



Board Binder Open Session

March 4, 2024

Agenda



**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 March 4, 2024. A quorum of the Board of Directors of the Midland Development Corporation intends to be physically present at the aforementioned location.

Videoconference Information

Join Zoom Webinar

<https://us02web.zoom.us/j/83835953059?pwd=c3RjMG9Lb2J3MTRuM3dnQ0JSQmZCdz09>

Passcode: 920926

Or join by phone:

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

US: +1 346 248 7799 or +1 253 215 8782 or +1 669 444 9171 or +1 669 900 9128 or +1 719 359 4580 or +1 253 205 0468 or +1 689 278 1000 or +1 301 715 8592 or +1 305 224 1968 or +1 309 205 3325 or +1 312 626 6799 or +1 360 209 5623 or +1 386 347 5053 or +1 507 473 4847 or +1 564 217 2000 or +1 646 558 8656 or +1 646 931 3860

Webinar ID: 838 3595 3059

Passcode: 920926

International numbers available: <https://us02web.zoom.us/j/kdqEoQ63uu>

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 February 12, 2024, meeting of the Midland Development Corporation.
3. Presentation from Eric McManus, Texas Chapter President of the Space Force Association, on establishing the headquarters of Space Force Association Texas, Inc., in the City of Midland.
4. Resolution authorizing the execution of a promotional agreement with Space Force Association Texas, Inc., to advertise and publicize the City of Midland for the purpose of developing new and expanded business enterprises.
5. Resolution amending the Personnel Policies of the Midland Development Corporation.

6. Presentation on the February 2024 monthly expenses and economic development activity report from the Midland Development Corporation Executive Director and staff.
7. 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.
 - b. Section 551.087, Deliberation Regarding Economic Development Negotiations
 - i. Discuss business prospects that the Midland Development Corporation seeks to have, locate, stay, or expand in or near the City of Midland, Texas, and discuss possible incentives, and discuss contract compliance on the part of businesses.

Posted this 1st day of March 2024.

Marcia Bentley German
City Governance Officer/City Secretary

February 12th Minutes

MIDLAND DEVELOPMENT CORPORATION

MINUTES

February 12, 2024

The Board of Directors of the Midland Development Corporation convened in regular session at the Midland Chamber of Commerce board room, 303 West Wall Street, Suite 200, Midland, Texas, at 10:00 a.m. on February 12, 2024.

Board Members present: Chairman Lourcey Sams, Director Chase Gardaphe, Director Jill Pennington, Director, Director Brad Bullock, and Director Elvie Brown

Board Members absent: Director Berry Simpson and Director Zachary Deck

Staff Members present: Deputy City Manager Morris Williams Jr, Assistant City Manager Jose Ortiz, Assistant City Attorney Nicholas Toulet-Crump, Director Finance Christy Weakland, Planning and Development Officer Elizabeth Triggs, Strategic Communication Officer Stewart Doreen, and Chief Deputy City Secretary Vanessa Magallanes

Council Member(s) present: Amy Stretcher Burkes and John Norman

MDC Staff Members present: Executive Director Sara Harris, Marketing & Administrative Coordinator Gabrielle Franks, and Business Retention & Expansion Coordinator Sammi Steel

1. Call meeting to order.

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

2. Motion approving the minutes of the January 08, 2024, meeting of the Midland Development Corporation.

Director Gardaphe moved to approve minutes of the January 08, 2024, meeting of the Midland Development Corporation, seconded by Director Pennington. The motion carried by the following vote: AYE: Sams, Bullock, and Brown. NAY: None. ABSTAIN: None. ABSENT: Simpson and Deck.

3. Motion approving the minutes of the January 22, 2024, meeting of the Midland Development Corporation.

Director Bullock moved to approve minutes of the January 22, 2024, meeting of the Midland Development Corporation, seconded by Director Brown. The motion carried by the following vote: AYE: Sams, Gardaphe, and Pennington. NAY: None. ABSTAIN: None. ABSENT: Simpson and Deck.

4. Presentation from YMCA Midland on their northwest expansion project.

Christine Bearden Midland YMCA CEO gave a presentation on the expansion of the Midland YMCA northwest expansion project.

5. Presentation from InterFlight Global on aerospace development in Midland.

Oscar Garcia Chairman and CEO of Interflight Global gave a presentation over the development of aerospace in Midland, Texas.

6. Resolution authorizing the execution of a consultant services agreement with InterFlight Global Corporation in an amount not to exceed \$175,425.00 for services related to the procurement of new tenants for facilities located at the Spaceport Business Park; and authorizing payment for said agreement.

Director Bullock moved to approve Resolution ED-456 authorizing the execution of a consultant services agreement with InterFlight Global Corporation in an amount not to exceed \$175,425.00 for services related to the procurement of new tenants for facilities located at the Spaceport Business Park; and authorizing payment for said agreement., seconded by Director Gardaphe. The motion carried by the following vote: AYE: Gardaphe, Sams, Brown, and Pennington. NAY: None. ABSTAIN: None. ABSENT: Simpson and Deck.

7. Presentation on the January 2024 monthly expenses and economic development activity report from the Midland Development Corporation Executive Director and staff.

Sara Harris gave an overview of the month's expenses, and economic development activity. Gabrielle Franks updated the board with the social media stats. Sammi Steele gave an overview of the business retention and expansion program in December.

All the business at hand having been completed, Chairman Gardaphe adjourned the meeting at 11:37 a.m.

Respectfully submitted,

Vanessa Magallanes, Chief Deputy City Secretary

PASSED AND APPROVED the 4th Day of March 2024.

Jill Pennington, Secretary

Space Force Association

RESOLUTION NO. _____

RESOLUTION AUTHORIZING THE EXECUTION OF A PROMOTIONAL AGREEMENT WITH SPACE FORCE ASSOCIATION TEXAS, INC., 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, Texas (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 Space Force Association Texas, Inc., that provides for the expenditure of promotional funds 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 the State of Texas; and

WHEREAS, the Board of Directors finds it to be in the public interest to authorize the execution of a promotional agreement with Space Force Association Texas, Inc., 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 Space Force Association Texas, Inc. 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, Texas, is hereby authorized and directed to pay Space Force Association Texas, Inc., in accordance with the terms of said promotional agreement from funds available in the Midland Development

Corporation Promotions Project (800705) upon receipt of proper invoices or statements approved by the Executive Director of the Midland Development Corporation.

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, 2024, by the following vote:

Directors voting "AYE":

Directors voting "NAY":

P. LOURCEY SAMS,
Chairman of the Midland
Development Corporation

ATTEST:

JILL PENNINGTON,
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 20th day of March, 2024, 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 SPACE FORCE ASSOCIATION TEXAS, INC. (“*SFAtx*”), a Texas nonprofit corporation. In this Agreement, MDC and SFAtx 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 economic development within the City of Midland;

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 SFAtx 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 Payments. MDC agrees to make four (4) payments to SFAtx in accordance with the following schedule:

1. \$62,500.00 on or before March 31, 2024;
2. \$62,500.00 on or before September 30, 2024;
3. \$62,500.00 on or before March 31, 2025; and
4. \$62,500.00 on or before September 30, 2025.

The total funds provided by MDC under this Agreement shall not exceed \$250,000.00 in the aggregate. The Parties covenant and agree that all funds provided by MDC under this Agreement

are in exchange for SFAtx's advertising and promotional services as set forth herein.

B. SFAtx Services. SFAtx shall use commercially reasonable efforts to provide those services described in **Exhibit A**, which is attached hereto and incorporated herein for all purposes. SFAtx shall perform all services in a workmanlike manner. SFAtx 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. SFAtx Report. On or before March 1 of each calendar year during the term of this Agreement, at a time and place mutually agreed to by the Parties, SFAtx shall provide MDC with a report or presentation containing a detailed summary of SFAtx's efforts to promote new and expanded business enterprises within the City of Midland.

III. INDEPENDENT CONTRACTOR

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

IV. TERM OF AGREEMENT

Upon execution by the Parties, this Agreement becomes effective February 20, 2024, and shall terminate on September 30, 2030, 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 SFAtx. 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. SFAtx 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 SFAtx:

Eric McManus

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

G. Release. NOTWITHSTANDING ANY OTHER PROVISION CONTAINED HEREIN, SFATX 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 SFATX 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. 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. 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. All performance and payment made pursuant to this Agreement shall be deemed to have occurred in Midland County, Texas. The sole, exclusive, and mandatory venue for any claims, suits, disputes or any other action arising from, relating to or concerning in any way this Agreement or the performance of this Agreement shall be 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 SFAtx hereby acknowledge and agree that the entirety of MDC's performance and obligations under this Agreement are governmental functions. By entering into this Agreement, SFAtx 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 _____
P. Lourcey Sams, Chairman

ATTEST:

Jill Pennington, Secretary

[Signature Page Follows]

SPACE FORCE ASSOCIATION TEXAS, INC.

By _____

Name _____

Title _____

THE STATE OF TEXAS §
 §
COUNTY OF _____ §

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

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS _____ day of _____, 2024.

Notary Public in and for
the State of Texas



SPACE FORCE ASSOCIATION

TEXAS CHAPTER

Midland Headquarters
2024

Exhibit A

SFAtx Headquarters in Midland Mission Objectives: The Voice of Texas Space!

Establish the Space Force Association Texas (SFAtx) Headquarters as a contributor to commercial and military growth in the local and state Space Industry, fostering collaboration between commercial space companies, legislative bodies, and the United States Space Force.

- Intended timeline of six-year presence in Midland to match six-year cash flow projection
- Designated Executive office hours at CEED - Operational one (1) week/month by SFAtx President.
- Full time operational office hours (Mon-Fri Office Hours)
 - Hire two (2) UT-PB student interns per semester who are interested in the Space industry.
- Advocate for Permian Basin opportunities to US Space Force on a monthly rotational basis:
 - Peterson Space Force Base in collaboration with SFA Colorado
 - Los Angeles Space Force Base in collaboration with SFA Los Angeles
 - Kennedy Space Center in collaboration with SFA Florida
- Promotion and facilitation of MDC-MSDC-Spaceport Assets for use by the USSF and Texas related stakeholders
 - Horizontal and Vertical Launch site
 - Rocket Test Ranges
 - High Speed Airspace Corridors
 - Midland Altitude Chambers
- Attract Space related Startup Incubator for technologies in TRL4-6 to complement native testing capabilities
- Attract space companies to Permian Basin through the introduction of Midland Economic Development
- Establish partnerships between industry and academia to drive the development of Space qualified test, prototype, and manufacturing facilities in the Permian Basin.
- Partner with local community leadership interested in driving innovation and collaboration.
- Publish Quarterly Report on regional developments and expenditures to members and sponsors.
- Host Monthly Space Industry Meetup in Midland

SFAtx & Midland Commercial Space Objectives

SFAtx's focus on job creation, local business support, commercial Space company introductions, and localization of Space companies in Permian Basin is expected to drive a myriad of Midland industries to expand locations and capabilities to support the Space industry.

Priority Facility & Programs for Midland:

Hypersonic Vehicle Launch & Testing

IN-SITU Resource Utilization (ISRU) Research Collaboration

Federal And State Technology (FAST) Lab AT CEED

Texas Space Commission (TSC) Board Seat

[Midland High Speed Corridor - TSC Allocation Strategy](#)

Rocket Cargo Research & Development Partnerships

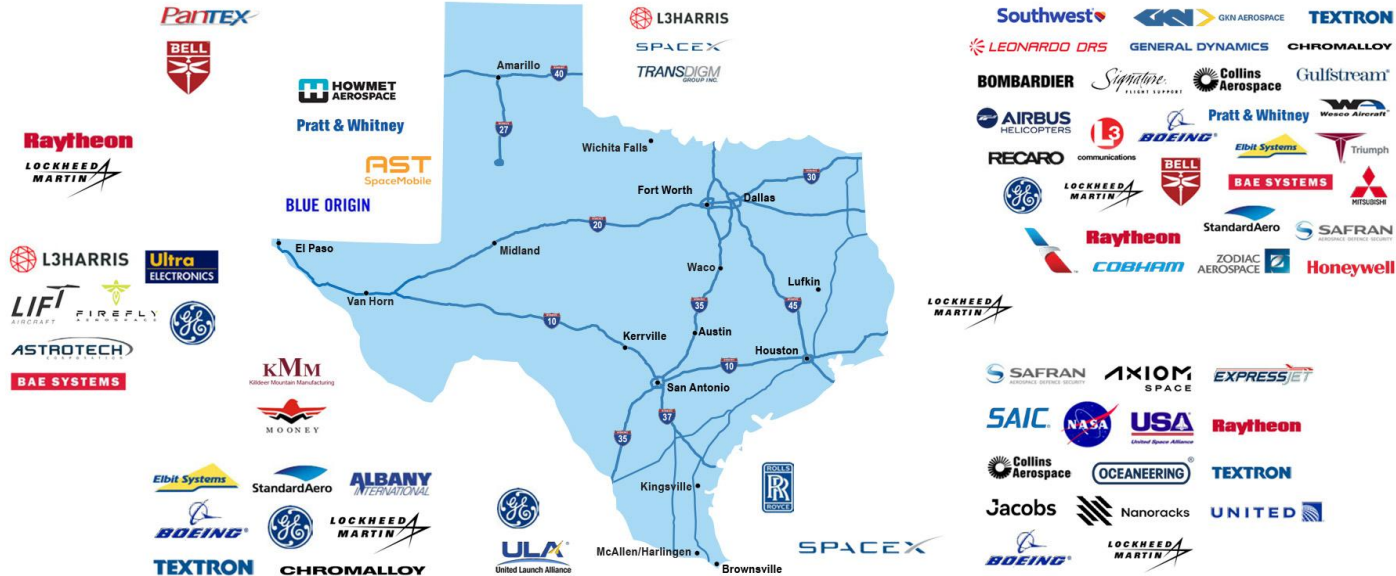
Priority Segmented Space Markets

- ISRU (Resource Harvesting) Companies
 - Space Debris
 - Moon Base
 - Resource Harvesting
 - Ion/Plasma Ablation & Drilling
- Space Energy & Propulsion
 - Spacecraft Propulsion Systems
 - Solar Energy
 - Nuclear / Plasma
- Sensor Payload
 - Optical Payload
 - In-Service Payloads (End Effectors)
 - Communication Payloads
- Rapid Launch & Recovery
 - Satellite Manufacturing
 - High Speed Vehicle Manufacturing
- Microchip Manufacturing
 - DMEA Certified Manufacturing
- ITAR FRIENDLY SPACE COMPANIES WITH HERITAGE



SFAtx - Sustaining Mission Objectives

MDC Endorsement will enable the SFAtx mission to become self-sufficient. Through strategic partnerships and anticipated sponsorship funding from industry leaders like Cesium Astro, Firefly, Firehawk, Axiom, and LEO Labs, we are confident that within 12 months, our operations will be fully sustained, ensuring your initial investment leads to lasting positive impact.



*Image represents space industry sponsorship and partnership interest.

SFAtx - Supporting Midland Space



ACADEMIC PARTNERSHIPS & GRANTS

Establish a clear path for innovators to win federal grants to be supported by Midland's Center for Energy and Economic Diversification (CEED).

- Deliver monthly awareness to federal grants available for application
- Coordinate grant and innovation opportunities with Midland SBC and UT-PB
- Develop Space Act Agreement with NASA for CEED
- Establish creative competitions and workforce development training with UT-PB, local educators, and innovators to deliver



SFAtx is seeking a grant or initialization funding to start SFAtx Headquarter operations by January 2024. The association has potential grow organically from initial funding and become self sustaining.

	2024	2025	2026	2027	2028	2029
RUN \$	500,000	660,000	1,140,000	1,490,000	1,880,000	2,255,000
MDC Contribution	250,000	0	0	0	0	0
Sponsors / Others	250,000	660,000	1,140,000	1,490,000	1,880,000	2,255,000
	250,000	650,000	950,000	950,000	950,000	950,000
OP BURN \$	125,000	525,000	540,000	540,000	540,000	540,000
Exec Team Full Time	125,000	125,000	410,000	410,000	410,000	410,000
SURPLUS/DEFICIT	250,000	135,000	600,000	950,000	1,340,000	1,715,000
FCF	250,000	385,000	985,000	1,935,000	3,275,000	4,990,000



SPACE FORCE ASSOCIATION

TEXAS CHAPTER

THANK YOU

MDC Personnel Policies

RESOLUTION NO. _____

**RESOLUTION AMENDING THE PERSONNEL
POLICIES OF THE MIDLAND DEVELOPMENT
CORPORATION**

WHEREAS, the Board of Directors finds it to be in the public interest to amend the Personnel Policies of the Midland Development Corporation;

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

THAT the Personnel Policies of the Midland Development Corporation, which are attached hereto as Exhibit A and incorporated herein for all purposes, are hereby amended and approved.

