



Board Binder Open Session

July 12, 2021

Agenda



Effective March 16, 2020, Governor Greg Abbott authorized the temporary suspension of certain statutory provisions of the Texas Open Meetings Act. This meeting of the Midland Development Corporation is being held pursuant to such authorization and will limit face-to-face interactions for the purpose of slowing the spread of the coronavirus (COVID-19).

**MIDLAND DEVELOPMENT CORPORATION AS AUTHORIZED BY CHAPTER 504 OF THE TEXAS
LOCAL GOVERNMENT CODE**

NOTICE OF PUBLIC MEETING

In accordance with Chapter 551, Texas Government Code, as amended, notice is hereby given to the public that the Board of Directors of the Midland Development Corporation will meet in regular session, open to the public, in the Midland Chamber of Commerce board room, 303 West Wall Street, Suite 200, Midland, Texas, at 10:00 a.m. on July 12, 2021.

Videoconference Information

Join Zoom Webinar

<https://us02web.zoom.us/j/89244316337?pwd=ZExndmxlU0theHBPpHRma29pTGJhUT09>

Password: 006750

Or join by phone:

Dial (for higher quality, dial a number based on your current location):

US: +1 346 248 7799 or +1 669 900 9128 or +1 253 215 8782 or +1 312 626 6799 or +1 646 558 8656 or +1 301 715 8592

Webinar ID: 892 4431 6337

Passcode: 006750

International numbers available: <https://us02web.zoom.us/j/89244316337?pwd=ZExndmxlU0theHBPpHRma29pTGJhUT09>

At such meeting, the Board of Directors may discuss, consider, and take action on any of the following items:

1. Call meeting to order.
2. Motion approving the minutes of the June 7, 2021, meeting of the Midland Development Corporation.
3. Resolution approving the budget for the Midland Development Corporation's 2021-2022 Fiscal Year.
4. Resolution authorizing the execution of an economic development agreement with the City of Midland for the construction of certain improvements to the Midland Draw; and authorizing payment therefor.
5. Resolution authorizing the execution of a contract with Strong Environmental Services, LLC, in the amount of \$57,250.00 for the installation of additional security measures at the Western United Life Building.

6. Resolution authorizing the execution of a promotional agreement with Dini Spheris, Inc., to advertise and publicize the City of Midland for the purpose of developing new and expanded business enterprises.
7. Presentation on the June 2021 monthly expenses and economic development activity report from the Midland Development Corporation Executive Director.
8. Pursuant to Texas Government Code §551.101, the Board of Directors will hold an Executive Session, which is closed to the public to discuss the following matters as permitted under the following Texas Government Code Sections:
 - a. Section 551.072 Deliberation Regarding Real Property
 - i. Discuss the sale, exchange, lease or value of real property described as an approximate 374-acre tract of land out of Section Thirty-Three (33), Block Forty (40), T-1-S, T&P RR Co. Survey, Midland County, Texas.
 - b. Section 551.087 Deliberation Regarding Economic Development Negotiations
 - i. Discuss business prospects that the Midland Development Corporation seeks to have, locate, stay, or expand in or near the City of Midland, Texas, and discuss possible incentives, and discuss contract compliance on the part of businesses.

Posted this 10th day of July, 2021.

Amy M. Turner
City Secretary

June 7th Minutes

MIDLAND DEVELOPMENT CORPORATION

MINUTES

June 07, 2021

The Board of Directors of the Midland Development Corporation convened in regular session at the Midland Chamber of Commerce conference room, 303 W. Wall Street, Suite 200, Midland, Texas, at 10:00 a.m. on June 07, 2021.

Board Members present: Chairman Wesley Bownds, Director Stephen Lowery, Director Berry Simpson, Director Lourcey Sams, Director Chase Gardaphe, and Director Brad Bullock

Board Members absent: Director Jill Pennington

Staff Members present: Deputy City Manager Morris Williams, Assistant City Manager Tina Jauz, Assistant City Attorney Nicholas Toulet-Crump, Director of Airports Justine Ruff, Director of Engineering Jose Ortiz, Interim Finance Director Christy Weakland, and Deputy City Secretary SueAnn Reyes

Council Member(s) present: Council member Michael Trost

MDC Staff Members present: Executive Director Sara Harris, Marketing and Administrative Coordinator Kendall Gray

1. Call meeting to order.

Chairman Bownds called the meeting to order at 10:02 am

2. Motion approving the minutes of the May 03, 2021, meeting of the Midland Development Corporation.

Director Sams moved to approve the minutes of the May 03, 2021 meeting of the Midland Development Corporation; seconded by Director Lowery. The motion carried by the following vote: AYE: Bownds, Lowery, Simpson, Sams, Gardaphe and Bullock. NAY: None. ABSTAIN: None. ABSENT: Pennington.

3. Presentation from the City of Midland regarding infrastructure partnership initiatives.

Director of Engineering Jose Ortiz presented upcoming infrastructure projects to the MDC Board including SH158 at CR60 and Briarwood intersection upgrade and new traffic signal; SH158 at Wadley new intersection and new traffic signal; Wadley Avenue Roadway Extension and Jal Draw Excavation; Avalon Avenue Roadway Extension, Midland Draw Widening and proposed Todd Road Corridor study.

4. Resolution authorizing the execution of a promotional agreement with the Museum of the Southwest to advertise and publicize the City of Midland for the purpose of developing new and expanded business enterprises.

Director Simpson moved to approve Resolution ED-377 authorizing signatories on Midland Development Corporation bank accounts; seconded by Director Bullock. The motion carried by the following vote: AYE: Bownds, Lowery, Simpson, Sams, Gardaphe. NAY: None. ABSTAIN: None. ABSENT: Pennington.

5. Resolution authorizing the execution of a consultant services agreement with The Perryman Group in an amount not to exceed \$60,000.00 for the production of certain economic indices and reports regarding the City of Midland, Texas, and the Permian Basin.

Director Simpson moved to approve Resolution ED-378 authorizing the execution of a consultant services agreement with The Perryman Group in an amount not to exceed \$60,000.00 for the production of certain economic indices and reports regarding the City of Midland, Texas, and the Permian Basin; seconded by Director Bullock. The motion carried by the following vote: AYE: Bownds, Lowery, Simpson, Sams, Gardaphe. NAY: None. ABSTAIN: None. ABSENT: Pennington.

6. Resolution authorizing the execution of an amendment to that certain Western United Life Building Temporary Roof Contract between the Midland Development Corporation and Lydick-Hooks Roofing Co.

Director Lowery moved to approve Resolution ED-379 Resolution authorizing the execution of an amendment to that certain Western United Life Building Temporary Roof Contract between the Midland Development Corporation and Lydick-Hooks Roofing Co.; seconded by Director Sams. The motion carried by the following vote: AYE: Bownds, Lowery, Simpson, Sams, Gardaphe. NAY: None. ABSTAIN: None. ABSENT: Pennington.

7. Resolution appropriating funds from the Midland Development Corporation's 2018-2019 fiscal year budget in the amount of \$1,507,849.00 to be used for promotional purposes, as authorized by Chapter 504 of the Texas Local Government Code.

Director Lowery moved to approve Resolution ED-380 appropriating funds from the Midland Development Corporation's 2018-2019 fiscal year budget in the amount of \$1,507,849.00 to be used for promotional purposes, as authorized by Chapter 504 of the Texas Local Government Code; seconded by Director Simpson. The motion carried by the following vote: AYE: Bownds, Lowery, Simpson, Sams, Gardaphe. NAY: None. ABSTAIN: None. ABSENT: Pennington.

8. Presentation of the May 2021 monthly expenses from the Midland Development Corporation.

Ms. Harris reported that sales tax revenues for May 2021 increased to be nearly equal to May 2020. Revenue for the month was over one million dollars, putting the MDC on target to reach its fiscal year revenue budget. She stated that the fiscal year 2022 budget is in progress, with a draft to be sent to the board within the next few weeks.

9. Presentation on the monthly economic development activity report from the MDC Executive Director.

Ms. Harris gave an update on the construction progress of Texas Tech Health Sciences Center's Physician Assistant Program expansion at Midland College. Construction is well underway, with completion anticipated in December 2021, and admission of expanded classes in May 2022.

Board recessed into executive session at 10:34 a.m.

10. Pursuant to Texas Government Code §551.101, the Board of Directors will hold an Executive Session, which is closed to the public to discuss the following matters as permitted under the following Texas Government Code Sections:

- a. Section 551.072 Deliberation Regarding Real Property

- i. Discuss the purchase, exchange, lease or value of real property described as Lots Five (5), Six (6), Seven (7), and Eight (8), Block Thirty-Five (35), Original Town of Midland, an addition to the City of Midland, Midland County, Texas.
- ii. Discuss the sale, exchange, lease or value of real property described as an approximate 53.62-acre tract of land out of Section Eleven (11), Block Forty (40), T-2-S, T&P RR Co. Survey, Midland County, Texas.
- iii. Discuss the sale, exchange, lease or value of real property described as an approximate 374-acre tract of land out of Section Thirty-Three (33), Block Forty (40), T-1-S, T&P RR Co. Survey, Midland County, Texas.

- b. Section 551.087 Deliberation Regarding Economic Development Negotiations

- i. Discuss business prospects that the Midland Development Corporation seeks to have, locate, stay, or expand in or near the City of Midland, Texas, and discuss possible incentives, and discuss contract compliance on the part of the businesses.

Board reconvened into open session at 11:19 a.m.

11. Resolution authorizing the designation of thirty percent (30%) of Midland Development Corporation's sales tax revenues for authorized infrastructure improvement projects.

Director Simpson moved to approve Resolution ED-381 authorizing the designation of thirty percent (30%) of Midland Development Corporation's sales tax revenues for authorized infrastructure improvement projects; seconded by Director Lowery. The motion carried by the following vote: AYE: Bownds, Lowery, Simpson, Sams, Gardaphe. NAY: None. ABSTAIN: None. ABSENT: Pennington.

All the business at hand having been completed, Chairman Bownds adjourned the meeting at 11:20 a.m.

Respectfully submitted,

SueAnn Reyes, Deputy City Secretary

PASSED AND APPROVED the 12th Day of July 2021.

Berry Simpson, Secretary

Fiscal Year 2022 Budget

RESOLUTION NO. _____

**RESOLUTION APPROVING THE BUDGET FOR THE
MIDLAND DEVELOPMENT CORPORATION'S 2021-
2022 FISCAL YEAR**

WHEREAS, the Midland Development Corporation has prepared a budget for the Fiscal Year 2021-2022; and

WHEREAS, the Board of Directors finds it to be in the public interest to approve said budget for the Fiscal Year 2021-2022;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MIDLAND DEVELOPMENT CORPORATION:

THAT the Fiscal Year 2021-2022 Budget, which is attached hereto as Exhibit A and incorporated herein for all purposes, is hereby approved.

On motion of Director _____, seconded by Director _____, the above and foregoing resolution was adopted by the Board of Directors of the Midland Development Corporation at a regular meeting on the _____ day of _____, A.D., 2021, by the following vote:

Directors voting "AYE":

Directors voting "NAY":

WESLEY BOWNDS,
Chairman of the Midland
Development Corporation

ATTEST:

BERRY SIMPSON,
Secretary of the Midland
Development Corporation

APPROVED ONLY AS TO FORM:

JOHN OHNEMILLER,
Attorney for the Midland
Development Corporation

MIDLAND DEVELOPMENT CORPORATION
Proposed Budget for October 1, 2021 through September 30, 2022

	ACTUAL 2019-2020	BUDGET 2020-2021	BUDGET 2021-2022
REVENUE AND RECEIPTS			
Sales Tax	\$ 12,671,555	\$ 9,000,000	\$ 10,000,000
Public Right-Of-Way Use Fees	8,738	0	0
Interest	42,162	0	0
Interest / Non-Pooled Investment	165,456	0	0
Misc. Rentals	1,073,373	0	976,644
Reimbursement of Budget Expenses	67	0	0
Government Contributions	86,539	0	0
	<u>14,047,890</u>	<u>9,000,000</u>	<u>10,976,644</u>
TOTAL REVENUE AND RECEIPTS	\$ 14,047,890	\$ 9,000,000	\$ 10,976,644
SUMMARY OF EXPENSES BY ORGANIZATION			
50150. Nondepartmental	\$ <u>25,083,519</u>	\$ <u>22,656,815</u>	\$ <u>21,110,973</u>
TOTAL	\$ <u>25,083,519</u>	\$ <u>22,656,815</u>	\$ <u>21,110,973</u>
SUMMARY OF EXPENSES BY CLASSIFICATION			
<u>OPERATING EXPENSES</u>			
51000. Personnel Services	\$ 728,021	\$ 861,517	\$ 433,650
52000. Commodities	57,755	48,200	37,800
53000. Contractual Services	20,596,074	19,672,479	15,117,404
54000. Building Maintenance	66,433	45,000	80,000
55000. Maintenance of Instruments & Apparatus	1,904	3,000	1,000
56000. Miscellaneous	1,780,825	626,619	1,941,119
57000 / 58000. Capital Purchases	1,852,507	1,400,000	3,500,000
	<u>25,083,519</u>	<u>22,656,815</u>	<u>21,110,973</u>
TOTAL OPERATING EXPENSES	\$ <u>25,083,519</u>	\$ <u>22,656,815</u>	\$ <u>21,110,973</u>
GRAND TOTAL	\$ <u>25,083,519</u>	\$ <u>22,656,815</u>	\$ <u>21,110,973</u>
 CURRENT YEAR NET OPERATING PROCEEDS (LESS DEPRECIATION)	 <u>\$ (11,035,629.00)</u>	 <u>\$(13,656,814.98)</u>	 <u>\$ -</u>

MIDLAND DEVELOPMENT CORPORATION
Proposed Budget for October 1, 2021 through September 30, 2022

	ACTUAL 2019-2020	BUDGET 2020-2021	BUDGET 2021-2022
<u>OPERATING EXPENSES</u>			
51000 Personnel Services			
51010. Base Salary	\$ 594,962	\$ 692,150	\$ 350,493
51090. FICA MDC Portion	47,829	56,756	19,742
51110. Hospital Insurance MDC Portion	41,730	55,460	30,180
51135. ACOC Profit Sharing	43,500	48,451	24,535
51140. Unemployment Insurance	0	8,700	8,700
	<hr/>	<hr/>	<hr/>
TOTAL 51000	728,021	861,517	433,650
52000. Commodities			
52010. Office Supplies	7,941	11,000	6,000
52110. Motor Vehicle Supplies	1,054	1,000	1,000
52115. Minor Furniture and Fixtures	540	500	500
52155. Minor Computer Hardware & Peripherals	11,009	5,000	5,000
52160. Computer Minor Software & Supplies	36,880	30,000	25,000
52620. Postage	331	700	300
	<hr/>	<hr/>	<hr/>
TOTAL 52000	57,755	48,200	37,800
53000. Contractual Services			
53010. Communications	17,676	17,000	17,000
53030. Light & Power	116	150	150
53110. Insurance - External	242,407	190,000	110,000
53212. Equipment Rental - External	3,790	5,000	5,000
53220. Marketing and Advertising	385,973	200,000	200,000
53370. Grounds Maintenance	2,623	5,000	12,000
53405. Software Maintenance	12,102	12,000	12,000
53440. External Audit Fees	23,862	20,000	24,000
53450. Consulting Fees	1,309,827	500,000	250,000
53510. Travel & Entertainment	13,101	15,000	8,000
53520. Dues and Subscriptions	25,706	20,000	20,000
53530. Training, Registration Fees	5,283	10,000	8,000
53905. Economic Development Incentives	18,445,163	18,553,329	4,527,925
53907. Business Recruitment & Retention	35,954	50,000	50,000
53909. Prior Year Committed Incentives	0	0	9,798,329
53920. Rent	72,491	75,000	75,000
	<hr/>	<hr/>	<hr/>
TOTAL 53000	\$ 20,596,074	\$ 19,672,479	\$ 15,117,404

MIDLAND DEVELOPMENT CORPORATION
Proposed Budget for October 1, 2021 through September 30, 2022

	ACTUAL 2019-2020	BUDGET 2020-2021	BUDGET 2021-2022
<u>OPERATING EXPENSES</u>			
54000 Building Maintenance			
54010. Building Maintenance	\$ 66,433	\$ 45,000	\$ 80,000
TOTAL 54000	<u>66,433</u>	<u>45,000</u>	<u>80,000</u>
55000 Maintenance of Equipment			
55120. Maintenance of Instruments & App	1,904	3,000	1,000
TOTAL 55000	<u>1,904</u>	<u>3,000</u>	<u>1,000</u>
56000. Miscellaneous			
56188. MOTRAN	142,500	137,000	142,500
56202. General Fund Services	422,681	390,619	390,619
56410. Payment of Principal	67,168	60,000	60,000
56420. Interest Expense	10,031	12,000	12,000
56910. Depreciation Expense			336,000
56995. Project Non Capital (Promotions)	1,138,445	27,000	1,000,000
TOTAL 56000	<u>1,780,825</u>	<u>626,619</u>	<u>1,941,119</u>
57000 / 58000. Capital Purchases			
57001. Capital Buildings & Structures	1,073,514	0	0
57002. Capital Improvemnts Other Than Bldgs	162,761	1,400,000	3,500,000
57003. Capital Equipment	0	0	0
57004. Capital Vehicles	0	0	0
57070. Construction in Process	616,232	0	0
Total 7000 / 8000	<u>1,852,507</u>	<u>1,400,000</u>	<u>3,500,000</u>
GRAND TOTAL	\$ <u><u>25,083,519</u></u>	\$ <u><u>22,656,815</u></u>	\$ <u><u>21,110,973</u></u>

