DEVELOPMENT CORPORATION OF HARLINGEN, INC.
BOARD OF DIRECTORS’ REGULAR MEETING
November 22, 2016

Notice is hereby given that the above Board of Directors will hold a Regular Meeting on Tuesday, November 22, 2016 at 5:30 p.m. at the City Hall, Town Hall, 2nd floor, 118 East Tyler Avenue, Harlingen, Texas.

The Development Corporation of Harlingen, Inc. reserves the right to meet in Executive Session on any agenda item should the need arise, and if applicable, pursuant to authorization by Title 5, Chapter 551 of the Texas Government Code. Development Corporation meetings are available to all persons regardless of disability. If you require special assistance, please contact the HEDC office at (956) 216-5081 or e-mail us at info@harlingenedc.com at least 24 hours in advance of the meeting.

AGENDA ITEMS

Call Meeting to Order

Roll Call

Pledge of Allegiance

Public Comment

1. Consider and take action to approve the minutes of October 25, 2016.

2. Consider funding request from Texas A&M Engineering Extension Service (TEEX) for a portion of a local match of $30,000 for education and workforce training study.

3. Executive Session pursuant to Chapter 551, Subchapter D., V.T.C.A. Government Code (Section 551.072), regarding the purchase, lease or value of real estate, if the deliberation in an open meeting would have a detrimental effect on the position of the Development Corporation of Harlingen Inc. in negotiations with a third person regarding some of the following projects; and/or Executive Session pursuant to Chapter 551, Subchapter D., V.T.C.A. Government Code (Section 551.087) regarding commercial and financial information from business prospects with which the Board is conducting economic development negotiations and/or to discuss or deliberate financial or other incentives to business prospects known as:
   a) Project Liberty

4. Consider and take action on Project Liberty, if needed.

5. Consider authorizing CEO to execute memorandum of understanding, construction contract, and ratify the release of the request for proposal for the development of a cold-storage facility at the Free Trade International Bridge at Los Indios.


7. Consider and discuss staff reports:

   a) Report on industrial development activities over the past few months including, but not limited to:
      1) Industrial recruitment
      2) Industrial retention activities
      3) Update on HMA activities

   b) Consider CEO’s report on recent and upcoming economic development activities:
      1) Regional partnerships update
      2) Other upcoming or past trade shows and events
The Board may meet in closed executive session on any of the above agenda items if the discussion of any of the above agenda items concerns one of the following:

1. Contemplated or pending litigation, or matters where legal advice is requested of the Attorney on a matter in which the duty of the attorney to the Board under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Act. Section 551.071 of the Texas Open Meetings Act.

2. The purchase, exchange, lease, or value of real property, if the deliberation in an open meeting would have a detrimental effect on the position of the Harlingen Economic Development Corporation, Inc. in negotiations with a third person. Section 551.072 of the Texas Open Meetings Act.

3. A contract for a prospective gift or donation to the Development Corporation of Harlingen, Inc., if the deliberation in an open meeting would have a detrimental effect on the position of the Development Corporation of Harlingen, Inc. in negotiations with a third person. Section 551.073 of the Texas Open Meetings Act.

4. Personnel matters involving the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee or to hear a complaint against an officer or employee. Section 551.074 of the Texas Open Meetings Act.

5. The deployment, or specific occasions for implementation of security personnel or devices. Section 551.076 of the Texas Open Meetings Act.


I, the undersigned authority, do hereby certify that the above Notice of Meeting of the Board of Directors of the above named Corporation is a true and correct copy of said notice posted on the bulletin board at City Hall of said City of Harlingen, Texas in a place convenient and readily accessible to the general public at all times and on the Corporation’s Internet Website and said Notice was posted on Friday, November 18, 2016 at or before 5:00 p.m. and remained so posted for at least 72 hours preceding the time of said meeting.

Raulde Garza, CEO
Development Corporation of Harlingen, Inc.
On the 25th of October, 2016 at 12:00 noon the Development Corporation of Harlingen, Inc., Board of Directors convened at University Center, 2424 Boxwood Street, Room 126, Harlingen, Texas. The following board members were present. The following board members were present.

Present
Lupita Gutierrez-Garza
Dr. Gilbert Leal
Robert B. Dunkin
Michael Lamon
Mickey Boland

Staff
Raudel Garza, Manager and CEO
Ramiro Aleman, Jr., MaryAnn Villarreal, and Tania Hernandez

Also Present: Mayor Chris Boswell, Commissioner Victor Leal, Commissioner Mike Mezmar, City Manager Dan Serna, and Senior Accountant Raul Sanchez.