On motion of Director _____, seconded by Director _____, the above and foregoing resolution was adopted by the Board of Directors of the Midland Development Corporation at a special meeting on the _____ day of _____, A.D., 2024, by the following vote:

Directors voting "AYE":

Directors voting "NAY":

P. LOURCEY SAMS,
Chairman of the Midland
Development Corporation

ATTEST:

JILL PENNINGTON
Secretary of the Midland
Development Corporation

APPROVED AS TO FORM ONLY:

JOHN OHNEMILLER,
Attorney for the Midland
Development Corporation

Personnel Policies

Midland Development Corporation (“MDC”)

Effective March 4, 2024

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Acknowledgement of Receipt and Understanding of Personnel Policies
Wage Deduction Authorization Agreement
Credit Card Use Agreement

I. Introduction

1.01 Introduction

- (a) The Midland Development Corporation (“MDC”) welcomes you to our staff. Within this document, you will find information that describes our Personnel Policies regarding employment as well as valuable information concerning our expectations for your activities while employed and representing MDC. Our intent is to provide fair and equitable Policies that will make your experience enjoyable, safe, and professional. These Policies as amended from time to time shall apply to all current and future applicants and employees of MDC. These Policies supersede all previous Policies, letters, memoranda, communications, and/or understandings that may have been previously issued and/or communicated with respect to the matters discussed herein, subject to applicable laws.
- (b) As can be expected, these Personnel Policies cannot be and are not intended to be all-inclusive with respect to employment-related issues that may arise. These Policies are not considered a substitute for sound management, business judgment, and reasonable professional discretion. These Policies and/or any terms, conditions, compensation, policies, rules, and/or procedures associated with employment by MDC are subject to change at the sole discretion of MDC, subject to applicable laws. Any changes shall become effective on date(s) determined by MDC. After such dates, all superseded and/or previous Policies, rules, and/or procedures shall be null and void. These Policies do not create any contractual or property rights between MDC and the employee.
- (c) Certain federal, state, and/or local laws may be created, modified, or rescinded during the course of your employment. If there are any inconsistencies between any federal, state, or local laws and these Policies, the applicable federal, state, or local laws will govern. In no event shall any Policy of MDC be interpreted, construed, relied upon, or enforced to the extent such Policy is unlawful. Nothing in these Policies is intended to interfere with, restrain, or prevent concerted activity protected by the National Labor Relations Act or other applicable laws.
- (d) Copies of these Personnel Policies shall be provided to employees at Orientation, and remain available for inspection and study throughout the course of employment upon reasonable request to the Executive Director. If there is any provision of these Policies or any other rule or procedure which an employee does not understand, the employee should ask questions and/or request clarification from the Executive Director. Employees are encouraged to communicate ideas, suggestions, goals, concerns, and issues in a good faith professional manner in accordance with the guidelines set forth in these Policies. It is very important to be thoroughly familiar with these Policies. Any employee who violates,

disregards, or deviates from these Policies or other procedures and rules may be subject to disciplinary action up to and including immediate termination, subject to applicable laws.

- (e) After completing your review of these Policies, please acknowledge your receipt and understanding by signing and returning the Acknowledgment of Receipt and Understanding of Personnel Policies and all other necessary forms to the Executive Director. A copy of the signed Acknowledgement and the other forms shall be kept in the employee's Personnel File.

1.02 Employment at Will

- (a) MDC is an at-will employer. This means that either MDC or an employee may terminate the employment relationship at any time, for any reason or no reason at all, so long as such reason is not prohibited by applicable law. Continued employment with MDC and/or any particular terms, conditions, compensation and/or benefits are not guaranteed in any manner or for any period of time, subject to applicable laws and regulations. Any verbal or written statement to the contrary is invalid and should not be relied upon by any prospective or current employee.
- (b) Employees are free to resign at any time, with or without notice or cause. MDC requests any employee who intends to resign or retire provide at least two (2) weeks written advance notice to the Executive Director as a matter of professional courtesy. However, MDC shall have the right and ability to accept the resignation to be effective immediately.
- (c) Any agreement, promise, or representation that appears to contradict or modify the at-will relationship must be contained in a specific written agreement between MDC and the employee which is signed by both the Executive Director and the employee and subsequently approved by MDC's Board of Directors.

II. Hiring and Employee Classifications

2.01 Hiring Process

- (a) Individuals must generally meet the minimum experience, education, mental, and physical requirements of the position(s) for which they are applying to be considered for employment. Individuals may also be required to possess or be capable of obtaining and possessing certain types of job-related licenses, certifications, or credentials. Reasonable accommodations may be made for qualified individuals during the hiring process as required by law. Hiring decisions will be based on merit, ability, skill, competence, training, credentials, education, experience, qualifications, the ability to fulfill the requirements of the position, and/or possible job-related testing and investigations conducted in accordance with applicable laws. Employment is subject to the approval of the City of Midland's City Council.
- (b) MDC's Board of Directors are responsible for ultimately hiring staff and personnel required to conduct the business of MDC. While the Executive Director shall have the responsibility of overseeing and managing the staff and personnel of MDC, MDC's Board of Directors shall have the responsibility of and make all decisions with respect to the terms and conditions of MDC's staff and personnel. MDC relies upon the accuracy and completeness of the information provided by an applicant during the hiring process and throughout any period of employment. MDC reserves the right to investigate and verify any and all information provided. MDC may exclude from further consideration any individual who gives false, misleading, or incomplete information. If the individual has already been hired, the individual may be subject to disciplinary action up to and including immediate termination.
- (c) MDC recognizes the importance of maintaining a safe, efficient, and effective workplace with employees who are honest, trustworthy, qualified, and who do not present a risk to themselves or others. In furtherance of these legitimate interests, MDC may conduct background investigations for all employees, applicants for employment, all applicants for a specific position, only the finalists for a position, or only the individual who has been offered the position depending on the nature and circumstances of the hiring process and position being filled. All investigations will be conducted on a non-discriminatory basis and in accordance with applicable laws, including the Fair Credit Reporting Act.
- (d) Depending on the circumstances surrounding their previous employment with MDC, MDC may consider former employees for employment. Employees who were discharged for violations of MDC Policies, procedures, or for performance-related problems may not be eligible for rehire.

2.02 Equal Employment Opportunities

- (a) It is the policy of MDC to grant equal employment opportunities to all qualified persons without regard to race, color, age, sex, religion, gender, sexual orientation, citizenship status, disability, pregnancy, national origin, genetic information, veteran status, or membership in any other class protected by applicable laws. Violations of this Policy may result in disciplinary action up to and including immediate termination.
- (b) All employment decisions made by MDC are based upon sound business practices, legitimate business interests, and in accordance with applicable federal, state, and local laws. It is the intent and desire of MDC that equal opportunity be provided in employment, wages, promotion, benefits, and all other privileges, terms, and conditions of employment as required by applicable laws.
- (c) Applicants and employees with questions or concerns about any type of discrimination associated with MDC should bring these issues to the attention of the Executive Director using 3.01 Employment Issues and Resolution Process Policy. Applicants and employees may ask questions, raise concerns, seek accommodations, report in good faith any violation of this and other Policies, and cooperate in any investigation of alleged violations without fear of reprisal or retaliation.

2.03 Position Descriptions.

- (a) MDC shall establish and maintain a Position Description for each position. A Position Description shall be available to current employees upon reasonable request to the Executive Director with respect to position(s) held while employed by MDC, and to applicants and employees with respect to new positions being applied for. MDC shall attempt to make each Position Description as thorough and complete as possible, but there may be variations in assignments, tasks, responsibilities, requirements, and functions within a position that may not be specifically set out in writing.
- (b) The Position Description will identify the education, experience, skills, and mental and physical requirements, functions, and other necessary qualifications associated with each position. MDC will periodically review the Position Description to ensure any necessary changes are recognized and adequately documented. If any employee believes that any Position Description is inaccurate or otherwise needs review or revisions, please notify the Executive Director in writing.

2.04 Employee Classifications

- (a) Generally, all employees of MDC are “at-will” employees. As an “at-will” employee, an employee’s Classification does not guarantee any specific duration of employment, any specific term, condition, compensation, or benefit will continue throughout employment, subject to applicable laws. Employees who have questions, concerns, or believe they have been misclassified should report the matter in writing to the Executive Director. The report should state how the employee believes he or she should be classified, the factual basis for such belief, and any documentation which the employee believes to be relevant.
- (b) Full Time, Part Time, and Temporary Employees.
1. Full Time Employees. Full Time Employees are generally scheduled to work at least forty (40) hours per week on a full workweek basis for a continuous and undefined period of time.
 2. Part Time Employees. Part Time Employees are generally scheduled to work less than forty (40) hours per week on a full workweek basis for a continuous and undefined period of time. Part Time Employees retain this status until notified of a written status change by the Executive Director.
 3. Temporary Employees. Employees hired as temporary replacements for Full Time or Part Time Employees for short periods of time such as for project specific work, internships, and/or only during peak periods are considered Temporary Employees. Temporary Employees retain this status until notified of a written status change by the Executive Director. Temporary Employees who are contracted to work from a Temporary Employment Agency are considered employees of the Temporary Employment Agency and not MDC. Individuals from a Temporary Employment Agency are to be paid by the Temporary Employment Agency and not placed on MDC’s payroll or receive benefits, subject to applicable laws.
 4. Independent Contractors. Independent Contractors are not employees. They do not receive regular employment benefits and no deductions are made from pay for taxes, Medicare, or Social Security. Independent Contractors are not subject to these Policies.
- (c) Exempt and Non Exempt Employees.
1. Exempt Employees. Exempt Employees are employees who are paid on a salary basis and have duties that fall within the Executive, Administrative, Professional, Outside Sales, Motor Carrier, or any other exempt categories described in the Fair Labor Standards Act. Exempt Employees are not eligible for overtime pay, and in

some cases, not subject to minimum wage regulations. Exempt Employees are expected to work the hours necessary to fulfill their job requirements and the essential functions of their positions. Exempt employees may have irregular hours which may begin and end outside the normal work day.

2. Non Exempt Employees. Non Exempt Employees do not fall within any exempt category described in the Fair Labor Standards Act. Non Exempt Employees are required to be paid at least minimum wage and overtime. Non Exempt Employees are required to complete and provide accurate records of all time spent working on behalf of MDC. Paid Time Off does not count as hours worked for purposes of determining eligibility for overtime. Non Exempt employees are expected to confine their work to the normal work-day and workweek. Non Exempt employees who work overtime without authorization may be subject to discipline up to and including termination of employment.

2.05 Orientation

- (a) Orientation is the welcoming process designed to make new employees feel comfortable and informed about MDC and MDC's Policies, procedures, and expectations. During Orientation, employees will receive a copy of these Personnel Policies, documents pertaining to benefits, wage deductions, authorizations, information about taxes, and other important legal issues and agreements. Employees must complete all paperwork, training, and documentation associated with Orientation and their new position at their earliest convenience and/or as instructed.

- (b) During Orientation, employees will be provided with a basic overview of the general operations of MDC, as well as some of its significant Policies, rules, and procedures. Employees will be notified of any required training, and the time frame during which it must be completed. Orientation and subsequent training will cover topics such as confidentiality, these Personnel Policies, MDC's prohibition of unlawful harassment, discrimination, and retaliation, MDC information and property, record keeping, the Employment Issues and Resolution Process, and Disciplinary Procedures. Throughout the course of employment, it is the employee's responsibility to attend and complete all required training assignments, and to seek any additional guidance and/or training necessary to safely, effectively, and efficiently perform his or her job.

2.06 Separation from Employment

- (a) Separation from employment is an inevitable part of all employment relationships. Many of the reasons for separation are routine. Unless a specific written agreement exists between MDC and an employee that has been signed by both the Executive Director and the employee, and subsequently independently approved by MDC's Board of Directors, both MDC and the employee have the right to terminate the employment relationship at any time, with or without cause or notice, subject to applicable laws.
- (b) Employees are responsible for returning all MDC-related information and property received during the course of employment. Employees may be responsible for any lost or damaged items. The value of any lost or damaged items or any amounts owed by the employee to MDC may be deducted from the employee's final paycheck to the extent permissible under applicable laws.
- (c) An Exit Interview may be scheduled between the employee and the Executive Director. The Exit Interview will allow an opportunity to complete any necessary forms, discuss issues related to compensation, benefits, and leave, the repayment of outstanding debts, the return of MDC information and property, and to remind the employee of his or her post-employment obligations. The employee's experiences at MDC will be discussed, as well as the reasons and motivations for the separation. Efforts will be made to keep the information discussed at the Exit Interview confidential.

III. Workplace Policies

3.01 Employment Issues and Resolution Process

- (a) MDC strives to provide a satisfactory working environment free of discrimination, harassment, and hostility. However, misunderstandings, problems, and frustrations may arise from time to time. MDC values the input of its employees, and is committed to maintaining a working environment in which everyone can communicate openly without fear of reprisal or retaliation. This Policy allows an employee to report in good faith any employment-related complaints, disagreements, issues, concerns, and/or voice suggestions in a reasonable, professional, and respectful manner. If an employee believes these Personnel Policies, or any other Policy, procedure, or rule has been or will be violated, then the matter should be promptly reported as described in the guidelines set forth in this Policy. This Policy is only available to current employees.
- (b) MDC maintains an open door policy and takes employee concerns, questions and issues seriously. All employees are encouraged to discuss any employment-related questions or concerns with the Executive Director. When employment-related misunderstandings, problems, frustrations, or concerns arise, the employee should direct his or her concerns to the individual(s) directly involved. If the matter is not resolved to the satisfaction of the employee, the employee should discuss the matter with the Executive Director. Whenever informal discussions with the Executive Director do not resolve the issue in a satisfactory manner, the employee may file a Written Report.
- (c) When informal consultation does not result in the resolution of the complaint, issue, or concern, the employee may provide a Written Report to the Executive Director. If the Written Report concerns the Executive Director, the Written Report may be filed with the Chairman of MDC's Board of Directors. Any employee who files a Written Report should keep a copy for his or her own records. The Written Report must be filed within ten (10) workdays of the most recent incident causing the need for the Report, or the initial knowledge of the most recent incident by the reporting employee. Upon the written request of the reporting employee to the Executive Director, a Written Report or any part thereof may be withdrawn. The withdrawal of a Written Report or any part thereof will preclude its re-filing. The Written Report must be signed by the reporting employee and include the following whenever possible:
 - (1) Name, work address, and work telephone number of the reporting employee;
 - (2) A short statement providing the factual basis and background of the incident(s) the basis of the Report, including the date(s) of the incident(s), the identities and contact information of the individuals and witnesses involved, and the date the employee

first learned of the incident(s);

- (3) Copies of any documentation supporting the reporting employee's position; and
 - (4) The relief the reporting employee believes should be granted, which should include more than one alternative.
- (d) Upon the receipt of a Written Report, the Executive Director will attempt to resolve the Written Report, including any necessary informal mediation between the individuals involved. The Executive Director shall be afforded thirty (30) workdays from the date of the Written Report to resolve the issue. If the Written Report cannot be resolved within thirty (30) workdays, the Written Report and all information associated with such report will be forwarded to the Chairman of MDC's Board of Directors to either: (1) make a determination within ten (10) working days of receipt based upon the information furnished by the Executive Director and the matter will be deemed closed; or (2) appoint within five (5) working days an individual to investigate the Written Report. The results of such investigation will be reported to MDC's Board of Directors who will then make a determination and the matter will be deemed closed. There is no right or process available to appeal a determination by MDC under this Policy. A final determination will be made in writing and will be delivered to the employee with a copy to be maintained in the employee's Personnel File.
- (e) After MDC has made a final determination, MDC may make follow up inquiries after an appropriate amount of time has passed to insure that issues have not resumed and/or no retaliation has taken place. However, anyone involved in the situation which necessitated the written report should not wait for MDC to follow up if issues persist or there is a belief that retaliation has occurred. If issues persist, a new Written Report should be filed, if necessary.

