



City of San Angelo Development Corporation Agenda
Regular Agenda via Audio/Video Broadcast
09/23/2020

Notice is hereby given in accordance with an order of the Office of the Governor issued March 16, 2020, of a Regular Meeting of the City of San Angelo Development Corporation (COSADC) scheduled for September 23, 2020 at 8:30 a.m. The McNease Convention Center – South Meeting Room, 501 Rio Concho Drive, San Angelo, Texas WILL NOT be open to the public. COSADC members and staff will attend virtually in order to advance the public health goal of limiting face-to-face meetings (also called “social distancing”) to slow the spread of the Coronavirus (COVID-19). There will be no public access to the regular meeting location. A public, free-of-charge audio/video broadcast of the meeting will be available on the City’s YouTube channel at <https://www.youtube.com/user/CityofSanAngeloTx>.

The Meeting Agenda and the Agenda Packet are posted online at <https://www.cosatx.us/departments-services/economic-development/city-of-san-angelo-development-corporation>

Members of the public who wish to submit **Public Comment** on agenda items must send their written comments via email to nora.nevarez@cosatx.us by noon September 22, 2020.

The subject must be in the following format: “Public Comment: [item number] – September 23, 2020.” All emails must include your name and address.

Please note all Public Comment emails relevant to posted agenda items received by the deadline will be published as part of the agenda packet prior to the meeting are therefore public record.

Call 325- 653-7197 for staff assistance.

Anyone who wishes to speak remotely during **statutorily mandated Public Hearing for Regular Agenda items 5f and 5g** must send their request to nora.nevarez@cosatx.us by noon September 22, 2020 to register as a speaker and obtain information regarding how to make a public comment remotely during the meeting.

A recording of the meeting will be available to the public in accordance with the Open Meetings Act upon written request.

1. **Call to Order**
2. **Prayer**
3. **Public Comment**

Issues or items that are not on the agenda may be raised by the public at this time. Citizens should speak from the podium, begin by stating their name and limit remarks to less than three minutes.

Board members may request that a discussed item be placed on a future agenda. The Board takes public comment on all Regular Agenda items during the discussion of those items.

4. Consent Agenda

- a. Consider approving the August 12, 2020 meeting minutes
- b. Consider approving the necessary corporation disbursements
- c. Consider approving the August and September 2020 Financial Statements
- d. Consider adoption of a motion authorizing the Board President to enter into an extension of services agreement with MDK Services, LLC, pursuant to option to extend in the Services Agreement, for extension of pest control services at the Business Resource Center through October 23, 2021.

5. Regular Agenda

- a. Discussion and possible action concerning a funding request to support the development of an SME Prime manufacturing education program within the San Angelo Independent School District. (Presentation by Guy Andrews, Director of Economic Development and Mark Jones of SME Prime)
- b. Consider approval of a real estate sales contract and economic and development performance agreement as approved in a resolution by the COSADC Board of Directors on August 12, 2020 and amended by City Council on August 18, 2020 in a motion to ratify the resolution approved by COSADC authorizing the negotiation and execution of a real estate contract with Wisener Holdings, LLC, doing business as South Plains Lamesa Railroad, and negotiation of a real estate development performance agreement for the developing, marketing, and operation of an industrial transloading facility with an amendment authorizing the board president to negotiate the real estate contract in conjunction with the Executive Director of the Development Corporation, the City Manager or designee, the City Attorney, and the COSADC Attorney. (Presentation by Guy Andrews, Director of Economic Development.)
- c. Consider a Resolution of the City of San Angelo Development Corporation Board of Directors authorizing the use of sales and use tax funds in an amount not to exceed \$362,500, to provide an Economic Development Incentive to SPECIAL MATERIALS COMPANY for a Business Retention and Expansion Program (BREP) project related to business enterprises that create or retain primary jobs, as authorized for a Type B Corporation under Local Government Code Chapter 505 Subchapter D. (Presentation made by Shannon Scott, Business, Retention & Expansion Coordinator).
- d. Consider a Resolution of the City of San Angelo Development Corporation Board of Directors authorizing the use of sales and use tax funds in an amount not to exceed \$150,000, to provide an Economic Development Incentive to BP SURFACE SOLUTIONS, LLC d/b/a DORADO CONSTRUCTION GROUP, for a Business Retention and Expansion Program (BREP) project related to business enterprises that create or retain primary jobs, as authorized for a Type B Corporation under Local Government Code Chapter 505 Subchapter D. (Presentation made by Shannon Scott, Business, Retention & Expansion Coordinator).
- e. Public Hearing regarding the use of Sales and Use Tax funds in an amount not to exceed \$150,000 dollars to partially fund City of San Angelo, open space improvement, landscaping and

related facilities necessary to enhance the Highway 87 right of way, a project authorized under Section 501.103 Infrastructure Improvements (Street Landscaping) and Section 505.152 of the Texas Local Government Code for open space improvements necessary to develop new or expanded business enterprises (Presentation made by Guy Andrews, Director of Economic Development).

- f. Consider approval of a Memorandum of Understanding by and between the City of San Angelo Development Corporation and the City of San Angelo relating to partial funding for open space improvement, landscaping, and related facilities to enhance highway 87 right of way in the amount of \$150,000. (Presentation by Guy Andrews, Director of Economic Development)
- g. Public Hearing regarding the use of Sales and Use Tax funds in an amount not to exceed \$400,000 for the San Angelo part of a matching 2020 Defense Economic Adjustment Assistance Grant (DEAAG) for Goodfellow AFB that totals \$10,462,730. (Presentation made by Guy Andrews, Director of Economic Development).
- h. Consider approval of a Memorandum of Understanding by and between Tom Green County and the City of San Angelo Development Corporation for Spring 2020 DEAA grant matching funds for Goodfellow Air Force Base to improve resiliency and energy security. (Presentation by Guy Andrews, Director of Economic Development.)
- i. Discussion and possible action regarding Change Order Number 4 to the Reece Albert, Inc. contract for RFB: DC-01-20/Infrastructure Improvements Phases 2.1 and 2.2 of the San Angelo Business & Industrial Park (Presentation made by Robert Schneeman, Economic Development Project Manager)

6. Closed Session

Executive Session under the provision of Government Code, Title 5. Open Government; Ethics, Subtitle A. Open Government, Chapter 551. Open Meetings, Subchapter D. Exceptions to Requirement that Meetings be Open under the following sections:

- a. Section 551.087 to deliberate regarding commercial or financial information that the Board is receiving from business prospects with whom economic development negotiations are being conducted, and discuss financial or other incentives relating to the following projects:
- b. San Angelo Chamber of Commerce Performance Agreement

7. Follow Up and Administrative Issues

- a. Consideration and possible action of items discussed in Closed Session, if needed
- b. Announcements and consideration of Future Agenda Items

8. Adjournment

CERTIFICATION

I hereby certify that the above notice of meeting was published on the City of San Angelo's website on the 18th day of September 2020 at 2:00 p.m.

Nora Nevarez on behalf of Guy Andrews

Guy Andrews, Director of Economic Development

All agenda items are subject to action. All contracts/agreements may be subject to further negotiation prior to execution. The Board reserves the right to consider business out of posted order and/or meet in a closed session on any agenda item should the need arise and if applicable pursuant to authorization by Title 5, Chapter 551, of the Texas Government Code.

In compliance with the Americans with Disabilities Act, the City of San Angelo Development Corporation will provide for reasonable accommodations for persons attending board meetings. To better serve you, requests should be received 48 hours prior to the meetings. Please contact the Economic Development Office at 325-653-7197.

Citizen requests to display materials on the city's monitors must submit the request 96 hours prior to the meeting by email to nora.nevarez@cosatx.us. Time limits of discussion are as stated above and materials cannot exceed 10 pages. Citizens bringing materials for distribution to City of San Angelo Development Corporation members during the meeting must bring a minimum of 12 copiers.

COSADC meetings are broadcast on Channel 17-Government Access at 8:00 A.M. on every Wednesday on the Wednesday after each meeting.

City of San Angelo, Texas
Special Development Corporation Meeting
Via Audio/Video broadcasting
Wednesday, August 12, 2020

Present:

Todd Kolls, President
Bill Dendle, First Vice President
Edward Carrasco, Director
Max Puello, Director
Garland Freeze, Director
Erika Lara, Director

1. Call to Order

With a quorum of the City of San Angelo Development Corporation Board Members present, President Kolls called the special session of the City of San Angelo Development Corporation to order at 8:36 a.m., on Wednesday, August 12, 2020, via Zoom livestreamed to the City's YouTube channel at [youtube.com/CityofSanAngelo](https://www.youtube.com/CityofSanAngelo)

2. Prayer

An invocation was provided by First Vice President Dendle.

3. Public Comment

No public comments were received by noon, August 11, 2020.

Director Freeze having technical issues.

4. Consent Agenda

- a. Consider approving the July 22, 2020 meeting minutes.
- b. Consider approving the necessary corporation disbursement.

Motion: First Vice President Dendle made a motion, seconded by Director Lara to approve the consent agenda as presented. The motion carried unanimously five (5) ayes to zero (0) nays.

5. Special Agenda

- a. Consider adoption of a resolution authorizing the Board President to negotiate and execute a real estate sales contract with Wisener Holdings, LLC, d/b/a South Plains Lamesa Railroad, LTD. (S.P.L.R.R.) for 180.452 acres in N/E San Angelo, out of J.C. Matthews/W.C.R.R. Co. Survey 178,

Abstract 8071, and W.C.R.R. Co Survey 177, Abstract 4031, for \$600,000, in combination with a real estate development performance agreement for the development, marketing and operation of an industrial rail trans loading facility necessary for economic development; and, authorizing the Director of Economic Development to negotiate proposed terms for the performance agreement. Promissory note and deed of trust with Wisener Holdings, LLC, all in a form approved by the City Attorney, subject to adoption by the San Angelo Development Corporation Board and approval of City Council. (Presentation made by Guy Andrews, Director of Economic Development)

Item moved to Executive for further discussion.

Director Lara signed off Zoom meeting at 9:19 a.m.

Director Lara signed back on to meeting via audio at 9:58 a.m.

Director Lara signed off audio at 10:03 a.m.

Director Lara signed back on via audio 10:05 a.m.

Motion: Director Puello made the motion to discuss 5a in Executive session, seconded by First Vice President Dendle. The motion carried unanimously five (5) ayes to zero (0) nays.

Director Freeze attending meeting at 10:18 a.m.

Director Puello ended via Zoom and logged back via audio 10:19 a.m.

- b. Consider approving the allocation of up to \$10,000 from the sales proceeds of 5.544 acres of land at the Industrial Park to Dkota Investments, Inc. for the installation of a monitoring manhole to protect a monitoring well which impedes proposed construction on the property (Presentation made by Robert Schneeman, Economic Development Project Manager)

Motion: Director Carrasco made a motion, seconded by Director Freeze to approve the allocation as presented. The motion carried unanimously six (6) ayes to zero (0) nays.

Director Lara ended her session at 10:36 a.m.

6. Closed Session

Executive Session under the provision of Government Code, Title 5. Open Government; Ethics, Subtitle A. Open Government, Chapter 551. Open Meetings, Subchapter D. Exceptions to Requirement that Meetings be Open under the following sections:

At 10:43 a.m., the Board convened Executive Session under the provision of Government Code, Title 5. Open Government; Ethics, Subtitle A. Open Government, Chapter 551. Open Meeting, Subchapter D. Exceptions to Requirement that Meetings be Open under the

following sections.

- a. Section 551.087 to deliberate regarding commercial or financial information that the Board is receiving from business prospects with whom economic development negotiations are being conducted, and discuss financial or other incentives relating to the following projects:

Project 2019-V338

Project 2020-D003

Project 2020-S202

No action was taken

- b. Special Agenda item 5a discussed.

At 11:49 a.m., the Board reconvened

7. Follow Up and Administrative Issues

- a. Consideration and possible action of items discussed in Closed Session, if needed

Special Agenda item 5a

Motion: President Kolls moved to adopt the resolution as written with the exception that the board President be authorized to negotiate a sales price not to exceed \$600,000 a term not to exceed 6 years and an interest rate not to exceed 3.25% and all other provision of the resolution not modified are moved to be adopted an approved, seconded by First Vice President Dendle. The motion carried unanimously five (5) ayes to zero (0) nays.

- b. Announcements and consideration of Future Agenda Items

No announcements or future agenda items were discussed

8. Adjournment

Motion: Director Freeze made a motion, seconded by Director Puello to adjourn the meeting. The motion carried unanimously five (5) ayes to zero (0) nays.

There being no further business, the meeting adjourned at 11:51 a.m.

Corporation President

ATTEST:

Corporation Secretary

In accordance with Chapter 2, Article 2.300, of the Official Code of the City of San Angelo, the minutes of this meeting consist of the preceding Minute Record and the Supplement Minute Record. Details on Board meetings may be obtained from the City Clerk's Office. (Portions of the video recording may be distorted due to equipment malfunction or other uncontrollable factors.)

City of San Angelo Development Corporation
Check Disbursements
For Board Approval September 23, 2020

Economic Development

J Bar Meats, LLC	\$	45,000.00	Capital Investments	Ck. 5198
Total for Board Consideration	\$	45,000.00		
GEAX Energy	\$	917.34	Electric for BRC	Ck. 5197
Go San Angelo		905.44	Legal notices (Inv. 4234392 & 4211890)	Ck. 5190
			Copier overage copies (Inv. 344569, 336452, & 327295)	
Kirbo's Office Systems		856.92	Mo cleaning serv at BRC (Inv. 4386)	
Dirt Doc		725.00	Mo cleaning serv at BRC (Inv. 4429)	
Dirt Doc		725.00	Comm mowing at Indust Park (Inv. 1105)	
Pullig Contracting Co		725.00	Sponsorship for State of the City (Inv. 91196)	Ck. 5196
SA Chamber of Commerce		600.00	IT serv for Business Factory (Inv. 1011)	
Russ Wallace		596.00	Field Density Test - Indust Park (Inv. 008-019)	
Construction Services		585.00	Reimburse - 1st Place BP (Inv. 1037)	Ck. 5199
Rock Your World Decorative Concrete		544.67	Legal notices (Inv. 4257493)	Ck. 5193
GoSanAngelo		495.36		
			Registration for Virtual - Sales Tax Workshop for 4 attendees (Inv. 11516, 11517, 11518, & 11519)	
TEDC		480.00	Reimburse - 1st Place BP (Inv. 1036)	Ck. 5195
Rock Your World		379.80	Registration for Virtual - Sales Tax Workshop (Inv. 11683 & 12562)	Ck. 5200
			Mo Chamber luncheon (Inv. 91285)	
TEDC		240.00	Office supplies (Inv. 3454245136)	
San Angelo Chamber of Commerce		144.00	Copier Lease - July	Ck. 5189
Staples		123.60	Registration for Virtual - Sales Tax Workshop for 4 attendees (Inv. 11562)	Ck. 5200
CTWP		121.76	Registration for Virtual-Sales Tax Workshop (Inv. 11683)	Ck. 5200
			Mo burglary & fire monitoring serv (Inv. 225160)	
TEDC		120.00	Gas Utilities at BRC	
			Water delivery to BRC (Serv date 09/01 - 09/31/2020)	
Ener-Tel		100.00	Gas Utilities at BRC	Ck. 5188
Atmos Energy		82.62	Insurance liability fee	
			Trash services for BRC (Inv. 0691-000973848)	
Angelo Water Serv Co		70.45	Insurance chrg for copier Business Factory (Inv. 21758938)	Ck. 5192
Atmos Energy		64.91	Office supplies (Inv. 3454538072)	
Progressive		30.00		
Republic Services		27.86		
Canon		22.32		
Staples		21.99		
	\$	9,825.04		
Total Economic Development Disbursements	\$	54,825.04		

Ballot

First Title Company	\$	41,165.00	Mortgage buy down assistance - 701 w. 15th St.	Ck. 2005
Total for Board Consideration	\$	41,165.00		
Total Routine Disbursements	\$	-		
Total Ballot Disbursements	\$	41,165.00		
Grand Total Disbursements this Period	\$	95,990.04		

City of San Angelo Development Corporation

Financial Information and Schedules As of July 31, 2020

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2011 Bond Issue

Hickory Water Supply

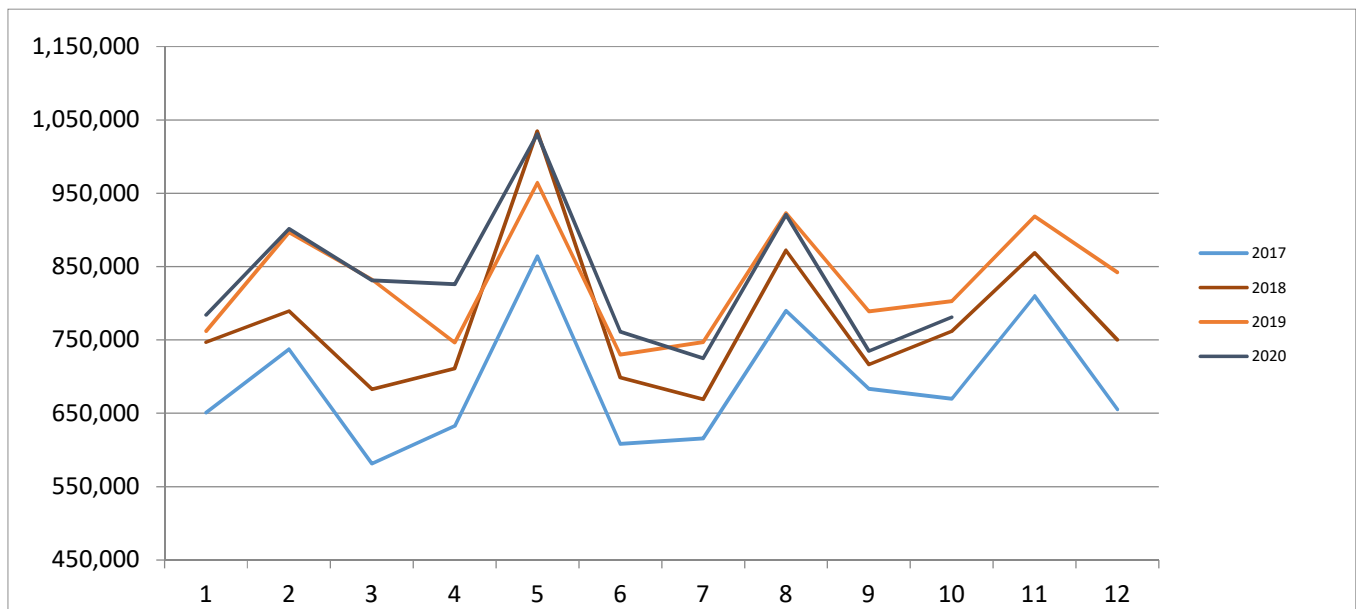
**City of San Angelo Development Corporation
Executive Summary
July 2020**

Available Fund Balances

Unassigned Fund Balance-Economic Development	4,862,480
Unassigned Fund Balance-Ballot	2,400,582

Sales Tax Analysis

Month	2017	2018	2019	2020	% Over/(Under)
Oct	650,926	747,063	761,865	784,232	2.94%
Nov	737,436	789,302	896,890	901,416	0.50%
Dec	581,382	683,012	832,486	831,209	-0.15%
Jan	632,603	711,415	746,604	826,116	10.65%
Feb	864,339	1,034,662	964,281	1,030,912	6.91%
Mar	608,253	699,086	730,020	761,229	4.28%
Apr	615,673	669,034	747,020	725,032	-2.94%
May	789,680	872,259	923,026	920,877	-0.23%
Jun	683,530	716,509	789,102	734,988	-6.86%
Jul	669,686	761,927	802,784	781,279	-2.68%
Aug	809,685	868,604	918,423		
Sep	655,327	750,212	842,023		



City of San Angelo Development Corporation
Balance Sheet - Economic Development
As of July 31, 2020

ASSETS

Current Assets

Checking/Savings

Cash 329,577

Money Market 5,013,218

Total Checking/Savings 5,342,795

Accounts Receivable

Leases 264

Total Accounts Receivable 264

Other Current Assets

Investments 7,000,125

Total Other Current Assets 7,000,125

Total Current Assets 12,343,184

Fixed Assets

Land -Industrial Park 69,395

Industrial Park-Phase I 567,414

Industrial Park-Phase II 38,624

Industrial Park-Phase III 20,377

Building-Business Resource Ctr 2,004,967

Accum Depr-Building (870,465)

Total Fixed Assets 1,830,312

TOTAL ASSETS

14,173,496

LIABILITIES & FUND EQUITY

Liabilities

Current Liabilities

Accounts Payable 1,732

Total Current Liabilities 1,732

Total Liabilities 1,732

Fund Equity

Committed for Eco. Dev. Projects 7,478,972

Restricted for Fixed Assets 1,830,312

Unassigned Fund Balance 4,862,480

Total Fund Equity 14,171,764

TOTAL LIABILITIES & FUND EQUITY

14,173,496

City of San Angelo Development Corporation
Revenue & Expenditure Report - Economic Development
July 2020

		Budget	Month Actual	YTD Actual	YTD Actual W/ Enc	Over/(Under) Budget	% of Budget
Revenues							
Sales & Use Tax		2,609,674	218,758	2,323,241	2,323,241	(286,433)	89%
Interest on Investments		225,000	1,446	179,969	179,969	(45,031)	80%
Lease Income		67,679	13,728	52,597	52,597	(15,082)	78%
Grant Income		1,250,000	-	-	-	(1,250,000)	0%
Miscellaneous Income		-	-	1,650	1,650	1,650	100%
Gain on Sale Assets		-	250,528	560,703	560,703	560,703	100%
Total Revenues		4,152,353	484,460	3,118,160	3,118,160	(1,034,193)	75%
Expenditures							
Administrative		132,593	1,472	55,777	59,519	(73,074)	45%
Partner Affiliations		115,547	-	111,297	111,297	(4,250)	96%
City Services		640,310	-	483,281	483,281	(157,029)	75%
Industrial Park Ops & Maint		16,222	99	5,898	7,524	(8,698)	46%
Marketing-Chamber of Commerce		243,750	-	243,757	243,757	7	100%
Advertising		45,144	1,500	7,454	9,410	(35,734)	21%
Utilities		46,500	(654)	32,750	44,773	(1,727)	96%
Capital		67,000	-	29,188	29,188	(37,812)	44%
Business Factory		104,767	6,586	46,094	50,398	(54,369)	48%
Total Operating Expenditures		1,411,833	9,003	1,015,496	1,039,147	(372,686)	74%
Projects							
Air Service Marketing	DC0119	955	-	-	-	(955)	0%
TGC/GAFB	DC0132	8,399	-	-	-	(8,399)	0%
Principle LED	DC0134	11,803	-	3,951	3,951	(7,852)	33%
Phase II Sewer Line	DC0136	96,000	-	-	-	(96,000)	0%
TXDOT Aside Program Grant	DC0137	60,500	-	-	-	(60,500)	0%
CalTech	DC0138	181,950	-	-	-	(181,950)	0%
Parkhill	DC0139	52,108	-	7,881	52,108	-	100%
Grant Works	DC0140	50,000	-	-	-	(50,000)	0%
Netco	DC0142	5,500	-	-	-	(5,500)	0%
Elite Solutions	DC0145	15,260	-	-	-	(15,260)	0%
Goodfellow AFB	DC0146	1,188,705	-	805,524	805,524	(383,181)	68%
Industrial Park-Phase II	DC0147	4,111,063	392,310	2,091,086	3,095,396	(1,015,667)	75%
Howard College Const Tr	DC0149	71,885	-	71,885	71,885	-	100%
US Customs Retention	DC0151	25,000	-	-	-	(25,000)	0%
US Customs Retention II	DC0152	1,100,000	-	-	-	(1,100,000)	0%
Principle LED BREP	DC0154	200,147	-	177,102	177,102	(23,045)	88%
Carter Fentress	DC0155	4,000	-	-	-	(4,000)	0%
Shea Transportation	DC0156	33,093	-	33,051	33,093	-	100%
Chadbourne Street	DC0157	2,250,000	-	-	-	(2,250,000)	0%
Comm Dev Strategies	DC0158	2,035	-	391	2,035	-	100%
Centurion	DC0159	380	-	-	-	(380)	0%
West Texas Steel	DC0162	59,000	-	-	-	(59,000)	0%
SMC Global	DC0163	200,000	-	-	-	(200,000)	0%
J's Deer & Wild Game	DC0164	60,000	-	-	-	(60,000)	0%
Schwertner Property	DC0165	590,500	-	539,414	539,414	(51,086)	91%
Bradford Area	DC0166	638,861	-	638,861	638,861	-	100%
Double Barrel	DC0167	70,000	-	-	-	(70,000)	0%
Air Service Marketing II	DC0168	13,000	-	13,000	13,000	-	100%
Industrial Park Turn Lane	DC0169	24,765	-	19,685	19,685	(5,080)	79%
Centurion BREP	DC0171	36,000	-	-	-	(36,000)	0%
Airport Clearing	DC0175	70,000	-	-	-	(70,000)	0%
Wendland Manufacturing	DC0176	400,000	-	-	-	(400,000)	0%
Rail Transloading Facility	DC0177	250,000	106	106	106	(249,894)	0%
Future Projects		47,791	-	-	-	(47,791)	0%
Total Project Expenditures		11,928,700	392,416	4,401,937	5,452,160	(6,476,540)	37%
Total Expenditures		13,340,533	401,419	5,417,433	6,491,307	(6,849,226)	41%
Revenue Over/(Under) Expenditures		(9,188,180)	83,041	(2,299,273)	(3,373,147)		

City of San Angelo Development Corporation
Economic Development Projects
As of July 31, 2020

Project	Original Allocation	Current Allocation	Current Year Activity	Inception to Date	Remaining Allocation
Air Service Marketing	60,000	60,000	-	59,045	955
TGC/GAFB	633,000	633,000	-	624,601	8,399
Principle LED	550,001	516,123	3,951	508,271	7,852
Phase II Sewer Line	100,000	100,000	-	4,000	96,000
TXDOT Aside Program Grant	100,000	100,000	-	39,500	60,500
CalTech	603,999	223,050	-	41,100	181,950
Parkhill	308,000	323,000	7,881	278,773	44,227
Grant Works	54,000	54,000	-	4,000	50,000
Netco	60,000	60,000	-	54,500	5,500
Elite Solutions	40,260	15,260	-	-	15,260
Goodfellow AFB	1,500,000	1,500,000	805,524	1,116,819	383,181
Industrial Park-Phase II	2,000,000	4,111,263	2,091,086	2,091,286	2,019,977
Howard College Const Tr	168,000	166,780	71,885	166,780	-
US Customs Retention	25,000	25,000	-	-	25,000
US Customs Retention II	46,435	1,149,225	-	49,225	1,100,000
Principle LED BREP	300,147	300,147	177,102	277,102	23,045
Carter Fentress	20,000	20,000	-	16,000	4,000
Shea Transportation	49,000	43,400	33,051	43,358	42
Chadbourne Street	1,500,000	3,750,000	-	1,500,000	2,250,000
Comm Dev Strategies	65,000	65,000	391	63,356	1,644
Centurion	7,500	7,500	-	7,120	380
West Texas Steel	59,000	59,000	-	-	59,000
SMC Global	200,000	200,000	-	-	200,000
J's Deer & Wild Game	60,000	60,000	-	-	60,000
Schwertner Property	600,000	600,000	539,414	548,914	51,086
Bradford Area	638,861	638,861	638,861	638,861	-
Double Barrel	70,000	70,000	-	-	70,000
Air Service Marketing II	13,000	13,000	13,000	13,000	-
Industrial Park Turn Lane	24,765	24,765	19,685	19,685	5,080
Centurion BREP	36,000	36,000	-	-	36,000
Airport Clearing	70,000	70,000	-	-	70,000
Wendland Manufacturing	400,000	400,000	-	-	400,000
Rail Transloading Facility	250,000	250,000	106	106	249,894
	10,611,968	15,644,374	4,401,937	8,165,402	7,478,972

Total Committed, Not Expended

7,478,972

City of San Angelo Development Corporation
Balance Sheet - Ballot
As of July 31, 2020

ASSETS

Current Assets

Checking/Savings

Cash

70,353

Money Market

2,952,699

Total Checking/Savings

3,023,052

Total Current Assets

3,023,052

TOTAL ASSETS

3,023,052

LIABILITIES & FUND EQUITY

Fund Equity

Committed for Ballot Projects

247,186

Assigned for Debt Service

375,284

Unassigned Fund Balance

2,400,582

Total Fund Equity

3,023,052

TOTAL LIABILITIES & FUND EQUITY

3,023,052

City of San Angelo Development Corporation
Revenue & Expenditure Report - Ballot
July 2020

	Budget	Month Actual	YTD Actual	YTD Actual w/ Enc	Over/(Under) Budget	% of Budget
Revenues						
Sales & Use Tax	6,710,590	562,521	5,974,048	5,974,048	(736,542)	89%
Interest on Investments	75,000	768	39,609	39,609	(35,391)	53%
Total Revenues	6,785,590	563,289	6,013,657	6,013,657	(771,933)	89%
Expenditures						
City Services	30,135	-	22,601	22,601	(7,534)	75%
Loan/Debt Service	5,452,250	-	5,039,438	5,039,438	(412,812)	92%
Total Operating Expenditures	5,482,385	-	5,062,039	5,062,039	(420,346)	92%
Projects						
West TX Water Partnership	200,000	10,385	65,535	65,535	(134,465)	33%
Affordable Housing	304,865	-	192,144	192,144	(112,721)	63%
Water Rights	315,514	-	-	-	(315,514)	0%
Future Projects	482,826	-	-	-	(482,826)	0%
Total Project Expenditures	1,303,205	10,385	257,679	257,679	(1,045,526)	20%
Total Expenditures	6,785,590	10,385.00	5,319,718	5,319,718	(1,465,872)	78%
Revenue Over/(Under) Expenditures	-	552,904	693,939	693,939		

City of San Angelo Development Corporation
Ballot Projects
As of July 31, 2020

Project	Project Allocation	Current Year Activity	Inception to Date	Remaining Allocation
Ballot Projects:				
Water Supply Projects				
West Texas Water Partnership	692,740	65,535	558,275	134,465
* Reclaimed Water Alternatives	1,389,965	-	1,389,965	-
* Red Arroyo Storm Water Basin	151,040	-	151,040	-
Total Expenditures	2,233,745	65,535	2,099,280	134,465
Total Water Supply Projects				134,465
Affordable Housing				
Revenues				
* Sale of Fixed Assets - Blackshear Properties	394,351	-	394,351	-
Total Revenues				
Expenditures				
Affordable Housing	3,347,965	192,144	3,235,244	112,721
* Administrative Contract	120,405	-	120,405	-
* Blackshear Neighborhood Boundary	28,300	-	28,300	-
* Blackshear Properties	404,125	-	404,125	-
* Neighborhood Blitz	550,000	-	550,000	-
* Neighbors Helping Neighbors	53,000	-	53,000	-
* Rebuilding Together - Housing One Stop	23,759	-	23,759	-
* Rebuilding Together - Housing Repair	74,920	-	74,920	-
* Rehabs	114,487	-	114,487	-
* Roofing Grant	200,000	-	200,000	-
Total Expenditures	4,916,961	192,144	4,804,241	112,721
Total Affordable Housing				112,721
Other Projects				
* Sports Facilities Maintenance	285,353	-	285,353	-
Total Expenditures	285,353	-	285,353	-
Total Ballot Projects Committed, Not Expended				247,186

Voter Approved Projects:

* Fort Concho Improvements	900,000	-	900,000	-
* Sports & Athletics Facilities	708,744	-	708,744	-
* 29th Street Sports Complex	1,750,000	-	1,750,000	-
Total Expenditures	3,358,744	-	3,358,744	-
Total Voter Approved Projects Committed, Not Expended				-
* Completed				-

City of San Angelo Development Corporation
Transaction Detail by Account
July 2020

Group #	PO #	Type	Date	Number	Description	Amount
Fund 700 DEVELOPMENT CORPORATION						
700-0000-313.00-00 TAX / SALES AND USE TAX						
	6698	AJ	7/31/2020	616	COSADC SALES TAX J	218,758.02
700-0000-361.10-00 INTEREST / INTEREST ON INVESTMENTS						
	6706	AJ	7/31/2020	624	COSADC BANK INTERE	38.35
	6706	AJ	7/31/2020	624	COSADC BANK INTERE	1,408.02
700-0000-363.11-00 RENT / RENT						
	6250	AJ	7/16/2020	MR		1,875.30
	6205	AJ	7/15/2020	MR		(264.05)
700-0000-380.80-00 MISC / SALE OF PROPERTY						
	6482	CR	7/28/2020	333799	ECO DEV SALE INDUST PARK	137,293.00
	6459	CR	7/27/2020	331979	ECO DEV SALE OF LAND	113,235.00
700-0000-391.60-00 TRANSFER / TRANSFER FROM AIRPORT						
	6640	AJ	7/9/2020	602	VERTEX AEROSPACE F	12,117.39
700-0700-411.03-20 PROFESSIONAL & TECHNICAL / PROFESSIONAL						
	6449	AJ	7/27/2020	588	REIMB COSA SHARE O	10,384.66
	PROJECT#: DC0123					
	6452	AJ	7/27/2020	591	CHAIN/LAP BARRICAD	105.89
	PROJECT#: DC0177					
	6257	122296 AP	6/30/2020	5173	REECE ALBERT INC	390,650.16
	PROJECT#: DC0147					
	6423	122390 AP	4/30/2020	5178	CONSTRUCTION SERVI	1,660.00
	PROJECT#: DC0147					
700-0700-411.04-11 PURCHASED SERVICES / WATER/SEWER UTILITI						
	6056	AJ	7/6/2020	UT	UB CHARGE UPDATE	135.60
	6034	AJ	7/2/2020	UT	UB CHARGE UPDATE	15.00
700-0700-411.04-12 PURCHASED SERVICES / NATURAL GAS						
	6256	121088 AP	7/17/2020	5169	ATMOS ENERGY	67.07
700-0700-411.04-13 PURCHASED SERVICES / ELECTRICITY						
	6751	AJ	7/31/2020	628	JULY MONTHLY CORRE	755.82
	6751	AJ	7/31/2020	628	JULY MONTHLY CORRE	(2,789.36)
700-0700-411.04-31 PURCHASED SERVICES / BLDG. & GROUNDS MAI						
	6420	120875 AP	7/23/2020	5176	ANGELO WATER SERVI	63.60
	6498	121305 AP	7/13/2020	5181	MDK SERVICES LLC	79.00
	6498	121314 AP	7/13/2020	5180	DIRT DOC, LLC	725.00
	6420	120877 AP	7/10/2020	676821	HOUSE OF CHEMICALS	47.34
	6256	121754 AP	7/1/2020	5172	ENER-TEL SERVICES	100.00
	6257	121087 AP	6/30/2020	5174	REPUBLIC SERVICES,	27.86
	6130	121837 AP	6/19/2020	676476	MC ELECTRIC	118.79
700-0700-411.04-42 PURCHASED SERVICES / RENT OF EQUIPMENT						
	6287	AP	7/17/2020	5171	CTWP	121.76
700-0700-411.05-30 PURCHASED SERVICES / COMMUNICATION						
	6746	AJ	7/30/2020	627	SUDDENLINK CHRGS J	409.75
	6705	AJ	7/27/2020	623	VOIP CHRGS JULY 20	263.76
	6459	CR	7/27/2020	331980	ECO DEV COMMUNICATION	(25.35)
	6536	AP	6/23/2020	677027	CITIBANK, N.A	(959.40)
	6536	AP	6/23/2020	677027	CITIBANK, N.A	409.35
	6536	AP	6/19/2020	677027	CITIBANK, N.A	959.40
	6536	AP	6/10/2020	677027	CITIBANK, N.A	(10.05)
700-0700-411.05-31 PURCHASED SERVICES / CELLULAR PHONE						
	6704	AJ	7/27/2020	622	VERIZON CHRGS JULY	56.46
700-0700-411.05-40 PURCHASED SERVICES / ADVERTISING						
	6524	121997 AP	7/27/2020	5182	SAN ANGELO CHAMBER	1,500.00

City of San Angelo Development Corporation
Transaction Detail by Account
July 2020

Group #	PO #	Type	Date	Number	Description	Amount
700-0700-411.05-65 PURCHASED SERVICES / SPECIAL PROJECT "A"						
	6610	122039 AP	7/31/2020	5183	WALLACE, RUSSELL E	596.00
	6420	121415 AP	7/13/2020	5177	CANON FINANCIAL SE	188.45
	6420	122716 AP	7/3/2020	5179	MCLAUGHLIN ADVERTI	5,000.00
	6256	122039 AP	7/1/2020	5175	WALLACE, RUSSELL E	596.00
	6257	121415 AP	6/23/2020	5170	CANON FINANCIAL SE	205.58
700-0700-411.06-14 SUPPLIES / POSTAGE & SHIPPING						
	6575	AP	7/24/2020	0	POSTMASTER	1.50
	6575	AP	7/24/2020	0	POSTMASTER	1.00
	6575	AP	7/24/2020	0	POSTMASTER	5.90
	6575	AP	7/24/2020	0	POSTMASTER	5.00
	6575	AP	7/24/2020	0	POSTMASTER	0.50
700-0700-411.06-26 SUPPLIES / GASOLINE						
	6701	AJ	7/31/2020	619	RECORD FUEL SALES	32.16
700-0700-411.06-30 SUPPLIES / FOOD						
	6536	AP	6/30/2020	677027	CITIBANK, N.A	144.00
	6536	AP	6/8/2020	677027	CITIBANK, N.A	57.46
700-0705-411.04-11 PURCHASED SERVICES / WATER/SEWER UTILITI						
	6120	AJ	7/9/2020	UT	UB CHARGE UPDATE	30.69
	6097	AJ	7/7/2020	UT	UB CHARGE UPDATE	68.36
700-0705-411.04-31 PURCHASED SERVICES / BLDG. & GROUNDS MAI						
	6750	AJ	7/31/2020	629	Reclass COVID Expe	(134.00)
PROJECT#: EM0001						
	6257	122667 AP	6/17/2020	5168	ACME MILLWORK, INC	134.00
PROJECT#: EM0001						
Fund 711 COSADC - BALLOT						
711-0000-313.00-00 TAX / SALES AND USE TAX						
	6698	AJ	7/31/2020	616	COSADC SALES TAX J	562,520.61
711-0000-361.10-00 INTEREST / INTEREST ON INVESTMENTS						
	6706	AJ	7/31/2020	624	COSADC BANK INTERE	9.45
	6706	AJ	7/31/2020	624	COSADC BANK INTERE	758.16

THE CITY OF SAN ANGELO, TEXAS

Schedule of Revenues and Expenditures

Fiscal Year through July 31, 2020

2011A Tax/Revenue C.O. - Fund 514

For Airport, Ft. Concho, and Parks Improvements

Debt Payments Through 2024

	Dept	Current Budget	Month Actual	YTD W/Enc	Over/(Under) Budget	Previous Years Activity	Inception to Date
Beginning Fund Balance		855,955		855,955			
REVENUES:							
C.O. Proceeds		-	-	-	-	13,780,000	13,780,000
Municipal Pool Donation		-	-	-	-	21,225	21,225
SASSRA Stock Barn		-	-	-	-	157,722	157,722
Transfer from Dev. Corp.		-	-	-	-	4,220,000	4,220,000
Interest Income		-	221	1,552	1,552	168,882	170,434
Total Revenues		-	221	1,552	1,552	18,347,829	18,349,381
EXPENDITURES:							
Airport Terminal Rehab	3925	-	-	-	-	500,000	500,000
Concho River	4119	258,084	-	2,630	(255,454)	8,341,918	8,344,548
Parks	6000	291,021	19,949	51,301	(417,497)	459,051	510,352
Unidad Park Refurbishment	PK0001	175,000	-	-	(175,000)	-	-
Red Arroyo Trail	6040	-	-	-	-	325,000	325,000
Recreation	6100	75,000	-	-	(75,000)	2,597,817	2,597,817
Fort Concho Improvements	6301	-	-	-	-	100,001	100,001
Auditorium	6602	-	-	-	-	3,750,001	3,750,001
Fairgrounds	6636	-	-	-	-	1,157,722	1,157,722
Transfer to Intergovernmental	1994	15,000	-	15,000	-	-	15,000
Issue Costs	9900	-	-	-	-	260,363	260,363
Total Expenditures		814,105	19,949	68,931	(922,951)	17,491,873	17,560,804
Revenue Over/(Under) Expenditures		(814,105)	(19,728)	(67,379)			
Ending Fund Balance		41,850		788,576			