MIDLAND DEVELOPMENT CORPORATION
Summary of Revenues, Expenditures and Changes in Fund Balance

	ACTUAL 2019-2020	BUDGET 2020-2021	BUDGET 2021-2022
Balance October 1, 2019	\$ <u>37,675,781</u>		
Estimated Balance October 1		\$ <u>26,640,152</u>	\$ <u>12,983,337</u>
Revenues:			
Sales Taxes	12,671,555	9,000,000	10,000,000
Public Right-Of-Way Use Fees	8,738	0	0
Interest / Non-Pooled Investment Income	207,618	0	0
Misc. Rentals	1,073,373	0	976,644
Reimbursement of Budget Expenses	67	0	0
Government Contributions	<u>86,539</u>	<u>0</u>	<u>0</u>
Total Revenues	<u>14,047,890</u>	<u>9,000,000</u>	<u>10,976,644</u>
Expenditures:			
Personnel Services	728,021	861,517	433,650
Commodities	57,755	48,200	37,800
Contractual Services	20,596,074	19,672,479	15,117,404
Building Maintenance	66,433	45,000	80,000
Maintenance of Inst and App	1,904	3,000	1,000
Miscellaneous	1,780,825	626,619	1,941,119
Capital Purchases	<u>1,852,507</u>	<u>1,400,000</u>	<u>3,500,000</u>
Total Expenditures	<u>25,083,519</u>	<u>22,656,815</u>	<u>21,110,973</u>
Net Revenues (Expenditures)	<u>(11,035,629)</u>	<u>(13,656,815)</u>	<u>(10,134,329)</u>
Estimated Balance October 1:			
Restricted for ED Incentives	37,250,215	28,213,342	27,853,342
Restricted for Encumbrances	0	0	1,217
Restricted for Promotional Activities	3,325,459	1,399,775	1,983,275
Unappropriated Fund Balance	<u>8,850,238</u>	<u>14,579,841</u>	<u>6,538,150</u>
Total Estimated Balance October 1	\$ <u><u>26,640,152</u></u>	\$ <u><u>12,983,337</u></u>	\$ <u><u>2,849,008</u></u>

Budgeted Expenses Narrative

		FY 2021 Budget	FY 2022 Budget
Personnel Services	50% decrease	\$861,517	\$433,650
<u>Why?</u>	Efficiencies in MDC operational structure		
Commodities: Office supplies, minor furniture, computer hardware & software	22% decrease	\$48,200	\$37,800
<u>Why?</u>	Decreased staff size and minimal new equipment needs in this fiscal year		
Rent, Light & Power	Unchanged	\$75,150	\$75,150
<u>Why?</u>			
Software Maintenance, Equipment Lease, Maintenance of Equipment	10% decrease	\$20,000.00	\$18,000.00
<u>Why?</u>	Based on FY 2021 costs		
Property & Liability Insurance	42% decrease	\$190,000	\$110,000.00
<u>Why?</u>	Decreased property policy for Western United Life Building. This item covers professional liability, general liability, property insurance for MDC's buildings and land, vehicle insurance, directors and officers coverage for MDC's board members		
External Audit Fees	20% increase	\$20,000	\$24,000.00
<u>Why?</u>	Based on FY 2021 costs		
Consulting Fees	50% decrease	\$500,000	\$250,000
<u>Why?</u>	Pays for Spaceport consulting, economic indicators, and any outside council needed for legal or HR issues		
Travel & Entertainment, Dues & Subscriptions, Training & Registration	20% decrease	\$45,000	\$36,000
<u>Why?</u>	Efficiencies in travel and trade show attendance; includes professional development and continuing education for staff		
Cash Generated for Economic Development Incentives & Prior Year Committed Incentives	23% decrease	\$18,553,329	\$14,326,254
<u>Why?</u>	Cash generated for incentives in FY 2022 plus commitments made in previous years		

Cash Generated for Economic Development Promotion	3,604% increase	\$27,000	\$1,000,000
<u>Why?</u>	10% of FY 2022 revenue; these funds were not designated in FY 2021		
Marketing & Advertising, Communications, Business Recruitment & Retention	Unchanged	\$267,000.00	\$267,000.00
<u>Why?</u>	These items cover economic development marketing and advertising, and costs associated with business recruitment and retention		
Building & Grounds Maintenance	84% increase	\$50,000	\$92,000
<u>Why?</u>	Costs associated with Spaceport Business Park landscaping, MDC's business parks, and MDC property downtown		
MOTRAN	4% increase	\$137,000	\$142,500
<u>Why?</u>	Increased to reflect MOTRAN's FY 2022 budget request; final approval of an agreement with MOTRAN requires action by MDC board and Council		
General Fund Services	Unchanged	\$390,619.00	\$390,619.00
<u>Why?</u>	Pays for City of Midland staff services used by MDC (Legal, City Secretary, City Manager, Finance)		
Payment of Interest & Principal	Unchanged	\$72,000.00	\$72,000.00
<u>Why?</u>	MDC's hangar lease from the City; this hangar is subleased from the MDC by AST & Science		
Depreciation	100% increase	\$0.00	\$336,000.00
<u>Why?</u>	Based on FY 2021 depreciation rate		
Capital Improvements Other Than Buildings	150% increase	\$1,400,000.00	\$3,500,000.00
<u>Why?</u>	Initial estimate for cost of WULB demolition		
Total Budgeted Expenses		\$22,656,815	\$21,110,973

Midland Draw
Widening
Economic
Development
Agreement

Midland Draw Widening

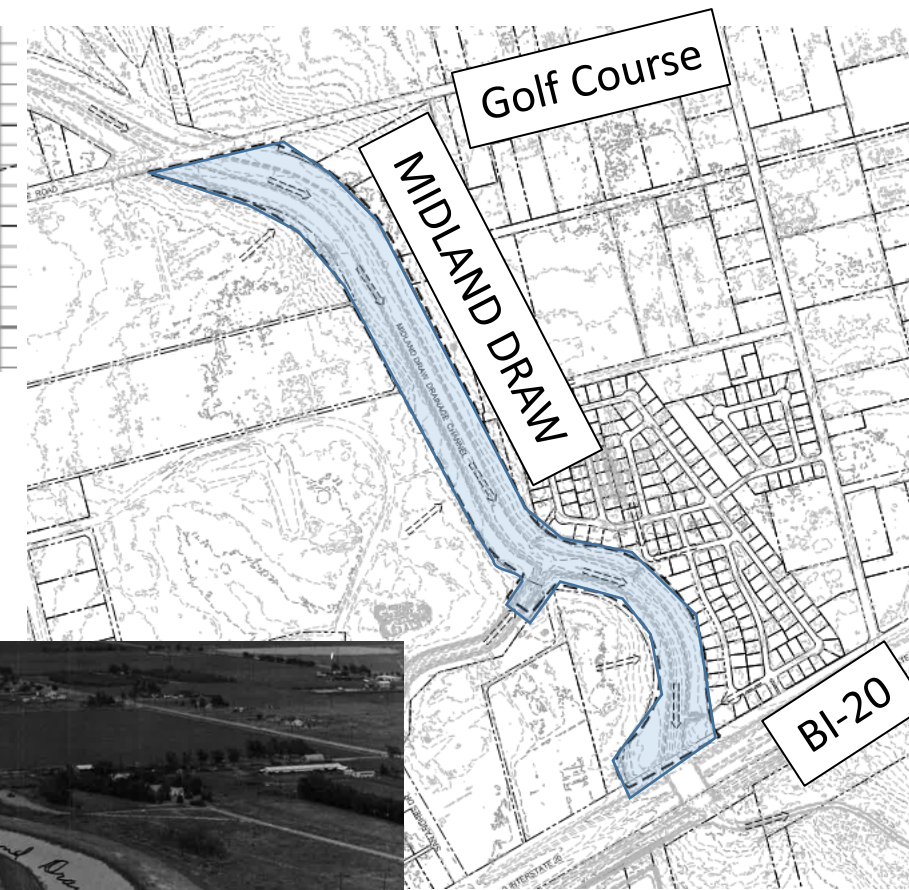
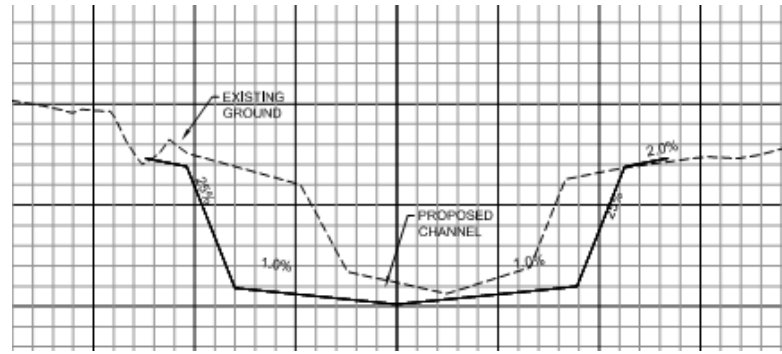
From Golf Course to BI-20

- Increase stormwater capacity
- Reduce Risk of flooding upstream
- Upgrade old channel geometry
- Upgrade existing sewer collector

Cost Est.: ~~\$ 2.4 M~~ \$1.8M

Status: Design Complete

*Bidding in July and will seek
MDC funding this fall*



RESOLUTION NO. _____

RESOLUTION AUTHORIZING THE EXECUTION OF AN ECONOMIC DEVELOPMENT AGREEMENT WITH THE CITY OF MIDLAND FOR THE CONSTRUCTION OF CERTAIN IMPROVEMENTS TO THE MIDLAND DRAW; AND AUTHORIZING PAYMENT THEREFOR

WHEREAS, the Board of Directors finds it to be in the public interest to authorize the execution of an economic development agreement with the City of Midland for the construction of certain improvements to the Midland Draw;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MIDLAND DEVELOPMENT CORPORATION:

SECTION ONE. That the Chairman and Secretary are hereby authorized to execute and attest, respectively, on behalf of the Midland Development Corporation, an economic development agreement with the City of Midland for the construction of certain improvements to the Midland Draw. Said agreement being in a form substantially similar to that of Exhibit A, which is attached hereto and incorporated herein for all purposes.

SECTION TWO. That the City Comptroller is hereby authorized and directed to transfer funds to the City of Midland in accordance with the terms of said agreement from funds available in the Midland Development Corporation Fund (235) Operating Budget upon receipt of proper invoices or statements approved by the Chairman of the Midland Development Corporation or his designee.

SECTION THREE. That the Executive Director of the Midland Development Corporation, or their designee, is hereby authorized and directed to administer all of the Midland Development Corporation's obligations under said agreement, including the issuance of all written notices and confirmations due thereunder.

On motion of Director _____, seconded by Director _____, the above and foregoing resolution was adopted by the Board of Directors of the Midland Development Corporation at a regular meeting on the _____ day of _____, A.D., 2021, by the following vote:

Directors voting "AYE":

Directors voting "NAY":

WESLEY BOWNDS,
Chairman of the Midland
Development Corporation

ATTEST:

BERRY SIMPSON,
Secretary of the Midland
Development Corporation

APPROVED ONLY AS TO FORM:

JOHN OHNEMILLER,
Attorney for the Midland
Development Corporation

ECONOMIC DEVELOPMENT AGREEMENT

THIS AGREEMENT is entered into by and between the MIDLAND DEVELOPMENT CORPORATION (“*MDC*”), an Economic Development Corporation existing under the authority of Chapter 504 of the Texas Local Government Code, and the CITY OF MIDLAND, TEXAS (“*City*”), a home-rule municipal corporation.

I. Recitals

- A. The MDC and the City desire to set forth the terms and conditions upon which incentive funds will be provided to the City as consideration for the City’s construction of certain improvements to the Midland Draw (the “*Project*”).
- B. The Project will facilitate commercial and industrial development in the City of Midland.
- C. The MDC Board of Directors (the “*Board*”) and the City Council of the City of Midland, Texas (the “*Council*”), find that the purpose of this Agreement qualifies as an infrastructure improvement project under Section 501.103 of the Texas Local Government Code, and is therefore eligible for MDC funding.
- D. The Board and the Council find that the Project and expenditures therefor are required or suitable for infrastructure necessary to promote or develop new or expanded business enterprises within the City of Midland.
- E. The Board and the Council find that this Agreement does not constitute a direct incentive to or expenditure on behalf of a business enterprise as described in Section 501.158 of the Texas Local Government Code.

NOW, THEREFORE, in consideration of the promises and of the mutual covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, MDC and the City hereby agree as follows:

II. Obligations of the MDC

- A. Within fifteen (15) days after receiving written notice from the City that the City has entered into a contract with a third party for completion of the Project, the MDC shall provide to the City an interest-free forgivable loan in an amount equal to either: (i) fifty percent (50%) to the total construction cost of the Project, or (ii)

ONE MILLION and No/100 Dollars (\$1,000,000.00), whichever is less (the “*Loan*”). The Loan shall be disbursed in one lump sum and repaid as provided in Section III of this Agreement. The MDC agrees to forgive repayment of the Loan if the conditions contained in Section III of this Agreement are met.

III. Obligations of the City

- A. **The Project.** The City agrees to use the Loan for costs associated with the widening and reshaping of the Midland Draw from Business 20 to Golf Course Road, as shown on **Exhibit A**, which is attached hereto and incorporated herein for all purposes.

The Project shall include all necessary excavation, embedment, backfill, grading, sub-grade preparation, crushed aggregate base, HMAC/concrete pavement, cross drainage, curb and gutter, water and wastewater main installation, and necessary appurtenances or other such features as determined to be necessary by the City.

Associated costs shall include but not be limited to surveying costs, bidding costs, construction costs, and inspection costs for the Project.

- B. **Completion.** Upon completion of the Project, the City shall certify such to the MDC in accordance with Section VII.B hereof.
- C. **Return of Unexpended Loan Funds.** Within thirty (30) days of the City’s certification that the Project has been completed, the City agrees to repay to the MDC any remaining Loan funds in the possession of the City that were not expended for the Project.
- D. **Repayment.** If the City fails to complete the Project by December 31, 2022, then the City agrees to repay the Loan to the MDC. The amount repayable from the Loan provided herein, shall be repaid, without interest, to the MDC on or before thirty (30) days after the MDC gives written notice to the City. Notwithstanding anything to the contrary contained anywhere in this Agreement, under no circumstances shall the City be obligated to repay the MDC an amount in excess of the total dollar amount of the Loan actually received by the City from the MDC under this Agreement.
- E. **Extensions.** The Project completion date set forth herein may be extended upon a written request from the City to the MDC for an extension of the time allowed to complete the Project and the MDC providing to the City written approval of such request.

IV. Term

Upon execution by the parties, this Agreement becomes effective on July 28, 2021, and shall terminate; (i) when the requirements set forth in Sections II and III of this Agreement are completed; (ii) when terminated by mutual agreement of the parties; or (iii) when terminated as hereinafter provided.

V. Law

The parties are aware of statutory limitations on the Loan and the use of funds under Chapters 501 and 504 of the Texas Local Government Code, and the parties acknowledge that the funds herein granted or guaranteed shall be utilized solely for purposes authorized under that law and by the terms of this Agreement.

VI. Documents

Prior to any payment by MDC, the City shall deliver to MDC an executed copy of this Agreement.

VII. Special Conditions

- A. **Financial Commitment.** Notwithstanding any provision hereof which might be interpreted otherwise, MDC's total financial commitment during the term of this Agreement shall not exceed \$1,000,000.00 in the aggregate.
- B. **Certification.** As to any certification required under this Agreement, the City shall provide a letter or email from the City Manager.
- C. **Payments.** Payments to be made to the City under Section II hereof shall be made upon a written request from the City and completion of all necessary supporting documentation. The payment request and documentation should be directed to MDC Chairman, 200 North Loraine Street, Suite 610, Midland, Texas 79701.

VIII. General Terms

- A. **Entire Agreement.** This Agreement embodies the complete agreement of the parties hereto, superseding all oral or written, previous and contemporary agreements between the parties relating to matters in this Agreement; and except

as otherwise provided herein, this Agreement cannot be modified or amended without a written agreement of the parties.

- B. **No Third-Party Beneficiary.** The parties' approval of the Agreement does not create a third-party beneficiary. There is no third-party beneficiary to this Agreement. No person or entity who is not a party to this Agreement shall have any third-party beneficiary or other rights hereunder.

- C. **Legal Relationship.** The parties are not, and shall not be considered as, joint venturers, partners, or agents of each other; and neither shall have the power to bind nor obligate the other, except as set forth in this Agreement. The parties agree not to represent to anyone that they are agents of one another or have any authority to act on behalf of one another. It is mutually understood and agreed that nothing in this Agreement is intended or shall be construed as in any way creating or establishing any partnership, joint venture, or agency between the MDC and the City. Further, it is specifically understood and agreed that nothing in this Agreement is intended or shall be construed as creating a "Community of Pecuniary Interest" or "An Equal Right of Control" which would give rise to vicarious liability.

- D. **Terminations.** This Agreement may be terminated by mutual agreement of the parties or by either party, upon the failure of the other party to fulfill an obligation as set forth herein if the default is not cured within thirty (30) days after written notice from the other party.

- E. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and constitute one and the same instrument.

- F. **Venue.** The obligations of the parties to this Agreement are deemed to have been performed in Midland County, Texas, and if legal action is necessary to enforce same, exclusive venue shall be in Midland County, Texas. All payments under this Agreement are deemed to have taken place in Midland County, Texas. The obligations and undertakings of each of the parties to this Agreement shall be deemed to have been performed in Midland County, Texas.