3.02 Conflicts of Interest

- (a) MDC recognizes the rights of its employees to engage in private endeavors and certain opportunities and activities unrelated to MDC. However, employees are expected to devote their best efforts to the interests and success of MDC, and avoid even the appearance of conflicts of interest. Conflicts of interest arise in those situations where there may be a divided loyalty between the interests of MDC and the interests of the employee and/or others outside of MDC. The most common types of these situations occur where (1) employees take advantage of business opportunities that typically would or could be of interest to MDC or those working with MDC; (2) employees use MDC information or property for their own personal benefit; or (3) employees otherwise compete or disadvantage MDC in some manner. Because it may be difficult to identify all potential conflicts of interest, employees are encouraged to notify MDC prior to participating in outside activities or accepting other employment. If MDC determines that an activity constitutes a conflict of interest, the employee may be asked to terminate the outside activity if he or she wishes to remain an employee of MDC. Violations of this Policy may result in disciplinary action up to and including immediate termination.

- (b) MDC asks its employees to seriously consider the effect that an outside activity or employment may have on their endurance, punctuality, attendance, and performance as an employee of MDC. Employees may not engage in activities that interfere or conflict with the performance of MDC-related tasks. No outside activity or work may be performed during working hours. No MDC information, property, or systems may be used in connection with outside activities or work unrelated to MDC.

3.03 Professionalism

- (a) It is important for all employees to contribute to MDC's public image through proper dress, personal appearance, neatness, and cleanliness. Employees should strive to perform at the highest levels of professionalism in all respects of their employment whether in person, on the telephone, via email or other written correspondence, and while travelling on business. Employees should interact with others in a respectful and courteous manner. Employees should take instruction and constructive criticism from supervisors or other persons of authority.
- (b) During business hours, employees are expected to present a clean and neat appearance and to dress according to the requirements of their positions and each day's tasks. When hosting or participating in a meeting, professional dress is required. Professional dress is considered dress slacks and collared long sleeve shirts for men (no tie required) and dress slacks/skirt and blouse or dress for women. Please consult the Executive Director if you have questions as to what constitutes appropriate attire. The Executive Director has the authority to request that any employee who is not dressed appropriately leave work immediately to change clothes.

3.04 Performance Appraisals

- (a) Employees are strongly encouraged to discuss job performance, expectations, issues, concerns, and goals daily on an ongoing informal basis. MDC has also designed Performance Appraisals to formally assess job performance, expectations, issues, concerns, and goals when an employee's performance does not meet MDC's expectations or the requirements of the employee's position. The Position Description will form the foundation of the Performance Appraisal. MDC encourages all employees to adequately prepare and fully participate in this important evaluation process.
- (b) The Performance Appraisal will consist of a written portion to be completed by the Executive Director. A meeting will take place between the Executive Director and employee to discuss the Performance Appraisal. Employees will be allowed to make dissenting comments, and provide any relevant information or documentation they desire. At the end of the meeting, the employee will be asked to sign the Performance Appraisal acknowledging the meeting. The Performance Appraisal will be kept in the employee's Personnel File. If the employee believes the Performance Appraisal is erroneous, unsatisfactory, or incomplete, the employee may submit a written statement with supporting documentation attached providing the basis for such belief to the Executive Director.

3.05 Online Activities and Social Media

- (a) MDC provides access to the internet to employees to better perform their jobs. Use of the internet in a manner that violates MDC Policies, rules, or applicable laws may subject employees to disciplinary action up to and including immediate termination. Employees must not share passwords with any other individuals. Employees are not to engage in any commercial or illegal activities while using the internet provided by MDC. MDC will have access to a log of all usage, including a list of employees who have used the internet and the sites they visited. MDC may monitor this usage from time to time, and employees found to be abusing usage or using the internet inappropriately will be subject to disciplinary action.
- (b) Before creating online content, please consider some of the risks and rewards that are involved. Employees should be aware that while an employee may consider a communication personal, it is accessible by public audiences and may be confused as a communication originating from MDC. Keep in mind any conduct that adversely affects job performance, the performance of fellow employees, or otherwise affects the business of MDC may result in disciplinary action up to and including termination. Any work-related questions, concerns, complaints, or issues should be handled by speaking directly to those involved. The application of this Policy should not be construed to prevent or limit an employee from engaging in any activities related to the terms and conditions of employment or concerted, mutual aid and protection. MDC will not construe or apply this Policy in a manner that improperly interferes with or limits employee rights under the National Labor Relations Act or other applicable laws, and each case will be considered on its own merits before any adverse action is taken.
- (c) Online activities and social media posts must not be discriminatory or harassing. Threatening or intimidating conduct towards others, such as a threat of violence, is similarly prohibited. Employees should refrain from using social media while working, unless it is work-related or as authorized by the Executive Director and consistent with MDC's Policies. Employees shall not use MDC email addresses to register on social networks, blogs, or any website primarily used for personal use. Social Media shall not be used for internal or external business communications. Employees should not represent or hold themselves out as spokespersons for MDC on personal social media unless pre-approved by the Executive Director. Employees should always make clear that their views are not necessarily those of MDC. Employees should always maintain the confidentiality of MDC Information.

3.06 Disciplinary Procedures

- (a) It is the goal of MDC to maintain an orderly, safe, efficient, and effective working environment. As a result, MDC may have to respond to or correct inappropriate employee behavior or conduct. When violations of Policies, procedures, rules, or other unacceptable conduct occurs, or if MDC believes that there are issues that need to be addressed with respect to the employment relationship, MDC may take any number of corrective disciplinary actions. Employees might informally meet with a supervisor, be given a formal verbal or written warning, be placed on probation, be suspended with or without pay, be demoted, transferred, or immediately terminated. Employees should not assume or rely upon MDC taking progressive disciplinary action. MDC will determine the manner and degree of disciplinary action. Because the particular facts and circumstances of each situation may vary and are many times unique, any action taken by MDC in a specific case should not be assumed to establish any type of future precedent.
- (b) MDC expects employees to follow rules of conduct that will protect the safety of all employees and the interests and property of MDC. While it is not possible to list all the forms of behavior that are considered unacceptable by MDC, the following are some examples of misconduct that may result in disciplinary action up to and including immediate termination, subject to applicable laws:
- (1) Theft or other unauthorized removal or possession of property;
 - (2) Possession, distribution, sale, transfer or use of illegal drugs;
 - (3) Fighting or threatening violence in the workplace;
 - (4) Negligence or other improper conduct leading to damage of MDC-owned property;
 - (5) Sexual or other unlawful harassment;
 - (6) Possession of dangerous or unauthorized materials, such as explosives, firearms, or weapons in the workplace;
 - (7) Excessive absenteeism or any absence without notice;
 - (8) Unauthorized disclosure of trade secrets or confidential information;
 - (9) Violation of Personnel Policies;
 - (10) Failure to perform duties as required;
 - (11) Insubordination and/or the failure to follow instructions; and
 - (12) Viewing or accessing offensive, pornographic, or inappropriate materials in the workplace or using MDC equipment or property.

3.07 Business and Travel Expenses

- (a) All employees play a role in controlling expenses incurred in connection with business-related activities. Please always ask for detailed receipts itemizing the expenses for which you are requesting reimbursement. Such detailed receipts must be submitted to MDC by the employee on a monthly basis in connection with the employee's Expense Report for the month in which the expense was incurred to be eligible for reimbursement. At all times, please remember you are using tax payer's money and incur only those expenses you would be willing to pay if you were paying the expenses personally. All business travel must be approved in advance in writing by the Executive Director. MDC reserves the right to not reimburse any employees for unnecessary, unauthorized, and/or unreasonable expenses which are not incurred in connection with MDC business or operations. Employees who violate this Policy or who falsify or exaggerate expenses may be subject to disciplinary action up to and including immediate termination.
- (b) MDC will reimburse employees for reasonable business travel expenses incurred while on assignments away from town as set forth herein. Please check hotel reservation cancellation policies as some reservations made online have no cancellation policies. Host hotels are acceptable due to networking opportunities at the host hotel, but always look at choices for cheaper hotel rates. No employee will be reimbursed for charges associated with the snack bar in hotel rooms. If you have extra personal charges to your room such as movies, you must have the hotel give you a separate bill for these charges so they can be paid personally and not charged to MDC. Room service charges will only be allowed if you have a late arrival or if there is an illness or other special circumstances.
- (c) All ridesharing and taxi receipts must be saved and submitted for reimbursement. Ridesharing and taxi rides to venues other than those associated with the business purposes of the travel will not be reimbursed by MDC. Car rentals are acceptable if you are in an area that does not have adequate transportation, if the event, show, or hotel is not conveniently located, or if you have several meetings scheduled in the area. Employees who use a personal vehicle for business purposes shall be reimbursed at the current IRS rate per mile upon presentation of voucher and approval by the Executive Director. Mileage will be reimbursed by the IRS rate only to and from your destination. Please use Google Maps to calculate your mileage and attach documentation when requesting reimbursement by MDC.
- (d) Compare the costs of different airlines when booking air travel related to MDC business to obtain the most reasonably-priced flight. Changes to flights that incur additional costs must be approved by the Executive Director. If travel plans change, cancel all flights and obtain information on how credits can be used on other flights.

- (e) The cost of attending breakfast, luncheon, and dinner meetings in the administration of the affairs of MDC as well as the cost of entertaining necessary visiting business personnel shall be borne by MDC upon documentation of expenditure. Please use calculators to calculate tips on all receipts. Be sure and check to see if the gratuity is already included in the ticket. 20% will be the maximum allowed amount for gratuities. Employees should use the Entertainment Expenses Form when entertaining guests that includes name and their affiliation. If you are entertaining a prospect or site selector, you are allowed reasonable alcohol charges. If you are eating out with a group that is not a prospect or site selector, please always ask for separate checks – not group checks. If you are not entertaining a prospect or site selector, employees will be responsible for their own alcohol charges.

- (f) Advances received in connection with the payment of business expenses not settled prior to the conclusion of the next pay period may be subject to payroll deduction. Reimbursement requests submitted more than two months after the expense is incurred will not be honored.

3.08 Credit Cards

- (a) MDC may authorize the issuance of credit cards to certain employees for use in their jobs. This policy sets out the acceptable and unacceptable uses of such credit cards. Use of MDC-issued credit cards is a privilege, which MDC may withdraw for any reason or no reason, in its sole and absolute discretion at any time. Any credit card MDC issues to an employee must be used for business purposes only, in conjunction with the employee's job duties. Employees with such credit cards shall not use them for any non-business, non-essential purpose (i.e., for any personal purchase or any other transaction that is not authorized or needed to carry out their duties). Employees must pay for personal purchases (i.e., transactions for the benefit of anyone or anything other than MDC) with their own funds or personal credit cards. MDC will not regard expenses for one's own business-related use, such as lodging and meals while on MDC-approved business trips, as personal purchases, as long as such expenses are consistent with MDC's travel and expense reimbursement practices and/or policies. If an employee uses an MDC-issued credit card, the employee must request a detailed receipt itemizing the employee's specific purchases and submit same to MDC on a monthly basis in connection with the employee's Expense Report for the month in which the expense was incurred. Violations of this requirement may result in the employee reimbursing MDC for such expense. If an employee mistakenly uses an MDC-issued credit card for a personal purchase or unauthorized transaction, the employee shall (i) immediately notify the Executive Director of the purchase/transaction and (ii) reimburse the MDC within fifteen (15) business days of becoming aware of the purchase/transaction. Employees that comply with the notification and reimbursement Policy contained herein shall not be subject to paycheck deductions described below.
- (b) If any employee uses an MDC credit card for personal purchases in violation of this Policy, the cost of such purchase(s) will be considered an advance of future wages payable to that employee, and will be recovered in full from the employee's next paycheck; any balance remaining will be deducted in full from subsequent paychecks until the wage advance is fully repaid. Such deductions may take the employee's pay below minimum wage for the pay period(s) in question.
- (c) If an employee uses an MDC credit card for any other type of unauthorized transaction in violation of this Policy (i.e., incurs financial liability on MDC's part that is not within the scope of the employee's duties or the employee's authorization to make business-related purchases), the cost of such purchase(s) or transaction will be the financial responsibility of that employee, and the employee will be expected to reimburse MDC via deductions from pay until the unauthorized amount is fully repaid. Such deductions will be in the amount of the unauthorized purchase(s), but if a deduction for such amount would take the employee below minimum wage for the workweek in question, the deductions will be in two or more equal increments that will not take the employee's pay below minimum wage

for any workweek involved. In addition to financial responsibility and liability for wage deductions, any purchases an employee makes with a company credit card in violation of this policy will result in disciplinary action, up to and possibly including termination of employment.

3.09 Prohibition Against Harassment

- (a) MDC is committed to providing a work environment that is free of unlawful harassment. Harassment refers to conduct that is pervasive and sufficiently severe to alter the condition of an employee's employment or interferes with an employee's ability to perform job-related functions. Conduct by any employee which constitutes harassment is strictly prohibited and may result in disciplinary action up to and including immediate termination.
- (b) Sexual Harassment may be defined as unwelcome sexual advances, requests for sexual favors and other expressive or physical conduct of a sexual nature when: (1) submission to such conduct is explicitly or implicitly made a term or condition of employment; (2) an individual's submission or rejection of such conduct is used as a basis for an employment decision affecting the individual; (3) such conduct has the purpose or effect of substantially interfering with an individual's work performance; or (4) such conduct, in intent or effect, creates an intimidating, hostile, or offensive work environment. Examples of conduct constituting sexual harassment and which are strictly prohibited by this Policy include, but are not limited to: (1) persistent, unwelcome flirtation, advances, and/or propositions of sexual nature; (2) repeated insults, humor, comments, jokes, anecdotes and/or actions that belittle or demean an individual's or groups sexuality or gender; (3) repeated, unwelcome comments of a sexual nature about an individual's body or clothing; (4) unwarranted displays of sexually suggestive objects or pictures; (5) unnecessary touching such as patting, pinching, hugging, or repeated brushing against an individual's body; (6) suggestions that submission to or rejection of sexual advances will affect decisions regarding such matters as an individual's employment, work assignments or status, salary or letters of recommendation, and (7) sexual assault. Sexual harassment may also involve conduct based on gender, pregnancy or childbirth.
- (c) Any employee who has information concerning an incident of harassment is expected to promptly report the matter in accordance with the Employment Issues and Resolution Process Policy. Employees who raise good faith concerns and/or make Reports can do so without fear of reprisal. Any employee engaging in threats or other forms of intimidation or retaliation against a complaining employee or any other person involved in implementing this Policy may be subject to disciplinary action up to and including immediate termination.

3.10 Drugs, Weapons, and Alcohol Policy

- (a) It is the policy of MDC to maintain its property and to provide a drug-free working environment that is both safe for our employees and others and conducive to efficient and productive work standards. Violations of this Policy may result in disciplinary action up to and including termination of employment.
- (b) Illegal drugs including but not limited to marijuana, cocaine, opiates (including heroin, morphine, and codeine), hallucinogens, amphetamines, methamphetamines, barbiturates, methaqualone, designer and look-alike drugs, and any other drugs or substances which will in any way affect safety or job performance, including inhalants, whether or not illegal are prohibited.
- (c) Employees are allowed to maintain prescription drugs provided that the prescription drugs have been prescribed by a licensed physician to the person in possession of the prescription drugs, the drugs are in their current, labeled prescription container, and the drugs do not adversely affect the employee's ability to perform job-related tasks in a safe and effective manner. When receiving a prescription from a physician, employees should always ask whether or not the prescribed medication may affect their ability to perform their jobs. Any potential impairment of the ability to work should be reported to the Executive Director.
- (d) Smoking or the use of e-cigarettes or vaporizers is prohibited throughout MDC offices and within 25 feet of any exterior door. This Policy applies equally to all employees, customers, and visitors.
- (e) The consumption of or being under the influence of alcohol is prohibited during working hours, with the exception of occasional work-related after-hours or social events at which alcohol may be consumed in moderation, with the awareness that professional behavior must be maintained and the employee must adhere to all other Personnel Policies of MDC.
- (f) The provisions of this Policy and related Policies may not apply to every employee in every situation. MDC reserves the right, within the requirements imposed by federal, state, or local governments, to rescind, modify, or deviate from this or any other Policy, practice, or guidelines as it considers appropriate in its sole discretion in either individual or MDC wide situations with or without notice.