THE CITY OF SAN ANGELO, TEXAS

Schedule of Revenues and Expenditures Fiscal Year through July 31, 2020

Hickory Water Supply - Fund 516 Debt Payments Through 2031

	Dept	Current Budget	Month Actual	YTD W/Enc	Over/(Under) Budget	Previous Years Activity	Inception to Date
Beginning Fund Balance		2,090,675		2,090,675			
REVENUES:							
Interest		-	2,314	16,279	16,279	600,798	617,077
C.O. Proceeds		-	-	-	-	119,998,750	119,998,750
Total Revenues		-	2,314	16,279	16,279	120,599,548	120,615,827
EXPENDITURES:							
Easements/Property Damage	4150	-	-	-	-	106,865	106,865
Engineering	4157	2,076,396	108,217	2,076,396	-	17,632,306	19,708,702
Well Field Pipelines	4152	-	-	-	-	3,026,918	3,026,918
30 " Transmission Main	4153	-	-	-	-	38,681,022	38,681,022
Well Field Pumps	4154	-	-	-	-	12,831,038	12,831,038
Well Field Pump Station	4155	-	-	-	-	1,617,139	1,617,139
Well Field Expansion	4158	-	-	-	-	7,668,888	7,668,888
Treatment Plant	4156	-	-	-	-	27,132,194	27,132,194
Well Field Expansion #2	4159	-	-	-	-	9,640,252	9,640,252
Issue Costs	9900	-	-	-	-	172,251	172,251
Total Expenditures		2,076,396	108,217	2,076,396	-	118,508,873	120,585,269
Revenue Over/(Under) Expenditures		(2,076,396)	(105,903)	(2,060,117)			
Ending Fund Balance		14,279		30,558			

	Revenues
Previous Years Activity	120,599,548
Current Year Budget	-
Less Interest Earned	(600,798)
TOTAL	119,998,750

City of San Angelo Development Corporation

Financial Information and Schedules As of August 31, 2020

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2011 Bond Issue

Hickory Water Supply

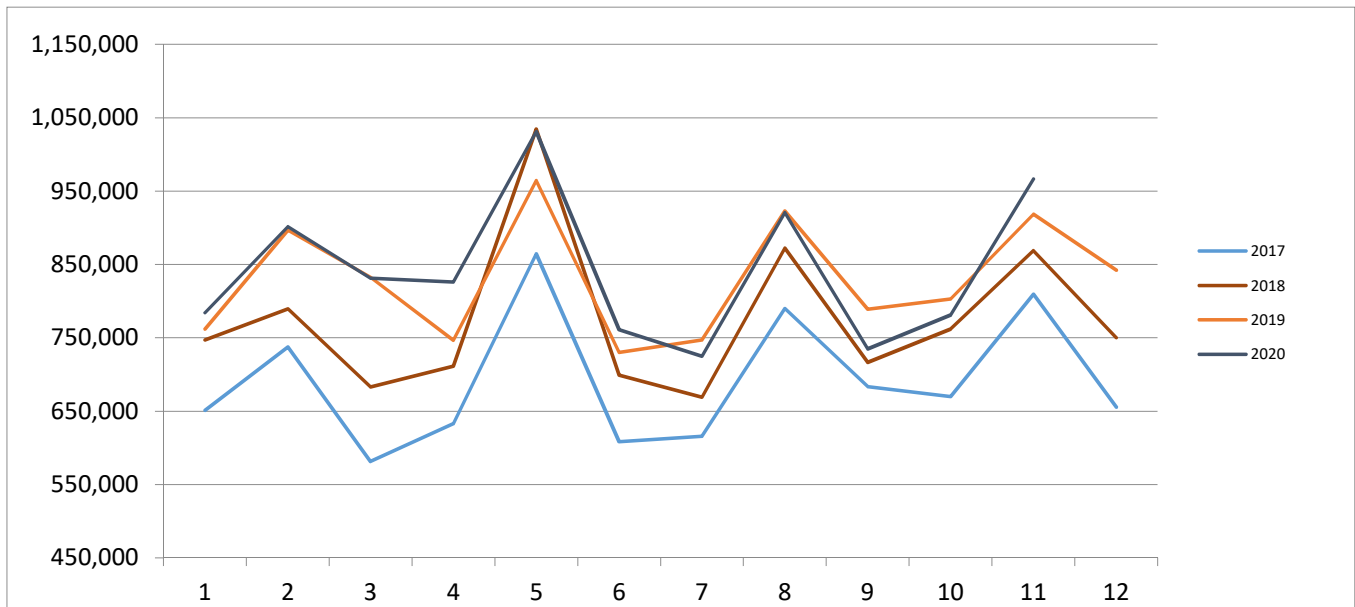
**City of San Angelo Development Corporation
Executive Summary
August 2020**

Available Fund Balances

Unassigned Fund Balance-Economic Development	5,117,923
Unassigned Fund Balance-Ballot	3,151,929

Sales Tax Analysis

Month	2017	2018	2019	2020	% Over/(Under)
Oct	650,926	747,063	761,865	784,232	2.94%
Nov	737,436	789,302	896,890	901,416	0.50%
Dec	581,382	683,012	832,486	831,209	-0.15%
Jan	632,603	711,415	746,604	826,116	10.65%
Feb	864,339	1,034,662	964,281	1,030,912	6.91%
Mar	608,253	699,086	730,020	761,229	4.28%
Apr	615,673	669,034	747,020	725,032	-2.94%
May	789,680	872,259	923,026	920,877	-0.23%
Jun	683,530	716,509	789,102	734,988	-6.86%
Jul	669,686	761,927	802,784	781,279	-2.68%
Aug	809,685	868,604	918,423	966,590	5.24%
Sep	655,327	750,212	842,023		



City of San Angelo Development Corporation
Balance Sheet - Economic Development
As of August 31, 2020

ASSETS

Current Assets

Checking/Savings

Cash 314,569

Money Market 4,805,488

Total Checking/Savings 5,120,057

Accounts Receivable

Leases 98

Total Accounts Receivable 98

Other Current Assets

Investments 7,000,125

Total Other Current Assets 7,000,125

Total Current Assets 12,120,281

Fixed Assets

Land -Industrial Park 69,395

Industrial Park-Phase I 567,414

Industrial Park-Phase II 38,624

Industrial Park-Phase III 20,377

Building-Business Resource Ctr 2,004,967

Accum Depr-Building (870,465)

Total Fixed Assets 1,830,312

TOTAL ASSETS

13,950,593

LIABILITIES & FUND EQUITY

Liabilities

Current Liabilities

Accounts Payable 1,732

Total Current Liabilities 1,732

Total Liabilities 1,732

Fund Equity

Committed for Eco. Dev. Projects 7,000,626

Restricted for Fixed Assets 1,830,312

Unassigned Fund Balance 5,117,923

Total Fund Equity 13,948,861

TOTAL LIABILITIES & FUND EQUITY

13,950,593

City of San Angelo Development Corporation
Revenue & Expenditure Report - Economic Development
August 2020

		Budget	Month Actual	YTD Actual	YTD Actual W/ Enc	Over/(Under) Budget	% of Budget
Revenues							
Sales & Use Tax		2,609,674	270,645	2,593,886	2,593,886	(15,788)	99%
Interest on Investments		225,000	836	180,805	180,805	(44,195)	80%
Lease Income		67,679	804	53,400	53,400	(14,279)	79%
Grant Income		1,250,000	-	-	-	(1,250,000)	0%
Miscellaneous Income		-	-	1,650	1,650	1,650	100%
Gain on Sale Assets		-	-	560,703	560,703	560,703	100%
Total Revenues		4,152,353	272,285	3,390,444	3,390,444	(761,909)	82%
Expenditures							
Administrative		134,093	8,735	64,511	68,133	(65,960)	51%
Partner Affiliations		115,547	3,075	114,372	114,372	(1,175)	99%
City Services		640,310	(3,075)	480,206	480,206	(160,104)	75%
Industrial Park Ops & Maint		16,222	99	5,997	7,623	(8,599)	47%
Marketing-Chamber of Commerce		243,750	-	243,757	243,757	7	100%
Advertising		43,494	(43)	7,412	7,868	(35,626)	18%
Utilities		50,650	2,120	34,871	46,437	(4,213)	92%
Capital		63,000	-	29,188	29,188	(33,812)	46%
Business Factory		104,767	3,857	49,951	54,232	(50,535)	52%
Total Operating Expenditures		1,411,833	14,768	1,030,265	1,051,816	(360,017)	75%
Projects							
Air Service Marketing	DC0119	955	-	-	-	(955)	0%
TGC/GAFB	DC0132	8,399	-	-	-	(8,399)	0%
Principle LED	DC0134	11,803	-	3,951	3,951	(7,852)	33%
Phase II Sewer Line	DC0136	96,000	-	-	-	(96,000)	0%
TXDOT Aside Program Grant	DC0137	60,500	-	-	-	(60,500)	0%
CalTech	DC0138	181,950	-	-	-	(181,950)	0%
Parkhill	DC0139	52,108	10,209	18,090	52,108	-	100%
Grant Works	DC0140	50,000	-	-	-	(50,000)	0%
Netco	DC0142	5,500	-	-	-	(5,500)	0%
Elite Solutions	DC0145	15,260	-	-	-	(15,260)	0%
Goodfellow AFB	DC0146	1,188,705	-	805,524	805,524	(383,181)	68%
Industrial Park-Phase II	DC0147	4,111,063	464,537	2,555,623	3,095,396	(1,015,667)	75%
Howard College Const Tr	DC0149	71,885	-	71,885	71,885	-	100%
US Customs Retention	DC0151	25,000	-	-	-	(25,000)	0%
US Customs Retention II	DC0152	1,100,000	-	-	-	(1,100,000)	0%
Principle LED BREP	DC0154	200,147	-	177,102	177,102	(23,045)	88%
Carter Fentress	DC0155	4,000	-	-	-	(4,000)	0%
Shea Transportation	DC0156	33,093	-	33,051	33,051	(42)	100%
Chadbourne Street	DC0157	2,250,000	-	-	-	(2,250,000)	0%
Comm Dev Strategies	DC0158	2,035	-	391	391	(1,644)	19%
Centurion	DC0159	380	-	-	-	(380)	0%
West Texas Steel	DC0162	59,000	-	-	-	(59,000)	0%
SMC Global	DC0163	200,000	-	-	-	(200,000)	0%
J's Deer & Wild Game	DC0164	60,000	-	-	-	(60,000)	0%
Schwertner Property	DC0165	590,500	-	539,414	539,414	(51,086)	91%
Bradford Area	DC0166	638,861	-	638,861	638,861	-	100%
Double Barrel	DC0167	70,000	-	-	-	(70,000)	0%
Air Service Marketing II	DC0168	13,000	-	13,000	13,000	-	100%
Industrial Park Turn Lane	DC0169	24,765	-	19,685	19,685	(5,080)	79%
Centurion BREP	DC0171	36,000	-	-	-	(36,000)	0%
Airport Clearing	DC0175	70,000	-	-	-	(70,000)	0%
Wendland Manufacturing	DC0176	400,000	-	-	-	(400,000)	0%
Rail Transloading Facility	DC0177	250,000	3,600	3,706	5,106	(244,894)	2%
Future Projects		47,791	-	-	-	(47,791)	0%
Total Project Expenditures		11,928,700	478,346	4,880,283	5,455,474	(6,473,226)	41%
Total Expenditures		13,340,533	493,114	5,910,548	6,507,290	(6,833,243)	44%
Revenue Over/(Under) Expenditures		(9,188,180)	(220,829)	(2,520,104)	(3,116,846)		

City of San Angelo Development Corporation
Economic Development Projects
As of August 31, 2020

Project	Code	Original Allocation	Current Allocation	Current Year Activity	Inception to Date	Remaining Allocation
Air Service Marketing	DC0119	60,000	60,000	-	59,045	955
TGC/GAFB	DC0132	633,000	633,000	-	624,601	8,399
Principle LED	DC0134	550,001	516,123	3,951	508,271	7,852
Phase II Sewer Line	DC0136	100,000	100,000	-	4,000	96,000
TXDOT Aside Program Grant	DC0137	100,000	100,000	-	39,500	60,500
CalTech	DC0138	603,999	223,050	-	41,100	181,950
Parkhill	DC0139	308,000	323,000	18,090	288,982	34,018
Grant Works	DC0140	54,000	54,000	-	4,000	50,000
Netco	DC0142	60,000	60,000	-	54,500	5,500
Elite Solutions	DC0145	40,260	15,260	-	-	15,260
Goodfellow AFB	DC0146	1,500,000	1,500,000	805,524	1,116,819	383,181
Industrial Park-Phase II	DC0147	2,000,000	4,111,263	2,555,623	2,555,823	1,555,440
Howard College Const Tr	DC0149	168,000	166,780	71,885	166,780	-
US Customs Retention	DC0151	25,000	25,000	-	-	25,000
US Customs Retention II	DC0152	46,435	1,149,225	-	49,225	1,100,000
Principle LED BREP	DC0154	300,147	300,147	177,102	277,102	23,045
Carter Fentress	DC0155	20,000	20,000	-	16,000	4,000
Shea Transportation	DC0156	49,000	43,400	33,051	43,358	42
Chadbourne Street	DC0157	1,500,000	3,750,000	-	1,500,000	2,250,000
Comm Dev Strategies	DC0158	65,000	65,000	391	63,356	1,644
Centurion	DC0159	7,500	7,500	-	7,120	380
West Texas Steel	DC0162	59,000	59,000	-	-	59,000
SMC Global	DC0163	200,000	200,000	-	-	200,000
J's Deer & Wild Game	DC0164	60,000	60,000	-	-	60,000
Schwertner Property	DC0165	600,000	600,000	539,414	548,914	51,086
Bradford Area	DC0166	638,861	638,861	638,861	638,861	-
Double Barrel	DC0167	70,000	70,000	-	-	70,000
Air Service Marketing II	DC0168	13,000	13,000	13,000	13,000	-
Industrial Park Turn Lane	DC0169	24,765	24,765	19,685	19,685	5,080
Centurion BREP	DC0171	36,000	36,000	-	-	36,000
Airport Clearing	DC0175	70,000	70,000	-	-	70,000
Wendland Manufacturing	DC0176	400,000	400,000	-	-	400,000
Rail Transloading Facility	DC0177	250,000	250,000	3,706	3,706	246,294
		10,611,968	15,644,374	4,880,283	8,643,748	7,000,626

Total Committed, Not Expended

7,000,626

City of San Angelo Development Corporation
Balance Sheet - Ballot
As of August 31, 2020

ASSETS

Current Assets

Checking/Savings

Cash

70,353

Money Market

3,281,658

Total Checking/Savings

3,352,011

Total Current Assets

3,352,011

TOTAL ASSETS

3,352,011

LIABILITIES & FUND EQUITY

Fund Equity

Committed for Ballot Projects

200,082

Assigned for Debt Service

-

Unassigned Fund Balance

3,151,929

Total Fund Equity

3,352,011

TOTAL LIABILITIES & FUND EQUITY

3,352,011

City of San Angelo Development Corporation
Revenue & Expenditure Report - Ballot
August 2020

	Budget	Month Actual	YTD Actual	YTD Actual w/ Enc	Over/(Under) Budget	% of Budget
Revenues						
Sales & Use Tax	6,710,590	695,944	6,669,993	6,669,993	(40,597)	99%
Interest on Investments	75,000	584	40,193	40,193	(34,807)	54%
Total Revenues	6,785,590	696,528	6,710,186	6,710,186	(75,404)	99%
Expenditures						
City Services	30,135	-	22,601	22,601	(7,534)	75%
Loan/Debt Service	5,452,250	412,813	5,452,250	5,452,250	-	100%
Total Operating Expenditures	5,482,385	412,813	5,474,851	5,474,851	(7,534)	100%
Projects						
West TX Water Partnership	200,000	5,939	71,474	71,475	(128,525)	36%
Affordable Housing	304,865	41,165	233,309	233,309	(71,556)	77%
Water Rights	315,514	319,881	319,881	319,881	4,367	101%
Future Projects	482,826	-	-	-	(482,826)	0%
Total Project Expenditures	1,303,205	366,985	624,664	624,665	(678,540)	48%
Total Expenditures	6,785,590	779,798	6,099,515	6,099,516	(686,074)	90%
Revenue Over/(Under) Expenditures	-	(83,270)	610,671	610,670		

City of San Angelo Development Corporation
Ballot Projects
As of August 31, 2020

Project	Project Allocation	Current Year Activity	Inception to Date	Remaining Allocation
Ballot Projects:				
Water Supply Projects				
West Texas Water Partnership	692,740	71,474	564,214	128,526
* Reclaimed Water Alternatives	1,389,965	-	1,389,965	-
* Red Arroyo Storm Water Basin	151,040	-	151,040	-
Total Expenditures	2,233,745	71,474	2,105,219	128,526
Total Water Supply Projects				128,526
Affordable Housing				
Revenues				
* Sale of Fixed Assets - Blackshear Properties	394,351	-	394,351	-
Total Revenues				
Expenditures				
Affordable Housing	3,347,965	233,309	3,276,409	71,556
* Administrative Contract	120,405	-	120,405	-
* Blackshear Neighborhood Boundary	28,300	-	28,300	-
* Blackshear Properties	404,125	-	404,125	-
* Neighborhood Blitz	550,000	-	550,000	-
* Neighbors Helping Neighbors	53,000	-	53,000	-
* Rebuilding Together - Housing One Stop	23,759	-	23,759	-
* Rebuilding Together - Housing Repair	74,920	-	74,920	-
* Rehabs	114,487	-	114,487	-
* Roofing Grant	200,000	-	200,000	-
Total Expenditures	4,916,961	233,309	4,845,406	71,556
Total Affordable Housing				71,556
Other Projects				
* Sports Facilities Maintenance	285,353	-	285,353	-
Total Expenditures	285,353	-	285,353	-
Total Ballot Projects Committed, Not Expended				200,082

Voter Approved Projects:

* Fort Concho Improvements	900,000	-	900,000	-
* Sports & Athletics Facilities	708,744	-	708,744	-
* 29th Street Sports Complex	1,750,000	-	1,750,000	-
Total Expenditures	3,358,744	-	3,358,744	-
Total Voter Approved Projects Committed, Not Expended				-
* Completed				

City of San Angelo Development Corporation
Transaction Detail by Account
August 2020

Group #	PO #	Type	Date	Number	Description	Amount
Fund 700 DEVELOPMENT CORPORATION						
700-0000-313.00-00 TAX / SALES AND USE TAX						
	7308	AJ	8/31/2020	640	Eco Dev Sales Tax	270,645.07
700-0000-361.10-00 INTEREST / INTEREST ON INVESTMENTS						
	7422	AJ	8/31/2020	675	COSADC BANK INTERE	40.37
	7422	AJ	8/31/2020	675	COSADC BANK INTERE	795.55
700-0000-363.11-00 RENT / RENT						
	7149	AJ	8/27/2020	MR		-175.65
	6881	AJ	8/15/2020	MR		979.2
700-0700-411.03-12 PROFESSIONAL & TECHNICAL / ADMINISTRATIV						
	7436	AJ	8/31/2020	685	AUG MONTHLY CORREC	-3,075.00
700-0700-411.03-20 PROFESSIONAL & TECHNICAL / PROFESSIONAL						
	6761	122296 AP	7/31/2020	5185	REECE ALBERT INC	113,939.92
PROJECT#: DCO147						
	6761	122296 AP	7/31/2020	5185	REECE ALBERT INC	237,343.70
PROJECT#: DCO147						
	6761	122800 AP	7/22/2020	5187	SCHNIERS BROTHERS	3,600.00
PROJECT#: DCO177						
	6761	121961 AP	7/15/2020	5184	PARKHILL SMITH & C	10,209.48
PROJECT#: DCO139						
	6762	122296 AP	6/30/2020	5185	REECE ALBERT INC	113,253.61
PROJECT#: DCO147						
700-0700-411.03-32 PROFESSIONAL & TECHNICAL / SOFTWARE MAIN						
	7367	AJ	8/31/2020	667	ZACTAX	5,000.00
700-0700-411.04-11 PURCHASED SERVICES / WATER/SEWER UTILITI						
	6688	AJ	8/5/2020	UT	UB CHARGE UPDATE	128.68
	6663	AJ	8/4/2020	UT	UB CHARGE UPDATE	15
700-0700-411.04-12 PURCHASED SERVICES / NATURAL GAS						
	6871	121088 AP	8/10/2020	5188	ATMOS ENERGY	64.91
700-0700-411.04-13 PURCHASED SERVICES / ELECTRICITY						
	6743	AP	8/3/2020	677097	GEXA ENERGY, LP	988.49
700-0700-411.04-31 PURCHASED SERVICES / BLDG. & GROUNDS MAI						
	7030	120875 AP	8/20/2020	677560	ANGELO WATER SERVI	70.45
	7296	121314 AP	8/13/2020	677898	DIRT DOC, LLC	725
	6760	121754 AP	8/1/2020	677158	ENER-TEL SERVICES	100
	6761	121087 AP	7/31/2020	5186	REPUBLIC SERVICES,	27.86
700-0700-411.04-42 PURCHASED SERVICES / RENT OF EQUIPMENT						
	6894	AP	8/14/2020	5189	CTWP	121.76
700-0700-411.05-30 PURCHASED SERVICES / COMMUNICATION						
	7455	AJ	8/31/2020	696	VOIP AUG 20	263.76
	7453	AJ	8/20/2020	694	SUDDENLINK CHRGS J	409.66
700-0700-411.05-31 PURCHASED SERVICES / CELLULAR PHONE						
	7452	AJ	8/31/2020	693	VERIZON CHARGES MA	57.02
	7454	AJ	8/25/2020	695	AT&T JULY 2020	57.14
700-0700-411.05-40 PURCHASED SERVICES / ADVERTISING						
	7436	AJ	8/31/2020	685	AUG MONTHLY CORREC	-2,043.56
	7212	121997 AP	8/28/2020	5196	SAN ANGELO CHAMBER	600
	7176	121300 AP	6/25/2020	5193	GO SAN ANGELO	495.36
	6873	121300 AP	6/11/2020	5190	GO SAN ANGELO	490.03
	6874	121300 AP	5/27/2020	5190	GO SAN ANGELO	415.41
700-0700-411.05-42 PURCHASED SERVICES / LEGAL NOTICES						
	7436	AJ	8/31/2020	685	AUG MONTHLY CORREC	2,043.56

City of San Angelo Development Corporation
Transaction Detail by Account
August 2020

Group #	PO #	Type	Date	Number	Description	Amount
700-0700-411.05-65 PURCHASED SERVICES / SPECIAL PROJECT "A"						
	7115	121415	AP	8/26/2020	677569 CANON FINANCIAL SE	-22.32
	7116	121415	AP	8/26/2020	5192 CANON FINANCIAL SE	22.32
	7182		AP	8/25/2020	5195 ROCK YOUR WORLD DE	379.8
	7030	121415	AP	8/13/2020	677569 CANON FINANCIAL SE	22.32
	7182		AP	4/9/2020	5194 RANCH ROAD BOOTS,	3,454.84
700-0700-411.05-90 PURCHASED SERVICES / CONVENTIONS & SCHOO						
	7296	122328	AP	8/12/2020	677936 TEXAS ECONOMIC DEV	120
	7296	122328	AP	8/12/2020	677936 TEXAS ECONOMIC DEV	120
	6825	122328	AP	7/28/2020	5191 TEXAS ECONOMIC DEV	120
	6825	122328	AP	7/28/2020	5191 TEXAS ECONOMIC DEV	120
	6825	122328	AP	7/28/2020	5191 TEXAS ECONOMIC DEV	120
	6825	122328	AP	7/28/2020	5191 TEXAS ECONOMIC DEV	120
700-0700-411.05-94 PURCHASED SERVICES / PARTNER AFFILIATION						
	7436		AJ	8/31/2020	685 AUG MONTHLY CORREC	3,075.00
700-0700-411.06-14 SUPPLIES / POSTAGE & SHIPPING						
	6766		AP	7/6/2020	9236 POSTMASTER	14
700-0700-411.06-26 SUPPLIES / GASOLINE						
	7445		AJ	8/30/2020	689 Fuel Charges - Aug	48.11
700-0705-411.04-11 PURCHASED SERVICES / WATER/SEWER UTILITI						
	6781		AJ	8/10/2020	UT UB CHARGE UPDATE	30.69
	6740		AJ	8/7/2020	UT UB CHARGE UPDATE	68.36
Fund 711 COSADC - BALLOT						
711-0000-313.00-00 TAX / SALES AND USE TAX						
	7308		AJ	8/31/2020	640 Ballot Sales Tax -	695,944.46
711-0000-361.10-00 INTEREST / INTEREST ON INVESTMENTS						
	7422		AJ	8/31/2020	675 COSADC BANK INTERE	8.39
	7422		AJ	8/31/2020	675 COSADC BANK INTERE	576.08
711-0700-411.03-20 PROFESSIONAL & TECHNICAL / PROFESSIONAL						
	7345		AJ	8/31/2020	646 REIMB WTWP JULY	2,106.34
	PROJECT#:	DC0123				
	7181		AP	8/28/2020	2005 FIRST TITLE CO	41,165.00
	PROJECT#:	DC0200				
	6963		AJ	8/19/2020	635 WTX WT PARTNERSHIP	3,833.50
	PROJECT#:	DC0123				
711-0700-411.04-01 PURCHASED SERVICES / WATER RIGHTS						
	7352		AJ	8/31/2020	652 UNTRTD GW WTWP CNT	319,880.78
711-0700-901.08-14 TRANSFER / TRANS TO DEBT SERVICE						
	7449		AJ	8/31/2020	691 DC Debt Int Transf	412,812.50

THE CITY OF SAN ANGELO, TEXAS

Schedule of Revenues and Expenditures

Fiscal Year through August 31, 2020

2011A Tax/Revenue C.O. - Fund 514

For Airport, Ft. Concho, and Parks Improvements

Debt Payments Through 2024

	Dept	Current Budget	Month Actual	YTD W/Enc	Over/(Under) Budget	Previous Years Activity	Inception to Date
Beginning Fund Balance		855,955		855,955			
REVENUES:							
C.O. Proceeds		-	-	-	-	13,780,000	13,780,000
Municipal Pool Donation		-	-	-	-	21,225	21,225
SASSRA Stock Barn		-	-	-	-	157,722	157,722
Transfer from Dev. Corp.		-	-	-	-	4,220,000	4,220,000
Interest Income		-	32	1,584	1,584	168,882	170,466
Total Revenues		-	32	1,584	1,584	18,347,829	18,349,413
EXPENDITURES:							
Airport Terminal Rehab	3925	-	-	-	-	500,000	500,000
Concho River	4119	258,084	-	2,249	(255,835)	8,341,918	8,344,167
Parks	6000	291,021	2,528	33,799	(257,222)	459,051	492,850
Unidad Park Refurbishment	PK0001	175,000	-	-	(175,000)	-	-
Red Arroyo Trail	6040	-	-	-	-	325,000	325,000
Recreation	6100	75,000	-	-	(75,000)	2,597,817	2,597,817
Fort Concho Improvements	6301	-	-	-	-	100,001	100,001
Auditorium	6602	-	-	-	-	3,750,001	3,750,001
Fairgrounds	6636	-	-	-	-	1,157,722	1,157,722
Transfer to Intergovernmental	1994	15,000	-	15,000	-	-	15,000
Issue Costs	9900	-	-	-	-	260,363	260,363
Total Expenditures		814,105	2,528	51,048	(763,057)	17,491,873	17,542,921
Revenue Over/(Under) Expenditures		(814,105)	(2,496)	(49,464)			
Ending Fund Balance		41,850		806,491			

THE CITY OF SAN ANGELO, TEXAS

Schedule of Revenues and Expenditures Fiscal Year through August 31, 2020

Hickory Water Supply - Fund 516 Debt Payments Through 2031

	Dept	Current Budget	Month Actual	YTD W/Enc	Over/(Under) Budget	Previous Years Activity	Inception to Date
Beginning Fund Balance		2,090,675		2,090,675			
REVENUES:							
Interest		-	332	16,611	16,611	600,798	617,409
C.O. Proceeds		-	-	-	-	119,998,750	119,998,750
Total Revenues		-	332	16,611	16,611	120,599,548	120,616,159
EXPENDITURES:							
Easements/Property Damage	4150	-	-	-	-	106,865	106,865
Engineering	4157	2,076,396	-	2,076,396	-	17,632,306	19,708,702
Well Field Pipelines	4152	-	-	-	-	3,026,918	3,026,918
30 " Transmission Main	4153	-	-	-	-	38,681,022	38,681,022
Well Field Pumps	4154	-	-	-	-	12,831,038	12,831,038
Well Field Pump Station	4155	-	-	-	-	1,617,139	1,617,139
Well Field Expansion	4158	-	-	-	-	7,668,888	7,668,888
Treatment Plant	4156	-	-	-	-	27,132,194	27,132,194
Well Field Expansion #2	4159	-	-	-	-	9,640,252	9,640,252
Issue Costs	9900	-	-	-	-	172,251	172,251
Total Expenditures		2,076,396	-	2,076,396	-	118,508,873	120,585,269
Revenue Over/(Under) Expenditures		(2,076,396)	332	(2,059,785)			
Ending Fund Balance		14,279		30,890			

	Revenues
Previous Years Activity	120,599,548
Current Year Budget	-
Less Interest Earned	(600,798)
TOTAL	119,998,750



September 17, 2020

RE: Extension of term of contract for pest control services, for one additional year through October 23, 2021.

Dear Michelle Kirby:

On October 23, 2019 the City of San Angelo Development Corporation (COSADC) and MDK Services, LLC entered into a Services Agreement for pest control services to be provided at the Business Resource Center, 69 N. Chadbourne, San Angelo. The agreement provides that the parties may extend its term for an additional year, through October 23, 2021. This letter of extension and your executed acceptance confirms our agreement to extend the term of the Services Agreement from October 23, 2020, through October 23, 2021.

A digitally fully executed copy of this letter and acceptance will be returned to the parties at their email addresses through Doc-U-Sign.

Sincerely,

Guy Andrews, Economic Development Director

ACCEPTED by MDK Services, LLC this 17th day of September, 2020.

BY: _____
Michelle Kirby, Managing Member
EMAIL: michelle@mdkpest.co

m



Kirby Park Villas
609 W 29th Street
San Angelo, TX 67901
(325) 450-4229 office

6/11/2018

FROM: KIRBY PARK VILLAS—ZIMMERMAN PROPERTIES CONSTRUCTION, LLC

ATTN: CITY OF SAN ANGELO DEVELOPMENT CORPORATION (COSADC)

Thank you for allowing our business to lease the office space located at 69. N Chadbourne St. Suite 210.5. We are requesting to extend our stay until 7/31/2018 and amend the original agreement we had in place. If there is any additional paperwork needed to complete this, please let me know.

Best Regards,
Gregory White

A handwritten signature in cursive script that reads "Gregory D. White".

Wilhoit Properties- Property Management Specialist

Report to Board



Requestor: Nora Nevarez, Executive Office Coordinator, COSADC, 325-653-7197

Meeting Date: September 23, 2020

Item type: Regular Item

Caption:

Discussion and possible action concerning a funding request to support the development of an SME Prime manufacturing education program within the San Angelo Independent School District. (Presentation by Guy Andrews, Director of Economic Development and Mark Jones of SME Prime)

Summary/History:

Financial Impact:

Dependent upon board direction.

Other Information/Recommendation:

Attachments:

- | | | |
|----|---|---|
| 1. | City of San Angelo Development Corporation Funding Request | City of San Angelo Development Corporation Funding Request.docx |
| 2. | SME Education Foundation - Overview Brochure DIGITAL | SME Education Foundation - Overview Brochure DIGITAL.pdf |
| 3. | SME Education Foundation - Inspire - Student Summits DIGITAL | SME Education Foundation - Inspire - Student Summits DIGITAL.pdf |
| 4. | SME Education Foundation - Prepare - SME PRIME DIGITAL | SME Education Foundation - Prepare - SME PRIME DIGITAL.pdf |
| 5. | SME Education Foundation - Support - Student Scholarships DIGITAL | SME Education Foundation - Support - Student Scholarships DIGITAL.pdf |

Presentation:

Approvals/Reviews:

Nora Nevarez	Created/Initiated
Dan Saluri	Approved
Nolan Sosa	Approved
Tina Dierschke	Approved
Dan Saluri	Approved
Guy Andrews	Final Approval



August 31st, 2020

Mr. Guy Andrews
Economic Development Director
City of San Angelo Development Corporation
69 N. Chadbourne Street
San Angelo, TX 76903

RE: Funding request to support the development of an SME PRIME manufacturing education program within the San Angelo Independent School District

Dear Mr. Andrews,

In follow-up to our presentation in San Angelo on February 27th, as well as our recent conversations, at your request I am submitting this letter to formally request funding from the City of San Angelo Development Corporation to help establish an SME PRIME manufacturing education program within the San Angelo Independent School District (San Angelo ISD).

Funding Request:

The SME Education Foundation (SMEEF) formally requests \$150,000 to be paid over a three-year period.

Organizational Background:

The SME Education Foundation was established in 1979 as a non-profit organization and serves as the philanthropic arm of the Society of Manufacturing Engineers.

The Society of Manufacturing Engineers was founded in 1932 as a national non-profit association of professionals, educators, and students dedicated to promoting and supporting the manufacturing industry.

The mission of the SME Education Foundation is to inspire, prepare, and support the next generation of manufacturing and engineering talent.

Problem Addressed by SME PRIME:

The U.S. is facing a severe shortage of manufacturing workers nationwide.

This shortage is largely due to two key factors. First, as baby boomers age large numbers are leaving the manufacturing industry due to retirement. Second, over the past several decades young people have been discouraged from pursuing careers in manufacturing as parents and schools channeled young men and women towards traditional 4-year college degrees. As a result, the workforce shortage issue in the manufacturing sector is now acute.

According the National Association of Manufacturers, 522,000 manufacturing jobs across the country are currently unfilled. A 2018 Deloitte Manufacturing Institute report suggests that 2.4 million of these jobs could go unfilled between 2018 and 2028. The report further suggests that these unfilled jobs could cost industry approximately \$2.5 trillion by 2028.

The SME PRIME program directly addresses this shortage by establishing state-of-the-art manufacturing programs in high schools designed to educate and train the next generation manufacturing workforce.

Program Description:

SME PRIME is a manufacturing education program developed for and implemented in high schools nationwide by the SME Education Foundation.

Supported and informed by private industry, SME PRIME builds cost-effective, highly tailored manufacturing/engineering programs designed to provide students with the skills they need to pursue careers in manufacturing immediately upon graduation or to pursue post-secondary education in STEM-related or manufacturing fields.

The strength of the PRIME program is the partnership that occurs between the SME Education Foundation, a local high school, and one or more industry partners who collaborate to develop a program that teaches students manufacturing skills that are in

demand by employers in their community. **In this manner, SME PRIME directly addresses the workforce needs of local employers.**

The PRIME program focuses on implementing educational pathways that are identified through input received from manufacturers who partner with the school. The list of pathways available to PRIME schools and students is shown below:

1. Additive Manufacturing
2. Computer Aided Design and Manufacturing
3. Engineering
4. Industrial Maintenance
5. Machining and Fabrication
6. Materials Science
7. Mechatronics and Robotics
8. Metrology and Quality
9. Welding

Program Deliverables:

The PRIME program provides six key deliverables **AT NO COST** to participating schools:

1. Manufacturing equipment, materials and supplies
2. Tailored curriculum plan
3. Professional development
4. Post-secondary scholarships
5. STEM-related extra-curricular activities (camps, clubs, field trips, etc.)
6. Marketing assistance to promote the program

Program Implementation:

In implementing the PRIME program in a school, the SME Education Foundation collaborates with a variety of partners, including manufacturers, schools, foundations, local and state entities, equipment and curriculum vendors, and others to deliver the PRIME program. Each partner collaborates with SMEEF to play an important role in the implementation of a successful PRIME program:

- SME works with its industry partners and manufacturers to secure funding for the local PRIME school, solicit their input into the curriculum design process and create opportunities for students to gain relevant, hands-on knowledge and skills for manufacturing. Through PRIME, manufacturing partners are encouraged to

actively engage with their school, to serve on advisory boards and to connect with students by providing internships, co-ops and mentoring opportunities and hosting Manufacturing Day and other industry-related events.

- Schools and teachers implement the PRIME curriculum and work with manufacturers and SME Education Foundation staff to develop on-going program evaluations and performance metrics.
- Tooling-U SME, one of the country's premier providers of workforce education and development programming, plays an important role in the implementation of PRIME by providing access to its vast library of manufacturing training modules.
 - As background, Tooling-U SME is used by more than half of the Fortune 500 companies for their workforce education and development needs and has a client base of over 5,000 companies across the United States and Canada. Their extensive experience in the workforce education sector provides tremendous benefit to SME PRIME schools and partnering companies.
- SME PRIME works with the National Coalition of Certification Centers (NC3) to provide professional education to PRIME school teachers as needed. NC3 offers advanced technical education to teachers from highly skilled instructors, allowing them to bring their new knowledge back to their PRIME classrooms.
- SME PRIME also works with equipment vendors such as Starrett/Snap On, Siemens, Mastercam, FANUC, Haas Automation and others in acquiring the equipment necessary to fully equip a PRIME school.

Program Reach and Impact:

Since 2011 PRIME has reached more than 50,000 students in 60 schools located in 22 different states around the country. Importantly, our research into the efficacy of PRIME programs indicates that nearly 85% of students graduating from PRIME high schools either entered the manufacturing workforce or pursued additional education within a manufacturing or STEM-related field.

SME PRIME designated schools serve as high profile catalysts within their communities, broadening the scope of opportunities available to students while facilitating relationships between schools and local manufacturing companies. **PRIME offers the opportunity for students who are not college-bound to change the trajectory of their lives by developing marketable skills that are in great demand by manufacturers within their communities.**

Schools and teachers also benefit from PRIME. With historic cuts in vocational training, the number of experienced teachers has declined nationwide. PRIME teachers receive professional development and training that builds their instructional capabilities.

Participating schools receive state-of-the-art equipment, curriculum and other resources that strengthen their manufacturing career training programs. Manufacturers derive important benefits from PRIME. The collaborative partnerships they form with schools in their communities give them a direct connection to a local high school and the ability to influence the development of a trained future workforce tailored to meet their needs. Through their involvement with PRIME, manufacturers can fulfill two key business objectives by linking corporate citizenship goals to workforce development needs.

Funding Model:

The costs associated with funding an SME PRIME program are approximately \$315,000 over a three-year period. These funds cover the costs of the deliverables the SME Education Foundation provides to the school as described above.

Funds for PRIME programs are secured primarily from the manufacturers who become investors and partners with their PRIME school. As discussed previously, these funds underwrite the costs of equipment, materials, curriculum and other expenses associated with the implementation of PRIME. Funding for the program is also derived from foundation grants, government grants, community organizations, and other sources.

Current Status:

The San Angelo Independent School District has expressed its interest in developing an SME PRIME program.

We are currently in the process of reaching out to companies in the greater San Angelo area to introduce them to the PRIME program and to invite their investment and participation. Ethicon, through its Plant Manager, has expressed its strong interest in supporting the program and partnering with San Angelo ISD. Principal LED has also expressed tentative interest.

Grant Impact:

This grant from the City of San Angelo Development Corporation would provide approximately one-half of the necessary funding to support SME PRIME program development and implementation within San Angelo ISD.

Importantly, this level of investment by COSADC would make it more much more affordable and attractive for San Angelo area companies (regardless of size) to participate as investors and manufacturing partners as it would significantly reduce their investment costs. **In this manner, this investment is an economic development initiative that will benefit manufacturers throughout the entire greater San Angelo area.**

I am happy to provide additional information and answer any other questions you may have about the SME Education Foundation or the SME PRIME program at your convenience.

Thank you for considering this funding request.

Sincerely,

Mark Alan Jones
Senior Development Officer
SME Education Foundation
1000 Town Center, Suite1910
Southfield, MI 48075

Phone: (708) 359-1544
Email: mjones@sme.org

sme
EDUCATION
FOUNDATION

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SME Education Foundation: Overview

Mission

The SME Education Foundation inspires, prepares and supports the next generation of manufacturing and engineering talent through its Student Summit event series, SME PRIME® (Partnership Response In Manufacturing Education) initiative, and Student Scholarship program.

