

## RESOLUTION NO. R-2017-70

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BASTROP, TEXAS, APPROVING AN AGREEMENT FOR THE PROVISION OF ADMINISTRATIVE SERVICES AND SHARED SERVICES BETWEEN THE CITY OF BASTROP AND THE BASTROP ECONOMIC DEVELOPMENT CORPORATION; AUTHORIZING THE CITY MANAGER TO EXECUTE THE AGREEMENT, REPEALING ALL RESOLUTIONS IN CONFLICT; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the Bastrop Economic Development Corporation (“BEDC”) is a public instrumentality and non-profit industrial development corporation duly established and operating under Texas Local Government Code, Chapters 501 and 505, et seq., as amended, known as the Development Corporation Act of 1979 (the “Act”); and

**WHEREAS**, in order to fulfill its public purpose in advancing qualifying projects under Texas Local Government Code, Chapters 501 and 505, et seq., as amended, the BEDC requires certain administrative services and support, including without limitation, financial, bookkeeping, records management, information technology, and employee benefit services and support; and

**WHEREAS**, the BEDC had found that administrative expenses are included within the term “cost” with respect to qualifying projects and are, therefore, authorized expenditures, as provided by Texas Local Government Code § 501.152; and

**WHEREAS**, after careful evaluation and consideration by the City Council, it has determined that these services and support can be provided most beneficially, efficiently and economically by the City of Bastrop, BEDC’s authorizing unit, under a service agreement by and between the parties as attached hereto as Exhibit “A” (the “Agreement”); and

**WHEREAS**, the City is prohibited under Texas Local Government Code § 501.007 from granting public money or another thing of value (i.e., services) in aid of the BEDC, unless such value is provided under a contract authorized by Texas Local Government Code § 380.002; and

**WHEREAS**, pursuant to the terms of the Agreement and in exchange for the necessary services and support, the BEDC will compensate the City of Bastrop \$18,000 per year during the term of the Agreement for the cost of providing said services and support.

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

**SECTION 1.** That the City Council hereby approves the Agreement attached hereto and incorporated herein as Exhibit "A" and, further, authorizes the City Manager to execute the same and take all other actions necessary to implement said Agreement.

**SECTION 2.** Any prior resolution of the City Council in conflict with the provisions contained in this resolution are hereby repealed and revoked.


**SECTION 3.** Should any part of this resolution be held to be invalid for any reason, the remainder shall not be affected thereby, and such remaining portions are hereby declared to be severable.

**SECTION 4.** This resolution shall take effect immediately from and after its passage, and it is duly resolved.

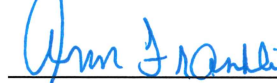
**DULY RESOLVED AND ADOPTED** by the City Council of the City of Bastrop this 12<sup>th</sup> day of September 2017.

**CITY OF BASTROP, TEXAS**

**APPROVED:**

  
\_\_\_\_\_  
Connie B. Schroeder, Mayor

**ATTEST:**

  
\_\_\_\_\_  
Ann Franklin, City Secretary

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
Joe Gorfida, Interim City Attorney

Exhibit "A"

AGREEMENT FOR PROVISION OF ADMINISTRATIVE AND SHARED SERVICES  
BETWEEN THE CITY OF BASTROP AND  
THE BASTROP ECONOMIC DEVELOPMENT CORPORATION

THE STATE OF TEXAS

KNOWN ALL MEN BY THESE PRESENTS:

COUNTY OF BASTROP

THIS AGREEMENT, executed the 13<sup>th</sup> day of September, 2017 ("Day of Execution"), by and between the CITY OF BASTROP, a municipal corporation, acting by and through its City Council, situated in Bastrop County, Texas (hereinafter referred to as "City"), and the Bastrop Economic Development Corporation (hereinafter referred to as "BEDC") acting by and through its Chair of the Board as follows:

WITNESSETH:

I.

The City agrees to provide certain administrative and shared services to the BEDC according to the terms of this agreement. Administrative services the City shall perform for the BEDC shall include:

1. Preparing all financial and investment reports and keeping all financial books and records required by the BEDC's Bylaws.
2. Providing accounts payable, payroll, purchasing and other bookkeeping services with oversight and training of such services.
3. Providing for a repository of records, office and conference space.
4. Providing information technology services.

Shared Services the City provides to the BEDC include:

1. Comprehensive Annual Financial Review ("Audit") of the BEDC financial records and transactions.
2. Employment benefits for the employees of the BEDC.
3. Technology software, licenses, maintenance, and services which the EDC utilizes.

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

## II.

### **Administrative Services**

Subject to the BEDC continuing to contract with the City for administrative services provided for herein, the BEDC will pay to the City for its services pursuant to this agreement, in the form of a flat fee in the amount of eighteen thousand dollars and no cents (\$18,000.00) per year (the "Services Fee"). The Services Fee shall be prorated and paid monthly over the budget year.

### **Shared Services**

The City shall allocate to the BEDC the cost associated with reoccurring and contractual services which the BEDC utilizes and receives benefit. The BEDC will reimburse the City for the actual allocated cost for these shared services, excluding the annual Audit.

The City contracts on behalf of the BEDC to have an independent annual Audit of its financial records and transactions; as such, the City provides staff resources to facilitate the Audit. The BEDC is obligated to reimburse the City for the actual allocated cost associated with the Audit plus 20% for the associated cost of City resources.

The City on a quarterly basis shall invoice the BEDC its actual cost of these Shared Services, which is payable within 30 days of invoice.

### **Termination**

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

## III.

It is the express purpose of this agreement for the City to provide certain administrative and shared services to the BEDC.

## IV.

Subject to early termination as provided in Article V below, this agreement shall be in effect for a period of one year commencing October 1, 2017, and ending September 30, 2018, and said agreement shall be extended for additional one-year terms thereafter under the same terms and conditions unless one party gives to the other party written notification at least thirty (30) days prior to the end of the existing term of its desire to terminate or amend the agreement.

V.

1. This agreement may be terminated by the City or BEDC, in whole, or from time to time, in part, upon thirty (30) days' notice from the terminating party to the other party. Termination shall be effective thirty (30) days after delivery of Notice of Termination specifying to what extent performance or work under the agreement shall be terminated thirty (30) days after receipt by the notified party.
2. After receipt of a Notice of Termination:
  - a. City shall cease the provision of services on the date as specified in the thirty (30) day Notice of Termination to the extent possible.
  - b. City shall, within 10 days, provide notice of any provision of services to be terminated except as may be agreed upon by the Parties.
  - c. The BEDC shall pay all expenses incurred through the date of termination.


VI.

This Agreement shall take effect on the Day of Execution.

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


**BASTROP ECONOMIC  
DEVELOPMENT CORPORATION**

**CITY OF BASTROP, TEXAS**



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Camilo Chavez, Board Chair



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Lynda K. Burch, City Manager