

RESOLUTION NO. 2022-R-012

RESOLUTION APPROVING CERTAIN ENGAGEMENT TERMS RELATING TO PREPARATION AND FILING OF AN APPLICATION FOR GRANT UNDER THE US DEPARTMENT OF AGRICULTURE'S RURAL e-CONNECTIVITY PILOT PROGRAM (ReCONNECT PROGRAM) AND AUTHORIZING THE CITY ADMINISTRATOR OF THE CITY OF BLANCO TO EXECUTE A RELATED FINAL AGREEMENT

WHEREAS, the City of Blanco (the "City") is currently underserved by available rural telecommunications services both within and outside the City's limits and its ETJ;

WHEREAS, the City is eligible to apply for grant funding for the installation and expansion of rural telecommunications services in the City and surrounding areas under the US Department of Agriculture's Rural e-Connectivity Pilot Program (ReConnect Program);

WHEREAS, HC Wireless, Inc. and RF Design Services (collectively "HCW") possess relevant expertise and are prepared to assist the City in the preparation and filing of an application for grant funding under the ReConnect Program; and the City is prepared to engage HCW for such purpose; and

WHEREAS, the City Council of the City finds that the proposed engagement terms between the City and HCW are consistent with and support the public welfare and safety of the City of Blanco and its residents;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Blanco, as follows:

1. The terms and conditions of a proposed engagement agreement (the "Terms"), which are attached hereto and incorporated herein as if set forth verbatim, at Exhibit "A", are approved;
2. The City Administrator is hereby authorized to execute a final engagement agreement consistent with the Terms, and to take any and all additional actions and steps necessary to fully implement and execute such Agreement.

RESOLVED AND ADOPTED this 11 day of October 2022.



Rachel Lumpee, Mayor

ATTEST:

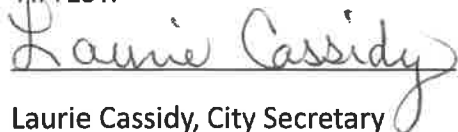

Laurie Cassidy, City Secretary



EXHIBIT A

TERMS OF PROPOSED ENGAGEMENT AGREEMENT

It is understood and agreed by and between HC Wireless, LLC ("HCW") and City of Blanco ("City") (collectively "the Parties") that the following terms will be included in a final Engagement Agreement. The Parties understand and agree these terms are not wholly exhaustive of terms which may be included in such final Agreement but are intended to represent the key "deal points" which will serve as the basis for such final Agreement.

1. City will serve as the applicant for grant funds through the U.S. Department of Agriculture's ReConnect Grant Program (the "Program") and partner with HCW and consultants to develop the necessary documents, studies, submittals, designs, and all other information required by the Program to submit the grant application. The Parties agree to coordinate and cooperate together in good faith in order to develop the grant application and in connection with the submission of the application to the Program.
2. HCW will coordinate all activities with its consultants, including grant writers, to develop and draft all necessary and required Program documentation and information to arrive at a complete and final grant application. Upon receipt of a final grant application from HCW, City will timely submit application developed by HCW to the Program.
3. In connection with the development of the grant application, City agrees to contribute funds in the amount of \$6,500 with HCW to match those funds in the amount of \$6,500 which shall be used to pay for costs and fees associated with the development of the grant application.
4. In the event the Program awards a grant in response to the proposal developed by HCW, the Parties agree they will enter into subsequent negotiations and work diligently in good faith to agree upon reasonable terms relative to the matching contribution requirement for the Program and the allocation or apportionment of the total matching contribution between the Parties.
5. In the event the Program awards a grant in response to the proposal developed by HCW, the City shall accept the grant award so long as HCW serves a written acknowledgment of its intent to proceed with the project. Further, in the event a grant is awarded as described herein, and subject to applicable law, the Parties agree to enter into subsequent negotiations and work diligently in good faith to agree to commercially reasonable terms for at least two additional contracts for the procurement, design, and construction of network infrastructure as outlined in the grant

application and award, and for the management and operation of such completed network infrastructure built out by HCW using grant funds.

6. In the event the Program awards a grant in response to the proposal developed by HCW, City agrees to comply with any and all responsibilities of an applicant as those are defined by the Program requirements.
7. In the event the City elects not to pursue the grant application, it must notify HCW in writing on or before October 28, 2022, and except in the event of other good reason completely outside the City's reasonable control, City shall reimburse HCW for any and all reasonable out of pocket costs and fees incurred in connection with developing the grant application which exceed the Parties combined contributions to develop the proposal of \$13,000, in an amount that shall not exceed \$20,000.00.
8. City warrants and represents it has not entered into any other agreement with a third party to develop a competing grant proposal for the Program. City agrees it will not pursue a competing grant from the Program with another third party private partner during the period which HCW is developing the grant application or prior to the grant award being issued, if any, and City's acceptance of same.
9. City acknowledges and agrees that some of the information contained in the grant application will contain highly confidential trade secrets, confidential information, and/or competitive or bidding information of HCW. In the event a third party submits an open record request pursuant to the Texas Public Information Act (the "Act"), prior to disclosure to any such third party, City agrees it will inform HCW of such a request, provide a copy of same to HCW, and seek a ruling and/or opinion from the Texas Attorney General's ("AG") Open Records Division on the specific request. In the event the AG determines the requested information is exempt from disclosure on any basis under the Act or prior AG rulings and/or opinions, City shall not disclose such information to a third party.