

**AMENDMENT NO. 1
TO THE
INTERLOCAL AGREEMENT
FOR THE
FLOOD REMEDIATION AND DRAINAGE IMPROVEMENTS**

This Amendment No. 1 (“Amendment No. 1”) to the Interlocal Agreement for the Flood Remediation and Drainage Improvements (“ILA”) is dated effective February 10, 2021 (“Effective Date”) and is hereby entered into by and between the City of San Antonio (“City”), a Texas municipal corporation acting through its City Manager, and Port Authority of San Antonio (“Port Authority”), a Texas defense base development authority and political subdivision of the State of Texas, established by the City of San Antonio pursuant to Chapter 379B, Subtitle A, Title 12 of the Texas Local Government Code, acting by and through its Board of Directors and duly authorized President and CEO. City and Port Authority are referred to herein individually as “a Party” and collectively as “the Parties.”.

Whereas, February 2020, through Ordinance 2019-01-17-0024, City and Port Authority entered into an Interlocal Agreement for the Flood Remediation and Drainage Improvements (“Original Agreement”); and

Whereas, the Project purpose is to expand drainage infrastructure at Port San Antonio, to ensure adequate storm water capacity and reduce ongoing flooding risks, to improve the safety and support future economic development (“Project”); and

Whereas, pursuant to the Original Agreement the City will oversee and manage the construction of the Project and contribute \$24,000,000.00, which contribution includes pre-construction utility cost reimbursement, construction phase services reimbursement, construction, environmental and City’s capital administration costs, and Port Authority will provide project design and construction phase services, as well as obtain all necessary environmental permits, approvals and clearances; and

Whereas, if Project costs exceed the City’s contribution of \$24,000,000.00, Port Authority is responsible for any and all costs to complete the Project in excess of the City’s contribution; and

Whereas, this Amendment sets out the process by which Port Authority will reimburse City for any costs necessary to complete the Project once City’s contribution has been depleted;

Now Therefore, in consideration of the terms, covenants, agreements and demises herein contained each to the other given, the sufficiency and receipt of which are hereby acknowledged, the Original Agreement is amended as follows:

1. If actual Project Costs exceed the City’s contribution of \$24,000,000.00, the City shall continue to construct and administer the Project subject to Port Authority reimbursing City for any and all project costs in excess of the City’s contribution. City shall invoice

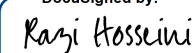
Port Authority for any and all costs in excess of the City's contribution through the PRIMELink system. City invoices will contain back-up documentation to substantiate invoiced costs. Port Authority shall pay all invoices submitted in PRIMELink by City within thirty (30) days of receipt of invoice.

- 2. As of the Effective Date hereof, it is anticipated that the Project costs will exceed the City's contribution of \$24,000,000.00. Port Authority hereby agrees that it will reimburse City's costs in the not to exceed amount of **\$1,000,000** in excess of the City's contribution without further action. **Notwithstanding anything contained herein to the contrary, if the Project costs exceed the total cost of \$25,000,000 the Parties agree to coordinate and jointly determine whether: i) Port Authority will contribute additional funds to the Project, subject to prior approval of the additional funds by Port Authority's Board of Directors; or ii) the Project scope will be reduced.** If the decision is made to reduce the Project scope, the City and Port Authority will jointly determine the elements of work that will be eliminated and/or revised. Notwithstanding the foregoing, Port Authority acknowledges and agrees that it remains responsible for all costs required to complete the Project in excess of the City's contribution.
- 3. Except as amended hereby, all other provisions of the Original Agreement are here retained in their entirety and remain unchanged.

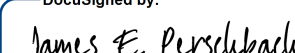
EXECUTED and **AGREED** to as of the Effective Date shown above.

City of San Antonio

Port Authority of San Antonio

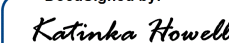
DocuSigned by:


 Razi Hosseini, P.E., R.P.L.S.
 Director/City Engineer
 Public Work Department

DocuSigned by:


 James E. Perschbach
 President & CEO

APPROVED AS TO FORM:

DocuSigned by:


 Assistant City Attorney

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