3.11 Searches and Inspections

- (a) In an effort to safeguard employees, visitors, property, and information, MDC shall take reasonable and necessary steps to monitor, search, and inspect the workplace, employees, and visitors. MDC reserves the right to conduct searches and inspections to monitor compliance with Policies, rules and laws concerning the safety of individuals, missing property, and to protect the security of MDC's property and information. Employees and visitors should have no expectation of privacy while on property owned, controlled, or being used by MDC, while using resources or equipment provided by MDC, and/or while performing services on behalf of MDC. No oral or written statements otherwise made by MDC are intended to or should be relied upon to alter MDC's workplace privacy policy or create any expectation of privacy. When performing a search or inspection, MDC is not accusing anyone of theft, some other crime, or any other improper conduct. Any prohibited items which are discovered will be confiscated and/or turned over to the appropriate authorities. Employees who interfere with or violate this Policy may be subject to disciplinary action up to and including immediate termination.
- (b) MDC retains the right to access all MDC property and information, including computers, desks, files, file cabinets, voicemails, electronic information, electronic storage devices, and other property which MDC may own, finance, lease, or use. MDC may search employees and visitors, as well as personal items such as bags, purses, backpacks, lunch boxes, and other containers. MDC may conduct searches on a random basis. As a general rule, with the exception of items related to personal hygiene or health, employees should not bring anything to the workplace that they would not be prepared to show and possibly turn over to MDC or law enforcement authorities for search and inspection. Employees will be asked to sign a form consenting to the search. By consenting to the search, however, employees are not excused from complying with all MDC Policies, rules, and regulations and may be subject to disciplinary action, up to and including termination, if the employee is found to be in possession of property not belonging to the employee or information the employee is not authorized to have or to remove from the premises. When possible, searches will be conducted by two employees, one who will conduct the search and the other will act as a witness. If the search is conducted in a closed room or space, at least one member of management who is present will be the same sex as the employees whose belongings are being searched. In no event will body or strip searches be conducted. Employees however, may be asked to remove outer clothing such as coats and sweaters and may be asked to empty any pockets.
- (c) Employees should exercise good judgment and discretion when bringing personal property to the workplace. MDC specifically and expressly assumes no risk or liability for any loss or damage to personal property. Purses and wallets should be kept with the employee at

all times. Employees should not bring valuables or large amounts of cash to the workplace or in a vehicle parked outside. Employees shall not bring personal locks to use in connection with their employment. Employees should not bring personal furniture or storage devices to the workplace.

3.12 Health and Safety

- (a) MDC has established safe work practices and Policies to ensure an effective, efficient, and healthy working environment consistent with the requirements of the Occupational Safety and Health Act of 1970 (“OSHA”). Each employee is responsible for reviewing, understanding, and complying with MDC’s safety practices and Policies. Employees should immediately report any unsafe working conditions and suspend work until the condition is resolved. Violations of this Policy may result in disciplinary action up to and including termination.
- (b) When conducting business on behalf of MDC, employees should:
 - (1) Perform all duties in accordance with established safe operating procedures;
 - (2) Comply with all applicable federal, state, and local laws, regulations, and MDC policies;
 - (3) Only attempt to remedy unsafe working conditions if it is safe to do so;
 - (4) Utilize all personal protective equipment and devices; and
 - (5) Maintain good housekeeping to ensure a neat, tidy, and safe working environment.
- (c) All employees should be of sufficient health to properly, effectively, and safely perform their duties. Employees who have a disease or illness that is contagious and readily communicable in connection with the performance of the employees’ jobs shall not be permitted to work, subject to applicable laws.
- (d) Employees are expected to report all work-related incidents, accidents, injuries, and near misses to the Executive Director, no matter how minor they may initially appear. MDC will provide a form which shall be used to make such reports. If the employee is unable to make the report, the Executive Director should make the report on behalf of the employee. If safe to do so, employees are expected to remain at the scene until all related issues are resolved or until given further instruction. A delay or failure to report injuries or illnesses may cause a delay or denial of related benefits. MDC prohibits any discrimination or retaliation against any employees who make such a report.
- (e) In the event an employee requires medical attention, whether injured or becoming ill while at work, the employee’s personal physician should be notified. If it is necessary for the employee to be seen by a doctor or go to the hospital and the circumstances do not require immediate assistance, a family member or the emergency contact for the employee should be called to transport the employee. If immediate assistance is required, 911 should be called to transport the employee. Employees shall not be responsible and should not transport another employee who is in need of medical attention.

3.13 Employee Information and Personnel Files

- (a) Personnel Files are business records of MDC and remain the sole property of MDC. Personnel Files shall include records relating to applications, performance, discipline, requests for leave, requests for paid time off, compliments and complaints, benefit enrollment and change forms, emergency contact information, acknowledgement and consent forms, an inventory of property provided to the employee, documentation related to wage changes, and transfer requests. Files relating to an investigation of employee misconduct shall be maintained separately by the Executive Director. Only information relating to the imposition of discipline as the result of any investigation shall be maintained in the employee's Personnel File. Employees are entitled to review their own Personnel Files on a quarterly basis. An employee wishing to review his or her Personnel File should submit a written request to the Executive Director. The employee will be permitted to review the Personnel File during normal business hours and in the presence of the Executive Director. Employees will not be allowed to remove any information from the Personnel File. Employees are permitted to provide a written response to any document contained in their Personnel Files with which they disagree. The Executive Director will be responsible for maintaining Personnel Files. Medical Records and documentations related to immigration status must not be maintained in Personnel Files.
- (b) Personal information about MDC's employees is considered to be Confidential Information. MDC will limit disclosure of any information related to employees or contained in Personnel Files to situations in which MDC determines that release of the information is necessary due to business or legal reasons. In situations where the request for disclosure is not supported by a business or legal reason, disclosure of employee information will generally be limited to those circumstances in which an employee or former employee has signed a written consent form agreeing to the disclosure. Employee information and Personnel Files will be released to federal, state, and local law enforcement agencies and other officials in response to a subpoena or in response to a written request on the agency's letterhead. Employees who, because of their job duties, have access to employee information and Personnel Files will be expected to maintain the confidentiality of this personal information in those files or be subject to disciplinary action for unwarranted disclosures. In no event should any employee take home any documents relating to employment. Removing such documents or making copies of documents to take home is considered theft.
- (c) MDC understands that employees may desire or need MDC to verify employment and wage information to third parties, such as mortgage companies, credit card issuers, and educational institutions. With respect to request for references on current or former employees, MDC will release dates of employment and position(s) held. Before any

additional information is released, MDC requires a Consent Form indicating what information is to be provided and to which entity.

- (d) MDC maintains all employee medical information in separate confidential Medical Records Files. This Policy does not excuse employees from complying with appropriate requests for information pursuant to attendance procedures. If, however, an employee does not provide the information directly to the Executive Director, the employee will not be entitled to return to work or receive benefits until proper documentation has been received, subject to applicable laws.

3.14 Computers and Technology

- (a) MDC maintains computer, internet, email, and telephone systems along with other electronic equipment used to communicate, access, and store information. These systems are intended for authorized and legitimate business-related purposes only. Employees are expected to use these systems responsibly, ethically, and lawfully at all times. Incidental and occasional personal use is permitted provided it does not negatively impact employee job performance or the interests of MDC. Personal information and messages stored, sent, or received on MDC's systems will be treated in the same manner as all other information and messages. All work performed as well as all information, and messages stored, sent, or received on MDC's systems may be subject to search, retrieval, investigation, and review. Violations of this Policy may result in disciplinary action, up to and including immediate termination. Violations may also result in civil and/or criminal liability with respect to the offending employee. Employees who use MDC computers to steal confidential or proprietary information may be liable under the Computer Fraud and Abuse Act.
- (b) MDC may provide computers to some employees as required to do their jobs. All employees should understand all computers are MDC property and subject to removal or replacement at any time. Employees should not store or use personal programs on MDC computers. If an employee needs software to do his or her job, the employee should contact the Executive Director to inquire about new software. Employees may not bring software from home or download software from the internet to install on MDC computers. Employees are prohibited from doing any MDC work on any personal equipment such as personal laptop computers. Employees who use MDC computers for personal business risk losing that information if the computer is replaced and risk disciplinary action. Employees are also prohibited from using personal storage devices such as DVDs, CDs, memory sticks of any kind, MP3 players, iPods, or other similar equipment to store any MDC information. If an employee needs to transmit documents or presentations to off-site meetings, MDC will provide employees with memory sticks for transporting the information if the employee would prefer not to take a MDC laptop to the meeting. These memory sticks must be treated the same as any other MDC property and must be returned to MDC when not in use. MDC reserves the right to examine the entire contents of any personal storage device on which it learns an employee is storing MDC information.
- (c) Employees should not attempt to change passwords issued to them without notifying MDC and receiving permission for the change. MDC may override any applicable passwords in accordance with applicable laws. Employees should always ensure the physical security of MDC property and equipment and avoid leaving it unattended and/or unprotected, even at premises or locations otherwise controlled by MDC. All reasonable efforts should be

taken to avoid damage, alteration, theft, fraudulent, or unauthorized access, and disclosure of MDC information. All persons with access to MDC's computers, technology, and related systems must adhere to the specific security measures and internal controls established for safeguarding its integrity and validity.

- (d) MDC reserves the right to provide cell phones to employees on an individual, case-by-case basis. If the MDC elects to provide a cell phone to an employee, the cost of the data and service plan for said cell phone will be paid by the MDC. If an employee so desires, the employee's personal cell phone number may be used for the cell phone that is provided to the employee by the MDC, and the cell phone may be used for both personal use and MDC business. All communications, data, information, and files on a cell phone that relate to MDC business are subject to the Texas Public Information Act, regardless of whether the cell phone is the personal cell phone of an employee or is provided to the employee by the MDC.

If an employee resigns or voluntarily separates from employment with the MDC, and said separation is not a result of the employee's violation of the MDC personnel policies, the employee may purchase their provided cell phone from the MDC and retain the associated cell phone number. Upon separation from employment, the MDC will cease paying for the data and service plan at the end of the monthly billing cycle following the separation. An employee who elects to purchase a provided cell phone from the MDC shall pay the appropriate amount pursuant to the following schedule:

<u>Purchase Date of Cell Phone</u>	<u>Cost to Employee</u>
Within 0-12 months of separation	\$300
Within 13-24 months of separation	\$200
Within 25-36 months of separation	\$100
37 months or more prior to separation	\$50

Notwithstanding the above schedule and any contrary policy contained herein, if an employee who elects to purchase a provided cell phone has been employed by the MDC for less than twelve (12) months, the cost to the employee for said cell phone purchase shall be \$400. If an employee's separation from the MDC is involuntary or if an employee is afforded the opportunity to resign in lieu of termination, said employee shall not be entitled to purchase a provided cell phone from the MDC. The provided cell phone will remain the property of the MDC; provided, however, that the phone number associated with the employee's provided cell phone may be relinquished to the employee if authorized by the Executive Director.

3.15 MDC Information and Records

- (a) MDC's information, particularly its Confidential Information and trade secrets, are very valuable assets that must be protected. Employees should not improperly or unlawfully view, review, access, use, disclose, or rely MDC's information. MDC's information should only be disclosed by employees to the extent necessary to perform their jobs, and only after reasonable security measures have been taken. Unauthorized disclosure could destroy the value of the information, give an unfair advantage to others, expose MDC's business to fraud and unfair competition, compromise the privacy of information and communications, and subject the disclosing party to both criminal and civil liability. Violations of this Policy may result in disciplinary action up to and including immediate termination. All employees must immediately return all information upon request at any time, and shall return all information with or without request immediately upon separation from employment with MDC.

- (b) All employees are responsible for maintaining accurate, timely, and reasonably detailed documents, reports, and other records in the course of their employment. No employee shall falsify or improperly alter any records. Each entry and all information must properly reflect the transaction being recorded to the best of the employee's knowledge, information, and belief. Good business practices and MDC policy requires that certain information be retained for various periods of time. It is the responsibility of each employee to ensure records are retained in compliance with MDC's document and email retention policies and applicable laws. For questions about records disposal, employees should contact the Executive Director, particularly if any litigation, investigation, or administrative action is (or may be) threatened or pending. Documents that need not be kept shall be disposed of in compliance with MDC policies.

3.16 Confidential Information and Trade Secrets

- (a) The nature of MDC's operations is such that MDC has Confidential Information, proprietary information, and trade secrets (collectively referred to herein as "Confidential Information") relating to its business and operations which, if disclosed, could lead to violations of laws and MDC policies, rules, and regulations. Each employee should understand the importance of making sure Confidential Information is protected from disclosure to competitors, suppliers, vendors, and other similarly situated outsiders. In the event that an employee inadvertently releases Confidential Information, the employee should immediately notify the Executive Director so that appropriate action may be taken. Any violations of this Policy may result in disciplinary action up to and including immediate termination. Nothing in this Policy or other MDC procedure will be enforced, nor should be construed, to infringe upon an employee's rights under §7 of the National Labor Relations Act to engage in protected concerted activity.
- (b) Each employee has a legal and ethical obligation to take all steps reasonably necessary in order to keep Confidential Information confidential. This obligation continues even after an employee leaves MDC. Confidential Information should be treated at all times with the utmost confidentiality and discretion.
- (c) The following guidelines address some of the issues and problems that may arise, but obviously cannot provide detailed guidance for every situation. When in doubt, have a healthy suspicion.
 - (1) **Conversations in Public.** Employees should only have conversations about Confidential Information with those who have a need to know, and must take care to avoid such conversations where those who do not need to know may overhear. Conversations about Confidential Information in public places, such as elevators, restaurants, and airplanes should be avoided, and should not be discussed with spouses, relatives, or friends.
 - (2) **Confidential Documents and Materials.** Employees should not leave documents or materials containing Confidential Information where they can be seen by any unauthorized person, such as unattended conference rooms, on copy machines, in the mail room, or any public locations.
 - (3) **Support Personnel.** Care must be taken to ensure that persons who are providing support to MDC (such as vendors, suppliers, manufacturers, computerized data services, copy services, and experts) receive only Confidential Information which they have a need to know, and ensure that proper agreements, procedures, and policies are in place to ensure such support personnel take appropriate measures to

protect confidentiality.

- (4) **Safekeeping of Financial Information.** Employees shall ensure Confidential Information remains reasonably protected when not in use and that any computer used to access such information is password protected, encrypted, and otherwise secured.
 - (5) **Personal Information.** Confidential Information also may include information which can be used to identify employees such as social security or employee numbers, or private information related to medical issues or conditions.
- (d) When there is a separation of employment for any reason, all employees shall return all Confidential Information in his or her possession, custody, and control.
 - (e) By signing the Acknowledgment of Receipt of Employee Handbook, the employee acknowledges that from time to time he or she will receive Confidential Information, including proprietary information and trade secrets related to MDC. The employee acknowledges and agrees that such Confidential Information, if shared directly or indirectly with competitors, suppliers, vendors, and other similarly situated outsiders, could be detrimental to MDC because it would place MDC at a competitive disadvantage if disclosed and/or could result in violations of law. The employee further acknowledges and agrees that but for his or her employment at MDC, he or she would not have received such information, as it is not available to the public. Accordingly, by signing the Acknowledgment, the employee agrees that he or she, except as necessary to conduct business of MDC, shall not disclose, copy, communicate, or divulge to, or use any Confidential Information for the direct or indirect benefit of any person, firm, association, or company other than MDC.
 - (f) **“Confidential Information”** includes information in the possession of, prepared by, obtained by, or compiled by MDC, regardless of whether such information is specifically marked or identified as confidential, and whether or not such information was conveyed orally, in writing, electronically, or in any other format related to MDC and/or its past, present, and future customers, clients, prospects, vendors. Confidential Information may include information pertaining to, but not limited to: accounting, accounts receivable and payable, advertising, agreements, acquisitions, analyses, appraisals, areas of interest, assessments, assets, banking information, benefits, blueprints, bonus payments, books, budgets, business plans, business records, buyer lists, capital accounts, compensation, compilations of information, computer files, computer programs, computer software, conclusions, contractor lists, contracts, correspondence, credit information, data, databases, designs, distributor lists, divestitures, documents, drawings, , employee lists and information, engineering, equipment, estimates, evaluations, files, financial information,

financial statements, forecasts, formulas, graphic depictions, handbooks, health information, intellectual property, inventions, investigations, investments, handbooks, improvements, instructions, inventions, know-how, lease information, legal information, literature, loan documents, manuals, manufacturing information, maps, marketing, materials, memoranda, models, negotiations, net worth, office policies, operating techniques and processes, operations, opportunities, orders, personal information, personnel information, photographs, plans, policies, pricing, procedures, products, projections, proprietary information, processes, prospects, prototypes, purchases, publications, records, reports, research, results, royalty payments, salary information, sales, schedules, services, show-how, source code, special needs, specifications, studies, taxes, technical data, techniques, technology, terms of agreements, title information, trade secrets, including as that term is defined by the Texas Uniform Trade Secrets Act, vendor information, vendor lists, and works of authorship, and/or any tangible or intangible manifestations of the foregoing, whether or not patentable or copyrightable, regardless of whether such information is the direct property of MDC or the property of a third party associated with MDC that would appear to a reasonable person to be confidential or proprietary in the context and circumstances in which the information is known or used. Minor and/or aesthetic modification of Confidential Information made by Employee is included within the definition of Confidential Information and belongs to MDC only. Employee recognizes that the above list is not exhaustive. Confidential Information does not include any information that is or becomes readily available, ascertainable, or known to the public other than as a result of any breach of confidentiality obligations owed to MDC or others. MDC maintains and reasonably protects the confidentiality of its Confidential Information through the use of agreements, marking or identifying information as “Confidential”, “private”, “secret”, or “personal”, restrictive covenants, Orientation, training, passwords, identification codes, and secured rooms, areas, and storage devices. Any failure to specifically mark information as Confidential does not waive any right to deem such information as Confidential. All employees are required to sign a Confidentiality and Non-Disclosure Agreement as a condition of continued employment. Confidential Information is information which is not generally available to or known by the public and/or those outside of or unassociated with MDC. As a general rule, before disclosing or receiving Confidential Information, employees should ensure that agreements are in place describing how the parties can use and must protect the information being exchanged. An employee’s duty to maintain the secrecy of Confidential Information extends after separation from MDC.

