



Community Development Institute

HEAD START

Serving Coastal Bend, TX

P.O. Box 249

Beeville, TX 78104

815 N. Tyler Street

Beeville, TX 78104

(361) 687-2999

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (MOU) is entered into by Community Development Institute Head Start, ("CDI HS"), and the Beeville Independent School District (BISD), commencing on June 5, 2015. As of June 5, 2015, CDI Head Start is fiscally and operationally responsible for administering the Head Start program serving the Coastal Bend, Texas region pursuant to a grant from the Administration for Children and Families in the United States Department of Health and Human Services.

BISD and CDI HS acknowledge that CDI HS is operating a Head Start program in the local community as an interim grantee. This MOU is intended to allow CDI HS to utilize property necessary for operation of the local Head Start program, with the understanding that the obligations of CDI HS with respect to this MOU and the Premises (defined below) will end when CDI HS is no longer funded as the interim grantee for the local Head Start program. CDI HS and BISD enter into the MOU with the purpose of having BISD provide CDI HS with the ability to access and use real and personal property necessary for the effective delivery of Head Start services. This MOU is also intended to set out compensation to be paid by BISD to CDI HS for the use of real and personal property identified under the terms of this MOU.

CDI HS acknowledges BISD's gracious and generous support of the Head Start program in Beeville, which serves more than 300 needy children and families in the County.

CDI HS and BISD hereby agree as follows:

1. OCCUPANCY OF PROPERTY

A. Listing of properties and address of property subject to this MOU:

Facility bordered by Tyler, Flournoy, and Harrison streets consisting of main building (formerly Tyler Elementary School), modular buildings, storage sheds, playgrounds, parking and other areas at the Ayala Head Start Center, located at 415 N. Tyler Street, Beeville, TX 78104 (the "Premises").

2. ALTERATIONS, ADDITIONS AND IMPROVEMENTS

A. CDI HS may, at its sole option and expense, make changes, additions, deletions, improvements, and alterations (collectively, "alterations") to the Premises provided CDI HS shall not make any alterations other than decorative or cosmetic changes

to the Premises, without Bee County's prior written approval, which shall not be unreasonably withheld.

3. INSURANCE, INDEMNIFICATION AND SUBROGATION

A. Insurance

1. **BISD's Insurance.** BISD shall maintain insurance with respect to the Premises against loss or damage by fire, lightning, windstorm, tornado, hail and such other risks as are customarily covered by extended coverage endorsement in an amount sufficient to cover the replacement cost of the Premises. The cost shall be paid by BISD.

2. **CDI HS's Insurance.** CDI HS shall, at its expense, at all times maintain:

- a. Insurance with respect to CDI HS's alterations, if any, equipment, machinery, and personal property against loss or damage by fire, lightning, windstorm, tornado, hail and other risks as are customarily covered by extended coverage; and
- b. Commercial general liability insurance against claims for death and bodily injury arising on or about the Premises, with a limit of not less than \$1,000,000 per occurrence, \$3,000,000 in the aggregate.
- c. General. Within ten (10) days after the execution of this Lease, and prior to the expiration of each policy, each party shall furnish to the other a certificate of insurance evidencing the coverage required hereunder and upon request shall furnish a copy of any policy required hereunder.

B. **Subrogation.** Notwithstanding any other provision in this Agreement to the contrary, each of the CDI HS and BISD hereby removes the other from any and all liability or responsibility (to the other or anyone claiming through or under the other by way of subrogation or otherwise) for any loss, damage, claim or cause of action of any kind covered under the insurance required hereunder, even if such loss shall have been caused by the fault or negligence of the other party or anyone for whom such party may be responsible.

4. COMPENSATION; BILLING; TERM

A. **Term.** The term of this MOU shall commence June 5, 2014 and shall continue until June 4, 2015. In the event of a change, this MOU may be extended, in writing, if both parties agree.

B. **Termination.** Either party may terminate this agreement upon 30 days written notice to the other party at any time. Upon such notice of termination of this agreement, the parties shall have no further obligations or responsibilities under this agreement and each shall be deemed to have removed the other from any

such further obligations or responsibilities, including payment for services not yet performed, without the need for further action.

