



Board Binder Open Session

June 7, 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 June 7, 2021.

Videoconference Information

Join Zoom Webinar

<https://us02web.zoom.us/j/82065387640?pwd=N0QrQ21lbFRuNDhxakxEMnZob1JJQT09>

Password: 643660

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 +1 301-715-8592 or +1 312-626-6799
or +1 646-558-8656

Webinar ID: 820 6538 7640

Passcode: 643660

International numbers available: <https://us02web.zoom.us/j/82065387640?pwd=N0QrQ21lbFRuNDhxakxEMnZob1JJQT09>

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 May 3, 2021, meeting of the Midland Development Corporation.
3. Presentation from the City of Midland regarding infrastructure partnership initiatives.
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.
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.

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.
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.
8. Presentation on the May 2021 monthly expenses from the Midland Development Corporation.
9. Presentation on the monthly economic development activity report from the Midland Development Corporation Executive Director.
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 sale, exchange, lease or value of real property described as Lots Five (5) and Six (6), 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 businesses.
11. Resolution authorizing the designation of thirty percent (30%) of Midland Development Corporation's sales tax revenues for authorized infrastructure improvement projects pursuant to Texas Local Government Code § 501.103.

Posted this 4th day of June, 2021.

May 3rd Minutes

MIDLAND DEVELOPMENT CORPORATION

MINUTES

May 03, 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 May 03, 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: Assistant City Manager Morris Williams, Assistant City Attorney Nicholas Toulet-Crump, Director of Airports Justine Ruff, Engineer Claudius Sanchez, and Deputy City Secretary SueAnn Reyes

Council Member(s) present: Mayor Patrick Payton, Council member Lori Blong, Council member Michael Trost

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

1. Call meeting to order.

Chairman Bownds called the meeting to order at 10:00 am

2. Introduction of new Midland Development Corporation Director Brad Bullock.

Chairman Bownds introduced and welcomed new Midland Development Corporation Director Brad Bullock

3. Motion approving the minutes of the April 12, 2021, meeting of the Midland Development Corporation.

Director Gardaphe moved to approve the minutes of the February 01, 2021 meeting of the Midland Development Corporation; seconded by Director Simpson. The motion carried by the following vote: AYE: Bownds, Lowery, Simpson, Sams, Gardaphe. NAY: None. ABSTAIN: None. ABSENT: Pennington.

4. Receive a presentation from the Museum of the Southwest.

Director Lori Wesley gave an overview of the programs, membership, and events at the Museum of the Southwest. Ms. Wesley made a request to the MDC board for assistance in re-paving the museum's westernmost parking lot.

5. Resolution authorizing signatories on Midland Development Corporation bank accounts.

Director Lowery moved to approve Resolution ED-373 authorizing signatories on Midland Development Corporation bank accounts; seconded by Director Sams. 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 Economic Development Agreement between the Midland Development Corporation and Kepler Aerospace, Ltd.

Director Lowery moved to approve Resolution ED-374 authorizing the execution of an amendment to that certain Economic Development Agreement between the Midland Development Corporation and Kepler Aerospace, Ltd; seconded by Director Simpson. The motion carried by the following vote: AYE: Bownds, Lowery, Simpson, Sams, Gardaphe. NAY: None. ABSTAIN: None. ABSENT: Pennington.

7. Presentation on the April 2021 monthly expenses from the Midland Development Corporation.

Director of Operations Sara Harris reported the TxDOT Loop 250/HWY 191 construction had begun and the disbursement of funds appeared on the April income statement. She added that the first disbursement of funds to Texas Tech Health Sciences Center for the Physician Assistant program expansion on the Midland College campus would appear on the May income statement.

8. Resolution authorizing the execution of an employment separation and release agreement between the Midland Development Corporation and John Trischitti III.

Director Lowery moved to approve Resolution ED-375 authorizing the execution of an employment separation and release agreement between the Midland Development Corporation and John Trischitti III; seconded by Director Gardaphe. The motion carried by the following vote: AYE: Bownds, Lowery, Simpson, Sams, Gardaphe. NAY: None. ABSTAIN: None. ABSENT: Pennington.

Board recessed into executive session at 10:26 a.m.

9. 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.

b. Section 551.074 Deliberation Regarding Personnel Matters

i. Discuss the appointment and employment of an Executive Director.

c. 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.

Board reconvened into open session at 10:44 a.m.

10. Resolution authorizing the execution of an employment agreement with Sara Harris for the position of Executive Director of the Midland Development Corporation.

Director Lowery moved to approve Resolution ED-376 authorizing the execution of an employment agreement with Sara Harris for the position of Executive Director of the Midland Development Corporation; seconded by Director Sams. 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 10:46 a.m.

Respectfully submitted,

SueAnn Reyes, Deputy City Secretary

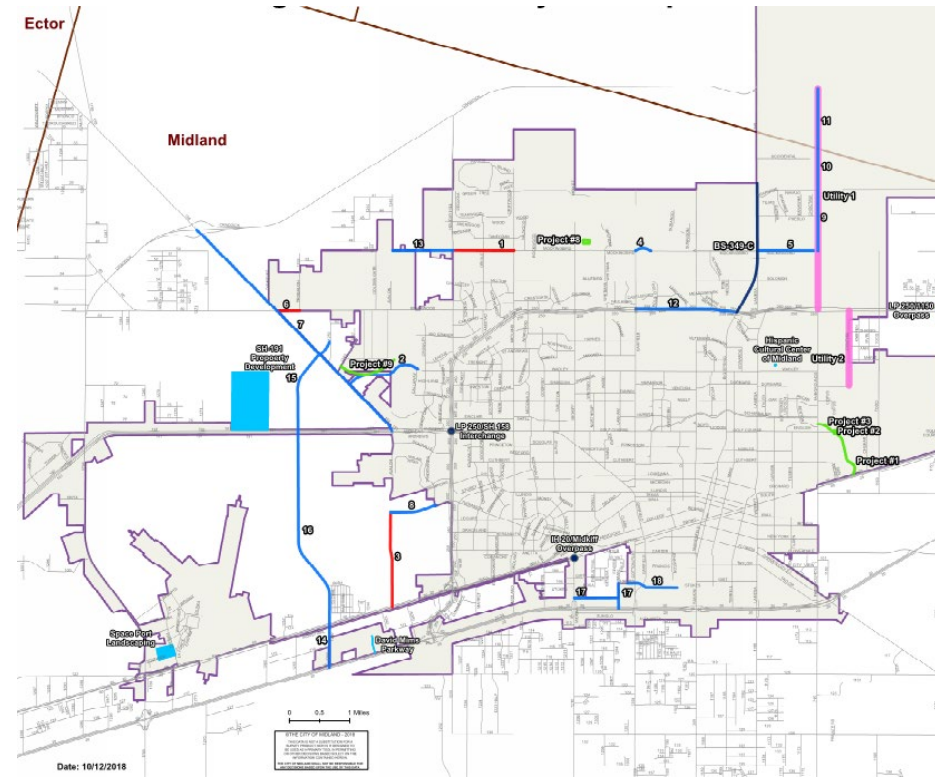
PASSED AND APPROVED the 7th Day of June 2021.

Berry Simpson, Secretary

Infrastructure Update

MDC Projects Update June 2021

- 1. SH158 AT CR60/BRIARWOOD**
- 2. SH158 AT WADLEY**
- 3. WADLEY AVE EXTENSION**
- 4. AVALON AVE EXTENSION**
- 5. MIDLAND DRAW WIDENING**
- 6. TODD ROAD**



*Within a decade, infrastructure investment creates a clear ‘multiplier effect’.
Ratings agency Standard & Poor’s notes returns of up to 2.7 times the initial outlay.*

SH 158 at CR 60 / Briarwood Ave

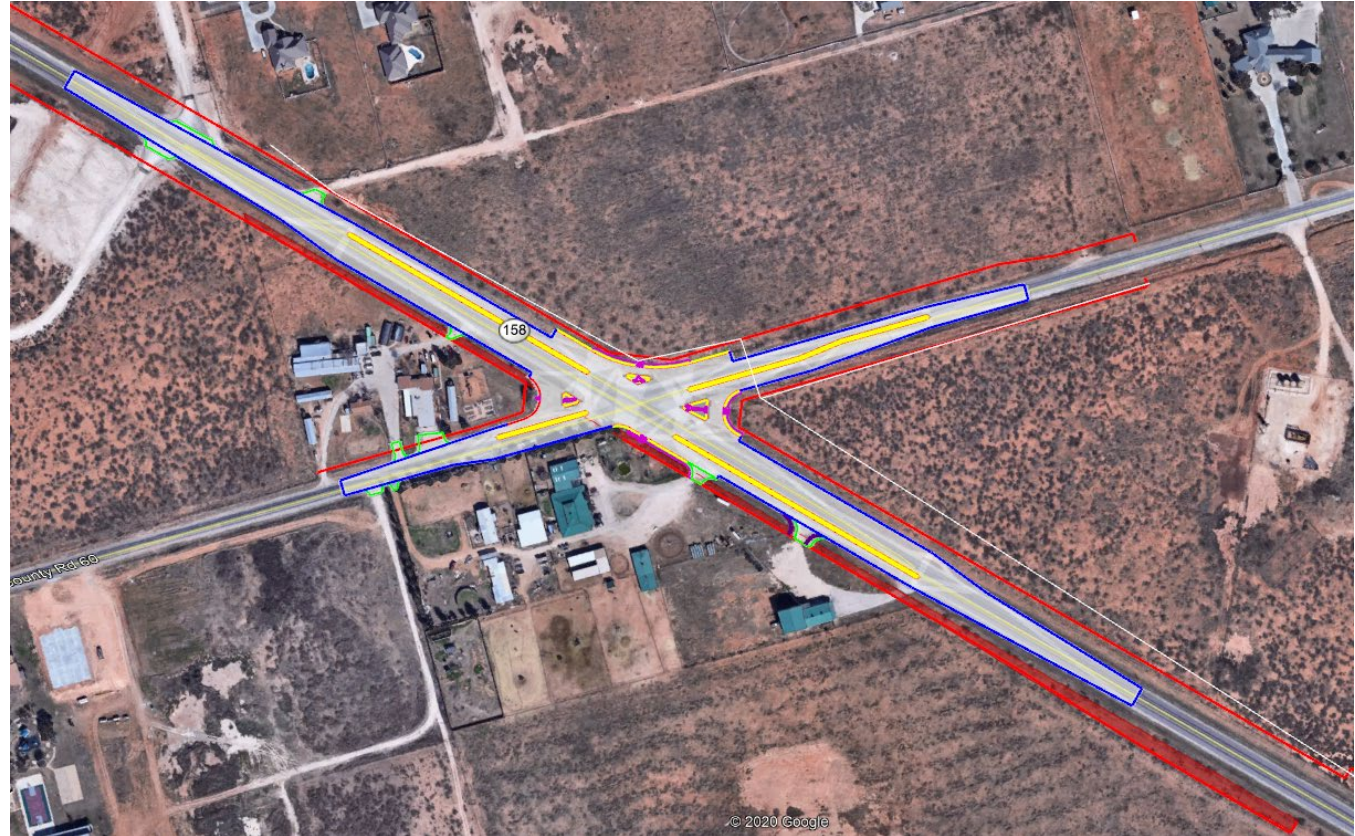
Intersection Upgrade and New Traffic Signal

- Widening intersection for turn lanes
- Raised medians
- New traffic signal

Cost Est.: \$ 3.9 M

Status: 95% Design Complete

Pending on funding



SH 158 at Wadley Ave

New Intersection and New Traffic Signal

- Turning lanes
- Raised medians
- New traffic signal

Cost Est.: \$ 3.7 M

Status: Design

Complete

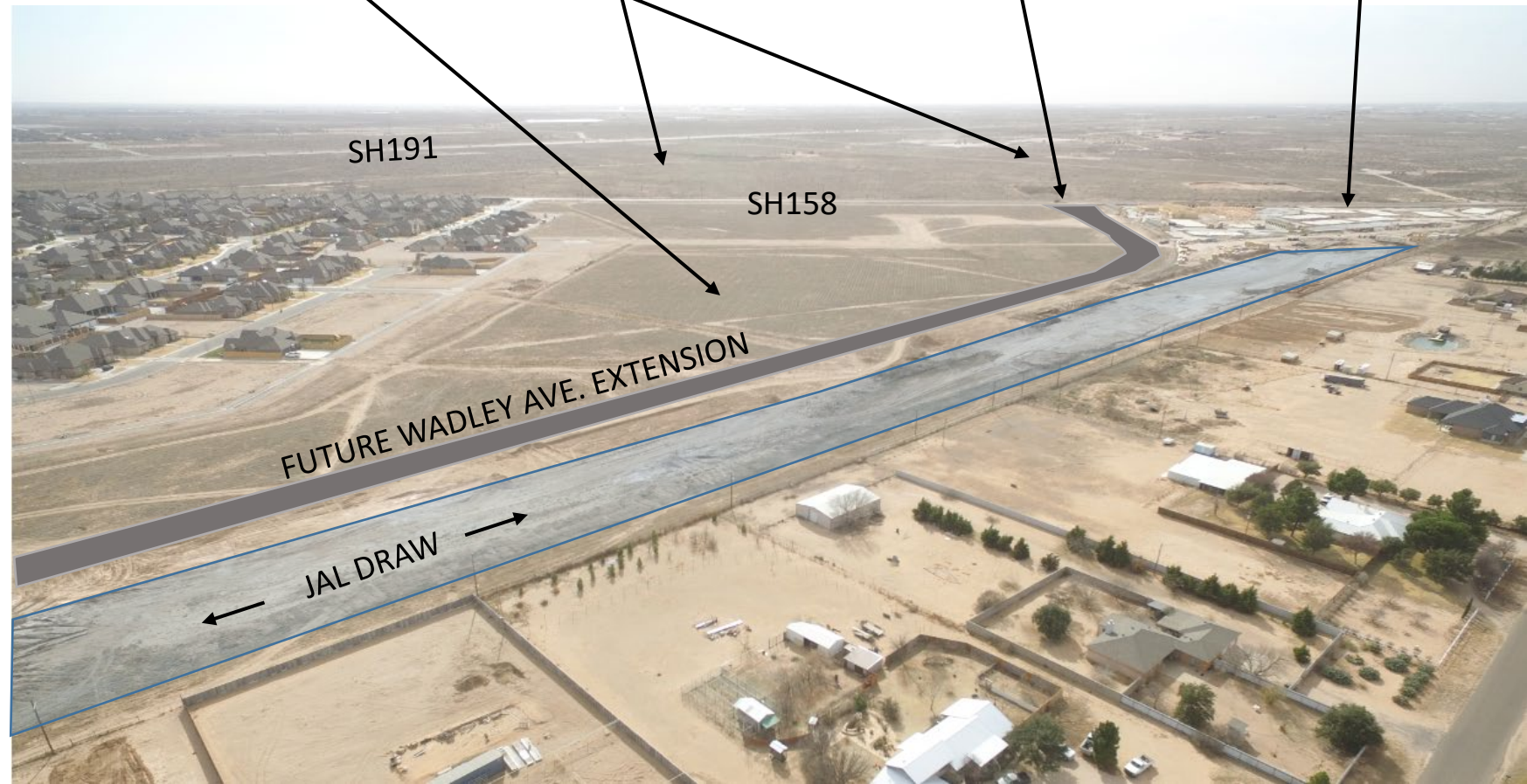
Pending on funding

FUTURE GRASSLANDS
SUBDIVISION
WITH COMMERCIAL AREA

OPPORTUNITIES
FOR
DEVELOPMENT

NEW
INTERSECTION

HUDSON
APARTMENTS



“looking west”