Call to Order
President Lupita Gutierrez-Garza called the meeting to order; a quorum was established and the following proceedings were held.

Roll Call
President Gutierrez-Garza announced that she, Dr. Leal, Mr. Dunkin, Mr. Lamon and Mr. Mickey Boland were present.

Public Comment
None.

1. Consent Agenda.

The following items are of a routine or administrative nature. The Board has been furnished with background material on each item and/or it has been discussed at a previous meeting. All items will be acted upon by one vote, without being discussed separately, unless separate discussion of any item is requested by a Board Member. Items withdrawn from the Consent Agenda for individual consideration will be heard in their normal sequence after the remainder of the Consent Agenda has been acted upon.

a) Consider and take action to approve the minutes of September 27, 2016 regular meeting and October 13, 2016 special meeting (workshop)

b) Consider and take action to approve the Interim Financial Reports of September 30, 2016
Motion was made by Mr. Dunkin and seconded by Dr. Leal to approve consent agenda #1. Motion carried unanimously.

2. Executive Session pursuant to Chapter 551, Subchapter D., V.T.C.A. Government Code (Section 551.072), regarding the purchase, lease or value of real estate, if the deliberation in an open meeting would have a detrimental effect on the position of the Development Corporation of Harlingen Inc. in negotiations with a third person regarding some of the following projects; and/or Executive Session pursuant to Chapter 551, Subchapter D., V.T.C.A. Government Code (Section 551.087) regarding commercial and financial information from business prospects with which the Board is conducting economic development negotiations and/or to discuss or deliberate financial or other incentives to business prospects known as:
   a) Project Liberty
   b) Project Polar

At 12:02 p.m., motion was made by Dr. Leal and seconded by Mr. Dunkin to convene into executive session under Government Code (Section 551.072), and (Section 551.087). Motion carried unanimously.

At 12:40 p.m., President Gutierrez-Garza announced the board had completed its executive session under Government Code (Section 551.072), and (Section 551.087) declared the meeting open to the public.

3. Action, if needed, on Project Liberty.

Motion was made by Mr. Boland and seconded by Mr. Lamon to proceed as discussed in executive session. Motion carried unanimously.

4. Action, if needed, on Project Polar.

Motion was made by Mr. Boland and seconded by Mr. Lamon to proceed as discussed in executive session. Motion carried unanimously.

5. Executive Session pursuant to Chapter 551, Subchapter D., V.T.C.A. Government Code (Section 551.074), personnel, involving the appointments, employment, evaluations, reassignments, or duties of the positions of Manager/CEO.

At 12:41 p.m., motion was made by Dr. Leal and seconded by Mr. Boland to convene into executive session under Government Code (Section 551.074). Motion carried unanimously.

At 1:15 p.m., President Gutierrez-Garza announced the board had completed its executive session under Government Code (Section 551.074) declared the meeting open to the public.

6. Action on Executive Session item #5, if necessary.

Motion was made by Dr. Leal and seconded by Mr. Lamon to authorize President Gutierrez-Garza to finalize negotiations on a new Employment Agreement between Harlingen Economic Development Corporation, Inc. and Raudel Garza. Motion carried unanimously.
7. **Consider and discuss staff reports:**

   a) **Report on industrial development activities over the past few months including, but not limited to:**
      1) *Industrial recruitment*
      2) *Industrial retention activities*
      3) *Update on HIFI activities*
      4) *Update on HMA activities*

   Mr. R. Aleman gave a verbal update on the industrial development activities.

   b) **Consider CEO’s report on recent and upcoming economic development activities:**
      1) *Regional partnerships update*
      2) *Other upcoming trade shows and events*

   Mr. R. Garza gave an update on the promotion and the importance of marketing Los Indios Bridge. He spoke about BiNED’s steering committee and finalizing their bylaws. He mentioned that Matt Ruszczak from RSTEC is in the process of recruiting Weslaco as a member and continues working on the day to day functions.

   Mr. R. Garza spoke about the upcoming events, RGV day, ICSC, Spacecom, FabTech and the Alliance for I69 annual meeting on December 2nd that he will be attending.

4. **Adjourn**

   There being no further business to discuss, motion was made by Dr. Leal and seconded by Mr. Lamon to adjourn the meeting at 1:25 p.m.

   Development Corporation of Harlingen, Inc.