- (g) **NOTICE.** Theft of a trade secret can subject an individual to civil liability, damages, exemplary damages, and attorneys’ fees under the Texas Uniform Trade Secrets Act and the federal Defend Trade Secrets Act. TEX. CIV. PRAC. & REM. CODE §§134A.001-

.008; 18 U.S.C. §§1831-36. Additionally, theft of a trade secret is a crime under Texas Penal Code §31.05 and the Federal Economic Espionage Act of 1996, 18 U.S.C. §1832. However, an individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that is made: (1) in confidence to a Federal, State, or local government official or to an attorney solely for the purpose of reporting or investigating a suspected violation of law, or (2) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. An individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding if the individual files any document containing the trade secret under seal and does not disclose the trade secret, except pursuant to court order.

3.17 Americans with Disabilities Act (“ADA”)

- (a) MDC strives to comply with the ADA and ensure equal opportunities in employment for qualified individuals with known physical or mental disabilities if such accommodations would not impose an undue hardship on MDC and/or does not pose a direct threat to the health or safety of others in the workplace or to the individual. MDC will maintain application, hiring, and employment policies and procedures which allow persons with disabilities meaningful employment opportunities. Pre-employment inquiries will be limited to the applicant’s ability to perform the functions of the position. MDC may require medical verification of the disability and the need for accommodation. MDC is committed to making our facilities accessible to applicants, employees, and members of the public as required by law. Employees who are aware of accessibility problems or who may have suggestions for improvements should contact the Executive Director.
- (b) MDC will provide reasonable accommodations as required by law to disabled applicants and employees where the disability affects the hiring process or performance of essential job functions. Any applicant or employee who requests an accommodation should notify the Executive Director and specifically identify the reason for the accommodation and what accommodations he or she believes is needed. To enable MDC to maintain accurate records regarding requests for accommodation, individuals seeking a reasonable accommodation must follow up on an oral request for accommodation by confirming their request in writing. The employee should also present a written note from a medical provider indicating the restrictions necessitated by a disability and the duration of any such restrictions. MDC will engage in a good faith interactive process with the employee to determine what, if any, reasonable accommodations can be made. The individual requesting the accommodation should cooperate with MDC in discussing and evaluating a number of alternative accommodations. The accommodation granted by MDC may not in all cases be the particular accommodation requested or desired by the applicant or employee.
- (c) MDC recognizes that when pregnant, an employee may need a temporary accommodation to allow her to perform the essential functions of her job. These accommodations may include things like providing light duty; modifying physical requirements of a position, such as providing lifting aids or a place to elevate one’s feet; modification of an employee’s schedule, such as to provide more frequent breaks; or, providing modification to certain rules, such as the dress code. If, after returning to work following the birth of the child the employee requires additional accommodations, the employee may submit another request for accommodation along with the required documentation.

3.18 Driving on MDC Business

- (a) MDC strives to protect its employees and others by assessing that those who drive MDC's fleet vehicles, or rental or personal vehicles while on MDC business, are qualified to do so. Employees must possess all required license(s) prior to operating any vehicles owned, leased, or in possession of MDC, or while otherwise driving on MDC business. MDC reviews motor vehicle records to determine whether an employee is qualified to hold a position for which driving is an essential job function, as well as to ensure that an individual is eligible to be insured by our liability carrier. Employees assigned driving duties must remain insurable under MDC's liability insurance and own their own insurance as required under the laws of the states in which the employee will be driving.
- (b) Individuals being considered for employment and all current employees who drive an MDC vehicle, or drive rental or personal vehicles while on MDC business, should report any arrest, pending charge, moving violation, conviction, or deferred adjudication/diversion program related to the operation of a motor vehicle they receive as soon as practical, but no later than three days after receipt, unless the offense is subject to a nondisclosure order from a court. Such report should be made whether or not the vehicle being operated at the time of the incident was a personal vehicle or MDC vehicle, and whether or not the incident occurred while on MDC business or on personal time. The report should be made to the Executive Director. Any documentation received by the individual must be provided to MDC. MDC will promptly determine whether the employee remains qualified to operate an MDC vehicle, considering the particular facts and circumstances involved, and report all of the foregoing to its insurance carrier so that a prompt decision on continued coverage of the employee also can be made. Any and all motor vehicle accidents (in an MDC vehicle or in a personal vehicle while on MDC business) sustained while at work, regardless of whether the damage is to person or property, or both, should be reported immediately to the Executive Director.
- (c) The following rating system outlines how MDC determines an individual's eligibility for employment (or continued employment) in certain positions and/or status to drive an MDC vehicle and/or status to drive a rental or personal vehicle while on MDC business:
 - Satisfactory - An individual is eligible to and may drive an MDC vehicle, or a rental or personal vehicle while on MDC business, if his or her driving record reveals no more than one moving violation in the past twelve months.
 - Probationary - An individual may be eligible and continue to drive an MDC vehicle, or a rental or personal vehicle while on MDC business, with the stipulation that the individual's motor vehicle record will be pulled on a more frequent basis during a probationary period, when a driving record reveals more than one moving violation in the past twelve months, but not more than two moving violations in the past twenty-four months.

Unsatisfactory - An individual is not eligible for any position which requires driving as an essential job function, and/or shall not drive an MDC vehicle, or a rental or personal vehicle while on MDC business, if the individual is not eligible for coverage under MDC's liability insurance policies related to driving, and/or his or her driving record reflects:

- A currently suspended or revoked license;
- Three or more moving violations in the last thirty-six months;
- One or more instances of driving under the influence (DUI) or driving while intoxicated (DWI) within the past sixty months;
- At fault in a fatal accident within the past sixty months;
- Hit and run or eluding or leaving the scene of an accident within the past thirty-six months;
- Reckless or careless driving, drag racing, or speed contest within the past twelve months; or
- Possession of an open alcoholic beverage container, disregarding or evading a police officer, driving on the wrong side of the road, failure to comply with implied consent law, felony involving a motor vehicle, homicide or vehicular assault, illegal passing resulting in an accident, manslaughter with or without gross negligence, possession of a controlled substance, speeding 31 miles or more over the posted speed limit, or filing a false report within the past sixty months.

In the event an individual falls within the Unsatisfactory category above for positions where driving is an essential job function, that individual will not be hired if a candidate for employment. Current employees may be terminated. The determination of whether to terminate an individual within the Unsatisfactory category where driving is an essential job function, shall be made at the sole discretion of MDC, and subject to all applicable laws.

- (d) As a driver, your first responsibility is to pay attention to the road. Employees must observe all safety and traffic laws. All illegal, dangerous, or unprofessional conduct is prohibited. No employee may transport a non-employee unless there is a work-related reason to do so. No driver or passenger may consume alcohol, other substances, or be in any condition which may otherwise affect the safe operation of a vehicle. Cell phone use while driving an MDC vehicle, or a personal vehicle while on MDC business, is prohibited. This includes receiving or placing calls, text messaging, surfing the Internet, receiving or responding to email, checking for phone messages, or any other use of the cell phone that may lead to driver distraction. Notwithstanding the prohibitions above, a cellular device may be used to receive or place calls by utilizing a hands-free device, which includes, for example, speaker phones, earpieces, wired headsets, and Bluetooth, so long as use of a

hands-free device complies with the laws of the state in which the activity is being conducted. Employees must determine and comply with the laws of the state in which the activity is being conducted. Regardless of the hands-free exception, MDC strongly discourages employees from utilizing any cellular device for any purpose while driving. MDC recommends that if the use of a cellular device is necessary while driving, employees pull their vehicle aside in a safe place to conduct the activity.

- (e) MDC is not responsible for any moving traffic violations, parking tickets, or any other city ordinances or state or federal laws regarding an employee's driving habits. Any tickets issued are the employee's responsibility, even if the ticket is issued while driving an MDC vehicle or conducting business for MDC.
- (f) MDC prohibits impaired driving. Employees should abide by the law and use a designated driver, call a cab, or utilize a ride-sharing service if they are entertaining on MDC's behalf.

3.19 Drug Testing

- (a) The purpose of this Drug Testing Policy is to promote the health, safety, and efficiency of MDC employees and those with whom MDC employees may come into contact with, and to protect MDC information and property. A positive drug test or the refusal to submit to testing may result in disciplinary action, up to and including immediate termination, even for a first offense, subject to applicable laws.
- (b) In accordance with and to the greatest extent allowed by law, drug testing by MDC may be utilized in the following circumstances:
 - (1) Pre-employment examinations before or after an offer has been made in the event the employee will be operating vehicles owned or in the possession of MDC or driving is a necessary function of their position;
 - (2) To comply with contractual agreements and governmental regulations and requirements;
 - (3) When MDC has reasonable suspicion to believe that an employee is in the possession of or is using, has used, or is otherwise under the influence of a prohibited substance in violation of MDC Policies. Employees who are tested upon such reasonable suspicion will be suspended from work with pay pending the results of the test;
 - (4) When an employee returns to active employment after a non-medical leave of absence of thirty (30) or more days;
 - (5) Following an on the job accident, incident, injury, or near miss in situations in which employee drug use is likely to have contributed to the incident and for which the test can accurately identify impairment caused by drug use; and
 - (6) Random, periodic, or unannounced testing at the discretion of MDC.
- (c) All employees shall have the opportunity, prior to testing, to list all prescription and non-prescription drugs and substances that they have used in the last thirty (30) days and to explain the circumstances of such drugs and present any relevant explanation and/or documentation.
- (d) Upon receipt, MDC will inform the employee of the results of the testing performed in connection with this Policy. Employees will be given an opportunity to provide a written explanation and/or produce any relevant documentation. After reviewing the test results and the employee's response, if any, MDC will meet with the employee. Following the meeting, MDC will determine the appropriate course of action.

IV. Attendance and Leave Policies

4.01 Regular Hours of Work

- (a) It is essential for all staff members to be available, arrive on time, and ready to work during MDC's normal business hours, as scheduled, and/or as necessary to perform the essential functions of their positions at locations designated by MDC subject to applicable laws. Unauthorized and/or excessive absences and tardiness place a burden on MDC and fellow employees. Violations of this Policy may result in disciplinary action up to and including immediate termination. However, MDC recognizes that some absences are legitimate and otherwise lawful, and will not support the issuance of disciplinary action.
- (b) Normal business hours are from 8:00 a.m. to 5:00 p.m. Monday through Friday with approximately one hour for lunch. At the discretion of the Executive Director, hours of work may be flexible to meet the demands of our mission.
- (c) An employee must notify the Executive Director not more than 30 minutes after his or her scheduled starting time if he or she expects to be late or absent. The employee should continue to notify the Executive Director each day he or she is absent not more than 30 minutes after his or her scheduled starting time until a date of return has been established. Subject to applicable laws, an employee who is absent from work for three (3) consecutive working days without contacting the Executive Director will be considered to have abandoned his or her position and voluntarily resigned.
- (d) If at any time an employee believes he or she may need an accommodation with respect to his or her work schedule, the employee should notify the Executive Director. The request for accommodation should be made as soon as the employee becomes aware of the need for the modification. Each request will be considered separately in light of the employee's needs, the employee's position, the needs of MDC, and applicable laws.

4.02 General Policies Related to Leave

- (a) MDC provides comprehensive programs of paid and unpaid leave designed to assist employees during periods when the employee or the employee's family is confronted with serious health conditions, injuries, illnesses, military leave, a new child through birth, adoption or foster care, or otherwise needs to be away from their jobs.
- (b) Employees should contact the Executive Director as soon as becoming aware of a need for being absent. If the absence is foreseeable, the employee should provide at least thirty (30) days advance written notice. MDC reserves the right to judge the merits of requests on a case by case basis, and may accept, reject, or grant conditional or partial leave. The failure to request leave in accordance with the guidelines set forth in these Personnel Policies may result in a delay or denial of a request for Leave. Employees should provide prompt notice to the Executive Director of any change in the circumstances underlying the need for leave and/or any change in the employee's anticipated return to work date. Leave may be canceled by MDC if it is determined that the reason for the leave has been misrepresented by employee. Falsification of the reasons for requesting leave or misrepresentation of an entitlement to paid leave may lead to disciplinary action up to and including immediate termination. MDC will not tolerate any discrimination, harassment, or retaliation with respect to any employee who requests or receives any of the benefits associated with MDC's leave Policies. Any employee who believes that he or she has been subject to discrimination, harassment, or retaliation based upon a request or use of leave should report the matter in accordance with MDC's Policies.
- (c) If an employee takes leave due to illness, injury, or other medical reason, MDC may require medical documentation verifying the need for the leave and identifying what duties of the employee's job can be performed, which duties cannot be performed, and what accommodations might be necessary to enable the employee to continue working and/or return to work. Prior to being allowed to return to work, MDC may require an acceptable job-related release from a medical provider indicating the employee's ability to perform the essential functions of the employee's position with or without reasonable accommodation. Any medical information received from an employee will be kept confidential, maintained in a separate file than the employee's Personnel File, and only disclosed as necessary.
- (d) Employees on leave from MDC may not perform work for any other employer that is considered by MDC to be an actual or potential conflict of interest or which conflicts with the reason(s) for the leave. Employees on leave will remain subject to all MDC Policies generally applicable to MDC employees.
- (e) It is the employee's responsibility to make arrangements with MDC to continue making

any required contributions during the leave period. This is particularly important if the leave is without pay or at a reduced rate that may be less than the amount of the employee's contribution in connection with his or her participation in applicable benefit plans.

4.03 Regular Holidays

- (a) Subject to the discretion of MDC and based upon operational needs and other legitimate business interests, MDC will generally observe the City of Midland's paid holidays except for Christmas where there is an option to close during the week of Christmas or alternate employees off during the week of Christmas or the week of New Year's. The aforementioned will be scheduled in advance at the discretion of the Executive Director. The ultimate decision to designate certain days as paid holidays is ultimately left to the sole discretion of the Executive Director. An employee who is hired but starts work on a day immediately after a Holiday will not receive paid Holiday leave. Any employee on unpaid leave in connection with other Policies will not receive paid holiday leave. If a Holiday occurs while an employee is otherwise on approved paid leave, the Holiday will be counted as Holiday leave rather than a day of paid leave. An employee may choose to work on any designated Holiday and earn an additional day of PTO provided that such employee obtains written pre-approval from the Executive Director.
- (b) The following are Holidays followed by the City of Midland:

Christmas Eve & Christmas Day	Independence Day
New Year's Eve & New Year's Day	Labor Day
Martin Luther King Day	Thanksgiving Day and Friday After
President's Day	
Good Friday	
Memorial Day	

Any Holidays occurring on Saturday will be observed the preceding Friday. Holidays occurring on Sunday will be observed the following Monday.