Wadley Ave Extension

Roadway Extension and Jal Draw Excavation

- Raised medians
- Access to Grasslands/Commercial Area
- Jal draw connection

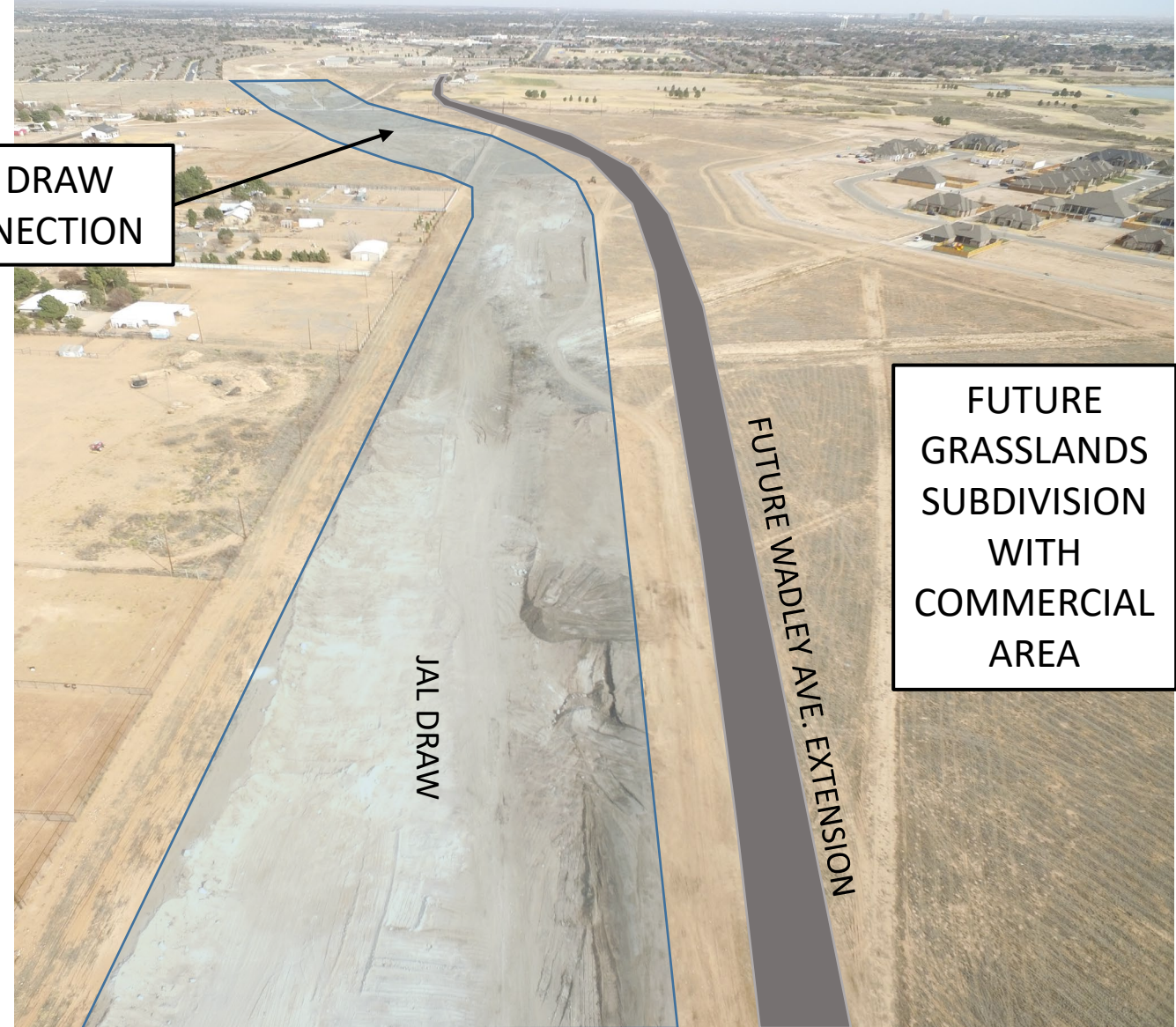
Cost Est.: \$ 7.8 M

Status: Design Complete

Will seek \$1.5M from MDC this winter

“looking east”

JAL DRAW CONNECTION



Avalon Ave Extension

Roadway extension

From BI-20 to Hall of Fame Blvd

- Raised medians
- Drainage features

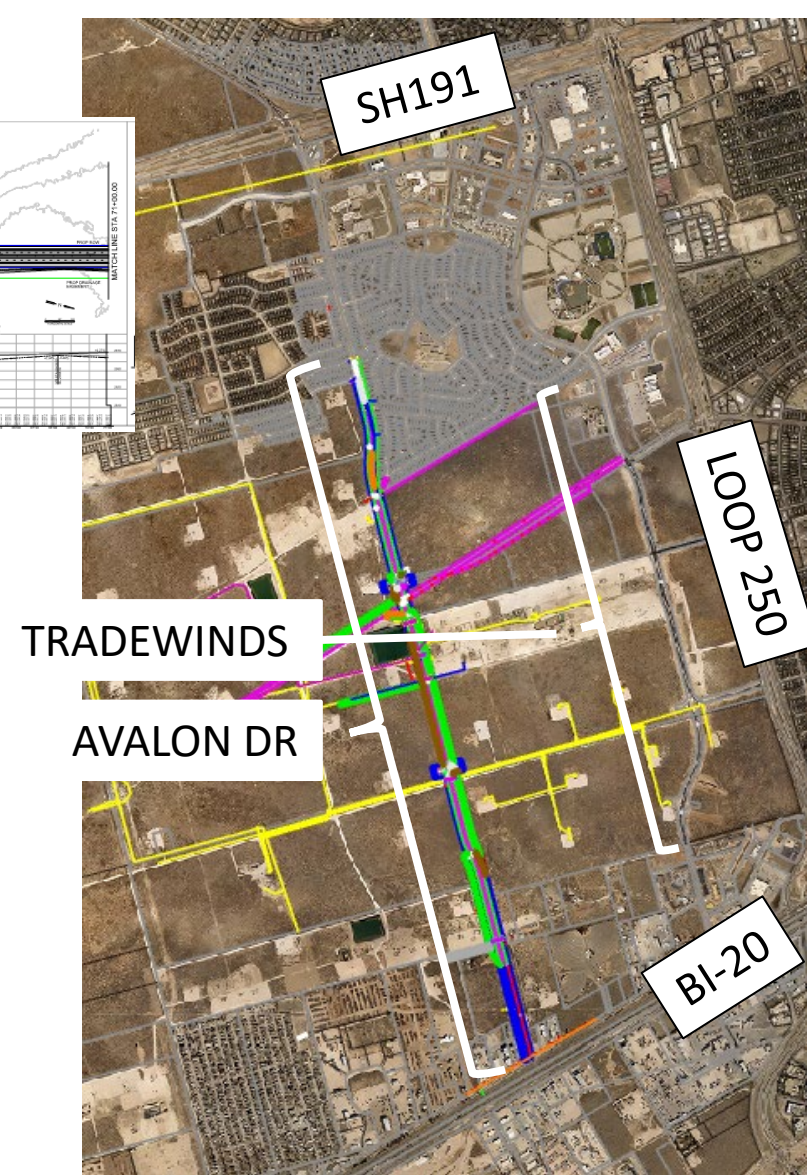
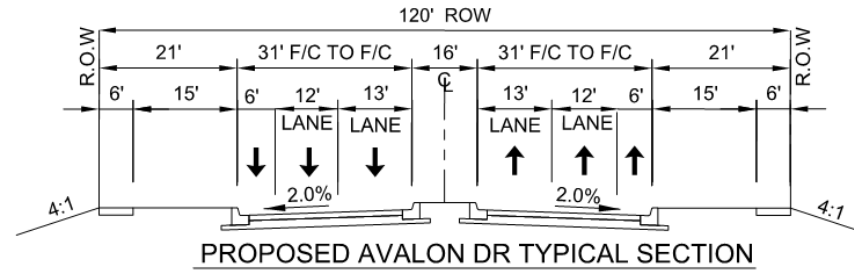
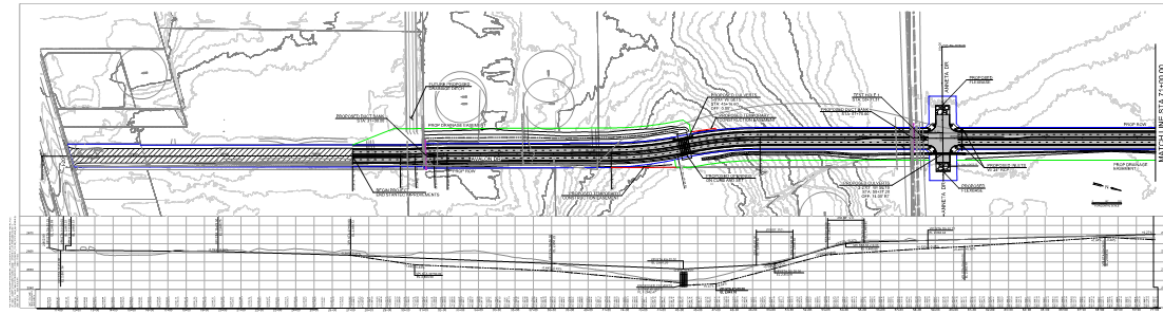
Interim Cost Est.: \$ 9.8 M

Final Cost Est.: \$ 15 M

Status: 100% Planning Documents Complete

Pending on Right-Of-Way Acquisition

Pending on funding



Midland Draw Widening

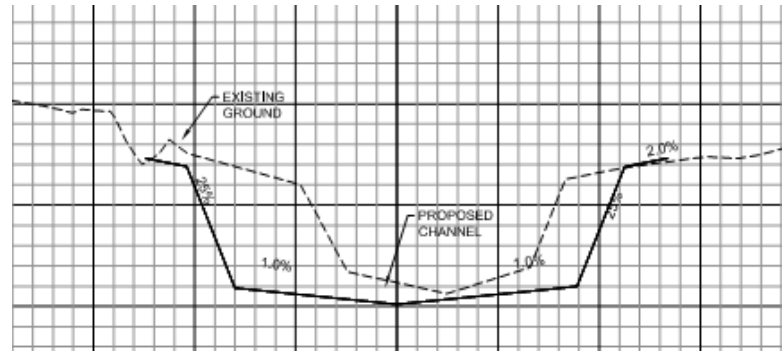
From Golf Course to BI-20

- 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*



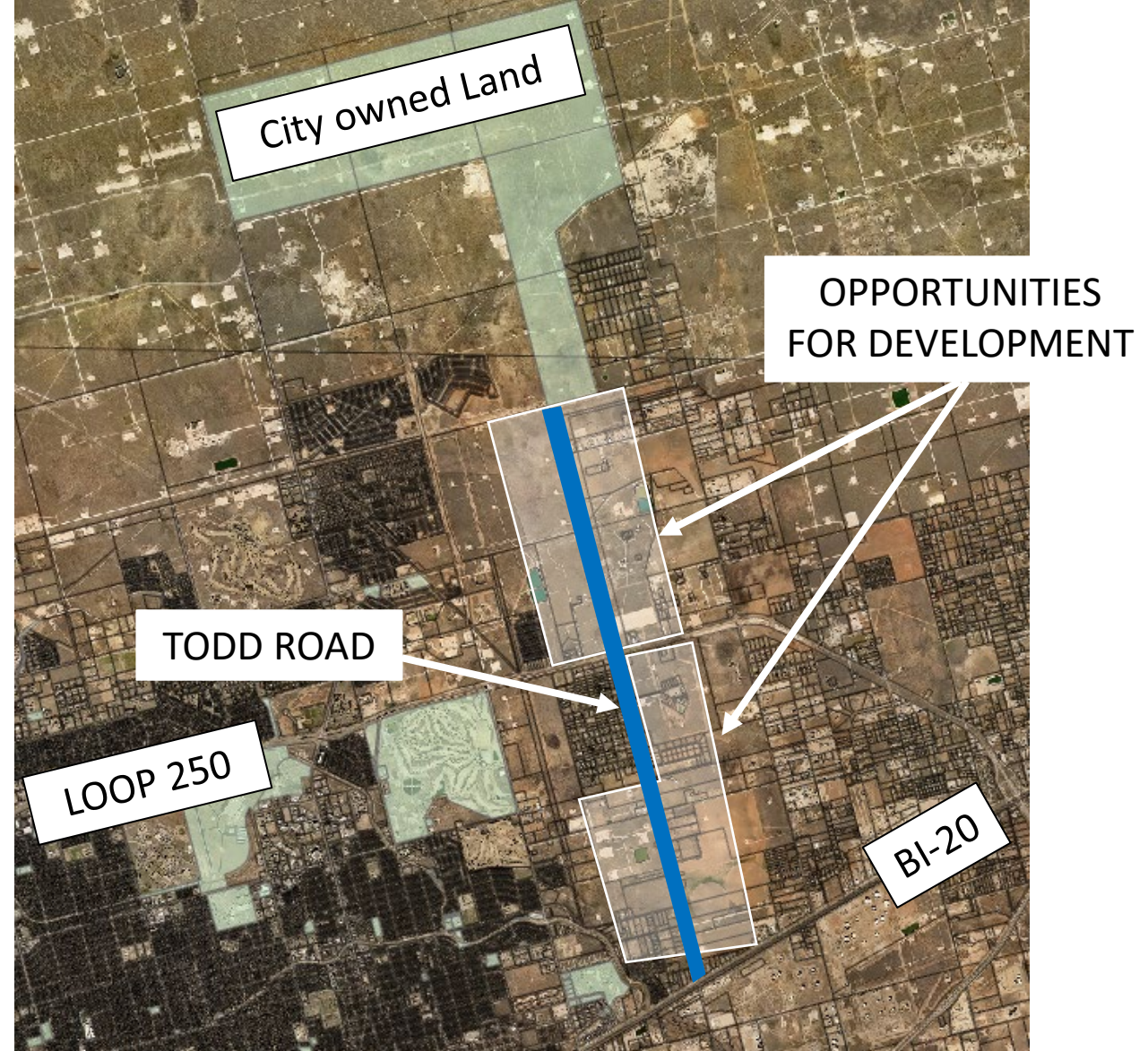
Proposed Todd Road Corridor Study

From BI-20 to Loop 250 to CR40

- Connect with undeveloped areas inside the Loop
- Increase corridor safety
- Annex additional land
- New Sewer Line currently under design