   ____________________________

   Lupita Gutierrez-Garza, President

   ATTEST:

   ____________________________

   Raudel Garza, Manager and CEO
Mr. Garza,

Attached please find the latest proposal for a regional assessment of our manufacturing education capabilities and needs. The goal of the study is to identify our current educational infrastructure, identify potential centers of excellence among the three junior college institutions, and identify future need to expand our existing programs to grow our offerings into a world class regional education model.

The study will be funded by a $500,000 EDA grant. The draw down of this grant requires a local match of $150,000. I meet with the three junior college presidents about this proposal and all three expressed their support. I will be contacting key municipalities and EDCs to request their support and assist with the local matching dollars.

I will try to reach you tomorrow by phone to discuss this in more detail and answer any questions you may have. Thank you so much for your time. I look forward to visiting with you tomorrow.

Eddie Lucio III

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Leaders throughout the Lower Rio Grande Valley are leveraging geographic location and industry innovation to fuel job creation throughout the region. Individually, Cameron, Hidalgo, Starr, and Willacy counties offer unique and valuable economic development assets. Collectively, they comprise a region rich with potential for expansive economic growth through international trade and foreign direct investment. Recognizing the potential for growth through regional collaboration, local leaders have identified the potential for growth in the advanced manufacturing industry. Now, they are seeking to understand the industry’s skilled workforce needs and how best to develop and promote job-driven skills development capacity in order to attract major industry investment in the region.

**MANUFACTURING WORKFORCE - A COMMON NEED ACROSS TARGET INDUSTRIES**

Manufacturing is a major sector of industrial development throughout the region, including advanced manufacturing and heavy manufacturing. Industries such as Space & Aviation, Automotive, Energy and Heavy Industry require a manufacturing workforce trained in such demand occupations as welder, machinist, industrial mechanic, and computer numeric controlled machine tool operators.

The four counties are home to three community colleges with campuses throughout the region: South Texas College, Texas Southmost College and Texas State Technical College. The colleges offer programs in support of manufacturing operations today but see potential for enhancing their individual programs by identifying individual areas of focus for each campus in order to create a world-class education and training competencies that contribute and distinguish the region in the global market.

**REGIONAL PARTNERSHIP TO ADVANCE MANUFACTURING WORKFORCE DEVELOPMENT**

The proposed project will evaluate the needs for job-driven skills in support of advanced manufacturing in the Lower Rio Grande Valley. TEEX will engage existing and prospective industry in the region in order to discern workforce needs. In addition, TEEX will work with the region’s community colleges to assess existing programs and identify focus areas for each college, thus creating a complete workforce development eco-system in support of the broad training and
education needs of advanced manufacturing. The goal is to establish a workforce pipeline for existing and prospective manufacturing employers by creating complementary concentrations across colleges and promoting careers and academic programs to the region’s youth workforce population. The result will be a workforce pipeline ready with the skills and certifications sought after by the region’s emerging advanced manufacturing industries.

Industries such as Space & Aviation, Automotive, Energy and Heavy Industry require a manufacturing workforce trained in such demand occupations as welder, machinist, industrial mechanic, and computer numeric controlled machine tool operators.

Poised to invest in the region, international players in the aerospace, automotive and other advanced manufacturing industries are expressing interest in the region. By engaging these prospects and those already located in the region, the proposed job-driven skills development needs assessment and promotion program will empower industry to work with local leaders to ensure that the workforce is ready to support regional expansion.

Phases of the proposed project include:

**Phase I – Jobs-Driven Skills Development Gap Analysis**

TEEX will provide research and analysis of the region’s current and future skilled workforce needs. The project will identify the strengths of each of the region’s three community colleges and, comparing that with the workforce development needs of target industries, recommend concentrations for each institution that will create focused excellence at each institution while establishing the region as a world class destination for industry site selectors seeking assurance of a skilled manufacturing workforce pipeline. The community colleges will be providing world class training and education in the advanced manufacturing arena to supply a steady pipeline of employees.

**FEDERAL FUNDING OPPORTUNITY**

The Economic Development Administration offers Economic Adjustment Assistance grants for regions with high rates of poverty and unemployment. These funds are generally granted to support assessment and planning and are thus an ideal source of resources to leverage against state/local funding to plan and pilot an innovative program that will bolster long-term economic development through a near-term jobs-driven skills development program. Cameron County qualifies for federal funding up to 70% of the total project cost.

