

## **MEMORANDUM OF UNDERSTANDING**

This Memorandum of Understanding (this "Memorandum") is entered into as of the 27th day of January, 2020 (the "Effective Date") by and among the City Of San Antonio, Texas, a Texas Municipal Corporation (the "City"), Southwest Research Institute ("SwRI"), The University of Texas at San Antonio ("UTSA"), an agency of the State of Texas and an academic component of the University of Texas System, and United Services Automobile Association, a Texas Reciprocal Interinsurance Exchange ("USAA"). The City, SwRI, UTSA, and USAA are sometimes referred to herein individually as a "Party" and collectively as the "Parties".

### **RECITALS**

**WHEREAS**, the City's Office of Innovation has created a program to partner with highly-skilled cross-sector teams to utilize scientific methods and data to investigate new ideas, make evidence-based decisions and transform City services for San Antonio's 1.5 million residents (the "R&D League");

**WHEREAS**, the R&D League will explore opportunities of strategic alignment among different sectors within the City; where the City can serve as a "living lab;" and partners can collectively accomplish more than they can individually;

**WHEREAS**, these opportunities will also allow the different sectors to cross-pollinate thinking, share data, explore grant opportunities that require cross-sector partners and engage employees in opportunities to capitalize on their skills to give back to their community;

**WHEREAS**, the R&D League will pursue projects that help achieve two or more of the following four key objectives: (1) drive data-informed decision making; (2) create efficiencies to maintain and improve financial sustainability within the City; (3) deliver top-notch customer service equitably for all San Antonio residents; (4) and engage City employees and residents in new ways in order to enhance service delivery;

**WHEREAS**, the City is a local government with a mission to deliver quality services and commit to achieve San Antonio's vision of prosperity for our diverse, vibrant, and historic community, and its participation in the R&D League will support this mission;

**WHEREAS**, SwRI is an independent non-profit, 501(c)(3) research and development organization which provides contract services in the areas of applied engineering, physical, and life sciences;

**WHEREAS**, UTSA is an institution of higher education and its primary mission is research, education, community engagement and public service, and its participation in the R&D League will support this mission;

**WHEREAS**, USAA is a for-profit institution and its primary mission is to facilitate the financial security of its Members, associates, and their families through the provision of a full range of highly competitive financial products and services.; and, in so doing, USAA seeks to be

the provider of choice for the military community; and

**WHEREAS**, the Parties desire to pursue collaborative opportunities to support the launch of three to six research and development projects through the R&D League (the "Project") during the 2020 fiscal year.

**NOW, THEREFORE**, for the purpose of expressing and memorializing certain terms and the mutual intent of the Parties relating to the R&D League and its Year 1 goals, the Parties desire to set forth certain understandings as follows:

1. ***Statement of Mutual Benefit and Interest.*** The Parties desire to create and increase collaborative research and development opportunities to advance their respective missions. The Parties recognize the mutual benefits of a collaboration between the local government entity, private industry, and research and academic institutions, including shared funding and resources. This Memorandum outlines the general understanding between the Parties in the initial phase of the collaboration.

2. ***Non-Binding Effect.*** The Parties acknowledge that this Memorandum does not obligate funds, facilities, or resources on behalf of any Party. Until such time as the Parties enter into a Definitive Agreement, the Parties will not be obligated to proceed with the proposed transaction. This Memorandum is entered into as a general basis for commencing possible negotiation of the Definitive Agreements. This Memorandum is not, nor is it intended to be, an exhaustive or complete discussion of either the terms and conditions set forth herein or of any prospective agreements pertaining to the Project. The execution and delivery hereof by the Parties, or any negotiations concerning this Memorandum or any possible Definitive Agreements, shall not create any contractual rights or obligations in favor of any Party vis-à-vis the others, nor shall the submission or acceptance of this Memorandum constitute any offer by any Party to enter into or pursue any transaction with another Party concerning the Project. Nothing in this Memorandum shall prevent any Party from participating, in any manner, in efforts that are competitive to this Memorandum, subject to the rights and obligations contained in Section 6 below.

3. ***Limitation of Liability.*** No Party shall be liable to any other Party for any incidental, indirect, special, or consequential damages of any kind arising out of this Memorandum. Additionally, the Parties acknowledge that USAA is a reciprocal interinsurance exchange, and as such, the Parties agree that no personal liability shall extend to any officer, director, member, agent, or employee of USAA.

