



It is the intent of this document ("Agreement") to lay out the general arrangements and agreements between the City of Independence ("City") and Independence Premium Foods ("IPF") with regard to the Independence 8th Ave. NW – IPF Area Stormwater Improvements Project. ("Project")

The City and IPF hereby agree as follows.

1. The Project is a Public Improvement Project as defined by Chapter 26 of the Iowa Code.
2. The Project will be bid by the City and all contracts entered into by and between the City and the chosen bidder(s).
3. The City will be responsible for contracting with an engineer ("Engineer") to oversee the project, to review project invoices, and to otherwise advise and guide the Council regarding the Project.
4. In addition to the contracts by and between the City and the Contractor(s) and Engineer, to the extent that there are any other Project related contracts or agreements, including but not limited to Project management, all of same will be between the City and said other party/contractor, to be at all times directed and controlled by the City, and/or its agents and/or assigns.
5. The City will be the fiscal agent for the project, collecting, billing, and performing all record-keeping duties for the project. IPF will not remunerate funds to the City to compensate the City for these services.
6. The City, through the City Council, with the assistance of the City staff and the Engineer, will be responsible for reviewing Project pay requests, determining their appropriateness, auditing said requests when and if appropriate, and approving or denying same for payment, all in the sole discretion of the City. IPF shall play no role in this process.
7. IPF has received a High Quality Jobs Act Grant ("Grant"). The City is responsible for a match for that grant in the amount of \$300,000.00 to be applied against eligible Project costs. IPF agrees to provide any documents to the City that may be necessary for City and/or IPF compliance with required Grant submittals.

8. The matching Grant funds provided by the City in the amount of \$300,000 will be the "first dollars in," with the balance of eligible Project costs, after full use of the matching Grant funds, to be invoiced to and paid by IPF.
9. Until Project completion and acceptance, the Project, including the improvements and area being improved, will be under City control, after which, the improvements and the area of improvements will be put under the control/turned over to IPF for ownership and maintenance.
 - a. IPF agrees to take ownership of and to maintain said improvements at all times, keeping them in a condition that allows said improvements to operate as designed and intended. All of said improvements are on IPF property, except where they tie into or connect to City infrastructure within the City right of way.
 - b. IPF agrees to grant necessary Temporary Construction Easements to the City for construction of the Project.
10. Beginning June 1, 2025, and every subsequent Tuesday after the second Monday of the month thereafter (in coordination with Independence City Council Meetings), until Project completion, the City Clerk, at the direction and approval of the City Manager, will present an itemized statement of Project expenses to date, breaking out the payment of eligible expenses by month, showing the use of City funds (Grant Match) and Grant proceeds as applied to eligible expenses.

If, upon receipt of the Statement/Invoice, IPF has questions or wishes to challenge the accuracy of the Statement/Invoice, IPF will, within fourteen (14) days, contact the City Clerk to discuss. If after discussion with the City Clerk, IPF continues to have concerns or wishes to challenge the statement/invoice, a meeting shall be set with the City Manager for review. If, after meeting with the City Manager, IPF continues to have concerns or wishes to challenge the statement/invoice, the statement/invoice, along with a written explanation of IPF's concerns/challenges to be drafted by IPF will be provided to the City Council for review and consideration during a City Council meeting, after which the City Council will rule on the concerns/challenges presented by IPF by Resolution, determining whether any change to the statement/invoice is merited, and making such other determinations deemed appropriate, the decision of the City Council to be final and binding on IPF.

11. IPF may establish a line of credit against future pledged amounts to meet Project expense reimbursement to the City. IPF will be the borrower, and the City will in no way guarantee said debt or otherwise be obligated under said debt instruments. IPF will

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exercise their best judgment regarding where to borrow said funds in its sole discretion. The choice of funding mechanism by IPF is solely up to IPF and will not be subject to the review of the City or its agents or assigns.

12. Upon Project completion, the cooperative efforts of the city and IPF will create a full and complete accounting of Project revenues and expenses with each entity receiving a copy for to maintain as part of their official records.
13. Any portion of the \$300,000.00 City Grant Match remaining in the City's possession upon Project completion, which is not anticipated, shall be provided to IPF via check or electronic transfer after final closeout and acceptance of the project by the City Council.
14. The City agrees that the total cost of the Project shall not exceed the proposed budget of \$542,706.75. The City will cover \$300,000.00 as agreed, which leaves \$242,706.75 to be covered by IPF. Any costs beyond the not-to-exceed budget of \$542,706.75 shall be the sole responsibility of the City unless discussed and agreed to by IPF. Additionally, any out-of-scope items or changes that would result in additional costs must be approved in writing by both the City and IPF prior to implementation. Upon project completion, the City will invoice IPF in an amount equal to the eligible project expenses in excess of the City Grant match and Grant proceeds, not to exceed \$242,706.75. The City and IPF agree that IPF will reimburse the City for eligible project expenses in excess of the City Grant match and Grant proceeds by way of twelve (12) quarterly payments, with the first payment being due by the 1st of the month after the passage of thirty (30) days from the City invoicing IPF, with subsequent payments of an equal, or greater amount in the discretion of IPF, being due on or before the 1st of the 4th month following the first payment, with payments to continue on said quarterly payment schedule thereafter. IPF may prepay without penalty. Any amount outstanding under this Agreement after the project is completed shall accrue interest at a rate of four percent (4%) per annum, calculated from the date of Project completion.

This agreement was reviewed and approved by the City Council on the ____ day of _____, 2025, and reviewed and approved by Independence Premium Foods on the ____ day of _____, 2025.

City of Independence City Manager



Managing Member of IPF

Dated _____

Dated 4.23.25