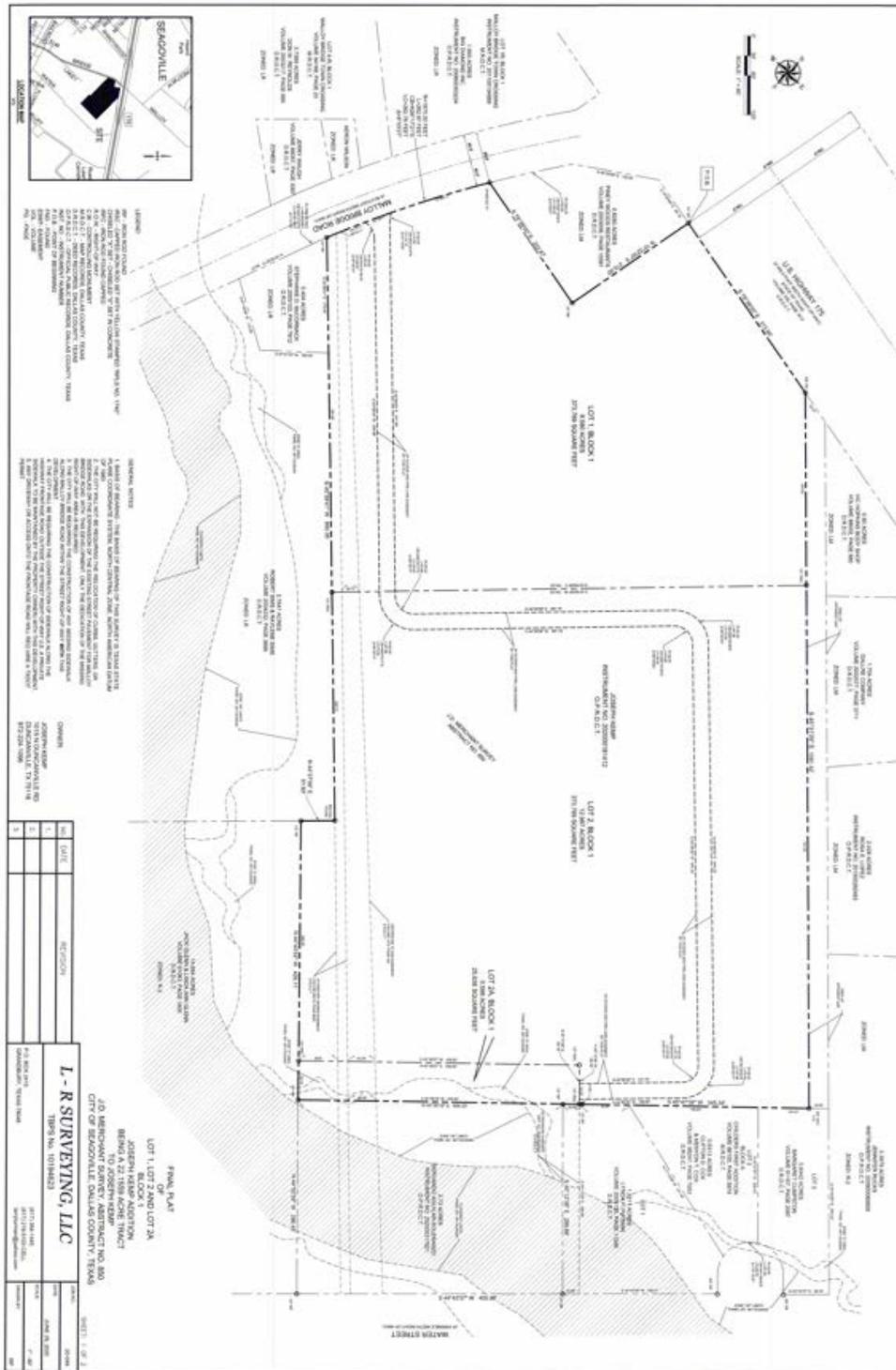
### Off Site Utilities:

- Connection To existing sanitary manhole
- Sanitary sewer crossing (boring) under Hwy 175
- 2 new manholes and open-cut sanitary installation to lot line (through utility easement provided via Vic Hopkins property)



# EXHIBIT "B"





**SEABROVILLE**

Map showing the location of the survey area within the city limits of Seabroville, Texas.