**Phase II - Outreach and Promotion Program Design and Development**

Based on Phase 1 findings, design and develop a regional outreach and promotion program marketing careers and associated advanced manufacturing education and training programs to counselors, teachers and students in K-12 schools.

**Phase III – Implement Outreach and Promotion Pilot Program**

Implement outreach and promotion program designed in Phase II in order to garner interest in advanced manufacturing as a career among the future workforce and promote education and training opportunities within the region. The pilot will entail training school counselors one-on-one and assisting them in their role of providing insight to students considering advanced manufacturing as a career. The resulting promotional campaign would include linking students to the appropriate community colleges based on desired discipline of focus.

**BUDGET**

Together with local leaders, TEEX is pursuing Economic Adjustment Assistance funding through the Economic Development Administration (EDA) to fund the proposed project. An estimated $500,000 total two-year budget is required to cover the three phases of the project. TEEX is seeking approximately $350,000 in federal funds and will require an additional $150,000 in local or state funds to complete the project.
MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding, hereinafter referred to as the "Memorandum" or "MOU", entered into on ______________________, 2016, by and between Development Corporation of Harlingen, Inc. (EDC) residing at 2424 Boxwood, Harlingen, Texas 78550, hereinafter referred to as the "First Party", and Cameron County located at _______________________________, City of Harlingen located at _______________________________, and City of San Benito located at _______________________________, hereinafter referred to as the "Second Party(ies)" and collectively known as the "Parties" for the purpose of establishing and achieving various goals and objectives relating to the Project, Project Polar (Cold Room).

WHEREAS, the aforementioned Parties desire to enter into the herein described agreement in which they shall work together to accomplish the goals and objectives set forth;

AND WHEREAS, the Parties are desirous to enter into an understanding, setting out all necessary working arrangements that both Parties agree shall be necessary to complete this Project;

PROJECT
The aforementioned Project is the construction of a cold room for inspection of foreign produce at the United States - Mexico Border at the Free Trade Bridge in Los Indios, Cameron County, Texas. First Party is undertaking its responsibilities and obligations specified in this MOU at the request of the Cameron County Commissioners Court to the First Party to exercise First Party’s powers at the Free Trade Bridge site described above, as authorized by Sections 501.159 and 504.202 of the Texas Local Government Code.

PURPOSE AND SCOPE
The Parties intend for this Memorandum of Understanding to provide the cornerstone and structure for any and all possibly impending binding contract(s) which may be related to the Project.

OBJECTIVES
To oversee the construction of a cold room for inspection of foreign produce at the US - Mexico Border, to include procuring the services of a general contractor to build the cold room and serving as the Project Manager of this construction project on behalf of the three (3) partners in the Los Indios Bridge partnership (Cameron County, City of Harlingen & City of San Benito). Also to procure proposals for operations and management for the cold room once completed.
RESPONSIBILITIES AND OBLIGATIONS OF THE PARTIES
It is the desire and the wish of the aforementioned Parties to this MOU that this document should not and thus shall not establish nor create any form or manner of a formal agreement, but rather is an agreement between the Parties to work together in such a manner that would promote a genuine atmosphere of collaboration and alliance in the support of an effective and efficient partnership to complete the Project.

PROJECT BUDGET SECOND PARTIES' & CONTRIBUTION
The Budget to complete the Project Polar cold room is agreed to be a total of $536,487.00 as specified in the attached Exhibit A entitled Free Trade International Bridge at Los Indios Cold Room Project. The Budget includes a Contingency Fund of $25,000.00. The Parties agree that any costs that will exceed the total of construction costs, survey costs and AEP charges for equipment at site, a total of $511,487.00, thereby necessitating expenditure of some or all of the contingency funds, but not exceeding the $25,000.00 total, must be approved in writing by the Cameron County Administrator and the City Managers of both Harlingen and San Benito before the EDC can expend any of the Contingency Fund. It is further agreed that any Contingency Funds not expended will be returned to the Second Parties on a pro-rata share basis. The amounts of the agreed required contributions are specified in the attached Exhibit “A”.

SERVICES COOPERATION
The First Party, EDC, shall render and provide the following services that include, but are not limited to:
First Party, EDC shall engage the services of a general contractor to build the cold room. First Party will enter into a construction contract with the selected general contractor after all of the Second Parties have deposited 100% of their required funding contributions into a bank account under the exclusive control of the First Party. First Party shall then oversee construction of the cold room in compliance with the specifications, plans, & drawings. Any change orders to the construction contract must be agreed to by the Second Parties, and the necessary funds to pay for the change order shall have been deposited with the First Party before the change order is signed by the First Party. In addition, First Party shall seek proposals for operations and management of the cold room. The entity or individual that will manage and operate the cold room will be selected by and with prior approval from the Second Parties.