4.04 Paid Time Off (“PTO”)

- (a) PTO provides all full-time staff members with paid time away from work that can be used for vacation, personal time, personal illness, or time off to care for dependents. PTO must be scheduled in advance and be approved by the Executive Director, except in the case of illness or emergency. A failure to timely request PTO may result in a delay or denial of the requested leave. In the event of illness or emergency, the employee should contact the Executive Director as soon as it is safe and feasible to do so. This PTO Policy takes the place of traditional sick, absence, personal time, and vacation policies. Absences due to bereavement, jury duty, and/or military reserve duty are not counted against an employee’s PTO. PTO is a discretionary benefit and subject to modification by MDC at any time. All PTO must be exhausted prior to taking any unpaid leave offered by MDC. PTO may not be used to offset tardiness or unauthorized absences. PTO is not part of any overtime calculation. PTO must be taken in least 2-hour increments.
- (b) All full-time employees are eligible to earn PTO. PTO is earned on a monthly basis and credited to an employee’s PTO Bank on the first day of the month following the month that PTO was earned. Eligibility to earn PTO is contingent on an employee having worked or utilized PTO for the entire month. An employee must be actively working to earn PTO. No PTO is earned while an employee is on leave. Part-time, temporary employees, and independent contractors are not eligible for PTO. A maximum of 80 hours of PTO can be carried over for any 1 year, up to a maximum accumulation of 480 hours total. After 1 year of service, during the month of December, employees may elect to cash out a 40-hour block of unused PTO, provided that the employee has taken at least 40 hours of PTO during the year. Employee shall receive payment for this cash out in the next regular pay cycle.
- (c) Employees are granted a specific allotment of PTO each calendar year based upon their employment status and their length of service with MDC. PTO is earned on the following schedule:

Years of Eligible Service	Earned Per Pay Period
Upon Hiring	7.33
After 4 Years of Continuous Employment	9.00

- (d) If an employee should leave MDC for any reason, that portion of his or her PTO that has been earned but not used will be paid out upon separation of employment up to a maximum of 200 hours. The payment will be calculated based upon an employee’s basic hourly rate for an 8 hour workday.

4.05 Family and Medical Leave

Family and medical leave is available to employees with at least 12 months of service and who have worked at least 1,250 hours within the preceding 12-month period. If eligible, an employee may be able to take up to 12 weeks of leave (which includes up to 6 weeks of paid leave and up to 6 weeks of unpaid leave) during a 12-month period for the following reasons:

1. The birth of a child or to care for a child within the first 12 months after birth;
2. The placement of a child with the employee for adoption or foster care and to bond with and care for the child (within the first 12 months of placement);
3. To care for an immediate family member who has a serious health condition;
4. For a serious health condition that makes the employee unable to perform the functions of his/her position; or
5. If the employee experiences a qualifying urgent need that arises out of the fact that a spouse, parent, or child has been called to or is on active duty in the Armed Forces.

Injured Servicemember Leave. An employee who is the spouse, parent, child, or next of kin of a member of the Armed Forces who was injured in the line of duty (“injured servicemember”) may be eligible for up to 26 weeks of FMLA leave in a 12-month period, including the types of leave listed above.

Notice of Leave. When requesting leave, the employee must provide notice of the need for leave at least 30 days in advance or as soon as practicable. Within five business days after an employee has provided this notice, MDC will complete and provide the employee with a Notice of Eligibility and Rights and request a medical certification or other supporting documentation as necessary.

Medical and other Certifications. Employees will be required to provide a medical certification if the leave request is: (1) for the employee’s own serious health condition; (2) to care for a family member’s serious health condition; or (3) military caregiver leave. Failure to provide the requested medical certification in a timely manner may result in denial of the leave until it is provided. If an employee refuses to provide a medical certification, his or her leave request may be denied and the employee may be disciplined.

MDC, at its expense, may require a medical examination by a health care provider of its own choosing if it has a reasonable question regarding the medical certification provided by the employee. In lieu of a second opinion, MDC may contact the health care provider directly to clarify or authenticate a medical certification, including certifications for military caregiver leave. Second opinions may not be required for military caregiver leave. Separate certification may also be required regarding the nature of the family member’s military service and/or the

existence of a qualifying exigency.

Fitness for Duty Certifications. Because MDC wishes to ensure the well-being of all employees, any employee returning from FMLA leave for his/her own serious health condition will need to provide a Fitness for Duty (FFD) statement signed by his/her treating physician. Any employee who fails to provide an FFD statement will be prohibited from returning to work until it is provided. An employee who fails to provide an FFD certification may be disciplined or terminated.

Maintenance of Benefits. MDC will maintain health care benefits for the employee while on FMLA leave, but the employee is responsible for paying his or her monthly contribution. If the employee elects not to return to work at the end of the leave period, the employee will be required to reimburse MDC for the cost of premiums paid for maintaining coverage during the leave period. All other benefits cease to accrue during the unpaid portion of the leave.

Concurrent Leave. Employees must use any accumulated PTO and/or other accrued leave to the extent available during FMLA leave unless such leave is covered under Workers' Compensation, in which case the employee may only use accumulated leave time for the purpose of satisfying any waiting period. Absences in excess of these accumulated days will be treated as FMLA leave in accordance with this policy.

Married Couples Who Work for MDC. If an employee and his/her spouse both work for MDC, they are both eligible for leave. The amount of leave allowed for the employee and the employee's spouse may be limited to a combined total of 12 weeks of FMLA leave in a 12-month period if the leave is taken for:

1. The birth, adoption, or foster placement of a child;
2. To care for and bond with such child who does not suffer from a serious health condition;
3. To care for a parent with a serious health condition; or
4. A combination of the above.

For injured servicemember leave, the employee and his/her spouse may be limited to a combined total of 26 weeks of leave in a 12-month period, including the types of leave listed above in this paragraph.

Intermittent Leave. It may be medically necessary for some employees to use intermittent FMLA leave. MDC will work with employees (and employees are required to work with MDC) to arrange reduced work schedules or leaves of absence in order to care for a family member's serious medical condition or due to the employee's own serious medical condition. Fitness for Duty statements are not required when an employee returns from intermittent FMLA leave.

MDC employees may only use intermittent leave for the up to 6 weeks of unpaid FMLA leave as

provided for under this this policy. MDC employees are required to use the up to 6 weeks of paid leave over consecutive weeks unless MDC receives a medical certification from the employees' health care provider and/or treating physician that intermittent leave is medically necessary.

Leave because of the birth or adoption of a child must be completed within the 12-month period beginning on the date of birth or placement of the child. It may not be taken intermittently without special permission from MDC.

Return from Leave. Employees will be terminated at the discretion of management when they have exhausted their FMLA leave unless they are entitled to additional leave as a reasonable accommodation under the Americans with Disabilities Act. MDC may require an employee taking leave under this policy to provide periodic reports concerning the employee's status and intent to return to work.

Attendance Policy. Qualifying FMLA leave will not be counted as an absence under the MDC's attendance policy.

State and Local Laws. When state and local laws offer more protection or benefits, the protection or benefits provided by those laws will apply.

4.06 Jury Duty Leave

- (a) MDC encourages employees to fulfill their civic responsibilities by serving on juries when required. Paid leaves of absences for jury duty will be granted to employees who have been notified to serve up to 5 days. Employees on jury duty are expected to report to work any day they are excused from jury duty at least 2 hours prior to the end of MDC's normal business hours. Employees must show the jury duty summons to the Executive Director as soon as possible so that the Executive Director may make arrangements to accommodate their absences.
- (b) MDC will continue to provide health insurance benefits for the full term of the jury duty absence. PTO and Holiday leave will continue to accrue for up to two weeks during Jury Duty Leave.
- (c) Upon return from Jury Duty Leave, employees must submit to the Executive Director a signed Certificate of Jury Duty Service indicating the number of days served, if available, from the Court Clerk.

4.07 Voting

- (a) MDC encourages all employees to vote, and when possible, use early voting procedures to cause the least disruption to the workplace. MDC prefers employees to use the start or end of the day to vote. However, MDC will provide up to 2 hours of paid voting leave time for any employee who is unable to vote before or after his or her workday. Any employee must notify the Executive Director of his or her intent to leave the office to vote and of the proposed time of leave. Employees are encouraged to take advantage of early voting opportunities.

4.08 Military Leave

- (a) MDC complies with all legal requirements regarding Military Leave. MDC provides Military Leave to employees who serve in the uniformed services as required by the Uniformed Services Employment and Reemployment Rights Act (“USERRA”) and other applicable laws. An employee who is a member of the National Guard or a reserve component of the armed forces shall be granted leave upon presentation of official orders or instructions. An employee who has enlisted in the armed forces or who is called to active duty will be placed on leave in accordance with federal laws.
- (b) Military Leave may not exceed five (5) years, except in certain defined circumstances. Employees whose military service is less than thirty one (31) days must report back to work at the beginning of the first full, regularly scheduled work day following completion of service after allowing for a period of safe travel home and eight (8) hours of rest. Employees who are on Military Leave for more than thirty (30) days but less than 181 days must apply for reemployment within fourteen (14) days after completing service. Employees whose Military Leave is greater than 180 days must apply for reemployment within ninety (90) days after completing service. Employees who anticipate Military Leave in excess of five (5) years should contact the Executive Director.
- (c) Upon the employee’s request, accrued but unused PTO may be paid during Military Leave. After thirty (30) days of continuous Military Leave, employees may elect to continue participation in MDC’s health insurance benefits at their own expense. The election to continue participation in the health insurance benefits may continue for up to twenty four (24) months or during the remaining period of Military Leave, whichever is shorter. PTO will not accrue during Military Leave.
- (d) To be eligible for reinstatement following Military Leave, an employee must have provided advance notice of the need for Military Leave (when possible) and have completed his or her service on a basis that is not dishonorable or otherwise prohibited under USERRA. Generally, an employee returning from Military Leave will be reemployed in the same position and seniority level that the employee would have attained had there been no Military Leave. If necessary, MDC will provide training to assist the employee returning from Military Leave to transition back to the workforce.

4.09 Bereavement Leave

- (a) Full-time employees may be excused from work with pay for up to three (3) days in the event of death in the immediate family. Immediate family includes: spouse, parent, parents-in-law, children, brother or sister, brother-in-law or sister-in-law, grandparents, and grandchildren. Time off with pay to attend the funeral of a relative other than those listed herein is generally limited to one (1) day. An employee needing additional days off will need to utilize PTO.

4.10 Unexpected Closing and Inclement Weather

- (a) From time to time, MDC may find it necessary to suspend or modify business operations, close its offices, and/or release its employees because of unforeseeable circumstances. If MDC is closed or there is a change in MDC's regular hours of operation, MDC will notify employees through the use of MDC's internal and external communications systems including e-mail. Unless employees receive specific instructions, all employees should plan to be at work as scheduled. Employees in essential positions may be asked to work on days when MDC is otherwise closed. Employee safety is the primary factor when considering any workplace closure.
- (b) In the event serious weather conditions develop which may affect the ability of employees to report to work, the Executive Director will determine which, if any, employees should report to work. If, in the opinion of the Executive Director, the situation is potentially dangerous, MDC may close its affected facilities.

V. Compensation and Benefits

5.01 Fair Wage Compliance Policy

- (a) MDC is committed to compensating its employees consistent with the requirements of applicable federal, state and local wage and hour laws and regulations. In determining the amount of an employee's compensation, MDC shall consider, among other things, the nature and scope of the position, what other employers pay their employees for comparable jobs, what MDC pays comparable employees in similar positions, the employee's knowledge, experience, and ability to meet duties per the Position Description, adherence to MDC Policies, initiative, skill, education, training, dependability, cooperation, aptitude, ability, and the overall performance of the employee and MDC. Although MDC strives to be consistent in how jobs are titled, a title does not automatically determine what an employee's compensation will be. Nothing contained in these Personnel Policies or any other representation by any employee or representative of MDC should be interpreted or relied upon to establish any contractual right on the part of an employee to receive any additional compensation or bonuses other than the employee's base wages or salary, subject to applicable laws. Compensation increases are discretionary and are recommended by the Executive Director and subject to final approval by MDC's Board of Directors.
- (b) The Federal Fair Labor Standards Act (hereinafter, "FLSA") guarantees the payment of minimum wage for all hours worked in any one work week, except under certain specified circumstances. In some jurisdictions, local law may provide for a higher minimum wage. The FLSA requires the payment of an overtime premium to non-exempt employees equal to 1.5 times the regular straight time rate for hours worked after forty (40) in any one work week. Under the FLSA, certain categories of employees are paid a guaranteed salary every week and are exempt from the payment of overtime. MDC classifies its employees as exempt or nonexempt based upon a good faith understanding of their duties and responsibilities. It is MDC Policy to follow all state and federal regulations governing deductions from wages.
- (c) The following conduct does not constitute an exhaustive list of improper wage and payroll practices. However, it is intended to provide examples of the kinds of conduct that will not be tolerated by MDC:
- Failing to permit employees to clock in when they begin performing services;
 - Requiring or permitting employees to work off the clock;
 - Falsifying the start and end times of employee work hours;
 - Shaving or altering employee payroll and/or records of hours worked;
 - Rolling overtime hours to a later work week;

- Improper deductions from wages; and
- Improperly deducting break time not taken by an employee.

(d) MDC encourages employees to report any perceived improper wage or payroll practice, regardless of who the offender may be. MDC will not in any way retaliate against an employee who makes a wage complaint nor permit any employee to do so. Retaliation is a serious violation of this Policy and should be reported immediately.

(e) MDC seeks to recognize and reward the successful performance of its employees. Merit Increases may be awarded to an employee who meets MDC’s performance standards on a continuous basis. Merit Increases will not be granted to an employee whose performance has not met the expectations of MDC. An employee who is granted a Merit Increase will receive the following percentage increase to his or her annual gross salary:

Years of Service	Annual Merit Increase
First 4 Years of Continuous Service	3%
After 4 Years of Continuous Service	5%

(f) Eligible employees may receive an Annual Bonus using methodology determined by and at the sole discretion of MDC. The Annual Bonus is only available to Full Time Employees of MDC who have not been formally disciplined by MDC for a violation of MDC policies, procedures, or rules during the preceding Fiscal Year. The payment of the Annual Bonus will be conditioned on Employee remaining employed by MDC on the date the Annual Bonus is paid. Any employee who is otherwise eligible to receive the Annual Bonus forfeits any rights and expectations to receive the Annual Bonus if he or she separates from employment with MDC for any reason. Employees become eligible for the Annual Bonus after the completion of one (1) year of continuous employment. The Annual Bonus will be paid within thirty (30) days after the start of MDC’s Fiscal Year. MDC’s current Fiscal Year is October 1 to September 30. MDC will deduct all taxes, withholdings, and other deductions typically associated with the payment of wages. The Annual Bonus shall be calculated as follows:

Experience	Bonus Calculation
First Year of Eligibility	20% of 30% of Current Base Salary
Second Year of Eligibility	30% of 30% of Current Base Salary

Third Year of Eligibility	50% of 30% of Current Base Salary
Fourth Year of Eligibility	20% of 40% of Current Base Salary
Fifth Year of Eligibility	30% of 40% of Current Base Salary
Sixth Year of Eligibility	50% of 40% of Current Base Salary
After Sixth Year of Eligibility	50% of 40% of Current Base Salary

As an example, if an eligible employee completes his or her third year of eligibility and has a current base salary of \$75,000.00, the employee's Annual Bonus shall be calculated as follows:

$$(\$75,000.00 \times 30\%) \times 50\% = \text{Annual Bonus of } \$11,250.00$$

5.02 Payroll

- (a) Paychecks will reflect work performed by the employee for the previous pay period. Paychecks will include the employee's salary or wages less any mandatory or employee authorized deductions. Employees should immediately make sure all information and payments received from MDC are correct, including the amount of hours worked, rate of pay, overtime, if any, and deductions. MDC accepts no liability and the employee shall hold MDC harmless if payment is requested in a manner other than direct deposit, subject to applicable laws.

- (b) All employees will be paid on the fifteenth and the last day of the month or the closest workday to these days. No advances on paychecks are permitted. No loans shall be made to employees by MDC.

5.03 Employee Benefits

- (a) MDC sponsors a comprehensive benefits program for eligible employees. The benefits offered by MDC are generally governed and further defined by specific legal documents between the employee and third party benefit plan administrators. These other documents will determine employees' actual rights, obligations, and eligibility requirements. All employees should read these documents and any additional information provided by plan administrators to understand the terms, conditions, and eligibility requirements of the different benefits offered by MDC. While MDC hopes these benefits will be continued indefinitely, the future of these benefits is not guaranteed to any employee. Nothing in these Policies or which otherwise may be communicated to you by MDC or any of its representatives should be construed or relied upon to alter or amend these documents or information, or the rights, benefits or responsibilities discussed therein. The descriptions in these Personnel Policies or other documents are only brief summaries for your general information and convenience.
- (b) The existence of any benefits offered by MDC do not signify that an employee will be employed for the requisite time necessary to qualify for the benefits as employment with MDC is "at-will". MDC specifically reserves the right to modify, suspend, and/or terminate any of the benefits offered to employees subject to applicable laws. MDC employees have no contractual or property rights, and therefore should have no expectations that they will continue to receive any benefits through the course of their employment, save and except for those benefits which are required by applicable federal or state laws. Because of the foregoing, employees should not materially rely upon and/or contend the existence of any benefits induced their continued employment.
- (c) Please refer to the summary plan description and/or other documents received from the plan administrators to the extent employees have questions or concerns. All questions should be directed to the plan administrators. Employees should not rely upon any advice or representations made by MDC or any of its employees with respect to the terms, conditions, benefits, coverage, or eligibility requirements of any benefits offered by MDC.