The philanthropic arm of SME, an internationally recognized nonprofit organization serving the manufacturing industry, the SME Education Foundation has had significant impact on hundreds of thousands of people since its inception in 1979.

A national 501(c)(3) organization, the foundation draws upon SME's almost 90-year history and thought leadership in manufacturing-focused conference and events, media production, and training and workforce development — as well as its international membership — to attract and develop a skilled manufacturing workforce.

Why do we do it?

We understand that manufacturing is key to economic growth and prosperity, and that a manufacturing talent shortage and skills gap threatens both. Without a spirited, highly skilled workforce, manufacturing – and the global population who rely upon it – will suffer.

For more information,
contact us at
313.425.3000.

Join us on



smeef.org

INSPIRE

STUDENT SUMMITS

Providing student-centric programming with hands-on challenges and competitions, technology demonstrations and guided show-floor tours at SME conferences and events.

"What an amazing experience for our students regarding manufacturing and engineering. Extremely well-organized, highly educational, and student-friendly booths and vendors. One of the best field trips I have attended in my 13 years as an SPS educator."

Paul Scoville, Springfield (Mass.) High School of Science and Technology

PREPARE

SME PRIME

Directly enhancing the skilled trades pipeline by partnering with industry to develop manufacturing programs in high schools across the country, providing modern equipment, tailored curriculum and a hands-on training experience.

"We want to expand and improve STEM education and workforce development outcomes. We're delighted to join with local businesses, government and Fraser Public Schools to provide opportunities for students to learn hands-on skills through the PRIME curriculum — and to explore meaningful careers in Macomb County."

Michael Simcoe, vice president of global design, GM

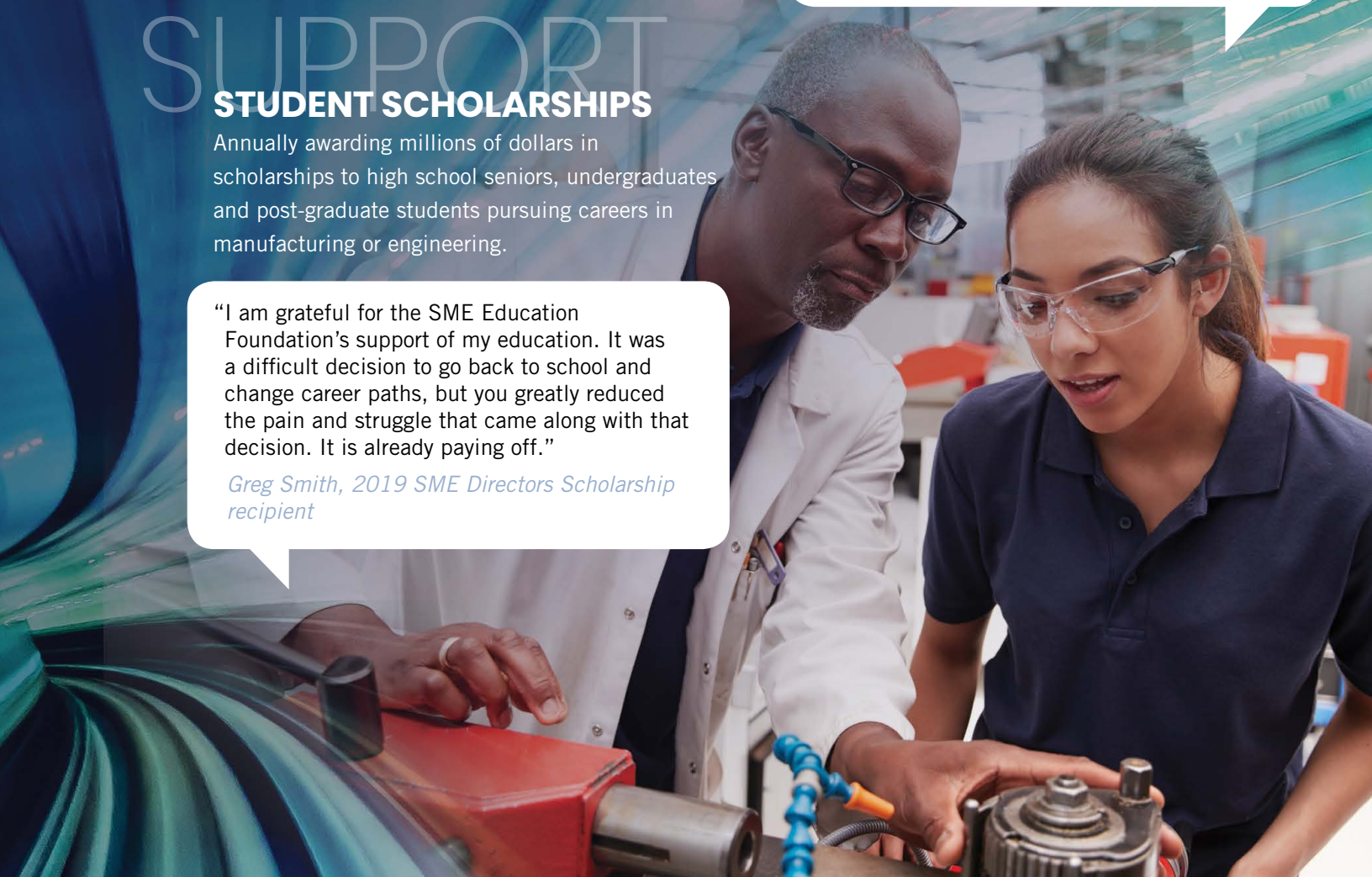
SUPPORT

STUDENT SCHOLARSHIPS

Annually awarding millions of dollars in scholarships to high school seniors, undergraduates and post-graduate students pursuing careers in manufacturing or engineering.

"I am grateful for the SME Education Foundation's support of my education. It was a difficult decision to go back to school and change career paths, but you greatly reduced the pain and struggle that came along with that decision. It is already paying off."

Greg Smith, 2019 SME Directors Scholarship recipient





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Student Summits

The first step in developing the next generation of talent is to inspire students to consider manufacturing as a career choice. The SME Education Foundation Student Summit event series showcases the high-tech nature of modern manufacturing and effectively fights the misperception that manufacturing is dull, dirty and dying.

Delivering student-centric programming, guest speakers, hands-on competitions, technology demonstrations and guided show-floor tours, these one-day summits are designed to provide 16- and 17-year-old students with their first taste of manufacturing.

Student Summits are hosted alongside SME conferences and events across North America, and high schools from the surrounding areas are invited to participate. Parents have the opportunity to attend with their children as chaperones.

HANDS-ON COMPETITIONS

- Drone Challenge
- Mars Rover Challenge
- Racing Challenge

*Winning teams receive cash prizes and/or scholarships

Ways you can help:

- Invest in a summit
- Refer a school
- Nominate a speaker

INSPIRE

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Student Summits take place at
SME conferences and events.





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SME PRIME

Supported and informed by private industry, SME PRIME® (Partnership Response In Manufacturing Education) builds cost-effective and tailored manufacturing/engineering programs in high schools across the country.

PRIME students receive hands-on training on modern equipment, and learn about technology and processes through tailored curriculum that is informed by local manufacturers in their communities. Students who wish to pursue a post-secondary education in manufacturing or engineering have the opportunity to apply for an exclusive PRIME scholarship.

PRIME teachers receive professional development and certifications that equip them to certify their students.

PRIME investors receive a pool of skilled talent who have been trained — and often certified — to fill specific roles at their respective manufacturing companies, providing the investors with a direct return on their investment.

Manufacturing companies of all sizes can invest in a PRIME program.

PRIME PATHWAYS

Additive manufacturing

Computer-aided design and manufacturing

Engineering

Industrial maintenance

Machining and fabrication

Materials science

Mechatronics and robotics

Metrology and quality

Welding

Ways you can help:

- Support PRIME Network
- Invest in the PRIME initiative
- Recommend a School District

TOP PRIME DELIVERABLES

- 1 Equipment and Supplies
- 2 Curriculum and Certification
- 3 Professional Development
- 4 Scholarships
- 5 Extracurricular Activities

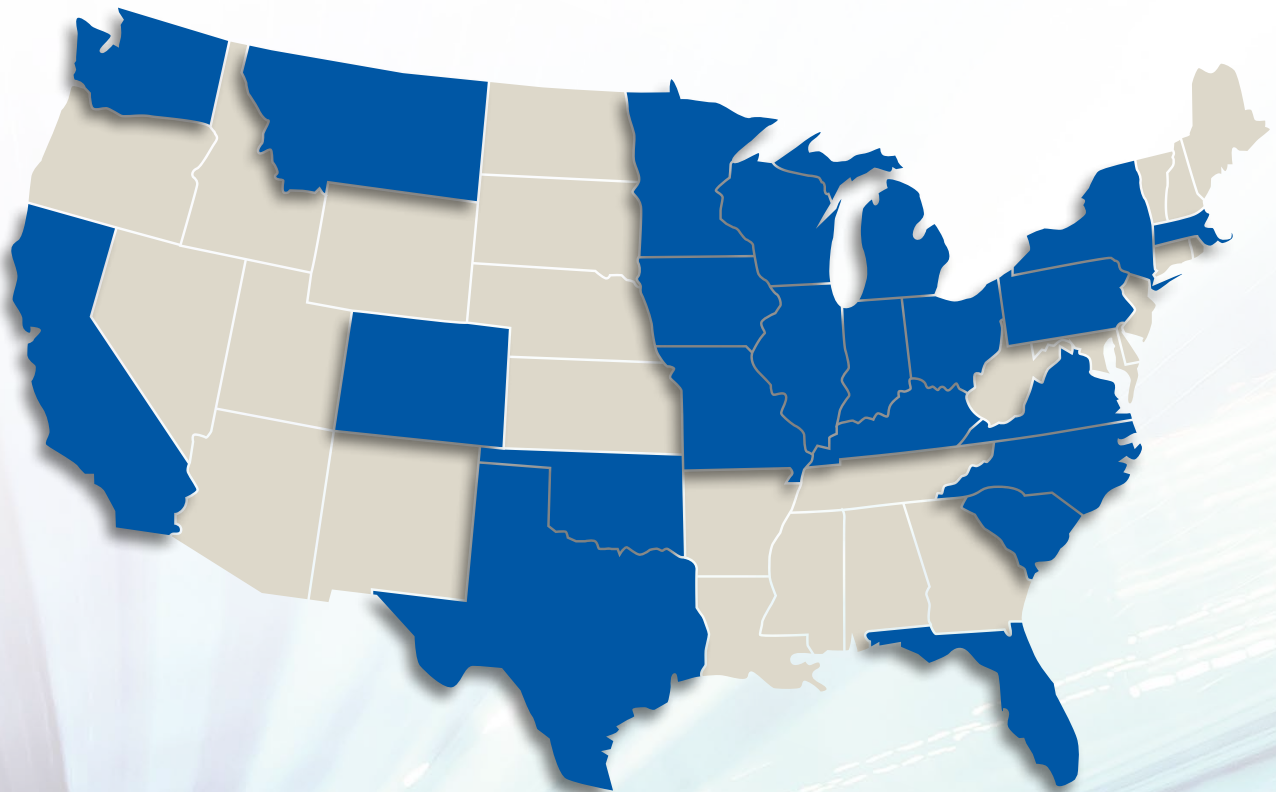
All deliverables are free to the school and informed by local manufacturers.



PREPARE

sme[?] | prime[®]

Located in more than 50 schools across dozens of states, PRIME has served nearly **100,000 students** to date. And it's gotten measurable results: **84 percent** of students who graduated from a PRIME program are pursuing careers or post-secondary education in a manufacturing or engineering field.



LEGEND

■ States with SME PRIME Schools



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Scholarship Program

The SME Education Foundation annually awards millions of dollars in scholarships to graduating high school seniors, undergraduates and graduate students pursuing two-year, four-year or advanced degrees in manufacturing or engineering.

Nearly 60 individual scholarship funds award hundreds of students with scholarships ranging from \$1,000 – \$40,000. Awardees can use the money for tuition, books, on-campus living expenses, or lab and course fees.

Scholarship applications are accepted from Nov. 1 – Feb 1. every year, and awards are announced in the spring. Winners of the larger awards, along with their parents, receive airfare and lodging to attend SME's International Awards Gala, where they are publicly recognized and presented with their checks.

Scholarship Administration

In addition to awarding scholarships from its own endowed funds, the SME Education Foundation administers scholarships on behalf of major corporations. Our professional scholarship management expertise helps corporations achieve their goals of supporting post-secondary educational opportunities for students pursuing careers in manufacturing, manufacturing technology and closely related disciplines.

Applicants are evaluated and scored via a thorough selection process, led by an exemplary scholarship review committee made up of SME Education Foundation board members, SME members and industry professionals.

Ways you can help:

- Endow a scholarship
- Refer scholarship applicants
- Ask the SME Education Foundation to administer your scholarship



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MANUFACTURING ENGINEERS.**

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Requestor: Nora Nevarez, Executive Office Coordinator, COSADC, 325-653-7197

Meeting Date: September 23, 2020

Item type: Regular Item

Caption:

Consider approval of a real estate sales contract and economic and development performance agreement as approved in a resolution by the COSADC Board of Directors on August 12, 2020 and amended by City Council on August 18, 2020 in a motion to ratify the resolution approved by COSADC authorizing the negotiation and execution of a real estate contract with Wisener Holdings, LLC, doing business as South Plains Lamesa Railroad, and negotiation of a real estate development performance agreement for the developing, marketing, and operation of an industrial transloading facility with an amendment authorizing the board president to negotiate the real estate contract in conjunction with the Executive Director of the Development Corporation, the City Manager or designee, the City Attorney, and the COSADC Attorney. (Presentation by Guy Andrews, Director of Economic Development.)

Summary/History:

The COSADC Board of Directors authorized the attached resolution: 20-0971_COSADC_SPLRR_180-ACRE_SALES_RESO(2).

In ratifying the resolution, City Council modified it by the following motion:

Motion: Council Member Thompson made a motion, seconded by Council Member Hiebert, to ratify the resolution approved by COSADC authorizing the negotiation and execution of a real estate contract with Wisener Holdings, LLC, doing business as South Plains Lamesa Railroad, and negotiation of a real estate development performance agreement for the developing, marketing, and operation of an industrial transloading facility with an amendment authorizing the board president to negotiate the real estate contract in conjunction with the Executive Director of the Development Corporation, the City Manager or designee, the City Attorney, and the COSADC Attorney. The motion carried unanimously (7) ayes to (0) nays.

The real estate sales contract and development performance agreement were negotiated according to the City Council amendment.

Financial Impact:

None

Other Information/Recommendation:

Attachments:

1. 20-0971_COSADC_SPLRR_180-ACRE_SALES_K(3) 20-0971_COSADC_SPLRR_180-ACRE_SALES_K(3).pdf
2. 20-0971_COSADC_WISENER_DEVELOP_AGREE_DR-9-10-20 20-0971_COSADC_WISENER_DEVELOP_AGREE_DR-9-10-20.pdf

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|----|---|---|
| 3. | 20-0971_COSADC_WISENER_SPLRR_SWD_DRAFT3 | 20-0971_COSADC_WISENER_SPLRR_SWD_DRAFT3.pdf |
| 4. | 20-0971_COSADC_SPLRR_NOTE_9-17-20 | 20-0971_COSADC_SPLRR_NOTE_9-17-20.pdf |
| 5. | 20-0971_COSADC_SPLRR_DT_(1) | 20-0971_COSADC_SPLRR_DT_(1).pdf |

Presentation:

Approvals/Reviews:

Nora Nevarez
Dan Saluri
Nolan Sosa
Tina Dierschke
Guy Andrews

Created/Initiated
Approved
Approved
Approved
Final Approval

Real Estate Sales Contract

This Contract to buy and sell real property ("Contract") is between Seller and Buyer as identified below and is effective on the date ("Effective Date") of the last of the signatures by Seller and Buyer as Parties to this Contract and by Title Company (as hereinafter defined) to acknowledge receipt of the Earnest Money (as hereinafter defined). Buyer must deliver the Earnest Money to Title Company and obtain Title Company's signature before the Earnest Money Deadline provided in Section A.1. for this Contract to be effective. If the Earnest Money is paid by check and payment on presentation is refused, Buyer is in default.

Seller(s): CITY OF SAN ANGELO DEVELOPMENT CORPORATION

Address: 69 North Chadbourne, San Angelo, Tom Green County, Texas 76903

Phone: (325) 657-4407 Fax: (325) 481-2695

Type of entity: a Texas nonprofit economic development corporation organized pursuant to the Texas Development Corporation Act

Contact: Bob Schneeman, Economic Development Project Manager

Buyer: WISENER HOLDINGS, LLC [d/b/a SOUTH PLAINS LAMESA RAIROAD, LTD (S.P.L.R.R.)]

Address: P.O. Box 64420
Lubbock, Lubbock County, Texas 79464

Street Address: 6803 59th Street
Lubbock, Lubbock County, Texas 79407

Type of entity: a Texas limited liability company, Delilah Wisener, Managing Member

Contact: Shadden Wisener
shad.wisener@splrr.com

Buyer's Broker: N/A

Property: The 180.542 acres out of J.C. Mathews/W.C.R.R. Co. Survey 178, Abstract 8071, and W.C.R.R. Co. Survey 177, Abstract 4031, located in Tom Green County, Texas, and described in **ATTACHMENT-1**, Schedule of Land, attached hereto and made a part of this agreement for all purposes.

Title Company: First Title Company

Address: 4 S Koenigheim, San Angelo, Texas 76903

Phone: (325) 653-1421 Fax: (325) 658-7796

Purchase Price: SIX HUNDRED THOUSAND AND NO/100 DOLLARS (\$600,000)

Cash portion: \$ Ø.

Earnest Money: Ø

Surveyor: TBD

Survey Category: Buyer at Buyer's option and in Buyer's sole discretion may secure a new ALTA Survey at Buyer's expense, a copy of which shall be provided to Seller.

County for Performance: Tom Green County, Texas

A-1. Deadlines For Performance and Other Dates

All deadlines for performance required in this Contract expire at 5:00 p.m. local time where the Property is located. If a deadline falls on a Saturday, Sunday, or national holiday, the deadline will be extended to the next day that is not a Saturday, Sunday, or national holiday. A national holiday is a holiday designated by the federal government. Time is of the essence for performance of the terms of this Contract.

1. Earnest Money Deadline: Three (3) days after the Effective Date.
2. Delivery of Title Commitment and copies of restrictive covenants and all recorded documents referred to in Title Commitment: sixty days (60) days after Effective Date.
3. Delivery of Buyer's Survey: ten (10) days prior to expiration of the Inspection Period.
4. Delivery of Title Objections: Fourteen (14) days after delivery of Title Commitment, survey, and legible copies of instruments referenced in them.
5. Delivery of Seller's Cure Notice: Seven (7) days after delivery of Title Objections.
6. Buyer's notice of acceptance of Seller's Cure Notice or Notice of Termination of Contract: earlier of Seven (7) days after: (a) deadline for Seller to provide Cure Notice or (b) delivery of Seller's Cure Notice not agreeing to cure all the Title Objections
7. Inspection Period: commences on the Effective Date and expires one hundred fifty (150) days after the Effective Date.
8. Closing Date shall be the earlier of: one hundred sixty (160) days after the Effective Date; or, upon thirty (30) days prior written notice from Buyer.

A-2 Extension of Inspection Period and Closing

Buyer and seller may elect to extend the Inspection Period and adjusted deadlines provided for herein accordingly only upon written agreement executed by both parties. Any such written extension agreement shall be provided to the Title Company.

B. Closing Documents

1. At closing, Seller will deliver the following items:
 - a. Special Warranty Deed with Vendor's Lien: (1)with reservation of all of the oil, gas, and other minerals in, on, under, and that may be produced from the Property, with the provision that Seller shall not extract any oil, gas, or other minerals by open pit strip mining, or other surface removal methods except as may be done from adjacent property; and (2) subject to easements, rights-of-way, and prescriptive rights, whether

of record or not that are visible and apparent on or across the Property; all presently recorded restrictions, reservations, covenants, conditions, oil and gas leases, mineral severances, and other instruments by parties other than Grantor that affect the Property; validly existing rights of adjoining owners in any walls and fences situated on a common boundary; any discrepancies, conflicts, or shortages in area or boundary lines; any encroachments or overlapping of improvements; and taxes for 2020 and subsequent years, and subsequent taxes and assessments by any taxing authority for prior years due to change in land usage or ownership, the payment of which Buyer assumes

- b. IRS Non-foreign person affidavit.
 - c. Satisfactory evidence of Seller's authority to close this transaction.
 - d. Such other documents (including a closing statement) as may be reasonably required to close this transaction and to permit the Title Company to issue the Owner's Title Policy.
2. At closing, Buyer will deliver the following items:
- a. Promissory Note in the principal sum of the full purchase price;
 - b. Deed of Trust in a form approved by Seller, securing Promissory Note; and,
 - c. Evidence of Buyer's authority to close this transaction.
 - d. Economic Development Performance Agreement by and between the parties to be executed at closing.

The documents listed in this Section B are collectively known as the "Closing Documents."

C Attachment and Exhibits

The following are attached to and are a part of this Contract:

ATTACHMENT "1" Property Description entitled "Schedule of Land" (2 pages)

Exhibit A Representations;

Exhibit B Notices, Statements, and Certificates;

Exhibit C Seller's Records;

Exhibit D Economic Development Performance Project Agreement entered into by and between Seller and Buyer, which Agreement shall survive closing and termination of this Real Estate Sales Contract.

D. Purchase and Sale of Property

Seller agrees to sell and convey the Property to Buyer subject to the terms and conditions herein in, including the terms and conditions of the Promissory Note and Economic Development Performance Agreement given as consideration hereof, and the reservations and exceptions to conveyance in the Special Warranty Deed. Buyer agrees to purchase the Property for the Purchase Price and on the terms provided for herein, including the terms and conditions of the Promissory Note, Deed of Trust and Economic

Development Performance Agreement given as consideration hereof, and the reservations and exceptions to conveyance in the Special Warranty Deed.

E. Interest on Earnest Money: N/A

~~Title Company shall not be required to invest the Earnest Money in an interest bearing account. Any interest earned on the Earnest Money will be paid to the party that becomes entitled to the Earnest Money.~~

F. Survey

Buyer, at Buyer's expense, may commission a survey of the Property necessary to specifically identify the 180.542 acre parcel to be purchased. Buyer's notice to seller of objections to matters relating to the survey, if any, shall be made in the same manner and are due at the same time as Buyer's notice of title objections under Section A, "Deadlines for Performance and Other Dates." Seller shall provide Buyer with a copy of the Survey of the Property obtained by Seller prior to the effective date of this Contract.

G. Title and Survey

1. *Review of Title.* Pursuant to the requirements of the Texas Real Estate License Act (Tex. Oc. Code Sec. 1101.555), Buyer is advised that Buyer should either have the abstract covering the Property examined by an attorney of Buyer's own selection or be furnished with or obtain a policy of title insurance.

2. *Title Commitment; Title Policy.* "Title Commitment" means a Commitment for Issuance of an Owner Policy of Title Insurance by Title Company, as agent for Underwriter, stating the condition of title to the Property. The "effective date" stated in the Title Commitment must be after the Effective Date of this Contract. "Title Policy" means an Owner Policy of Title Insurance issued by Title Company, as agent for Underwriter, in conformity with the last Title Commitment delivered to and approved by Buyer.

3. *Survey.* "Survey" means an ALTA/ACSM on-the-ground, staked plat of survey and metes-and-bounds description of the Property, prepared by a state licensed Land Surveyor or another surveyor satisfactory to Title Company, dated after the Effective Date, and certified to: Buyer and Title Company to comply with the current standards and specifications as published by the Texas Society of Professional Surveyors for the Survey Category.

4. *Delivery of Title Commitment, Survey, and Legible Copies.* Seller must deliver the Title Commitment to Buyer and legible copies of the instruments referenced in the Title Commitment by the deadline stated in Section A.2. Buyer shall deliver a copy of any survey commissioned by Buyer at the time of delivery of any title objections.

5. *Title Objections.* Buyer has until the deadline stated in Section A.4. ("Title Objection Deadline") to review the Title Commitment, Survey, and legible copies of the title instruments referenced in them and notify Seller of Buyer's objections to any of them ("Title Objections"). Buyer will be deemed to have approved all matters reflected by the Survey and Title Commitment to which Buyer has made no Title Objection by the Title Objection Deadline. The matters that Buyer either approves or is deemed to have approved are "Permitted Exceptions." If Buyer notifies Seller of any Title Objections, Seller has seven (7) days from receipt of Buyer's notice to notify Buyer whether Seller agrees to cure the Title Objections before closing ("Cure Notice"). If Seller does not timely give its Cure Notice or timely gives its Cure Notice but does not agree to cure all the Title Objections before closing, Buyer may, within the earlier of seven (7) days after: (a) the deadline for the giving of Seller's Cure Notice or (b) delivery of Seller's Cure Notice not agreeing to cure all the Title Objections, notify Seller that either this Contract is terminated (in which event the Earnest Money will be promptly returned to Buyer) or Buyer will proceed to close, subject to Seller's obligations to resolve the items listed in Schedule B-II of the Title Commitment, remove the liquidated

liens, remove all exceptions that arise by, through, or under Seller after the Effective Date, and cure only the Title Objections that Seller has agreed to cure in the Cure Notice. At or before closing, Seller must remove all liquidated liens, remove all exceptions that arise by, through, or under Seller after the Effective Date of this Contract, and cure the Title Objections that Seller has agreed to cure.

H. Inspection Period

1. *Review of Seller's Records.* Seller will deliver to Buyer copies of Seller's records specified in **Exhibit C**, or otherwise make those records available for Buyer's review, by the deadline stated in Section A.

2. *Entry Onto the Property.* Seller agrees that Buyer and Buyer's employees, agents, representatives, contractors, architects, engineers and consultants shall have the right and license to enter upon the Property from the Effective Date of this Contract until the close of the Inspection Period (as such Inspection Period may be extended), for the sole purposes of: (a) conducting any tests, surveys, environmental studies, investigations or analyses as Buyer deems appropriate on the following conditions:

- a. In advance of entry upon the Property, Buyer and Buyer's agents, representatives, contractors, architects, engineers or consultants, as applicable, must deliver evidence to Seller that Buyer has liability insurance for its proposed inspection activities, with coverages and in amounts that are currently required by Seller and City of San Angelo Office of Risk Management;
- b. Buyer must notify Seller in advance of Buyer's plans to conduct tests so that Seller may be present during the tests;
- c. If the Property is physically altered because of Buyer's inspections, and Buyer fails to close the purchase of the Property, Buyer must return the Property to its pre-inspection condition promptly after the termination of this Contract (This provision shall survive termination of this Contract and closing);
- d. Buyer must deliver to Seller copies of all inspection reports, other than those subject to the attorney-client privilege or confidentiality requirements or reports containing economic analysis relating to the Property, that Buyer prepares or receives from third parties, consultants or contractors within the earlier of three (3) days after their receipt or preparation (this provision shall survive termination of this Contract and closing); and
- e. Buyer must abide by any other reasonable entry rules imposed by Seller and provided in advance to Buyer.

3. *Environmental Assessment.* Buyer has the right to conduct environmental assessments of the Property. Seller will provide, or will designate a person with knowledge of the use and condition of the Property to provide, information requested by Buyer or Buyer's agent or representative regarding the use and condition of the Property during the period of Seller's ownership of the Property. Seller will cooperate with Buyer in obtaining and providing to Buyer or its agent or representative information regarding the Property.

4. **INDEMNITY. BUYER SHALL INDEMNIFY, DEFEND AND HOLD HARMLESS SELLER FROM AND AGAINST ANY AND ALL LOSSES, LIABILITIES, DAMAGES, CLAIMS, FINES, CAUSES-OF-ACTION, DEFICIENCIES, COSTS AND EXPENSES (INCLUDING REASONABLE ATTORNEYS' FEES AND OTHER LITIGATION EXPENSES) (COLLECTIVELY, "LOSSES") SUFFERED OR INCURRED BY SELLER SOLELY AS A RESULT OF THE ENTRY UPON THE PROPERTY BY BUYER OR BUYER'S EMPLOYEES, AGENTS OR CONTRACTORS, AS PERMITTED BY SELLER PURSUANT TO THE PROVISIONS OF THIS CONTRACT, EXCEPT THOSE LOSSES ARISING OUT OF THE ACTS**

OR OMISSIONS OF SELLER AND THOSE FOR THE REPAIR OR REMEDIATION OF EXISTING CONDITIONS DISCOVERED BY BUYER'S INSPECTION. THE OBLIGATIONS OF BUYER UNDER THIS PROVISION WILL SURVIVE TERMINATION OF THIS CONTRACT AND CLOSING.

5. *Brokerage Fees.* Subject to O.7. hereof, Buyer shall be responsible for all brokerage fees incurred by Buyer, if any, and shall hold Seller harmless from the payment thereof. This provision shall survive termination of this Contract and closing.

6. *Buyer's Right to Terminate.* Buyer may terminate this Contract for any reason whatsoever, in its sole discretion, by delivering notice of termination to Seller before the end of the Inspection Period (as such Inspection Period may be extended) and thereafter neither party shall have any rights or liabilities under this Contract, except for those matters contained in this Contract that expressly survive the termination of this Contract, and provided that if Seller is not in default, \$**N/A** of the Earnest Money will be promptly transferred to Seller and the remaining balance of Earnest Money will be promptly returned to Buyer. If Buyer does not deliver notice to Seller of Buyer's termination of the Contract before the end of the Inspection Period (as such Inspection Period may be extended), Buyer waives the right to terminate this Contract pursuant to this provision.

7. *Buyer's Release of Seller.* Buyer hereby releases Seller and those persons acting on Seller's behalf from all claims and causes of action (including claims for attorney's fees and court and other costs) resulting from Buyer's investigation of the Property, except for any claims arising out of the gross negligence or willful misconduct of Seller or any person acting on Seller's behalf. The obligations of Buyer under this provision will survive termination of this Contract and closing.

I. Representations

The representations from Seller to Buyer set forth in **Exhibit A**, attached hereto and made a part hereof for all purposes, are true and correct as of the Effective Date and must be true and correct on the Closing Date. Seller will promptly notify Buyer if Seller becomes aware that any of the representations are not true and correct.

J. Condition of the Property until Closing; Cooperation;

1. *Maintenance.* Until closing, Seller will (a) maintain the Property as it existed on the Effective Date, except for the addition of fill in the sole discretion of Seller and reasonable wear and tear and casualty damage beyond Seller's control; (b) operate the Property in the same manner as it was operated on the Effective Date; and (c) comply with all agreements and governmental regulations affecting the Property.

2. *Casualty Damage.* Seller will notify Buyer promptly after discovery of any casualty damage to the Property. Seller will have no obligation to repair or replace the Property if it is damaged by casualty before closing. Buyer may terminate this Contract in the event of any casualty damage to the Property by giving notice to Seller with fifteen days after receipt of Seller's notice of the casualty damage (provided that the Closing Date will be extended as necessary to give Buyer fifteen days to respond). If Buyer does not terminate this Contract, Seller will (a) convey the Property to Buyer in its damaged condition, and (b) assign to Buyer all of Seller's rights under any property insurance policies covering the Property. If Seller has not insured the Property and Buyer does not elect to terminate this Contract in accordance with this section, the Purchase Price will be reduced by the reasonable cost to repair the casualty damage. If Buyer elects to terminate this Contract, the Parties shall have no further right or obligation hereunder, except as otherwise provided in this Contract, and the Earnest Money shall be returned to Buyer.

3. *Condemnation.* Seller will notify Buyer promptly after Seller receives notice that any part of

the Property has been or is threatened to be condemned or otherwise taken by a governmental or quasi-governmental authority. Buyer may terminate this Contract if the condemnation would materially affect Buyer's intended use of the Property by giving notice to Seller within fifteen days after receipt of Seller's notice to Buyer (provided that the Closing Date will be extended as necessary to give Buyer fifteen days to respond). If Buyer does not terminate this Contract, (a) Buyer and Seller will each have the right to appear and defend their respective interests in the Property in the condemnation proceedings, (b) any award in condemnation (excluding any award relating to adjoining or other property owned by Seller) will be assigned to Buyer, and (c) if the taking occurs before closing, the description of the Property will be revised to delete the portion taken. The Purchase Price will be reduced by \$23,000 per acre for each full or partial acre taken by the condemning authority.

4. *Claims; Hearings.* Seller will notify Buyer promptly of any claim or administrative hearing that is threatened, filed, or initiated before closing that affects the Property.

5. *Cooperation.* Seller will cooperate with Buyer (a) before and after closing, to transfer the applications, permits, and licenses held by Seller and used in the operation of the Property and to obtain any consents necessary for Buyer to operate the Property after closing, (b) before closing, with any reasonable evaluation, inspection, audit, or study of the Property prepared by, for, or at the request of Buyer.

6. **DISCLAIMER OF WARRANTIES.** THIS CONTRACT IS AN ARM'S-LENGTH AGREEMENT BETWEEN THE PARTIES. THE PURCHASE PRICE WAS BARGAINED ON THE BASIS OF AN "AS IS, WHERE IS" TRANSACTION AND REFLECTS THE AGREEMENT OF THE PARTIES THAT THERE ARE NO REPRESENTATIONS, DISCLOSURES, OR EXPRESS OR IMPLIED WARRANTIES EXCEPT THOSE IN THIS CONTRACT AND THE CLOSING DOCUMENTS. BUYER ACKNOWLEDGES THAT BUYER IS NOT RELYING ON ANY REPRESENTATIONS, DISCLOSURES, OR EXPRESS OR IMPLIED WARRANTIES OTHER THAN THOSE EXPRESSLY CONTAINED IN THIS CONTRACT AND THE CLOSING DOCUMENTS. BUYER IS NOT RELYING ON ANY INFORMATION REGARDING THE PROPERTY PROVIDED BY ANY PERSON, OTHER THAN BUYER'S OWN AND BUYER'S AGENT(S) INSPECTIONS AND THE REPRESENTATIONS AND WARRANTIES CONTAINED IN THIS CONTRACT AND THE CLOSING DOCUMENTS. SUBJECT TO THE FOREGOING REPRESENTATIONS AND WARRANTIES, THE PROPERTY WILL BE CONVEYED TO BUYER IN AN "AS IS, WHERE IS" CONDITION, WITH ALL FAULTS, WHETHER KNOWN OR UNKNOWN. ALL WARRANTIES, EXCEPT THE SPECIAL WARRANTY OF TITLE IN THE CLOSING DOCUMENTS AND ANY WARRANTIES CONTAINED HEREIN, ARE DISCLAIMED.

BUYER ACKNOWLEDGES THAT ALL INFORMATION OBTAINED BY BUYER WAS OBTAINED FROM A VARIETY OF SOURCES, AND, EXCEPT FOR SELLER'S WRITTEN REPRESENTATIONS AND WARRANTIES AS MAY BE EXPRESSLY SET FORTH IN THIS AGREEMENT AND IN SELLER'S CLOSING DOCUMENTS, SELLER HAS NOT MADE, AND SHALL NOT BE DEEMED TO HAVE REPRESENTED OR WARRANTED THE COMPLETENESS, TRUTH OR ACCURACY OF ANY OF THE SUBMISSION DOCUMENTS OR OTHER SUCH INFORMATION HERETOFORE OR HEREAFTER FURNISHED TO BUYER. EXCEPT FOR SELLER'S WRITTEN REPRESENTATIONS, WARRANTIES AND COVENANTS AS MAY BE EXPRESSLY SET FORTH IN THIS AGREEMENT AND IN SELLER'S CLOSING DOCUMENTS, BUYER HAS NOT RELIED UPON AND WILL NOT RELY UPON, EITHER DIRECTLY OR INDIRECTLY, ANY REPRESENTATION, WARRANTY OR COVENANT OF SELLER OR ANY OF SELLER'S AGENTS OR REPRESENTATIVES. BUYER HEREBY ACKNOWLEDGES THAT NO SUCH REPRESENTATIONS, WARRANTIES OR COVENANTS HAVE BEEN MADE. BUYER REPRESENTS THAT IT IS A KNOWLEDGEABLE, EXPERIENCED AND SOPHISTICATED BUYER OF REAL ESTATE, AND THAT EXCEPT FOR SELLER'S WRITTEN REPRESENTATIONS, WARRANTIES AND COVENANTS AS MAY BE EXPRESSLY SET FORTH IN THIS AGREEMENT AND SELLER'S CLOSING DOCUMENTS,

BUYER IS RELYING SOLELY ON ITS OWN EXPERTISE AND THAT OF BUYER'S CONSULTANTS IN PURCHASING THE PROPERTY. AS OF CLOSING, BUYER WILL HAVE BEEN GIVEN A SUFFICIENT OPPORTUNITY HEREIN TO CONDUCT AND WILL HAVE CONDUCTED SUCH INSPECTIONS, INVESTIGATIONS AND OTHER INDEPENDENT EXAMINATIONS OF THE PROPERTY AND RELATED MATTERS AS BUYER DEEMS NECESSARY, INCLUDING BUT NOT LIMITED TO THE PHYSICAL AND ENVIRONMENTAL CONDITIONS THEREOF, AND WILL RELY UPON SAME AND NOT UPON ANY STATEMENTS OF SELLER (EXCLUDING THE LIMITED MATTERS AS MAY BE REPRESENTED BY SELLER IN THIS AGREEMENT) NOR OF ANY OFFICER, DIRECTOR, EMPLOYEE, AGENT OR ATTORNEY OF SELLER.

K. Termination: N/A

1. *Disposition of Earnest Money after Termination*

- a. *To Buyer.* If Buyer terminates this Contract in accordance with any of Buyer's rights to terminate, then unless Seller delivers notice of Seller's objection to Title Company's release of the Earnest Money to Buyer within five days after Buyer delivers Buyer's termination notice to Seller and Title Company, Title Company is authorized, without any further authorization from Seller, to pay and deliver the Earnest Money to Buyer.
- b. *To Seller.* If Seller terminates this Contract in accordance with any of Seller's rights to terminate, then unless Buyer delivers notice of Buyer's objection to Title Company's release of the Earnest Money to Seller within five days after Seller delivers Seller's termination notice to Buyer and Title Company, Title Company is authorized, without any further authorization from Buyer, to pay and deliver the Earnest Money to Seller.

2. *Duties after Termination.* If this Contract is terminated, Buyer shall promptly return to Seller all of Seller's records in Buyer's possession or control. After return of the documents and copies, neither party will have further duties or obligations to the other under this Contract, except for those obligations that cannot be or were not performed before termination of this Contract or that expressly survive termination of this Contract.

L. Closing

1. *Closing.* This transaction will close at Title Company's offices on or before the Closing Date; provided, however, the transaction may close by the exchange of documents via overnight courier, facsimile or email. At closing, the following will occur:

- a. *Closing Documents; Title Company Documents.* The Parties will execute and deliver the Closing Documents and any documents required by Title Company.
- b. *Payment of Purchase Price.* Buyer will deliver to Seller a Promissory Note in the full principal sum of the Purchase Price, bearing 0% interest on principal and payable or dischargeable on its terms in full on December 31, 2027; a deed of trust on terms acceptable to Seller securing payment or discharge of the Promissory Note; and, the other amounts that Buyer is obligated to pay under this Contract, and Economic Development Performance Agreement agreeable to both Buyer and Seller, to Title Company in funds acceptable to Title Company. There is no Earnest Money to be applied to the Purchase Price.
- c. *Disbursement of Funds; Recording; Copies.* Title Company will be instructed to disburse the Purchase Price and other funds in accordance with this Contract, record

the Special Warranty Deed and the other Closing Documents directed to be recorded, and distribute executed documents and copies in accordance with the Parties' written instructions.

- d. *Delivery of Seller's Records.* Seller will deliver to Buyer the originals or true and correct copies of Seller's Records specified in **Exhibit C**.
- e. *Delivery of Executed Copies of Performance Agreement.* This Real Estate Sales Contract and closing are conditioned upon delivery to Buyer and Seller of fully executed copies of a written Economic Development Performance Agreement entered into by and between Buyer and Seller relating to planned development of the subject real property described in **ATTACHMENT 1**, authorized and approved by the governing bodies of each entity, the terms and conditions of which shall survive closing and termination of this Real Estate Sales Contract.
- f. *Possession.* Seller will deliver possession of the Property to Buyer, subject to the terms of this Contract, Permitted Exceptions existing at closing, any liens and security interests created at closing to secure financing for the Purchase Price, and .