- G. **Legal Construction.** In case one or more of the provisions contained in this Agreement shall for any reason be held invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions hereof and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

- H. **Law.** This Agreement is subject to all applicable state and federal laws, MDC and City agree that they will comply in all material respects with all such applicable laws, regulations, orders and rules of the State of Texas and other such governmental agencies. This Agreement shall be governed by and construed in accordance with the laws and court decisions of the State of Texas.
- I. **Assignment.** This Agreement shall be binding upon the parties hereto and their successors and assigns. This Agreement may not be assigned by the City without the prior written consent of the MDC.
- J. **Notices.** All notices to either party required under this Agreement shall be sent by certified U.S. mail, postage prepaid, addressed to such party at the addresses shown below. All notices shall be deemed given on the date so deposited in the mail, unless otherwise provided herein. Either party hereto may change the address below by sending written notice of such change to the other in the manner provided herein.

If to MDC:

MDC Chairman
 200 North Loraine
 Suite 610
 Midland, Texas 79701

If to City:

City Manager
 City of Midland
 P.O. Box 1152
 Midland, Texas 79702

- K. **Amendment.** This Agreement may be amended by written instrument executed by both parties expressly stating the intention to amend this Agreement.
- L. **Payments.** All payments to either party required under this Agreement shall be sent either by (i) certified U.S. mail, postage prepaid, addressed to such party at the addresses shown below or (ii) via electronic internal fund transfer. All payments shall be deemed given on the date so deposited in the mail or electronically transferred, unless otherwise provided herein. Either party hereto may change the address below by sending written notice of such change to the other in the manner provided herein.

If to MDC:

MDC Chairman
 200 North Loraine
 Suite 610
 Midland, Texas 79701

If to City:

City Manager
 City of Midland
 P.O. Box 1152
 Midland, Texas 79702

- M. MDC and the City hereby agree and acknowledge that this Agreement is supported by good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the parties.
- N. This Agreement shall not be effective until approved by the Midland City Council.

IN WITNESS WHEREOF, the MDC and the City have executed this Agreement on the _____ day of _____, 2021.

**MIDLAND
DEVELOPMENT
CORPORATION**

Wesley Bownds, Chairman

ATTEST:

Berry Simpson, Secretary

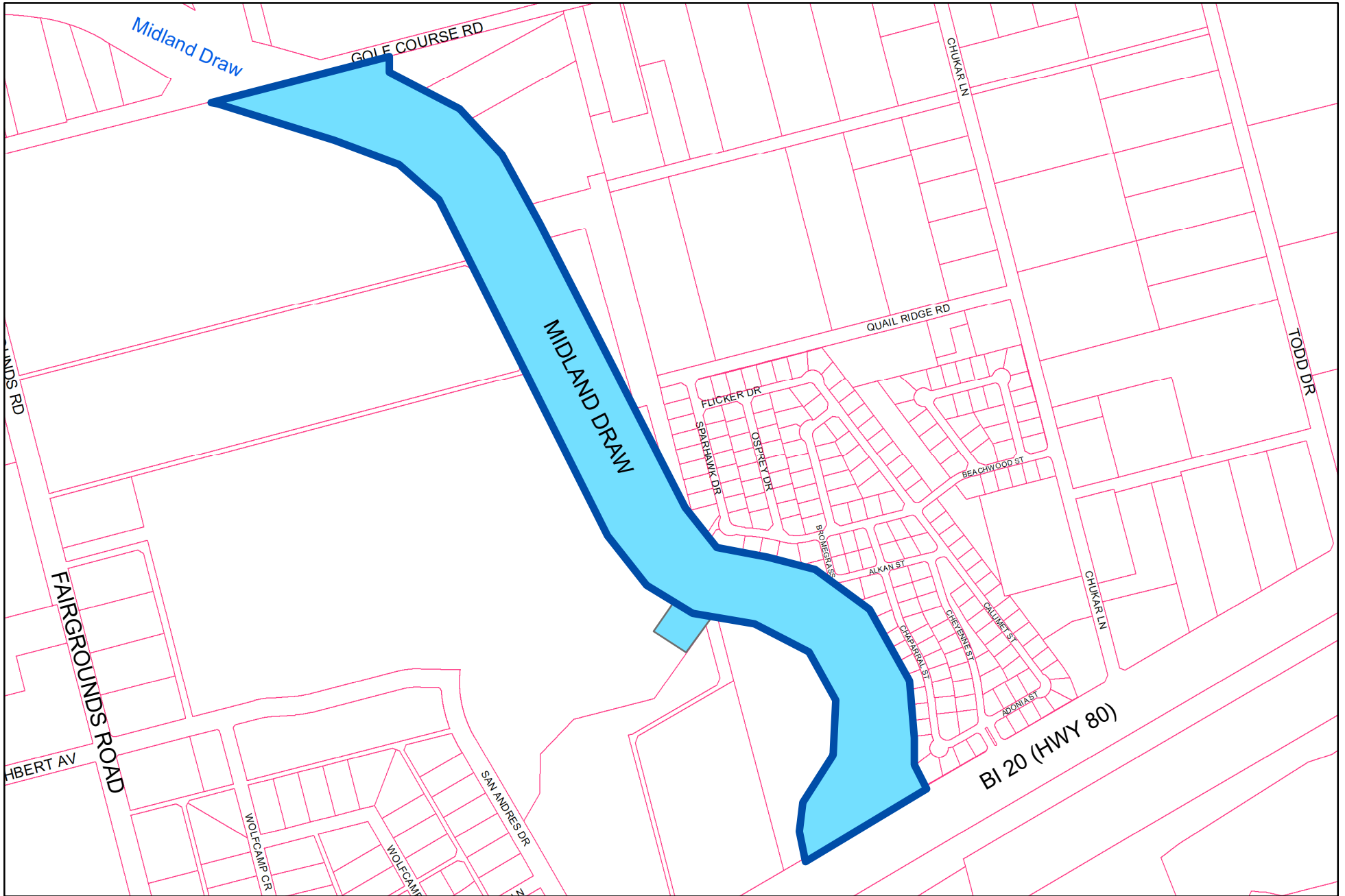
CITY OF MIDLAND, TEXAS

Patrick N. Payton, Mayor

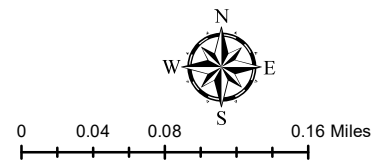
ATTEST:

Amy M. Turner, City Secretary

Exhibit A



Midland Draw Widening Location Map



Western United Life Building Security

RESOLUTION NO. _____

RESOLUTION AUTHORIZING THE EXECUTION OF A CONTRACT WITH STRONG ENVIRONMENTAL SERVICES, LLC, IN THE AMOUNT OF \$57,250.00 FOR THE INSTALLATION OF ADDITIONAL SECURITY MEASURES AT THE WESTERN UNITED LIFE BUILDING

WHEREAS, the Board of Directors finds it to be in the public interest to authorize the execution of a contract with Strong Environmental Services, LLC, in the amount of \$57,250.00 for the installation of additional security measures at the Western United Life Building;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MIDLAND DEVELOPMENT CORPORATION:

SECTION ONE. That the Chairman and Secretary are hereby authorized and directed to execute and attest, respectively, on behalf of the Midland Development Corporation, a contract with Strong Environmental Services, LLC, in the amount of \$57,250.00 for the installation of additional security measures at the Western United Life Building. Said agreement being in the form substantially similar to that of Exhibit A, which is attached hereto and incorporated herein for all purposes.

SECTION TWO. That the City Comptroller is hereby authorized and directed to pay Strong Environmental Services, LLC, in accordance with the terms of the above-referenced contract, from funds available in the Midland Development Corporation 2020-2021 Operating Budget upon receipt of proper invoice or statement.

On motion of Director _____, seconded by Director _____, the above and foregoing resolution was adopted by the Board of Directors of the Midland Development Corporation at a regular meeting on the _____ day of _____, A.D., 2021, by the following vote:

Directors voting "AYE":

Directors voting "NAY":

WESLEY BOWNDS,
Chairman of the Midland
Development Corporation

ATTEST:

BERRY SIMPSON,
Secretary of the Midland
Development Corporation

APPROVED AS TO FORM ONLY:

JOHN OHNEMILLER,
Attorney for the Midland
Development Corporation

Western United Life Building Security Contract

THIS CONTRACT, effective the ____ day of July 2021, by and between the Midland Development Corporation, a Type A Economic Development Corporation pursuant to Chapter 504 of the Texas Local Government Code ("MDC"), and **Strong Environmental Services, LLC** ("Company") is made for the following considerations:

1. **Cost:** Total Proposal: \$57,250.00
2. **Scope of Work:** Company shall perform all work described for the **installation of additional security measures at the Western United Life Building**, as more particularly described in the Proposal that is attached hereto and incorporated herein for all purposes.

Exhibit AProposal

3. **MDC's Representative:** "*MDC's Representative*" or "*representative*" shall mean Executive Director Sara Harris or the designee who may inspect work performed under this Contract; or such other representative, environmental consultant, supervisor, or inspector as may be authorized by MDC to act in any particular capacity under this Contract. MDC's Representative may make visits to the site to observe the progress and quality of the executed work and to determine, in general, if the work is proceeding in accordance with the Contract documents. MDC's Representative will not be required to make exhaustive or continuous on-site inspections to check the quality or quantity of the work, nor will such representative be responsible for the construction means, methods, techniques, sequences or procedures, or the safety precautions incident thereto. MDC's Representative shall not be responsible for Company's failure to perform the work in accordance with the Contract.

4. **Company:** Unless otherwise stipulated, Company shall provide and pay for all materials, supplies, machinery, equipment, tools, superintendence, labor, insurance, and all light, fuel, transportation and all other facilities necessary for the execution and completion of the work covered by the Contract documents. Unless otherwise specified, all materials shall be new, and both workmanship and materials shall be of a good quality. Company shall, if required, furnish satisfactory evidence as to the kind and quality of materials. Exception is payment of electrical and water utilization bills. These will be the responsibility of MDC.

- 4.1. Other than applicable Department of State Health Services (DSHS) permits, Company shall, at its expense, obtain all permits and licenses necessary for the performance of this Contract, pay all fees and taxes required by law, and comply with all laws, ordinances, rules and regulations governing Company's performance of the Contract, including all environmental laws and regulations, whether state or federal.

4.2. All work shall be completed, and all materials shall be furnished in strict conformity with the Contract specifications.

5. **Minor Work Not Mentioned:** All minor detail of the work not specifically mentioned in the specifications, but obviously necessary for the proper completion of the work such as the proper connection of new work to old, shall be considered as incidental to and a part of the work for which the prices are named in the Contract. Company shall not be entitled to any additional compensation therefor unless specifically stated otherwise. Otherwise the term "extra work" as used in this Contract shall mean and include all work that may be required by MDC to be done by Company to accomplish any alteration or addition to the work as shown on the specifications.

Company shall perform all extra work under the direction of MDC's Representative, when presented with a written work order signed by MDC's Representative; subject, however, to the right of the Company to require written confirmation of such extra work order by MDC. Payment for extra work shall be as agreed in the work order.

6. **Safety:** Company shall at all times exercise reasonable precaution for the safety of employees and others on or near the work and shall comply with all applicable provisions of federal, state and municipal laws. All machinery and equipment and other physical hazards shall be guarded in accordance with federal, state or municipal laws or regulations.

7. **INDEMNITY: COMPANY SHALL INDEMNIFY AND HOLD HARMLESS AND DEFEND MDC, THE CITY OF MIDLAND (THE "CITY"), AND ALL OF THEIR RESPECTIVE OFFICERS, AGENTS AND EMPLOYEES FROM ALL SUITS, ACTIONS, CLAIMS, DAMAGES, PERSONAL INJURIES, ACCIDENTAL DEATH, LOSSES, PROPERTY DAMAGE AND EXPENSES OF ANY CHARACTER WHATSOEVER, INCLUDING ATTORNEY'S FEES, BROUGHT FOR OR ON ACCOUNT OF ANY INJURIES OR DAMAGES RECEIVED OR SUSTAINED BY ANY PERSON OR PERSONS OR PROPERTY, ON ACCOUNT OF ANY NEGLIGENT ACT OF COMPANY, THEIR AGENTS OR EMPLOYEES, OR ANY SUBCONTRACTOR, IN THE EXECUTION, SUPERVISION AND OPERATIONS GROWING OUT OF OR IN ANY WAY CONNECTED WITH THE PERFORMANCE OF THIS CONTRACT, AND COMPANY WILL BE REQUIRED TO PAY ANY JUDGMENT WITH COSTS WHICH MAY BE OBTAINED AGAINST MDC, CITY, OR ANY OF THEIR OFFICERS, AGENTS OR EMPLOYEES, INCLUDING ATTORNEY'S FEES. THE OBLIGATIONS CONTAINED IN THIS SECTION SHALL SURVIVE THE TERMINATION OF THIS CONTRACT.**

7.1. COMPANY AGREES THAT IT SHALL INDEMNIFY AND SAVE MDC AND CITY HARMLESS FROM ALL CLAIMS GROWING OUT OF ANY DEMANDS OF SUBCONTRACTORS, LABORERS, WORKMEN, MECHANICS, MATERIALMEN, AND FURNISHERS OF MACHINERY AND PARTS THEREOF, EQUIPMENT, POWER TOOLS AND ALL SUPPLIES, INCURRED IN THE FURTHERANCE OF THE PERFORMANCE OF THIS CONTRACT. WHEN MDC SO DESIRES, COMPANY SHALL FURNISH SATISFACTORY EVIDENCE THAT ALL OBLIGATIONS OF THE NATURE HEREINABOVE DESIGNATED HAVE BEEN PAID, DISCHARGED OR WAIVED. COMPANY, ITS SURETIES AND INSURANCE CARRIERS SHALL DEFEND, INDEMNIFY AND SAVE HARMLESS MDC, CITY, AND ALL OF THEIR RESPECTIVE OFFICERS, AGENTS AND EMPLOYEES FROM ALL SUITS, ACTIONS, OR CLAIMS OF ANY CHARACTER WHATSOEVER, BROUGHT FOR OR ON ACCOUNT OF ANY INJURIES OR DAMAGES RECEIVED OR SUSTAINED BY ANY PERSON OR PERSONS OR PROPERTY, ARISING FROM ANY ACT OF COMPANY OR ANY SUBCONTRACTOR, THEIR AGENTS OR EMPLOYEES, IN THE EXECUTION AND SUPERVISION OF THIS CONTRACT, AND SHALL BE REQUIRED TO PAY ANY JUDGMENT WITH COSTS WHICH MAY BE OBTAINED AGAINST MDC, CITY, OR ANY OF THEIR RESPECTIVE OFFICERS, AGENTS, OR EMPLOYEES INCLUDING ATTORNEY'S FEES. THE OBLIGATIONS CONTAINED IN THIS SECTION SHALL SURVIVE THE TERMINATION OF THIS CONTRACT.

8. **Start of Work:** Company shall commence work no later than ten (10) days after receipt of the execution of this document or other written release to proceed and shall complete such work no later than 90 calendar days after release to proceed.

9. **Clean Up:** Company shall promptly remove from premises all materials condemned by MDC's Representative on account of failure to conform to the contract, whether actually incorporated in the work or not, and Company shall at its own expense promptly replace such condemned materials with other materials conforming to the requirements of the contract. Company shall also bear the expense of restoring all work of other contractors damaged by any such removal or replacement. If Company does not remove and replace any such condemned materials within a reasonable time after a written notice by MDC, MDC may remove and replace such at Company's expense.

10. **Warranty:** Neither the final payment nor any provision in this Contract shall relieve Company of responsibility for faulty materials or workmanship, and Company shall remedy any defects due thereto and pay for any damage to other work resulting therefrom, which shall appear within a period of one (1)

year from the date of substantial completion. MDC shall give notice of observed defects with reasonable promptness.

11. **Remedy:** MDC may, on account of subsequently discovered evidence, withhold whole or part of any payment to such extent as may be necessary to protect itself from loss on account of:

11.1. Defective work not remedied; or

11.2. Claims filed or reasonable evidence indicating possible filing of claims; or

11.3. Failure of Company to make payments promptly to subcontractors or for material or labor that MDC may pay as an agent for the Company; or

11.4. Damages to another contractor or subcontractor.

When the above grounds to withhold payment are removed, or Company provides a surety bond satisfactory to MDC, which shall protect MDC in the amount withheld, payment may be released.

12. **Funding Out:** In the event no funds or insufficient funds are appropriated and budgeted or are otherwise unavailable in any fiscal period for payments due under the contract, then this Contract shall terminate on the last day of the fiscal period for which full appropriations were made, without penalty or expense to MDC of any kind whatsoever.

13. **Prompt Pay Act:** MDC and Company agree that Texas Government Code, Chapter 2251, Payment for Goods and Services (the "Prompt Pay Act") does not waive governmental immunity.

14. **Payment:** After all work is completed by Company, including all change orders altering the original scope and amount of the Contract are completed, and MDC has inspected and approved that the work is completed and in compliance with the Contract and all subsequent change orders, MDC may thereafter issue payment to Company in the amount of the Contract and all change orders. MDC shall be the final judge of when the work is completed by Company. MDC, in its sole discretion, shall determine if the work under the Contract and under any change orders has been completed to MDC's requirements.

14.1. MDC may make periodic payments to Company; provided, however, such periodic payments may only be made pursuant to this section, and only after all work and all change orders are completed by Company and approved by MDC. The approval shall be in MDC's sole discretion. Requests for progress payments may be made to the extent of the materials and labor completed at the end of each month.

15. **No Third-Party Beneficiary:** MDC's approval of this Contract does not create a third-party beneficiary. There is no third-party beneficiary to this Contract. No person or entity who is not a party to

this Contract shall have any third-party beneficiary or other rights hereunder.