Right of way and Utilities

Study Cost Est.: \$ 200,000



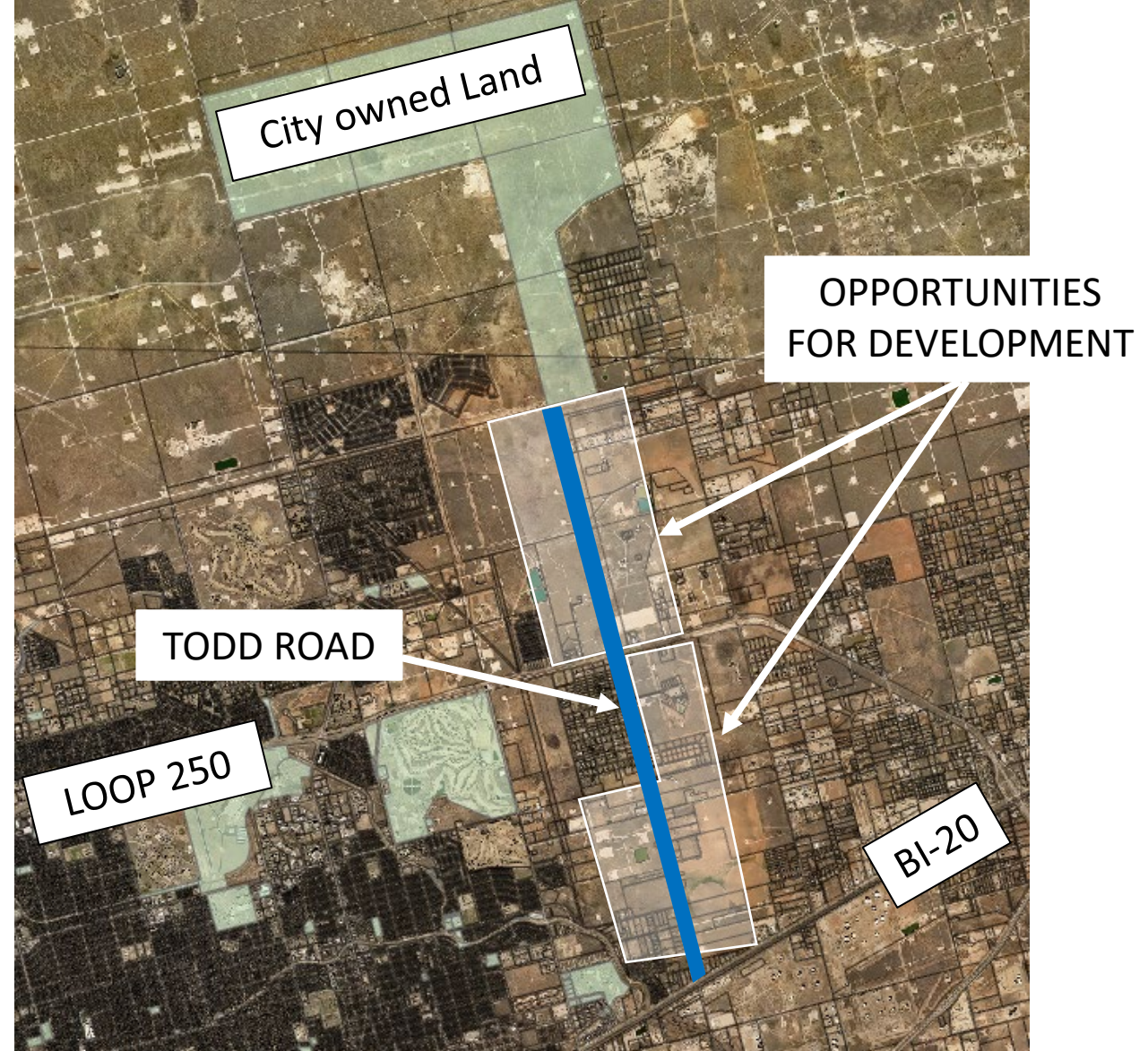
Proposed Todd Road Phase I

From BI-20 to Golf Course Rd to Fairgrounds Rd

- Connect with undeveloped areas
- New Sewer Line currently under design

Right of way and Utilities

Estimated Construction Cost: \$8M



Construction Costs

Project	Estimated Construction Cost	Estimated Right of Way Acquisition Cost (not included in construction cost)
SH158 AT WADLEY	\$ 3.7 M	ROW already acquired by City
WADLEY AVE EXTENSION	\$ 7.8 M	ROW already acquired by City
MIDLAND DRAW WIDENING	\$ 1.8 M	None
AVALON AVE EXTENSION	\$ 9.8 M	Estimated \$ 0.5 M
SH158 AT CR60/BRIARWOOD	\$ 3.9 M	ROW already acquired by City
TODD ROAD (Phase I)	\$ 8 M	Estimated \$ 1.0 M
TOTAL	\$ 45 M	



Museum of the Southwest Promotional Agreement

RESOLUTION NO. _____

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

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

WHEREAS, the Board of Directors finds that a promotional agreement with the Museum of the Southwest (the “*Museum*”), that provides for the expenditure of promotional funds to the Museum in exchange for its efforts to advertise and publicize the City for the purpose of developing new and expanded business enterprises, will thereby enhance and promote economic development within the City; and

WHEREAS, the Board of Directors finds it to be in the public interest to authorize the execution of a promotional agreement with the Museum for the purposes described herein;

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 promotional agreement with the Museum of the Southwest. Said agreement being in a form substantially similar to Exhibit A, which is attached hereto and incorporated herein for all purposes.

SECTION TWO. That the City Comptroller of the City of Midland is hereby authorized and directed to pay the Museum in accordance with the terms of said agreement from funds available in the Midland Development Corporation Promotions Project (800705)

in the fiscal year in which the payment is to be made.

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 for the Midland
Development Corporation

APPROVED AS TO FORM ONLY:

JOHN OHNEMILLER,
Attorney for the Midland
Development Corporation

PROMOTIONAL AGREEMENT

THIS PROMOTIONAL AGREEMENT (“*Agreement*”) is made and effective the 22nd day of June, 2021, 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 the MUSEUM OF THE SOUTHWEST (“*MUSEUM*”). In this Agreement, MDC and MUSEUM 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;

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 MUSEUM;

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 MUSEUM 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 one (1) lump-sum payment to MUSEUM in the amount of \$75,000.00, with said payment to be made on or before July 31, 2021. The total funds provided by MDC under this Agreement shall not exceed \$75,000.00. The Parties covenant and agree that all funds provided by MDC under this Agreement are in exchange for MUSEUM’s advertising and promotional services as set forth herein.

B. Museum of the Southwest Services. MUSEUM shall use commercially reasonable efforts to provide those services described in **Exhibit A**, which is attached hereto and incorporated herein for all purposes. MUSEUM shall perform all services in a workmanlike manner. MUSEUM 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. Museum of the Southwest Report. During the term of this Agreement, at a time and place mutually agreed to by the Parties, MUSEUM shall provide MDC with a report or presentation containing a detailed summary of MUSEUM's efforts to promote new and expanded business enterprises within the City of Midland.

III. INDEPENDENT CONTRACTOR

MUSEUM shall operate hereunder as an independent contractor and not as an officer, agent, servant, or employee of MDC. MUSEUM 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 MUSEUM'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. MUSEUM 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 MUSEUM's work. MUSEUM shall assume exclusive responsibility for its work.

IV. TERM OF AGREEMENT

Upon execution by the Parties, this Agreement becomes effective June 22, 2021, and shall terminate on September 30, 2022, 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 MUSEUM. 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. MUSEUM 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 MUSEUM:

Museum of the Southwest
1705 W. Missouri Ave.
Midland, Texas 79701

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

G. Release. **NOTWITHSTANDING ANY OTHER PROVISION CONTAINED HEREIN, MUSEUM 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 MUSEUM 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.**

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.

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

[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

MUSEUM OF THE SOUTHWEST

By _____

Name _____

Title _____

THE STATE OF TEXAS §

§

COUNTY OF MIDLAND §

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 MUSEUM OF THE SOUTHWEST.

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

Notary Public, State of Texas

Promotional Services to be Provided by Museum of the Southwest

1. Branding the City of Midland for the purpose of developing new and expanded business enterprises in website, brochure, and media materials.
2. Promoting the Museum of the Southwest as a cultural entity that immerses its visitors in experiences that will transform their universe and reveal new possibilities, inspiring exploration and interaction with the arts, science, history and culture.
3. Including references to the Midland Development Corporation's support for the Museum of the Southwest in media releases, including advertising, social media posts, television, and newspaper coverage where appropriate.
4. Including a description and logo for the Midland Development Corporation in the Museum of the Southwest's website and promotional materials.

The Perryman
Group Consulting
Services
Agreement

RESOLUTION NO. _____

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

WHEREAS, the Board of Directors finds it to be in the public interest to authorize 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;

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 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. 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 The Perryman Group, in accordance with the terms of the consulting services agreement, from funds available in the Midland Development Corporation 2020-2021 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

CONSULTING SERVICES AGREEMENT

THIS AGREEMENT is made and effective the 7th day of June, 2021, by and between the MIDLAND DEVELOPMENT CORPORATION, a Type A corporation pursuant to Chapter 504 of the Texas Local Government Code, as amended (hereinafter called "*MDC*"), and THE PERRYMAN GROUP (hereinafter referred to as "*COMPANY*").

ARTICLE I. PURPOSE

The purpose of this Agreement is to state the terms and conditions under which *COMPANY* shall perform certain consulting services to provide economic indices (hereinafter also referred to as the "*Project*") for *MDC*.

ARTICLE II. SERVICES TO BE PERFORMED

1. *COMPANY* shall provide those services described in **Exhibit A**, which is attached hereto and incorporated herein for all purposes.
2. *COMPANY* shall perform all the services under this Agreement consistent with the same level of skill and care as other professionals in approximately the same region at approximately the same point in time and for the same types of projects. *COMPANY* represents that any employee who performs services under this Agreement shall be fully qualified and competent to perform the services described in **Exhibit A**.

ARTICLE III. FINANCIAL CONSIDERATIONS

MDC agrees to pay *COMPANY* in an amount not to exceed \$60,000.00 for the consulting services described in **Exhibit A**. *MDC* agrees to pay *COMPANY* according to the schedule set forth in **Exhibit A**.

ARTICLE IV. TERM

The term of this Agreement shall be from June 7, 2021, until May 31, 2022, unless the Agreement is terminated as provided below.

ARTICLE V. TERMINATION AT WILL

MDC may terminate this Agreement at will for no or any reason upon giving at least one-hundred eighty (180) days' written notice to COMPANY. The parties to this Agreement understand and agree that it is in MDC's sole 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.

ARTICLE VI. ASSIGNMENT

COMPANY shall not, either directly or indirectly, assign all or any part of this Agreement 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.

ARTICLE VII. OWNERSHIP AND CONFIDENTIALITY OF DOCUMENTS AND OTHER WORK PRODUCT

All reports, information and other data ("*Instruments of Service*"), given to, prepared or assembled by COMPANY under this Agreement, and any other related documents or items shall become the sole property of MDC and shall be delivered to MDC, without restriction, except that COMPANY may make copies of any and all Instruments of Service for its files. MDC shall not make any modification to the plans and specifications or make them available for use by third parties without the prior written authorization of COMPANY, which consent shall not be unreasonably withheld.

ARTICLE VIII. 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 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 the work. COMPANY is entirely free to do the work in its own way.

ARTICLE IX. INSURANCE

COMPANY shall at all times during the term of this Agreement 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 as an additional insured and waive subrogation in favor of MDC.

The Business Automobile Liability insurance provided by COMPANY shall cover any auto for bodily injury and property damage, including owned vehicles, hired and non-hired

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 Agreement. This insurance shall name MDC as an additional insured and waive subrogation in favor of MDC.

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 Agreement. The Workers Compensation shall waive all rights of subrogation in favor of MDC.

All insurance required pursuant to this Agreement shall provide for a waiver of subrogation in favor of MDC. All insurance required pursuant to this Agreement, except for Workers Compensation Insurance, shall name MDC as an additional insured on a claims occurred basis. MDC 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 Agreement 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 policies that name the MDC as an additional insured on a claims occurred basis (except workers compensation).

The parties agree that, prior to the execution of the Agreement, 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 Agreement.

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.