2. *Transaction Costs*

- a. *Seller's Costs.* Seller will pay the basic charge for the Title Policy; one-half of the escrow fee charged by Title Company; the costs to prepare the Special Warranty Deed; the costs to obtain, deliver, and record releases of all liens to be released at closing; the costs to record all documents to cure Title Objections agreed to be cured by Seller; the costs to obtain certificates or reports of ad valorem taxes; and any costs expressly required to be paid by Seller in this Contract; and Seller's expenses and attorney's fees.
- b. *Buyer's Costs.* Buyer will pay: one-half of the escrow fee charged by Title Company; the costs to obtain, deliver, and record all documents other than those to be recorded at Seller's expense; the costs of any endorsements or modifications of the Title Policy requested by Buyer; the costs to obtain financing of the Purchase Price, including the incremental premium costs of the loan title policies and endorsements and deletions required by Buyer's lender; any other costs expressly required to be paid by Buyer in this Contract; and Buyer's attorney's fees and expenses.
- c. *Ad Valorem Taxes.* Ad valorem taxes for the Property for the calendar year of closing will be prorated between Buyer and Seller as of the Closing Date. Seller's portion of the prorated taxes will be paid to Buyer at closing as an adjustment to the Purchase Price. If the assessment for the calendar year of closing is not known at the Closing Date, the proration will be based on taxes for the previous tax year, and all prorations shall be final. Seller will promptly notify Buyer of all notices of proposed or final tax valuations and assessments that Seller receives after the Effective Date and after closing. All taxes due as of closing will be paid at closing. If the Property has been the subject of special valuation and reduced tax assessments pursuant to the provisions of Chapter 23, Subchapter D, of the Texas Tax Code with respect to any period before the closing and additional taxes are assessed pursuant to Section 23.55 thereof entitled "Change of Use of Land", and Buyer's use of the Property results in the assessment of additional taxes for periods before closing, Buyer will pay the additional taxes. The obligations of the parties pursuant to this subparagraph "*c Ad Valorem Taxes*", shall survive closing.

- d. *Post closing Adjustments.* If errors in the prorations made at closing are identified within ninety days after closing, Seller and Buyer will make postclosing adjustments to correct the errors within fifteen days of receipt of notice of the errors.
- e. *Buyer's Brokers Commissions.* SUBJECT TO SECTION O.7. HEREOF, BUYER SHALL INDEMNIFY, DEFEND AND HOLD SELLER HARMLESS FROM ANY LOSS, ATTORNEY'S FEES, AND COURT AND OTHER COSTS ARISING OUT OF A CLAIM BY ANY PERSON OR ENTITY CLAIMING BY, THROUGH, OR UNDER THE BUYER FOR A BROKER'S OR FINDER'S FEE OR COMMISSION BECAUSE OF THIS TRANSACTION OR THIS CONTRACT, WHETHER THE CLAIMANT IS DISCLOSED TO THE SELLER OR NOT. AT CLOSING, BUYER WILL PROVIDE SELLER WITH A RELEASE OF BROKER'S OR APPRAISER'S LIENS FROM ALL BROKERS OR APPRAISERS FOR WHICH BUYER WAS RESPONSIBLE.

3. *Issuance of Title Policy.* Seller will cooperate with the Title Company to issue the Title Policy to Buyer as soon as practicable after closing.

M. Default and Remedies

1. *Seller's Default.* If Seller fails to perform any of its obligations under this Contract and fails to cure such default after notice as herein provided, Buyer may elect to terminate this Contract by giving notice to Seller on or before the Closing Date and have that portion of the Earnest Money to which Buyer would be entitled under K. Termination 1.a. returned to Buyer.

2. *Buyer's Default.* If Buyer fails to perform any of its obligations under this Contract and fails to cure such default after receiving notice as herein provided ("Buyer's Default"), Seller may terminate this Contract by giving notice to Buyer on or before the Closing Date and have all of the Earnest Money including Option Consideration, if any, disbursed by Title Company to Seller. Seller may terminate this Agreement by giving notice to Buyer on or before the Closing Date and have the Earnest Money paid to Seller.

3. *Liquidated Damages.* ~~N/A The Parties agree that just compensation for the harm that would be caused by a default by either party cannot be accurately estimated or would be very difficult to accurately estimate and that the Earnest Money and the amounts provided above are reasonable forecasts of just compensation to the non-defaulting party for the harm that would be caused by a default.~~

4. *Attorney's Fees.* If either party employs an attorney, including an attorney who is a regular employee of Buyer, to enforce this Contract, the party prevailing in litigation is entitled to recover reasonable attorney's fees and court and other costs.

N. Miscellaneous Provisions

1. *Notices.* Any notice required by or permitted under this Contract must be in writing. Any notice required by this Contract will be deemed to be delivered (whether actually received or not) on the third day after deposited with the United States Postal Service, postage prepaid, certified mail, return receipt requested, and addressed to the intended recipient at the address shown in this Contract. Notice may also be given by regular mail, personal delivery, courier delivery, or other commercially reasonable means and will be effective when actually received. Any address for notice may be changed by written notice delivered as provided herein.

2. *Entire Contract.* This Contract, together with its exhibits, and any Closing Documents delivered at closing constitute the entire agreement of the Parties concerning the sale of the Property by

Seller to Buyer. There are no oral representations, warranties, agreements, or promises pertaining to the sale of the Property by Seller to Buyer not incorporated in writing in this Contract.

3. *Amendment.* This Contract may be amended only by an instrument in writing signed by the Parties.

4. *Assignment.* Except to an affiliate of Buyer, Buyer may not assign this Contract or any of Buyer's rights under it without Seller's prior written consent. This Contract binds, benefits, and may be enforced by the Parties and their respective heirs, successors, and permitted assigns.

5. *Survival.* The obligations of this Contract that cannot be performed before termination of this Contract or before closing will survive termination of this Contract or closing, including but not limited to the provisions of: Part H subpart 4.; Part J. subpart 6.; Part K.; Part L., 2., e.; and Part M. The legal doctrine of merger will not apply to these matters. If there is any conflict between the Closing Documents and this Contract, the Closing Documents will control.

6. *Choice of Law; Venue; Alternative Dispute Resolution.* This Contract will be construed under the laws of the state of Texas, without regard to choice-of-law rules of any jurisdiction. The parties agree that venue for resolution of any contract dispute shall lie exclusively in the state courts in Tom Green County, Texas.

7. *Waiver of Default.* It is not a waiver of default if the non-defaulting party fails to declare immediately a default or delays taking any action with respect to the default.

8. *No Third-Party Beneficiaries.* There are no third-party beneficiaries of this Contract.

9. *Severability.* The provisions of this Contract are severable. If a court of competent jurisdiction finds that any provision of this Contract is unenforceable, the remaining provisions will remain in effect without the unenforceable parts.

10. *Ambiguities Not to Be Construed against Party Who Drafted Contract.* The terms of this Contract are the result of negotiation between the Parties. The rule of construction that ambiguities in a document will be construed against the party who drafted it will not be applied in interpreting this Contract.

11. *No Special Relationship.* The Parties' relationship is an ordinary commercial relationship, and they do not intend to create the relationship of principal and agent, partnership, joint venture, or any other special relationship.

12. *Counterparts.* If this Contract is executed in multiple counterparts, all counterparts taken together will constitute this Contract.

13. *Binding Effect.* This Contract binds, benefits, and may be enforced by the Parties and their respective heirs, successors, and permitted assigns.

14. *Subject to Approval of COSADC Board and City Council.* The binding effect of this Contract on Seller is subject to approval of the COSADC Board and City Council for the City of San Angelo.

O. Additional Terms

1. Buyer and Seller warrant to each other that there are respectively no Buyer's broker or Seller's Broker commissions due arising out of this Real Estate Sales Contract. The obligations of the parties relating to this subparagraph numbered 7. Shall survive closing and termination of this agreement.

(Signature Page to Follow)

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed by the parties on the day and year indicated below each signature.

SELLER:
CITY OF SAN ANGELO DEVELOPMENT CORPORATION

By: _____
Todd Kolls, President

ATTEST:

Nora Nevarez, Secretary

Date: _____, 2020

BUYER: SOUTH PLAINS LAMESA RAIROAD, LTD,
(S.P.L.R.R.), 3 R RAIL ROAD REPAIR, INC.,
General Partner

By: _____
Shadden Wisener, President of 3 R Road Repair, Inc.,
General Partner of South Plains Lamesa Railroad, Ltd.

Date: _____, 2020

First Title Company acknowledges receipt of Earnest Money in the amount of \$25,000.00 and a copy of this Contract executed by both Buyer and Seller.

By: _____

Title: _____

Date: _____

APPROVED AS TO CONTENT

APPROVED AS TO FORM

Guy Andrews, Economic Development
Director

Dan T. Saluri, Deputy City Attorney

ATTACHMENT 1

SCHEDULE OF LAND

A 180.452-acre tract of land, more or less, being 180.419 acres out of a 298.77-acre tract described as Tract IV in Special Gift Deed from Mary P. Schwerter, recorded in Instrument No. 344171, Official Public Records of Real Property, Tom Green County, Texas, and 0.033 acres out of a 150 acre tract described in a Special Warranty Gift Deed from Mary P. Schwerter, recorded in Instrument No. 364004, Official Public Records, Tom Green County, Texas, said 180.452 acre tract being all of that certain portion of said 298.77 acre tract lying east of a called 100 foot wide strip of land described as 13.08 acres in a deed from J.C. Mathews and wife to Panhandle and Gulf Ry. Co, recorded in Volume 23, Page 378, Deed Records, Tom Green County, Texas, and all of that certain portion of said 160 acre tract lying east of a called 100 foot wide strip of land described as 0.46 acres in a deed from J.C. Clark and wife to Panhandle and Gulf Ry. Co, recorded in Volume 23, Page 340, Deed Records, Tom Green County, Texas. This 180.452 acre tract consists of a 180.419-acre tract out of the southeast part of the J.C. Matthews Survey No. 178, Abstract No. 8071, Tom Green County, Texas, and 0.033 acres out of W.C.R.R. Co. Survey No. 177, Abstract No. 4031, Tom Green County, Texas and is more particularly described by metes and bounds as follows:

Beginning at a 1/2" iron rod found in the approximate centerline of East 50th Street, at the southeast corner of said Abstract No. 8071, at the southwest corner of S.R. Robertson Survey No. 178, Abstract No. 8474, in the north line of Washington County Rail Road Company Survey No. 179, Abstract No. 4032, at the southwest corner of a 316.879 acre tract described in Instrument No. 596999 Official Public Records of Real Property, Tom Green County, Texas, the southeast corner of said 298.77-acre tract, for the southeast corner of this herein described tract of land; whence a point at the northeast corner of a 339.21-acre tract described in Exhibit A-3, conveyed to 50's Group Properties, recorded in Instrument No. 509405, Official Public Records of Real Property, Tom Green County, Texas, bears North 89°31'56" West, 15.4 feet, and a 5/8" iron rod found at the northwest corner of a 131-acre tract of land conveyed to the City of San Angelo in Special Warranty Deed recorded in Volume 669, Page 562, Deed Records, Tom Green County, Texas bears South 32°43'21" West, 29.54 feet;

Thence North 89°39'14" West with the north line of said Abstract No. 4032, north line of said 339.21-acre Tract, south line of said 298.77-acre Tract south line of said Abstract 8071, with the approximate centerline of said East 50th Street, a distance of 2,616.20 feet to a mag nail found in asphalt at the northwest corner of said Abstract No. 4032, and the corner of said 339.21 acre tract, at the northeast corner of J.J. Minter Survey No. 180, Abstract No. 5915, and the corner of a 17.33 acre tract described in a deed to Todd Neff in Instrument No. 201508470, at the southwest corner of said Abstract No. 8071, at a southeast corner of said 0.33 acre tract for a point in the south line of this herein described tract of land, whence another mag nail found bears South 55°32'39" East, 1.91 feet;

Warranty Deed; Page 5 of 6

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Thence North 89°31'56" West along the south line of W.C. K.R. Co. Survey No. 177, Abstract No. 4031, south line of said 160 acre tract, north line of said Survey No. 180, Abstract No. 5915, north line of said 17.33 acre tract, a distance of 35.54 feet to a point at the southeast corner of said 0.46 acre tract, at the northeast corner of called 100 foot wide strip of land described as 11.68 acres from Jule Busch to Panhandle Gulf Ry Co., recorded in Volume 23, Page 379, Deed Records, Tarrant County, Texas, at the northwest corner of said 17.33 acre tract, the west corner of said 0.033 acre tract, for the southwest corner of this herein described tract of land, whence a PK nail found in the approximate centerline of said 50th street at the northwest corner of said Survey No. 180, Abstract No. 5915 bears North 89°31'56" West, 5281.13 feet,

Thence North 24°16'10" East with the southeast line of said 0.46 acre tract, at 88.23 feet passing a 1/2" iron rod found with red cap marked "Sudduth" at an eastern corner of said 0.46 acre tract, the north corner of said 0.033 acre tract and the southeast corner of said 13.08 acre tract and continuing with said 13.08 acre tract a total distance of 5,728.06 feet to a concrete right-of-way marker found in the south right-of-way line of F.M. Highway 2195, for a northwest corner of this herein described tract of land;

Thence South 89°57'33" East with the south line of said F.M. Highway 2105, along the north line of this herein described tract, a distance of 330.58 feet to a 1/2" iron rod found at the northwest corner of said 316.879-acre tract, for the northeast corner of this herein described tract of land; whence a concrete right-of-way marker found bears South 75°25'55" West, 2.82 feet;

Thence South 90°34'58" West with the west line of said 316.879-acre tract, east line of said 298.77-acre tract, west line of said Abstract No. 8474, east line of said Abstract No. 8071, passing at 5,212.35 feet a 1/2" iron rod found in the north right-of-way line of said East 50th Street, continuing a total distance of 5,237.94 feet to the Point of Beginning containing 180.452-acres of land, more or less, subject to all easements of record.

Page 2 of 2

Exhibit A

Representations

A. Seller's Representations to Buyer

Seller represents to Buyer that the following are true and correct as of the Effective Date and will be true and correct on the Closing Date.

1. *Litigation.* Seller has not received notice of litigation pending or threatened against Seller that might affect the Property or Seller's ability to perform its obligations under this Contract.

2. *Violation of Laws.* Seller has not received notice of violation of any law, ordinance, regulation, or requirements affecting the Property or Seller's use of the Property.

3. *Municipal Setting Designation.* The Property is within a municipal setting designation established by municipal ordinance. City of San Angelo Code of Ordinances at Article 7.04 "Municipal Setting Designations".

4. *Licenses, Permits, and Approvals.* Seller has not received notice that any license, permit, or approval necessary to operate the Property in the manner in which it is currently operated will not be renewed on expiration or that any material condition will be imposed in order to obtain their renewal.

5. *Condemnation; Zoning; Land Use; Hazardous Materials.* Seller has not received notice of any condemnation, zoning, or land-use proceedings affecting the Property or any inquiries or notices by any governmental authority or third party with respect to the presence of hazardous materials on the Property or the migration of hazardous materials from the Property. Furthermore, Seller represents:

- a. that the Property is not subject to investigation by any governmental agencies under any laws pertaining to health, safety or the environment;
- b. that Seller is not on notice of any pending lawsuits or administrative proceedings by third Parties or governmental agencies involving health, safety or environmental matters with respect to the Property;
- c. that to Seller's information and belief the uses and operations conducted on the Property have not involved the treatment, storage, disposal, incineration or recycling of hazardous substances or solid wastes;
- d. that to Seller's information and belief hazardous substances or solid wastes have not been treated, stored, disposed of, incinerated or recycled at or on the Property;
- e. that to Seller's information and belief the Property has not been used for industrial or commercial operations involving hazardous substances or solid wastes;
- f. to Seller's information and belief that hazardous substances or solid wastes have not been spilled, disposed of, discharged or released on or in the Property;
- g. to Seller's information and belief that there are no aboveground or underground hazardous substance storage tanks on the Property;

6. *No Other Obligation to Sell the Property or Restriction against Selling the Property.* Seller

has not obligated itself to sell the Property to any party other than Buyer. Seller's performance of this Contract will not cause a breach of any other agreement or obligation to which Seller is a party or to which it is bound.

7. *No Liens.* On the Closing Date, the Property will be free and clear of all mechanic's and materialman's liens (except for mechanic and materialman's liens for work done at request of Buyers in possession, if any) and other liens and encumbrances of any nature except the Permitted Exceptions, and no work or materials will have been furnished to the Property that might give rise to mechanic's, materialman's, or other lien against the Property other than work or materials to which Buyer has given its consent.

8. *No Other Representation.* Except as stated above or in the notices, statements, and certificates set forth in **Exhibit B**, Seller makes no representation with respect to the Property.

[End of Exhibit A]

Exhibit B

Notices, Statements, and Certificates

NOTICE REGARDING POSSIBLE LIABILITY FOR ADDITIONAL TAXES

If for the current ad valorem tax year the taxable value of the land that is the subject of this Contract is determined by a special appraisal method that allows for appraisal of the land at less than its market value, the person to whom the land is transferred may not be allowed to qualify the land for that special appraisal in a subsequent tax year and the land may then be appraised at its full market value. In addition, the transfer of the land or a subsequent change in the use of the land may result in the imposition of an additional tax plus interest as a penalty for the transfer or the change in the use of the land. The taxable value of the land and the applicable method of appraisal for the current tax year is public information and may be obtained from the tax appraisal district established for the county in which the land is located.

[End of Exhibit B]

Exhibit C

Seller's Records

To the extent that Seller has possession of the following items pertaining to the Property, Seller will deliver or make the items or copies of them available to Buyer by the deadline stated in Section A:

Governmental

Governmental licenses, certificates, permits, and approvals; ad valorem tax statements for the current year and the last 2 years; notices of appraised value for the current year and the last 2 years; records of regulatory proceedings or violations (for example, condemnation, environmental); notices from the governing municipality

Property

Soil reports

Environmental reports

Water rights conveyances

Engineering reports

Prior surveys

Site plans

Any title report or title insurance or insurance commitment in possession of Seller

Any easements or rights-of-way benefitting or burdening the Property

Floor maps

Geotechnical reports

Topographical contour maps

Aerial photographs

Tax parcel maps

Wetlands studies

Leases and service contracts in effect with respect to the Property

**ECONOMIC DEVELOPMENT PERFORMANCE AGREEMENT BY AND BETWEEN
CITY OF SAN ANGELO DEVELOPMENT CORPORATION AND WISENER HOLDINGS,
LLC, d/b/a SOUTH PLAINS LAMESA RAILROAD, LTD.**

This Agreement is entered into by and between the CITY OF SAN ANGELO DEVELOPMENT CORPORATION, a State of Texas non-profit Type B development corporation (“COSADC”) and WISENER HOLDINGS, LLC, owner of and doing business as SOUTH PLAINS LAMESA RAILROAD, LTD. (“DEVELOPER”), in combination with a Real Estate Sales Contract by and between COSADC, Seller, and DEVELOPER, Buyer, of even date herewith. .

**I.
CONDITIONS PRECEDENT TO EFFECTIVE DATE OR TERMINATION**

The following conditions precedent must take place prior to this Agreement becoming effective. The “**Effective Date**” shall be the earlier of the date of the last of the following to occur. This Agreement shall automatically terminate without notice should an Effective Date not be achieved on or before , 2020.

1. The governing bodies of each of the parties authorize the negotiation and execution of a sales contract of the Rail Port Property (herein described) in combination with this Real Estate Development Performance Agreement (hereinafter “EDA”) for the development marketing and operation of the Rail Port Property as a rail transloading facility open to the public, a Project authorized by the Texas Development Corporation Act for infrastructure necessary to promote or develop new or expanded business enterprises; and, that the Board resolution authorizing the Sales Contract be approved by City Council for the City of San Angelo on behalf of COSADC.
2. The governing bodies of each of the parties adopt a resolution authorizing negotiation and execution of a Real Estate Development Performance Agreement (“EDA”) in combination with the authorized Real Estate Sales Contract for the development marketing and operation of the Rail Port Property as a rail transloading facility open to the public, a Project authorized by the Texas Development Corporation Act for infrastructure necessary to promote or develop new or expanded business enterprises, and that the Board resolution authorizing the EDA be approved by City Council for the City of San Angelo on behalf of COSADC.
3. At least sixty (60) days prior to COSADC undertaking the Project a public notice of the specific Project shall be published by COSADC and at least one public hearing shall be held by COSADC prior to COSADC expending funds on the Project in compliance with the requirements of the Development Corporation Act, Sections 505.159 and 505.160 of the Local Government Code.

II. RECITALS:

A. COSADC is a non-profit Type B development corporation created by the City of San Angelo pursuant to the Texas Development Corporation Act, Chapters 501 and 505 of the Texas Local Government Code (the “Act”), and by law is a constituted authority for the purpose of financing one or more Projects as defined under the Texas Development Corporation Act. Permitted projects include expenditures that are found by the COSADC Board for infrastructure, including rail spurs, necessary to promote or develop new or expanded business enterprises. .

B. the COSADC Board at its meeting on July 24th, 2019, approved the purchase of a vacant tract of land suitable for industrial development as a railroad transloading facility, being 180.452 acres out of J C Matthews Abstract 8071, Survey 0178, and W.C.R.R. Co Survey 177, Abstract 4031, a portion of Tax Lot ID #61-08071-0711-000-00, generally located adjacent to the south right-of-way of FM 2105, 1.5 miles west of Hwy 277 (hereinafter “Rail Port Property” or “Property”); said acquisition being completed on December 30, 2019, upon delivery and recordation of a Statutory Warranty Deed, Instrument No. 201915780, Official Public Records of Tom Green County, Texas.

C. The western boundary line of the Rail Port Property is adjacent to a TxDOT Railroad Right-of-Way (Texas Pacifico Transportation Limited line).

D. WISENER HOLDINGS, LLC, is a Texas limited liability company; is owner of South Plains Lamesa Railroad, Ltd. (S.P.L.R.R.); and, has significant experience in the development and operation of a rail transloading facility. In 1993, S.P.L.R.R. established and has since operated a commercial rail transloading facility at Slaton, Texas, for general public use, including adjacent industrial sites, providing the South Plains with a wide variety of rail services and load volume capacities.

E. S.P.L.R.R. desires to expand its rail services into Southcentral Texas at San Angelo; has preliminarily considered the demand in the San Angelo region of Southcentral Texas for an industrial railroad transloading facility open to the public; has assessed the Rail Port Property for location, topographical characteristics and proximity along its western boundary line to the TxDOT railroad right-of-way; and, desires to develop the property as an industrial rail transloading facility for public use and industrial site(s) (the “Project”).

F. WISENER HOLDINGS, LLC, d/b/a SOUTH PLAINS LAMESA RAILROAD proposes to enter into a services contract or sublease with TEXAS PACIFICO TRANSPORTATION, LTD (hereinafter “TEXAS PACIFICO”), lessee of the TxDOT rail right-of-way as an indispensable part of the transloading Rail Port Property Project.

G. The COSADC Board has determined that the Project and provision for sale of the Rail Port Property on terms that indirectly partially finance development of the Property as a Rail Port open to the public are in compliance with the requirements and public purposes of the Act and the purposes of COSADC as set forth in its Articles of Incorporation.

H. On August 18, 2020, the City Council of San Angelo approved the recommendation of the COSADC Board to authorize negotiation and execution of a Real Estate Sales Contract providing for the sale of the Rail Port Property to DEVELOPER for the sum of \$600,000, in combination with a Real Estate Development Performance Agreement (EDA) necessary to carry out the purposes of the authorized Project.

I. Annexation. . The Owner, and all of the Owner's heirs, successors and assigns shall be deemed to have filed a petition for voluntary annexation three years after the end of the Term, for annexation of the Property to be completed on or after three years after the end of the Term. The Owner agrees that such annexation shall be voluntary and the Owner hereby consents pursuant to Section 212.172(b)(7). Owner hereby waives any requirement in Chapter 43 related to procedures or service provision. Services will be provided to Owner's Property in accordance with existing city policy on the date of annexation, and as amended thereafter. At appropriate times to accomplish annexation within that time frame, DEVELOPER agrees to consult with the City Planning and Development Department regarding the feasibility of, application for and accomplishment of such annexation and rezoning. This assurance is a substantial factor relied upon by COSADC in arriving at the terms agreed to herein and shall survive termination of this Agreement.

NOW, THEREFORE, in consideration of the mutual benefits and promises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, COSADC and DEVELOPER agree as follows:

III. TERMS

1. RECITALS: The foregoing recitals are true and correct and are incorporated into and made a part of this Agreement for all purposes.

2. TERM: When undertaken, this Agreement shall become enforceable from and after its **Effective Date** as hereinabove provided and continue in effect through February 28, 2028, unless earlier terminated or extended in accordance with its terms, provided that all provisions of this Agreement which must survive in order to give effect to their meaning will survive termination or expiration of this Agreement. Notwithstanding anything to the contrary in this Agreement, Lender's foreclosure on the Promissory Note given on even date herewith shall constitute termination of this Agreement.

3. DEVELOPER PERFORMANCE REQUIREMENTS:

- A.** DEVELOPER shall timely close on the Real Estate Sales Contract of even date herewith.
- B.** DEVELOPER shall timely comply with Borrower's obligations on the Promissory Note and Deed of Trust executed by DEVELOPER as borrower for the purchase price of the Rail Port Property.
- C.** DEVELOPER shall timely meet, comply with and maintain each of the DEVELOPER'S performance requirements specified in this Agreement for development of the Rail Port Property and TxDOT rail right-of-way adjoining the Property as a functional rail transloading facility open to the public. This provision shall survive expiration or termination of this Agreement.
- D.** DEVELOPER shall enter into and maintain in effect a sublease of the rail right-of-way and/or a track services agreement or other agreements with TEXAS PACIFICO, which sublease, services or other agreements shall include a provision that the agreement is

assignable to a subsequent owner of the Rail Port Property. Such agreements shall be effective for a minimum period of 20 years. DEVELOPER shall provide COSADC with copies of any such agreements from and after the effective date of this EDA and promptly after such agreements may be entered into by Buyer during the term hereof. This provision shall survive expiration or termination of this Agreement and remain effective for a period of 20 years from the effective date of this EDA.

- E.** DEVELOPER shall timely complete a Minimum Capital Investment of ONE MILLION DOLLARS (\$1,000,000) in rail, buildings, and other rail port capital improvements on the Property that are subject to county ad valorem taxation and that relate to operation of a rail transloading facility (hereinafter “Minimum Capital Investment”) on or before December 31, 2021.
- F.** Default in the obligations of the DEVELOPER as Borrower / Payor under the Promissory Note secured by Deed of Trust against the Rail Port Property shall constitute a default of this Agreement. DEVELOPER shall provide COSADC with copies of rendition statements and personal property tax reports delivered to Tom Green County Chief Appraiser relating to the Rail Port Property improvements for each tax year commencing with 2021, and shall timely pay any ad valorem commercial real and personal property taxes payable for each tax year commencing 2021, subject to timely appeal of such tax assessment that is diligently pursued.
- G.** On or before March 1, 2021, DEVELOPER shall make certification to COSADC of the total Capital Investment made for the development Project from and after the effective date of this Agreement for the balance of year 2020, in substantially the form of **Exhibit “A”**, with supporting documentation. Thereafter, on or before March 1st of each year, DEVELOPER shall make certification of retention of prior years’ Project Capital Investment plus any additional Capital Investment made during the preceding year with supporting documentation. Documentation shall include but not be limited to bookkeeping summaries of expenditures kept in the regular course of business, receipts and other business records verifying under generally accepted accounting and audit principals that the Capital Investment certified has been made.
- H.** DEVELOPER shall at all times during the term of this Agreement in the development and operation of the Rail Port Property transloading facility comply with all applicable federal, state and local law, rules and regulations including but not limited to: the U. S. Department of Transportation Federal Railroad Administration and the Texas Department of Transportation.
- I.** DEVELOPER agrees to provide COSADC with copies of any Federal Railroad Administration inspection reports, notices and related documents. COSADC may permit the inspection, copying and review of all such documentation by COSADC, its consultants or other designees.

- J. DEVELOPER shall provide a preference to the extent practicable for the purchase of construction materials and equipment for the Project from businesses that maintain establishments located in Tom Green County.
- K. DEVELOPER shall reach the development benchmarks described on the Schedule of Development Benchmarks attached hereto as **Exhibit "B"**, and made a part hereof.
- L. DEVELOPER shall meet at least once quarterly during the term of this Agreement with COSADC and representatives of the San Angelo Chamber of Commerce Economic Development Division to review the progress of development and coordinate planning and development efforts to aid in establishment of the facility as a viable commercial operation.

4. **DEFAULT:**

A. Except as otherwise provided in Sections 4(C) and (D) below, if DEVELOPER refuses or fails to materially comply with any of the material terms of this Agreement, COSADC may declare this Agreement in default. In such event, and after expiration of the Cure Period permitted herein, COSADC may in its sole discretion terminate this Agreement and pursue any remedy in contract, at law or in equity, including but not limited to specific performance.

B. In the event that COSADC determines that DEVELOPER is in default of any obligation of DEVELOPER under this Agreement, COSADC shall notify DEVELOPER in writing at the address for notice as provided for herein or at such address as a party hereto may provide written notice. If the default is not cured within thirty (30) days from the date such notice is effective (the "Cure Period"), this Agreement may be deemed by COSADC to be terminated. A written statement for the estimated reasonable cost to COSADC for substituted performance shall be provided by COSADC to DEVELOPER. DEVELOPER agrees to make payment to COSADC in the total sum of the estimated reasonable cost for substituted performance in said written statement pursuant to the schedule set forth at Section 8 "Reimbursement Terms", within sixty (60) days of the effective date of notice of such statement.

C. If DEVELOPER or its authorized assignee ceases operation at the Property or fails to maintain personal property and equipment certified by DEVELOPER as Capital Investment or fails to maintain the equivalent in value of such Capital Investment property as reflected on ad valorem tax renditions prior to termination or expiration of this Agreement, then DEVELOPER shall be in default and the default provisions of this Section 4 and Section 8 "Reimbursement Terms" shall apply.

D. Neither party shall be required under this Agreement or be liable or responsible for any loss or damage resulting from its failure to perform so long as performance is actually, materially, and reasonably delayed or prevented by act of God, lock-out, act of the public enemy, insurrection, war or war-like action (whether actual and pending or expected), arrest or other restraint of government (civil or military), blockade, embargo, strike, labor unrest or dispute, unavailability of labor or material, epidemics, natural disaster, civil disturbance or disobedience, riot, or terrorism. Upon the occurrence of a force majeure event, all deadlines and requirements in this Agreement shall be delayed for a period of time equal to the duration of the force majeure event plus sixty (60) days, but in no event exceeding 180 days.

5. MINIMUM CAPITAL INVESTMENT:

- A. “Minimum Capital Investment” means DEVELOPER’s investment in rail, buildings, and other rail port capital improvements at the Property and within the TxDOT right of way adjoining the Property that are necessary for development of the Property as a commercial rail port transloading facility open to the public, and that are subject to county ad valorem taxation.
- B. Together with any request made by DEVELOPER for loan forgiveness, DEVELOPER shall provide COSADC with records sufficient to verify under generally accepted accounting and audit principals the facts certified therein.
- C. DEVELOPER shall provide copies of its rendition statements annually on or before March 31st of each subsequent tax year during the term of this Agreement; and, during the term of this Agreement DEVELOPER or parent or subsidiary of DEVELOPER shall continue to own or occupy the Property and pay when due ad valorem taxes relating to the Property, subject to right of appeal of any assessment relating to the Property.

6. RETENTION OF RECORDS: DEVELOPER shall maintain, in a manner that conforms to this Agreement, the fiscal records and supporting documentation for all loan installments forgiven at request of DEVELOPER, under the contemporaneously executed Promissory Note and Deed of Trust for the greater of three (3) years from the end of the term of this Agreement, or such other period required by applicable law or regulation.

7. COMPLIANCE AUDIT AND INSPECTION RIGHTS: Upon reasonable prior written notice to DEVELOPER, and without costs charged by DEVELOPER to COSADC, DEVELOPER shall allow COSADC access to and the right to examine and inspect any and all books, accounts, records, and audit reports with supporting documentation belonging to, maintained or kept at the direction of DEVELOPER pertaining to performance of this Agreement.

8. PENALTY PAYMENT TERMS:

- (a) COSADC shall provide DEVELOPER written notice by certified mail return receipt requested of the sum of any penalty payment for estimated reasonable cost for substituted performance due in compliance with terms of the Promissory Note of even date with this EDA relating to sale of the Property to DEVELOPER, which sum up to but not exceeding the Principal of the Promissory Note given on even date herewith shall be due and payable thirty (30) calendar days after date of the notice.
- (b) Any reimbursement payment not paid when due after notice as herein provided shall accrue interest at the lesser of six (6%) percent per annum or the maximum interest rate allowed by law until the forfeited sum and accrued interest thereon are paid in full.
- (c) Failure of DEVELOPER to timely pay the sum of any reimbursement payment as herein provided, after notice, shall constitute a default by DEVELOPER in addition to any other default, and shall entitle COSADC to terminate this Agreement and exercise all remedies available to it under this Agreement, at law, or in equity.

9. AWARD OF AGREEMENT: DEVELOPER represents and warrants to COSADC that DEVELOPER has not employed or retained any person or entity employed by COSADC to solicit or secure this Agreement and that DEVELOPER has not offered to pay, paid, or agreed to pay any such person or entity any fee, commission, percentage, brokerage fee, or gift of any kind contingent upon or in connection with, the award of this Agreement.

10. PUBLIC RECORDS AND CONFIDENTIALITY: DEVELOPER understands that COSADC is subject to the Texas Public Information Act, Texas Government Code, Chapter 552 (TPIA), and that the public shall have access, at all reasonable times, to information pertaining to COSADC contracts, subject to the provisions of law. DEVELOPER hereby consents to access by COSADC and the public to all information and documents subject to disclosure under applicable law. The confidentiality of DEVELOPER's records, including DEVELOPER information related to COSADC's economic development considerations and direct incentives provided herein, will be maintained in accordance with and subject to all applicable laws, including the Texas Public Information Act. COSADC will, as required by the Texas Public Information Act, notify DEVELOPER if a request relating to such proprietary information is received thereby permitting DEVELOPER opportunity to protect such information from disclosure. DEVELOPER acknowledges that the TPIA provides exceptions from the general requirement of disclosure of public information that may apply to DEVELOPER trade secret, proprietary and confidential commercial financial information, and that DEVELOPER will need to assert the interest of DEVELOPER as provided under TPIA and at law for purposes of nondisclosure.

11. REPRESENTATIONS AND WARRANTIES OF DEVELOPER: DEVELOPER represents and warrants to COSADC that as of the date hereof: (i) DEVELOPER is a State of Texas limited liability company in good standing and authorized to transact business in the State of Texas, (ii) DEVELOPER is not delinquent in the payment of any sums due COSADC or the City of San Angelo, Texas, including but not limited to permit fees and occupational licenses, nor in the performance of any obligation owed to COSADC or the City of San Angelo, (iii) execution of this Agreement has been duly authorized by the governing body of DEVELOPER and this Agreement is not in contravention of DEVELOPER's regulations, or any Agreement or instrument to which DEVELOPER is a party or by which it may be bound as of the date hereof, (iv) no litigation or governmental proceeding is pending, or, to the knowledge of any of DEVELOPER's officers, threatened against or affecting DEVELOPER, which may result in a material adverse change in DEVELOPER's business, assets, liabilities, or operations sufficient to compromise DEVELOPER as a viable, for-profit going concern capable of performing pursuant to this Agreement, (v) no written certificate or written statement herewith or heretofore delivered by DEVELOPER to COSADC in connection herewith, or in connection with any transaction contemplated hereby, to the knowledge of any of DEVELOPER's officers, contains any untrue statement of a material fact or fails to directly disclose any material fact necessary to keep the statements contained therein from being misleading, and (vi) during the term of this Agreement, DEVELOPER will not knowingly employ any undocumented workers in violation of Texas Government Code, Chapter 2264.

12 INDEMNIFICATION: DEVELOPER SHALL INDEMNIFY, DEFEND AND HOLD HARMLESS COSADC AND ITS BOARD MEMBERS, OFFICIALS, EMPLOYEES AND AGENTS, (COLLECTIVELY REFERRED TO AS "INDEMNITEES") AND EACH OF THEM FROM AND AGAINST ALL LOSS, COSTS, PENALTIES, FINES, DAMAGES, CLAIMS, EXPENSES (INCLUDING ATTORNEY'S FEES) OR LIABILITIES (COLLECTIVELY REFERRED TO AS "LIABILITIES") ASSERTED BY ANY PERSON OR PERSONS, INCLUDING AGENTS OR EMPLOYEES OF DEVELOPER OR COSADC BY REASON OF ANY INJURY TO OR DEATH OF ANY PERSON OR DAMAGE TO OR DESTRUCTION OR LOSS OF ANY PROPERTY ARISING OUT OF, RESULTING FROM, OR IN CONNECTION WITH (I) THE PERFORMANCE OR NON-PERFORMANCE OF THIS AGREEMENT WHICH IS OR IS ALLEGED TO BE DIRECTLY OR INDIRECTLY CAUSED, IN WHOLE OR IN PART, BY ANY ACT, OMISSION, DEFAULT OR NEGLIGENCE (WHETHER ACTIVE OR PASSIVE) OF DEVELOPER OR ITS EMPLOYEES, AGENTS OR SUB-CONTRACTORS (COLLECTIVELY REFERRED TO AS "DEVELOPER"), REGARDLESS OF WHETHER IT IS, OR IS ALLEGED TO BE, CAUSED IN WHOLE OR PART BY ANY ACT, OMISSION, DEFAULT OR NEGLIGENCE OF THE INDEMNITEES, OR ANY OF THEM OR (II) THE FAILURE OF DEVELOPER TO COMPLY WITH ANY OF THE PROVISIONS OF THIS

AGREEMENT OR THE FAILURE OF DEVELOPER TO CONFORM TO STATUTES, ORDINANCES, OR OTHER REGULATIONS OR REQUIREMENTS OF ANY GOVERNMENTAL AUTHORITY, FEDERAL OR STATE, IN CONNECTION WITH THE PERFORMANCE OF THIS AGREEMENT OR SUSTAINED IN OR UPON THE PREMISES, OR AS A RESULT OF ANYTHING CLAIMED TO BE DONE OR ADMITTED TO BE DONE BY DEVELOPER HEREUNDER. DEVELOPER EXPRESSLY AGREES TO INDEMNIFY AND HOLD HARMLESS THE INDEMNITEES, OR ANY OF THEM, FROM AND AGAINST ALL LIABILITIES WHICH MAY BE ASSERTED BY AN EMPLOYEE OR FORMER EMPLOYEE OF DEVELOPER, OR ANY OF ITS SUB-CONTRACTORS, AS PROVIDED ABOVE, FOR WHICH DEVELOPER'S LIABILITY TO SUCH EMPLOYEE OR FORMER EMPLOYEE WOULD OTHERWISE BE LIMITED TO PAYMENTS UNDER STATE WORKERS' COMPENSATION OR SIMILAR LAWS. THIS INDEMNIFICATION SHALL SURVIVE THE TERM OF THIS AGREEMENT AS LONG AS ANY LIABILITY COULD BE ASSERTED. NOTHING HEREIN SHALL REQUIRE DEVELOPER TO INDEMNIFY, DEFEND, OR HOLD HARMLESS ANY INDEMNIFIED PARTY FOR THE INDEMNIFIED PARTY'S OWN GROSS NEGLIGENCE OR WILLFUL MISCONDUCT.

13. NONDISCRIMINATION: DEVELOPER represents and warrants to COSADC that DEVELOPER does not and will not engage in illegal discriminatory practices and that there shall be no discrimination in connection with DEVELOPER's performance under this Agreement on account of race, color, sex, religion, age, handicap, marital status or national origin.

14. INDEPENDENT CONTRACTOR: COSADC and DEVELOPER acknowledge that DEVELOPER is an independent for profit entity, and that no term or provision hereof or act of DEVELOPER in performance of this Agreement shall be construed as making DEVELOPER an agent, partner or employee of COSADC. All officers and employees of DEVELOPER shall be solely responsible to DEVELOPER, and COSADC shall not have any authority, responsibility, or liability with respect thereto.