16. **WAIVER OF ATTORNEY FEES: BY EXECUTING THIS CONTRACT, COMPANY AGREES TO WAIVE AND DOES HEREBY KNOWINGLY, CONCLUSIVELY, VOLUNTARILY AND INTENTIONALLY WAIVE ANY CLAIM IT HAS OR MAY HAVE IN THE FUTURE AGAINST MDC OR CITY, REGARDING THE AWARD OF ATTORNEY'S FEES, WHICH ARE IN ANY WAY RELATED TO THE CONTRACT, OR THE CONSTRUCTION, INTERPRETATION OR BREACH OF THE CONTRACT. COMPANY SPECIFICALLY AGREES THAT IF COMPANY BRINGS OR COMMENCES ANY LEGAL ACTION OR PROCEEDING RELATED TO THIS CONTRACT, THE CONSTRUCTION, INTERPRETATION, VALIDITY OR BREACH OF THIS CONTRACT, INCLUDING BUT NOT LIMITED TO ANY ACTION PURSUANT TO THE PROVISIONS OF THE TEXAS UNIFORM DECLARATORY JUDGMENTS ACT (TEXAS CIVIL PRACTICE AND REMEDIES CODE SECTION 37.001, ET SEQ., AS AMENDED), OR CHAPTER 271 OF THE TEXAS LOCAL GOVERNMENT CODE, COMPANY AGREES TO ABANDON, WAIVE AND RELINQUISH ANY AND ALL RIGHTS TO THE RECOVERY OF ATTORNEY'S FEES TO WHICH COMPANY MIGHT OTHERWISE BE ENTITLED.**

COMPANY AGREES THAT THIS IS THE VOLUNTARY AND INTENTIONAL RELINQUISHMENT AND ABANDONMENT OF A PRESENTLY EXISTING KNOWN RIGHT. COMPANY ACKNOWLEDGES THAT IT UNDERSTANDS ALL TERMS AND CONDITIONS OF THE CONTRACT. COMPANY FURTHER ACKNOWLEDGES AND AGREES THAT THERE WAS AND IS NO DISPARITY OF BARGAINING POWER BETWEEN MDC AND COMPANY. THIS SECTION SHALL NOT BE CONSTRUED OR INTERPRETED AS A WAIVER OF GOVERNMENTAL IMMUNITY.

COMPANY IS RELYING ON ITS OWN JUDGMENT. COMPANY HAD THE OPPORTUNITY TO DISCUSS THIS CONTRACT WITH COMPETENT LEGAL COUNSEL PRIOR TO ITS EXECUTION. THE OBLIGATIONS CONTAINED IN THIS SECTION SHALL SURVIVE THE TERMINATION OF THIS CONTRACT.

17. **Governmental Immunity:** By executing this Contract, MDC is not waiving its right of governmental immunity.

THERE IS NO WAIVER OF GOVERNMENTAL IMMUNITY.

18. **Insurance:** Company shall at all times during the term of this Contract maintain and keep in full force and effect insurance in the following types and minimum amounts with companies authorized to do

business in the State of Texas:

Commercial General Liability (including Contractual liability):

-Personal Injury:	\$1,000,000.00 per person \$1,000,000.00 per occurrence
-Property Damage:	\$500,000.00 per occurrence
Business Automobile Liability:	\$250,000.00 combined single limit - Personal Injury and Property Damage
Workers' Compensation:	Statutory limits
Employers' Liability:	\$500,000.00 per accident or occurrence

The Commercial General Liability shall be on a per project aggregate, including completed operations, and shall be on a claims-occurred basis. This insurance shall name MDC and City as additional insureds and waive subrogation in favor of MDC and City.

The Business Automobile Liability insurance provided by Company shall cover any auto for bodily injury and property damage, including owned vehicles, hired and non-city vehicles, and employee non-ownership, and the amount of such policy shall be a minimum of \$250,000.00 covering any vehicle used for the execution of the work that is the subject of this Contract. This insurance shall name MDC and City as additional insureds and waive subrogation in favor of MDC and City.

The Workers' Compensation coverage provided by Company shall inure to the benefit of employees injured during the course and scope of their employment by Company pursuant to this Contract. The Workers' Compensation shall waive all rights of subrogation in favor of MDC and City.

All insurance required pursuant to this Contract shall provide for a waiver of subrogation in favor of MDC and City. All insurance required pursuant to this Contract, except for Workers' Compensation Insurance, shall name MDC and City as additional insureds on a claims-occurred basis. MDC and City shall be provided the notice by Company's insurance provider not later than thirty (30) days prior to any reduction or termination of such coverage.

Company shall contractually require all contractors, subcontractors, and sub-subcontractors that work on any portion of the work that is the subject of this Contract to obtain insurance coverage that meets or exceeds the policy requirements and minimum amounts specified herein. All contractors, subcontractors, and sub-subcontractors shall obtain insurance policies that provide blanket waivers of subrogation in favor of MDC and the City of Midland and policies that name MDC and the City of Midland as additional insureds on a claims occurred basis (except workers' compensation).

The parties agree that, prior to the execution of the Contract, Company shall provide one or more certificates of insurance specifically stating that these requirements have been met and subject to the

approval of MDC. MDC shall not be required to provide any insurance whatsoever pursuant to this Contract.

Company certifies that the certificate of insurance provided as required herein complies with the requirements of Chapter 1811 of the Texas Insurance Code. Company shall not use an unapproved certificate of insurance or insert inappropriate language on a certificate. Compliance with state law is the sole responsibility of Company.

19. **Assignment:** Company shall not, either directly or indirectly, assign all or any part of this Contract or any interest, right or privilege herein, without the prior written consent of MDC. The issue on whether or not to grant consent to an assignment is in the sole discretion of MDC.

20. **RELEASE: NOTWITHSTANDING ANY OTHER PROVISIONS, COMPANY HEREBY RELEASES, ACQUITS, RELINQUISHES AND FOREVER DISCHARGES MDC, CITY, AND THEIR RESPECTIVE EMPLOYEES AND OFFICERS, FROM ANY AND ALL DEMANDS, CLAIMS, DAMAGES, OR CAUSES OF ACTION OF ANY KIND WHATSOEVER WHICH COMPANY HAS OR MIGHT HAVE IN THE FUTURE, INCLUDING BUT NOT LIMITED TO BREACH OF CONTRACT, QUANTUM MERUIT, CLAIMS UNDER THE DUE PROCESS AND TAKINGS CLAUSES OF THE TEXAS AND UNITED STATES CONSTITUTIONS, TORT CLAIMS, OR CITY'S NEGLIGENCE. THE OBLIGATIONS CONTAINED IN THIS SECTION SHALL SURVIVE THE TERMINATION OF THIS CONTRACT.**

21. **Governing Law and Venue:** The laws of the State of Texas shall govern, construe and enforce all the rights and duties of the parties, including but not limited to tort claims and any and all contractual claims or disputes arising from or relating in any way to the subject matter of this Contract, without regard to conflict on laws and rules that would direct application of the laws of another jurisdiction. The obligations and undertakings of each of the parties to this Contract shall be deemed to have occurred in Midland County, Texas. All performance and payment made pursuant to this Contract shall be deemed to have occurred in Midland County, Texas. Exclusive venue for any claims, suits or any other action arising from or connected in any way to this Contract or the performance of this Contract shall be in Midland County, Texas.

22. **Independent Contractor:** It is expressly understood and agreed that Company shall perform all work and services described herein as an independent contractor and not as an officer, agent, servant or employee of MDC; that Company shall have exclusive control of and the exclusive right to control the details of the services and work performed hereunder, and all persons performing the same; and shall be solely responsible for the acts and omissions of its officers, agents, employees, contractors and

subcontractors; that the doctrine of respondeat superior shall not apply as between MDC and Company, its officers, agents, employees, contractors and subcontractors; and that nothing herein shall be construed as creating a partnership or joint enterprise between MDC and Company. No person performing any of the work and services described hereunder by Company shall be considered an officer, agent, servant or employee of MDC. Further, it is specifically understood and agreed that nothing in this Contract is intended or shall be construed as creating a "Community of Pecuniary Interest" or "An Equal Right of Control" which would give rise to vicarious liability. Company shall be an independent contractor under this Contract and shall assume all of the rights, obligations and liabilities, applicable to it as such independent contractor hereunder. MDC does not have the power to direct the order in which the work is done. MDC shall not have the right to control the means, methods or details of the Company's work.

Company shall assume exclusive responsibility for the work. Company is entirely free to do the work in its own way.

23. **Notice of Alleged Breach; Statutory Prerequisites:** As a condition precedent to filing suit for alleged damages incurred by an alleged breach of an express or implied provision of this Contract, Company or its legal representative, shall give the MDC Chairman, or any other reasonable official of MDC, notice in writing (consisting of one original and seven copies of notice attached to a copy of this Contract) of such damages, duly verified, within one hundred fifty (150) days after the same has been sustained. The discovery rule does not apply to the giving of this notice. The notice shall include when, where and how the damages occurred, the apparent extent thereof, the amount of damages sustained, the amount for which Company will settle, the physical and mailing addresses of Company at the time and date the claim was presented and the physical and mailing addresses of Company for the six months immediately preceding the occurrence of such damages, and the names and addresses of the witnesses upon whom Company relies to establish its claim; and a failure to so notify the MDC Chairman within the time and manner provided herein shall exonerate, excuse and except MDC from any liability whatsoever. MDC is under no obligation to provide notice to Company that Company's notice is insufficient. MDC reserves the right to request reasonable additional information regarding the claim. Said additional information shall be supplied within thirty (30) days after receipt of notice.

The statutory prerequisites outlined herein constitute jurisdictional requirements pursuant to Section 271.154 of the Texas Local Government Code and Section 311.034 of the Texas Government Code. Notwithstanding any other provision, Company's failure to comply with the requirements herein shall perpetually bar Company's claim for damages under Chapter 271 of the Texas Local Government Code, and Section 311.034 of the Texas Government Code, regardless if MDC has actual or constructive notice or knowledge of said claim or alleged damages. Company agrees that the requirements of this entire

Contract are reasonable.

24. **Consideration:** The terms of this Contract are supported by good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the parties named herein.

25. **Termination At Will:** MDC may terminate this Contract at will for no or any reason upon giving at least one hundred eighty (180) days written notice to Company. The parties to this Contract understand and agree that it is in MDC's sole discretion to cancel the Contract during the term of the Contract without penalty to MDC. Company has no expectation and has received no guarantees that this Contract will not be terminated before the end of the Contract term. The parties have bargained for the flexibility of terminating this Contract upon tender of the requisite notice at any time during the term of the Contract.

26. **Governmental Function: MDC AND COMPANY HEREBY ACKNOWLEDGE AND AGREE THAT THE ENTIRETY OF MDC'S PERFORMANCE AND OBLIGATIONS UNDER THIS CONTRACT CONSTITUTES A GOVERNMENTAL FUNCTION. BY ENTERING INTO THIS CONTRACT, COMPANY RELEASES MDC FROM ANY PRESENT OR FUTURE CLAIMS ASSERTING MDC'S PERFORMANCE AND OBLIGATIONS UNDER THIS CONTRACT ARE NOT GOVERNMENTAL FUNCTIONS. MDC AND COMPANY ACKNOWLEDGE AND AGREE THAT THIS CONTRACT IS IN THE PUBLIC INTEREST AND SERVES A PUBLIC PURPOSE OF THE STATE OF TEXAS IN PROMOTING THE WELFARE OF THE GENERAL PUBLIC ECONOMICALLY.**

[Signature Pages Follow]

EXECUTED by the duly authorized officials of the Parties as of the day and year first above written.

**MIDLAND DEVELOPMENT
CORPORATION**

Wesley Bownds, Chairman

ATTEST:

Berry Simpson, Secretary

STRONG ENVIRONMENTAL SERVICES, LLC

By: _____

Name: _____

Title: _____

STATE OF _____ §

§

COUNTY OF _____ §

BEFORE ME, the undersigned authority, on this ____ day of _____, 20__, personally appeared, _____ of STRONG ENVIRONMENTAL SERVICES, LLC, known to me to be the person and official whose name is subscribed to the forgoing instrument, and acknowledged to me that he executed the same as the act and deed of said entity, for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the _____ day of _____, 2021.

Notary Public for the State of _____

Strong Environmental Services, LLC

Texas Consulting Services
A Regulatory / Environmental Company
PO Box 9910 * Midland, TX 79708
Phone: (432) 687-5455 Cell: (432)528-4104
E-mail: Txcs65@yahoo.com

June 29, 2021

Midland Development Corporation
200 N. Loraine St., Ste 610
Midland, Texas 79701
Attn: Sara Harris

RE: Proposal - 304 W. Texas Avenue

To Whom It May Concern:

As requested, Texas Consulting Services has submitted a price request summary for labor, materials and installation of security measures at 304 W. Texas Avenue located in Midland, Texas. This summary is based on performing work in a single-phase process with security locations specified by the owner. The summary is as follows:

- Owner specified locations include:
 - Eleven (11) windows on north side, second floor of facility
 - West doorway adjoining west public alley
 - East doorway (Colorado St. access)
- Scope of work includes fabrication of perimeter plating and 2" x 2" steel square tubing at each location specified. Construction will specifically include square tubing in a 6" vertical spacing with an accompanying crossmember.
- Scope of work at east doorway to include adjoining south window
- Fabrication period estimated at 2 weeks with installation occurring over following 2-week period depending on material availability.

Price as Scoped and Specified: \$57,250

If you have any questions or concerns, please do not hesitate to contact our offices immediately: 432-687-5455

Sincerely,



Tony Strong
Project Engineer
DSHS Cons. Lic. # 10-5631

The above listed specifications are satisfactory and are hereby accepted BY:

SIGNATURE OF CLIENT
Asbestos Abatement Acceptance

DATE

Exhibit A

Dini Spheris Promotional Agreement

PROMOTIONAL AGREEMENT

THIS PROMOTIONAL AGREEMENT (“*Agreement*”) is made and effective the ___ day of _____, 2021 (the “*Effective Date*”), by and between the MIDLAND DEVELOPMENT CORPORATION (“*MDC*”), an economic development corporation existing under the authority of Chapter of 504 of the Texas Local Government Code, and DINI SPHERIS, INC., a Texas corporation (“*COMPANY*”). In this Agreement, MDC and COMPANY are sometimes individually referred to as a “*Party*” and collectively referred to as the “*Parties.*”

WITNESSETH:

WHEREAS, MDC is authorized to expend promotional funds in order to advertise or publicize the City of Midland for the purpose of developing new and expanded business enterprises pursuant to Section 504.105 of the Texas Local Government Code; and

WHEREAS, MDC’s expenditure of promotional funds for the advertising and promotional services described herein will advertise and publicize the City of Midland for the purpose of developing new and expanded business enterprises, and will thereby enhance and promote economic development within the City of Midland; and

WHEREAS, it is the desire of the Parties to combine their efforts for the purpose of promoting the City of Midland and COMPANY;

NOW, THEREFORE, in consideration of the covenants and conditions stated herein, and in consideration of the mutual benefits which will accrue to the Parties, as well as the general citizenry of the City of Midland, the Parties have agreed and do hereby agree as follows:

I. PURPOSE

The purpose of this Agreement is to state the terms and conditions under which COMPANY shall perform advertising and promotional services for MDC for the purpose of developing new and expanded business enterprises in the City of Midland and thereby enhance and promote economic development within the City of Midland.

II. OBLIGATIONS OF THE PARTIES

A. MDC Payment. MDC agrees to make payments to COMPANY in accordance with the fees and schedule contained in **Exhibit B**. The total funds provided by MDC under this Agreement shall not exceed the total fee/reimbursement amount contained in **Exhibit B**. The Parties covenant and agree that all funds provided by MDC under this Agreement are in exchange for COMPANY’s advertising and promotional services as set forth herein.

B. Services. COMPANY shall use commercially reasonable efforts to provide those services described in **Exhibit A** and **Exhibit B**, which are attached hereto and incorporated herein for all purposes. COMPANY shall perform all services in a workmanlike manner. COMPANY shall coordinate with MDC’s Chairman, or his designee, regarding the design, nature, content, and implementation of the services to enable the advertising and promotional activities performed hereunder to be effective and efficient in achieving the purpose of this Agreement.

C. Summary Report. During the term of this Agreement, at a time and place mutually agreed to by the Parties, COMPANY shall provide MDC with a report or presentation containing a detailed summary of COMPANY's efforts to promote new and expanded business enterprises within the City of Midland.

III. INDEPENDENT CONTRACTOR

COMPANY shall operate hereunder as an independent contractor and not as an officer, agent, servant, or employee of MDC. COMPANY shall have exclusive control of, and the exclusive right to control, the details of the work to be performed hereunder and all personnel performing the same, and shall be solely responsible for the acts and omissions of its officers, members, agents, employees or contractors. In no event shall any person participating in or performing any of COMPANY's duties or responsibilities hereunder be considered an officer, agent, or employee of MDC. Further, it is specifically understood and agreed that nothing in this Agreement is intended or shall be construed as creating a "Community of Pecuniary Interest" or "An Equal Right of Control," which would give rise to vicarious liability. COMPANY shall be an independent contractor under this Agreement and shall assume all of the rights, obligations and liabilities, applicable to it as such independent contractor hereunder. MDC does not have the power to direct the order in which the work is done. MDC shall not have the right to control the means, methods or details of COMPANY's work. COMPANY shall assume exclusive responsibility for its work.

IV. TERM OF AGREEMENT

Upon execution by the Parties, this Agreement becomes effective on the Effective Date, and shall terminate on December 14, 2021, or when terminated by mutual agreement of the Parties, or when terminated as hereinafter provided.