ARTICLE X. ATTORNEY FEES

BY EXECUTING THIS AGREEMENT, COMPANY AGREES TO WAIVE AND DOES HEREBY WAIVE ANY CLAIM IT HAS OR MAY HAVE IN THE FUTURE

AGAINST MDC REGARDING THE AWARD OF ATTORNEY FEES THAT IS IN ANY WAY RELATED TO THIS AGREEMENT, OR THE CONSTRUCTION, INTERPRETATION OR BREACH OF THIS AGREEMENT. COMPANY AGREES THAT IF COMPANY 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 COMPANY AGREES TO (i) WAIVE AND RELINQUISH ANY AND ALL RIGHTS TO THE RECOVERY OF ATTORNEY FEES TO WHICH IT MIGHT OTHERWISE BE ENTITLED AND (ii) ASSUME COMPLETE FINANCIAL RESPONSIBILITY FOR AND PAY ALL ATTORNEY FEES AND ASSOCIATED COSTS INCURRED IN GOOD FAITH BY MDC IN MDC'S CONTESTING OF THE LEGAL ACTION OR PROCEEDING BROUGHT BY COMPANY.

COMPANY AGREES THAT THIS IS THE VOLUNTARY AND INTENTIONAL (i) RELINQUISHMENT AND ABANDONMENT OF A PRESENTLY EXISTING KNOWN RIGHT AND (ii) ASSUMPTION OF A FUTURE OBLIGATION IN THE EVENT THAT COMPANY BRINGS OR COMMENCES ANY LEGAL ACTION OR PROCEEDING AGAINST MDC 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 JUDGEMENTS ACT (TEXAS CIVIL PRACTICE AND REMEDIES CODE SECTION 37.001, *ET SEQ.*, AS AMENDMED). COMPANY ACKNOWLEDGES THAT COMPANY UNDERSTANDS ALL TERMS AND CONDITIONS OF THE AGREEMENT. COMPANY FURTHER ACKNOWLEDGES AND AGREES THAT THERE WAS AND IS NO DISPARITY OF BARGAINING POWER BETWEEN COMPANY AND MDC. THIS SECTION SHALL NOT BE CONSTRUED OR INTERPRETED AS A WAIVER OF GOVERNMENTAL IMMUNITY.

COMPANY IS RELYING ON ITS OWN JUDGMENT. COMPANY ACKNOWLEDGES THAT COMPANY HAD THE OPPORTUNITY TO DISCUSS THIS AGREEMENT WITH LEGAL COUNSEL PRIOR TO ITS EXECUTION.

ARTICLE XI. 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.**

ARTICLE XII. NO THIRD-PARTY BENEFICIARIES

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.

ARTICLE XIII. RELEASE

NOTWITHSTANDING ANY OTHER PROVISIONS, 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 AGREEMENT, QUANTUM MERUIT, CLAIMS UNDER THE DUE PROCESS AND TAKINGS CLAUSES OF THE TEXAS AND UNITED STATES CONSTITUTIONS, TORT CLAIMS, OR MDC'S NEGLIGENCE.

ARTICLE XIV. INDEMNITY

COMPANY SHALL INDEMNIFY AND HOLD HARMLESS AND DEFEND MDC AND ALL OF MDC'S 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 AGREEMENT, AND COMPANY WILL BE REQUIRED TO PAY ANY JUDGMENT WITH COSTS WHICH MAY BE OBTAINED AGAINST MDC OR ANY OF ITS OFFICERS, AGENTS OR EMPLOYEES, INCLUDING ATTORNEY'S FEES.

COMPANY SHALL INDEMNIFY AND HOLD HARMLESS AND DEFEND MDC AND ALL OF MDC'S OFFICERS, AGENTS AND EMPLOYEES FROM ALL SUITS, ACTIONS, CLAIMS, DAMAGES, PERSONAL INJURIES, ACCIDENTAL DEATH, PROPERTY DAMAGE, LOSSES, 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 MDC, MDC'S OFFICERS, AGENTS AND EMPLOYEES, WHETHER SUCH NEGLIGENT ACT WAS THE SOLE PROXIMATE CAUSE OF THE INJURY OR DAMAGE OR A PROXIMATE CAUSE JOINTLY AND CONCURRENTLY WITH COMPANY OR COMPANY'S EMPLOYEES, AGENTS OR SUBCONTRACTORS NEGLIGENCE IN THE EXECUTION, SUPERVISION AND OPERATIONS GROWING OUT OF OR IN ANY WAY CONNECTED WITH THE PERFORMANCE OF THIS AGREEMENT, AND COMPANY WILL BE REQUIRED TO PAY ANY JUDGMENT WITH COSTS WHICH MAY BE OBTAINED AGAINST MDC OR ANY OF ITS OFFICERS, AGENTS OR EMPLOYEES, INCLUDING ATTORNEY'S FEES.

COMPANY AGREES THAT IT WILL INDEMNIFY AND SAVE MDC 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 AGREEMENT. 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 AND ALL OF ITS 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 AGREEMENT, AND WILL BE REQUIRED TO PAY ANY JUDGMENT WITH COSTS WHICH MAY BE OBTAINED AGAINST MDC OR ANY OF ITS OFFICERS, AGENTS, OR EMPLOYEES INCLUDING ATTORNEY'S FEES.

ARTICLE XV. GENERAL PROVISIONS

A. Waiver. No waiver by MDC of a breach of any covenant, condition, or restriction of this Agreement shall be construed or held to be a waiver of any succeeding or preceding breach of the same or any other covenant, condition, or restriction contained in this Agreement.

B. 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 Agreement, without regard to conflict of laws and rules that would direct application of the laws of another jurisdiction. The obligations and undertakings of each of the parties to this Agreement shall be deemed to have occurred in Midland County, 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.

C. Notice. Any notice or demand that shall be made regarding this Agreement, shall be made in writing and delivered either in person or by certified or registered mail. Notice by mail shall be complete upon deposit of the paper, postage prepaid, in a post office or official depository under the care and custody of the United States Postal Service addressed as follows:

If to MDC: Chairman
Midland Development Corporation
200 N. Loraine, Suite 610
Midland, Texas 79701

If to COMPANY: The Perryman Group
510 N. Valley Mills Dr.
Suite 300
Waco, TX 76710

The parties hereto may change the above-designated addresses by giving notice pursuant to the terms of this Section.

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

E. Use of Language. Words in the singular shall be held to include the plural, unless the context otherwise requires.

F. Amendments, Modifications, Alterations. No amendment, modification, or alteration of the terms of this Agreement shall be binding unless it is in writing, dated subsequent to the date of this Agreement, and duly executed by the parties to this Agreement.

G. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed as original, and all of which shall constitute one and the same instrument.

H. Federal Wage Requirements. If applicable, the Davis-Bacon Act, 29 CFR 5.5, and any related acts or regulations are hereby incorporated by reference and made a part of this Agreement, and all terms and requirements under said laws, by such incorporation, are made terms and requirements of this Agreement, to which the parties to this Agreement have agreed to be bound.

I. 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 Agreement, COMPANY or his legal representative, shall give the MDC Chairman, or any other reasonable official of MDC, notice in writing (consisting of one (1) original and seven (7) copies of notice attached to a copy of this Agreement) of such damages, duly verified, within ninety (90) 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 Agreement are reasonable.

J. Prompt Pay Act. MDC and COMPANY agree that Texas Government Code, Chapter 2251, Payment for Goods and Services does not waive governmental immunity.

K. Compliance. COMPANY agrees that it shall comply with Texas Government Code Section 2252.908, as amended. COMPANY agrees that it shall comply with Texas Local Government Code Section 176.006, as amended.

EXECUTED IN DUPLICATE the day and year first above mentioned.

MIDLAND DEVELOPMENT CORPORATION

Wesley Bownds, Chairman

ATTEST:

Berry Simpson, Secretary

[Signature Page Follows]

THE PERRYMAN GROUP

By: M. Ray Perryman

Name: M. Ray Perryman

Title: CEO/President

STATE OF Texas §

§

COUNTY OF McLennan §

§

BEFORE ME, the undersigned authority, on this 3rd day of June, 2021, personally appeared, M. Ray Perryman of The Perryman Group, 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 3rd day of June, 2021.

Karen Amos

Notary Public, State of Texas

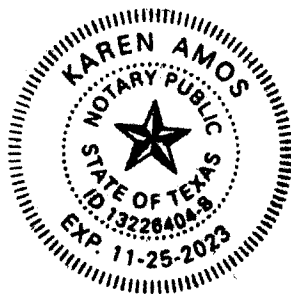


Exhibit A

PROJECT CONCEPT

Development and Maintenance of an Economic Index for Midland and the Permian Basin

June 2021

510 N. Valley Mills Dr., Suite 300

Waco, TX 76710

ph. 254.751.9595, fax 254.751.7855

info@perrymangroup.com

www.perrymangroup.com



Development and Maintenance of an Economic Index for Midland and the Permian Basin

I. Introduction

The Perryman Group (TPG) The Perryman Group (TPG) is pleased to present this project concept for the development of a summary economic index for Midland and the Permian Basin. This measure would be designed to be easily grasped, while backed by rigorous econometric and statistical modeling. It would also be based on frequently released data to allow for monthly updates and provide detail on individual sectors of the economy.

II. Qualifications

TPG is uniquely qualified to conduct this analysis. Dr. M. Ray Perryman, founder and President of the firm, has extensive experience in econometric modeling, statistical modeling, and other data analysis methods needed for the development of an index for Midland and the Permian Basin.

The Perryman Group has served the needs of more than 2,500 private-sector clients in numerous industries including

- the 9 largest firms in the US,
- 8 of the 10 largest law firms in the US,
- 3 of the 4 largest domestic foundations,
- the 6 largest energy companies doing business in the US,
- the 12 largest technology companies in the world,
- the 5 largest financial institutions in the US,
- two-thirds of the Global 25, and
- more than one-half of the Fortune 100.

The firm has also completed over 1,000 public policy studies on a variety of issues, and Dr. Perryman has served as advisor and/or consultant to several Presidents, numerous House and Senate Committees, 10 Cabinet departments, numerous

foreign governments, and more than 100 other state and federal agencies. He has testified extensively regarding economic, financial, statistical, and damages issues in state and federal courts as well as in more than 100 regulatory proceedings.

Models and Systems

The Perryman Group maintains an extensive set of proprietary models and systems which are ideally suited to this analysis. Dr. M. Ray Perryman, founder and President of the firm, developed the key models to be used in this study in the 1970s and early 1980s and has consistently maintained, expanded, and updated them since that time. The firm also maintains an extensive set of detailed historical data which will be used in the development of an index.

The US Multi-Regional Econometric Model provides detailed industry-level is used to provide ongoing forecasts for the various regions and metropolitan areas within the United States. It is formulated in an internally consistent manner and is designed to permit the integration of relevant global, national, state, and local factors into the projection process.

The model is the result of four decades of continuing research in econometrics, economic theory, statistical methods, and key policy issues and behavioral patterns, as well as intensive, ongoing study of all aspects of the global, US, state, metropolitan area, and county economies. It is extensively used by scores of federal and State governmental entities on an ongoing basis, as well as hundreds of major corporations. This model has been used to produce ongoing forecasts of Texas and its regions and counties since the early 1980s and has been extended to include any county or multi-county area in the United States.

The US Multi-Regional Impact Assessment System (USMRIAS) is designed to measure the multiplier (or “ripple”) effects of an economic stimulus through the

economy. It has been used in hundreds of applications and public policy studies in all 50 states, has been peer reviewed on numerous occasions, and enjoys an excellent reputation for reliability and credibility. The system reflects the unique industrial structure and characteristics of the United States and every local area within the country.

The USMRIAS is somewhat similar in format to the Input-Output Model of the United States which is maintained by the US Department of Commerce. The model developed by TPG, however, incorporates several important enhancements and refinements. Specifically, the expanded system includes (1) comprehensive 500-sector coverage for any county, multi-county, or urban region; (2) calculation of both total expenditures and value-added by industry and region; (3) direct estimation of expenditures for multiple basic input choices (expenditures, output, income, or employment); (4) extensive parameter localization; (5) price adjustments for real and nominal assessments by sectors and areas; (6) measurement of the induced impacts associated with payrolls and consumer spending; (7) embedded modules to estimate multi-sectoral direct spending effects; (8) estimation of retail spending activity by consumers; and (9) comprehensive linkage and integration capabilities with a wide variety of econometric, real estate, occupational, and fiscal impact models, thus permitting dynamic simulations.

Related Experience

The Perryman Group has analyzed the economic and fiscal effects of various types of economic stimuli on hundreds of occasions over the past four decades. These assessments include effects of corporate locations and expansions, major real estate developments, regulatory and other policy changes, benefits payments, legislative initiatives, tax reform, and numerous others.

The Perryman Group also has extensive experience in index number construction. Dr. Perryman was the first to use econometric models to derive index numbers when he created a measure of Federal Reserve actions while still in graduate school in the 1970s. This measure has been adopted by numerous central banks throughout the world. The Perryman Group has also created industrial production and unit labor cost indices that can be implemented for any county in the US; these measures are widely utilized throughout the country.

Dr. Perryman has been an advisor to the US Department of Labor, the US Department of Commerce, and the Federal Reserve System on various index number construction issues. He also created a technique for weighting various economic measures in an optimal manner. The Perryman Group has developed similar index measures for other clients, and provides a regular quarterly index for multiple regions for a major public investment and financial services firm.

The firm has also conducted a number of studies specifically involving the Permian Basin and Midland. Dr. Perryman developed an econometric model of the areas in the late 1970s and has provided ongoing projections for the region since that time. In addition to the large Priority Midland study which was recently completed, the firm has performed economic development analyses and strategic plans, corporate location impact studies, health care studies, a large-scale study of commercial activity on University Lands, an evaluation of housing patterns and needs, workforce studies, tax policy assessments, studies of tourism and recreation effects of various venues and programs (including new hotels, athletic programs, and cultural amenities), assessments of the costs of homelessness, and many other analyses within the region. The firm recently completed an analysis of the economic impact of the University of Texas Permian Basin and is presently examining (1) the effects of a potential Census undercount on the region, (2) the impact of the Permian Basin on all segments of the Texas economy, and (3) economic elements of a strategic plan for the Odessa area.

In summary, TPG brings decades of knowledge and expertise to this endeavor. A short biographical summary for Dr. Perryman and a Firm Profile (attached to this project concept) highlight key aspects of The Perryman Group's capabilities as well as representative project work and testimony. More detailed information can be found on the firm's website at www.perrymangroup.com.