15. NO JOINT VENTURE: It is acknowledged and agreed by the parties hereto that the terms of this Agreement are not intended to and shall not be deemed to create any partnership or joint venture among the parties. COSADC, its past and future officers, employees and agents do not assume responsibilities or liabilities of any third party in connection with DEVELOPER's operations or employees.

16. NO THIRD PARTY BENEFICIARIES: This Agreement is not intended to confer any rights, privileges or causes of action upon any third party.

17. .Intentionally Left Blank

18. ASSIGNMENT: Except with respect to assignment to a parent company or subsidiary of DEVELOPER, this Agreement shall not be assigned by DEVELOPER, in whole or in part, without the prior written consent of COSADC, which consent may be withheld or conditioned, in the sole discretion of the COSADC board of directors, subject to approval of the City Council for the City of San Angelo.

19. NOTICES: All notices required under this Agreement shall be in writing and shall be given by hand-delivery or by certified U.S. Mail, return receipt requested, addressed to the other party at the address indicated herein or to such other address as a party may designate by notice given as herein provided. Notice shall be deemed given on the day on which personally delivered; or, if by mail, on the third day after being deposited with the U.S. Mail or the date of actual receipt, whichever is earlier.

TO DEVELOPER:

WISENER HOLDINGS, LLC
d/b/a South Plains Lamesa Rail Road, LTD
Attn: Shad Wisener
6803 59th Street
Lubbock, Texas 79407

TO COSADC:

City of San Angelo Development Corporation
Attn: Director of Economic Development
69 N. Chadbourne Street
San Angelo, TX 76903

20. MISCELLANEOUS PROVISIONS:

- A.** This Agreement shall be construed and enforced according to the laws of the State of Texas. The parties acknowledge that this Agreement can be performed in Tom Green County, Texas, and that venue for the resolution of any dispute between the parties relating to this Agreement shall be in Tom Green County, Texas.
- B.** Title and paragraph headings are for convenient reference and are not a part of this Agreement.
- C.** The meaning of capitalized terms shall be as defined under the Act (Chapters 501 and 505 of the Texas Local Government Code), except as specifically provided otherwise under this Agreement.
- D.** No waiver or breach of any provision of this Agreement shall constitute a waiver of any subsequent breach of the same or any other provision hereof, and no waiver shall be effective unless made in writing.
- E.** Should any provision, paragraph, sentence, word or phrase contained in this Agreement be determined by a court of competent jurisdiction to be invalid, illegal or otherwise unenforceable under the laws of the State of Texas or the City of San Angelo, such provision, paragraph, sentence, word or phrase shall be deemed modified to the extent necessary in order to conform with such laws, or if not modifiable, then same shall be deemed severable, and in either event, the remaining terms and provisions of this Agreement shall remain unmodified and in full force and effect or limitation of its use.
- F.** This Agreement constitutes the sole and entire Agreement between the parties hereto relating to the subject matter of the Agreement. No modification or amendment hereto shall be valid unless in writing and executed by properly authorized representatives of the parties hereto.
- G.** Any delay or failure in the performance by either Party hereunder shall be excused if and to the extent caused by the occurrence of a Force Majeure. For purposes of this Agreement, Force Majeure shall mean a cause or event that is not reasonably foreseeable or otherwise caused by or under the control of the Party claiming Force Majeure, including acts of God, fires, floods, explosions, riots, wars, hurricane, sabotage terrorism, vandalism, accident, governmental acts, injunctions, labor strikes, other than those of DEVELOPER or its suppliers, that prevent a Party from performing, and other like events that are beyond the reasonable anticipation and control of the Party affected thereby, despite such Party's reasonable efforts to prevent, avoid, delay, or mitigate the effect of such acts, events or occurrences, and which events or the effects thereof are not attributable to a Party's failure to perform its obligations under this Agreement. The existence of such cause of delay or failure shall extend the period of performance until after the causes of delay or failure have been removed provided the Developer exercises all reasonable due diligence to perform.

- H. This Agreement shall be binding upon the parties hereto, their heirs, executors, legal representatives, successors or permitted assigns.
- I. In the event any legal action or proceeding is commenced between COSADC and DEVELOPER to enforce provisions of this Agreement or to recover damages for breach, the prevailing party in such legal action shall be entitled to recover its costs and reasonable attorney's fees and expenses incurred by reason of such action, unless prohibited by law.
- J. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, and all of which, taken together, shall constitute but one and the same instrument, which may be sufficiently evidenced by one counterpart.
- K. Failure by either party on one or more occasions to exercise one or more of its rights under this Agreement shall not be construed as waiver of such right or rights, and rights granted hereunder are in addition to those available under law and equity.
- L. The provisions of this Agreement, which by their nature extend beyond the expiration or termination of the Agreement, will survive expiration or termination of the Agreement.

21. EXHIBITS: The following Exhibits "A", "B", "C" and D" are attached and incorporated herein by reference for all purposes.

Exhibit "A": Certification of Capital Investment
Exhibit "B": Schedule of Development Benchmarks
Exhibit "C": Certification of Performance and Request for
Forgiveness of Loan Installment Payment

22. MEMORANDUM OF AGREEMENT: The parties hereto agree to execute a Memorandum of this Agreement for the purpose of recording same in the official records of Tom Green County, Texas, so as to give public notice, pursuant to the laws of the State of Texas of the existence of this Agreement.

(Signature Page Follows)

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed by their respective officials thereunto duly authorized, this the day and year above written.

CITY OF SAN ANGELO DEVELOPMENT CORPORATION

ATTEST:

Nora Nevarez, Secretary

Todd Kolls, President

DATE: _____, 2020

WISENER HOLDINGS, LLC, d/b/a SOUTH PLAINS LAMESA RAILROAD, LTD

Deliah Wisener, Managing Member of Wisener Holdings, LLC

SOUTH PLAINS LAMESA RAIROAD, LTD

BY: _____
Shadden Wisener, President of 3 R Rail Road Repair, Inc,
General Partner of South Plains Lamesa Railroad, LTD

CITY OF SAN ANGELO

THE PROVISIONS of this ECONOMIC DEVELOPMENT PERFORMANCE AGREEMENT entered into pursuant to Section 212.172 of the Texas Local Government Code relating annexation of the Property are hereby accepted and agreed to by the City of San Angelo.

ATTEST:

Daniel Valenzuela, City Manager

Julia Antilley, City Clerk,

(Acknowledgments Follow)

THE STATE OF TEXAS §
COUNTY OF TOM GREEN §

This instrument was acknowledged before me on the _____ day of September, 2020, by Todd Kolls, President of the City of San Angelo Development Corporation, a Texas Development Corporation, on behalf of said corporation.

Notary Public, State of Texas

THE STATE OF TEXAS §
COUNTY OF LUBBOCK §

This instrument was acknowledged before me on the _____ day of September, 2020, by Deliah Wisener, Managing Member of Wisener Holdings, LLC, a Texas limited liability company, on behalf of said company.

Notary Public, State of Texas

THE STATE OF TEXAS §
COUNTY OF LUBBOCK §

This instrument was acknowledged before me on the _____ day of September, 2020, by Shadden Wisener, President of 3 R Rail Road Repair, Inc., General Partner of South Plains Lamesa Railroad, LTD, a Texas limited liability company, on behalf of said company.

Notary Public, State of Texas

THE STATE OF TEXAS §
COUNTY OF POTTER §

This instrument was acknowledged before me on the ____ day of September, 2020, by Daniel Valenzuela, City Manager for the City of San Angelo, Texas, a home rule municipal corporation on behalf of said corporation.

Notary Public, State of Texas

APPROVED AS TO CONTENT:

Guy Andrews, Director of Economic
Development

APPROVED AS TO FORM

Dan. T. Saluri, Deputy City Attorney

Exhibit “A”

STATE OF TEXAS, §
§
COUNTY OF §

Before me, the undersigned notary public in and for the State of Texas, personally appeared the undersigned Affiant, who, being by me first duly sworn, deposes and as follows:

1. My name is _____, I am 18 years of age or older, of sound mind, capable of making this affidavit, and certify under penalty of perjury that I am personally acquainted with the facts herein stated:
2. I make this affidavit in compliance with the terms of the Economic Development Performance Agreement (EDA) entered into by and between WISENER HOLDINGS, LLC, Borrower, and City of San Angelo Development Corporation, Lender, (COSADC), having an Effective Date of _____. 2020, which EDA I have read and am familiar with.
3. I am, and at all times pertinent to the averments in this affidavit have been an official of WISENER HOLDINGS, LLC. I am duly authorized by OWENER to make this affidavit in my capacity as _____, for purposes of complying with the requirement in the EDA that WISENER HOLDINGS, LLC annually report capital investment in the development of rail port facilities at the Property described in the EDA.

4. I do hereby certify on behalf of WISENER HOLDINGS, LLC that the books and records of the WISENER HOLDINGS, LLC kept in the regular course of business reflect the capital investment made for rail port facilities at the Property described in **Attachment 1** hereto during 2021 and the ad valorem tax assessment for such capital improvements for tax year 2021. *

SUBSCRIBED AND SWORN to (or affirmed) before me on this _____ day of _____ 20__ by _____, proven to me on the basis of satisfactory evidence to be the person(s) who appeared before me, in his/her capacity as _____ of WISENER HOLDINGS, LLC.

Notary Public, State of Texas

* Attach copies of summaries of accounting records kept in the regular course of business, receipts, bids, contracts, statements and record of ad valorem tax assessment as necessary to verify expenditures for rail port facility improvements.

ECONOMIC DEVELOPMENT PERFORMANCE AGREEMENT
BY AND BETWEEN CITY OF SAN ANGELO DEVELOPMENT CORPORATION
AND
WISENER HOLDINGS, LLC.

Exhibit “B”

Schedule of Development Benchmarks

<u>Date by which Performance Benchmark Must be Met</u>	<u>Description</u>
1. December 31, 2021:	(a) Complete the Minimum Capital Investment of One Million Dollars (\$1,000,000) described at Part III, 3, E. (b) Enter into sublease of TxDOT rail right-of-way, track services agreement and or other agreements with TEXAS PACIFICO described at Part III, 3, D. (c) Completed installation of adequate rail in place to service its initial contracted customers for rail transloading services. (d) Open to the public rail transloading services (e) Maintain at least one, fully operational train locomotive on the Property available to perform transloading related services for the public.
2. December 31, 2023:	(a) Maintain or exceed the benchmarks required for performance at 1. Above (b) Employ at least two full time employees who are not equity holders in the DEVELOPER, having an average annual salary including benefits of a minimum of \$35,000.
3. December 31, 2027:	Maintain the benchmarks required for performance at 1 and 2. above

Notice of confidentiality rights: If you are a natural person, you may remove or strike any or all of the following information from any instrument that transfers an interest in real property before it is filed for record in the public records: your Social Security number or your driver's

Special Warranty Deed with Vendor's Lien

Date: _____, 2020

Grantor: CITY OF SAN ANGELO DEVELOPMENT CORPORATION, a Texas non-profit corporation

Grantor's Mailing Address: 69 North Chadbourne, San Angelo, Tom Green County, Texas 76903

Grantee: WISENER HOLDINGS, LLC, a Texas limited liability company [d/b/a SOUTH PLAINS LAMESA RAIROAD, LTD (S.P.L.R.R.)]

Grantee's Mailing Address: P.O. Box 64420
Lubbock, Lubbock County, Texas 79464

Street Address: 6803 59th Street
Lubbock, Lubbock County, Texas 79407

Consideration: Ten Dollars (\$10.00) and a note of even date herewith payable to the order of CITY OF SAN ANGELO DEVELOPMENT CORPORATION (Lender) in the Principal Amount of Six Hundred Thousand Dollars (\$600,000.00). The note is secured by a first and superior vendor's lien retained in this Special Warranty Deed, and by a First Lien Deed of Trust of even date herewith from Grantee to GUY ANDREWS, Director of Economic Development, City of San Angelo, Texas, Trustee.

Property (including any improvements):

180.542 acres out of J.C. Mathews/W.C.R.R. Co. Survey 178, Abstract 8071, and W.C.R.R. Co. Survey 177, Abstract 4031, located in Tom Green County, Texas, and described in **ATTACHMENT-1** "Schedule of Land", attached hereto and made a part hereof for all purposes. (referred to herein as the "Property")

. .

Reservations from and Exceptions to Conveyance:

- (a) This conveyance is subject to easements, rights-of-way, and prescriptive rights, whether of record or not that are visible and apparent on or across the Property; all presently recorded restrictions, reservations, covenants, conditions, oil and gas leases, mineral severances, and other instruments by parties other than Grantor that affect the Property; validly existing rights of adjoining owners in any walls and fences situated on a common boundary; any discrepancies, conflicts, or shortages in area or boundary lines; any encroachments or overlapping of improvements; and taxes for 2020 and subsequent years, and subsequent taxes

and assessments by any taxing authority for prior years due to change in land usage or ownership, the payment of which Grantee assumes.

- (b) Grantor reserves all of the oil, gas, and other minerals in, on, under, and that may be produced from the Property, with the provision that Grantor shall not extract any oil, gas, or other minerals by open pit strip mining, or other surface removal methods except as may be done from adjacent property.

Disclaimer of Warranties:

EXCEPT AS EXPRESSLY SET FORTH HEREIN, GRANTOR MAKES NO REPRESENTATIONS OR WARRANTIES OF ANY KIND TO GRANTEE. ALL WARRANTIES, EXCEPT THE WARRANTY OF TITLE EXPRESSED HEREIN, ARE DISCLAIMED, AND THE PROPERTY CONVEYED HEREBY TO BUYER IS CONVEYED "AS IS", "WHERE IS", AND WITH ALL FAULTS.

Grantor, for the Consideration and subject to the Reservations from and Exceptions to Conveyance and Disclaimer of Warranty, grants, sells, and conveys to Grantee the Property, together with all and singular the rights and appurtenances thereto in any way belonging, to have and to hold it to Grantee and Grantee's heirs, successors, and assigns forever. Grantor binds Grantor and Grantor's successors to WARRANT AND FOREVER DEFEND all and singular the Property to Grantee and Grantee's heirs, successors, and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof, except as to the reservations from and exceptions to conveyance and warranty, when the claim is by, through, or under Grantor but not otherwise.

The vendor's lien against and superior title to the Property are retained for the benefit of CITY OF SAN ANGELO DEVELOPMENT CORPORATION, Lender, and Lender will hold superior title in and to the Property, and title in the Grantee will not become absolute, until the note is paid in full according to its terms.

When the context requires, singular nouns and pronouns include the plural.

GRANTOR:

CITY OF SAN ANGELO DEVELOPMENT CORPORATION

By: _____
Todd Kolls, President

STATE OF TEXAS §
COUNTY OF TOM GREEN §

This instrument was acknowledged before me on the _____ day of _____, 2020, by **TODD KOLLS**, as President of **CITY OF SAN ANGELO DEVELOPMENT CORPORATION**, a Texas non-profit corporation, on behalf of said corporation by authority of its board of directors.

Notary Public, State of Texas

ATTACHMENT 1

SCHEDULE OF LAND

A 180.452-acre tract of land, more or less, being 180.419 acres out of a 298.77-acre tract described as Tract IV in Special Gift Deed from Mary P. Schwerter, recorded in Instrument No. 344171, Official Public Records of Real Property, Tom Green County, Texas, and 0.033 acres out of a 150 acre tract described in a Special Warranty Gift Deed from Mary P. Schwerter, recorded in Instrument No. 364004, Official Public Records, Tom Green County, Texas, said 180.452 acre tract being all of that certain portion of said 298.77 acre tract lying east of a called 100 foot wide strip of land described as 13.08 acres in a deed from J.C. Mathews and wife to Panhandle and Gulf Ry. Co, recorded in Volume 23, Page 378, Deed Records, Tom Green County, Texas, and all of that certain portion of said 160 acre tract lying east of a called 100 foot wide strip of land described as 0.46 acres in a deed from J.C. Clark and wife to Panhandle and Gulf Ry. Co, recorded in Volume 23, Page 340, Deed Records, Tom Green County, Texas. This 180.452 acre tract consists of a 180.419-acre tract out of the southeast part of the J.C. Matthews Survey No. 178, Abstract No. 8071, Tom Green County, Texas, and 0.033 acres out of W.C.R.R. Co. Survey No. 177, Abstract No. 4031, Tom Green County, Texas and is more particularly described by metes and bounds as follows:

Beginning at a 1/2" iron rod found in the approximate centerline of East 50th Street, at the southeast corner of said Abstract No. 8071, at the southwest corner of S.R. Robertson Survey No. 178, Abstract No. 8474, in the north line of Washington County Rail Road Company Survey No. 179, Abstract No. 4032, at the southwest corner of a 316.879 acre tract described in Instrument No. 596999 Official Public Records of Real Property, Tom Green County, Texas, the southeast corner of said 298.77-acre tract, for the southeast corner of this herein described tract of land; whence a point at the northeast corner of a 339.21-acre tract described in Exhibit A-3, conveyed to 50's Group Properties, recorded in Instrument No. 509405, Official Public Records of Real Property, Tom Green County, Texas, bears North 89°31'56" West, 15.4 feet, and a 5/8" iron rod found at the northwest corner of a 131-acre tract of land conveyed to the City of San Angelo in Special Warranty Deed recorded in Volume 669, Page 562, Deed Records, Tom Green County, Texas bears South 32°43'21" West, 29.54 feet;

Thence North 89°39'14" West with the north line of said Abstract No. 4032, north line of said 339.21-acre Tract, south line of said 298.77-acre Tract south line of said Abstract 8071, with the approximate centerline of said East 50th Street, a distance of 2,616.20 feet to a mag nail found in asphalt at the northwest corner of said Abstract No. 4032, and the corner of said 339.21 acre tract, at the northeast corner of J.J. Minter Survey No. 180, Abstract No. 5915, and the corner of a 17.33 acre tract described in a deed to Todd Neff in Instrument No. 201508470, at the southwest corner of said Abstract No. 8071, at a southeast corner of said 0.33 acre tract for a point in the south line of this herein described tract of land, whence another mag nail found bears South 55°32'39" East, 1.91 feet;

Thence North 89°31'56" West along the south line of W.C. K.R. Co. Survey No. 177, Abstract No. 4031, south line of said 160 acre tract, north line of said Survey No. 180, Abstract No. 5915, north line of said 17.33 acre tract, a distance of 35.54 feet to a point at the southeast corner of said 0.46 acre tract, at the northeast corner of called 100 foot wide strip of land described as 11.68 acres from Jule Busch to Panhandle Gulf Ry Co., recorded in Volume 23, Page 379, Deed Records, Tarrant County, Texas, at the northwest corner of said 17.33 acre tract, the west corner of said 0.033 acre tract, for the southwest corner of this herein described tract of land, whence a PK nail found in the approximate centerline of said 50th street at the northwest corner of said Survey No. 180, Abstract No. 5915 bears North 89°31'56" West, 5281.13 feet,

Thence North 24°16'10" East with the southeast line of said 0.46 acre tract, at 88.23 feet passing a 1/2" iron rod found with red cap marked "Sudduth" at an eastern corner of said 0.46 acre tract, the north corner of said 0.033 acre tract and the southeast corner of said 13.08 acre tract and continuing with said 13.08 acre tract a total distance of 5,728.06 feet to a concrete right-of-way marker found in the south right-of-way line of F.M. Highway 2195, for a northwest corner of this herein described tract of land;

Thence South 89°57'33" East with the south line of said F.M. Highway 2105, along the north line of this herein described tract, a distance of 330.58 feet to a 1/2" iron rod found at the northwest corner of said 316.879-acre tract, for the northeast corner of this herein described tract of land; whence a concrete right-of-way marker found bears South 75°25'55" West, 2.82 feet;

Thence South 90°34'58" West with the west line of said 316.879-acre tract, east line of said 298.77-acre tract, west line of said Abstract No. 8474, east line of said Abstract No. 8071, passing at 5,212.35 feet a 1/2" iron rod found in the north right-of-way line of said East 50th Street, continuing a total distance of 5,237.94 feet to the Point of Beginning containing 180.452-acres of land, more or less, subject to all easements of record.

REAL ESTATE LIEN DEFERRED PAYMENT NOTE

Date: _____, 2020

Borrower/Maker: WISENER HOLDINGS, LLC, a Texas limited liability company, owner of and doing business as SOUTH PLAINS LAMESA RAIROAD, LTD

Borrower's Mailing Address (including county): P.O. Box 64420
Lubbock, Lubbock County
Texas 79464

Lender/Payee: CITY OF SAN ANGELO DEVELOPMENT CORPORATION

Place for Payment (including county): City of San Angelo Development Corporation
Attention: Director of Economic Development
69 N. Chadbourne
San Angelo, Tom Green County, Texas,
or any other place that Lender may
designate in writing

Principal Amount: SIX HUNDRED THOUSAND AND NO/100 DOLLARS (\$600,000)

Annual Interest Rate: 0%

Payment Schedule:

- (a) The first installment payment shall be in the sum of \$100,000, due and payable on December 31, 2021. The first installment payment on the Note shall be forgiven upon written request of Borrower and Borrower's written certification that as of December 31, 2021, Borrower has completed performance of all of Borrower's obligations under that certain REAL ESTATE DEVELOPMENT PERFORMANCE AGREEMENT (hereinafter "EDA") by and between Lender and Borrower effective contemporaneously with this Note, and Lender's acceptance thereof pursuant to the EDA.
- (b) The second installment payment on the Note shall be in the sum of \$100,000, due and payable on December 31, 2023. Said second installment payment due on the Note shall be forgiven upon written request of Borrower and Borrower's written certification that as of December 31, 2023, Borrower has completed performance of all of Borrower's obligations under the EDA, and Lender's acceptance thereof pursuant to the EDA
- (c) The third installment payment on the Note shall be in the sum of the entire Principal Balance of this Note unpaid or unforgiven, and all other amounts outstanding under this Note, due and payable on December 31, 2027. Said third installment payment due on the Note shall be forgiven upon written request of Borrower and Borrower's written certification that as of December 31, 2027, Borrower has completed performance of all of Borrower's obligations under the EDA, and Lender's acceptance thereof pursuant to the EDA

Maturity Date: The final Maturity Date of this Note shall be December 31, 2027, on which the entire Principal balance of this Note and all other amounts outstanding under this Note, then unpaid shall be finally due and payable.

FOR VALUE RECEIVED, the undersigned Borrower hereby promise to pay to Lender, City of San Angelo Development Corporation, or any other Holder of this Note, at the place herein provided, in lawful money of the United States, at 0% interest on the unpaid Principal, in three installments as herein provided, the first installment being due and payable on December 31, 2021, the second installment being due and payable on December 31, 2023, and the third installment being due and payable on December 31, 2027, the Maturity Date of this Note.

Collateral Economic Development Agreement:

The vendor's loan evidenced by this Note relates to conveyance of the herein described Property from Lender as Grantor under Special Warranty Deed with Vendor's Lien to Borrower, WEISNER HOLDINGS, LLC, as Grantee. The loan is being made by Lender in consideration of Borrower's agreement to enter into that certain Economic Development Performance Agreement ("EDA") with Lender, of even date herewith, by which Borrower agrees to develop the Property as an operational rail transloading facility open to the public. Accordingly the amount of any installment due and payable on the Note shall be satisfied by Borrower's performance of Borrower's property development obligations to the extent required to have been performed at the time the installment payment is due under this Note and conditional upon Borrower not then being in default of any substantial performance obligation of Borrower as Developer under the EDA.

Security for Payment:

This Note is secured by a Deed of Trust of even date herewith from Borrower to GUY ANDERSON, Director of Economic Development for the City of San Angelo, Texas, Trustee, which covers the following described real property:

180.452 acres of land out of the northwest part of Washington County Railroad Company Survey No. 178, Abstract No. 8071, Tom Green County Texas, and also being out of an a part of those certain lands described in Special Gift Deed from Mary P. Schwertner recorded in Volume 284, Page 733, Official Public Records of Real Property, Tom Green County, Texas, said 180.452 acres of land being more particularly described by metes and bounds on **Attachment 1**, attached hereto (the "Property").

Additional Terms:

1. It is hereby expressly agreed that if Borrower is in default on an installment payment due on the Note, then the unpaid and unforfeited portion of the said principal sum evidenced by this Note and any all other amounts outstanding on this Note, shall become due and payable at the option of Payee when such default continues uncured for a period of thirty (30) calendar days after notice to Borrower.
2. **Prepayment Penalty.** This Note is given in combination with the EDA and Borrower's commitment to develop the real property described herein as a rail transloading facility open to the public. Borrower may not prepay this Note, in whole or in part, at any time, without incurring the following penalty. Neither tender nor acceptance of any prepayment amount shall discharge Borrower from Borrower's performance obligations as Developer under the EDA. The EDA shall

survive prepayment of this Note through February 7, 2028. The reasonable estimated costs to Lender of securing any necessary substituted performance services up to but not exceeding the Principal of this Note shall constitute a prepayment penalty under this Note.

3. This Note shall be construed and interpreted in accordance with the laws of the State of Texas applicable to agreements made and to be performed in Texas and may not be orally modified, discharged or terminated, nor may any of the provisions hereof be waived orally. The parties agree that exclusive venue for resolution of any dispute under this note or collateral agreement shall be at Tom Green County, Texas.
4. All notices and other communications hereunder shall be in writing and shall be deemed to be duly given if personally delivered, if mailed (by certified or registered mail, return receipt requested) or if sent by nationally-recognized overnight mail or courier service, to the party concerned at its address set forth in the provision for notice of the EDA or at such other address as a party may specify by notice to the other.
5. If Borrower defaults in the performance of any obligation in any instrument securing or collateral to this Note, and the default continues after Lender gives Borrower notice of the default and the time within which it must be cured, as may be required by law or written agreement, then Lender may declare the principal balance and any other amounts then owed on the Note, including prepayment penalty, immediately due and payable. Borrower and each surety, endorser, and guarantor waive all demand for payment, presentation for payment, notice of intention to accelerate maturity, notice of acceleration of maturity, protest, and notice of protest, to the extent permitted by law.
6. If this Note or any instrument securing or collateral to it is given to an attorney for collection or enforcement, or if suit is brought for collection or enforcement, or if it is collected or enforced through probate, bankruptcy, or other judicial proceeding, then Borrower shall pay Lender all costs of collection and enforcement, including reasonable attorney's fees and court costs, in addition to other amounts due. Reasonable attorney's fees shall be six percent (6%) of all amounts due unless either party pleads otherwise
7. Interest, if any, on the debt evidenced by this Note will not exceed the maximum rate or amount of non-usurious interest that may be contracted for, taken, reserved, charged, or received under law. Any interest in excess of that maximum amount will be credited on the Principal Amount or, if the Principal Amount has been paid, refunded. On any acceleration or required or permitted prepayment, any excess interest will be cancelled automatically as of the acceleration or prepayment or, if the excess interest has already been paid, credited on the Principal Amount, or if the Principal Amount has been paid, refunded. This provision overrides any conflicting provisions in this Note and all other instruments concerning the debt
8. Each Borrower named herein is responsible for all obligations represented by this Note.
9. If any provision of this Note or the application thereof shall, for any reason and to any extent, be invalid or unenforceable, neither the remainder of this Note nor the application of the provision to other persons, entities or circumstances shall be affected thereby, but instead shall be enforced to the maximum extent permitted by law
10. The covenants, obligations and conditions herein contained shall be binding on and inure to the benefit of the heirs, legal representatives, and assigns of the parties hereto.

11. When the context requires, singular nouns and pronouns include the plural.

BORROWER/MAKER:

WISENER HOLDINGS, LLC, d/b/a SOUTH PLAINS LAMESA RAIROAD, LTD

Deliah Wisener, Managing Member of Wisener Holdings, LLC

SOUTH PLAINS LAMESA RAIROAD, LTD

BY: _____
Shadden Wisener, President of 3 R Rail Road Repair, Inc,
General Partner of South Plains Lamesa Railroad, LTD

STATE OF TEXAS §
COUNTY OF _____ §

I the undersigned Notary Public, in and for the State of Texas do hereby certify that **DELILAH WISENER**, known to me to be, or satisfactorily proven to be the person whose name is subscribed to the foregoing document, personally appeared before me in the jurisdiction set forth above and acknowledged herself to be the Managing Member of **Wisener Holdings, LLC**, a Texas limited liability company, and that she, in such capacity, being authorized so to do, executed the foregoing document for the purposes therein contained, by signing her name on behalf of said company.

GIVEN under my hand and seal this _____ day of _____, 2020.

Notary Public, State of Texas
STATE OF TEXAS §
COUNTY OF _____ §

I the undersigned Notary Public, in and for the State of Texas do hereby certify that **SHADDEN WISENER**, known to me to be, or satisfactorily proven to be the person whose name is subscribed to the foregoing document, personally appeared before me in the jurisdiction set forth above and acknowledged himself to be the President of **3 R Rail Road Repair, Inc.**, General Partner of **South Plains Lamesa Rail Road, LTD**, a Texas limited partnership, in such capacity, being authorized so to do, executed the foregoing document for the purposes therein contained, by signing her name on behalf of said company.

GIVEN under my hand and seal this _____ day of _____, 2020.

Notary Public, State of Texas

ATTACHMENT 1

SCHEDULE OF LAND

A 180.452-acre tract of land, more or less, being 180.419 acres out of a 298.77-acre tract described as Tract IV in Special Gift Deed from Mary P. Schwerter, recorded in Instrument No. 344171, Official Public Records of Real Property, Tom Green County, Texas, and 0.033 acres out of a 150 acre tract described in a Special Warranty Gift Deed from Mary P. Schwerter, recorded in Instrument No. 364004, Official Public Records, Tom Green County, Texas, said 180.452 acre tract being all of that certain portion of said 298.77 acre tract lying east of a called 100 foot wide strip of land described as 13.08 acres in a deed from J.C. Mathews and wife to Panhandle and Gulf Ry. Co, recorded in Volume 23, Page 378, Deed Records, Tom Green County, Texas, and all of that certain portion of said 160 acre tract lying east of a called 100 foot wide strip of land described as 0.46 acres in a deed from J.C. Clark and wife to Panhandle and Gulf Ry. Co, recorded in Volume 23, Page 340, Deed Records, Tom Green County, Texas. This 180.452 acre tract consists of a 180.419-acre tract out of the southeast part of the J.C. Matthews Survey No. 178, Abstract No. 8071, Tom Green County, Texas, and 0.033 acres out of W.C.R.R. Co. Survey No. 177, Abstract No. 4031, Tom Green County, Texas and is more particularly described by metes and bounds as follows:

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Thence North 89°39'14" West with the north line of said Abstract No. 4032, north line of said 339.21-acre Tract, south line of said 298.77-acre Tract south line of said Abstract 8071, with the approximate centerline of said East 50th Street, a distance of 2,616.20 feet to a mag nail found in asphalt at the northwest corner of said Abstract No. 4032, and the corner of said 339.21 acre tract, at the northeast corner of J.J. Minter Survey No. 180, Abstract No. 5915, and the corner of a 17.33 acre tract described in a deed to Todd Neff in Instrument No. 201508470, at the southwest corner of said Abstract No. 8071, at a southeast corner of said 0.33 acre tract for a point in the south line of this herein described tract of land, whence another mag nail found bears South 55°32'39" East, 1.91 feet;

Warranty Deed; Page 5 of 6

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Thence North 89°31'56" West along the south line of W.C. K.R. Co. Survey No. 177, Abstract No. 4031, south line of said 160 acre tract, north line of said Survey No. 180, Abstract No. 5915, north line of said 17.33 acre tract, a distance of 35.54 feet to a point at the southeast corner of said 0.46 acre tract, at the northeast corner of called 100 foot wide strip of land described as 11.68 acres from Jule Busch to Panhandle Gulf Ry Co., recorded in Volume 23, Page 379, Deed Records, Tarrant County, Texas, at the northwest corner of said 17.33 acre tract, the west corner of said 0.033 acre tract, for the southwest corner of this herein described tract of land, whence a PK nail found in the approximate centerline of said 50th street at the northwest corner of said Survey No. 180, Abstract No. 5915 bears North 89°31'56" West, 5281.13 feet,

Thence North 24°16'10" East with the southeast line of said 0.46 acre tract, at 88.23 feet passing a 1/2" iron rod found with red cap marked "Sudduth" at an eastern corner of said 0.46 acre tract, the north corner of said 0.033 acre tract and the southeast corner of said 13.08 acre tract and continuing with said 13.08 acre tract a total distance of 5,728.06 feet to a concrete right-of-way marker found in the south right-of-way line of F.M. Highway 2195, for a northwest corner of this herein described tract of land;

Thence South 89°57'33" East with the south line of said F.M. Highway 2105, along the north line of this herein described tract, a distance of 330.58 feet to a 1/2" iron rod found at the northwest corner of said 316.879-acre tract, for the northeast corner of this herein described tract of land; whence a concrete right-of-way marker found bears South 75°25'55" West, 2.82 feet;

Thence South 90°34'58" West with the west line of said 316.879-acre tract, east line of said 298.77-acre tract, west line of said Abstract No. 8474, east line of said Abstract No. 8071, passing at 5,212.35 feet a 1/2" iron rod found in the north right-of-way line of said East 50th Street, continuing a total distance of 5,237.94 feet to the Point of Beginning containing 180.452-acres of land, more or less, subject to all easements of record.

Page 2 of 2

DEED OF TRUST,

Date: _____, 2020

GRANTOR: WISENER HOLDINGS, LLC, a Texas limited liability company
[d/b/a SOUTH PLAINS LAMESA RAIROAD, LTD (S.P.L.R.R.)]

GRANTOR's Mailing Address / Street Address:

P.O. Box 64420
Lubbock, Lubbock County, Texas 79464

6803 59th Street
Lubbock, Lubbock County, Texas 79407

TRUSTEE: Guy Andrews

TRUSTEE's Mailing Address:

69 North Chadbourne Street
San Angelo, Texas 76903

BENEFICIARY: CITY OF SAN ANGELO DEVELOPMENT CORPORATION

BENEFICIARY'S Mailing Address:

69 North Chadbourne Street
San Angelo, Texas 76903

Note:

Date: _____, 2020

Amount: Six Hundred Thousand Dollars (\$600,000.00)

Maker: WISENER HOLDINGS, LLC [d/b/a SOUTH PLAINS
LAMESA RAIROAD, LTD (S.P.L.R.R.)]

Payee: CITY OF SAN ANGELO DEVELOPMENT CORPORATION

Final Maturity Date: December 31, 2027

GRANTOR, for the purpose of securing the indebtedness herein described, and the further consideration of TEN DOLLARS (\$10.00) to GRANTOR paid by TRUSTEE, receipt of which is hereby acknowledged, and the further consideration, uses, purposes, and trusts herein set forth has SOLD, GRANTED AND CONVEYED, and by these presents does SELL, GRANT AND CONVEY unto TRUSTEE, and his substitutes, successors and assigns, the following describe property:

Property (including any improvements now or hereafter placed upon the property):

180.542 acres out of J.C. Mathews/W.C.R.R. Co. Survey 178, Abstract 8071, and W.C.R.R. Co. Survey 177, Abstract 4031, located in Tom Green County, Texas, and described in **ATTACHMENT-1** "Schedule of Land", attached hereto and made a part hereof for all purposes. (referred to herein as the "Property")

TOGETHER WITH: all construction materials, electrical wiring, switches, equipment, pipes, plumbing fixtures, furnaces, heating and air conditioning equipment, air handling equipment, ducts, fixtures and furnishings now or hereafter attached to, installed in, or used in or about the Property; all building materials and equipment now on or hereafter placed upon the Property for construction or installation in or on the Property, all of which shall for all purposes be deemed attached to and a part of said real Property; all rents, revenues, profits and security deposits or royalties incidental thereto or arising there from, but not the leases; all proceeds of insurance policies relating to the Property or the improvements, equipment or materials thereon; all plans, specifications, surveys, contracts and other documents relating to the use or construction of the Property; and all permits and licenses obtained for the construction of improvements on the Property.

TO HAVE AND TO HOLD unto said TRUSTEE, his successors or assigns, forever, and said GRANTOR does hereby expressly bind itself, its successors, and assigns to warrant and forever defend the title to said premises unto said TRUSTEE, his successors and assigns, against all persons whomsoever claiming, or to claim, the same or any part thereof, and said GRANTOR does specially covenant with the said TRUSTEE that it is seized of said Property in fee simple and entitled to convey the same, and that said GRANTOR will make such further assurance of title as may be necessary fully to confirm to the TRUSTEE the title to said premises, provided that no bond shall be required of any such TRUSTEE.

Should GRANTOR make prompt payment of the above described note as the same shall become due and payable and perform all of the acts, conditions, obligations and covenants contained in this DEED OF TRUST and in the above described note, the terms of which are incorporated herein by reference thereto for all purposes, this DEED OF TRUST shall become null and void, and shall be released by BENEFICIARY at the expense of GRANTOR.

Grantor's Obligations

GRANTOR covenants and agrees :

1. to pay the principal and interest of the above described note in accordance with the terms thereof;
2. that GRANTOR hereby warrants that the above described Property, and each parcel thereof, are free from all liens and encumbrances except as herein provided, and that GRANTOR is lawfully seized of said property.
3. that in the event any lien, charge, or encumbrance is claimed or asserted by any person or party to be prior or superior to the lien of this DEED OF TRUST, to immediately pay off, discharge or remove such lien, charge or encumbrance from the above described property whether or not the same prove in fact to be prior or superior to the lien of this DEED OF TRUST.
4. to keep the Property in good repair and condition;

5. that in the event any portion of the described Property or improvements thereon are taken by the right of eminent domain, all sums which may be awarded to GRANTOR in any condemnation proceedings shall, at the option of BENEFICIARY, be applied on the above described indebtedness.
6. to pay all taxes and assessments on the Property when due;
7. to preserve the lien's priority as it is established in this Deed of Trust;
8. to maintain, in a form acceptable to BENEFICIARY, an insurance policy that:
 - a. covers all improvements for their full insurable value as determined when the policy is issued and renewed, unless BENEFICIARY approves a smaller amount in writing;
 - b. contains an 80% coinsurance clause;
 - c. provides fire and extended coverage, including windstorm coverage;
 - d. protects BENEFICIARY with a standard mortgage clause;
 - e. provides flood insurance at any time the Property is in a flood hazard area; and
 - f. contains such other coverage as BENEFICIARY may reasonably require;
9. to comply at all times with the requirements of the 80% coinsurance clause;
10. to deliver the insurance policy to BENEFICIARY and deliver renewals to BENEFICIARY at least ten (10) days before policy expiration; and
11. to pay all debts and liabilities for labor, material and equipment incurred in the construction, maintenance, operation and development of the Property.

Beneficiary's Rights

GRANTOR agrees that BENEFICIARY shall have the following rights and that GRANTOR shall have the corresponding obligations:

1. BENEFICIARY may appoint in writing a substitute or successor trustee, succeeding to all rights and responsibilities of TRUSTEE.
2. If the proceeds of the Note are used to pay any debt secured by prior liens, BENEFICIARY is subrogated to all of the rights and liens of the holders of any debt so paid.
3. BENEFICIARY may apply any proceeds received under the insurance policy either to reduce the obligation or to repair or replace damaged or destroyed improvements covered by the policy.
4. Notwithstanding the terms of the Note to the contrary, and unless applicable law prohibits, all payments received by Beneficiary from Grantor with respect to the Obligation or this deed of trust may, at Beneficiary's discretion, be applied first to amounts payable under this deed of trust and then to amounts due and payable to Lender with respect to the Obligation, to be applied to late charges, principal, or interest in the order Beneficiary in its discretion determines.