5.04 Workers' Compensation Insurance

- (a) MDC provides a comprehensive workers' compensation insurance program at no cost to its employees with respect to injury or illness sustained in the course of employment that requires medical, surgical, or hospital treatment.
- (b) Employees who sustain work-related injuries or illnesses should inform the Executive Director as soon as safely possible. No matter how minor an on-the-job injury or illness may appear, it is important that it be reported. The report should contain as many details as possible, including but not limited to the date, time, and description of the illness or injury, the employee's belief as to what caused the illness or injury, the identity of the employee's treating medical provider, and the identities of any witnesses or persons with knowledge of relevant facts. The employee should also retain all paperwork filed or received in connection with the injury or illness and provide copies to MDC. The failure to promptly report work-related injuries and/or illnesses may result in a delay or denial of benefits.

5.05 Career/Staff Development

- (a) All personnel may be required to attend career courses and/or conferences which add to their competence or which are conducive to the enhancement of their knowledge and participation in MDC affairs. Expenses for such conferences, including registration, fees, transportation, and personal traveling and living expenses may be reimbursed by MDC after having been pre-approved in writing by the Executive Director.

- (b) Fees or dues for memberships in professional, civic, and business organizations may be paid by MDC if pre-approved in writing by the Executive Director.

5.06 Payroll Deductions

- (a) In compliance with federal and state law, MDC makes certain payroll deductions for taxes and employee benefits. Other deductions may be made if authorized by law or by the employee. It is MDC's intent to comply with the laws and only make lawful deductions.
- (b) Employees who believe that an improper deduction has been made should notify the Executive Director in writing within ten (10) days of the alleged improper deduction. If a deduction is determined to be in error, MDC will refund the amount within a reasonable period of time.

5.07 Overtime

- (a) Non Exempt Employees should strive to complete all assigned and necessary tasks during the standard forty (40) hour workweek. From time to time, MDC may require its employees to work in excess of a forty (40) hour workweek. This work may be required before or after regular working hours during the normal workweek, or on Saturday or Sundays. Compensation related to overtime will be paid to Non Exempt Employees in accordance with federal and state wage and hour laws. All time sheets or records requesting payment for overtime hours must be submitted by the designated deadline for each pay period. The refusal to work overtime and/or violations of this Policy may result in disciplinary action, up to and including immediate termination.
- (b) Overtime compensation will be payable to Non Exempt Employees for all hours actually worked in excess of forty (40) hours per work week at a rate of one and one half (1 ½) times the Non Exempt Employee's regular hourly rate of pay. Any time an employee is on Leave or not otherwise working will not constitute hours worked and will not be included in the calculation of overtime. In compliance with applicable laws, hours worked each week may not be averaged over two (2) or more weeks; each week must stand alone. Applicable laws provide for exemption of all professional, administrative, and executive positions, among others, as defined in the statutes, from compliance with the overtime provisions of the Fair Labor Standards Act. Exempt Employees are not eligible for overtime compensation.
- (c) Non Exempt Employees shall not work in excess of forty (40) hours in a workweek without prior written approval from the Executive Director. If, during any workweek, a Non Exempt Employee has reason to believe that he or she will work more than forty (40) hours, the employee shall provide to the Executive Director with advance notice. The Executive Director will either deny the request, and if necessary, modify the Non Exempt Employee's schedule to ensure that no more than forty (40) hours will be worked, or approve the request. Working in excess of forty (40) hours in a workweek without prior written approval from the Executive Director may result in disciplinary action.

Income Statement

MIDLAND DEVELOPMENT CORPORATION
INCOME STATEMENT FOR THE 5 MONTHS ENDED
February 29, 2024

	Feb-24	YTD	Budgeted Amount
Revenue	\$1,805,728.49	\$5,037,664.70	\$12,976,644.00
40100 - State Sales Tax	\$1,673,418.77	\$4,327,477.04	\$12,000,000.00
40600 - Public ROW Use Fees	\$0.00	\$0.00	\$0.00
43000 - Interest	\$0.00	\$100,478.89	\$0.00
43010 - Interest - Nonpooled Invest	\$50,922.72	\$201,586.66	\$0.00
46190 - Miscellaneous Rentals	\$81,387.00	\$406,935.00	\$976,644.00
48480 - Reimbursement of Budget Exp	\$0.00	\$1,187.11	\$0.00
4235150 - Midland Dvlpmt Corp Revenue	\$1,805,728.49	\$5,037,664.70	\$12,976,644.00

Expense	\$233,731.21	\$2,726,363.17	\$26,583,805.00
51010 - Base Salary	\$25,181.85	\$136,551.79	\$360,047.00
51090 - Fica MDC Portion	\$1,944.44	\$9,050.00	\$29,038.00
51110 - Health Insurance	\$3,509.82	\$13,073.90	\$28,440.00
51135 - ACCE Profit Sharing	\$1,481.94	\$8,853.05	\$25,203.00
52010 - Office Supplies	\$93.71	\$1,411.35	\$6,500.00
52110 - Motor Vehicle Supplies	\$0.00	\$97.55	\$1,500.00
52115 - Minor Furniture & Fixtures	\$0.00	\$0.00	\$1,000.00
52155 - Minor Computer Hrdwre & Periph	\$0.00	\$0.00	\$12,000.00
52160 - Computer Software & Supplies	\$0.00	\$24,833.37	\$35,000.00
52620 - Postage	\$136.60	\$315.24	\$1,000.00
53010 - Communication	\$1,100.48	\$6,779.06	\$17,000.00
53030 - Light & Power	\$7.51	\$37.83	\$150.00
53110 - Insurance-External	\$493.00	\$779.00	\$150,000.00
53212 - Equipment Rental-External	\$334.98	\$1,674.90	\$5,000.00
53220 - Advertising	\$1,938.86	\$121,798.78	\$225,000.00
53370 - Grounds Maintenance	\$3,800.57	\$11,001.04	\$25,000.00
53405 - Software Maintenance	\$1,525.54	\$7,627.70	\$15,000.00
53440 - External Audit Fees	\$0.00	\$15,722.48	\$40,000.00
53450 - Consulting Fees	\$1,237.50	\$81,237.50	\$500,000.00
53510 - Travel & Entertainment	\$325.08	\$7,373.65	\$10,000.00
53520 - Dues & Subscriptions	\$704.79	\$7,878.51	\$17,000.00
53530 - Training,Registration Fees,Etc	\$0.00	-\$300.00	\$15,000.00
53905 - Economic Development Incentive	\$0.00	\$0.00	\$9,098,141.00
53907 - Business Recruitment & Retentn	\$10,248.46	\$57,482.05	\$70,000.00
53909 - Prior Year Committed Incentives	\$126,823.30	\$1,834,744.13	\$13,464,662.00
53920 - Rent	\$5,817.00	\$29,085.00	\$69,804.00
54010 - Building Maintenance	\$9,945.78	\$29,598.01	\$80,000.00
55120 - Maint. - Instruments & Appara.	\$0.00	\$592.63	\$1,200.00
56188 - MOTRAN	\$0.00	\$71,250.00	\$142,500.00
56202 - General Fund Services	\$37,080.00	\$185,400.00	\$444,960.00
56410 - Payment of Principal	\$0.00	\$0.00	\$70,605.00
56420 - Interest Expense	\$0.00	\$0.00	\$6,595.00
56910 - Depreciation Expense	\$0.00	\$0.00	\$416,460.00
56995 - Project Non Capital - Promotions	\$0.00	\$62,414.65	\$1,200,000.00
235235 - Midland Development Corp	\$233,731.21	\$2,726,363.17	\$26,583,805.00

February 2024 Net Income: \$1,571,997.28

Year-to-Date Net Income: \$2,311,301.53

Balance Sheet

MIDLAND DEVELOPMENT CORPORATION
BALANCE SHEET FOR THE PERIOD ENDED
February 29, 2024
(Used for Internal Purposes Only)

ASSETS

Current Assets

Cash and cash equivalents	25,599,139	
Investments	7,758,523	
Sales tax receivable	-	
Prepaid expenses	133,644	
Accounts receivable	-	
	33,491,306	

Non-Current Assets

Capital Assets, net	31,847,303	
Forgivable Loans		
Made to Primary Government	2,984,110	
Made to Other	6,579	
Total Forgivable Loans	2,990,689	
		34,837,992

Total Assets	\$ 68,329,298
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LIABILITIES AND NET POSITION

Liabilities

Accounts payable	190,895	
Retainage Payable	130,200	
Capital Leases payable	565,054	
Commitments payable		
Due within one year	11,845,874	
Due in more than one year	45,676,647	
Total Commitments Payable	57,522,521	
		58,408,670

Net Position

Net investment in capital assets	31,847,303	
Restricted for Forgivable Loans	2,990,689	
Restricted for Capital Leases	565,054	
Promotions	2,446,522	
Unrestricted	(27,928,940)	
	9,920,627	

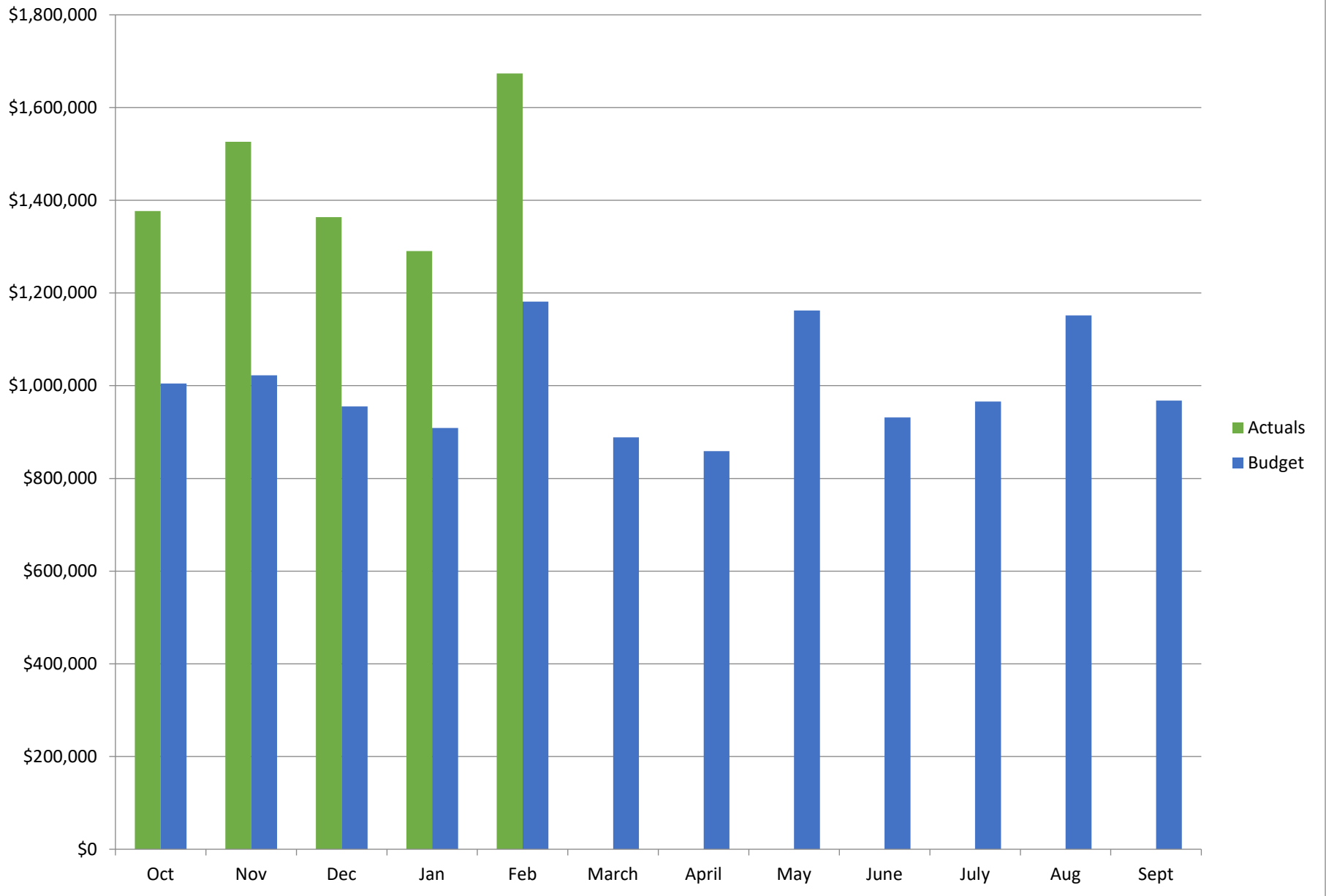
Total Liabilities and Net Position	\$ 68,329,298
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Sales Tax Revenue

Sales Tax Variance

	2021-2022	2022-2023	% Change	2022-2023	2023-2024	% Change	YTD Change
October	\$971,343.63	\$1,416,510.48	45.83%	\$1,416,510.48	\$1,376,937.05	-2.79%	-2.79%
November	\$1,156,353.89	\$1,364,595.51	18.01%	\$1,364,595.51	\$1,526,083.42	11.83%	4.38%
December	\$1,013,549.80	\$1,380,834.52	36.24%	\$1,380,834.52	\$1,363,408.12	-1.26%	2.51%
January	\$1,117,874.02	\$1,358,336.22	21.51%	\$1,358,336.22	\$1,290,650.15	-4.98%	0.67%
February	\$1,434,528.04	\$1,649,985.00	15.02%	\$1,649,985.00	\$1,673,418.77	1.42%	0.84%
March	\$983,421.74	\$1,344,612.50	36.73%	\$1,344,612.50			
April	\$1,015,116.31	\$1,266,881.01	24.80%	\$1,266,881.01			
May	\$1,487,467.44	\$1,597,917.80	7.43%	\$1,597,917.80			
June	\$1,218,236.38	\$1,325,843.43	8.83%	\$1,325,843.43			
July	\$1,326,275.50	\$1,395,392.32	5.21%	\$1,395,392.32			
August	\$1,582,536.23	\$1,662,691.61	5.06%	\$1,662,691.61			
September	\$1,303,011.95	\$1,328,790.99	1.98%	\$1,328,790.99			
Annual Total	\$14,609,714.93	\$17,092,391.39	16.99%	\$17,092,391.39	\$7,230,497.51		

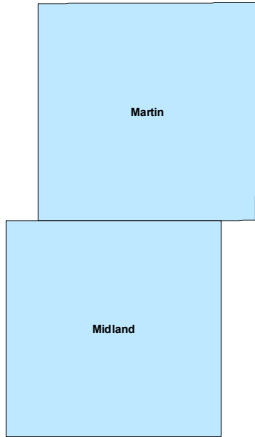
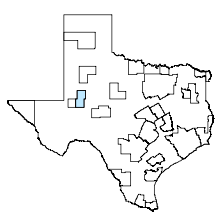
Sales Tax Actuals vs Budget Estimates



Activity Report

Midland MSA

December 2023

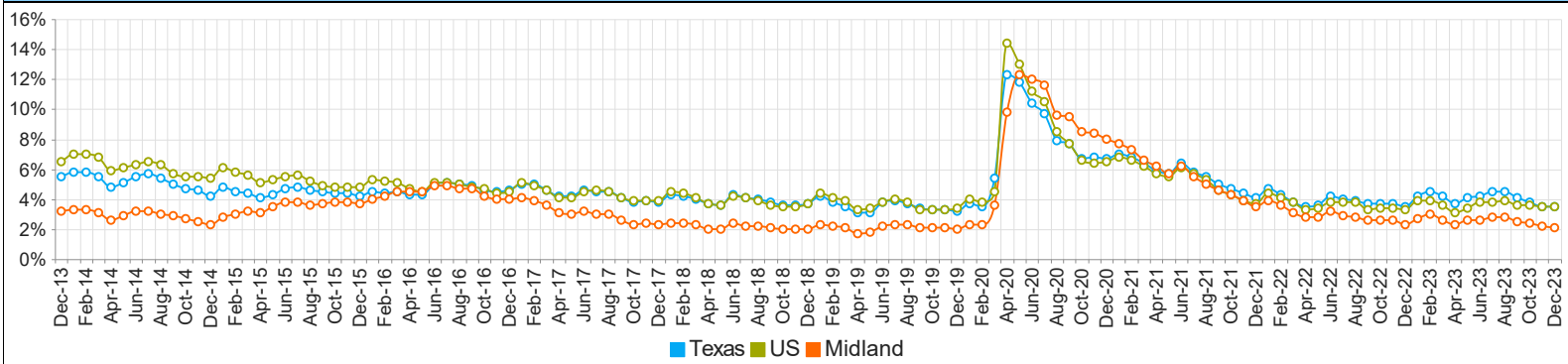


MSA Labor Force Statistics				
	Dec-23	Nov-23	Dec-22	Yearly Change
Civilian Labor Force	115,613	116,728	111,759	3,854
Employed	113,195	114,215	109,213	3,982
Unemployed	2,418	2,513	2,546	-128
Unemployment Rate	2.1%	2.2%	2.3%	-0.2%