The Second Parties, Cameron County, City of Harlingen and City of San Benito will each contribute the following funding for construction of the Project:
Harlingen: 25% of the construction contract cost,
San Benito: 25% of the construction contract cost,
Cameron County: 50% of the construction contract cost.
These funds must be deposited into a First Party account before the construction contract is signed.
TIMELINE
The above outlined scope and objectives shall be contingent on the Second Parties depositing the necessary funds required for the Project as described above.

TERM OF UNDERSTANDING
The term of this Memorandum of Understanding shall remain in effect until the cold room construction is completed and being managed and operated by a contracted third party and may be extended upon written mutual agreement of all Parties.

AMENDMENT OR CANCELLATION OF THIS MEMORANDUM
This Memorandum of Understanding may be amended or modified at any time in writing by mutual consent of all Parties.

GENERAL PROVISIONS
The Parties acknowledge and understand that they must be able to fulfill their responsibilities under this Memorandum of Understanding in accordance with the provisions of the law and regulations that govern their activities. Nothing in the Memorandum is intended to negate or otherwise render ineffective any such provisions or operating procedures. The Parties assume full responsibility for their performance under the terms of this Memorandum.

If at any time either Party is unable to perform its duties or responsibilities under this Memorandum of Understanding consistent with such Party’s statutory and regulatory mandates, the affected Party shall immediately provide written notice to the other Parties to establish a date for resolution of the matter.

LIMITATION OF LIABILITY
No rights or limitation of rights shall arise or be assumed between the Parties as a result of the terms of this Memorandum of Understanding.

MEDIATION DISPUTE RESOLUTION
The Parties to this Memorandum of Understanding agree that should any dispute arise through any aspect of this relationship, including, but not limited to, any matters, disputes or claims, the Parties shall confer in good faith to promptly resolve any dispute. In the event that the Parties are unable to resolve this issue or dispute between them, then the matter shall be mediated in an attempt to resolve any and all issues between the Parties.

NOTICE
Any notice or communication required or permitted under this Memorandum shall be sufficiently given if delivered in person or by certified mail, return receipt requested, to the address set forth in the opening paragraph or to such address as one may have furnished to the other in writing.

GOVERNING LAW AND VENUE
This Memorandum of Understanding shall be governed by and construed in accordance with the laws of the State of Texas. Venue shall lie in Cameron County, Texas.
SEVERABILITY CLAUSE
In the event that any provision of this Memorandum of Understanding shall be deemed to be severable or invalid, and if any term, condition, phrase or portion of this Memorandum shall be determined to be unlawful or otherwise unenforceable, the remainder of the Memorandum shall remain in full force and effect, so long as the clause severed does not affect the intent of the Parties. If a court should find that any provision of this Memorandum is invalid or unenforceable, but that by limiting said provision it would become valid and enforceable, then said provision shall be deemed to be written, construed and enforced as so limited.

ASSIGNMENT
No Party to this Memorandum of Understanding may assign or transfer the responsibilities or agreement made herein without the prior written consent of the non-assigning Party(ies), which approval shall not be unreasonably withheld.

ENTIRE UNDERSTANDING
This Memorandum of Understanding constitutes the entire understanding of the Parties pertaining to all matters contemplated hereunder at this time. The Parties signing this MOU desire or intend that any implementing contract, license, or other agreement entered into between the Parties subsequent hereto shall supersede and preempt any conflicting provision of this Memorandum of Understanding whether written or oral.

MOU SUMMARIZATION
FURTHERMORE, the Parties to this MOU have mutually acknowledged the following:

- The Parties to this MOU shall work together in a cooperative and coordinated effort, and in such a manner and fashion to bring about the achievement and fulfillment of the goals and objectives of this Project.

- The Parties to this MOU shall mutually contribute and take part in any and all phases of the planning and development of this project, to the fullest extent possible.

- It is not the intent or purpose of this MOU to create any rights, benefits and/or trust responsibilities by or between the Parties, except as set out herein.

- The MOU shall in no way hold or obligate any Party to supply or transfer funds to maintain and/or sustain the project, except as specifically provided herein.