III. Scope of Work

- A. TPG will compile research related to this topic including empirical studies related to summary measures of business activity. (TPG is familiar with this literature and, as noted above, Dr. Perryman has published extensively in the field.)
- B. TPG will compile a dataset of reliable data series released with sufficient frequency and granularity to be used as input components of the summary measure. This information will include series that capture patterns in key industries (such as energy, health care, manufacturing, real estate and finance).
- C. TPG will utilize econometric and statistical methods to develop a summary measure. As noted, it is anticipated that this indicator would incorporate industry-level components.
- D. The firm's proprietary models and databases will be used in the development and testing of the summary measure and its individual components. The index will be designed in the same manner as a multi-regional index that TPG has provided for a major financial services firm for the past several years.

- E. TPG will prepare, on a monthly basis, a brief report that provides the latest index values for Midland and the Permian Basin and key sectors and describes the underlying factors causing movement.

IV. Fees and Timing

- A. TPG will complete the initial analysis and provide monthly updates for one year for an annual fee of \$60,000 plus any direct, out-of-pocket expenses. An initial retainer of one-half of this amount is requested upon project initiation. The remainder will be due of upon completion of the first monthly summary.

V. Other Provisions

- A. Any additional work or appearances will be performed upon request and billed in accordance with the firm's standard rates or be the subject of a separate agreement.
- B. TPG will carry appropriate insurance coverage throughout the life of this project. Assuming timely payment of invoices, TPG will hold all sponsoring entities harmless for any debts incurred in the completion of this analysis.

M. RAY PERRYMAN

President & CEO, The Perryman Group
Institute Distinguished Professor of Economic Theory and Method
International Institute for Advanced Studies

ACADEMIC BACKGROUND

Ph.D. in Economics, Rice University
B.S. in Mathematics, Baylor University

SELECTED ACADEMIC/PROFESSIONAL POSITIONS AND ACTIVITY (Current and Former)

Business Economist-in-Residence, Cox School of Business, Southern Methodist University
University Professor and Economist-in-Residence, Baylor University
Herman Brown Professor of Economics, Baylor University
Founder and Director, Center for the Advancement of Economic Analysis, Baylor University
President, Southwestern Economics Association
President, Southwestern Society of Economists
Editor, *The Southwestern Journal of Economic Abstracts*
Editor, *International Series in Economic Modeling* (book series)
Editor and Author, *The Perryman Report & Texas Letter* (monthly economic newsletter)
Editor and Author, *The Perryman Economic Forecast* (subscription forecasting service)
Author, "The Economist" (syndicated weekly newspaper column)
Host, *The Perryman Report*, daily radio broadcast on the Texas State Network
Assistant Editor, *The Journal of Economics*
Contributing Economist, "Marketplace Radio," National Public Radio
Published or presented more than 400 academic papers
Authored or edited 5 books

SELECTED ADVISORY/CONSULTING ACTIVITY (Current and Former)

Advisor or Member for more than 50 governmental entities at the international, federal, state, and regional levels including: Federal Task Force on the Savings and Loan Crisis, Congress of the United States; Joint Economic Committee, Congress of the United States; United States Senate Academic Advisory Committee on the North American Free Trade Agreement; and Governor's Task Force on Economic Growth
Economic Advisor, Federal Reserve System and Federal Home Loan Bank Board
Economic Advisor, United States Senate
Economic Advisor, United States House of Representatives
Economic Advisor, Office of the President
Economic Advisor, US Departments of State, Defense, the Treasury, Labor, Agriculture, the Interior, Commerce, Energy, and Housing and Urban Development
Economic Consultant, Federal Communications Commission
Economic Advisor, Office of the Governor, State of Texas
Economic Advisor, Ministry of Economic Affairs, Republic of China
Chairman of the Board and President, Texas Manufacturing Technology Center
Chairman, Blue Cross & Blue Shield of Texas Affiliate Board

Member, Board of Directors, Health Care Service Corporation (Chair of Finance, Governance and Nominating, and Compensation Committees)
Member, Board of Directors, Real Estate Council of Dallas
Chairman, Texas Legislative Conference
President, Board of Directors, Texas Leadership Institute
Co-Chair, Strategic Advisory Committee, Team Texas: The Future of Nursing, Robert Wood Johnson Foundation
Member, Board of Visitors, Scott & White Hospital
Director, Women's Financial Services, Southern Methodist University
Advisory Director, Texas Association of Business and Chambers of Commerce
Advisory Director, Chase Bank
Director of projects, studies, and analyses for more than 2,000 clients, including major corporations, public utilities, government agencies, and financial services groups
Published more than 2,500 trade articles and columns

SELECTED HONORS AND AWARDS

Doctoris Honoris Causa degree, International Institute for Advanced Studies
Lifetime Achievement Award, International Institute for Advanced Studies
Citation for Outstanding Initiative in Promoting World Trade, China External Development and Trade Administration
Honorary Lifetime Fellow, National Academy of Nursing
Citation for Meritorious Efforts in Promoting World Capitalism (including the People's Republic of China), The Democracy Foundation
Citation for Promoting International Academic Exchange, The Asia and World Institute
Citation for Outstanding Advisory Contributions, Congress of the United States
Presidential Medal of Merit
First Recipient, "Ray Perryman Leadership Award," Texas Association of Nurse Practitioners
Award for Outstanding Research Achievement in Economic Modeling, Systems Research Foundation
Outstanding Texas Leader (John Ben Shepperd Memorial Award)
Outstanding Alumnus in Economic Research, Rice University
Named the Outstanding Young Person in the World in the Field of Economics and Business Innovation, one of five Outstanding Young Texans, one of ten Outstanding Young Americans, and one of ten Outstanding Young Persons in the World
2012 Texan of the Year, Texas Legislative Conference
2013 Distinguished Service Medal, Baylor University
2014 Texas Leadership Hall of Fame, JBS Leadership Institute
2016 Cesar E. Chavez Conscience Builders Award, Cesar E. Chavez Legacy and Educational Foundation
2018 Most Dynamic Economic Researcher in the US by Global Business Insights
2019 Chairman's Award for Lifetime Achievement in Economic Development from the International Economic Development Council
2019 "Go Global" Award for Economic Analysis from the International Trade Council
Recognized by Texas Legislature for "tireless efforts in helping to build a better Texas" and "shaping the economic future of the state; extensive contributions to economic growth in the Lone Star State"

THE PERRYMAN GROUP

Firm Profile and Capabilities

The Perryman Group (TPG) specializes in all aspects of economic analysis, research, and forecasting. Led by Dr. M. Ray Perryman, the organization enjoys a worldwide reputation for its forecasting, modeling efforts, and high-profile public policy studies. For more than 30 years, the firm has provided some of the most innovative approaches in the industry to meet the needs of thousands of clients.

IMPACT ASSESSMENT

Over more than three decades, The Perryman Group has developed a reputation for quality impact assessment techniques. The firm maintains a set of impact evaluation models which can be applied in numerous contexts. These systems have been employed in projects measuring economic effects of various activities around the globe. Specific industrial detail can be provided for more than 500 industries at the national, state, regional, metropolitan statistical area (MSA), and county level.

Previous studies include (among hundreds of others) the economic impact of site locations, utility rate changes, infrastructure development, new transportation facilities, tourism and cultural attractions, regulatory changes, educational programs and investments, legislative changes, economic development initiatives, insurance and judicial reform, immigration policy, water resources, health care facilities and initiatives, mixed-use real estate developments, and communications and Internet policy. In addition to traditional economic aggregates such as employment, income, sales, expenditures, and gross product, TPG also provides projections of consumer spending, secondary development, occupational categories, and fiscal revenues.

REGULATORY ANALYSIS

The Perryman Group has considerable experience and expertise in providing support for regulatory proceedings and initiatives. Previous projects have included analyzing the effects of utility and transportation rate changes on consumers and industrial concerns and evaluating the need for new electric facilities, water projects, transportation projects, and telecommunications investments. The firm also has experience in assessing the economic aspects of environmental regulations, energy policy, insurance, automobile dealerships, and other sectors subject to regulatory oversight. In addition, testimony has been provided before state and federal regulatory bodies on hundreds of occasions.

LITIGATION SUPPORT AND EXPERT TESTIMONY

For litigation support and expert testimony purposes, The Perryman Group investigates and testifies on a variety of issues. Providing research, analysis, and testimony on behalf of major US law firms and their clients in complex matters, the Perryman team has addressed topics including security markets, intellectual property, employment, forensics, officers' and directors'

liability, real estate markets, cash flow estimation, environmental and natural resource factors, lender liability, valuation, taxation, damage measurement, business losses, and antitrust issues. Dr. Perryman has successfully testified on numerous occasions and is well known for making the most difficult material and concepts readily accessible and easy to understand for any audience.

PUBLIC POLICY

The Perryman Group frequently prepares public policy studies that play a key role in shaping legislation. Representative topics include energy deregulation, communications (telephone, Internet, and cable), judicial reforms, insurance, transportation (water, air, rail, trucking, and highway funding), financial services, health care, economic development, education funding and policy, taxation, social services, oil and gas development, pipelines, mergers and acquisitions, competition, real estate, franchising, legal aid, and international trade). Analysis by the firm often plays a key role in policy formulation and implementation. More than 1,000 studies have been prepared.

ECONOMIC DEVELOPMENT AND STRATEGIC PLANNING

The Perryman Group has assisted communities, states, regions, and nations in comprehensive economic development efforts. The firm also aids corporations in determining appropriate sites for new facilities and negotiating suitable arrangements. Efforts by The Perryman Group have played a positive role in the creation of hundreds of thousands of jobs. In particular, the firm provided the underlying analysis that led to the creation of major economic development programs in Texas that are widely regarded as the state-of-the-art.

In today's world, economic development means different things in different places. For some communities, it is investing in major infrastructure programs to support future production. In others, it's attracting traditional manufacturing establishments. In still others, it's creating a base of small or large "high-tech" facilities. Some areas or institutions want to become distribution or service centers; others want to capitalize on an existing natural resource base. In many instances, the primary objective is to retain and expand existing firms; the top priority can also be establishing an environment that is conducive to small company startups. Companies and educational organizations also have multiple objectives, ranging from improved labor rates to opportunities for technology transfer.

Utilizing systems specifically geared to economic development, the firm's consultants can identify "target industries" that are likely to expand in the near future and be a complement to the local resource base. Through detailed analysis of workforce characteristics, the existing industrial base, quality-of-life factors, and local attitudes and perceptions, the firm can craft positive plans to maximize opportunities and go the extra mile to ensure their implementation.

FORECASTING AND MODELING

The firm has developed and maintains a full range of international, national, regional, state, metropolitan area, and small area (zip code, census tract, etc.) forecasting and modeling

capabilities. In particular, Dr. Perryman has developed large-scale econometric and impact assessment models that have been used in hundreds of projects across all 50 states and many foreign countries. These systems and the accompanying data resources permit forecasting of energy demand and supply, real estate market absorption, retail sales, infrastructure needs, industrial performance (manufacturing and service), transportation demand, financial markets, bond feasibility, construction costs, investment returns, and numerous other applications. In addition, projections regarding labor markets, demographics, global markets and trade, and cost factors such as wage rates and capital costs are generated for clients and subscribers on a frequent basis. Forecasts have been provided in a subscription service for more than three decades. The firm is on retainer to various entities (such as financial institutions and electricity providers) to supply ongoing information.

PUBLICATIONS

The Perryman Group prepares several publications on a regular basis. The forecast series provides an in-depth analysis of the national, state, regional, and local economies in the state of Texas. The Perryman Report & Texas Letter is a monthly newsletter that provides analysis of local, statewide, national, and international issues, with particular attention given to how they impact the economy in Texas.

PRESENTATIONS

Nationally recognized as an informative and entertaining speaker, Dr. M. Ray Perryman addresses audiences from all walks of life. Dr. Perryman has established a reputation for communicating often dry subjects in an effective and humorous fashion. Other presentations include specialized seminars on the economic outlook, industrial trends and patterns, economic development, and forecasting techniques.

In addition, the firm often provides briefings to corporate boards of directors and senior management personnel on a variety of topics, including assessment of national and regional economic conditions, trends in specific industries, patterns in international trade, and strategic planning in an uncertain business environment.

Lydick-Hooks Amendment

RESOLUTION NO. _____

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.

WHEREAS, the Board of Directors finds it to be in the public interest to authorize the execution of an amendment to that certain Western United Life Building Temporary Roof Contract with Lydick-Hooks Roofing Co.;

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, an amendment to that certain Western United Life Building Temporary Roof Contract with Lydick-Hooks Roofing Co. Said amendment being attached hereto as Exhibit A and incorporated herein for all purposes.

SECTION TWO. That said amendment shall not become effective until approved by the Midland City Council.

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

**AMENDMENT TO THE WESTERN UNITED LIFE BUILDING
TEMPORARY ROOF CONTRACT BETWEEN
THE MIDLAND DEVELOPMENT CORPORATION
AND LYDICK-HOOKS ROOFING CO.**

THIS AMENDMENT is made and effective June 23, 2021, by and between the Midland Development Corporation (“MDC”), a Type A corporation existing under the authority of Chapter 504 of the Texas Local Government Code, and Lydick-Hooks Roofing Co. (“Company”).

WHEREAS, MDC and Company entered into that certain Western United Life Building Temporary Roof Contract dated December 22, 2020 (the “Contract”), which was approved by the Midland Development Corporation Board of Directors and the Midland City Council; and

WHEREAS, the Contract has been in full force and effect since its effective date and has not been allowed to lapse; and

WHEREAS, Company and MDC desire to make certain amendments to the Contract as set forth below;

W I T N E S S E T H:

For and in consideration of the execution of this Amendment and the mutual promises and covenants of the parties hereto, it is mutually promised, understood and agreed as follows:

- 1) Section 1 of the Contract is hereby deleted in its entirety and replaced with the following:
 1. **Cost:** Total Proposal: \$138,983.00
- 2) The Contract, inclusive of this Amendment, is hereby ratified and affirmed by Company and MDC, and the Contract shall in all respects remain in full force and effect in accordance with its provisions and as amended above.