5. If Grantor fails to perform any of Grantor's obligations, Beneficiary may perform those obligations and be reimbursed by Grantor on demand for any amounts so paid, including attorney's fees, plus interest on those amounts from the dates of payment at the rate stated in the Note for matured, unpaid amounts. The amount to be reimbursed will be secured by this deed of trust.
6. If GRANTOR defaults on the Note or fails to perform any of GRANTOR'S obligations under the note or this Deed of Trust or if default occurs on a prior lien note or other instrument, and the default continues after any required notice of the default and the time allowed to cure, Beneficiary may:
 - a. Declare the whole of the note secured by this Deed of Trust, including unpaid principal, earned interest and all sums and expenses expended by BENEFICIARY for and in behalf of GRANTOR as herein provided, immediately due and payable, and institute suit for the collection of same, and for foreclosure of this Deed of Trust lien.
 - b. Declare the whole of the note secured by this Deed of Trust, including unpaid principal, earned interest and all sums and expenses expended by BENEFICIARY for and in behalf of GRANTOR as herein provided, immediately due and payable; direct the Trustee to foreclose this lien, in which case Beneficiary or Beneficiary's agent will cause notice of the foreclosure sale to be given as provided by the Texas Property Code as then in effect; and, BENEFICIARY shall have the right to become the purchaser at all sales to enforce this trust, being the highest bidder, and to have the amount for which such property is sold credited on the debt then owing.
 - c. Perform or cause to be performed for and in behalf of GRANTOR any acts, conditions, obligations, and covenants which GRANTOR has failed or refused to perform and all sums so expended, including attorney's fees, court costs, agent's fees or commissions, or any other cost or expense of any type or nature, shall bear interest from the date of payment at the rate of 10% per annum, or at such higher rate as may be provided in the above described note, and shall be payable at the place designated in the above described note and shall be secured by the lien or liens securing the payment of the above note and payable on demand.
7. In the event that a foreclosure hereunder should be commenced by the TRUSTEE, or his substitute or successor, BENEFICIARY may at any time before the sale of said property direct to said TRUSTEE to abandon the sale, and may then institute suit for the collection of said note and for the foreclosure of this Deed of Trust lien. It is further agreed that if BENEFICIARY should institute a suit for the collection thereof, and for a foreclosure of this Deed of Trust lien, that he may at any time before the entry of a final judgment in said suit dismiss the same, and require the TRUSTEE, his substitute or successor to sell the property in accordance with the provisions of this Deed of Trust.
8. Beneficiary may remedy any default without waiving it and may waive any default without waiving any prior or subsequent default.

Trustee's Rights and Duties

Deed of Trust /, WISENER HOLDINGS, LLC [d/b/a SOUTH PLAINS LAMESA RAIROAD, LTD (S.P.L.R.R.)], Grantor, CITY OF SAN ANGELO DEVELOPMENT CORPORATION,
Beneficiary.

TRUSTEE shall have the following rights and duties:

If requested by BENEFICIARY to foreclose this lien, TRUSTEE, or his successor or substitute, shall:

1. enforce this trust as herein provided and pursuant to law;
2. either personally or by agent give notice of any foreclosure sale as required by the Texas Property Code as then amended;
3. upon foreclosure sale, sell and convey all or part of the Property, "AS IS" to the highest bidder for cash with a general warranty binding GRANTOR, , subject to prior liens and to other exceptions to conveyance and warranty, and without representation or warranty, express or implied by Trustee;
4. from the proceeds of the foreclosure sale, pay, in this order:
 - a. expenses of foreclosure, including a commission to TRUSTEE of five (5) percent of the bid;
 - b. to BENEFICIARY, the full amount of principal, interest, attorney's fees, and other charges due and unpaid;
 - c. any amounts required by law to be paid before payment to GRANTOR; and
 - d. to GRANTOR, any remaining balance; and,
5. be indemnified, held harmless, and defended by BENEFICIARY against all costs, expenses, and liabilities incurred by TRUSTEE for acting in the execution or enforcement of the trust created by this deed of trust, which includes all court and other costs, including reasonable attorney's fees, incurred by TRUSTEE in defense of any action or proceeding taken against Trustee in that capacity.

Such sale and conveyance by the TRUSTEE shall be conclusive against GRANTOR, its successors and assigns.

General Provisions

1. If any of the Property is sold under this Deed of Trust, GRANTOR shall immediately surrender possession to the purchaser. If GRANTOR fails to do so, GRANTOR shall become a tenant at sufferance of the purchaser, subject to an action for forcible detainer.
2. Recitals in any TRUSTEE'S deed conveying the Property will be presumed to be true.
3. Proceeding under this Deed of Trust, filing suit for foreclosure, or pursuing any other remedy will not constitute an election of remedies.
4. This lien shall remain superior to liens later created even if the time of payment of all or part of the Note is extended or part of the Property is released.
5. In no event may this deed of trust secure payment of any debt that may not lawfully be secured by a lien on real estate or create a lien otherwise prohibited by law.

Deed of Trust /, WISENER HOLDINGS, LLC [d/b/a SOUTH PLAINS LAMESA RAIROAD, LTD (S.P.L.R.R.)], Grantor, CITY OF SAN ANGELO DEVELOPMENT CORPORATION,
Beneficiary.

6. If GRANTOR, its successors or assigns, while the owner of the hereinabove described property, should commit an act of bankruptcy, or authorize the filing of a voluntary petition in bankruptcy, or should an act of bankruptcy be omitted and involuntary proceedings instituted or threatened, or should the Property hereinabove described be taken over by a receiver for GRANTOR, its successors or assigns, the note hereinabove described shall, at the option of the BENEFICIARY, immediately become due and payable, and the acting TRUSTEE may, to the extent permitted by law, proceed to foreclose this lien under the provisions of this Deed of Trust.
7. Any conveyance of the above described Property by GRANTOR without the prior written consent of the BENEFICIARY shall, at the option of the BENEFICIARY, mature all obligations and indebtedness secured hereby, without necessity of presentment of the promissory note, notice or demand, other than written notice to the maker of the indebtedness and obligations secured hereby that BENEFICIARY has elected to, and has matured said indebtedness and obligations, and has declared same immediately due and payable; and, Beneficiary may invoke any other remedies provided in this deed of trust for default.
8. GRANTOR assigns to BENEFICIARY all sums payable to or received by GRANTOR from condemnation of all or part of the Property, from private sale in lieu of condemnation, and from damages caused by public works or construction on or near the Property. After deducting any expenses incurred, including attorney's fees, BENEFICIARY may release any remaining sums to GRANTOR or apply such sums to reduce the Note. BENEFICIARY shall not be liable for failure to collect or to exercise diligence in collecting any such sums.
9. GRANTOR assigns to BENEFICIARY absolutely, not only as collateral, all present and future rent and other income and receipts from the Property. Leases are not assigned. GRANTOR warrants the validity and enforceability of the assignment. GRANTOR may as BENEFICIARY'S licensee collect rent and other income and receipts as long as GRANTOR is not in default under the Note or this Deed of Trust. GRANTOR will apply all rent and other income and receipts to payment of the Note and performance of this Deed of Trust, but if the rent and other income and receipts exceed the amount due under the Note and Deed of Trust, GRANTOR may retain the excess. If GRANTOR defaults in payment of the Note or performance of this Deed of Trust, BENEFICIARY may terminate GRANTOR'S license to collect and then as GRANTOR'S agent may rent the Property if it is vacant and collect all rent and other income and receipts. BENEFICIARY neither has nor assumes any obligations as lessor or landlord with respect to any occupant of the Property. BENEFICIARY may exercise BENEFICIARY'S rights and remedies under this paragraph without taking possession of the Property. BENEFICIARY shall apply all rent and other income and receipts collected under this paragraph first to expenses incurred in exercising BENEFICIARY'S rights and remedies and then to GRANTOR'S obligations under the Note and this Deed of Trust in the order determined by BENEFICIARY. BENEFICIARY is not required to act under this paragraph, and acting under this paragraph does not waive any of BENEFICIARY'S other rights or remedies. If GRANTOR becomes a voluntary or involuntary bankrupt, BENEFICIARY'S filing a proof of claim in bankruptcy will be tantamount to the appointment of a receiver under Texas law.

10. Some of the items of property described herein are goods that are or are to become fixtures related to the real estate described herein, and it is intended that, as to those goods or fixtures, THIS DEED OF TRUST SHALL BE EFFECTIVE AS A FINANCING STATEMENT FILED AS A FIXTURE FILING FROM THE DATE OF ITS FILING FOR RECORD IN THE REAL ESTATE RECORDS OF TOM GREEN COUNTY, TEXAS. The name of the record owner of said real estate is BLACKSHEAR PROPERTIES OF SAN ANGELO, LLC. Information concerning the security interest created by this instrument may be obtained from the BENEFICIARY, as secured party.
11. The collateral and liens herein described, and all other collateral and liens securing any portion of any debt owed to BENEFICIARY hereof by GRANTOR or any Guarantor, or other person obligated to pay any debt hereby secured, shall also secure the notes herein described and all other debts of all such persons to the BENEFICIARY hereof, regardless of when such collateral, liens, or debts arise, now, in the past, or in the future.
12. Any default upon any debt, security instrument, or agreement of any nature between GRANTOR and the BENEFICIARY or any Guarantor shall, at BENEFICIARY'S option, also be a default on all debts, security instruments, and agreements between GRANTOR and BENEFICIARY, or GRANTOR and any Guarantor.
13. GRANTOR represents, warrants, promises, agrees, and conclusively stipulates that under no circumstances shall TRUSTEE or BENEFICIARY owe any fiduciary duty to GRANTOR. If BENEFICIARY takes or fails to take any action hereunder, then BENEFICIARY may do so purely for BENEFICIARY'S own benefit, and not for the benefit of GRANTOR or as GRANTOR'S agent.
14. Interest on the debt secured by this Deed of Trust shall not exceed the maximum amount of nonusurious interest that may be contracted for, taken, reserved, charged, or received under law; any interest in excess of that maximum amount shall be credited on the principal of the debt or, if that has been paid, refunded. On any acceleration or required or permitted prepayment, any such excess shall be canceled automatically as of the acceleration or prepayment or, if already paid, credited on the principal of the debt or, if the principal of the debt has been paid, refunded. This provision overrides other provisions in this and all other instruments concerning the debt.
15. When the context requires, singular nouns and pronouns include the plural.
16. The term *Note* includes all sums secured by this Deed of Trust, and all extensions, modifications, and renewals of the Note.
17. This Deed of Trust shall bind, inure to the benefit of, and be exercised by successors in interest of all parties.
18. If GRANTOR and Maker are not the same person, the term *GRANTOR* shall include Maker.
19. THIS DEED OF TRUST SHALL BE EFFECTIVE AS A FINANCING STATEMENT FILED AS A FIXTURE FILING WITH RESPECT TO ALL FIXTURES INCLUDED WITHIN THE PROPERTY AND SHALL ALSO BE EFFECTIVE AS A FINANCING STATEMENT COVERING ALL PERSONAL PROPERTY WHICH IS OWNED BY

GRANTOR IN CONNECTION WITH THE PROPERTY AND IS TO BE FILED FOR RECORD IN THE REAL PROPERTY RECORDS OF TOM GREEN COUNTY, TEXAS. THE MAILING ADDRESS OF GRANTOR IS SET FORTH ON THE FIRST PAGE OF THIS DEED OF TRUST AND THE ADDRESS OF THE BENEFICIARY FROM WHICH INFORMATION CONCERNING THE SECURITY INTEREST MAY BE OBTAINED IS THE ADDRESS OF THE BENEFICIARY SET FORTH ON THE FIRST PAGE OF THIS DEED OF TRUST.

20. This Deed of Trust is a construction mortgage (as that term is defined in Section 9.102(a)55 of the Business and Commerce Code in effect in the State of Texas) and secures an obligation incurred for the construction of improvements on the Property including the cost of the acquisition of the Property. It is understood and agreed that all funds to be advanced upon the Note are to be used in the construction of certain improvements on the Property.
21. An extension or extensions may be made of the time of payment of all or any part of the indebtedness secured hereby, and that any part of the described Property may be released from this lien without altering or affecting the priority of the lien created by this Deed of Trust in favor of any junior encumbrance, mortgagee or purchaser, or any person acquiring an interest in the property hereby conveyed, or any part thereof; it being the intention of the parties hereto to preserve this lien on the property herein described and all improvements thereon, and that may be hereafter constructed thereon, first and superior to any liens that may be placed thereon, or that may be fixed, given or imposed by law thereon after the execution of this instrument notwithstanding any extension of the time of payment, or the release of a portion of said Property from this lien.
22. Grantor and each surety, endorser, and guarantor of the Obligation waive all demand for payment, presentation for payment, notice of intention to accelerate maturity, notice of acceleration of maturity, protest, and notice of protest, to the extent permitted by law.
23. If any provision of this deed of trust is determined to be invalid or unenforceable,
24. the validity or enforceability of any other provision will not be affected.

EXECUTED on the dates indicated below.

GRANTOR:

WISENER HOLDINGS, LLC

BY: _____

Deliah Wisener, Managing Member of Wisener Holdings, LLC

SOUTH PLAINS LAMESA RAIROAD, LTD

BY: _____

Shadden Wisener, President of 3 R Rail Road Repair, Inc,
General Partner of South Plains Lamesa Railroad, LTD

GRANTEE:

Deed of Trust /, WISENER HOLDINGS, LLC [d/b/a SOUTH PLAINS LAMESA RAIROAD, LTD (S.P.L.R.R.)], Grantor, CITY OF SAN ANGELO DEVELOPMENT CORPORATION,
Beneficiary.

CITY OF SAN ANGELO DEVELOPMENT CORPORATION

By: _____
Todd Kolls, President

ATTEST:

Nora Nevares, Secretary

(Acknowledgments on following page)

STATE OF TEXAS §
COUNTY OF _____ §

I the undersigned Notary Public, in and for the State of Texas do hereby certify that **DELILAH WISENER**, known to me to be, or satisfactorily proven to be the person whose name is subscribed to the foregoing document, personally appeared before me in the jurisdiction set forth above and acknowledged herself to be the Managing Member of **Wisener Holdings, LLC**, a Texas limited liability company, and that she, in such capacity, being authorized so to do, executed the foregoing document for the purposes therein contained, by signing her name on behalf of said company.

GIVEN under my hand and seal this _____ day of _____, 2020.

Notary Public, State of Texas

STATE OF TEXAS §
COUNTY OF _____ §

I the undersigned Notary Public, in and for the State of Texas do hereby certify that **SHADDEN WISENER**, known to me to be, or satisfactorily proven to be the person whose name is subscribed to the foregoing document, personally appeared before me in the jurisdiction set forth above and acknowledged himself to be the President of **3 R Rail Road Repair, Inc.**, General Partner of **South Plains Lamesa Rail Road, LTD**, a Texas limited partnership, in such capacity, being authorized so to do, executed the foregoing document for the purposes therein contained, by signing her name on behalf of said company.

GIVEN under my hand and seal this _____ day of _____, 2020.

Notary Public, State of Texas

STATE OF TEXAS §
COUNTY OF TOM GREEN §

This instrument was acknowledged before me on the _____ day of _____, 2020, by **TODD KOLLS**, as President of **CITY OF SAN ANGELO DEVELOPMENT CORPORATION**, a Texas non-profit corporation, on behalf of said corporation by authority of its board of directors.

Notary Public, State of Texas

Deed of Trust /, **WISENER HOLDINGS, LLC** [d/b/a **SOUTH PLAINS LAMESA RAIROAD, LTD (S.P.L.R.R.)**], Grantor, **CITY OF SAN ANGELO DEVELOPMENT CORPORATION**, Beneficiary.

ATTACHMENT 1

SCHEDULE OF LAND

A 180.452-acre tract of land, more or less, being 180.419 acres out of a 298.77-acre tract described as Tract IV in Special Gift Deed from Mary P. Schwerter, recorded in Instrument No. 344171, Official Public Records of Real Property, Tom Green County, Texas, and 0.033 acres out of a 150-acre tract described in a Special Warranty Gift Deed from Mary P. Schwerter, recorded in Instrument No. 364004, Official Public Records, Tom Green County, Texas, said 180.452-acre tract being all of that certain portion of said 298.77-acre tract lying east of a called 100-foot wide strip of land described as 13.08 acres in a deed from J.C. Mathews and wife to Panhandle and Gulf Ry. Co, recorded in Volume 23, Page 378, Deed Records, Tom Green County, Texas, and all of that certain portion of said 160-acre tract lying east of a called 100-foot wide strip of land described as 0.46 acres in a deed from J.C. Clark and wife to Panhandle and Gulf Ry. Co, recorded in Volume 23, Page 340, Deed Records, Tom Green County, Texas. This 180.452-acre tract consists of a 180.419-acre tract out of the southeast part of the J.C. Matthews Survey No. 178, Abstract No. 8071, Tom Green County, Texas, and 0.033 acres out of W.C.R.R. Co. Survey No. 177, Abstract No. 4031, Tom Green County, Texas and is more particularly described by metes and bounds as follows:

Beginning at a 1/2" iron rod found in the approximate centerline of East 50th Street, at the southeast corner of said Abstract No. 8071, at the southwest corner of S.R. Robertson Survey No. 178, Abstract No. 8474, in the north line of Washington County Rail Road Company Survey No. 179, Abstract No. 4032, at the southwest corner of a 316.879-acre tract described in Instrument No. 596999 Official Public Records of Real Property, Tom Green County, Texas, the southeast corner of said 298.77-acre tract, for the southeast corner of this herein described tract of land; whence a point at the northeast corner of a 339.21-acre tract described in Exhibit A-3, conveyed to 50's Group Properties, recorded in Instrument No. 509405, Official Public Records of Real Property, Tom Green County, Texas, bears North 89°31'56" West, 15.4 feet, and a 5/8" iron rod found at the northwest corner of a 131-acre tract of land conveyed to the City of San Angelo in Special Warranty Deed recorded in Volume 669, Page 562, Deed Records, Tom Green County, Texas bears South 32°43'21" West, 29.54 feet;

Thence North 89°39'14" West with the north line of said Abstract No. 4032, north line of said 339.21-acre Tract, south line of said 298.77-acre Tract south line of said Abstract 8071, with the approximate centerline of said East 50th Street, a distance of 2,616.20 feet to a mag nail found in asphalt at the northwest corner of said Abstract No. 4032, and the corner of said 339.21-acre tract, at the northeast corner of J.J. Minter Survey No. 180, Abstract No. 5915, and the corner of a 17.33-acre tract described in a deed to Todd Neff in Instrument No. 201508470, at the southwest corner of said Abstract No. 8071, at a southeast corner of said 0.33-acre tract for a point in the south line of this herein described tract of land, whence another mag nail found bears South 55°32'39" East, 1.91 feet;

Warranty Deed; Page 5 of 6

Page 1 of 2

Thence North 89°31'56" West along the south line of W.C. K.R. Co. Survey No. 177, Abstract No. 4031, south line of said 160 acre tract, north line of said Survey No. 180, Abstract No. 5915, north line of said 17.33 acre tract, a distance of 35.54 feet to a point at the southeast corner of said 0.46 acre tract, at the northeast corner of called 100 foot wide strip of land described as 11.68 acres from Jule Busch to Panhandle Gulf Ry Co., recorded in Volume 23, Page 379, Deed Records, Tarrant County, Texas, at the northwest corner of said 17.33 acre tract, the west corner of said 0.033 acre tract, for the southwest corner of this herein described tract of land, whence a PK nail found in the approximate centerline of said 50th street at the northwest corner of said Survey No. 180, Abstract No. 5915 bears North 89°31'56" West, 5281.13 feet,

Thence North 24°16'10" East with the southeast line of said 0.46 acre tract, at 88.23 feet passing a 1/2" iron rod found with red cap marked "Sudduth" at an eastern corner of said 0.46 acre tract, the north corner of said 0.033 acre tract and the southeast corner of said 13.08 acre tract and continuing with said 13.08 acre tract a total distance of 5,728.06 feet to a concrete right-of-way marker found in the south right-of-way line of F.M. Highway 2195, for a northwest corner of this herein described tract of land;

Thence South 89°57'33" East with the south line of said F.M. Highway 2105, along the north line of this herein described tract, a distance of 330.58 feet to a 1/2" iron rod found at the northwest corner of said 316.879-acre tract, for the northeast corner of this herein described tract of land; whence a concrete right-of-way marker found bears South 75°25'55" West, 2.82 feet;

Thence South 90°34'58" West with the west line of said 316.879-acre tract, east line of said 298.77-acre tract, west line of said Abstract No. 8474, east line of said Abstract No. 8071, passing at 5,212.35 feet a 1/2" iron rod found in the north right-of-way line of said East 50th Street, continuing a total distance of 5,237.94 feet to the Point of Beginning containing 180.452-acres of land, more or less, subject to all easements of record.

Page 2 of 2

Requestor: Shannon Scott, Economic Development Specialist, COSADC, 325.653.7197

Meeting Date: September 23, 2020

Item type: Regular Item

Caption:

Consider a Resolution of the City of San Angelo Development Corporation Board of Directors authorizing the use of sales and use tax funds in an amount not to exceed \$362,500, to provide an Economic Development Incentive to SPECIAL MATERIALS COMPANY for a Business Retention and Expansion Program (BREP) project related to business enterprises that create or retain primary jobs, as authorized for a Type B Corporation under Local Government Code Chapter 505 Subchapter D. (Presentation made by Shannon Scott, Business, Retention & Expansion Coordinator).

Summary/History:

SPECIAL MATERIALS COMPANY plans on investing \$3,000,000 at their existing facility that is located at 3820 Christoval Rd. for the purchase of a new building, improvements and upgrades to that building and the purchase of adjacent property that is necessary for expansion of its business in San Angelo.

They currently have 17 employees which they will retain, and anticipate hiring up to 5 new employees within the next 3 years.

Financial Impact:

Proposed Incentives:

\$350,000 one time capital investment grant once the \$3,000,000 capital investment has been made.

\$2,500 per FTE's created for up to 5 FTE's.

Total Proposed Incentives: \$362,500.

Other Information/Recommendation:

Attachments:

- | | |
|---|--|
| 1. Special Materials Company (SMC) Resolution | Special Materials Company (SMC) Resolution.pdf |
|---|--|

Presentation:

Approvals/Reviews:

Shannon Scott
Dan Saluri
Nolan Sosa

Created/Initiated
Approved
Approved

Tina Dierschke
Dan Saluri
Guy Andrews

Approved
Approved
Final Approval

A RESOLUTION OF THE CITY OF SAN ANGELO DEVELOPMENT CORPORATION BOARD OF DIRECTORS AUTHORIZING THE USE OF SALES AND USE TAX FUNDS IN AN AMOUNT NOT TO EXCEED \$362,500, TO PROVIDE AN ECONOMIC DEVELOPMENT INCENTIVE TO SPECIAL MATERIALS COMPANY FOR A PROJECT RELATED TO BUSINESS ENTERPRISES THAT CREATE OR RETAIN PRIMARY JOBS, AS AUTHORIZED FOR A TYPE B CORPORATION UNDER LOCAL GOVERNMENT CODE CHAPTER 505 SUBCHAPTER D.

WHEREAS, The voters of the City of San Angelo on November 2, 2010 approved the use of sales and use tax proceeds for the continued economic development projects authorized under Section 4B of the Act, including but not limited to, the development, promotion, creation, retention, or expansion of business enterprises that create or retain primary jobs, including suitable infrastructure, and

WHEREAS, SPECIAL MATERIALS COMPANY is a Delaware corporation authorized to conduct business in Texas and is located at 3820 Christoval Rd., San Angelo Texas (hereinafter referred to as Site), and is in the process of planning for expansion of its business; and,

WHEREAS, SPECIAL MATERIALS COMPANY proposes to retain at its Site in San Angelo seventeen (17) existing full time primary jobs, (Full Time Equivalents / FTE's) having an annual base pay including benefits of at least \$60,000, and create at least five (5) additional FTE's; and,

WHEREAS, SPECIAL MATERIALS COMPANY proposes to invest a minimum of \$3,000,000, within three years for the purchase of a building, improvements and upgrades to that building and the purchase of adjacent property that is necessary for expansion of its business at San Angelo; and,

WHEREAS, SPECIAL MATERIALS COMPANY has applied with COSADC under the Business Retention and Expansion Program (BREP) for an incentive to carry out the foregoing business expansion plans, and the Board has determined that incentivizing the business expansion plans will promote or develop expansion of a business enterprise that creates or retains primary jobs, a qualified development corporation Project authorized under Chapter 505 of the Texas Local Government Code; and,

WHEREAS, at least sixty (60) days prior to undertaking a Project, a public notice of the specific Project shall be published and at least one public hearing shall be held by the Development Corporation prior to expending funds on the Project in compliance with the requirements of the Development Corporation Act, Sections 505.159 and 505.160 of the Local Government Code, and ;

WHEREAS, on October 28, 2020, or at such other time as approved by the Board, the City of San Angelo Development Corporation shall hold a Public Hearing on the Project prior to expending authorized grant funds;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF SAN ANGELO DEVELOPMENT CORPORATION THAT:

Section 1. The foregoing recitals are found by the Board to be true and correct, and are adopted as part of this Resolution.

Section 2. The City of San Angelo Development Corporation offers this Resolution authorizing the use of sales and use tax funds for a qualified economic development Project grant pursuant to the Development Corporation Act, Chapter 505 of the Texas Local Government Code (the "Act"), to incentivize the business expansion plan of SPECIAL MATERIALS COMPANY, a foreign for profit corporation authorized to conduct business in Texas, (hereinafter "SPECIAL MATERIALS COMPANY"), substantially as set forth herein, in an amount up to but not to exceed \$362,500; directing the Director of Economic Development to prepare an economic development performance agreement therefore with SPECIAL MATERIALS COMPANY in a form approved by the City Attorney in compliance with the Act for submission to the Board and subject to approval of City Council; and, recommending to City Council ratification of the Project.

ADOPTED THIS _____ DAY OF _____, 2020

CITY OF SAN ANGELO DEVELOPMENT CORPORATION

ATTEST:

By: _____
Todd Kolls, President

Nora Nevarez, Corporate Secretary

APPROVED FOR CONTENT

APPROVED AS TO FORM

Shannon Scott, Business Retention &
Expansion Coordinator

Dan T. Saluri, Deputy City Attorney

Requestor: Shannon Scott, Economic Development Specialist, COSADC, 325.653.7197

Meeting Date: September 23, 2020

Item type: Regular Item

Caption:

Consider a Resolution of the City of San Angelo Development Corporation Board of Directors authorizing the use of sales and use tax funds in an amount not to exceed \$150,000, to provide an Economic Development Incentive to BP SURFACE SOLUTIONS, LLC d/b/a DORADO CONSTRUCTION GROUP, for a Business Retention and Expansion Program (BREP) project related to business enterprises that create or retain primary jobs, as authorized for a Type B Corporation under Local Government Code Chapter 505 Subchapter D. (Presentation made by Shannon Scott, Business, Retention & Expansion Coordinator).

Summary/History:

DORADO CONSTRUCTION GROUP plans on investing \$2,700,000 for the purchase of a new building, and new furniture fixtures and equipment that is necessary for expansion of its business in San Angelo.

They currently have 93 employees which they will retain, and anticipate hiring up to 25 new employees within the next 3 years.

Financial Impact:

Proposed Incentives:

\$100,000 one time capital investment grant once the \$2,700,000 capital investment has been made.

\$2,000 per FTE's created for up to 25 FTE's.

Total Proposed Incentives: \$150,000.

Other Information/Recommendation:

Attachments:

- | | | |
|----|---------------------------------|-------------------------------------|
| 1. | 20-1096_COSADC_BP-DORADO_P_RESO | 20-1096_COSADC_BP-DORADO_P_RESO.pdf |
|----|---------------------------------|-------------------------------------|

Presentation:

Approvals/Reviews:

Shannon Scott
Dan Saluri
Nolan Sosa

Created/Initiated
Approved
Approved

Tina Dierschke
Dan Saluri
Guy Andrews

Approved
Approved
New

A RESOLUTION OF THE CITY OF SAN ANGELO DEVELOPMENT CORPORATION BOARD OF DIRECTORS AUTHORIZING THE USE OF SALES AND USE TAX FUNDS IN AN AMOUNT NOT TO EXCEED \$150,000, TO PROVIDE AN ECONOMIC DEVELOPMENT INCENTIVE TO BP SURFACE SOLUTIONS, LLC d/b/a DORADO CONSTRUCTION GROUP FOR A PROJECT RELATED TO BUSINESS ENTERPRISES THAT CREATE OR RETAIN PRIMARY JOBS, AS AUTHORIZED FOR A TYPE B CORPORATION UNDER LOCAL GOVERNMENT CODE CHAPTER 505 SUBCHAPTER D.

WHEREAS, The voters of the City of San Angelo on November 2, 2010 approved the use of sales and use tax proceeds for the continued economic development projects authorized under Section 4B of the Act, including but not limited to, the development, promotion, creation, retention, or expansion of business enterprises that create or retain primary jobs, including suitable infrastructure, and

WHEREAS, **BP SURFACE SOLUTIONS, LLC d/b/a DORADO CONSTRUCTION GROUP** (hereinafter “DORADO”) is a for profit corporation authorized to conduct business in Texas and is located at 4705 S. Chadbourne St., San Angelo Texas (hereinafter referred to as Site), and is in the process of planning for expansion of its business; and,

WHEREAS, DORADO proposes to retain at its Site in San Angelo ninety-three (93) existing full time primary jobs (Full Time Equivalents / FTE’s) having an annual base pay including benefits of at least \$60,000, and create at least twenty-five (25) additional FTE’s; and,

WHEREAS, DORADO proposes to invest a minimum of \$2,700,000, within three years for the purchase of a building and new furniture fixtures and equipment that is necessary for expansion of its business at San Angelo; and,

WHEREAS, DORADO has applied with COSADC under the Business Retention and Expansion Program (BREP) for an incentive to carry out the foregoing business expansion plans, and the Board has determined that the incentivizing the business expansion plans will promote or develop expansion of a business enterprise that creates or retains primary jobs, a qualified development corporation Project authorized under Chapter 505 of the Texas Local Government Code; and,

WHEREAS, at least sixty (60) days prior to undertaking a Project, a public notice of the specific Project shall be published and at least one public hearing shall be held by the Development Corporation prior to expending funds on the Project in compliance with the requirements of the Development Corporation Act, Sections 505.159 and 505.160 of the Local Government Code and

WHEREAS, on October 28, 2020, or at such other time as approved by the Board, the City of San Angelo Development Corporation shall hold a Public Hearing on the Project prior to expending authorized grant funds;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF SAN ANGELO DEVELOPMENT CORPORATION THAT:

Section 1. The fore going recitals are found by the Board to be true and correct, and are adopted as part of this Resolution.

Section 2. The City of San Angelo Development Corporation offers this Resolution authorizing the use of sales and use tax funds for a qualified economic development Project grant pursuant to the Development Corporation Act, Chapter 505 of the Texas Local Government Code (the "Act"), to incentivize the business expansion plan of **BP SURFACE SOLUTIONS, LLC d/b/a DORADO CONSTRUCTION GROUP**, a for profit corporation authorized to conduct business in Texas, (hereinafter "DORADO") pursuant to terms substantially as set forth in the foregoing recitals, in an amount not to exceed \$150,000; directing the Director of Economic Development to prepare an economic development performance agreement therefore with DORADO in a form approved by the City Attorney in compliance with the Act for submission to the Board and subject to approval of City Council; and, recommending to City Council ratification of the Project.

ADOPTED THIS _____ DAY OF _____, 2020

CITY OF SAN ANGELO DEVELOPMENT CORPORATION

ATTEST:

By: _____
Todd Kolls, President

Nora Nevarez, Corporate Secretary

APPROVED FOR CONTENT

APPROVED AS TO FORM

Shannon Scott, Business Retention &
Expansion Coordinator

Dan T. Saluri, Deputy City Attorney

Requestor: Robert Schneeman, Economic Development Coordinator, COSADC, 325.653.7197

Meeting Date: September 23, 2020

Item type: Regular Item

Caption:

Public Hearing regarding the use of Sales and Use Tax funds in an amount not to exceed \$150,000 dollars to partially fund City of San Angelo, open space improvement, landscaping and related facilities necessary to enhance the Highway 87 right of way, a project authorized under Section 501.103 Infrastructure Improvements (Street Landscaping) and Section 505.152 of the Texas Local Government Code for open space improvements necessary to develop new or expanded business enterprises (Presentation made by Guy Andrews, Director of Economic Development).

Summary/History:

The COSADC Board approved this project at its meeting on June 24th, 2020 and City Council ratifies it at their meeting on July 7th, 2020. Agreement was reached that the City would do the design work and handle construction under an MOU with COSADC, with COSADC funding the enhancements. Following is a summary of the project details:

THE WORKING COWBOY STATUE AT SOUTH BRYANT AND WEST 3RD STREET

The statue is located on a long, narrow median owned by TxDOT, but maintained by our Parks & Recreation Department employees. Al Torres, Construction Manager has completed concept drawings and presented to TxDOT for approval. Enhancements include additional hardscape and landscape along with block, lighted letters to say WELCOME TO SAN ANGELO.

200% WOOL – (THREE EWES STATUE) AT SOUTH BRYANT AND AVENUE J

The statue is located on a long, narrow median owned by TxDOT, but maintained by our Parks & Recreation Department employees. Al Torres, Construction Manager has completed concept drawings and presented to TxDOT for approval. Enhancements include additional hardscape and landscape along with block, lighted letters to say WELCOME TO SAN ANGELO.

The contractor's estimates for the two projects totals \$108,557. However, please note that these are contractor estimates but not actual quotes. There are several items on the list that need to be addressed before this can be sent out by the City for an official bid (whether to light the columns, what TxDOT will require for traffic control and/or whether we can do that ourselves, etc.). The number should be pretty close to what it would actually bid. With a few unknowns, staff is asking for an amount not to exceed \$150,000, which will include contingency funds.

Financial Impact:

Budget amendment in progress.

Other Information/Recommendation:

Attachments:

- | | | |
|----|---|---|
| 1. | 200 % Wool | 200 % Wool.pdf |
| 2. | THE WORKING COWBOY STATUE AT SOUTH BRYANT AND WEST 3RD STREET | THE WORKING COWBOY STATUE AT SOUTH BRYANT AND WEST 3RD STREET.pdf |
| 3. | COSADC_CITY_SCULPTURES_DISPLAY RESO | COSADC_CITY_SCULPTURES_DISPLAY RESO.pdf |

Presentation:

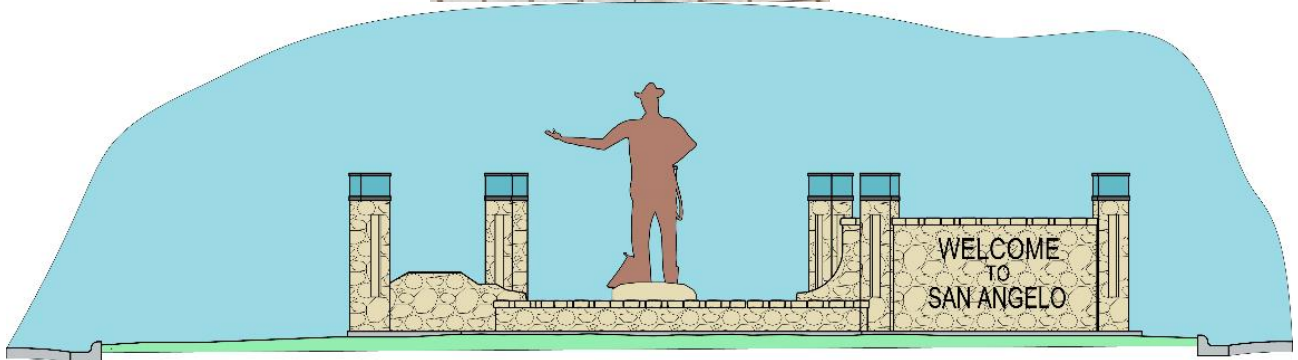
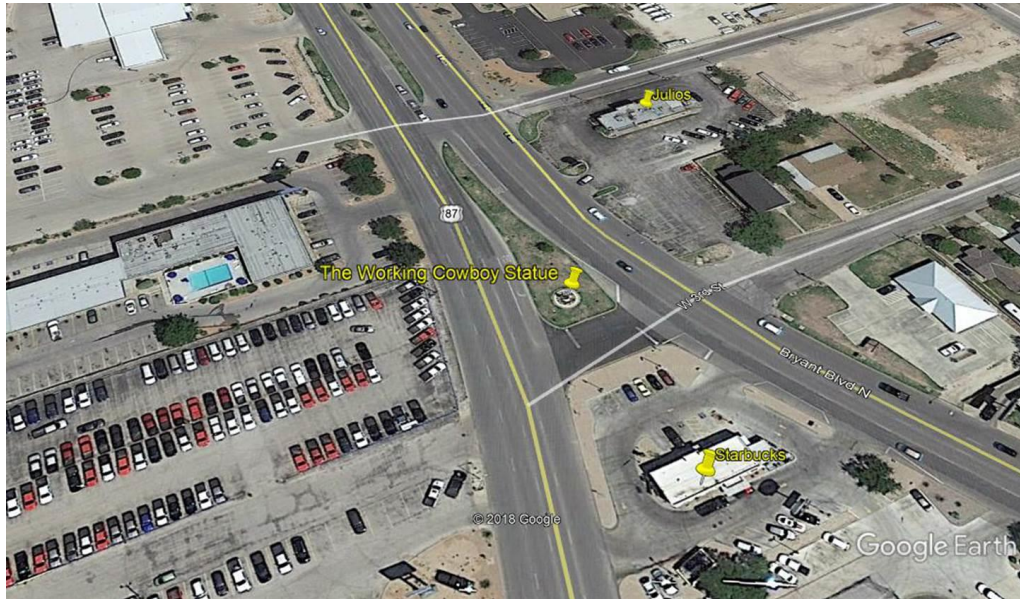
Approvals/Reviews:

Robert Schneeman	Created/Initiated
Dan Saluri	Approved
Nolan Sosa	Approved
Tina Dierschke	Approved
Guy Andrews	Final Approval

200% WOOL – (THREE EWES STATUE) AT SOUTH BRYANT AND AVENUE J



THE WORKING COWBOY STATUE
AT SOUTH BRYANT AND WEST 3RD STREET



A RESOLUTION OF THE SAN ANGELO DEVELOPMENT CORPORATION (COSADC) AUTHORIZING THE USE OF SALES AND USE TAX FUNDS IN AN AMOUNT NOT TO EXCEED \$150,000 DOLLARS TO PARTIALLY FUND CITY OF SAN ANGELO, OPEN SPACE IMPROVEMENT, LANDSCAPING AND RELATED FACILITIES NECESSARY TO ENHANCE THE HIGHWAY 87 RIGHT OF WAY, A PROJECT AUTHORIZED UNDER SECTION 501.103 INFRASTRUCTURE IMPROVEMENTS (STREET LANDSCAPING) AND SECTION 505.152 OF THE TEXAS LOCAL GOVERNMENT CODE FOR OPEN SPACE IMPROVEMENTS NECESSARY TO DEVELOP NEW OR EXPANDED BUSINESS ENTERPRISES; AND, AUTHORIZING THE BOARD PRESIDENT TO NEGOTIATE AND EXECUTE A MEMORANDUM OF UNDERSTANDING (MOU) WITH THE CITY OF SAN ANGELO PROVIDING TERMS FOR PERFORMANCE, AND ANY OTHER RELATED DOCUMENTS, IN A FORM APPROVED BY THE CITY ATTORNEY, SUBJECT TO APPROVAL OF CITY COUNCIL.

WHEREAS, the voters of the City of San Angelo on November 2, 2010, approved the use of sales and use tax proceeds for the continued economic development projects authorized under Section 4B of the Act; and,

WHEREAS, Highway 87 (Koenigheim Street north bound and Abe Street southbound) constitutes the primary north – south thoroughfare serving as a gateway into the City of San Angelo; and,

WHEREAS, “Working Cowboy”, a ten foot seven inch tall bronze statue by local sculptor Scott Sustek, is displayed in the right-of-way of Abe Street with outstretched welcoming hand. This sculpture was attained through public donations collected with the efforts of Art in Uncommon Places, a nonprofit local group that fosters the creation of public works of art ; and,

WHEREAS, a second bronze sculpture of an Ewe with Two Lambs is displayed in the right-of-way of Koenigheim courtesy of the Texas Department of Transportation; and,

WHEREAS, the unique Working Cowboy and Ewes bronze sculptures depict the cultural character of our city; and,

WHEREAS the city plans to make certain sculptural display improvements, signage and landscaping in the right-of-way open spaces that will serve as engaging, warm welcomes to motorists driving into our city and its central business district; and,

WHEREAS, the City of San Angelo Development Corporation Board (COSADC) has determined that such improvements are needed within available right-of-way open spaces at strategic locations serving as welcoming gateways into the city to enhance economic development in the city; and,

WHEREAS, the City desires funding assistance for up to \$150,000, for such purposes from COSADC through adoption of a Project authorized under Sections 501.103 and 505.152 of the Development Corporation Act; and,

WHEREAS, at least sixty (60) days prior to undertaking a project, a public notice of the specific project shall be published and at least one public hearing shall be held by the Development Corporation prior to expending funds on the Project in compliance with the requirements of the Development Corporation Act, Sections 505.159 and 505.160 of the Local Government Code and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF SAN ANGELO DEVELOPMENT CORPORATION THAT:

The City of San Angelo Development Corporation offers this Resolution authorizing the use of sales and use tax funds as an economic development enhancement project to make certain sculptural display improvements incorporating sculptures described as Working Cowboy and Three Ewes, signage and landscaping in the right-of-way open spaces of Highway 87, north and south of the City of San Angelo business district, that will serve as engaging, warm welcomes to motorists driving into the City of San Angelo and its central business district, in an amount not to exceed \$150,000; authorizing the Board President to negotiate and execute a Memorandum of Understanding with the City of San Angelo providing for City's performance ("MOU") and any related documents, in compliance with the Development Corporation Act, in a form approved by the City Attorney; and, recommending to City Council ratification of the Project and authorization for the City Manager to execute the MOU.