- In the event that additional contributed funds should become necessary, any such endeavor shall be outlined in a separate and mutually agreed upon written agreement by the Parties or representatives of the Parties in accordance with current governing laws and regulations.
- Upon the signing of this MOU by all Parties, this Understanding shall be in full force and effect.

AUTHORIZATION AND EXECUTION
The signing of this Memorandum of Understanding does not constitute a formal undertaking, and as such it simply intends that the signatories shall strive to reach, to the best of their abilities, the goals and objectives stated in this MOU.

This Memorandum of Understanding shall be signed by the Development Corporation of Harlingen, Inc., Cameron County, the City of Harlingen, and the City of San Benito and shall be effective as of the date first written above.

(First Party Signature)  
Development Corporation of Harlingen, Inc.  
By: ____________________________  
Its: ____________________________

(Second Party Signature)  
Cameron County, Texas  
By: ____________________________  
Its: ____________________________

(Second Party Signature)  
City of Harlingen  
By: ____________________________  
Its: ____________________________
(Second Party Signature)

City of San Benito

By:________________________________________

Its:________________________________________

______________________________  ________________________
(Date)
### Free Trade International Bridge at Los Indios Cold Room Project

#### Revenues

<table>
<thead>
<tr>
<th>Contribution</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contribution - Cameron County</td>
<td>$268,243.50</td>
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<tr>
<td>Contribution - City of Harlingen</td>
<td>$134,121.75</td>
</tr>
<tr>
<td>Contribution - City of San Benito</td>
<td>$134,121.75</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td><strong>$536,487.00</strong></td>
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#### Expenditures

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction Costs</td>
<td>$511,087.00</td>
</tr>
<tr>
<td>Survey</td>
<td>$400.00</td>
</tr>
<tr>
<td>AEP Charges for equipment at site</td>
<td>$-</td>
</tr>
<tr>
<td>Contingency Fund</td>
<td>$25,000.00</td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td><strong>$536,487.00</strong></td>
</tr>
</tbody>
</table>
CONSTRUCTION CONTRACT
FOR
COLD ROOM CONSTRUCTION

This Agreement is made the _____ day of ____________, in the year 2016, by and between IT Engineering, LLC. hereinafter called the Contractor, and the Development Corporation of Harlingen, Inc., hereinafter called the Project Manager, a Texas corporation.

WITNESSETH, that the Contractor and the Project Manager, for the consideration hereinafter names agree as follows:

ARTICLE 1. SCOPE OF WORK: The Contractor shall furnish all of the materials and perform all of the work shown on the Drawings and described in the Specifications for the project entitled _______________________________.
The Construction Drawings and Specifications were prepared by ____________________________ and are attached as Exhibit ______. The Contractor shall do everything required by this Agreement. The Exhibits are incorporated by reference as part of this Agreement for all purposes. The Proposal including any unit prices stated herein is attached as Exhibit _____.

ARTICLE 2. TIME OF COMPLETION: The Project Manager shall provide a Notice to Proceed in which a date for commencement of the work shall be stated; such commencement date shall be 10 or more days after the date of the Notice. The Contractor shall achieve substantial completion of the work by __________, 2016 and shall achieve final completion by ____________, 2016; such completion dates may be extended by approved Change Orders. The time set forth for completion of the work is an essential element of the Contract.

ARTICLE 3. THE CONTRACT SUM: The Project Manager shall pay the Contractor for performance of the Contract, subject to additions and deductions provided herein, the sum of ____________________________ Dollars and No Cents ($______________________________).

ARTICLE 4. DEFAULT: Project Manager may, by written notice of default to the Contractor terminate this Agreement, in whole or in part, for cause if the Contractor fails to perform in full compliance with the contract requirements, through no fault of Project Manager. Project Manager will provide a thirty (30) days written notice of termination to the Contractor (delivered by certified mail, return receipt requested) of intent to terminate, and Project Manager will provide the Contractor with an opportunity for consultation with Project Manager. Upon receipt of the termination notice, Contractor shall immediately stop all work at the Project until further notice from the Project Manager.

ARTICLE 5. LIQUIDATED DAMAGES: For each consecutive calendar day after the substantial completion period set forth in Article 2 above that any work, including the
correction of deficiencies found during the final testing and inspection, is not completed, the amount of ________________________________ ($________________) will be deducted from the money due or becomes due the Contractor, not as a penalty but as liquidated damages representing the parties’ estimate at the time of contract execution of the damages which the Project Manager will sustain for late completion.

