

**CONTRACT BETWEEN THE NEW BRAUNFELS ECONOMIC DEVELOPMENT
CORPORATION AND THE CITY OF NEW BRAUNFELS, TEXAS**

THE STATE OF TEXAS §
 § KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF COMAL §

THIS CONTRACTUAL AGREEMENT (the "Agreement") is made and entered into by and between the New Braunfels Economic Development Corporation, a Non-Profit Corporation of the State of Texas, hereinafter called "EDC", acting by and through its duly authorized officers, and the City of New Braunfels, Texas, a Texas municipal corporation, hereinafter called "CITY," acting by and through its officers:

W I T N E S S E T H:

I.

WHEREAS, Texas Local Government Code §501.054 provides the EDC with the powers of non-profit corporations incorporated under the Texas Non-Profit Corporation Act, as amended, and Section Seven of the Bylaws of the EDC allows for the President and Secretary of the EDC to execute any contract which the Board has approved and authorized to be executed; and

II.

NOW THEREFORE, under the authority granted to the EDC by §501.103 of the Texas Local Government Code and upon the recommendation of the EDC which occurred on June 18, 2026, the City Council of New Braunfels, Texas on July 13, 2026 and Resolution 2026-R____, approved the EDC's determination that an amount up to \$2,400,000 be allocated to the CITY for costs associated with additional construction costs of Castell Avenue Phase 1 – Coll Street Drainage Improvement. Said funds shall be provided by EDC to the City under the following conditions:

- (1) Up to \$2,400,000 of the funds shall be allocated from sales tax funds by the EDC to CITY to pay for the construction of Castell Avenue Phase 1 – Coll Street Drainage Improvement as indicated in Exhibit A;
- (2) The total of \$2,400,000 of EDC funds, or parts thereof, shall be distributed to CITY within thirty (30) days after receiving an invoice.

(3) CITY shall at all times comply with the ordinances of City of New Braunfels and the laws of the State of Texas; and

(4) All funds received by CITY from EDC as herein provided shall be expended solely for the purposes stated herein.

III.

In the performance of this contract, CITY shall not discriminate against any person because of his/her race, color, religion, national origin, sex, disability or ancestry. Breach of this covenant may be regarded as a material breach of the contract causing its termination.

IV.

It is expressly understood and agreed by both parties hereto that each acts independently of each other, and neither has the authority to bind the other or to hold out to a third party that it is the authority for the other. The parties hereto understand and agree that the City shall not be liable for any claims, which may be asserted by any third party occurring in connection with the performance of the EDC.

Nothing contained herein shall be deemed or construed by the parties hereto or by any third party as creating the relationship of employer-employee, principal agent, joint ventures or any other similar such relationships, between the parties hereto.

V.

Employment of Undocumented Workers. During the term of this Agreement, CITY agrees not to knowingly employ an undocumented worker and if convicted of a violation of 8 U.S.C. Sec. 1324a(f), the CITY shall repay the amount of the Grant and any other funds received by the CITY from the EDC as of the date of such violation within sixty (60) days after the date the CITY is notified by the EDC of such violation, plus interest at the rate periodically announced by the Wall Street Journal as the prime or base commercial rate, or if the Wall Street Journal shall ever cease to exist or cease to announce a prime or base lending rate, then 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 EDC) as its prime or base commercial lending rate, from the date of such notice until paid.

VI.

All communications between EDC and CITY shall be addressed to the President of the New Braunfels Economic Development Corporation, c/o City of New Braunfels, 550 Landa Street,

New Braunfels, Texas 78130 with a copy being sent to the President of the EDC at his/her residential or business address. Any communication to the CITY shall be addressed to the City Manager, 550 Landa Street, New Braunfels, Texas 78130.

VII.

It is understood and agreed that in the event any provision of this contract is inconsistent with requirements of law, the requirements of law will control and the parties shall revert to their respective positions, which would otherwise be enjoyed or occupied by the respective parties for the terms of this contract.

VIII.

The foregoing instrument in writing between the parties herein, constitutes the entire agreement between the parties relative to the funds made the basis hereof, and any other written or oral agreement with the EDC being expressly waived by CITY.

IN WITNESS WHEREOF, the parties hereto execute this agreement in duplicate originals on this _____ day of _____, 2026.

CITY OF NEW BRAUNFELS
ECONOMIC DEVELOPMENT CORPORATION

By: _____
Shane Hines, *President*

Date: _____

By: _____
Larry Hammonds, *Corporate Secretary*

Date: _____

(Signatures Continue on Following Page)

CITY OF NEW BRAUNFELS, TEXAS

By: _____
Robert Camareno, *City Manager*

Date: _____

ATTEST:

By: _____
Gayle Wilkinson, *City Secretary*

Date: _____

APPROVED AS TO FORM:

By: _____
City Attorney's Office

Date: _____

Castell Avenue Phase 1 – Coll Street Drainage Improvements



Existing 100-year storm flooding

Project Objectives:

- Combine efforts for future infrastructure needs identified for Castell Avenue and Downtown Right of Way Enhancements
- Increase downstream drainage infrastructure capacity
- Enhance pedestrian walkability, safety, and comfort

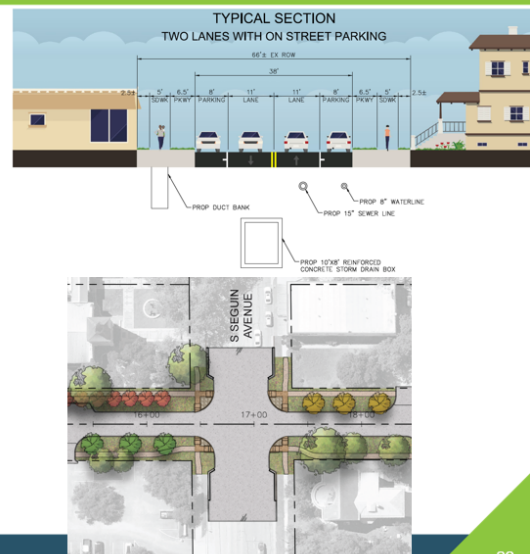
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Castell Avenue Phase 1 – Coll Street Drainage Improvements



Proposed Improvements:

- Roadway Reconstruction
 - New curbs, bulb-outs, and pavement
- Underground Storm Drain System
- Concrete Sidewalk (both sides)
- Water & Sewer Utility Replacements (Joint Bid w/NBU)
- Enhanced Landscaping and Trees
- Underground Electric & Telecommunication Conversion



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Castell Avenue Phase 1 – Coll Street Drainage Improvements



▲ Funding

- \$649,500: Design – NBEDC
- \$7,200,000: Construction – NBEDC*
- \$2,400,000: Additional Construction Costs

- Project refinement through 100% design
- Area constraints and complexity
- Construction cost escalation
- Construction administration

▲ Schedule

- Secure funding for Construction: June 2026
- Begin Construction: Fall 2026



* Approved on 2/15/24

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