PASSED THIS 24th DAY OF June, 2020.

CITY OF SAN ANGELO DEVELOPMENT CORPORATION

ATTEST:

DocuSigned by:

B488B9107DA14CD
Nora Nevarez, Corporate Secretary

DocuSigned by:

D5BB05B2E1E14B1...
BY: _____
Todd Kolls, President

APPROVED FOR CONTENT

DocuSigned by:

B555592C5C0947A...
Guy Andrews, Director of
Economic Development

APPROVED AS TO FORM

DocuSigned by:

609C3C87D18482...
Dan I. Saluri, Deputy City Attorney

Requestor: Nora Nevarez, Executive Office Coordinator, COSADC, 325-653-7197

Meeting Date: September 23, 2020

Item type: Regular Item

Caption:

Consider approval of a Memorandum of Understanding by and between the City of San Angelo Development Corporation and the City of San Angelo relating to partial funding for open space improvement, landscaping, and related facilities to enhance highway 87 right of way in the amount of \$150,000. (Presentation by Guy Andrews, Director of Economic Development)

Summary/History:

This is a Memorandum of Understanding between COSADC and the City of San Angelo to allow them the administer the \$150,000 approved for the projects described in the attached Resolution.

Financial Impact:

Funds have been set for this project.

Other Information/Recommendation:

Attachments:

1. 20-0688_COSADC_CITY_SCULPTURES_DISPLAY_MOU20-0688_COSADC_CITY_SCULPTURES_DISPLAY_MOU.docx
2. COSADC_CITY_SCULPTURES_DISPLAY RESO (1) COSADC_CITY_SCULPTURES_DISPLAY RESO (1).pdf

Presentation:

Approvals/Reviews:

Nora Nevarez
Dan Saluri
Nolan Sosa
Tina Dierschke
Guy Andrews

Created/Initiated
Approved
Approved
Approved
Final Approval

MEMORANDUM OF UNDERSTANDING BY AND BETWEEN THE CITY OF SAN ANGELO DEVELOPMENT CORPORATION AND THE CITY OF SAN ANGELO RELATING TO PARTIAL FUNDING FOR OPEN SPACE IMPROVEMENT, LANDSCAPING AND RELATED FACILITIES. TO ENHANCE HIGHWAY 87 RIGHT OF WAY,

This Memorandum of Understanding ("MOU") entered into by and between the CITY OF SAN ANGELO DEVELOPMENT CORPORATION ("COSADC"), a State of Texas non-profit Type B development corporation ("COSADC") and the CITY OF SAN ANGELO, TEXAS (City), a home rule municipal corporation ("City"), effective **October 6, 2020 ("Effective Date")**, relates to construction services for infrastructure improvements required by U.S. Customs and Border Protection Air & Marine Operations (CBPAMO) at the San Angelo Regional Airport—Mathis Field on property leased by the United States Government.

RECITALS

WHEREAS, Highway 87 (Koenigheim Street north bound and Abe Street southbound) constitutes the primary north – south thoroughfare serving as a gateways into the City of San Angelo; and,

WHEREAS, “Working Cowboy” is a ten foot seven inch tall bronze statue with outstretched welcoming hand, by local sculptor Scott Sustek, displayed in the right-of-way of Abe Street (Highway 87) at the northern gateway for traffic into the City; and,

WHEREAS, a second bronze sculpture of an Ewe with Two Lambs is displayed in the right-of-way of Koenigheim (Highway 87,) at the southern gateway for traffic into the City; and,

WHEREAS, the unique Working Cowboy and Ewes bronze sculptures depict the cultural character of the City of San Angelo; and,

WHEREAS the City intends to develop plans for the construction of and to construct certain landscaping, sculptural display and signage improvements at specified locations in the rights-of-way open spaces of Abe and Koenigheim Streets (Highway 87) that will serve as engaging, warm welcomes to motorists driving into the City and its central business district (hereinafter referred to as the “Project”); and,

WHEREAS, on June 24, 2020, the COSADC Board adopted a resolution authorizing a Project partially funding the open space landscaping, sculptural display, and signage enhancements to Interstate 87 right of way planned by the City; authorizing negotiation of a Memorandum of Understanding (MOU) with the City for partial funding of the Project not to exceed \$150,000; and, establishing the performance obligations of the parties; and,

WHEREAS, on July 7, 2020, the City Council for the City of San Angelo approved the Project Resolution adopted by the COSADC Board and authorized the negotiation and execution of this MOU;

NOW THEREFORE, the Parties hereto cause this MOU to be executed by their duly authorized representatives for the purpose of memorializing the terms expressed herein,

1. **Recitals:** The foregoing recitals are true and correct and are adopted by the parties as part of this MOU.

2. **Term:** This MOU shall become enforceable upon its Effective Date first hereinabove provided; and, except as may be otherwise agreed to between the Parties, shall automatically terminate upon completion of the Project work, acceptance thereof by the City, and reimbursement of Project costs by COSADC pursuant to this MOU, in a sum not to exceed \$150,000. Notwithstanding the foregoing, in no event shall the obligations of the parties to this MOU extend beyond December 31, 2021.
3. **City's Obligations:** (a) City shall perform or enter into contracts for performance, including construction services, necessary to complete Project work pursuant to plans developed by the City and approved by COSADC (the work and related construction contracts collectively are referred to herein as the "Contract").
(b) City shall periodically on request of COSADC or its executive director, provide progress reports to the Board or executive director, including but not limited to copies of contracts, notice to proceed, subcontracts, inspection reports, billing and payment records, and other Project work related documents.
(c) City shall repay, refund and remit to COSADC all funds deposited for reimbursement to City for costs incurred relating to the Project that are not utilized for Project purposes upon expiration or termination of this MOU.
(d) City shall provide COSADC with such accounting and supporting business records as COSADC may in its discretion deem sufficient to verify under generally accepted accounting and audit principals the facts set forth in the accounting.
4. **Funding Obligation of COSADC:** Conditioned upon City's timely performance of its obligations under this MOU and of its obligations under Contract, COSADC shall provide funding of City's payment obligations under Contract in a sum, not to exceed ONE HUNDRED FIFTY THOUSAND AND NO/100 DOLLARS (\$150,000).
5. **Assignment:** This MOU shall not be assigned by any of the Parties to it, in whole or in part, without the prior written consent of each of the other Parties, which consent may be arbitrarily withheld or conditioned.
6. **Notices:** All notices required under this MOU shall be in writing and shall be given by hand-delivery or by certified U.S. Mail, return receipt requested, addressed to the other Party at the address indicated herein or to such other address as a Party may designate by notice given as herein provided. Notice shall be deemed given on the day on which personally delivered; or, if by mail, on the third day after being deposited with the U.S. Mail or the date of actual receipt, whichever is earlier.

CITY OF SAN ANGELO DEVELOPMENT CORPORATION
Attention: Director of Economic Development
69 N. Chadbourne Street
San Angelo, Texas 76903

CITY OF SAN ANGELO
Attention: City Manager
72 W. College Avenue
San Angelo, Texas 76903

With a mandatory copy to:

City Attorney's Office
72 W. College Avenue
San Angelo, Texas 76903

7. **Contingency Clause:** The funding obligation of COSADC under this MOU is contingent on the availability of funds and continued authorization for Project activities. This MOU is subject to amendment due to lack of funds, reduction of funds and/or change in regulations, upon thirty (30) days' written notice thereof to City.

8. **No Joint Venture:** It is acknowledged and agreed by the Parties hereto that the terms of this MOU are not intended to and shall not be deemed to create any partnership or joint venture between the Parties. COSADC, its past and future officers, employees and agents do not assume responsibilities or liabilities of any third Party in connection with City's operations, employees or contractors.

9. **Remedies:** Upon breach of any of the commitments and obligations contained in this Agreement in addition to any other remedies expressly set forth in this Agreement with respect to such breach, the aggrieved party shall have such remedies as are available in law or equity for breach of contract; provided, however, that no party shall be liable to any other party for incidental or consequential damages.

10. **Miscellaneous Provisions:**

A. This MOU shall be construed and enforced according to the laws of the State of Texas. The Parties acknowledge that this MOU can be performed in Tom Green County, Texas, and that venue for the resolution of any dispute between the Parties relating to this MOU shall be in Tom Green County, Texas.

B. Title and paragraph headings are for convenient reference and are not a part of this MOU.

C. The meaning of capitalized terms shall be as defined under this MOU.

D. Should any provision, paragraph, sentence, word or phrase contained in this MOU be determined by a court of competent jurisdiction to be invalid, illegal or otherwise unenforceable under the laws of the State of Texas or the City of San Angelo, such provision, paragraph, sentence, word or phrase shall be deemed modified to the extent necessary in order to conform with such laws, or if not modifiable, then same shall be deemed severable, and in either event, the remaining terms and provisions of this MOU shall remain unmodified and in full force and effect or limitation of its use.

E. This MOU constitutes the sole and entire agreement between the Parties hereto relating to the subject matter of this MOU. No modification or amendment hereto shall be valid unless in writing and executed by properly authorized representatives of the Parties hereto.

F. Any delay or failure in the performance by either Party hereunder shall be excused if and to the extent caused by the occurrence of a Force Majeure. For purposes of this MOU, Force Majeure shall mean

a cause or event that is not reasonably foreseeable or otherwise caused by or under the control of the Party claiming Force Majeure, including acts of God, fires, floods, explosions, riots, wars, hurricane, sabotage terrorism, vandalism, accident, restraint of government, governmental acts, injunctions, labor strikes that prevent a Party from performing, and other like events that are beyond the reasonable anticipation and control of the Party affected thereby, despite such Party's reasonable efforts to prevent, avoid, delay, or mitigate the effect of such acts, events or occurrences, and which events or the effects thereof are not attributable to a Party's failure to perform its obligations under this MOU.

G. This MOU shall be binding upon the Parties hereto, their legal representatives, successors or permitted assigns.

H. This MOU may be executed in multiple counterparts, each of which shall be deemed an original, and all of which, taken together, shall constitute but one and the same instrument, which may be sufficiently evidenced by one counterpart.

I. No waiver or breach of any provision of this MOU shall constitute a waiver of any subsequent breach of the same or any other provision hereof, and no waiver shall be effective unless made in writing. Failure by a Party on one or more occasions to exercise one or more of its rights under this MOU shall not be construed as waiver of such right or rights, and rights granted hereunder are in addition to those available under law and equity.

J. The provisions of this MOU, which by their nature extend beyond the expiration or termination of this MOU, will survive expiration or termination of this MOU.

K. This MOU has been officially authorized by the governing body of each Party hereto and each signatory to this MOU guarantees and warrants that the signatory has full authority to execute this MOU and to legally bind the respective Party to it.

IN WITNESS WHEREOF, the Parties hereto have caused this instrument to be executed by their respective officials thereunto duly authorized, on the dates indicated below.

ATTEST:

**CITY OF SAN ANGELO
DEVELOPMENT CORPORATION**

Nora Nevarez, Secretary

Todd Kolls, President

Date: _____, 2020

ATTEST:

CITY OF SAN ANGELO

Julia Antilley, Interim City Clerk

Daniel Valenzuela, City Manager

Date: _____, 2020

APPROVED AS TO CONTENT

APPROVED AS TO FORM

Guy Andrews, Director of Economic
Development

Dan T. Saluri, Deputy City Attorney

DRAFT

A RESOLUTION OF THE SAN ANGELO DEVELOPMENT CORPORATION (COSADC) AUTHORIZING THE USE OF SALES AND USE TAX FUNDS IN AN AMOUNT NOT TO EXCEED \$150,000 DOLLARS TO PARTIALLY FUND CITY OF SAN ANGELO, OPEN SPACE IMPROVEMENT, LANDSCAPING AND RELATED FACILITIES NECESSARY TO ENHANCE THE HIGHWAY 87 RIGHT OF WAY, A PROJECT AUTHORIZED UNDER SECTION 501.103 INFRASTRUCTURE IMPROVEMENTS (STREET LANDSCAPING) AND SECTION 505.152 OF THE TEXAS LOCAL GOVERNMENT CODE FOR OPEN SPACE IMPROVEMENTS NECESSARY TO DEVELOP NEW OR EXPANDED BUSINESS ENTERPRISES; AND, AUTHORIZING THE BOARD PRESIDENT TO NEGOTIATE AND EXECUTE A MEMORANDUM OF UNDERSTANDING (MOU) WITH THE CITY OF SAN ANGELO PROVIDING TERMS FOR PERFORMANCE, AND ANY OTHER RELATED DOCUMENTS, IN A FORM APPROVED BY THE CITY ATTORNEY, SUBJECT TO APPROVAL OF CITY COUNCIL.

WHEREAS, the voters of the City of San Angelo on November 2, 2010, approved the use of sales and use tax proceeds for the continued economic development projects authorized under Section 4B of the Act; and,

WHEREAS, Highway 87 (Koenigheim Street north bound and Abe Street southbound) constitutes the primary north – south thoroughfare serving as a gateway into the City of San Angelo; and,

WHEREAS, “Working Cowboy”, a ten foot seven inch tall bronze statue by local sculptor Scott Sustek, is displayed in the right-of-way of Abe Street with outstretched welcoming hand. This sculpture was attained through public donations collected with the efforts of Art in Uncommon Places, a nonprofit local group that fosters the creation of public works of art ; and,

WHEREAS, a second bronze sculpture of an Ewe with Two Lambs is displayed in the right-of-way of Koenigheim courtesy of the Texas Department of Transportation; and,

WHEREAS, the unique Working Cowboy and Ewes bronze sculptures depict the cultural character of our city; and,

WHEREAS the city plans to make certain sculptural display improvements, signage and landscaping in the right-of-way open spaces that will serve as engaging, warm welcomes to motorists driving into our city and its central business district; and,

WHEREAS, the City of San Angelo Development Corporation Board (COSADC) has determined that such improvements are needed within available right-of-way open spaces at strategic locations serving as welcoming gateways into the city to enhance economic development in the city; and,

WHEREAS, the City desires funding assistance for up to \$150,000, for such purposes from COSADC through adoption of a Project authorized under Sections 501.103 and 505.152 of the Development Corporation Act; and,

WHEREAS, at least sixty (60) days prior to undertaking a project, a public notice of the specific project shall be published and at least one public hearing shall be held by the Development Corporation prior to expending funds on the Project in compliance with the requirements of the Development Corporation Act, Sections 505.159 and 505.160 of the Local Government Code and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF SAN ANGELO DEVELOPMENT CORPORATION THAT:

The City of San Angelo Development Corporation offers this Resolution authorizing the use of sales and use tax funds as an economic development enhancement project to make certain sculptural display improvements incorporating sculptures described as Working Cowboy and Three Ewes, signage and landscaping in the right-of-way open spaces of Highway 87, north and south of the City of San Angelo business district, that will serve as engaging, warm welcomes to motorists driving into the City of San Angelo and its central business district, in an amount not to exceed \$150,000; authorizing the Board President to negotiate and execute a Memorandum of Understanding with the City of San Angelo providing for City's performance ("MOU") and any related documents, in compliance with the Development Corporation Act, in a form approved by the City Attorney; and, recommending to City Council ratification of the Project and authorization for the City Manager to execute the MOU.

PASSED THIS 24th DAY OF June, 2020.

CITY OF SAN ANGELO DEVELOPMENT CORPORATION

ATTEST:

DocuSigned by:

B488B9107DA14CD
Nora Nevarez, Corporate Secretary

DocuSigned by:

D5BB05B2E1E14B1...
BY: _____
Todd Kolls, President

APPROVED FOR CONTENT

DocuSigned by:

B555592C5C0947A...
Guy Andrews, Director of
Economic Development

APPROVED AS TO FORM

DocuSigned by:

609C3C87D18482...
Dan I. Saluri, Deputy City Attorney

Requestor: Shannon Scott, Economic Development Specialist, COSADC, 325.653.7197

Meeting Date: September 23, 2020

Item type: Regular Item

Caption:

Public Hearing regarding the use of Sales and Use Tax funds in an amount not to exceed \$400,000 for the San Angelo part of a matching 2020 Defense Economic Adjustment Assistance Grant (DEAAG) for Goodfellow AFB that totals \$10,462,730. (Presentation made by Guy Andrews, Director of Economic Development).

Summary/History:

The requested \$400,000 is the San Angelo part of a matching DEAAG grant that totals \$10,462,730. This amounts to 3.82% of the total grant.

The grant application along with a detailed project overview that enumerates the projects to be funded are attached for reference.

COSADC is receiving a refund of \$150,000 from a prior DEAAG grant, so the additional amount for this grant will be a maximum of \$250,000. The refunded amount of \$150,000 will be applied to this grant.

\$145,000 of the \$400,000 will be applied in 2020, with the remaining \$255,000 applied in 2022.

This project was approved at the 2-13-20 COSADC Special Meeting and ratified by City Council at their 2-18-20 Meeting. Resolution attached.

Financial Impact:

Other Information/Recommendation:

Attachments:

- | | | |
|----|---|--|
| 1. | DEAAG 2020 Application_Tom Green County_14 Jan 2020 | DEAAG 2020 Application_Tom Green County_14 Jan 2020.docx |
| 2. | Attachment L Detailed Project Overview 13 Jan 20 | Attachment L Detailed Project Overview 13 Jan 20.docx |
| 3. | 20-0313_COSADC_DEAAG_2020_RESO_FINAL.docx | 20-0313_COSADC_DEAAG_2020_RESO_FINAL.docx.pdf |

Presentation:

Approvals/Reviews:

Shannon Scott
Dan Saluri
Nolan Sosa
Tina Dierschke

Created/Initiated
Approved
Approved
Approved

Dan Saluri
Guy Andrews

Approved
Final Approval



DEFENSE ECONOMIC ADJUSTMENT ASSISTANCE GRANT

OFFICE OF THE GOVERNOR
Texas Military Preparedness Commission
Spring 2020

<i>For TMPC Use Only</i>	
Date Received	
Applicant	
Project	

Program Overview

The program is administered by the Texas Military Preparedness Commission (Commission) within the Office of the Governor. The Defense Economic Assistance Adjustment Grant (DEAAG) is codified in Texas Government Code Chapter 436 and in Subchapter B of Title 1, Chapter 4 of the Texas Administrative Code.

Eligible local governmental entities may be awarded a grant if the commission determines that the entity may be adversely or positively affected by an anticipated, planned, announced, or implemented action of the United States Department of Defense (DoD) to close, reduce, increase, or otherwise realign defense worker jobs or facilities.

To review Texas Government Code 436, visit
<https://statutes.capitol.texas.gov/Docs/GV/htm/GV.436.htm>.

To review the Texas Administrative Code, visit
[https://texreg.sos.state.tx.us/public/readtac\\$ext.ViewTAC?tac_view=4&ti=1&pt=1&ch](https://texreg.sos.state.tx.us/public/readtac$ext.ViewTAC?tac_view=4&ti=1&pt=1&ch)

All grant funds must be expended within two years of the award date. This grant follows the Uniform Grant Management Standards.

A defense community is eligible for a grant from DEAAG if the commission determines that it satisfies one of the eligibility criteria as referenced in above in the Texas Government Code and Texas Administrative Code. The grant funds are administered on a reimbursement basis. Administrative costs will not be allowed for reimbursement. Please contact the Texas Military Preparedness Commission at tmpe@gov.texas.gov or 512-475-1475 should you have any questions.

The grant will be scored on the following criteria: military value, project probability, relation to the National Defense Strategy, dual military/community benefit, new missions, resiliency, and efficiency.

All support letters must be attached to application. They are not part of the scoring process. Please keep in mind that this application is limited to 50 pages including application pages.

Unauthorized changes to this application will render the application and any subsequent grant void.

Applications are due by 5:00 PM CST on Friday, February 28, 2020. Any application received after this time will be ineligible for consideration.

Applications are accepted via email (preferred) at tmpe@gov.texas.gov, in-person, or by the addresses below by the application deadline:

Mailing Address:
Texas Military Preparedness Commission
Office of the Governor
P.O. Box 12428
Austin, TX 78711

Street Address:
Texas Military Preparedness Commission
Office of the Governor
1100 San Jacinto
Austin, TX 78701

For additional information on DEAAG, please refer to <http://www.gov.texas.gov/military/grants>.

Applicant Information

Name of Applicant: TOM GREEN COUNTY

Address: 112 W. Beauregard Ave., San Angelo, TX 76903

Point of Contact: _____

Point of Contact Phone: _____

Point of Contact Email: _____

1. Are all involved entities current on all obligations with the State of Texas?

☒ Yes ☐ No

If no, please explain. Attach additional pages as necessary as Attachment A. Please keep in mind that this application is limited to 50 pages.

N/A

2. Is there a pending claim or litigation against any entity involved with the project?

☐ Yes ☐ No

If yes, please explain. Attach additional pages as necessary as Attachment B. Please keep in mind that

this application is limited to 50 pages.

3. Please provide documentation authorizing entity to participate in program. An example is a public hearing, ordinance, or resolution. Attach as Attachment C. Please keep in mind that this application is limited to 50 pages.

Project Summary

Project Name: Improve Goodfellow AFB's resiliency and energy security

The project will provide capital investment to create a 5G communication system network that is required to establish Goodfellow as a World renowned Intelligence Training Center of Excellence; and benefits San Angelo as one of the first rural communities with 5G network capabilities. The project includes energy conservation measures that will reduce Goodfellow's energy demands and provide micro grid capabilities in the event of electrical grid failure; and also meets cyber security requirements. It will improve the warfighting capabilities of our airmen, soldiers, sailors, and marines with the infrastructure necessary to promote functional physical fitness to include covered outdoor training area and equipment, improve the safety and health of military working dogs (MWDs) with an astro turf covered outdoor training area, enhance the communications between Goodfellow and local emergency first responders with interoperable mobile radios, improve Goodfellow's HAZMAT response capabilities with a fully equipped emergency response trailer in Tom Green County where there has been exponential growth in the storage and transportation of hazardous materials due to the expansion of the oil industry, and expands a joint service student resiliency assembly area.

Provide a **short** summary of the project to be funded.

Funding Source	Total Dollar Amount	Percentage Share of Project
1. Requested Amount of DEAAG	\$5,000,000	47.79%
2. Federal	\$4,909,730	46.93%
If DEAAG is being used towards matching a federal grant, please note the total amount of the federal grant.	0	0
3. Local Community Funding (Note if funding is in-kind).	\$400,000	3.82%
4. Other Sources	\$153,000 (private donations)	1.46%

Eligibility

6. An entity is eligible for DEAAG if it satisfies one of the following; please select which qualification applies:

- ☒ Municipality or county that is a defense community as defined in Local Government Code 397.001
- ☐ Regional planning commission that has a defense community within its boundaries
- ☐ Public junior college district that is wholly or partly located in a defense community
- ☐ Campus or extension center for education purposes of the Texas State Technical College System located in a defense community
- ☐ Defense base development authority created under Local Government Code 379B
- ☐ Political subdivision having the power of a defense base development authority created under Local Government Code 379B

Eligibility of Adversely Affected Community

☐ This applicant is not adversely affected. If checked, please proceed to question 8.

7. An entity is an adversely affected defense community if it has experienced:

- ☒ An anticipated, planned, announced, or implemented action of the Department of Defense to close, reduce, or otherwise realign defense worker jobs or facilities.

Eligibility of a Positively Affected Community

☐ This applicant is not positively affected. If checked, please proceed to question 9.

8. An entity is a positively affected defense community if it has experienced:

- ☒ Increase in military missions, including personnel gains at a military installation, within a municipality or county as a result of a Department of Defense anticipated, planned, announced, or implemented action to increase or otherwise realign defense worker jobs or facilities.

Summary of Eligibility & Impact

9. Provide a Summary of Eligibility regarding status as positively or negatively affected community with documentation. **Failure to provide documentation to determine eligibility for the program will result in a return of this application without further review.** Describe the impact of the change in mission or personnel in the military installation or defense facility and community or the gain that is predicted to occur. Describe the impact on housing, transportation, infrastructure and security where applicable. Attach additional pages as necessary as Attachment D. Please keep in mind that this

Goodfellow AFB (GAFB) is eligible for this program in several ways:

First, as seen in Attachment D, GAFB is the largest employer in San Angelo. It was visited during the 2005 BRAC process and received a BRAC score of 16.78 which positioned Goodfellow as highly targeted for closure. If GAFB closed, it would be catastrophic to the City of San Angelo and Tom Green County due to its economic impact of \$3.0 billion as seen in Attachment D. This project aligns with the national defense strategy to improve energy resiliency and improve combat readiness and lethality by enhancing Goodfellow's position as a power projection platform where the in-garrison infrastructure improvements will hone expeditionary skills and expands facilities to support an increase of 30 permanent party positions, along with an average daily student load increase of 159.

Since the scare of the 2005 BRAC, GAFB was negatively affected in 2012 by the PBD720 (President's Budget Decision) where GAFB lost 169 positions. In addition, the loss included the Non-Commissioned Officer (NCO) Academy at GAFB, where 4 of 10 academies were closed throughout the Air Force. Average cost for a lost full-time position is \$74,244 per man year. The economic impact loss to the city and county is considered to be \$25,094,472 annually.

In addition the community is positively impacted with Army and Navy decisions to realign intelligence training to Goodfellow AFB. The Army projects an increase in training throughput of 192 students and the addition of 10+ permanent party instructors; and the Navy projects an increase in training throughput of 266 students and the addition of 19+ permanent party instructors. The annual economic impact of the 30+ permanent party instructors who will live in the community is \$4.5M; and \$5.8M for an average daily student load of 159.

The project will also enhance the safety and security of the local community through enhanced interoperability between Goodfellow and local first responders and improves Goodfellow's HAZMAT response capabilities through a Memorandum of Understanding with the San Angelo Fire Department.

application is limited to 50 pages.

Project Description

15. Please check all that apply:

☒ Construct New Facility / Infrastructure¹

¹ New Construction, Expansion or Renovation of Facilities or Infrastructure – Describe the use of the facility or infrastructure to be constructed or replaced, expanded or renovated.

☒ Expand Existing Facility / Infrastructure¹

☒ Renovate Facility / Infrastructure¹

☐ Federal Grant Match²

☐ Property Purchase³

☐ Purchase of Insurance⁴

☒ Purchase Capital Equipment

☐ Purchase Training Equipment

² Federal Match Grant – Summarize the use of the DEAAG funding in obtaining federal funding. A federal award letter, Memorandum of Understanding or agreement must be provided before the release of state grant funds.

³ Property Purchase – Describe the real or personal property to be purchased. Include general description of buildings and a map of the property to be purchased accompanied by a copy of the conveyance documents or a summary of conveyance negotiations.

⁴ Purchase of Insurance – Describe the insurance to be purchased including the type of coverage limits.

16. Provide an in-depth description of the project in the space below including specific details and documentation of the applicable project description as noted above. Examples include anticipated costs, project timeline, military gifting timeline, etc. Attach additional pages as necessary as

The project enhances an existing outdoor training environment for Goodfellow's military working dogs (MWD) by providing shade from the west Texas sun during the summer and artificial turf to ensure the training grounds provide a hazard free surface. The MWDs provide support for the global war on terror and also provide drug and bomb detection support to the city of San Angelo. The project also includes a covered outdoor functional (combat skills) fitness training area, repairs a rubberized 1/4 mile outdoor running track, constructs an outdoor astro turf area for Army combat fitness testing, and enhances a joint service student assembly area that will contribute to the improvement of readiness, lethality, and resiliency of over 14,000 warrior students each year. In addition the project improves the interoperability of Goodfellow's emergency response force with the local and county first responders with the purchase of mobile radios that provide critical communication links between responding agencies; and provides enhanced capabilities to respond to hazardous events within Tom Green County with the purchase of an emergency response trailer outfitted with protective equipment and sensors required to contain and combat hazardous material events. Installation of 5G tower and 5G base station antennas will serve as a capital investment to leap Goodfellow's communication infrastructure into the next generation of innovative technologies. In addition the energy savings performance contract proposes a 7 MW on site power generation plant using photovoltaics and reciprocating internal combustion engines that could ease local area concerns, if the community suffers an electrical brownout. Total cost of the project is \$10,462,730 with contributions from the City of San Angelo, private donors, federal government, and a \$5M DEAAG, if approved. If approved, it will take approximately two months to process a gift acceptance package through the AF. Execution of federal funds has already begun and completion of the entire project is projected for Dec 2012.

Attachment E. Please keep in mind that this application is limited to 50 pages.

17. Does the project add military value to a military installation or defense facility? How? Attach additional pages as necessary as Attachment F. Please keep in mind that this application is limited to

This project supports a 460 annual student growth in Army and Navy intelligence training at Goodfellow AFB, along with the addition of 30 permanent party instructors.

The multi-phased project strengthens Goodfellow's capacity to provide combat-credible military forces to defend the homeland, project power, and deter near peer adversaries through enhanced military readiness of America's military firefighters and intelligence professionals that directly supports national defense strategies; in addition to improving energy resiliency and reliance on the electrical grid. The foundation of military readiness and lethality is an integrated network of resilient installations that enable advanced-generation, multi-domain operations while also providing safe communities for our Airmen and families. Installation of a high speed 5G network will increase communication resiliency by eliminating single points of failure on legacy communication cables while also allowing geometric leaps in innovative technologies to prepare our warfighters for the next generation of battle. **This project increases Goodfellow's military value where Goodfellow provides a foundational platform from which the Air Force and sister services receive intelligence, surveillance and reconnaissance (ISR) professionals, as well feeding the core mission of rapid global mobility with joint ISR and firefighting professionals.**

Goodfellow is a power projection platform that provides an in-garrison infrastructure to hone expeditionary skills for over 14,000 warrior students per year. **The infrastructure investment strategy outlined in this proposal is inextricably linked to ensuring readiness, lethality and combat power; and aligns with the National Defense Strategy infrastructure investment requirements.** This multi phased project also provides added safety and security for the city and county through MOAs that provide emergency hazmat response/fire services and military working dogs capable of drug and bomb detection.

Finally the **project provides energy resiliency with onsite generation, energy storage, and a Smart energy approach that is designed to provide GAFB with fence-to-fence energy security and increased resiliency during any instances of grid power disruption, as well as reducing the electrical grid demand shared with the city.**

50 pages.

18. Does the project fit into the most recent National Defense Strategy? How? Attach additional pages as necessary as Attachment G. Please keep in mind that this application is limited to 50 pages.

This project improves our competitive military advantage that has eroded over the years. **The project will improve the fielding of a lethal, resilient, and rapidly adapting joint Force.** It lays the foundation for future readiness through recapitalization, innovation, and modernization. **The project builds partnerships with the intelligence community, local law enforcement, and city/county emergency response forces that address areas of economic, technological, and informational vulnerabilities.** Our enduring partnerships with the local community is well known and helps deter or respond to homeland attacks. **The focus on the resiliency of Goodfellow's Airmen meets one of the other national defense objectives to sustain a joint military force advantage, both globally and in key regions where our airmen deploy.** The micro-grid, energy independence, and **5G communication** upgrades meets another key NDS objective to establish an unmatched twenty-first century national security Innovation base that effectively supports department operations and sustains security and solvency. **K-9 military working dog support for bomb detection and drug interdiction, hazardous material response capabilities, energy security and resilience, and warrior lethality are all in direct support of the 2018 National defense strategy** (See attachment G).

19. Does the project have dual community/military benefit? How? Attach additional pages as necessary as Attachment H. Please keep in mind that this application is limited to 50 pages.

The project will reduce Goodfellow's energy consumption and reliance on the national electric grid, thus improving electrical grid resiliency for both the base and the community; it will improve Goodfellow's HAZMAT response capabilities that also supports the Concho Valley through a first responder's memorandum of agreement with the City of San Angelo; it enhances drug interdiction and bomb detection within the community; and it supports Goodfellow's mission growth in intelligence training that is expected to provide an economic local impact of over \$10M annually.

20. Does the project bring in new missions or expand current missions? How? Attach additional pages as necessary as Attachment I. Please keep in mind that this application is limited to 50 pages.

This project supports the relocation of Army and Navy intelligence training to Goodfellow AFB, as well as growth in Air Force training. Growth over the next two years will result in 29+ permanent party instructors and a throughput of 460 students annually. See attachment I for the Army and Navy basing decisions.

21. Does the project add resiliency to the military installation? How? Attach additional pages as necessary as Attachment J. Please keep in mind that this application is limited to 50 pages.

The project provides energy resiliency with on-site generation, energy storage, and a Smart energy approach that is designed to provide Goodfellow with fence-to-fence energy security and increased resiliency during any instances of electrical grid power disruptions, as well as reducing the electrical grid demand shared with the city. In addition outdoor combat readiness resiliency will be enhanced for 14,000 joint service military members annually trained at Goodfellow, as well as Goodfellow's deployable K-9 units.

22. Does the project help the military installation become more efficient or save money on costs such as utilities? How? Attach additional pages as necessary as Attachment K. Please keep in mind that this

It is estimated that Goodfellow's electrical costs will be reduced by \$420K per year with the energy upgrades proposed by an energy savings performance contractor (ESPC). The ESPC also proposes micro-grid capabilities with 7MW on site generation using photovoltaics and reciprocating internal combustion engines that could ease demands on the electrical grid and improve energy security and resilience. The micro-grid will also ease electrical grid concerns by the local community during brown out events. See Attachment K.

application is limited to 50 pages.

Projected Completion Date & Milestones of Project

23. Complete the following applicable milestones:

Begin Construction: August 2020

Complete Construction: January 2022

Purchase Machinery & Equipment: June 2020

Begin Operations: July 2020

Fully Operational: December 2021

24. Is construction on Department of Defense property?

☒ Yes ☐ No

25. Is construction on local, city, or county owned property?

☐ Yes ☒ No

26. Please provide limited and relevant information concerning your expenses for the project. For example, provide an overview of a budget as opposed to the full budget. Please provide as attachment L. Please keep in mind that this application is limited to 50 pages.

The Office of the Governor follows Universal Grant Management Standards as set by the State of Texas and the Federal Government. Please review these standards before submitting your projected expenses.

For more information, visit <https://comptroller.texas.gov/purchasing/docs/ugms.pdf>

Administrative costs will not be reimbursed through this grant.

Project Expense Estimate

Estimates Expense Schedule

27. Complete the following by state fiscal year (September 1 – August 31).

	FY 2020	FY 2021	FY 2022
Purchase of Property	0	0	0
Professional & Consultant Services	\$449,160	\$139,080	\$79,800
New Construction (Infrastructure)	\$725,000	\$2,130,000	\$1,400,000
Rehabilitation & Renovation (Infrastructure)	0	0	0
Capital Equipment ⁵	\$928,280	\$266,410	\$4,200,000
Facilities Insurance	0	0	0
Training Equipment ⁶	0	0	0
Training Supplies ⁷	0	0	0
Matching Funds	\$145,000	\$153,000	\$255,000
Total Project Cost	\$2,102,440	\$2,535,490	\$5,679,800

Matching funds are not included in the **Total Project Cost**; those funds (private and City of San Angelo) pays for County administrative fees in FY 2020 and reduces DEAAG funds required against the total project costs shown in FY 2022 and 2023. Total project value to include county administrative fees is \$10,462,730.

Provide any clarification in the following space:

⁵ Per UGMS, "Equipment" means an article of nonexpendable, tangible personal property having a useful life of more than one year and a per unit acquisition cost of \$5,000 or more.

⁶ *Id.*

⁷ Per UGMS, items of equipment with a per unit acquisition cost of less than \$5,000 are considered to be supplies.

Project Funding Sources

Funding Schedule

28. Please complete the following where applicable:

Funding Type	Source	Amount of Funding by State Fiscal Year		
		FY 2020	FY 2021	FY 2022
Federal				
O&M funds	O&M	\$1,343,280	\$150,000	\$2,748,410
In-Kind	In-Kind	\$425,500	\$121,270	\$121,270
State				
	DEAAG-TMPC	\$426,410	\$1,977,000	\$2,596,590
Other State Entity				
Local				
Cash	San Angelo	\$145,000		\$255,000
Other				
Cash	Private		\$153,000	
Total		\$1,914,690	\$2,401,270	\$5,772,860

Provide any clarification regarding the funding schedule in the following space:

Other Financial Partners

26. Is DEAAG the sole source of project funding? If no, please provide additional information in the section below.

☐ Yes ☒ No

Provide a description explaining the funding types and sources identified in the funding schedule. Include a description of any ongoing efforts to acquire funding from other sources including federal agencies and

Funding sources include a \$400K cash contribution from the City of San Angelo Economic Development Council; \$153 cash contribution from private donors to support the infrastructure investment at the dog kennel; federal funds for the track rehabilitation, resiliency center addition, alpha warrior equipment, HAZMAT response equipment, interoperable emergency response radios, and in-kind design/construction inspection services; and shared investment into Goodfellow's Energy Savings Performance Contract (ESPC) where State funding will reduce Goodfellow's repayment of the investment to the ESP contractor through the O&M energy savings generated over the life of the contract; and help ensure project viability. The ESPC contractor funds the project upfront, based on generating guaranteed utility savings.

other financial partners. Attach additional pages as necessary as Attachment M. Please keep in mind that this application is limited to 50 pages.

Request for Exceptional Funding

This question must be filled out if you are receiving more than 50% of your project funds from the TMPC. If it is not filled out, you cannot be granted more than 50% of your request.

☐ Applicant is not requesting exceptional funding

27. Establish and provide justification if requesting greater than 50 percent grant match under Texas Government Code §436.202 and 1 TAC § 4.34; provide explanation and documentation that local community budget and resources are not adequate or available. Justification should include information on the lack of revenue and resources prompting this request. Provide specific information on local efforts to secure adequate funding. *Attach additional pages as necessary as Attachment N.* Please keep in mind that this application is limited to 50 pages.

Additional Information

Please provide additional applicable information specific to this project (attach additional pages as necessary as Attachment O). Please keep in mind that this application is limited to 50 pages.

Certification of Application

Grantee Governing Body Representative (Required)

Prefix _____

First Name _____

Last Name _____

Title _____

Organization _____

Mailing Address _____

Phone Number _____

Fax Number _____

Email Address _____

To the best of my knowledge and belief, the information contained in this Defense Economic Adjustment Assistance Grant Application is true and correct, as evidenced by my signature below. Furthermore, I affirm the authorized representative, the applicant author, or contact person and the project administrator have read chapter 436 of the Texas Government Code and the program administrative rules may be found in Subchapter B of Title 1, Chapter 4 of the Texas Administrative Code and are familiar with the provisions contained therein.

Signature _____ Date _____

(Governing Body Representative)

Participating Legal Counsel (Optional)

☐ No legal counsel involved in the project

Prefix _____

First Name _____

Last Name _____

Title _____

Organization _____

Mailing Address _____

Phone Number _____

Fax Number _____

Email Address _____

I confirm that the above-named legal counsel has been retained to participate in this application process as outlined above.

Signature _____ Date _____

(Governing Body Representative)

Printed Name _____ Title _____

To the best of my knowledge and belief, the information in this Defense Economic Adjustment Assistance Grant Application is true and correct.

Signature _____ Date _____

(Participating Legal Counsel)

Printed Name _____ Title _____

Participating Grant Administrator (Optional)

☐ No grant administrator involved in the project

Prefix _____

First Name _____

Last Name _____

Title _____

Organization _____

Mailing Address _____

Phone Number _____

Fax Number _____

Email Address _____

Please provide a brief description of grant administrator's role with this application:

I confirm that the above-named grant administrator has been retained to participate in this application process as outlined above.