[Signature Pages Follow]

Exhibit A

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

MIDLAND
DEVELOPMENT CORPORATION

Wesley Bownds, Chairman

ATTEST:

Berry Simpson, Secretary

Promotional Funds Appropriation FY 2019

RESOLUTION NO. _____

**RESOLUTION APPROPRIATING FUNDS FROM THE
MIDLAND DEVELOPMENT CORPORATION'S
2018-2019 FISCAL YEAR BUDGET TO BE USED FOR
PROMOTIONAL PURPOSES, AS AUTHORIZED BY
CHAPTER 504 OF THE TEXAS LOCAL GOVERNMENT
CODE**

WHEREAS, pursuant to Chapter 504 of the Texas Local Government Code, the Midland Development Corporation may spend no more than ten percent (10%) of the corporate revenues for promotional purposes; and

WHEREAS, the Board of Directors finds it to be in the public interest to appropriate the sum of \$1,507,849.00 from the Midland Development Corporation's fiscal year 2018-2019 budget to Project No. 800705 for promotional purposes; and

WHEREAS, the Board of Directors finds that said project will advertise or publicize the City of Midland for the purposes allowed under Chapter 504 of the Texas Local Government Code;

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

SECTION ONE. That the sum of \$1,507,849.00 is hereby appropriated from the Midland Development Corporation (235) Unappropriated Fund Balance (35650) to the Midland Development Corporation Promotions Project (800705). This sum will be reviewed after all income and expenses for the 2018-2019 fiscal year have been received, and this sum may be reduced by future Board action in a budget reconciliation resolution; in no event shall the sum appropriated for promotional purposes exceed ten percent (10%) of the corporate revenues.

SECTION TWO. That the sum appropriated shall not be expended without the approval of the Midland Development Corporation Board of Directors and the Midland City Council.

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 _____, AD,
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

Income Statement

MIDLAND DEVELOPMENT CORPORATION
INCOME STATEMENT FOR THE 8 MONTHS ENDED
May 31, 2021

	May-21	YTD	Budgeted Amount
Revenue	\$1,284,546.43	\$8,343,883.42	\$9,000,000.00
40100 - State Sales Tax	\$1,198,336.79	\$7,675,953.42	\$9,000,000.00
40600 - Public ROW Use Fees	\$3,858.40	\$3,858.40	\$0.00
43000 - Interest	\$223.15	\$2,628.00	\$0.00
43010 - Interest - Nonpooled Invest	\$741.09	\$10,347.60	\$0.00
46190 - Miscellaneous Rentals	\$81,387.00	\$651,096.00	\$0.00
4235150 - Midland Dvlpmt Corp Revenue	\$1,284,546.43	\$8,343,883.42	\$9,000,000.00

Expense	\$3,206,015.07	\$11,312,019.69	\$22,656,815.00
51010 - Base Salary	\$137,138.63	\$407,152.84	\$692,150.00
51090 - Fica MDC Portion	\$8,183.16	\$24,930.42	\$65,456.00
51110 - Health Insurance	\$2,260.53	\$20,492.72	\$55,460.00
51135 - ACCE Profit Sharing	\$9,598.25	\$24,229.74	\$48,451.00
52010 - Office Supplies	\$104.80	\$1,398.48	\$11,000.00
52110 - Motor Vehicle Supplies	\$34.28	\$245.65	\$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	\$0.00	\$15,277.69	\$30,000.00
52620 - Postage	\$0.00	\$120.00	\$700.00
53010 - Communication	\$1,427.73	\$11,392.73	\$17,000.00
53030 - Light & Power	\$8.96	\$62.51	\$150.00
53110 - Insurance-External	\$9,104.00	\$115,339.83	\$190,000.00
53212 - Equipment Rental-External	\$345.34	\$2,760.32	\$5,000.00
53220 - Advertising	\$2,766.30	\$183,952.04	\$200,000.00
53370 - Grounds Maintenance	\$0.00	\$6,418.80	\$5,000.00
53405 - Software Maintenance	\$1,251.72	\$10,103.15	\$12,000.00
53440 - External Audit Fees	\$0.00	\$22,218.00	\$20,000.00
53450 - Consulting Fees	\$11,902.26	\$120,313.49	\$500,000.00
53510 - Travel & Entertainment	\$352.00	\$1,946.93	\$15,000.00
53520 - Dues & Subscriptions	\$1,841.81	\$11,651.93	\$20,000.00
53530 - Training,Registration Fees,Etc	\$319.89	\$1,524.89	\$10,000.00
53905 - Economic Development Incentive	\$2,739,694.64	\$8,344,318.23	\$18,553,329.00
53907 - Business Recruitment & Retentn	\$2,925.93	\$29,106.75	\$50,000.00
53920 - Rent	\$6,094.00	\$47,583.68	\$75,000.00
54010 - Building Maintenance	\$5,281.40	\$83,413.31	\$45,000.00
55120 - Maint. - Instruments & Appara.	\$63.10	\$257.96	\$3,000.00
56188 - MOTRAN	\$68,500.00	\$137,000.00	\$137,000.00
56202 - General Fund Services	\$32,557.08	\$260,456.64	\$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	\$224,065.59	\$0.00
56995 - Project Non Capital - Promotions	\$0.00	\$208,932.70	\$27,000.00
57000 - Capital Land Purchases	\$0.00	\$20,812.50	\$0.00
57001 - Capital Buildings & Structures	\$126,915.00	\$849,274.38	\$0.00
57002 - Capital Improve Other Than Bldg	\$0.00	\$125,265.79	\$1,400,000.00
57070 - Construction in Process	\$101,791.58	\$614,437.28	\$0.00
235235 - Midland Development Corp	\$3,307,806.65	\$11,926,456.97	\$22,656,815.00

May 2021 Net Income: (\$1,921,468.64)

Year-to-Date Net Income: (\$2,968,136.27)

Balance Sheet

MIDLAND DEVELOPMENT CORPORATION
BALANCE SHEET FOR THE PERIOD ENDED
May 31, 2021
(Used for Internal Purposes Only)

ASSETS

Current Assets

Cash and cash equivalents	20,337,539	
Sales tax receivable	2,186,318	
Prepaid expenses	107,133	
Accounts receivable	-	
	-	22,630,989

Non-Current Assets

Capital Assets, net	21,692,214	
Forgivable Loans		
Made to Primary Government	-	
Made to Other	506,579	
Total Forgivable Loans	506,579	
		22,198,793

Total Assets		\$ 44,829,783
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LIABILITIES AND NET POSITION

Liabilities

Accounts payable	133,073	
Retainage Payable	11,112	
Capital Leases payable	173,698	
Commitments payable		
Due within one year	6,737,462	
Due in more than one year	9,928,962	
Total Commitments Payable	16,666,424	
		16,984,307

Net Position

Net investment in capital assets	21,692,214	
Restricted for Forgivable Loans	506,579	
Restricted for Capital Leases	173,698	
Promotions	2,003,275	
Unrestricted	3,469,709	
	3,469,709	27,845,476

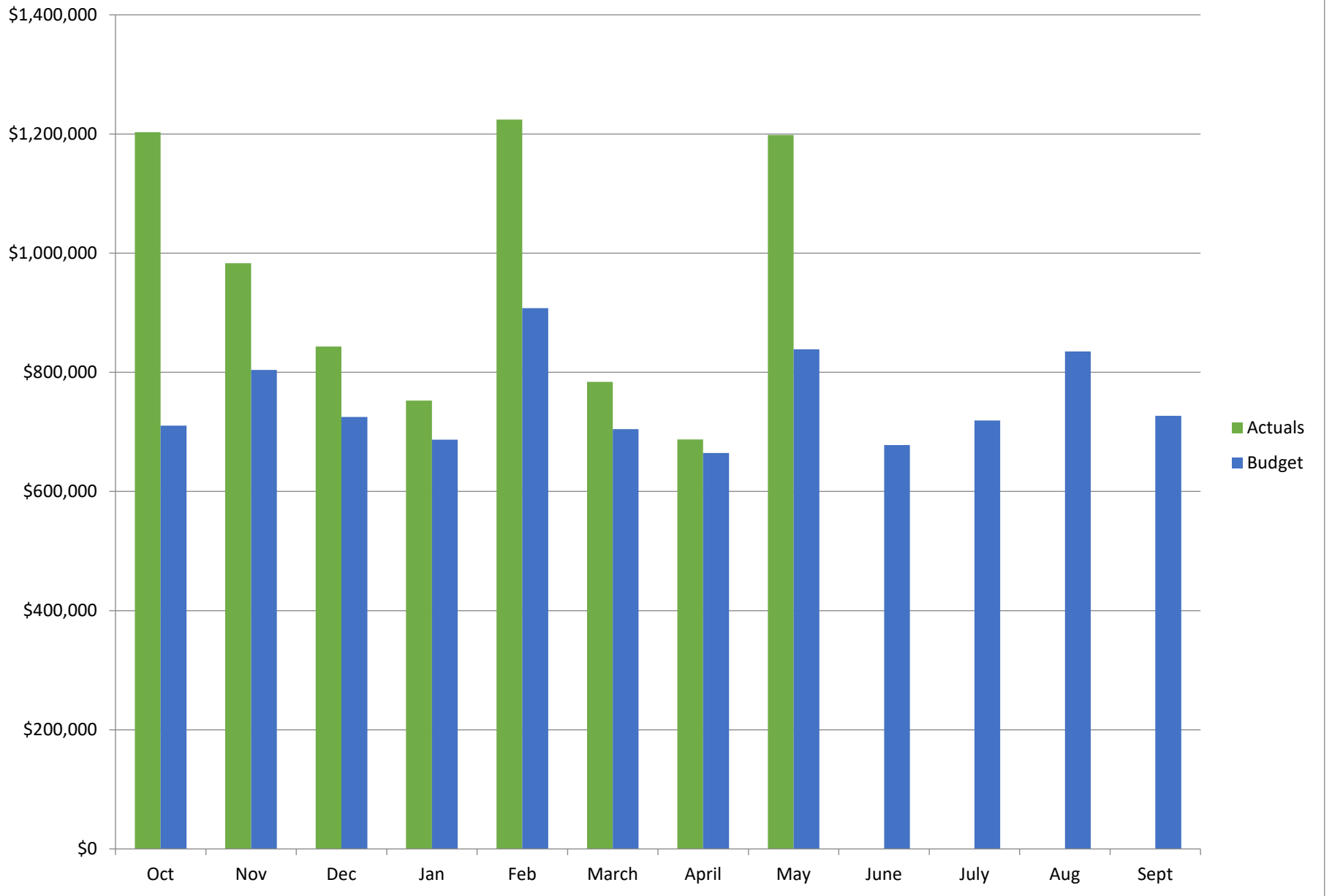
Total Liabilities and Net Position		\$ 44,829,783
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Sales Tax

Sales Tax Variance

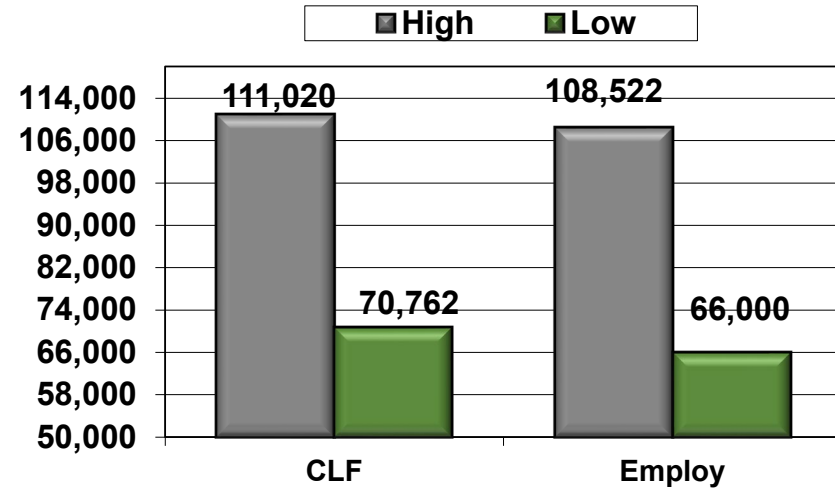
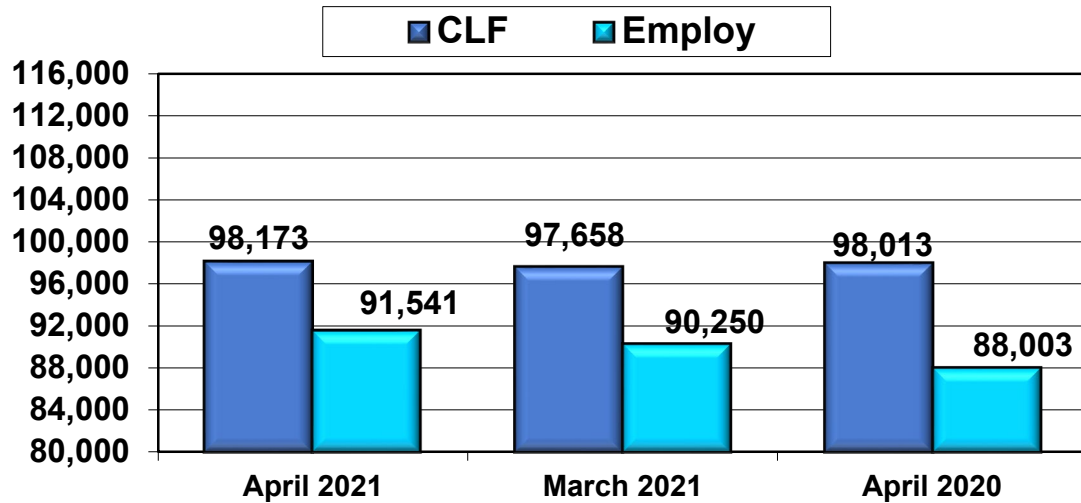
	2018-2019	2019-2020	% Change	2019-2020	2020-2021	% Change	YTD Change
October	\$1,168,778.63	\$1,219,993.44	4.38%	\$1,219,993.44	\$1,203,058.10	-1.39%	-1.39%
November	\$1,315,318.62	\$1,266,357.10	-3.72%	\$1,266,357.10	\$983,259.60	-22.36%	-12.07%
December	\$1,185,882.84	\$1,263,226.93	6.52%	\$1,263,226.93	\$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			
July	\$1,242,133.20	\$876,285.08	-29.45%	\$876,285.08			
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	\$7,675,753.42		