- C. Payment. In consideration for the services to be performed, CDI HS agrees to pay BISD according to terms of payment set forth below:

There is no fee for the use of the Premises listed above, and no deposit is required.

5. PROPERTY TAXES

- A. BISD shall be responsible for and shall pay when due all real estate taxes and special assessments which at any time during the term hereof may be assessed, levied, imposed upon or become due and payable with respect to the Premises.

6. COSTS AND UTILITIES

- A. Paid by CDI HS: CDI HS shall be responsible for direct payment of the following utility costs:

Water, sewer, electricity, gas, telephone and internet service, garbage removal, security monitoring, pest control.

- B. Paid by BISD: shall be not responsible for payment of any utility costs.

7. REPAIRS, MAINTENANCE, AND DAMAGES OR DESTRUCTION OF PROPERTY

- A. Repairs and Maintenance: CDI HS shall, at its expense, perform all routine repairs and maintenance to the Premises, including such preventative maintenance as is customarily performed by tenants under leases for comparable terms. CDI HS's obligations with respect to repairs and maintenance shall be measured based upon the present condition of the Premises.

- B. Structural Repairs. Tenant shall promptly, at its expense, perform any necessary replacements or repairs to the structure, roof, heating, cooling, ventilating, electrical, mechanical or plumbing or other building systems or utility lines.

- C. Damage or Destruction of Premises. In the event the Premises are damaged or destroyed by fire or other casualty to the extent that a substantial part of the Premises are rendered substantially untenantable, CDI HS may terminate this Lease by written notice to Landlord given within 30 days after such damage or destruction. If CDI HS does not give such notice to terminate, then Landlord shall restore the Premises to a condition at least as good as exists on the date hereof, and rent shall abate hereunder from the date the Premises are rendered untenantable until the date the Premises are restored to tenantability.

8. MISCELLANEOUS

- A. No Assumption of Liabilities. By entering into this MOU, CDI HS does not and will

not assume any contracts, agreements, debts, obligations or liabilities of BISD (whether absolute, accrued, contingent, fixed or otherwise, and whether due or to become due), and BISD does not and will not assume any contracts, agreements, debts, obligations or liabilities of CDI HS (whether absolute, accrued, contingent, fixed or otherwise, and whether due or to become due). BISD shall not be responsible for any of the work product or activities performed by CDI HS while using the Premises under this agreement.

- B. Relationship. The parties are entering into this MOU as independent contractors, and nothing contained herein shall be deemed or construed by the parties hereto, nor by any party, as creating the relationship of principal and agent or of partnership or of joint venture between the parties hereto.
- C. Governing Law. Except to the extent governed by federal law, this MOU shall be governed by the laws of Texas.
- D. Authorization. Each of the parties hereto represents to the other that such party has full power and authority to execute, deliver and perform this MOU.
- E. CONSEQUENTIAL DAMAGES. NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR CONSEQUENTIAL, INCIDENTAL, INDIRECT, PUNITIVE OR SPECIAL DAMAGES, DIRECTLY OR INDIRECTLY ARISING UNDER THIS MOU.
- F. Notice. Notice under this Lease shall be given in writing, U.S. Mail, postage pre-paid and addressed as noted below, and shall be effective three (3) days after the date upon which notice is given:

If to BISD:

Dr. Sue Thomas
BISD
201 N. St Marys
Beeville, TX 78102

If to CDI HS:

Gail Surles
CDI Head Start
P.O. Box 249
Beeville, TX 78104

With Copy to:

NIC Project Director
CDI Head Start
10065 E. Harvard Avenue, Suite 700
Denver, CO 80231

IN WITNESS WHEREOF, the undersigned parties have executed this Agreement as of the date set forth above.

COMMUNITY DEVELOPMENT INSTITUTE
HEAD START
Taxpayer ID #: 84154541

Beeville Independent School District
Taxpayer ID:

By: _____
Gail Surles
Its: Site Manager
Address: 10065 E. Harvard Avenue, Suite 700
Denver, CO 80231

By: _____
Sue Thomas
Its: Superintendent
Address: 201 N. St. Marys
Beeville, TX 78102