V. GENERAL TERMS

A. Entire Agreement. This Agreement embodies the complete agreement of the Parties, superseding all oral or written, previous and contemporary agreements between the Parties relating to matters in this Agreement; and except as otherwise provided herein, this Agreement cannot be modified or amended without a written agreement of the Parties.

B. Termination. MDC may terminate this Agreement at will for any or no reason upon giving at least ninety (90) days' written notice to COMPANY. The parties to this Agreement understand and agree that it is in MDC's sole and absolute discretion to cancel the Agreement during the term of the Agreement without penalty to MDC. COMPANY has no expectation and has received no guarantees that this Agreement will not be terminated before the end of the Agreement term. The Parties have bargained for the flexibility of terminating this Agreement upon tender of the requisite notice at any time during the term of the Agreement. All work and services under the Agreement shall be suspended upon termination of the Agreement becoming effective.

C. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and constitute one and the same instrument.

D. Legal Construction. In case one or more of the provisions contained in this Agreement shall for any reason be held invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions hereof and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

E. Notices. All notices to either Party required under this Agreement shall be sent by certified U.S. mail, postage prepaid, addressed to such Party at its respective address shown below. All notices shall be deemed given on the date so deposited in the mail, unless otherwise provided herein. Either Party hereto may change the address below by sending written notice of such change to the other Party.

If to MDC:

Executive Director
Midland Development Corp.
200 N. Loraine St., Suite 610
Midland, Texas 79701

If to COMPANY:

Dini Spheris, Inc.
2727 Allen Parkway, Suite 1650
Houston, Texas 77019
Attn: Ramona R. Alms

F. Assignment. This Agreement shall be binding upon the Parties and their successors and assigns. This Agreement may not be assigned by COMPANY without the prior written consent of MDC.

G. Release. **NOTWITHSTANDING ANY OTHER PROVISION CONTAINED HEREIN, COMPANY HEREBY RELEASES, ACQUITS, RELINQUISHES AND FOREVER DISCHARGES MDC, MDC'S EMPLOYEES AND OFFICERS, FROM ANY AND ALL DEMANDS CLAIMS, DAMAGES, OR CAUSES OF ACTION OF ANY KIND WHATSOEVER WHICH COMPANY HAS OR MIGHT HAVE IN THE FUTURE, INCLUDING BUT NOT LIMITED TO BREACH OF CONTRACT, QUANTUM MERUIT, CLAIMS UNDER THE DUE PROCESS AND TAKINGS CLAUSES OF THE TEXAS AND UNITED STATES CONSTITUTIONS, TORT CLAIMS, OR MDC'S NEGLIGENCE. THE OBLIGATIONS CONTAINED IN THIS SECTION SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.**

H. Amendments. This Agreement may be amended by written instrument executed by both Parties expressly stating the intention to amend this Agreement.

I. Governmental Immunity. By executing this agreement, MDC is not waiving its right of governmental immunity. MDC is not granting consent to be sued by legislative resolution or action. **THERE IS NO WAIVER OF GOVERNMENTAL IMMUNITY.**

J. Waiver of Attorney Fees. By executing this Agreement, **THE PARTIES AGREE TO WAIVE AND DO HEREBY WAIVE ANY CLAIM THEY HAVE OR MAY HAVE AGAINST THE OTHER PARTY REGARDING THE AWARD OF ATTORNEY FEES, WHICH ARE IN ANY WAY RELATED TO THIS AGREEMENT, OR THE CONSTRUCTION, INTERPRETATION, OR BREACH OF THIS AGREEMENT. THE PARTIES SPECIFICALLY AGREE THAT IF EITHER PARTY BRINGS OR**

COMMENCES ANY LEGAL ACTION OR PROCEEDING RELATED TO THIS AGREEMENT, THE CONSTRUCTION, INTERPRETATION, VALIDITY OR BREACH OF THIS AGREEMENT, INCLUDING BUT NOT LIMITED TO ANY ACTION PURSUANT TO THE PROVISIONS OF THE TEXAS UNIFORM DECLARATORY JUDGMENTS ACT (TEXAS CIVIL PRACTICE AND REMEDIES CODE SECTION 37.001, ET SEQ., AS AMENDED), THAT PARTY AGREES TO WAIVE AND RELINQUISH ANY AND ALL RIGHTS TO THE RECOVERY OF ATTORNEY FEES TO WHICH IT MIGHT OTHERWISE BE ENTITLED. THE OBLIGATIONS CONTAINED IN THIS SECTION SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

K. Governing Law and Venue. This Agreement shall be governed by the laws of the State of Texas. All performance and payment made pursuant to this Agreement shall be deemed to have occurred in Midland County, Texas. Exclusive venue for any claims, suits or any other action arising from or connected in any way to this Agreement or the performance of this Agreement shall be in Midland County, Texas. The obligations and undertakings of each of the Parties shall be deemed to have occurred in Midland County, Texas.

L. Third-Party Beneficiary. MDC's approval of this Agreement does not create a third-party beneficiary. There is no third-party beneficiary to this Agreement. No person or entity who is not a Party to this Agreement shall have any third-party beneficiary or other rights hereunder.

M. Governmental Function. MDC and COMPANY hereby acknowledge and agree that the entirety of MDC's performance and obligations under this Agreement is a governmental function. By entering into this Agreement, COMPANY releases MDC from any present or future claims asserting that MDC's performance or obligations under this Agreement are not governmental functions.

N. Conflict of Terms. If any conflict of terms or language exists between the provisions of this Agreement and the provisions contained in **Exhibit B**, precedence shall be given to the provisions of this Agreement. For the avoidance of any doubt, the provisions of this Agreement shall supersede any and all conflicting provisions contained in **Exhibit B**.

[Signature Pages Follow]

EXECUTED by the duly authorized officials of the Parties as of the day and year first above written.

**MIDLAND DEVELOPMENT
CORPORATION**

By _____
Wesley Bownds, Chairman

ATTEST:

Berry Simpson, Secretary

DINI SPHERIS, INC.

By _____

Name _____

Title _____

THE STATE OF TEXAS §

COUNTY OF _____ §

BEFORE ME, the undersigned authority, on this day personally appeared _____, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged that he/she executed and delivered the foregoing instrument for the purposes and consideration therein expressed on behalf of the DINI SPHERIS, INC.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____ day of _____, 2021.

Notary Public, State of Texas

Promotional Services to be Provided by Dini Spheris

1. Branding the City of Midland for the purpose of developing new and expanded business enterprises in website, brochure, and media materials.
2. Including references to the Midland Development Corporation's support for the Hogan Park re-development campaign in media releases, including advertising, social media posts, television, and newspaper coverage where appropriate.
3. Including a description and logo for the Midland Development Corporation in the Hogan Park re-development campaign website and promotional materials.



DINI SPHERIS

CONSULTING SERVICES AGREEMENT

BETWEEN

DINI SPHERIS

AND

MIDLAND DEVELOPMENT CORPORATION

MIDLAND, TEXAS

Subject to the terms and conditions of the Consulting Services Agreement Terms and Conditions ("Terms and Conditions"), this Consulting Services Agreement (this "Agreement") is entered into this 15th day of **July 2021**, by and between Dini Spheris, Inc., a Texas corporation ("Dini Spheris"), and **Midland Development Corporation** (the "Client") and evidences the engagement of Dini Spheris to provide the Client with professional consulting services.

The Client is an economic development corporation existing under the authority of Chapter 504 of the Texas Local Government Code (EIN# 27-1069506) that desires to obtain professional advice and assistance in planning and implementing fundraising activities or other specific activities related to the organization's mission. Dini Spheris is a consulting firm with expertise in fundraising and management and has the personnel capable of providing the type of services desired by the Client.

The Client desires to engage Dini Spheris, and Dini Spheris agrees to perform the professional services more particularly described herein ("services").

In consideration of the premises and other mutual promises and benefits set forth below, the Client and Dini Spheris agree as follows:

1. **Services.** Dini Spheris shall provide Campaign Capacity Building services as follows:
 - Creation of a governing entity: Facilitate the planning to establish a governing entity for the overall Quality of Place Initiative including board development, bylaw assistance, business planning and initial staffing considerations.
 - Hogan Park Campaign Case Materials: Develop a campaign packet for general marketing and solicitation purposes which could include a brochure and/or

Exhibit B

CONSULTING SERVICES AGREEMENT

Midland Development Corporation

July 15, 2021

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powerpoint presentation as well as guidance on social media or other virtual opportunities.

- Lead Gift Strategy and Solicitation: Confirm the top 10 to 20 donor prospects and develop/initiate cultivation and solicitation strategies. Develop all materials and work with volunteers to prepare them for all meetings and follow up.
- Corporate Strategy and Solicitation: Develop and execute a strategy to engage local companies in a challenge campaign. Develop all materials and plan any events associated with cultivation and solicitation strategy.
- Campaign Committee Oversight and Management: Provide guidance in committee recruitment, structure, meetings and overall management of volunteers.
- Promotional Services subcontracted through Padrón Design Studio (see Exhibit A):
 - Branding the City of Midland for the purpose of developing new and expanded business enterprises in website, brochure, and media materials.
 - Including references to the Midland Development Corporation's support for the Hogan Park re-development campaign in media releases, including advertising, social media posts, television, and newspaper coverage where appropriate.
 - Including a description and logo for the Midland Development Corporation in the Hogan Park re-development campaign website and promotional materials.

Ms. Michelle Buchanan, shall serve as primary counsel for this project. Mr. Victor Brooks, Consultant, shall assist in the delivery of these consulting services. Ms. Jacquelyn Buss, Consulting Projects Manager, shall provide logistical and administrative support. Other members of Dini Spheris may assist with these services as required.

2. **Compensation and Reimbursement.** The total fee for these services is \$155,000. Payment of fees is due as follows:

	<u>Dini</u> <u>Spheris</u>	<u>Padrón</u> <u>Retainer</u>	<u>Padrón</u> <u>Website</u>	<u>Monthly</u> <u>Total</u>
July 15, 2021	\$25,000	\$5,000	\$5,000	\$35,000
August 15, 2021	\$25,000	\$5,000	\$0	\$30,000
September 15, 2021	\$25,000	\$5,000	\$0	\$30,000
October 15, 2021	\$25,000	\$5,000	\$0	\$30,000
November 15, 2021	\$25,000	\$5,000	\$0	\$30,000

In addition to the fee, Dini Spheris shall be entitled to reimbursement up to \$10,000 for reasonable expenses incurred in performing the services, including travel, wealth screening if conducted through Dini Spheris (in excess of 500 records if referenced in services above), printing, meeting expenses and

CONSULTING SERVICES AGREEMENT

Midland Development Corporation

July 15, 2021

Page 3

supplies. Dini Spheris shall be solely responsible for all other expenses of its business. Dini Spheris shall bill the Client monthly for all fees and expenses incurred each month. All bills are payable within ten (10) days after receipt. Bills more than forty-five (45) days past due shall be considered delinquent and will constitute a breach of contract. Dini Spheris shall have the right to cease work for the Client until all outstanding bills from Dini Spheris are paid in full. Upon payment in full, Dini Spheris will have the right to resume the contract or to negotiate a new contract for the balance of the services.

3. Duration and Termination. This Agreement shall be for a term of four months, commencing **July 15, 2021** and continuing through **December 14, 2021**. Either party may terminate this Agreement at any time upon thirty (30) days' prior written notice to the other party. Upon termination of this Agreement by means of written notice prior to the end of the term, the fees payable and expenses to be reimbursed to Dini Spheris by the Client shall be those incurred to the date of termination.

4. Notices. Any notice given pursuant to this Agreement or the Terms and Conditions by any party to the other shall be deemed to have been given upon (i) delivery, if hand delivered, (ii) three days after the mailing, if mailed by registered or certified mail, return receipt requested, postage prepaid, (iii) on the next business day after facsimile transmission, or (iv) on the date of transmission, if sent by email, addressed to such address as any party hereunder may designate for notice purposes. Notices shall be sent to:

For Dini Spheris: Attn: Ms. Ramona R. Alms
Vice President, Finance & Administration
Dini Spheris
2727 Allen Parkway, Suite 1650
Houston, Texas 77019
Email: ralms@dinispheris.com

For the Client: Mailing Address
Attn: Sara Harris
Midland Development Corporation
200 N. Loraine Street, #610
Midland, Texas 79701
Email: sharris@midlandtxedc.com

CONSULTING SERVICES AGREEMENT

Midland Development Corporation

July 15, 2021

Page 4

5. **Billing Contact.** Dini Spheris has automated our billing processes and sends all invoices electronically via email. Please select a designated person in your organization that is to receive (not necessarily approve) monthly billing invoices from Dini Spheris and have them send an email to the following email address (ralms@dinispheris.com) so that we can set them up in our accounting system to receive monthly invoices via email. You may also complete the space below with the appropriate information:

Dini Spheris may send Client invoices to the following email address(es):

sharris@midlandtxedc.com

Client email address for receipt of monthly billing invoices.

CC: this Client email address (Accounts Payable, etc.)

[SIGNATURES ON FOLLOWING PAGE]

CONSULTING SERVICES AGREEMENT

Midland Development Corporation

July 15, 2021

Page 5

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written intending to be bound thereby.

Midland Development Corporation

BY: _____

NAME: _____

TITLE: _____

Dini Spheris

BY: *m Buchanan*

NAME: Michelle Buchanan

TITLE: Principal

Consulting Services Agreement Terms and Conditions

Unless otherwise specifically indicated, all terms used in this Consulting Services Agreement Terms and Conditions (this "Terms and Conditions") shall have the meaning as set forth in the Consulting Services Agreement (the "Agreement," and together with the Terms and Conditions, shall constitute the "Services Agreement").

1. Method of Performing Services. Dini Spheris shall determine the method, details and means of performing the work to be carried out for the Client pursuant to the Services Agreement. Dini Spheris warrants that the services performed hereunder (performed by either Dini Spheris or any subcontractor to Dini Spheris) shall be performed using the standards, practices, methods and procedures and exercising that degree of skill, care and diligence, prudence and foresight which would reasonably and ordinarily be expected from a skilled and experienced person engaged in a similar type of undertaking under the same or similar circumstances.

2. Changes to Services Rendered. The services rendered under the Services Agreement may be changed by the Client only pursuant to an amendment, approved by Dini Spheris, in its sole discretion. If the changes requested are outside the general scope of the Services Agreement, as determined by Dini Spheris, the Client and Dini Spheris shall negotiate a new agreement and fee arrangement to cover the new services.

3. Nature of the Relationship. The intent and purpose of the parties to the Services Agreement is for Dini Spheris to serve as an independent consultant for the Client in connection with providing the services. Nothing contained in the Services Agreement shall be deemed or construed to create a partnership or joint venture between the Client and Dini Spheris, or to create a relationship of employer-employee between the Client and Dini Spheris or any representative of Dini Spheris, or shall otherwise create any liability for the Client or Dini Spheris with respect to any indebtedness, liabilities or obligations of the other or any third party.

4. Governing Law. The validity, construction, enforcement and interpretation of the rights and duties of the parties to the Services Agreement shall be governed by and interpreted under the laws of the state of Texas, without regard to conflict of laws principles thereof.

5. Disputes; Venue; Service of Process. ~~The Client and Dini Spheris agree that any dispute, controversy, or claim arising out of or relating to the relationship between the Client and Dini Spheris, including the Services Agreement and the validity of this arbitration clause, shall be submitted to and decided by binding arbitration in Harris County, Texas. Each party shall bear its own costs of arbitration; provided that, the arbitrator shall award to the prevailing party attorneys' fees, costs and necessary disbursements in addition to any other relief to which it may be entitled. Any arbitral award determination shall be final and binding on the parties and may be entered as a judgment in a court of competent jurisdiction. Each party hereby consents to service of process at the address to which notices are to be given.~~

6. Nonexclusive Services. During the term of the Services Agreement, Dini Spheris may represent, perform services for, or be retained by such additional persons or entities as Dini Spheris deems appropriate.

7. Non-Solicitation of Employees. The Client agrees that during the term of and for a period of one (1) year following the termination of the Services Agreement, it shall not directly or indirectly solicit or recruit or attempt to solicit or recruit, any person who is then employed by Dini Spheris or who had been an employee of Dini Spheris during the term of the Services Agreement regardless of the reason for the employment termination. The Client further agrees that the limitations set forth herein on its rights to employ current or former Dini Spheris employees or representatives are reasonable and necessary for the protection of Dini Spheris.

8. Severability. If any provision of the Services Agreement is held to be illegal, invalid or unenforceable under present or future laws effective during the term hereof, such provision shall be fully severable; the Services Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part hereof; and, the remaining provisions hereof shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance herefrom.

9. Confidentiality. The Client and Dini Spheris agree that certain confidential information regarding the business, prospects and donors of the Client and the business of Dini Spheris, including information revealed during the performance of the Services Agreement, is confidential in nature and both parties agree not to disclose the confidential information, or make use of it outside of the express purposes of the Services Agreement, without the prior written consent of the other party to the Services Agreement or except as required by law. For purposes of the Services Agreement, "confidential information" includes information regarding the finances, operations, prospects, donors and gifts of the Client; reports and surveys

prepared by Dini Spheris during the course of the Services Agreement; and any information regarding the business practices or finances of Dini Spheris disclosed during the proposal process, contracting or business relationship with the Client.

10. Assignment. Neither the Client nor Dini Spheris may assign the Services Agreement or any of its rights and obligations hereunder without prior written consent of the other party, and any such attempted assignment without such prior written consent shall be void.