4. ***Definitive Agreements.*** This Memorandum is intended to serve as a general basis for commencing possible good faith negotiations between the Parties for one or more definitive agreements as necessary for each individual research and development project (collectively, the "Definitive Agreements"). Each Definitive Agreement may be executed between the City and another Party or between the City and a combination of two or more other Parties. The Parties will follow and maintain their respective procedures and established standards with respect to any individual research project conducted under a Definitive Agreement. Acknowledging the non-binding nature of this Memorandum, as further provided in Section 2 above, the following

projects and general parameters, all of which are subject to change, form the basis of previous discussions between the Parties and are intended for further negotiation:

- (a) Sensors on City Vehicles. The City and SwRI will equip City Vehicles with sensors to identify infrastructure and areas of need.
- (b) Data Visualization Tool. The City and UTSA will build a visual tool that provides City staff insight into the impacts of the City's housing policies, such as the Neighborhood Empowerment Zones.
- (c) Ideas Portal. The City and USAA will establish a digital process for City employees to submit innovative ideas, crowdsource favorites, select pilots, and track progress and performance.
- (d) Autonomous Vehicles. The City, SwRI, UTSA, and USAA will utilize applied research to better understand the liability, perceptions, and opportunities for autonomous vehicles at the Brooks Innovation Zone.
- (e) Aligned Mobile Services. The City will internally identify opportunities to align and mobilize service intake and outreach efforts among multiple departments in order to create efficiencies and cost savings for departments, and most importantly, to make it easier for residents to access services in a "go-to-them" mobile model.

5. **Funding**. If during the discussion and negotiation phase of the Project it is determined that funding for any one or more projects will be required, the Parties agree to work collaboratively, as necessary, to identify and pursue funding opportunities to support such projects. If any one or more Parties is not directly involved in the project identified to require funding, such Party will not be required to participate in identifying or pursuing funding opportunities to support the project.

6. **Exchange of Information**. The Parties acknowledge that in the course of this Memorandum and discussions and negotiations concerning Definitive Agreements, each Party may acquire information that is proprietary to or confidential to another Party. Any information delivered by one Party to any of the other Parties in connection with the Project and deemed to be proprietary and/or confidential by the delivering Party shall be clearly noted on the page(s) where such confidential information is contained; however, the City and UTSA cannot guarantee that it will not be compelled to disclose all or part of any public record under the Texas Public Information Act, or other open records laws. Subject to, and except for, (i) disclosure under the Texas Public Information Act or other open records laws, and/or (ii) use in pursuing, providing, and/or approving, any Definitive Agreement pertaining to the Project, each Party will hold any information delivered to it by another and deemed confidential by the other in confidence and not copy, reproduce, sell, assign, license, market, transfer, or otherwise disclose such information to third parties or use such information for any purposes whatsoever, without the express written permission of the delivering Party. The Parties will use reasonable efforts to assist each other in identifying and preventing any unauthorized use or disclosure of any such proprietary and/or

confidential information; provided neither the City nor UTSA shall be obligated to initiate any legal proceeding to protect same. The Parties acknowledge that confidential information specifically excludes information that can be demonstrated to have been in the public domain or to have been known by the other Party prior to execution of this Memorandum and that was not acquired, directly or indirectly, from one of the Parties or any third party under a continuing obligation of confidentiality. Each Party may disclose another Party's confidential information to its employees, officers, representatives, or advisers who need to know such information for the purposes of carrying out the Party's obligation under this Agreement.

7. **Publicity.** The Parties shall not release to the news media or general public, subject to the Texas Public Information Act, any information regarding this Memorandum, or any projects or other activities contemplated hereunder, without the prior written approval of all non-releasing Parties. Nothing in this Memorandum shall grant or transfer to a Party any permission, authority, right, or obligation to reference another Party or its agents, officers, directors, representatives, or employees, directly or indirectly, for advertising, publicity, promotional, or fundraising activities without the Party's prior written approval.