**GENERAL NOTES:**

1. THIS SURVEY WAS MADE BY THE SURVEYOR OR HIS ASSISTANT IN THE FIELD BY THE USE OF A TOTAL STATION AND A GPS RECEIVER. THE SURVEY WAS MADE IN ACCORDANCE WITH THE SURVEYING ACTS OF TEXAS AND THE RULES AND REGULATIONS OF THE BOARD OF SURVEYING AND MAPPING.

2. THE SURVEYOR HAS REVIEWED THE RECORDS OF THE PUBLIC RECORDS OF THE COUNTY OF DALLAS, TEXAS, AND HAS FOUND NO RECORDS OF ANY INTERESTS IN THE SURVEYED LANDS.

3. THE SURVEYOR HAS REVIEWED THE RECORDS OF THE PUBLIC RECORDS OF THE COUNTY OF DALLAS, TEXAS, AND HAS FOUND NO RECORDS OF ANY INTERESTS IN THE SURVEYED LANDS.

4. THE SURVEYOR HAS REVIEWED THE RECORDS OF THE PUBLIC RECORDS OF THE COUNTY OF DALLAS, TEXAS, AND HAS FOUND NO RECORDS OF ANY INTERESTS IN THE SURVEYED LANDS.

5. THE SURVEYOR HAS REVIEWED THE RECORDS OF THE PUBLIC RECORDS OF THE COUNTY OF DALLAS, TEXAS, AND HAS FOUND NO RECORDS OF ANY INTERESTS IN THE SURVEYED LANDS.

**OWNER:**

JOSEPH KEMP-NORTON  
 1000 W. WALTER STREET  
 SEABROVILLE, TX 77629

NO.	DATE	REVISION
1		
2		
3		

**PARK PLAT**  
 OF  
**LOT 1, LOT 2 AND LOT 2A**  
 BEING A 32.000 ACRES TRACT  
 JOSEPH KEMP-NORTON  
 1000 W. WALTER STREET  
 SEABROVILLE, TEXAS 77629

**I-R SURVEYING, LLC**  
 1000 W. WALTER STREET  
 SEABROVILLE, TEXAS 77629

SCALE: 1" = 40'

DATE: 08/11/2014

BY: JOSEPH KEMP-NORTON

## ***Regular Session Agenda Item: 10***

**Meeting Date: July 8, 2021**

### **ITEM DESCRIPTION:**

Receive Councilmember Reports/ Items of Community Interest

### **BACKGROUND OF ISSUE:**

Section 551.0415 of the Texas Government Code authorizes a quorum of the governing body of a municipality or county to receive reports about items of community interest during a meeting without having given notice of the subject of the report if no action is taken. Section 551.0415 defines an “item of community interest” to include:

- (1) expressions of thanks, congratulations, or condolence;
- (2) information regarding holiday schedules;
- (3) an honorary or salutory recognition of a public official, public employee, or other citizen, except that a discussion regarding a change in status of a person’s public office or public employment is not an honorary or salutory recognition for purposes of this subdivision;
- (4) a reminder about an upcoming event organized or sponsored by the governing body;
- (5) information regarding a social, ceremonial, or community event organized or sponsored by an entity other than the governing body that was attended or is scheduled to be attended by a member of the governing body or an official or employee of the political subdivision; and
- (6) announcements involving an imminent threat to the public health and safety of people in the political subdivision that has arisen after the posting of the agenda.

### **FINANCIAL IMPACT:**

N/A

### **RECOMMENDATION:**

N/A

### **EXHIBITS:**

N/A

## ***Regular Session Agenda Item: 11***

**Meeting Date: July 8, 2021**

**ITEM DESCRIPTION:**

Future Agenda Items

**BACKGROUND OF ISSUE:**

Council provides direction to staff regarding future agenda items. These items will not be discussed and no action will be taken at this meeting.

**FINANCIAL IMPACT:**

N/A

**RECOMMENDATION:**

N/A

**EXHIBITS:**

N/A