Sales Tax Actuals vs Budget Estimates



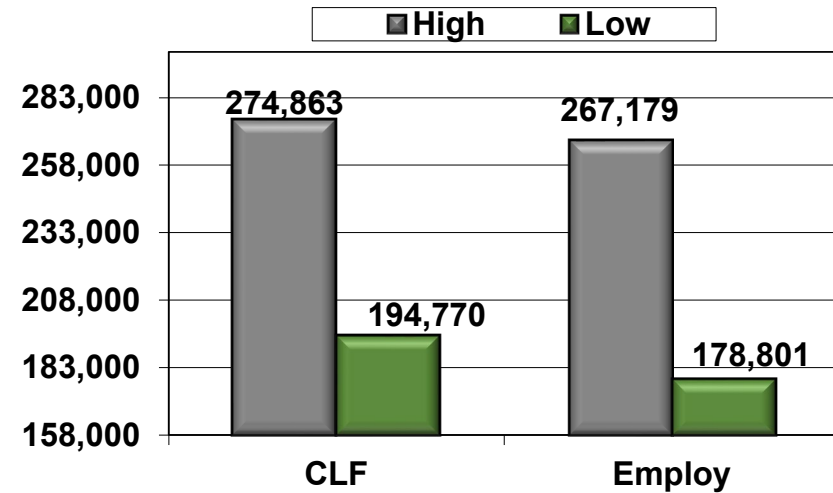
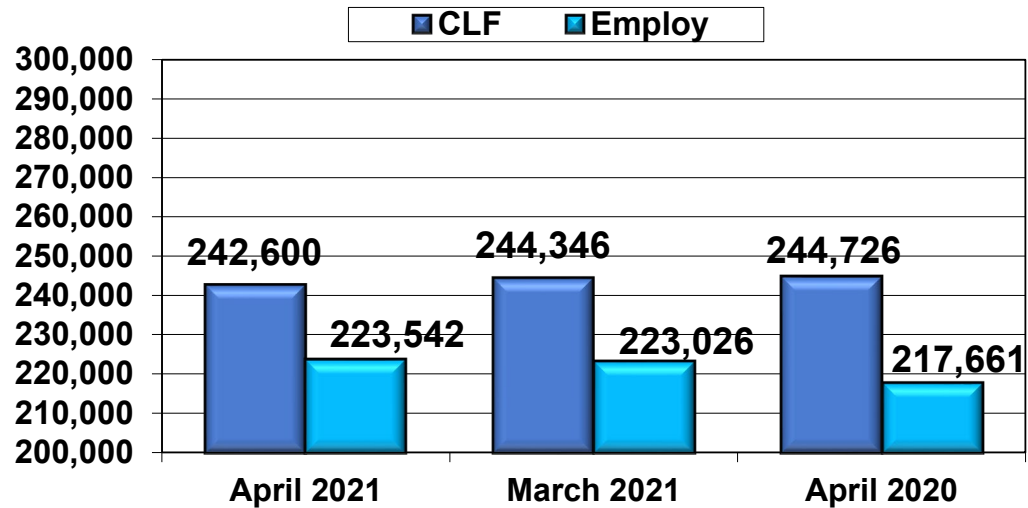
Activity Report

April 2021 Midland MSA Employment Information



	April 2021	March 2021	April 2020	High	Low
Civilian Labor Force	98,173	97,658	98,013	111,020 (Feb 2020)	70,762 (Jan 2010)
Employment	91,541	90,250	88,003	108,522 (Dec 2019)	66,000 (Jan 2010)
Unemployment	6,632	7,408	10,010	12,725 (May 2020)	1,788 (May 2019)
Unemployment Rate	6.8%	7.6%	10.2%	12.4% (May 2020)	1.7% (Apr 2019)

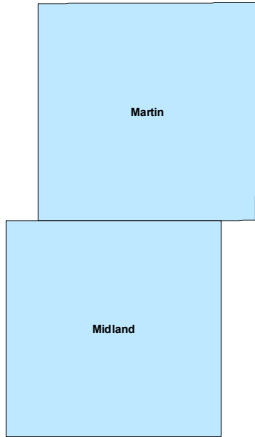
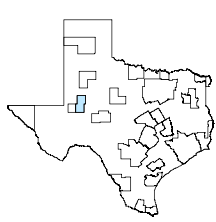
April 2021 Permian Basin Workforce Development Area Employment Information



	April 2021	March 2021	April 2020	High	Low
Civilian Labor Force	242,600	244,346	244,726	274,863 (Feb 2020)	194,770 (Jan 2010)
Employment	223,542	223,026	217,661	267,179 (Feb 2020)	178,801 (Jan 2010)
Unemployment	19,058	21,320	27,065	34,542 (May 2020)	5,115 (Apr 2019)
Unemployment Rate	7.9%	8.7%	11.1%	13.4% (May 2020)	1.9% (Apr 2019)

Midland MSA

April 2021



MSA Labor Force Statistics

	Apr-21	Mar-21	Apr-20	Yearly Change
Civilian Labor Force	98,173	97,658	98,013	160
Employed	91,541	90,250	88,003	3,538
Unemployed	6,632	7,408	10,010	-3,378
Unemployment Rate	6.8%	7.6%	10.2%	-3.4%

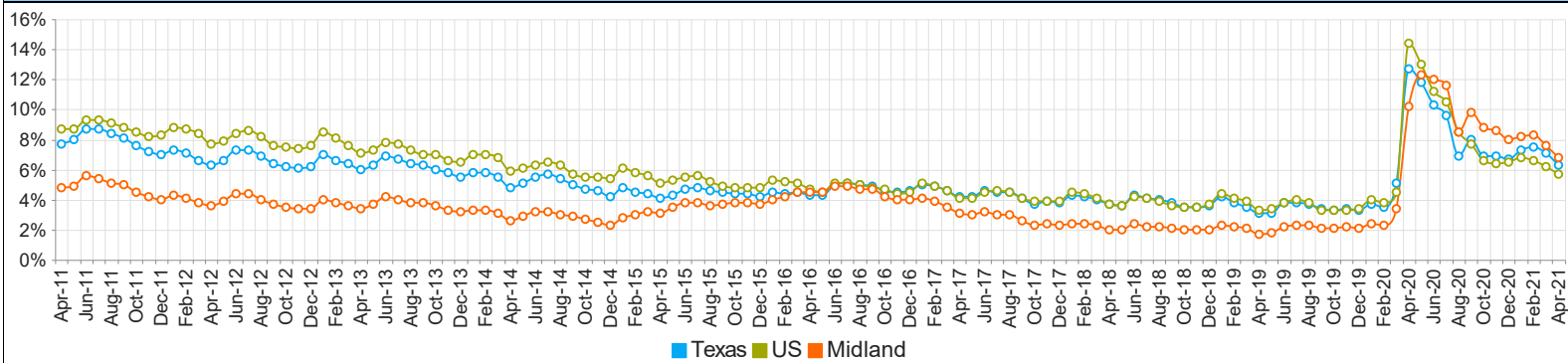
Texas Labor Force Statistics

	Apr-21	Mar-21	Apr-20	Yearly Change
Civilian Labor Force	14,043,919	14,094,131	13,326,311	717,608
Employed	13,162,609	13,087,177	11,627,585	1,535,024
Unemployed	881,310	1,006,954	1,698,726	-817,416
Unemployment Rate	6.3%	7.1%	12.7%	-6.4%

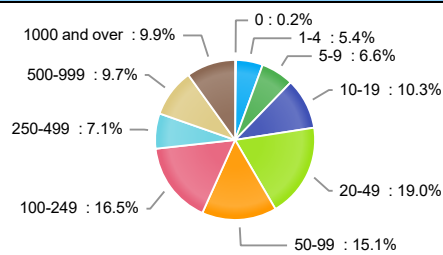
US Labor Force Statistics

	Apr-21	Mar-21	Apr-20	Yearly Change
Civilian Labor Force	160,379,000	160,398,000	155,830,000	4,549,000
Employed	151,160,000	150,493,000	133,326,000	17,834,000
Unemployed	9,220,000	9,905,000	22,504,000	-13,284,000
Unemployment Rate	5.7%	6.2%	14.4%	-8.7%

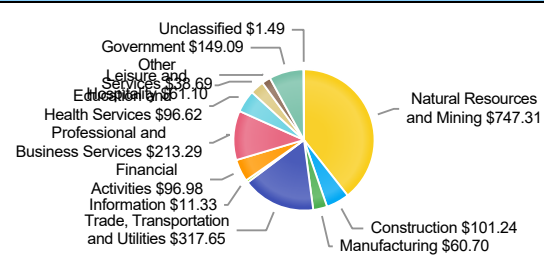
Historical Unemployment Rates



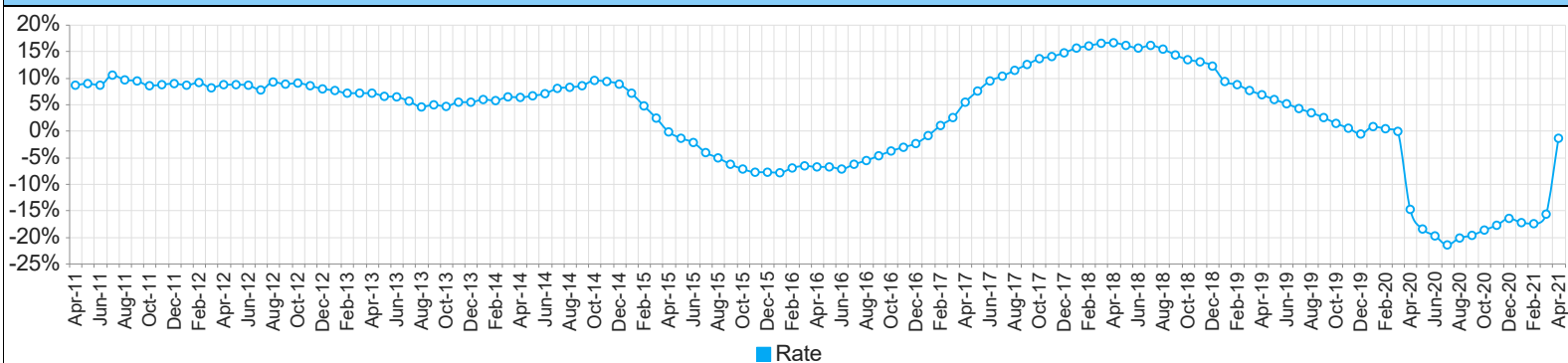
Employment by Size Class (4th Quarter 2020)



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



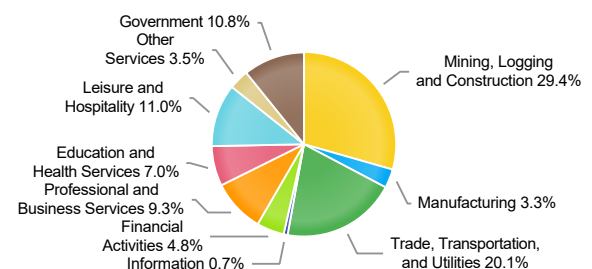
Annual Growth Rate Total Non-agricultural employment



Employment by Industry (April 2021)

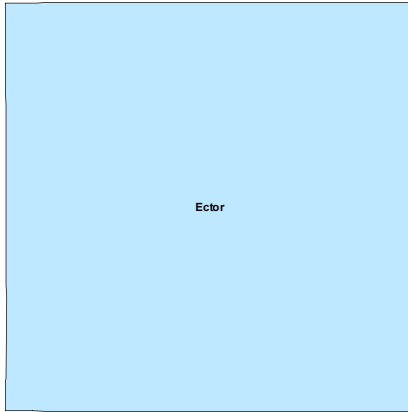
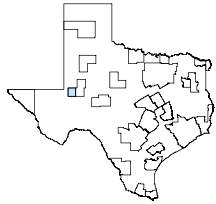
Industry	Current Month Employment	% Monthly Change	% Yearly Change
Total Nonfarm	95,800	1.2%	-1.4%
Mining, Logging and Construction	28,200	1.4%	-13.0%
Manufacturing	3,200	0.0%	-8.6%
Trade, Transportation, and Utilities	19,300	-0.5%	-0.5%
Information	700	0.0%	16.7%
Financial Activities	4,600	0.0%	-4.2%
Professional and Business Services	8,900	0.0%	-8.2%
Education and Health Services	6,700	0.0%	6.3%
Leisure and Hospitality	10,500	6.1%	41.9%
Other Services	3,400	3.0%	0.0%
Government	10,300	1.0%	6.2%

Employment by Industry (April 2021)



Odessa MSA

April 2021

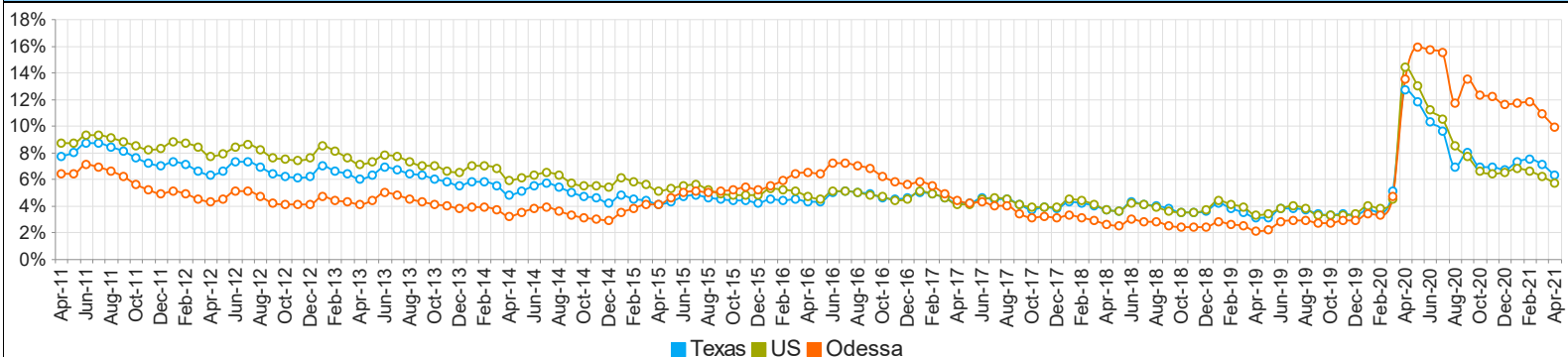


MSA Labor Force Statistics				
	Apr-21	Mar-21	Apr-20	Yearly Change
Civilian Labor Force	78,715	79,391	81,228	-2,513
Employed	70,902	70,727	70,236	666
Unemployed	7,813	8,664	10,992	-3,179
Unemployment Rate	9.9%	10.9%	13.5%	-3.6%