8. **Intellectual Property.** "Intellectual Property Rights" means the worldwide legal rights or interests evidenced by or embodied in: (i) any idea, design, concept, invention, method, process, technique, apparatus, discovery, or improvement, including any patents, trade secrets, and know-how; (ii) any work of authorship, including any copyrights, moral rights, or neighboring rights; (iii) any trademark, service mark, trade dress, trade name, or other indicia of source or origin; (iv) domain name registrations; and (v) any other proprietary or similar rights. The Parties agree that no legal rights or interests of any kind whatsoever in Intellectual Property Rights are granted, transferred, or promised under this Memorandum.

9. **Independent Contractor.** This Memorandum shall not be construed to create a joint venture, partnership, fiduciary relationship or other form of business organization of any kind between or other form of business organization of any kind between or among the Parties herein. At all times, the Parties shall remain independent, each responsible for its own employees. Other than as provided for in this Memorandum, the Parties herein shall not be bound by or liable for, any statement, representation, promise, agreement, or other binding commitment of any kind on behalf of the other Party.

10. **Compliance with Laws.** Each Party shall fulfill its responsibilities under this Memorandum in accordance with the provisions of law and regulation that govern their activities. Nothing in this Memorandum is intended to negate or otherwise render ineffective any such provisions or operating procedures.

11. **Term of Memorandum.** This Memorandum will remain in effect for the period of one year from the Effective Date. This Memorandum may only be modified by mutual written consent of both parties.

12. **Termination of Discussions.** Any Party may, at any time prior to the execution and delivery of the Definitive Agreement(s) to which they are a party, abandon discussions concerning the Project or any part thereof, without liability.

**13. Notice.** For purposes of this Memorandum, all official communications and notices between the parties shall be deemed sufficient if in writing and mailed registered or certified mail, postage prepaid, to the addresses set forth below:

To the City at: Ms. Kate Kinnison  
City of San Antonio  
Office of Innovation  
P.O. Box 839966  
San Antonio, Texas 78283-3966  
Attn: Kate Kinnison

To SwRI at: Mr. Josh Johnson  
Director - Critical Systems Department  
Southwest Research Institute  
6220 Culebra Road  
San Antonio, Texas 78238-5166  
Office: (210) 522-2877  
Mobile: (210) 865-4917  
josh.johnson@swri.org

To UTSA at: The University of Texas at San Antonio  
Office of Sponsored Project Administration  
One UTSA Circle  
San Antonio, Texas 78249  
Attn: Contracts & Industry Agreements  
Office: (210) 458-8575  
jessica.fernandez2@utsa.edu

To USAA at: United Services Automobile Association  
Corporate Procurement  
9800 Fredericksburg Road, B-SVC-E  
San Antonio, TX 78288  
Attn: Senior Procurement Officer

With a copy to:

United Services Automobile Association  
Office of the General Counsel  
9800 Fredericksburg Road  
San Antonio, TX 78288  
Attn: Technology & Transactions Counsel

**14. Counterparts.** This Memorandum may be executed in several counterparts, each of which shall be deemed an original, all of which taken together shall constitute one single Memorandum among the Parties.

15. ***No Waiver.*** Nothing in this Memorandum shall be construed as a waiver by any Party of any right, privilege or immunity available to it under the laws of the State of Texas.

In WITNESS WHEREOF, the Parties have executed this Memorandum as of the Effective Date set forth above.

*Signatures for execution on the following pages.*

**EXECUTED** on the dates indicated below in multiple copies, each of which shall constitute an original.

**CITY OF SAN ANTONIO**

  
(Signature)

Printed Name: John Peterek  
Title: Assistant to the City Manager  
Date: 1/24/2020

Approved as to Form:

  
Assistant City Attorney

**SOUTHWEST RESEARCH INSTITUTE**

Walter D. Downing  
(Signature)

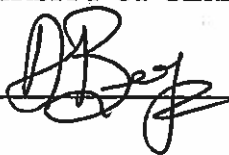
Printed Name: Walter D. Downing, P.E.  
Title: Executive Vice President and COO  
Date: 01/23/2020





**THE UNIVERSITY OF TEXAS AT SAN ANTONIO**

*(Signature)*



Printed Name: Bernard Arulanandam, Ph.D., M.B.A.  
Title: Vice President for Research, Economic  
Development and Knowledge Enterprise  
Date: 01/21/2020

**UNITED SERVICES AUTOMOBILE ASSOCIATION**

*Martin Gonzales*

(Signature)

Printed Name: Martin Gonzales

Title: Sourcing & Procurement Manager Senior

Date: 1-24-2020