11. Entire Agreement. The provisions of the Agreement are incorporated herein by reference. It is mutually agreed that the Agreement and the Terms and Conditions contain the entire agreement between Dini Spheris and the Client, applying to the matters herein contained, and that the same has been entered into relying only upon the provisions contained herein and not upon any other oral or written representations by either Dini Spheris or the Client; that the Services Agreement shall supersede all representations, agreements, statements and understandings relating to such matters made prior to execution of the Agreement either orally or in writing. The Services Agreement may not be modified, supplemented or explained except as agreed upon by both an authorized representative of Dini Spheris and the Client in writing.

12. Construction. The Services Agreement is the product of the efforts of both parties and shall not be interpreted in favor of or against either Dini Spheris or the Client merely because of its effort in preparing it.

13. Headings. The headings in the Services Agreement are for convenience only; they form no part of the Services Agreement and shall not affect its interpretation. The express terms hereof control and supersede any course of performance and/or usage of the trade inconsistent with any of the terms hereof.

14. No Waiver. The failure of either Dini Spheris or the Client to enforce at any time any of the provisions of the Services Agreement, or any rights in respect hereto, or to exercise any election herein provided, shall in no way be considered to be a waiver of such provisions, rights or elections or in any way to affect the validity of the Services Agreement. The exercise by either Dini Spheris or the Client of any rights herein or any of its elections under the terms or covenants herein shall not preclude or prejudice said party from exercising the same or any other right it may have under the Services Agreement.

15. Publicity. Client agrees that Dini Spheris can include the Client's name, trademark or service mark, and logo on the Dini Spheris website and in social media announcements. Dini Spheris agrees to request additional permission relative to the inclusion of the above in any promotional advertisements for the firm exclusive of the Dini Spheris website and social media announcements. The Client grants to Dini Spheris the privilege to link directly to the Client's website from the Dini Spheris website or for social media use. Dini Spheris grants to Client the privilege of placing the Dini Spheris name, logo, trademark and website link on the Client website. At any time, at the Client's request, Dini Spheris will timely remove any reference to Client from the Dini Spheris website.

16. Disclaimer of Representations and Warranties; Sole and Exclusive Remedy; Damages. Except as provided in the Services Agreement, Dini Spheris makes no warranties, express or implied, and Dini Spheris shall have no other warranty liability to the Client. Notwithstanding anything to the contrary in the Services Agreement, as the sole and exclusive remedy to the Client for an alleged breach of any Dini Spheris warranty set forth in the Services Agreement, the maximum amount for which Dini Spheris or its affiliates shall be responsible, shall be the fee for services provided excluding all other costs pursuant to paragraph 2 of the Agreement. This clause shall be liberally construed to apply irrespective of the Client's cause of action or theory of recovery. The Client hereby waives any and all claims against Dini Spheris for consequential damages arising out of or relating to the Services Agreement.

17. Counterparts. The Agreement may be executed in one or more counterparts, each of which will be deemed an original, but all of which taken together will constitute one and the same instrument. Confirmation of execution by electronic transmission of a facsimile signature page will be binding upon any party so confirming. Any other manual signature delivered by other electronic means, including as a pdf or other image file attached to an email transmission, shall be deemed to constitute signed original counterparts thereof and shall bind the parties signing and delivering in such manner.

18. No Third-Party Beneficiaries. The Services Agreement is solely for the benefit of Dini Spheris and the Client and does not confer on third parties any remedy, claim, reimbursement, claim of action or other right in addition to those existing without reference to the Services Agreement.

CONSULTING SERVICES AGREEMENT

Midland Development Corporation

July 15, 2021

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IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written intending to be bound thereby.

Midland Development Corporation

BY: _____

NAME: _____

TITLE: _____

Dini Spheris

BY: *m Buchanan*

NAME: Michelle Buchanan

TITLE: Principal

Consulting Services Agreement Terms and Conditions

Unless otherwise specifically indicated, all terms used in this Consulting Services Agreement Terms and Conditions (this "Terms and Conditions") shall have the meaning as set forth in the Consulting Services Agreement (the "Agreement," and together with the Terms and Conditions, shall constitute the "Services Agreement").

1. Method of Performing Services. Dini Spheris shall determine the method, details and means of performing the work to be carried out for the Client pursuant to the Services Agreement. Dini Spheris warrants that the services performed hereunder (performed by either Dini Spheris or any subcontractor to Dini Spheris) shall be performed using the standards, practices, methods and procedures and exercising that degree of skill, care and diligence, prudence and foresight which would reasonably and ordinarily be expected from a skilled and experienced person engaged in a similar type of undertaking under the same or similar circumstances.

2. Changes to Services Rendered. The services rendered under the Services Agreement may be changed by the Client only pursuant to an amendment, approved by Dini Spheris, in its sole discretion. If the changes requested are outside the general scope of the Services Agreement, as determined by Dini Spheris, the Client and Dini Spheris shall negotiate a new agreement and fee arrangement to cover the new services.

3. Nature of the Relationship. The intent and purpose of the parties to the Services Agreement is for Dini Spheris to serve as an independent consultant for the Client in connection with providing the services. Nothing contained in the Services Agreement shall be deemed or construed to create a partnership or joint venture between the Client and Dini Spheris, or to create a relationship of employer-employee between the Client and Dini Spheris or any representative of Dini Spheris, or shall otherwise create any liability for the Client or Dini Spheris with respect to any indebtedness, liabilities or obligations of the other or any third party.

4. Governing Law. The validity, construction, enforcement and interpretation of the rights and duties of the parties to the Services Agreement shall be governed by and interpreted under the laws of the state of Texas, without regard to conflict of laws principles thereof.

5. Disputes; Venue; Service of Process. ~~The Client and Dini Spheris agree that any dispute, controversy, or claim arising out of or relating to the relationship between the Client and Dini Spheris, including the Services Agreement and the validity of this arbitration clause, shall be submitted to and decided by binding arbitration in Harris County, Texas. Each party shall bear its own costs of arbitration; provided that, the arbitrator shall award to the prevailing party attorneys' fees, costs and necessary disbursements in addition to any other relief to which it may be entitled. Any arbitral award determination shall be final and binding on the parties and may be entered as a judgment in a court of competent jurisdiction. Each party hereby consents to service of process at the address to which notices are to be given.~~

6. Nonexclusive Services. During the term of the Services Agreement, Dini Spheris may represent, perform services for, or be retained by such additional persons or entities as Dini Spheris deems appropriate.

7. Non-Solicitation of Employees. The Client agrees that during the term of and for a period of one (1) year following the termination of the Services Agreement, it shall not directly or indirectly solicit or recruit or attempt to solicit or recruit, any person who is then employed by Dini Spheris or who had been an employee of Dini Spheris during the term of the Services Agreement regardless of the reason for the employment termination. The Client further agrees that the limitations set forth herein on its rights to employ current or former Dini Spheris employees or representatives are reasonable and necessary for the protection of Dini Spheris.

8. Severability. If any provision of the Services Agreement is held to be illegal, invalid or unenforceable under present or future laws effective during the term hereof, such provision shall be fully severable; the Services Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part hereof; and, the remaining provisions hereof shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance herefrom.

9. Confidentiality. The Client and Dini Spheris agree that certain confidential information regarding the business, prospects and donors of the Client and the business of Dini Spheris, including information revealed during the performance of the Services Agreement, is confidential in nature and both parties agree not to disclose the confidential information, or make use of it outside of the express purposes of the Services Agreement, without the prior written consent of the other party to the Services Agreement or except as required by law. For purposes of the Services Agreement, "confidential information" includes information regarding the finances, operations, prospects, donors and gifts of the Client; reports and surveys

prepared by Dini Spheris during the course of the Services Agreement; and any information regarding the business practices or finances of Dini Spheris disclosed during the proposal process, contracting or business relationship with the Client.

10. Assignment. Neither the Client nor Dini Spheris may assign the Services Agreement or any of its rights and obligations hereunder without prior written consent of the other party, and any such attempted assignment without such prior written consent shall be void.

11. Entire Agreement. The provisions of the Agreement are incorporated herein by reference. It is mutually agreed that the Agreement and the Terms and Conditions contain the entire agreement between Dini Spheris and the Client, applying to the matters herein contained, and that the same has been entered into relying only upon the provisions contained herein and not upon any other oral or written representations by either Dini Spheris or the Client; that the Services Agreement shall supersede all representations, agreements, statements and understandings relating to such matters made prior to execution of the Agreement either orally or in writing. The Services Agreement may not be modified, supplemented or explained except as agreed upon by both an authorized representative of Dini Spheris and the Client in writing.

12. Construction. The Services Agreement is the product of the efforts of both parties and shall not be interpreted in favor of or against either Dini Spheris or the Client merely because of its effort in preparing it.

13. Headings. The headings in the Services Agreement are for convenience only; they form no part of the Services Agreement and shall not affect its interpretation. The express terms hereof control and supersede any course of performance and/or usage of the trade inconsistent with any of the terms hereof.

14. No Waiver. The failure of either Dini Spheris or the Client to enforce at any time any of the provisions of the Services Agreement, or any rights in respect hereto, or to exercise any election herein provided, shall in no way be considered to be a waiver of such provisions, rights or elections or in any way to affect the validity of the Services Agreement. The exercise by either Dini Spheris or the Client of any rights herein or any of its elections under the terms or covenants herein shall not preclude or prejudice said party from exercising the same or any other right it may have under the Services Agreement.

15. Publicity. Client agrees that Dini Spheris can include the Client's name, trademark or service mark, and logo on the Dini Spheris website and in social media announcements. Dini Spheris agrees to request additional permission relative to the inclusion of the above in any promotional advertisements for the firm exclusive of the Dini Spheris website and social media announcements. The Client grants to Dini Spheris the privilege to link directly to the Client's website from the Dini Spheris website or for social media use. Dini Spheris grants to Client the privilege of placing the Dini Spheris name, logo, trademark and website link on the Client website. At any time, at the Client's request, Dini Spheris will timely remove any reference to Client from the Dini Spheris website.

16. Disclaimer of Representations and Warranties; Sole and Exclusive Remedy; Damages. Except as provided in the Services Agreement, Dini Spheris makes no warranties, express or implied, and Dini Spheris shall have no other warranty liability to the Client. Notwithstanding anything to the contrary in the Services Agreement, as the sole and exclusive remedy to the Client for an alleged breach of any Dini Spheris warranty set forth in the Services Agreement, the maximum amount for which Dini Spheris or its affiliates shall be responsible, shall be the fee for services provided excluding all other costs pursuant to paragraph 2 of the Agreement. This clause shall be liberally construed to apply irrespective of the Client's cause of action or theory of recovery. The Client hereby waives any and all claims against Dini Spheris for consequential damages arising out of or relating to the Services Agreement.

17. Counterparts. The Agreement may be executed in one or more counterparts, each of which will be deemed an original, but all of which taken together will constitute one and the same instrument. Confirmation of execution by electronic transmission of a facsimile signature page will be binding upon any party so confirming. Any other manual signature delivered by other electronic means, including as a pdf or other image file attached to an email transmission, shall be deemed to constitute signed original counterparts thereof and shall bind the parties signing and delivering in such manner.

18. No Third-Party Beneficiaries. The Services Agreement is solely for the benefit of Dini Spheris and the Client and does not confer on third parties any remedy, claim, reimbursement, claim of action or other right in addition to those existing without reference to the Services Agreement.

Income Statement

MIDLAND DEVELOPMENT CORPORATION
INCOME STATEMENT FOR THE 9 MONTHS ENDED
June 30, 2021

	Jun-21	YTD	Budgeted Amount
Revenue	\$1,009,298.08	\$9,353,893.94	\$9,000,000.00
40100 - State Sales Tax	\$927,060.71	\$8,603,014.13	\$9,000,000.00
40600 - Public ROW Use Fees	\$0.00	\$3,858.40	\$0.00
43000 - Interest	\$215.64	\$2,843.64	\$0.00
43010 - Interest - Nonpooled Invest	\$634.73	\$11,694.77	\$0.00
46190 - Miscellaneous Rentals	\$81,387.00	\$732,483.00	\$0.00
4235150 - Midland Dvlpmt Corp Revenue	\$1,009,298.08	\$9,353,893.94	\$9,000,000.00

Expense	\$206,087.80	\$11,555,451.76	\$22,656,815.00
51010 - Base Salary	\$19,020.86	\$426,173.70	\$692,150.00
51090 - Fica MDC Portion	\$1,455.09	\$26,385.51	\$65,456.00
51110 - Health Insurance	\$2,352.75	\$22,845.47	\$55,460.00
51135 - ACCE Profit Sharing	\$665.73	\$24,895.47	\$48,451.00
52010 - Office Supplies	\$199.70	\$1,598.18	\$11,000.00
52110 - Motor Vehicle Supplies	\$12.30	\$257.95	\$1,000.00
52115 - Minor Furniture & Fixtures	\$0.00	\$0.00	\$500.00
52155 - Minor Computer Hrdwre & Periph	\$0.00	\$0.00	\$5,000.00
52160 - Computer Software & Supplies	\$2,110.89	\$17,388.58	\$30,000.00
52620 - Postage	\$0.00	\$120.00	\$700.00
53010 - Communication	\$1,465.28	\$12,858.01	\$17,000.00
53030 - Light & Power	\$8.89	\$71.40	\$150.00
53110 - Insurance-External	-\$75,555.45	\$39,784.38	\$190,000.00
53212 - Equipment Rental-External	\$345.34	\$3,105.66	\$5,000.00
53220 - Advertising	\$2,786.62	\$186,738.66	\$200,000.00
53370 - Grounds Maintenance	\$1,329.07	\$7,747.87	\$5,000.00
53405 - Software Maintenance	\$1,251.72	\$11,354.87	\$12,000.00
53440 - External Audit Fees	\$0.00	\$22,218.00	\$20,000.00
53450 - Consulting Fees	\$136,826.87	\$257,140.36	\$500,000.00
53510 - Travel & Entertainment	\$58.00	\$2,004.93	\$15,000.00
53520 - Dues & Subscriptions	\$992.98	\$12,644.91	\$20,000.00
53530 - Training,Registration Fees,Etc	\$0.00	\$1,524.89	\$10,000.00
53905 - Economic Development Incentive	\$2,000.00	\$8,346,318.23	\$18,553,329.00
53907 - Business Recruitment & Retentn	\$543.78	\$29,650.53	\$50,000.00
53920 - Rent	\$6,094.00	\$53,677.68	\$75,000.00
54010 - Building Maintenance	\$104.15	\$83,517.46	\$45,000.00
55120 - Maint. - Instruments & Appara.	\$49.89	\$307.85	\$3,000.00
56188 - MOTRAN	\$0.00	\$137,000.00	\$137,000.00
56202 - General Fund Services	\$32,557.08	\$293,013.72	\$390,619.00
56410 - Payment of Principal	\$0.00	\$0.00	\$60,000.00
56420 - Interest Expense	\$0.00	\$0.00	\$12,000.00
56910 - Depreciation Expense	\$37,344.26	\$298,754.12	\$0.00
56995 - Project Non Capital - Promotions	\$20,000.00	\$228,932.70	\$27,000.00
57000 - Capital Land Purchases	\$0.00	\$20,812.50	\$0.00
57001 - Capital Buildings & Structures	\$12,068.00	\$844,767.28	\$0.00
57002 - Capital Improve Other Than Bldg	\$0.00	\$141,840.89	\$1,400,000.00
57070 - Construction in Process	\$2,366.00	\$653,939.28	\$0.00
235235 - Midland Development Corp	\$208,453.80	\$12,209,391.04	\$22,656,815.00

June 2021 Net Income: \$803,210.28

Year-to-Date Net Income: (\$2,201,557.82)

Balance Sheet

MIDLAND DEVELOPMENT CORPORATION
BALANCE SHEET FOR THE PERIOD ENDED
June 30, 2021
(Used for Internal Purposes Only)

ASSETS

Current Assets

Cash and cash equivalents	21,260,388	
Sales tax receivable	2,186,318	
Prepaid expenses	107,133	
Accounts receivable	-	
	-	23,553,839

Non-Current Assets

Capital Assets, net	21,883,369	
Forgivable Loans		
Made to Primary Government	-	
Made to Other	506,579	
Total Forgivable Loans	506,579	
		22,389,948

Total Assets		\$ 45,943,786
--------------	--	---------------

LIABILITIES AND NET POSITION

Liabilities

Accounts payable	-	
Retainage Payable	36,612	
Capital Leases payable	173,698	
Commitments payable		
Due within one year	6,603,470	
Due in more than one year	9,926,962	
Total Commitments Payable	16,530,432	
		16,740,743

Net Position

Net investment in capital assets	21,883,369	
Restricted for Forgivable Loans	506,579	
Restricted for Capital Leases	173,698	
Promotions	1,983,275	
Unrestricted	4,656,122	
	-	29,203,043