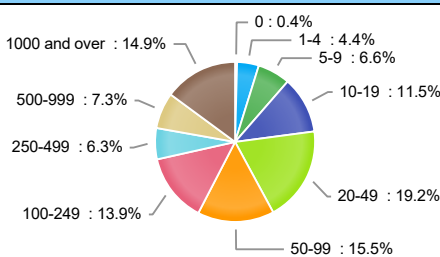
Texas Labor Force Statistics				
	Apr-21	Mar-21	Apr-20	Yearly Change
Civilian Labor Force	14,043,919	14,094,131	13,326,311	717,608
Employed	13,162,609	13,087,177	11,627,585	1,535,024
Unemployed	881,310	1,006,954	1,698,726	-817,416
Unemployment Rate	6.3%	7.1%	12.7%	-6.4%

US Labor Force Statistics				
	Apr-21	Mar-21	Apr-20	Yearly Change
Civilian Labor Force	160,379,000	160,398,000	155,830,000	4,549,000
Employed	151,160,000	150,493,000	133,326,000	17,834,000
Unemployed	9,220,000	9,905,000	22,504,000	-13,284,000
Unemployment Rate	5.7%	6.2%	14.4%	-8.7%

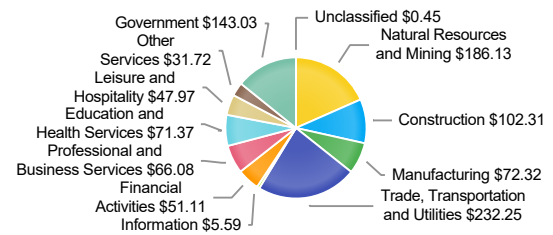
Historical Unemployment Rates



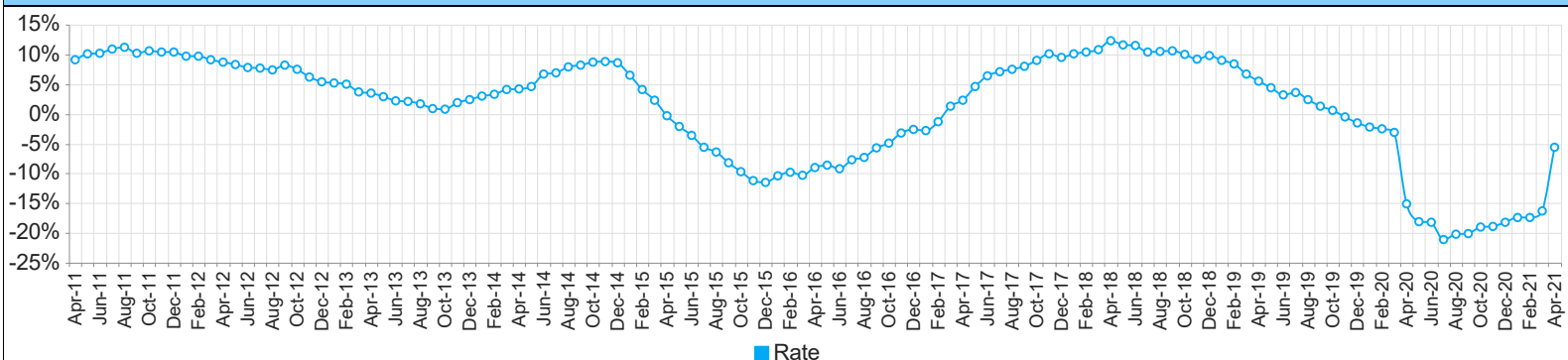
Employment by Size Class (4th Quarter 2020)



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



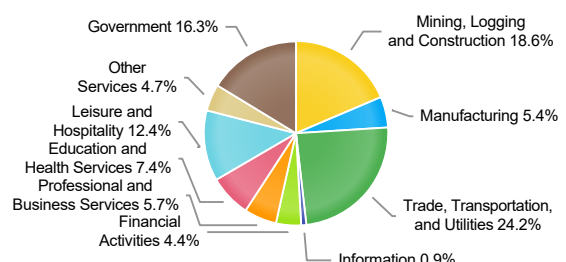
Annual Growth Rate Total Non-agricultural employment



Employment by Industry (April 2021)

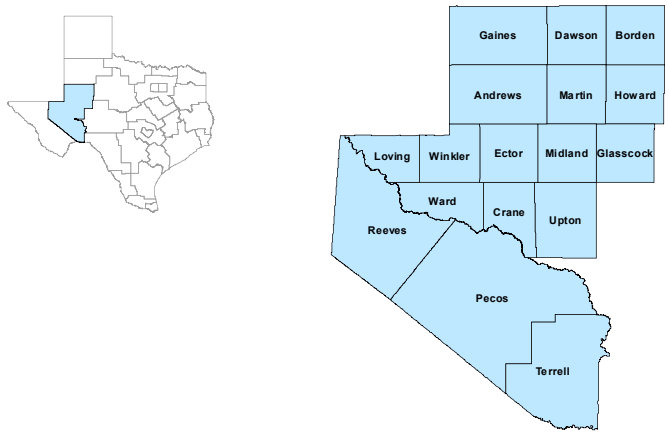
Industry	Current Month Employment	% Monthly Change	% Yearly Change
Total Nonfarm	67,900	-0.6%	-5.6%
Mining, Logging and Construction	12,600	-0.8%	-30.4%
Manufacturing	3,700	0.0%	-19.6%
Trade, Transportation, and Utilities	16,400	-0.6%	-4.1%
Information	600	0.0%	50.0%
Financial Activities	3,000	0.0%	-11.8%
Professional and Business Services	3,900	0.0%	-4.9%
Education and Health Services	5,000	0.0%	2.0%
Leisure and Hospitality	8,400	-2.3%	37.7%
Other Services	3,200	3.2%	3.2%
Government	11,100	-0.9%	9.9%

Employment by Industry (April 2021)



Permian Basin Workforce Development Area

April 2021



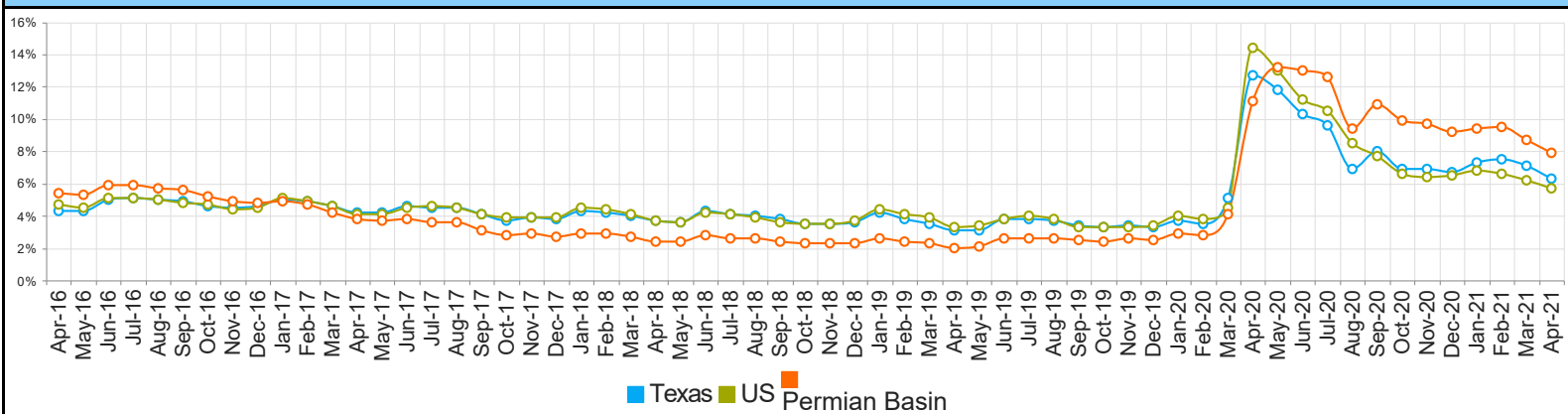
WDA Labor Force Statistics				
	Apr-21	Mar-21	Apr-20	Yearly Change
Civilian Labor Force	242,600	244,346	244,726	-2,126
Employed	223,542	223,026	217,661	5,881
Unemployed	19,058	21,320	27,065	-8,007
Unemployment Rate	7.9%	8.7%	11.1%	-3.2%

Texas Labor Force Statistics				
	Apr-21	Mar-21	Apr-20	Yearly Change
Civilian Labor Force	14,043,919	14,094,131	13,326,311	717,608
Employed	13,162,609	13,087,177	11,627,585	1,535,024
Unemployed	881,310	1,006,954	1,698,726	-817,416
Unemployment Rate	6.3%	7.1%	12.7%	-6.4%

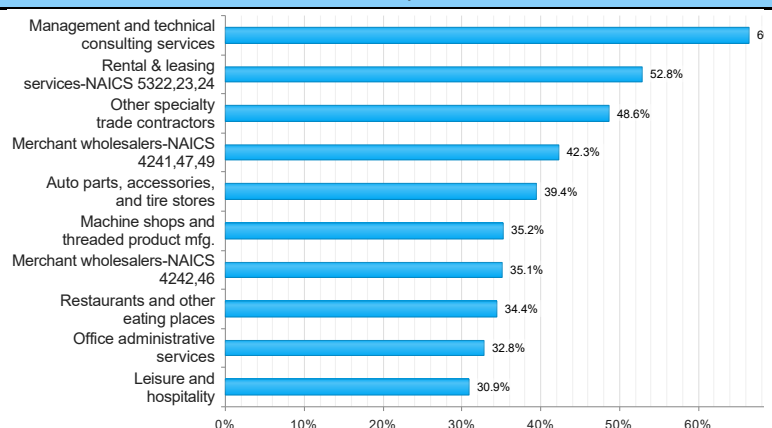
US Labor Force Statistics				
	Apr-21	Mar-21	Apr-20	Yearly Change
Civilian Labor Force	160,379,000	160,398,000	155,830,000	4,549,000
Employed	151,160,000	150,493,000	133,326,000	17,834,000
Unemployed	9,220,000	9,905,000	22,504,000	-13,284,000
Unemployment Rate	5.7%	6.2%	14.4%	-8.7%

Continued Claims for the Week of the 12th				
	Apr-21	Mar-21	Apr-20	Yearly Change
WDA	2,999	3,873	15,608	-12,609
Texas	163,934	210,643	960,717	-796,783

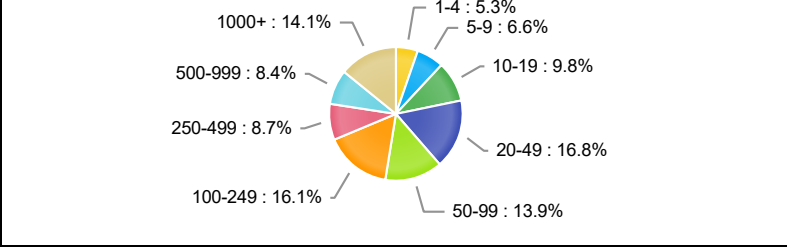
Historical Unemployment Rates



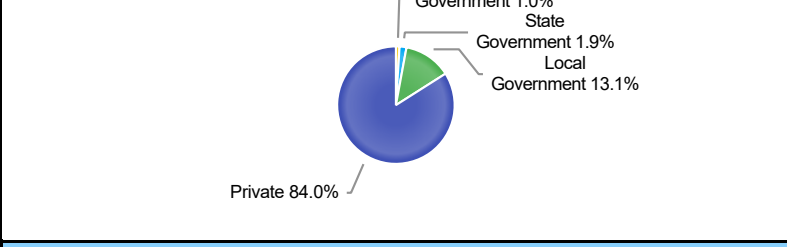
Projected Top Ten Fastest Growing Industries in WDA (% Growth 2018-2028)



Employment by Size Class (4th Quarter 2020)



Employment by Ownership (4th Quarter 2020)



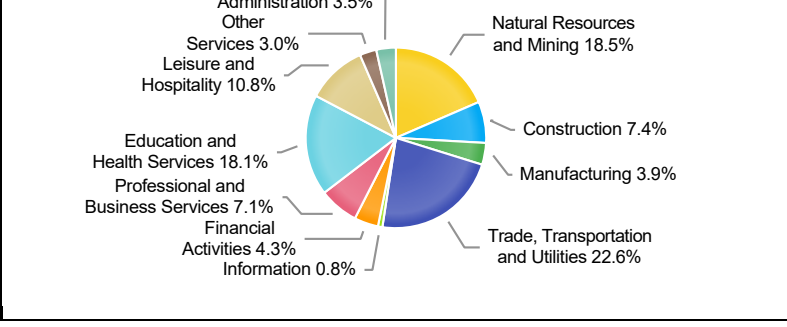
Average Weekly Wage (4th Quarter 2020)

	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	\$1,173	\$1,185	\$166	\$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)



Infrastructure Appropriation

RESOLUTION NO. _____

RESOLUTION AUTHORIZING THE DESIGNATION OF THIRTY PERCENT (30%) OF MIDLAND DEVELOPMENT CORPORATION SALES TAX REVENUES FOR AUTHORIZED INFRASTRUCTURE IMPROVEMENT PROJECTS PURSUANT TO TEXAS LOCAL GOVERNMENT CODE § 501.103

WHEREAS, the Board of Directors finds it to be in the public interest to authorize the designation of thirty percent (30%) of Midland Development Corporation sales tax revenues for authorized infrastructure improvement projects pursuant to Texas Local Government Code § 501.103;

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

THAT thirty percent (30%) of Midland Development Corporation sales tax revenues are hereby designated for authorized infrastructure improvement projects pursuant to Texas Local Government Code § 501.103.

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