ARTICLE 6. INDEPENDENT CONTRACTOR: Both parties hereto, in the performance of this Contract, shall act in an individual capacity and not as agents, employees, partners, joint venturers or associates of one another. The employees or agents of one party shall not be deemed or construed to be the employees or agents of the other party for any purpose whatsoever. The Contractor shall be responsible for providing all necessary unemployment and workers’ compensation insurance for the Contractor’s employees.

ARTICLE 7. INSURANCE: The Contractor shall procure and maintain, at its expense, during the term of the Contract or any extensions thereof, insurance as listed below. Insurance shall be written by companies acceptable to Project Manager and authorized to do business in the State of Texas. Policies shall include terms and provisions indicated below. The Contractor shall provide and furnish evidence of the following insurance:

- Workers Compensation – Minimum coverage for employer liability in the amount of One Million Dollars ($1,000,000.00) per occurrence and One Million Dollars ($1,000,000.00) annual aggregate;

- Business Automobile Liability Insurance – Minimum coverage for employer liability in the amount of One Million Dollars ($1,000,000.00) per occurrence;

- Comprehensive General Liability – Minimum coverage for employer liability in the amount of One Million Dollars ($1,000,000.00) per occurrence; and Two Million Dollars ($2,000,000.00) annual aggregate.

- Builder’s Risk Insurance – Coverage shall be All-Risk, including, but not limited to, Fire, Extended Coverage, Vandalism and Malicious Mischief, Flood, Earthquake, Theft and damage resulting from faulty workmanship, design or materials. Limit shall be equal to 100 percent of the contract. The policy shall be written jointly in the names of the Project Manager and the General Contractor.

Contractor shall obtain and maintain in full force at all times during the term of this Contract insurance coverage naming the Project Manager as an additional insured and loss payee on its policies described above.

Each policy of required insurance shall provide for thirty (30) days written notice of cancellation to Project Manager and include the following provisions: “It is a condition of this policy that the Company shall furnish written notice to Project Manager thirty (30) days in advance of any reduction in, or cancellation of this policy.”
Insurance shall be effective and evidence of acceptable insurance shall be furnished to Project Manager prior to commencing any operations under this Contract.

**ARTICLE 8. BONDS:** Contractor is required to tender to Project Manager, prior to commencing the Work, performance and payment bonds, as required by Chapter 2253, *Texas Government Code.*

Each bond shall be executed by a corporate surety or sureties authorized to do business in the State of Texas and acceptable to Project Manager and in compliance with the relevant provisions of the *Texas Insurance Code.* If a surety upon a bond loses its authority to do business in the State, Contractor shall, within thirty (30) days after such loss, furnish a replacement bond at no added cost to Project Manager.

Contractor shall provide Performance and Payment bonds within ten (10) days of Notice to Proceed date. Each bond shall be accompanied by a valid power of attorney (issued by the surety company and attached, signed and sealed with corporate embossed seal, to the bond) authorizing the attorney-in-fact who signs the bond to commit the company to the terms of the bond, and stating any limit in the amount for which the attorney can issue a single bond.

**IF FOR ANY REASON A STATUTORY PAYMENT OR PERFORMANCE BOND IS NOT HONORED BY THE SURETY, CONTRACTOR SHALL FULLY INDEMNIFY AND HOLD PROJECT MANAGER HARMLESS OF AND FROM ANY COSTS, LOSSES, OBLIGATIONS OR LIABILITIES IT INCURS AS A RESULT.**

**ARTICLE 9. MISCELLANEOUS:** By signing this Contract, the undersigned agrees as follows:

Assignment. This Agreement is a personal service contract for the services of construction, and Contractor's interest in this Agreement, duties hereunder and/or fees due hereunder may not be assigned or delegated to a third party.

Entire Agreement; Modifications. This Contract supersedes all prior agreements, written or oral, between Contractor and Project Manager and shall constitute the entire agreement and understanding between the parties with respect to the Project. This Agreement and each of its provisions shall be binding upon the parties and may not be waived, modified, amended or altered except by a writing signed by Contractor and Project Manager.

Counterparts. This Contract may be executed in counterparts, each of which will be deemed an original, but all of which together will constitute one and the same agreement. Signatures to this Contract transmitted by facsimile transmissions, by electronic mail in “portable document format” (*.pdf*) form, or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document, will have the same effect as physical delivery of the paper document bearing the original signature.
Captions. The captions of paragraphs in this Contract are for convenience only and shall not be considered or referred to in resolving questions or interpretation or construction.