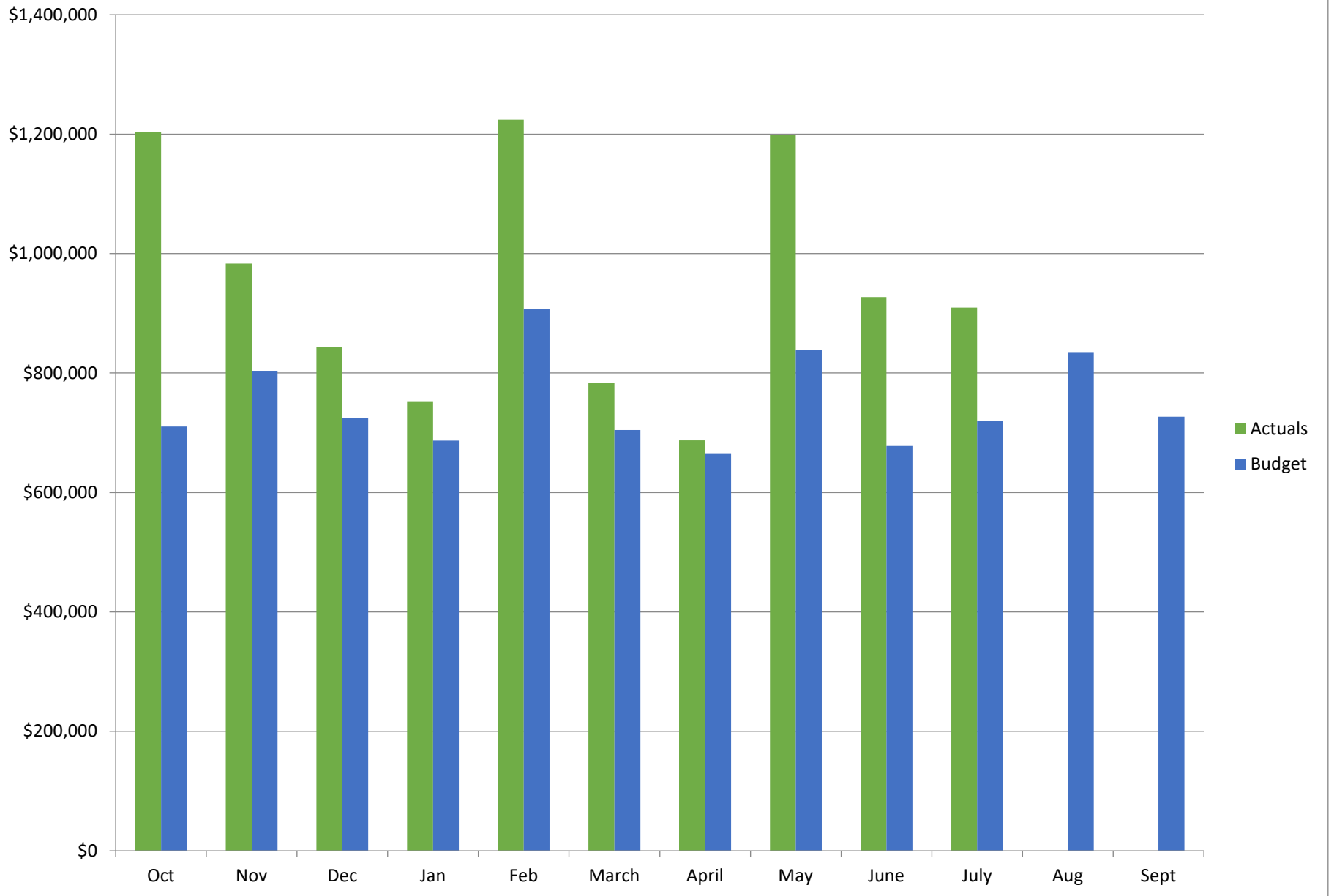
Total Liabilities and Net Position		\$ 45,943,786
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Sales Tax

Sales Tax Variance

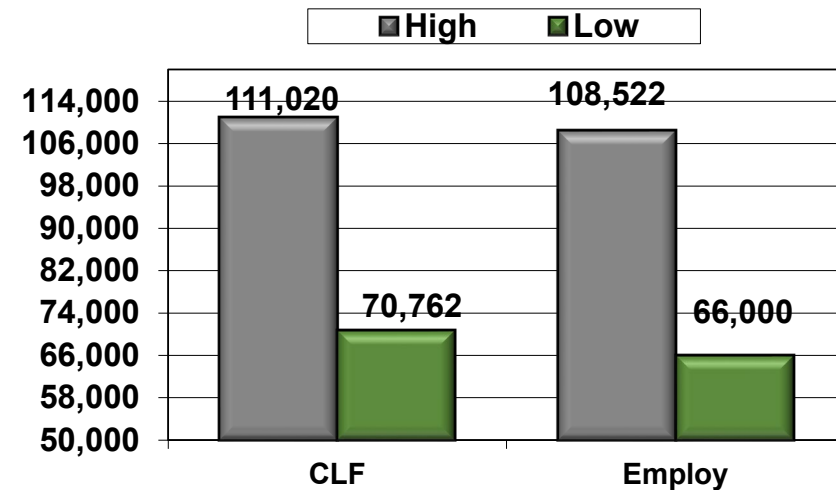
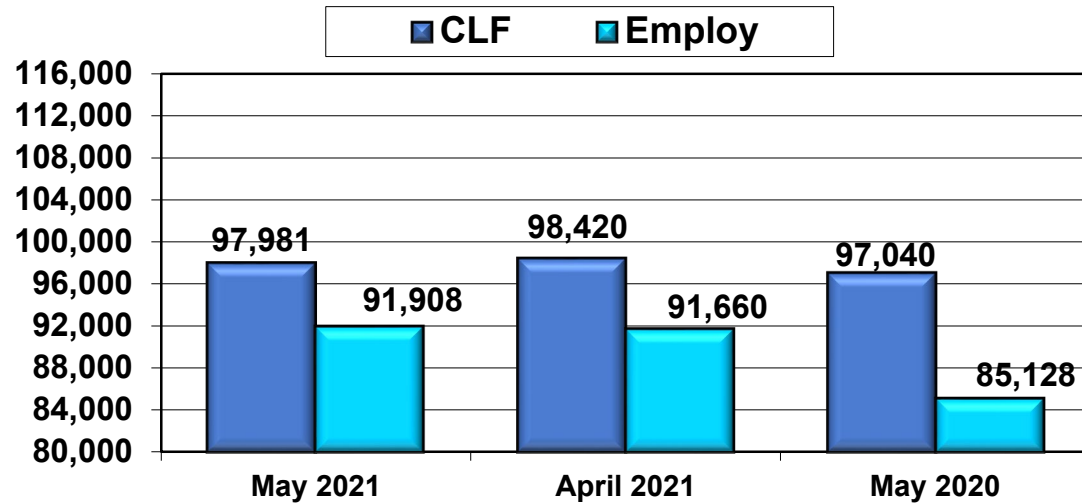
	2018-2019	2019-2020	% Change	2019-2020	2020-2021	% Change	YTD Change
October	\$1,168,778.63	\$1,219,993.44	4.38%	\$1,219,993.44	\$1,203,058.10	-1.39%	-1.39%
November	\$1,315,318.62	\$1,266,357.10	-3.72%	\$1,266,357.10	\$983,259.60	-22.36%	-12.07%
December	\$1,185,882.84	\$1,263,226.93	6.52%	\$1,263,226.93	\$843,087.27	-33.26%	-19.21%
January	\$1,143,749.27	\$1,036,178.70	-9.41%	\$1,036,178.70	\$752,584.05	-27.37%	-20.97%
February	\$1,442,774.27	\$1,279,615.49	-11.31%	\$1,279,615.49	\$1,224,314.99	-4.32%	-17.46%
March	\$1,209,440.03	\$966,824.94	-20.06%	\$966,824.94	\$783,914.25	-18.92%	-17.66%
April	\$1,135,613.41	\$1,006,559.17	-11.36%	\$1,006,559.17	\$687,198.37	-31.73%	-19.42%
May	\$1,381,858.75	\$1,251,139.57	-9.46%	\$1,251,139.57	\$1,198,336.79	-4.22%	-17.38%
June	\$1,175,734.10	\$897,050.21	-23.70%	\$897,050.21	\$927,060.71	3.35%	-15.55%
July	\$1,242,133.20	\$876,285.08	-29.45%	\$876,285.08	\$909,387.44	3.78%	-14.02%
August	\$1,359,171.41	\$1,074,175.26	-20.97%	\$1,074,175.26			
September	\$1,315,787.31	\$834,182.16	-36.60%	\$834,182.16			
Annual Total	\$15,076,241.84	\$12,971,588.05	-13.96%	\$12,971,588.05	\$9,512,201.57		

Sales Tax Actuals vs Budget Estimates



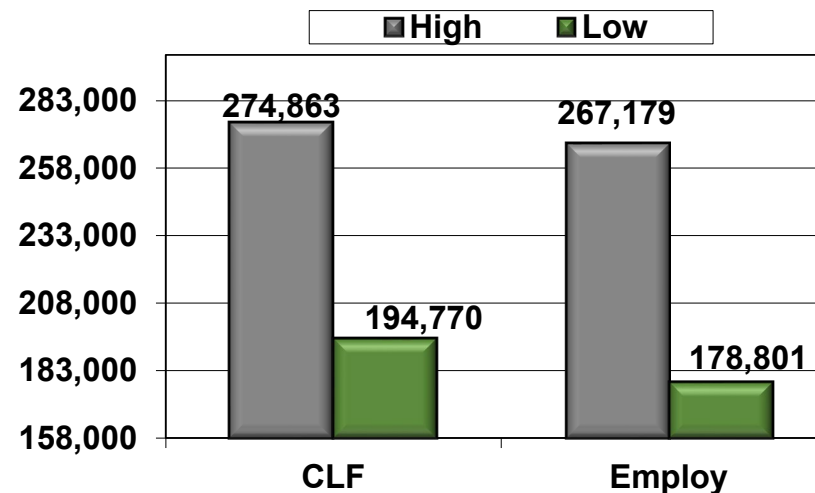
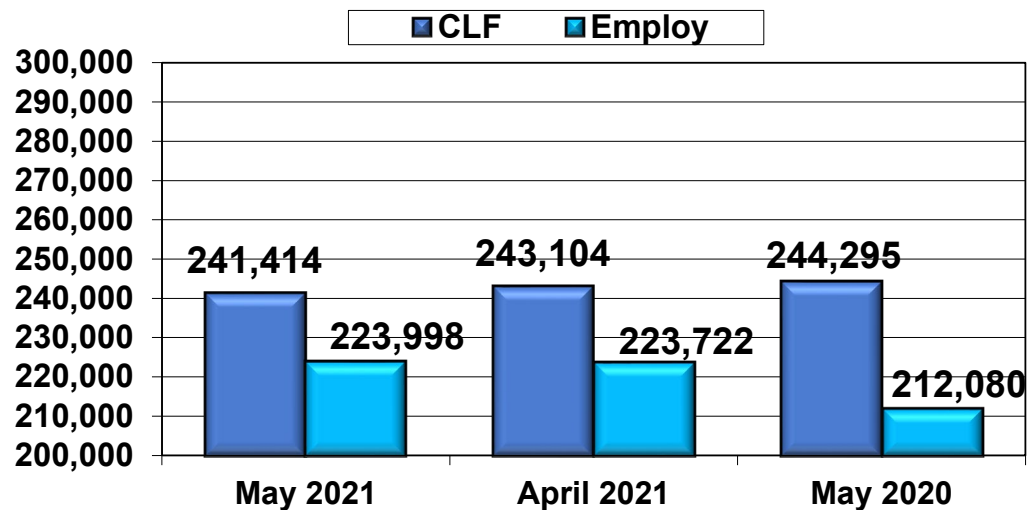
Activity Report

May 2021 Midland MSA Employment Information



	May 2021	April 2021	May 2020	High	Low
Civilian Labor Force	97,981	98,420	97,040	111,020 (Feb 2020)	70,762 (Jan 2010)
Employment	91,908	91,660	85,128	108,522 (Dec 2019)	66,000 (Jan 2010)
Unemployment	6,073	6,760	11,912	11,912 (May 2020)	1,788 (May 2019)
Unemployment Rate	6.2%	6.9%	12.3%	12.3% (May 2020)	1.7% (Apr 2019)

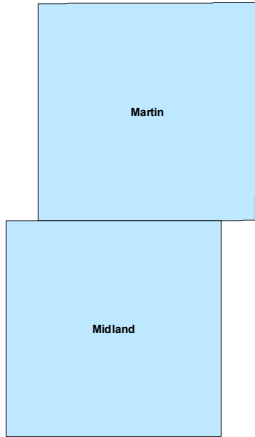
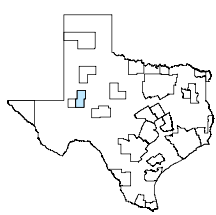
May 2021 Permian Basin Workforce Development Area Employment Information



	May 2021	April 2021	May 2020	High	Low
Civilian Labor Force	241,414	243,104	244,295	274,863 (Feb 2020)	194,770 (Jan 2010)
Employment	223,998	223,722	212,080	267,179 (Feb 2020)	178,801 (Jan 2010)
Unemployment	17,416	19,382	32,215	32,215 (May 2020)	5,115 (Apr 2019)
Unemployment Rate	7.2%	8.0%	13.2%	13.2% (May 2020)	1.9% (Apr 2019)

Midland MSA

May 2021

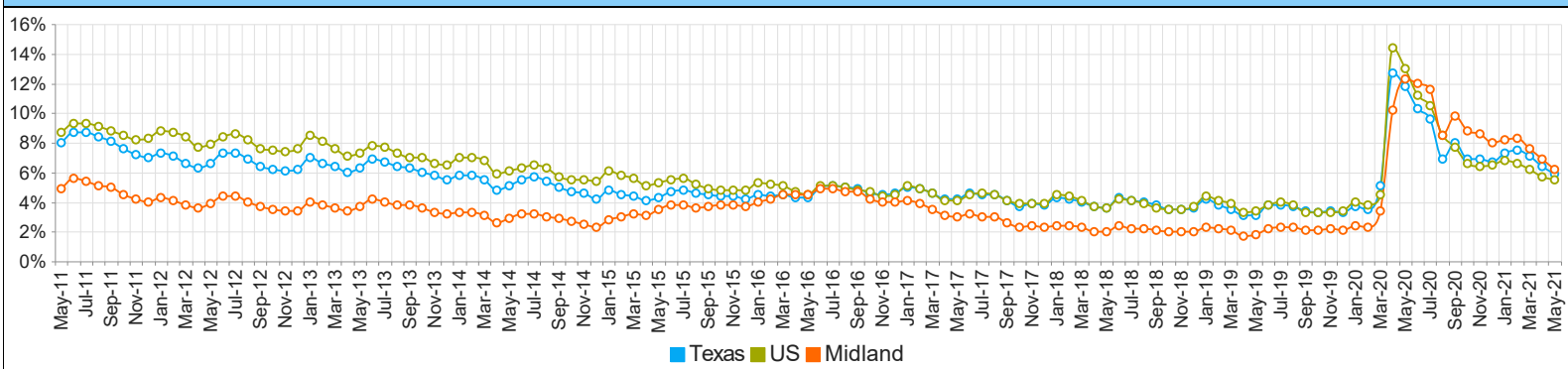


MSA Labor Force Statistics				
	May-21	Apr-21	May-20	Yearly Change
Civilian Labor Force	97,981	98,420	97,040	941
Employed	91,908	91,660	85,128	6,780
Unemployed	6,073	6,760	11,912	-5,839
Unemployment Rate	6.2%	6.9%	12.3%	-6.1%

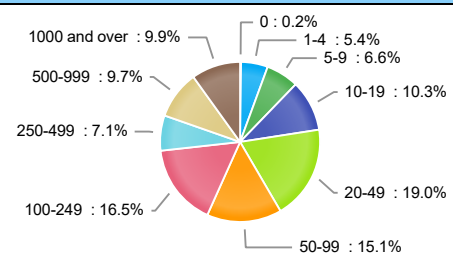
Texas Labor Force Statistics				
	May-21	Apr-21	May-20	Yearly Change
Civilian Labor Force	14,061,243	14,060,909	13,549,965	511,278
Employed	13,231,992	13,162,985	11,957,125	1,274,867
Unemployed	829,251	897,924	1,592,840	-763,589
Unemployment Rate	5.9%	6.4%	11.8%	-5.9%

US Labor Force Statistics				
	May-21	Apr-21	May-20	Yearly Change
Civilian Labor Force	160,607,000	160,379,000	157,975,000	2,632,000
Employed	151,778,000	151,160,000	137,461,000	14,317,000
Unemployed	8,829,000	9,220,000	20,514,000	-11,685,000
Unemployment Rate	5.5%	5.7%	13.0%	-7.5%

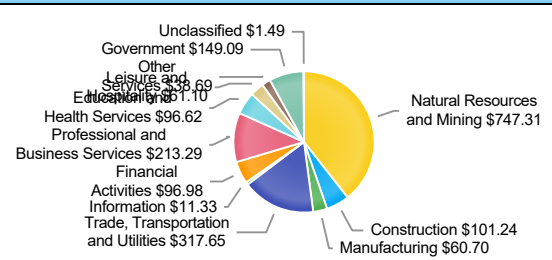
Historical Unemployment Rates



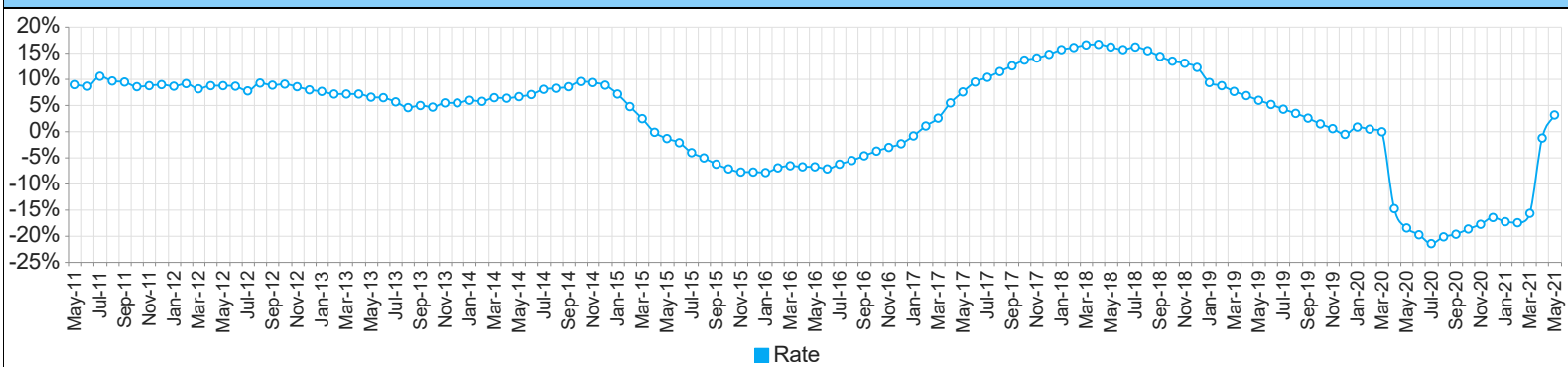
Employment by Size Class (4th Quarter 2020)