Signature _____ Date _____
(*Governing Body Representative*)

Printed Name _____ Title _____

To the best of my knowledge and belief, the information in this Defense Economic Adjustment Assistance Grant Application is true and correct.

Signature _____ Date _____
(*Participating Grant Administrator*)

Printed Name _____ Title _____

Attachment L

Detailed Project Funding Source/Characteristics/Costs/Estimated Completion Date (ECD)

AF Funds/ Repair & Resurface 1/4 mile Rubberized Track/ \$302K/ ECD Apr 20

AF Funds/ Construct Student Assembly Resilience Facility Addition/ \$113K/ ECD Apr 20

Private Donations & DEAAG Funds/ Construct Military Working Dog Kennel Shade Cover/ \$300K/ ECD May 21

Private Donations & DEAAG Funds/ Install Military Working Dog Kennel Astro Turf/ \$150K/ ECD May 21

DEAAG Funds/ Construct 141' x 117' Shade Cover for Alpha Warrior & Beaver Fit Equipment/ \$1.5M/ ECD Aug 21

DEAAG Funds/ Construct Outdoor Covered Emergency Response Trailer Bays & Drive Thru/ \$310K/ECD Nov 20

DEAAG Funds/ Construct 165' x 100' Army Combat Field Training Area/ \$180K/ Dec 20

City of San Angelo & DEAAG Funds/ construct 5G Network Tower & Base Station Antennas/ \$1.4M (\$255K City & \$1,145K DEAAG)/ECD Jan 22

Sub Total Construction Costs: \$4.255M

AF In-Kind 10% Design Cost: \$425.5K

AF In-Kind 5.7% Construction Supervision, Inspection, and Overhead: \$242.54K

Total Construction Costs: \$4,923.04K

Equipment Costs

AF Funds/ Alpha Warrior & Beaver Fit Equipment/ \$150K /ECD Dec 20

AF Funds/ Mobile Interoperability Radios/ \$58K/ ECD Mar 20

AF Funds/ Hazardous Emergency Response Equipment/ \$870.28K / ECD Mar 20

AF & DEAAG Funds/ Upgrade Energy Management Control System & Micro Grid/ \$4.2M (\$2.8M AF & \$1,451.59K DEAAG)/ECD Dec 21

DEAAG Funds/ MDG & CEX Hazardous Emergency Response Trailer/ \$116.41K/ ECD Sep 20

Total Equipment Costs: \$5,394.69K

Sub Total Project Value: \$10,317.73K

Administrative Cost: \$145K (COSADC Funds)

Total Project Value: \$10,462,730

Matching Funds and In-Kind Contributions Summary:

AF Funds: Repair & Resurface Base Running Track, \$302K

AF Funds: Construct Student Assembly & Resilience Facility Addition, \$113K

AF Funds: Upgrade Energy Management Control System / Micro Grid, \$2.8M

AF Funds: Equipment for Emergency Response Trailer, \$870.28K

AF Funds: Mobile Emergency Radios, \$58K

AF In-kind: Design, \$425.5K

AF in-kind: Construction Supervision/Inspection/Overhead, \$242.54K

Private Funds: Dog Kennel Donations, \$153K

COSADC Funds: City of San Angelo Grant, \$400K

Total Matching Funds and In-kind Contributions: \$5,462.73K

Federal Funding and In-kind: \$4,909.73K (46.93%)

COSADC Funding: \$400K (3.82%)

Private Funding: \$153K (1.46%)

TX DEAAG Request: \$5M (47.79% of overall project value)

A RESOLUTION OF THE CITY OF SAN ANGELO DEVELOPMENT CORPORATION BOARD OF DIRECTORS, AUTHORIZING THE USE OF SALES AND USE TAX FUNDS IN SUPPORT OF A DEFENSE ECONOMIC ADJUSTMENT ASSISTANCE GRANT (DEAAG) AWARD TO TOM GREEN COUNTY (TGC) FOR GOODFELLOW AIRFORCE BASE (GAFB) FOR CONSTRUCTION OF BASE IMPROVEMENTS INCLUDING NETWORK TOWER(S) AND FACILITIES BRINGING 5G WIRELESS TECHNOLOGY TO GAFB, ENHANCING BASE RESILIENCY, AND CONSTRUCTING RELATED IMPROVEMENTS THAT WILL ATTRACT NEW MILITARY MISSIONS TO THE BASE, A PROJECT AUTHORIZED UNDER THE TEXAS DEVELOPMENT CORPORATION ACT, SECTION 501.104 OF THE LOCAL GOVERNMENT CODE .

WHEREAS, Goodfellow Air Force Base ("GAFB") is located in the City of San Angelo ("City"), Tom Green County ("TGC"), Texas and is the City's largest employer; and,

WHEREAS, the mission of GFAB is intelligence training for all branches of the United States Military; and,

WHEREAS, GAFB desires to expand its intelligence training mission to include asymmetric digital subscriber line (ADSL) technology training and resiliency training which will require construction of additional base facilities and bring 5G wireless technology to the Base (hereinafter "Project"); and,

WHEREAS, Tom Green County (TGC) has applied for and is eligible to be awarded a Defense Economic Adjustment Assistance Grant, Spring of 2020, in the sum of \$10,462,730, (hereinafter the Application and Grant are collectively referred to as the "Grant") from the Office of the Governor, Texas Military Preparedness Commission, to provide state funding for the Project, which funding requires local matching funds in the sum of \$400,000; and,

WHEREAS, the City of San Angelo Development Corporation ("COSADC") is Type 4 B Development Corporation authorized to utilize half cent sales and use tax funds for Projects related to certain Military Bases or Missions that include infrastructure improvements, land acquisition, buildings, or expenditures found by the board of directors to be required or suitable for attracting new military missions to GAFB, and;

WHEREAS, TGC and COSADC recognize the strategic priority and role that they can play to support our nation's security efforts through local support of GAFB in the form of matching funds necessary to secure the DEAAG for the Project; and,

WHEREAS the Board of Directors has determined that the Project will attract new military missions to GAFB and result in additional active duty and civilian jobs having a positive impact on the economy of TGC and City of San Angelo, and is a Project authorized under Section 501.104 of the Development Corporation Act (hereinafter the 'Act'); and,

COSA Development Corporation
February 13, 2020

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Ref. # 2020-02-209

WHEREAS, the board of directors of COSADC has determined that the Project and provision of funding for up to \$400,000, of matching funds required as stated in the Grant are in compliance with the requirements and purposes of the Act, COSADC Articles of Incorporation, and the COSADC Business

Retention and Expansion Program (BREP) approved by City Council; and, that the Project and funding serve the public purposes set forth in the Act;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF SAN ANGELO DEVELOPMENT CORPORATION THAT:

The City of San Angelo Development Corporation offers this Resolution for City Council approval authorizing the use of sales and use tax funds in the sum of up to \$400,000, in matching funds in support of a Defense Economic Adjustment Assistance Grant (DEAAG) award to Tom Green County for Goodfellow Air Force Base (GAFB) in the sum of \$10,462,730, for construction of Base improvements including network tower(s) and facilities bringing 5G wireless technology to the Base, enhancing Base resiliency, and constructing related improvements that will attract new military missions to the base, a Project authorized under the Texas Development Corporation Act, Section 501.104 of the Texas Local Government Code, and recommending approval by City Council.

ADOPTED on this the 13th day of February, 2020.

CITY OF SAN ANGELO DEVELOPMENT
CORPORATION

Todd Kolls, President

DocuSigned by:
By: Bill Dendle
6C8A60578FD8420...
Bill Dendle, First Vice President

ATTEST:

DocuSigned by:
BY: Nora Nevarez
B488B9107DA14CD...
Nora Nevarez, Corporation Secretary

APPROVED FOR CONTENT

DocuSigned by:
Guy Andrews
B555502C5C6047A...
Guy D. Andrews
Director of Economic Development

APPROVED AS TO FORM

DocuSigned by:
Dan Saluri
609C3C877D18482...
Dan T. Saluri, Deputy City Attorney

COSA Development Corporation
February 13, 2020

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Vol. 4
Ref. # 2020-02-209

RATIFIED by City Council this 18th day of February, 2020.

DocuSigned by:

Brenda Gunter

Brenda Gunter, Mayor

ATTEST:

DocuSigned by:

Julia Antilley

Julia Antilley, Interim City Clerk

APPROVED AS TO FORM

DocuSigned by:

Theresa James

Theresa James, City Attorney

Requestor: Guy Andrews, Economic Development Director, Economic Development, (325) 653-7197

Meeting Date: September 23, 2020

Item type: Regular Item

Caption:

Consider approval of a Memorandum of Understanding by and between Tom Green County and the City of San Angelo Development Corporation for Spring 2020 DEAA grant matching funds for Goodfellow Air Force Base to improve resiliency and energy security. (Presentation by Guy Andrews, Director of Economic Development.)

Summary/History:

Financial Impact:

Other Information/Recommendation:

Attachments:

- | | | |
|----|---|---|
| 1. | 20-0313_COSADC_DEAAG_2020_RESO_FINAL.docx | 20-0313_COSADC_DEAAG_2020_RESO_FINAL.docx.pdf |
| 2. | 20-1113_COSADC_TGC_DEAAG_MOU | 20-1113_COSADC_TGC_DEAAG_MOU.docx |

Presentation:

Approvals/Reviews:

Guy Andrews
Dan Saluri
Nolan Sosa
Tina Dierschke

Created/Initiated
Approved
Approved
Final Approval

A RESOLUTION OF THE CITY OF SAN ANGELO DEVELOPMENT CORPORATION BOARD OF DIRECTORS, AUTHORIZING THE USE OF SALES AND USE TAX FUNDS IN SUPPORT OF A DEFENSE ECONOMIC ADJUSTMENT ASSISTANCE GRANT (DEAAG) AWARD TO TOM GREEN COUNTY (TGC) FOR GOODFELLOW AIRFORCE BASE (GAFB) FOR CONSTRUCTION OF BASE IMPROVEMENTS INCLUDING NETWORK TOWER(S) AND FACILITIES BRINGING 5G WIRELESS TECHNOLOGY TO GAFB, ENHANCING BASE RESILIENCY, AND CONSTRUCTING RELATED IMPROVEMENTS THAT WILL ATTRACT NEW MILITARY MISSIONS TO THE BASE, A PROJECT AUTHORIZED UNDER THE TEXAS DEVELOPMENT CORPORATION ACT, SECTION 501.104 OF THE LOCAL GOVERNMENT CODE .

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WHEREAS, GAFB desires to expand its intelligence training mission to include asymmetric digital subscriber line (ADSL) technology training and resiliency training which will require construction of additional base facilities and bring 5G wireless technology to the Base (hereinafter "Project"); and,

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WHEREAS, the City of San Angelo Development Corporation ("COSADC") is Type 4 B Development Corporation authorized to utilize half cent sales and use tax funds for Projects related to certain Military Bases or Missions that include infrastructure improvements, land acquisition, buildings, or expenditures found by the board of directors to be required or suitable for attracting new military missions to GAFB, and;

WHEREAS, TGC and COSADC recognize the strategic priority and role that they can play to support our nation's security efforts through local support of GAFB in the form of matching funds necessary to secure the DEAAG for the Project; and,

WHEREAS the Board of Directors has determined that the Project will attract new military missions to GAFB and result in additional active duty and civilian jobs having a positive impact on the economy of TGC and City of San Angelo, and is a Project authorized under Section 501.104 of the Development Corporation Act (hereinafter the 'Act'); and,

COSA Development Corporation
February 13, 2020

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WHEREAS, the board of directors of COSADC has determined that the Project and provision of funding for up to \$400,000, of matching funds required as stated in the Grant are in compliance with the requirements and purposes of the Act, COSADC Articles of Incorporation, and the COSADC Business

Retention and Expansion Program (BREP) approved by City Council; and, that the Project and funding serve the public purposes set forth in the Act;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF SAN ANGELO DEVELOPMENT CORPORATION THAT:

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ADOPTED on this the 13th day of February, 2020.

CITY OF SAN ANGELO DEVELOPMENT
CORPORATION

Todd Kolls, President

DocuSigned by:
By: Bill Dendle
6C8A60578FD8420...
Bill Dendle, First Vice President

ATTEST:

DocuSigned by:
BY: Nora Nevarez
B488B9107DA14CD...
Nora Nevarez, Corporation Secretary

APPROVED FOR CONTENT

DocuSigned by:
Guy Andrews
B555502C5C6047A...
Guy D. Andrews
Director of Economic Development

APPROVED AS TO FORM

DocuSigned by:
Dan Saluri
609C3C877D18482...
Dan T. Saluri, Deputy City Attorney

COSA Development Corporation
February 13, 2020

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Ref. # 2020-02-209

RATIFIED by City Council this 18th day of February, 2020.

DocuSigned by:

Brenda Gunter

Brenda Gunter, Mayor

ATTEST:

DocuSigned by:

Julia Antilley

Julia Antilley, Interim City Clerk

APPROVED AS TO FORM

DocuSigned by:

Theresa James

Theresa James, City Attorney

MEMORANDUM OF UNDERSTANDING BY AND BETWEEN, TOM GREEN COUNTY AND CITY OF SAN ANGELO DEVELOPMENT CORPORATION FOR SPRING 2020 DEENSE ECONOMIC ADJUSTMENT ASSISTAJCE (DEAA) GRANT FOR MATCHING FUNDS FOR GOODFELLOW AIR FORCE BASE TO IMPROVE RESILIENCY AND ENERGY SECURITY

This Memorandum of Understanding (MOU) is entered into by and between Tom Green County and the City of San Angelo Development Corporation. Each entity may be hereinafter referred to as a "Party" and jointly as "Parties".

RECITALS

WHEREAS, Goodfellow Air Force Base ("GAFB") is located in the City of San Angelo ("City"), Tom Green County ("TGC"), Texas and is the City's largest employer; and,

WHEREAS, the mission of GAFB is intelligence training for all branches of the United States Military; and,

WHEREAS, GAFB desires to undertake a project to provide capital investment to create a 5G communication system network required to establish Goodfellow as a world renowned Intelligence Training Center of Excellence that also benefits San Angelo as one of the first rural communities with 5G network; includes energy conservation measures that will reduce Goodfellow's energy demands and provide micro grid capabilities in the event of electrical grid failure, and also meets cyber security requirements; improves the warfighting capabilities of airmen, soldiers, sailors, and marines with the infrastructure necessary to promote functional physical fitness to include covered outdoor training area and equipment; improves the safety and health of military working dogs (MWDs) with an astro turfed covered outdoor training area; enhances the communications between Goodfellow and local emergency first responders with interoperable mobile radios; improves Goodfellow's HAZMAT response capabilities with a fully equipped emergency response trailer in Tom Green County where there has been exponential growth in the storage and transportation of hazardous materials due to the expansion of the oil industry; and expands a joint service student resiliency assembly area; and,

WHEREAS, TGC has applied for and has been awarded a Spring 2020 Defense Economic Adjustment Assistance Grant (hereinafter the grant application and grant agreement are collectively referred to as the "DEAA Grant") from the Office of the Governor, Texas Military Preparedness Commission, to provide state funding for portions of the project, which requires local match funding to administer and fully complete the project; and,

WHEREAS, TGC and the City of San Angelo Development Corporation ("COSADC") recognize the strategic priority and role that they can play to support our nation's security efforts through local support of the base in the form of matching funds necessary to secure the grant for the Project; and,

WHEREAS the COSADC Board of Directors has determined that the Project will attract new military missions to GAFB and result in additional active duty and civilian jobs having a positive impact on the economy of TGC and City, and is thereby an authorized Project under Section 501.104 of the Development Corporation Act (hereinafter the 'Act') as made applicable under Section 505.151; and,

MOU by and between Tom Green County and City of San Angelo Development Corporation for Spring 2020 DEAA Grant Matching Funds for Goodfellow Air Force Base to Improve Resiliency and Energy Security.

WHEREAS, on February 13, 2020 the Board of Directors of COSADC determined that the Project and provision of funding for a portion of matching funds required as stated in this MOU are in compliance with the requirements and purposes of the Act, COSADC Articles of Incorporation, and the COSADC Business Retention and Expansion Program (BREP) ratified by City Council on February 18, 2020; and, that the Project and funding serve the public purposes set forth in the Act;

NOW, THEREFORE, in consideration of the mutual benefits and promises, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Parties, COSADC and TGC agree as follows:

TERMS

1. Recitals. The recitals set forth above are true and correct and are adopted by the parties as a part of this Memorandum of Understanding ("MOU").
2. Effective Date. This MOU shall become effective as to each Party when approved by that Party's governing body and executed as authorized. This MOU shall continue in force and remain binding upon the Parties until after the DEAA Grant closing with TGC, distribution to TGC of all DEAA Grant funds, TGC application of Grant funds to the Project, and distribution by COSADC to TGC of the Grant Matching Funds provided for at Section 5. herein.
3. Conditions Precedent to COSADC Funding Obligation. Conditions precedent to the funding obligation of COSADC under this MOU are: (1) awarding of the Spring 2020 DEAA Grant to TGC by the Office of the Governor, Texas Military Preparedness Commission, as evidenced by that certain "*Agreement for the Defense Economic Adjustment Assistance Grant Between the Office of the Governor, Texas Military Preparedness Commission and Tom Green County*", a copy of which is attached hereto as **Exhibit "A"**, and made a part of this MOU for all purposes; (2) TGC compliance with the terms and conditions of the DEAA Grant; (3) Authorization of the COSADC Board of Directors for execution of this MOU and approval of the City Council for the City of San Angelo, and (4) Authorization of the County Commissioners' Court for execution of this MOU.
4. TGC Performance Requirements.
 - A. TGC shall request the payment of local matching funds on a semi-annual basis up to the sum of COSADC local matching funds authorized pursuant to provisions of Section 5. "COSADC Grant of Matching Funds", herein, is for reimbursement of capital investment to create a 5G communication system network; energy conservation measures that will reduce Goodfellow's energy demands and provide micro grid capabilities in the event of electrical grid failure and also meets cyber security requirements; infrastructure necessary to promote functional physical fitness to include covered outdoor training area and equipment; improvements to the safety and health of military working dogs (MWDs) with an astro turfed covered outdoor training area; enhanced communications between Goodfellow and local emergency first responders with interoperable mobile radios; HAZMAT response capabilities with a fully equipped emergency response trailer in Tom Green County; and expansion of a joint service student resiliency assembly area. (collectively "Project Improvements"), and grant administration.

- B. At the time of requesting payment of local matching funds from COSADC for reimbursement of Project Expenses, TGC shall provide COSADC with records establishing the total costs incurred to date on the Project in compliance with the terms and conditions of the DEAA Grant sufficient to verify under generally accepted accounting and audit principals the facts certified to.
- C. Upon completion of the Project, TGC shall gift or grant the Project Improvements and technology hardware and software to GAFB to be utilized for attracting new military missions to the base.
- D. TGC shall comply with the terms and conditions of the DEAA Grant required for semiannual disbursement of the grant funds awarded, subject to the portion of matching funds to be provided by Local Community Funding described in the DEAA Grant Agreement, **Exhibit "A"**.

5. COSADC Grant of Matching Funds.

A. Subject to TGC compliance with the performance requirements set forth at Section 4 "TGC Performance Requirements", above, and compliance with the DEAA Grant Agreement, COSADC shall award TGC a sum required for grant administration and local matching funds under the DEAA Grant, up to but not exceeding the sum of FOUR HUNDRED THOUSAND AND NO/100 DOLLARS (\$400,000.) (hereinafter, "Local Matching Funds Grant").

B. Reimbursements from the Local Matching Fund Grant shall be payable within thirty (30) days after receipt by COSADC of a written request from TGC for a specified portion of the Local Matching Funds Grant required as provided at Section 4 "TGC and GAFB Performance Requirements", including a statement of the total expense incurred for reimbursement and affirmation that TGC has fully performed each of its obligations under the DEAA Grant, accompanied with documentation sufficient to verify under generally accepted accounting and audit principals the facts certified to.

- 6. Retention of Records. Each of the Parties shall maintain the fiscal records and supporting documentation for the DEAA Grant and the Local Matching Funds Grant for the greater of three (3) years from expiration or earlier termination of this Agreement, or such other period as required by applicable law or regulation.
- 7. Audit and Inspection. Upon reasonable prior written request to TGC and without costs charged, TGC shall allow COSADC access to and the right to examine and inspect any and all records relating to the DEAA Grant, the Local Matching Funds Grant, and this MOU.
- 8. Forfeiture of Local Matching Funds Grant Payments. Any Local Matching Funds Grant payments made to TGC by COSADC not expended pursuant to the DEAA Grant and qualifying as local matching funds, or expended for purposes other than as required under this MOU, shall be immediately, upon demand, returned or reimbursed by TGC to COSADC.
- 9. COSADC's Termination Rights.

- A. COSADC shall have the right to terminate this MOU without liability to the Parties upon thirty (30) days prior written notice to the Parties due to unavailability of funds.
 - B. COSADC shall have the right to terminate this MOU without liability to the Parties upon thirty (30) days written notice of the occurrence of an event of default in the performance of any performance requirement under this Agreement. In such event, COSADC shall not be obligated to pay any grant funds to TGC; and, TGC shall reimburse COSADC for all payments received not expended as required under this MOU.
10. Assignment. This Agreement shall not be assigned by any of the Parties, in whole or in part, without the prior written consent of the other Party, which consent may be withheld or conditioned, in the sole discretion of the consenting Party, and subject to the governing body of the consenting Party.
11. Notices. All notices required under this Agreement shall be in writing and shall be given by hand-delivery or by certified U.S. Mail, return receipt requested, addressed to the other party at the address indicated herein or to such other address as a party may designate by notice given as herein provided. Notice shall be deemed given on the day on which personally delivered; or, if by mail, on the third day after being deposited with the U.S. Mail or the date of actual receipt, whichever is earlier.

TOM GREEN COUNTY

Attn. Steve Floyd, County Judge
122 W. Beauregard
San Angelo, TX 76903

CITY OF SAN ANGELO
DEVELOPMENT CORP.

Attn.: Guy D. Andrews,
Director of Economic Development
69 N. Chadbourne
San Angelo, TX 76903

12. Miscellaneous Provisions.

- A. This MOU shall be construed and enforced according to the laws of the State of Texas. The parties acknowledge that this MOU can be performed in Tom Green County, Texas, and that the exclusive venue for the resolution of any dispute between the parties relating to this MOU shall be in Tom Green County, Texas.
- B. Title and paragraph headings are for convenient reference and are not a part of this MOU.
- C. No waiver or breach of any provision of this MOU shall constitute a waiver of any subsequent breach of the same or any other provision hereof, and no waiver shall be effective unless made in writing.
- D. Should any provision, paragraph, sentence, word or phrase contained in this MOU be determined by a court of competent jurisdiction to be invalid, illegal or otherwise unenforceable under the laws of the State of Texas or the City of San Angelo, such provision, paragraph, sentence, word or phrase shall be deemed modified to the extent necessary in order to conform with such laws, or if not modifiable, then same shall be deemed severable, and in either event, the remaining terms and provisions of this MOU shall remain unmodified and in full

force and effect or limitation of its use.

- E.** This MOU constitutes the sole and entire agreement between the parties hereto relating to the subject matter of the MOU. No modification or amendment hereto shall be valid unless in writing and executed by properly authorized representatives of the parties hereto.
 - F.** This MOU shall be binding upon the parties hereto, their heirs, executors, legal representatives, successors or permitted assigns.
 - G.** In the event any legal action or proceeding is commenced between the Parties to enforce provisions of this MOU or to recover damages for breach, the prevailing party in such legal action shall be entitled to recover its costs and reasonable attorney's fees and expenses incurred by reason of such action, unless prohibited by law; however no Party shall be entitled to recover incidental or consequential damages.
 - H.** This MOU may be executed in multiple counterparts, each of which shall be deemed an original, and all of which, taken together, shall constitute but one and the same instrument, which may be sufficiently evidenced by one counterpart.
 - I.** Failure by any party on one or more occasions to exercise one or more of its rights under this MOU shall not be construed as waiver of such right or rights, and rights granted hereunder are in addition to those available under law and equity.
 - J.** The provisions of this MOU, which by their nature extend beyond the expiration or termination of the MOU, will survive expiration or termination of the MOU.
13. Validity and Enforceability. This MOU is subject to availability of current revenue to the paying Party. If any current or future legal limitations affect the validity or enforceability of a provision of this MOU, then the legal limitations are made a part of this MOU and shall operate to amend this MOU to the minimum extent necessary to bring this MOU into conformity with the requirements of the limitations, and so modified, this MOU shall continue in full force and effect.
14. Third Parties. This MOU is intended to inure only to the benefit of the Parties hereto. This MOU is not intended to create, nor shall it be deemed or construed to create, any rights in third parties.

15. Warranty of Signatories. This MOU has been officially authorized by the governing body of each Party hereto and each signatory to this MOU guarantees and warrants that the signatory has full authority to execute this MOU and to legally bind the respective Party to this MOU.

EXECUTED by the Parties hereto, each respective entity acting by and through its duly authorized official as required by law, in multiple counterparts each of which shall be deemed to be an original, on the date specified.

TOM GREEN COUNTY

CITY OF SAN ANGELO
DEVELOPMENT CORP.

Steve Floyd, County Judge,
Acting in his official capacity
As County Judge, and not
Individually

Todd Kolls, President

EMAIL: toddrkolls@aol.com

EMAIL: steve.floyd@co.tom-green.tx.us

DATE: _____, 2020 DATE: _____, 2020

APPROVED AS TO CONTENT

APPROVED AS TO FORM

Guy D. Andrews, Director of Economic
Development

Dan T. Saluri, Sr. Deputy City Attorney

EXHIBIT A

**AGREEMENT FOR THE
DEFENSE ECONOMIC ADJUSTMENT ASSISTANCE GRANT
BETWEEN THE
OFFICE OF THE GOVERNOR,
TEXAS MILITARY PREPAREDNESS COMMISSION
AND
TOM GREEN COUNTY**

(Following Pages)

Requestor: Robert Schneeman, Economic Development Coordinator, COSADC, 325.653.7197

Meeting Date: September 23, 2020

Item type: Regular Item

Caption:

Discussion and possible action regarding Change Order Number 4 to the Reece Albert, Inc. contract for RFB: DC-01-20/Infrastructure Improvements Phases 2.1 and 2.2 of the San Angelo Business & Industrial Park (Presentation made by Robert Schneeman, Economic Development Project Manager)

Summary/History:

RFB: DC-01-20/Infrastructure Improvements Phases 2.1 and 2.2 of the San Angelo Business & Industrial Park was issued on 11/19/2019 with bid opening on 12/13/2019. Application was made to the Economic Development Administration for a grant to partially fund the project. At the time the application was made, EDA guidance limited the total project cost to \$2.5M with EDA potentially providing a 50% match or \$1.25M and the grant was approved. The Engineers, Parkhill Smith & Cooper reduced the scope of the project to meet the \$2.5 M total project cost. As a result, certain elements of the overall project we excluded. The bid by Reece Albert, Inc. came in at \$2,223,190.57 or about \$276,810 below budget. To date, with the Phase 2.2 project nearing completion, there has been one change order in the amount of \$4,850.00 and an offsetting savings of \$5,315.72 for a net savings of about \$466.00.

Staff has requested a cost proposal from the Contractor to provide traffic quality concrete to be placed in the "tear drop" islands and a 6' paved area behind the curb in the center island of the traffic circle.(see attached exhibit) Three options were proposed as follows:

Colored, stamped concrete - \$222,300

Colored Concrete / Broom Finish - \$156,500

Concrete Broom Finish - \$130,800

Staff is recommending approval of a change order in the amount of \$156,500 conditioned upon the approval of EDA paying 50% of the cost.

Total cost to COSADC - \$78,250.00

Please note that Change Orders 1 & 2 were for work required in Phase 2.1, which is not funded by EDA. Those change orders were as follows:

CO#1 \$10,700 to relocate a section of unimproved access road serving the existing sewer lift station required due to excavation of the main drainage channel;

CO#2 \$16,600 to provide a reinforced concrete cap over an existing sewer main crossing the main drainage channel;

Both of the above change orders were covered by contingency funds for the project.

Financial Impact:

\$156,500 from currently budgeted acct. No. 700-0700-411-0320 (DC 0147)

Other Information/Recommendation:

Attachments:

- | | | |
|----|-----------------------------------|--|
| 1. | traffic circle concrete Model (1) | traffic circle concrete Model (1).pdf |
| 2. | Change Order No. 4 | 20-11XX_DC-01-20_INDUST_PK_REECE_CO4.pdf |

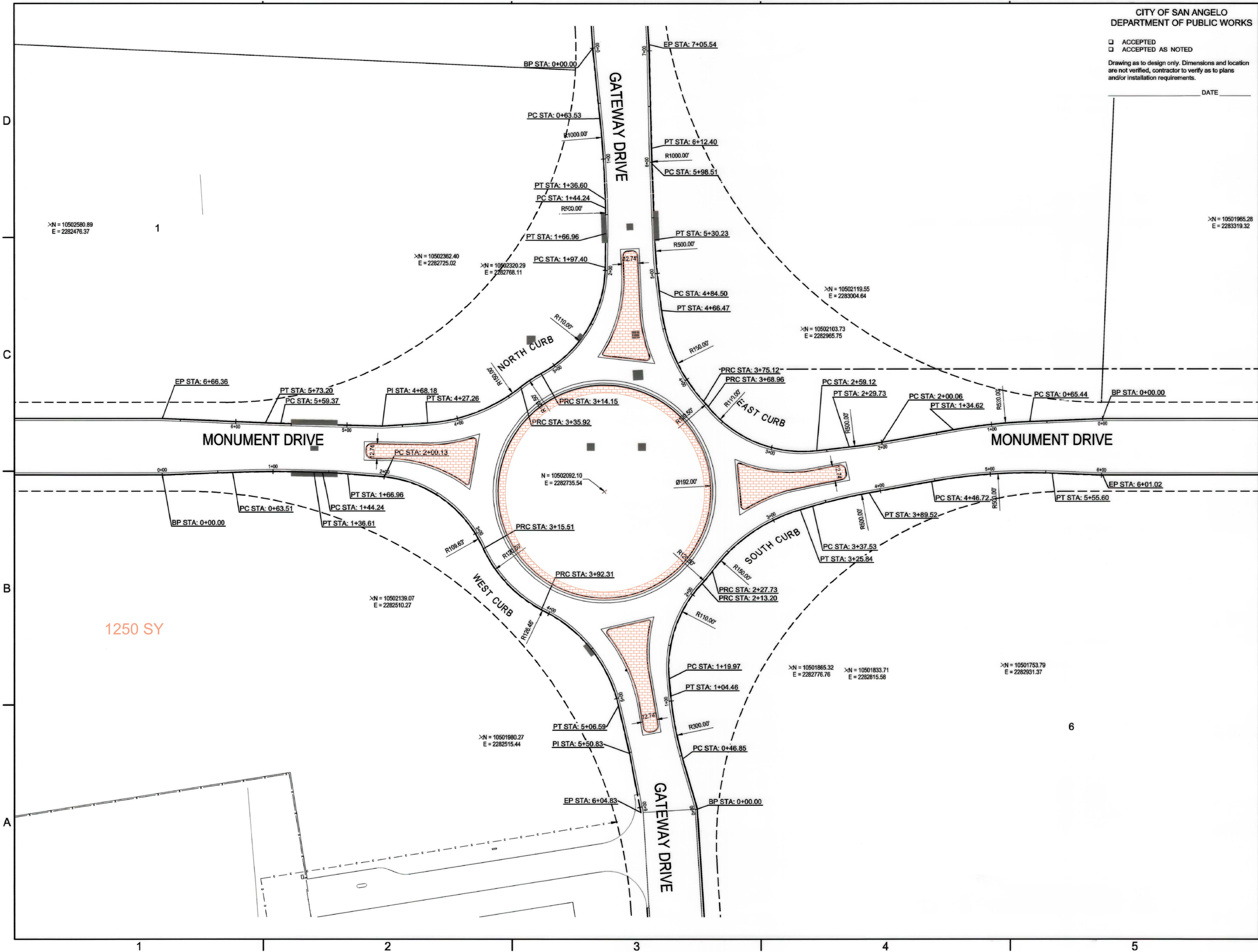
Presentation:

Robert Schneeman

Approvals/Reviews:

Robert Schneeman	Created/Initiated
Dan Saluri	Approved
Nolan Sosa	Approved
Tina Dierschke	Approved
Dan Saluri	Approved
Guy Andrews	Final Approval

FILE NAME: X:\2017\9406.17\02_DSGN\02_DWG\050_CIVIL\05_SHEETS\Phase2\PAVE_03-9406.dwg LAYOUT NAME: 19 ROUNDABOUT COORDINATE CONTROL PLAN PRINTED: Wednesday, August 15, 2018 - 5:43pm USER: JSquyres



CITY OF SAN ANGELO
DEPARTMENT OF PUBLIC WORKS

- ACCEPTED
- ACCEPTED AS NOTED

Drawing as to design only. Dimensions and location are not verified, contractor to verify as to plans and/or installation requirements.

DATE _____



PARKHILL SMITH & COOPER

COSADC GATEWAY ADDITION PHASE 2.2

INFRASTRUCTURE
IMPROVEMENTS

EDA SAC #08-01-05227

SAN ANGELO, TEXAS

KEY PLAN



PLAN: 0 40' 80'

SCALE:
H: 1" = 40'
V: 1" = 4'

NO. DATE DESCRIPTION
ISSUING OFFICE: MIDLAND PROJECT NO: 9406.17

ROUNDABOUT
COORDINATE CONTROL
PLAN



CHANGE ORDER No. 4

Date: September 16 2020

RFQ/RFB NO.: ES-02-18/Bell Street Improvements

Contractor: REECE ALBERT, INC.
PO Box 62030
San Angelo, TX 79606-2030

Effective Date of Original Contract: January 7, 2020

Original Contract Price: THREE MILLION THREE HUNDRED FIFTY-FOUR THOUSAND SIX HUNDRED EIGHTY-TWO AND 70/100 DOLLARS (\$3,354,682.70)

Council Authorization Date for Original Contract (\$50,000 or more): January 7, 2020 (Contract as amended by Change Orders 1 – 4 do not exceed the Original Contract Price.)

Purpose of Change Order: This Change Order No. 4 relates to Phase 2.2 of San Angelo Business & Industrial Park infrastructure improvements. This change order provides for the material, equipment and labor described in Contractor's Proposal dated August 28, 2020, **Option C** as described on **Exhibit "A"** attached hereto, and depicted by Parkhill Smith & Cooper (PSC) on **Exhibit "B"** attached hereto, for approximately 1,250 SY of light broom finish concrete islands with red concrete

Change Order Revisions to Original Contract, Including Price Adjustment:

The net change order price for Option C to Contractor's quote, **Exhibit "A"** attached, is \$156,500. The sum of Original Contract Price as amended by Change Orders 1 – 4 does not exceed the Original Contract Price, and is within allocated contingency funds authorized by City Council.

Documents Incorporated into This Change Order (Attached):

Proposal submitted by Contractor, dated August 28, 2020, and diagram prepared by PSC, copies of which are attached hereto as **Exhibit "A"** and **Exhibit "B"** respectively, and made a part hereof for all purposes.

Reaffirmation of Original Contract:

This Change Order is an amendment to the Original Contract as amended by Change Orders 1, 2 and 3, and all original contract provisions as amended by said change orders shall apply unless specifically exempted. The Original Contract, this Change Order No. 4 and Change Orders 1, 2 and 3, including any attached Exhibits referred to herein are the entire agreement between Owner and Contractor with respect to this Change Order. Notwithstanding anything to the contrary herein, the cost of the change indicated on the face of this Change Order is the entire amount of the change, and no backup documentation attached hereto may reserve the Contractor's

right to increase the contract time or the cost of this change for extended overhead or general conditions or any other reason.

CONTRACTOR: REECE ALBERT, INC.

BY: _____
Mike Schmidt, Vice President
Email: mike@reecealbertinc.com

DATE: _____, 2020

CITY OF SAN ANGELO DEVELOPMENT CORPORATION

Todd Kolls, President

ATTEST:

Nora Nevarez, Secretary

Date: _____, 2020

APPROVED AS TO PURCHASING:

Nolan A. Sosa, Purchasing Manager

APPROVED AS TO CONTENT:

Guy Andrews, Director of Economic Development

APPROVED AS TO FORM:

Dan T. Saluri, Deputy City Attorney

APPROVED AS TO RISK:

Charles Hagen, Risk Manager

EXHIBIT "A"

REECE ALBERT, INC.

HEAVY CONSTRUCTION, UTILITIES AND PAVING



CHANGE ORDER PROPOSAL

To	City of San Angelo Development Corp.	Date	August 28, 2020
	Attn.: Robert A. Schneeman	Project	Infrastructure Improvements Phases 2.1 and 2.2
	69 N. Chadbourne Street		San Angelo Business and Industrial Park
	San Angelo, TX 76903	Location	San Angelo, TX

WE, THE UNDERSIGNED, PROPOSE TO FURNISH THE NECESSARY MATERIAL, EQUIPMENT, AND LABOR TO DO THE FOLLOWING MENTIONED WORK ON ABOVE PROJECT:

GATEWAY PHASE 2.2 - OPTION A - STAMPED CONCRETE ISLANDS

(Per drawing by PSC, Approximately 1,250 SY)

- > Excavate soil in islands and compact subgrade.
- > Install expansion joint material between curb and proposed stamped concrete.
- > Install stamped concrete (4,000 psi) median in existing curbed islands with reinforcement of #4 - 18" o.c.
- > Concrete to have integral color.
- > Price includes a 5' X 5' concrete sample.
- > Contractor will provide color chart and patterns for owner's selection.

Total Lump Sum Option A

\$222,300.00

GATEWAY PHASE 2.2 - OPTION B - LIGHT BROOM FINISH CONCRETE ISLANDS

(Per drawing by PSC, Approximately 1,250 SY)

- > Excavate soil in islands and compact subgrade.
- > Install expansion joint material between curb and proposed concrete median.
- > Install concrete (4,000 psi) median in existing curbed islands with reinforcement of #4 - 18" o.c.

Total Lump Sum Option B

\$130,800.00

GATEWAY PHASE 2.2 - OPTION C - LIGHT BROOM FINISH CONCRETE ISLANDS WITH RED CONCRETE

(Per drawing by PSC, Approximately 1,250 SY)

- > Excavate soil in islands and compact subgrade.
 - > Install expansion joint material between curb and proposed concrete median.
 - > Install concrete (4,000 psi) median in existing curbed islands with reinforcement of #4 - 18" o.c.
- Concrete to have red (Solomon Brand) integral color additive.

Total Lump Sum Option B

\$156,500.00

PLEASE SIGN AND RETURN 1 COPY

This Proposal may be withdrawn by
us if not accepted within 30 days

Said amount is due and payable in San Angelo, Tom Green County, Texas. Full payment for work accomplished shall be due on receipt of invoice. A 1% per month carrying fee will added to past due accounts. 18% of amount due shall be added if suit is brought thereon.

Accepted _____

By _____

Date _____

Yours very truly,

REECE ALBERT, INC.

By _____

SKIP KLEMENT, ESTIMATOR



P.O. BOX 62030 SAN ANGELO, TEXAS 76906-2030 I (325) 653-1241 FAX (325) 653-6086



Report to Board



Requestor: Nora Nevarez, Executive Office Coordinator, COSADC, 325-653-7197

Meeting Date: September 23, 2020

Item type: Executive Session Item

Caption:

Section 551.087 to deliberate regarding commercial or financial information that the Board is receiving from business prospects with whom economic development negotiations are being conducted, and discuss financial or other incentives relating to the following projects:

San Angelo Chamber of Commerce Performance Agreement

Summary/History:

Financial Impact:

Other Information/Recommendation:

Attachments:

Presentation:

Approvals/Reviews:

Nora Nevarez	Created/Initiated
Dan Saluri	Approved
Nolan Sosa	Approved
Tina Dierschke	Approved
Dan Saluri	Approved
Guy Andrews	Final Approval

Report to Board



Requestor: Nora Nevarez, Executive Office Coordinator, COSADC, 325-653-7197

Meeting Date: September 23, 2020

Item type: Executive Session Item

Caption:

Consideration and possible action of items discussed in Closed Session, if needed

Summary/History:

Financial Impact:

Other Information/Recommendation:

Attachments:

Presentation:

Approvals/Reviews:

Nora Nevarez

Created/Initiated