Governing Law and Venue. This Contract and all of the rights and obligations of the parties and all of the terms and conditions shall be construed, interpreted and applied in accordance with and governed by and enforced under the laws of the State of Texas without reference to its conflicts of law provisions. The county where the Project is located shall be the sole place of venue for any legal action arising from or related to this Contract or the Project in which the Project Manager is a party.

Waivers. No delay or omission by either party in exercising any right or power arising from non-compliance or failure of performance by the other party with any of the provisions of this Contract shall impair or constitute a waiver of any such right or power. A waiver by either party of any covenant or condition of this Contract shall not be construed as a waiver of any subsequent breach of that or of any other covenant or condition of the Contract. Contractor hereby waives any right of subrogation against Project Manager.

Binding Effect. This Contract shall be binding upon and inure to the benefit of the parties and their respective permitted assigns and successors.

Appointment. Project Manager hereby expressly reserves the right from time to time to designate by notice to Contractor a representative(s) to act partially or wholly for Project Manager in connection with the performance of Project Manager’s obligations. Contractor shall act only upon instructions form the designated representative(s) unless otherwise specifically notified to the contrary.

Records. Records of Contractor’s costs, reimbursable expenses pertaining to the Project and payments shall be available to Project Manager or its authorized representative during business hours and shall be retained for four (4) years after final Payment or abandonment of the Project, unless Project Manager otherwise instructs Contractor in writing.

Notices. All notices, consents, approvals, demands, requests or other communications relied on by the parties shall be in writing. Written notice shall be deemed to have been given when delivered in person to the designated representative of the Contractor or Project Manager for whom it is intended; or sent by U.S. Mail to the last known business address of the designated representative; or transmitted by email to the last known business email address of the designated representative. Mail notices are deemed effective upon receipt or on the third business day after the date of mailing, whichever is sooner. Email notices are deemed effective the next business day.

Severability. Should any term or provisions of this Contract be held invalid or unenforceable in any respect, the remaining terms and provisions shall not be affected and this Contract shall be construed as if the invalid or unenforceable term or provision had never been included.
ARTICLE 10. INDEMNIFICATION:

CONTRACTOR SHALL DEFEND, INDEMNIFY, AND HOLD HARMLESS THE PROJECT MANAGER, ITS OFFICERS, REPRESENTATIVES, AND EMPLOYEES FROM AND AGAINST ALL CLAIMS, ACTIONS, SUITS, DEMANDS, PROCEEDINGS, COSTS, DAMAGES, AND LIABILITIES, INCLUDING WITHOUT LIMITATION ATTORNEY'S FEES AND COURT COSTS, ARISING OUT OF, OR IN CONNECTED WITH, OR RESULTING FROM ANY ACTS OR OMISSIONS OF CONTRACTOR OR ANY AGENT, OFFICER, EMPLOYEE, SUBCONTRACTOR, OR SUPPLIER OF CONTRACTOR IN THE EXECUTION OR PERFORMANCE OF THIS CONTRACT.

BY SIGNING THE SIGNATURE PAGE BELOW, the Parties have executed and bound themselves to this Agreement as of the day and year first above written.

(SEAL)

DEVELOPMENT CORPORATION OF HARLINGEN, INC.

By: ________________________________
   (original signature)
   (name and title printed)

Date: ______________________________

CONTRACTOR:

By: ________________________________
   (original signature)
   (company name printed)

Date: ______________________________
REQUEST FOR PROPOSAL

Harlingen Economic Development Corporation

Harlingen Economic Development Corporation (HEDC) is now accepting sealed proposals on behalf of Cameron County, the City of Harlingen, and the City of San Benito, from qualified vendors for the management and operation of refrigerated inspection facility located within the federal import lot at the Los Indios Free Trade Bridge.

Proposals will be received at the HEDC Offices, 2424 Boxwood Street, Suite 125, Harlingen, Texas 78550 until 3:00 p.m. on December 15, 2016 at which time all proposals received will be opened and publicly acknowledged.

NO FAXED OR EMAILED BIDS/PROPOSALS WILL BE ACCEPTED. LATE OR INCOMPLETE BID/PROPOSAL WILL BE CONSIDERED NON-RESPONSIVE/NON-CONFORMING. BID/PROPOSAL MUST BE SUBMITTED IN A SEALED ENVELOPE AND MARKED PROPERLY WITH THE OPENING DATE AND TIME.

The full invitation can be viewed at www.harlingenedc.com.