Wages by Industry (in millions) (4th Quarter 2020)



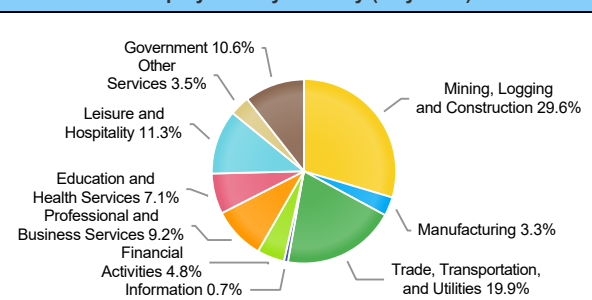
Annual Growth Rate Total Non-agricultural employment



Employment by Industry (May 2021)

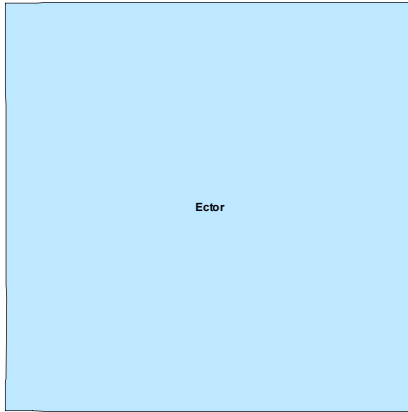
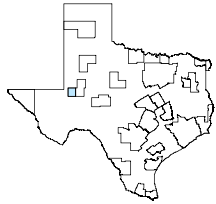
Industry	Current Month Employment	% Monthly Change	% Yearly Change
Total Nonfarm	96,000	0.1%	3.1%
Mining, Logging and Construction	28,400	0.0%	0.4%
Manufacturing	3,200	0.0%	-5.9%
Trade, Transportation, and Utilities	19,100	-1.0%	2.1%
Information	700	0.0%	16.7%
Financial Activities	4,600	0.0%	0.0%
Professional and Business Services	8,800	0.0%	-5.4%
Education and Health Services	6,800	0.0%	4.6%
Leisure and Hospitality	10,800	3.8%	24.1%
Other Services	3,400	0.0%	0.0%
Government	10,200	-1.0%	6.2%

Employment by Industry (May 2021)



Odessa MSA

May 2021

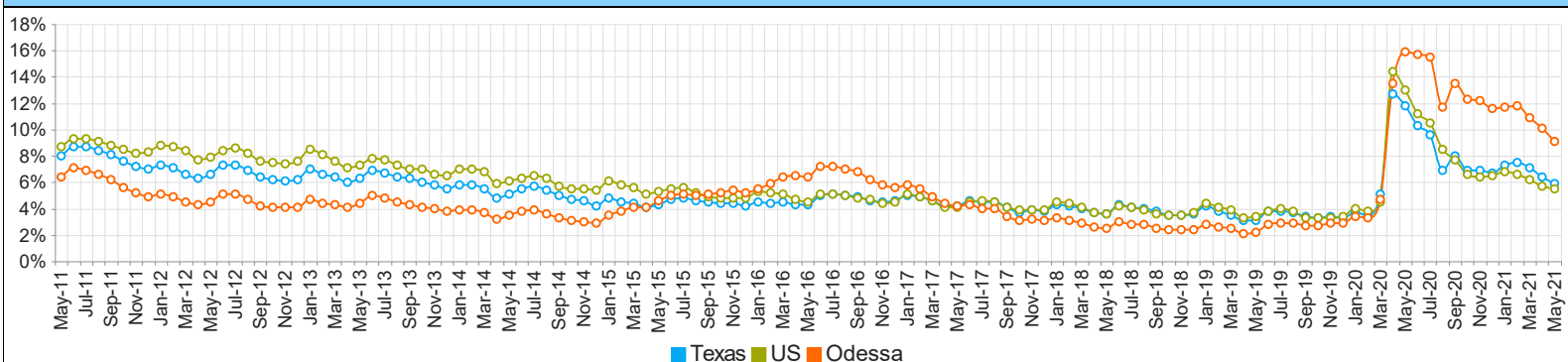


MSA Labor Force Statistics				
	May-21	Apr-21	May-20	Yearly Change
Civilian Labor Force	78,151	78,887	81,445	-3,294
Employed	71,066	70,949	68,460	2,606
Unemployed	7,085	7,938	12,985	-5,900
Unemployment Rate	9.1%	10.1%	15.9%	-6.8%

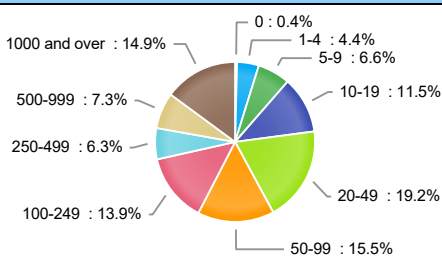
Texas Labor Force Statistics				
	May-21	Apr-21	May-20	Yearly Change
Civilian Labor Force	14,061,243	14,060,909	13,549,965	511,278
Employed	13,231,992	13,162,985	11,957,125	1,274,867
Unemployed	829,251	897,924	1,592,840	-763,589
Unemployment Rate	5.9%	6.4%	11.8%	-5.9%

US Labor Force Statistics				
	May-21	Apr-21	May-20	Yearly Change
Civilian Labor Force	160,607,000	160,379,000	157,975,000	2,632,000
Employed	151,778,000	151,160,000	137,461,000	14,317,000
Unemployed	8,829,000	9,220,000	20,514,000	-11,685,000
Unemployment Rate	5.5%	5.7%	13.0%	-7.5%

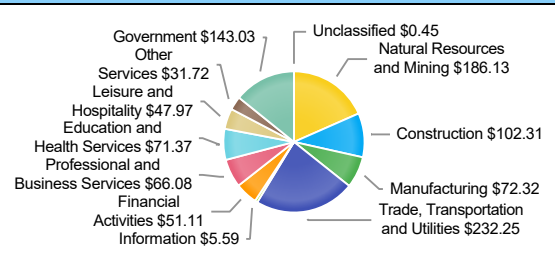
Historical Unemployment Rates



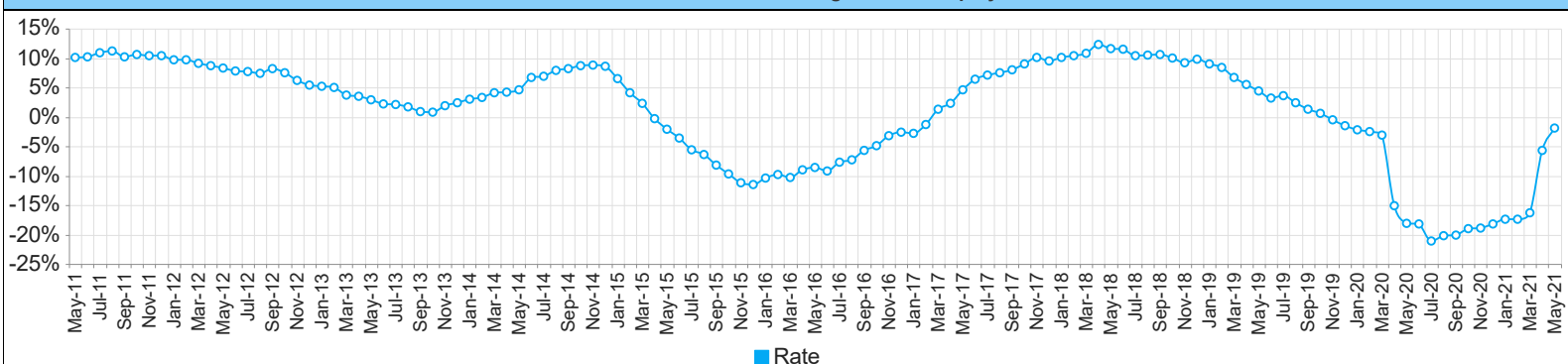
Employment by Size Class (4th Quarter 2020)



Wages by Industry (in millions) (4th Quarter 2020)



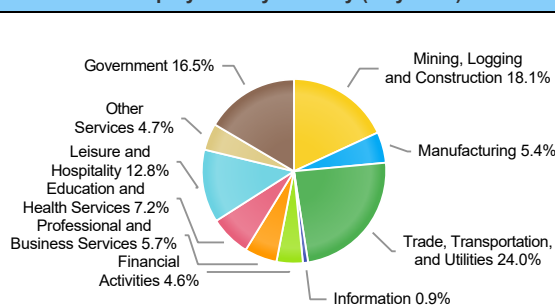
Annual Growth Rate Total Non-agricultural employment



Employment by Industry (May 2021)

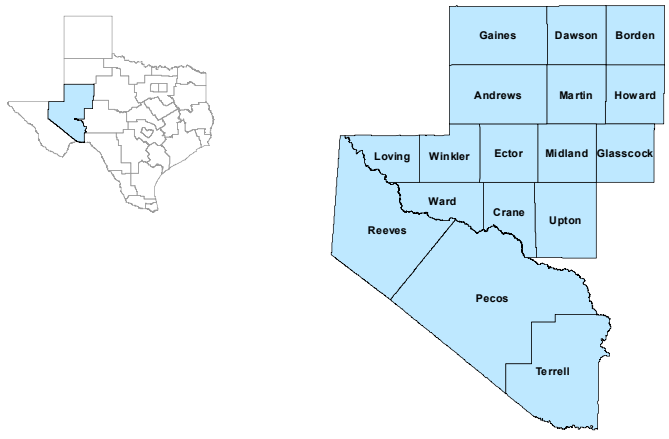
Industry	Current Month Employment	% Monthly Change	% Yearly Change
Total Nonfarm	67,900	0.1%	-1.9%
Mining, Logging and Construction	12,300	-1.6%	-19.6%
Manufacturing	3,700	0.0%	-14.0%
Trade, Transportation, and Utilities	16,300	-0.6%	-2.4%
Information	600	0.0%	50.0%
Financial Activities	3,100	3.3%	-3.1%
Professional and Business Services	3,900	0.0%	0.0%
Education and Health Services	4,900	-2.0%	-2.0%
Leisure and Hospitality	8,700	3.6%	19.2%
Other Services	3,200	0.0%	6.7%
Government	11,200	0.9%	10.9%

Employment by Industry (May 2021)



Permian Basin Workforce Development Area

May 2021



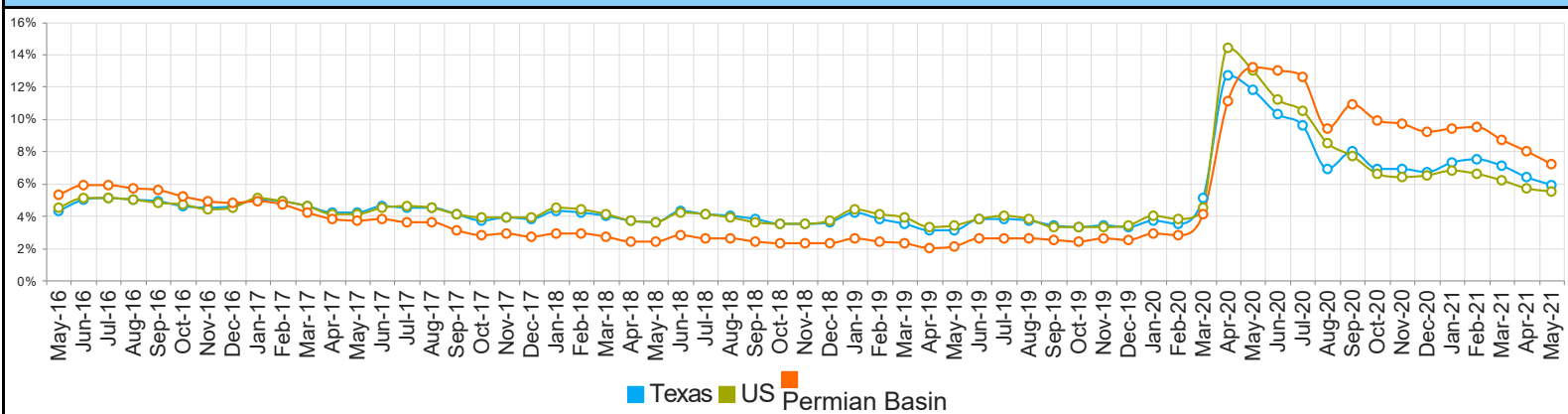
WDA Labor Force Statistics				
	May-21	Apr-21	May-20	Yearly Change
Civilian Labor Force	241,414	243,104	244,295	-2,881
Employed	223,998	223,722	212,080	11,918
Unemployed	17,416	19,382	32,215	-14,799
Unemployment Rate	7.2%	8.0%	13.2%	-6.0%

Texas Labor Force Statistics				
	May-21	Apr-21	May-20	Yearly Change
Civilian Labor Force	14,061,243	14,060,909	13,549,965	511,278
Employed	13,231,992	13,162,985	11,957,125	1,274,867
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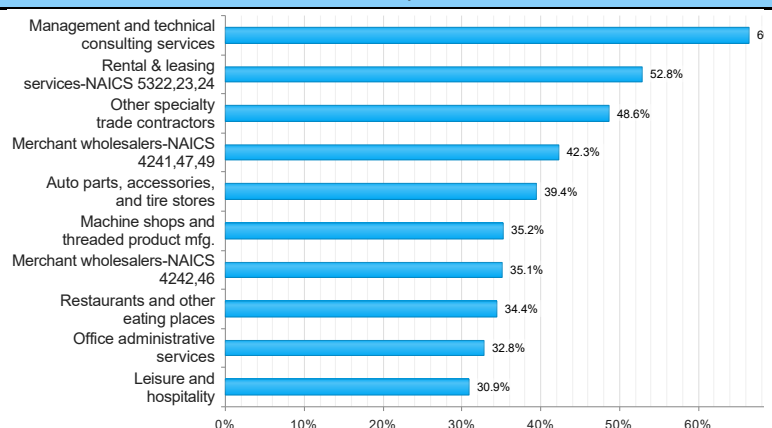
US Labor Force Statistics				
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Unemployed	8,829,000	9,220,000	20,514,000	-11,685,000
Unemployment Rate	5.5%	5.7%	13.0%	-7.5%

Continued Claims for the Week of the 12th				
	May-21	Apr-21	May-20	Yearly Change
WDA	2,530	3,050	21,813	-19,283
Texas	145,024	167,469	1,010,727	-865,703

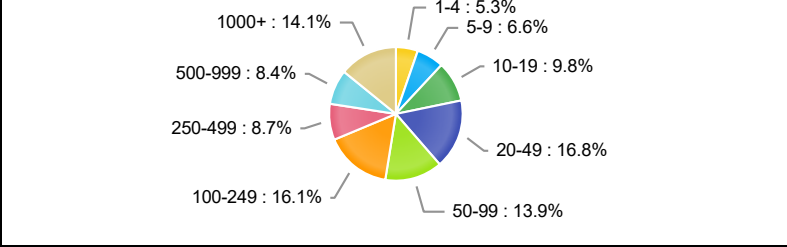
Historical Unemployment Rates



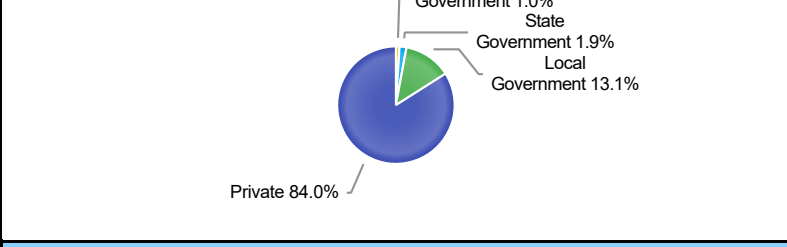
Projected Top Ten Fastest Growing Industries in WDA (% Growth 2018-2028)



Employment by Size Class (4th Quarter 2020)



Employment by Ownership (4th Quarter 2020)



Average Weekly Wage (4th Quarter 2020)					
	Q4 2020	Q3 2020	Q4 2019	Quarterly Change	Yearly Change
WDA	\$1,352	\$1,194	\$1,363	\$158	\$-11
Texas	\$1,294	\$1,150	\$1,187	\$144	\$107
US	\$1,339	\$1,172	\$1,185	\$167	\$154

Employment by Industry (4th Quarter 2020, Percent Change)

Industry	Employment	% of Total	% Quarterly Change	% Yearly Change
Natural Resources and Mining	38,975	18.5%	4.3%	-30.7%
Construction	15,628	7.4%	-2.9%	-25.8%
Manufacturing	8,277	3.9%	-2.4%	-25.7%
Trade, Transportation and Utilities	47,471	22.6%	2.9%	-13.4%
Information	1,584	0.8%	-0.6%	-31.7%
Financial Activities	9,135	4.3%	0.8%	-9.8%
Professional and Business Services	15,015	7.1%	1.4%	-14.6%
Education and Health Services	38,123	18.1%	3.8%	-2.2%
Leisure and Hospitality	22,688	10.8%	1.7%	-10.1%
Other Services	6,218	3.0%	-2.1%	-14.1%
Public Administration	7,360	3.5%	-2.9%	-0.6%

Employment by Industry (4th Quarter 2020)

