

**FIRST AMENDMENT TO DEVELOPER PARTICIPATION CONTRACT BETWEEN
AFW INVESTMENTS, LTD. AND CITY OF LAREDO**

This FIRST AMENDMENT TO DEVELOPER PARTICIPATION CONTRACT BETWEEN AFW INVESTMENTS, LTD. AND THE CITY OF LAREDO (“First Amendment”) is entered into on this _____ day of _____, 2025, by and between AFW Investments, Ltd. (“AFW”) and the City of Laredo (“City”) for the purpose of amending the Agreement effective September 16, 2020 (the “Agreement”).

AFW and **City** wish to amend certain terms of the Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are acknowledged, **AFW** and **City** hereby agree as follows:

1. Section A. 2. Improvements is amended as follows:

Improvements.

In consideration of the City consenting to the platting of its property by AFW and contributing up to a maximum of **\$277,334.10** in required construction materials, as outlined in **Exhibit B**, AFW agrees to the following:

- a. AFW will, within one year from the pre-construction meeting, construct a 31-foot back-to-back road and a 50-foot right-of-way on the property described herein, to serve as a public road for the City. AFW agrees to complete Phases 1, 2, and 3 of Sola Park Road within one year of the pre-construction meeting, as outlined in **Exhibit A**. AFW also agrees to construct curbs, gutters, and sidewalks as required, in accordance with the standards set by the Laredo Subdivision Ordinance, to serve as public infrastructure for the City. AFW will provide a copy of the design plans to the City for reference.
- b. AFW shall be responsible for the construction and costs of all improvements required by this agreement, as well as all necessary improvements for the Texas Department of Transportation to develop the entrance to the road connecting to Highway 83.
- c. AFW shall construct the stated improvements as described in the agreement, in accordance with and subject to all applicable federal, state, and local ordinances, laws, statutes, standards, rules, regulations, codes, orders, permits, plans, and policies, including, without limitation, those of the Texas Department of Transportation.
- d. AFW shall be responsible for platting any improvements associated with this agreement.

2. Section A. 3. Obligations is amended as follows:

Obligations.

AFW agrees to do the following:

- a. Prior to any work on the stated improvements, AFW shall provide to the City a bond guaranteeing the faithful performance of the work and the payment of all obligations arising under the Contract (including, without limitation, the payment of all persons performing labor or providing materials under or in connection with the Contract), each in the sum of one hundred percent (100%) of the Contract sum. Bonds shall be issued by a surety company satisfactory to the City, which is licensed by the State of Texas to act as a surety and is listed on the current U.S. Treasury Listing of Approved Sureties. All bonds shall be made on a form complying with the requirements of the laws of the State of Texas and satisfactory to the City. Upon the faithful completion of the work, an authorized representative from the City Engineering Department shall inspect and test the construction to ensure that it meets all standards established by the parties. Upon a final written determination that the work done satisfies all standards established herein, the bond shall be released by the City.
- b. The City of Laredo shall be named as an additional insured on all liability insurance policies provided by the Contractor and any subcontractor.
- c. To the extent any of the improvements are located within public right-of-way or property owned by the City, the City hereby grants to AFW a license to enter upon such public right-of-way or property for the sole and limited purpose of constructing the improvements. AFW shall coordinate with the City and utility providers to minimize the possibility of damage to utilities and any disruption to users within proximity of the construction area. Upon completion of the improvements, AFW shall ensure that the improvements and the property on which the improvements were constructed are free and clear of all liens and encumbrances, including mechanics liens and purchase money security interests, to the extent arising by, through or under Company, any Contractor, or any subcontractor or material suppliers.
- d. AFW is responsible for coordinating with AEP Texas to relocate any existing facilities that may conflict with the planned road widening, as outlined in this agreement, and for covering all associated relocation costs.
- e. AFW is responsible for requesting and coordinating access to Highway 83 with the Texas Department of Transportation.
- f. The City has a right to inspect, test, measure or verify the construction work on the improvements, as the City deems necessary.
- g. AFW shall not commence construction of the improvements without receiving the written approval by the City Engineering Department of the design, material and construction plan, which approval shall not be unreasonably withheld or delayed.
- h. AFW shall be responsible for all costs associated with the improvements and this Agreement. However, the City will provide construction materials as itemized in

Exhibit B, up to a maximum amount of \$277,334.10. If, for any reason, the construction materials provided by the City are insufficient to complete the project, AFW shall be responsible for any additional costs required to finish the project.

- i. AFW shall initiate the construction of Sola Park Road within 30 days of the City Council's approval of this amendment.
- j. AFW shall be solely responsible for the relocation of all existing utilities and related facilities, including, without limitation, water, sewer, electrical systems, and any costs, expenses, or liabilities arising from or associated with such relocation.
- k. AFW shall be solely responsible for the removal and demolition of the SOLA sign and wall located at the entrance off Highway 83, including all associated costs and expenses.

City agrees to do the following:

- a. Provide for the construction materials for Phases 1, 2, and 3 of the Sola Park Road project as itemized in **Exhibit B**, up to a maximum amount of \$277,334.10.
- b. From and after the time of the City's final acceptance of the improvements stated herein, the City will continue to own, operate, and maintain each improvement. It shall be responsible for all costs associated with the same

4. **Binding Effect.** This First Amendment shall be binding upon and inure to the benefit of the parties hereto, their respective successors, and assigns.

5. **Other Terms.** Except as expressly provided herein, all terms and conditions of the Agreement and any other documents described in or executed in connection with the Agreement will continue in full force and effect and are hereby reaffirmed.

6. **Counterparts.** The First Amendment may be executed in multiple counterparts, each of which will be fully effective as an original, and together they will constitute one and the same instrument.

SIGNATURES WILL FOLLOW ON THE NEXT PAGE

IN WITNESS THEREOF, the Parties hereto have caused this instrument to be duly executed this _____ day of _____ 2025.

City of Laredo

**AFW Investments, LTD,
a Texas Limited Partnership
By: AFW Management, Inc.,
its General Partner**

Joseph W. Neeb, ICMA
City Manager

Patrick Farrell
President

ATTESTED:

Mario I. Maldonado, Jr.
City Secretary

APPROVED AS TO FORM:

Doanh "Zone" T. Nguyen
City Attorney

Rodolfo Morales, III
Assistant City Attorney