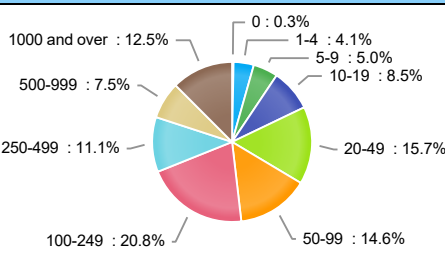
Texas Labor Force Statistics				
	Dec-23	Nov-23	Dec-22	Yearly Change
Civilian Labor Force	15,147,835	15,276,313	14,773,939	373,896
Employed	14,619,352	14,741,641	14,260,768	358,584
Unemployed	528,483	534,672	513,171	15,312
Unemployment Rate	3.5%	3.5%	3.5%	0.0%

US Labor Force Statistics				
	Dec-23	Nov-23	Dec-22	Yearly Change
Civilian Labor Force	166,661,000	167,977,000	164,224,000	2,437,000
Employed	160,754,000	162,149,000	158,872,000	1,882,000
Unemployed	5,907,000	5,827,000	5,352,000	555,000
Unemployment Rate	3.5%	3.5%	3.3%	0.2%

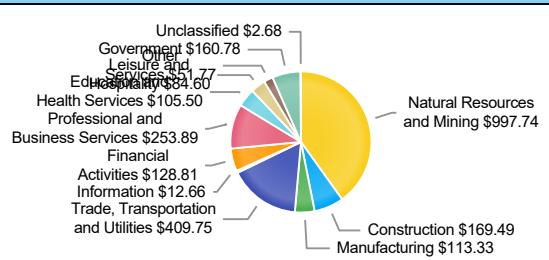
Historical Unemployment Rates



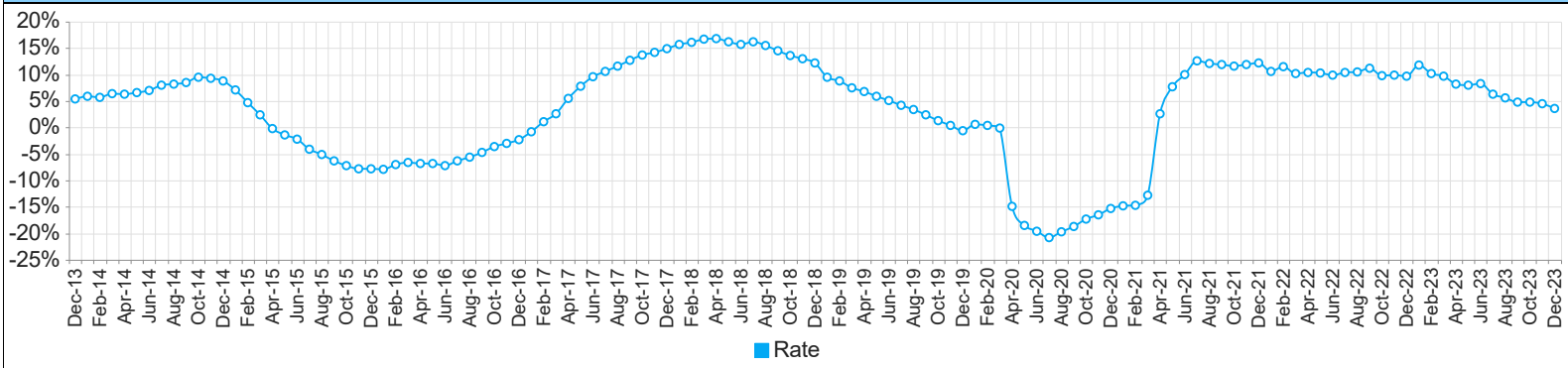
Employment by Size Class (2nd Quarter 2023)



Wages by Industry (in millions) (2nd Quarter 2023)



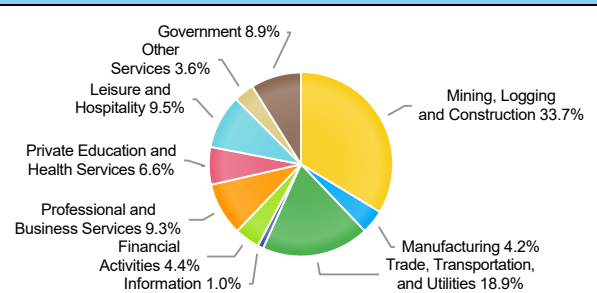
Annual Growth Rate Total Non-agricultural employment



Employment by Industry (December 2023)

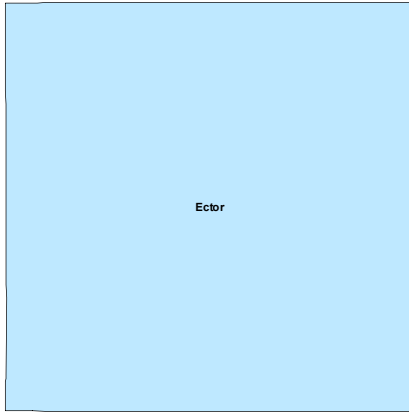
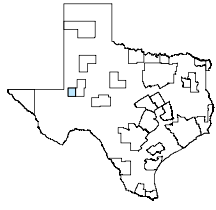
Industry	Current Month Employment	% Monthly Change	% Yearly Change
Total Nonfarm	122,600	-0.1%	3.6%
Mining, Logging and Construction	41,300	-0.7%	4.8%
Manufacturing	5,100	0.0%	2.0%
Trade, Transportation, and Utilities	23,200	1.3%	3.6%
Information	1,200	0.0%	0.0%
Financial Activities	5,400	0.0%	1.9%
Professional and Business Services	11,400	0.0%	-1.7%
Private Education and Health Services	8,100	0.0%	3.8%
Leisure and Hospitality	11,600	-0.9%	0.0%
Other Services	4,400	0.0%	7.3%
Government	10,900	0.0%	10.1%

Employment by Industry (December 2023)



Odessa MSA

December 2023



Ector

MSA Labor Force Statistics

	Dec-23	Nov-23	Dec-22	Yearly Change
Civilian Labor Force	86,974	87,547	85,044	1,930
Employed	84,456	84,985	82,445	2,011
Unemployed	2,518	2,562	2,599	-81
Unemployment Rate	2.9%	2.9%	3.1%	-0.2%

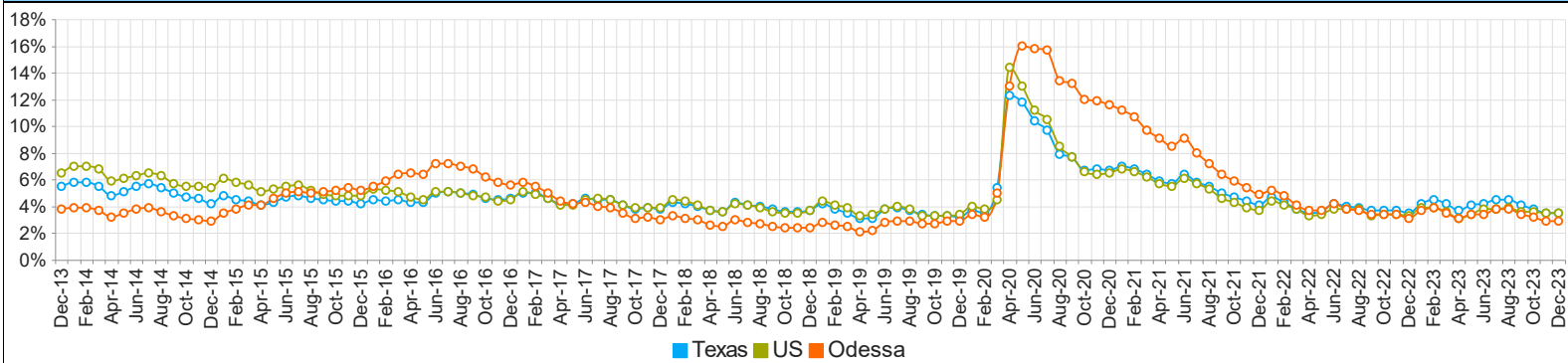
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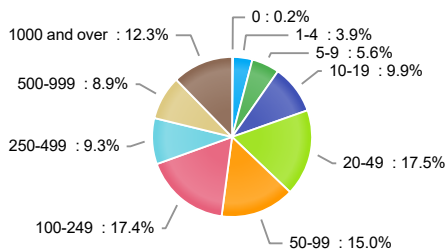
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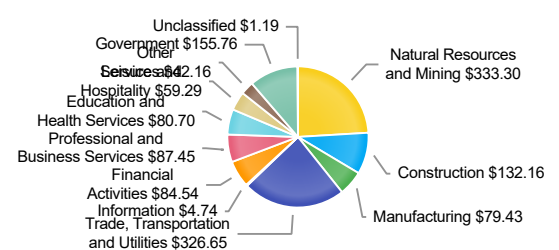
Historical Unemployment Rates



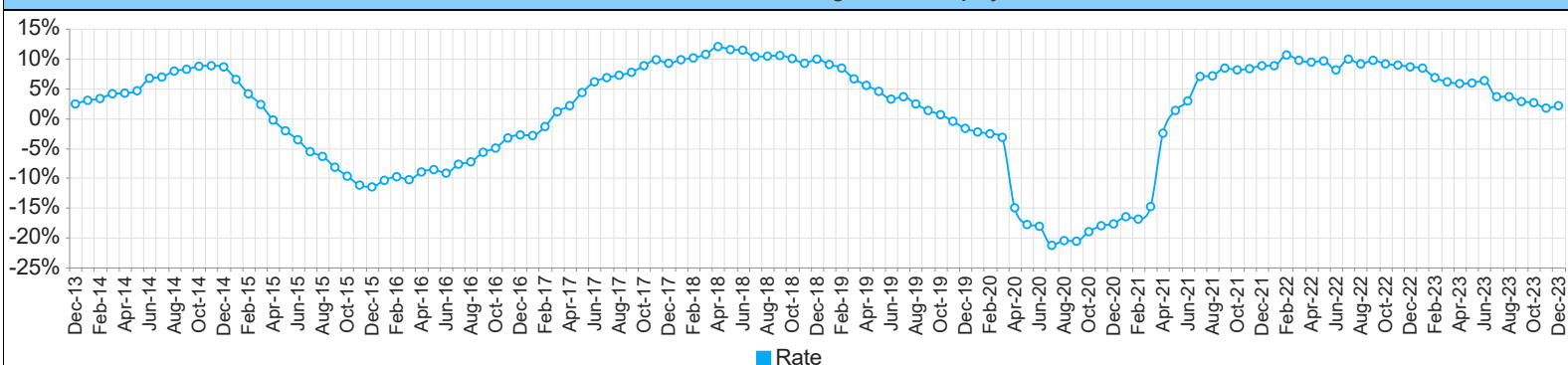
Employment by Size Class (2nd Quarter 2023)



Wages by Industry (in millions) (2nd Quarter 2023)



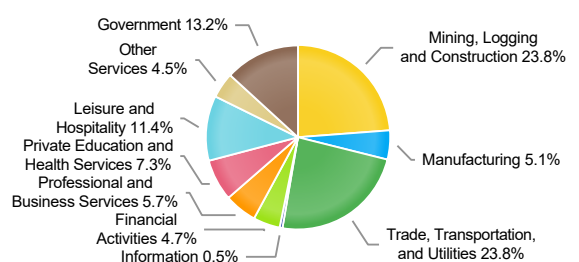
Annual Growth Rate Total Non-agricultural employment



Employment by Industry (December 2023)

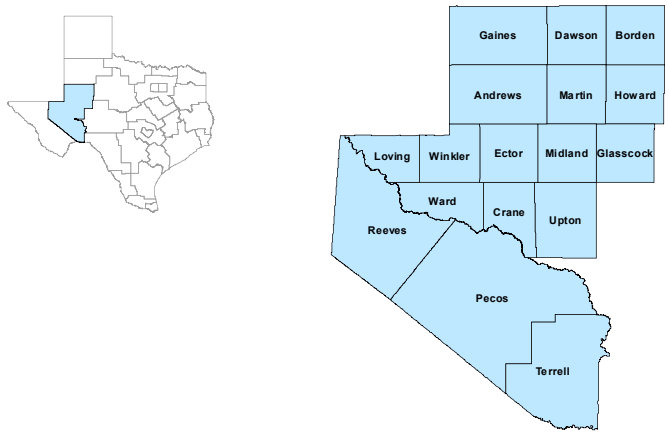
Industry	Current Month Employment	% Monthly Change	% Yearly Change
Total Nonfarm	82,600	0.4%	2.1%
Mining, Logging and Construction	19,700	0.0%	3.7%
Manufacturing	4,200	0.0%	2.4%
Trade, Transportation, and Utilities	19,700	2.1%	1.0%
Information	400	0.0%	0.0%
Financial Activities	3,900	0.0%	0.0%
Professional and Business Services	4,700	-2.1%	0.0%
Private Education and Health Services	6,000	0.0%	3.4%
Leisure and Hospitality	9,400	1.1%	3.3%
Other Services	3,700	0.0%	2.8%
Government	10,900	-0.9%	0.9%

Employment by Industry (December 2023)



Permian Basin Workforce Development Area

December 2023



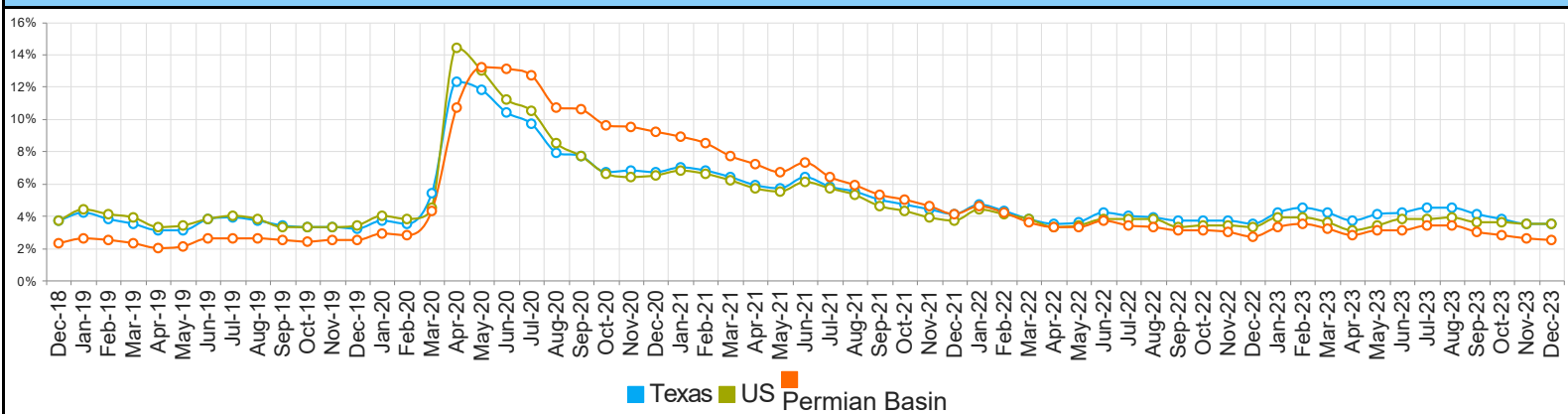
WDA Labor Force Statistics				
	Dec-23	Nov-23	Dec-22	Yearly Change
Civilian Labor Force	272,517	275,176	265,822	6,695
Employed	265,690	268,121	258,561	7,129
Unemployed	6,827	7,055	7,261	-434
Unemployment Rate	2.5%	2.6%	2.7%	-0.2%

Texas Labor Force Statistics				
	Dec-23	Nov-23	Dec-22	Yearly Change
Civilian Labor Force	15,147,835	15,276,313	14,773,939	373,896
Employed	14,619,352	14,741,641	14,260,768	358,584
Unemployed	528,483	534,672	513,171	15,312
Unemployment Rate	3.5%	3.5%	3.5%	0.0%

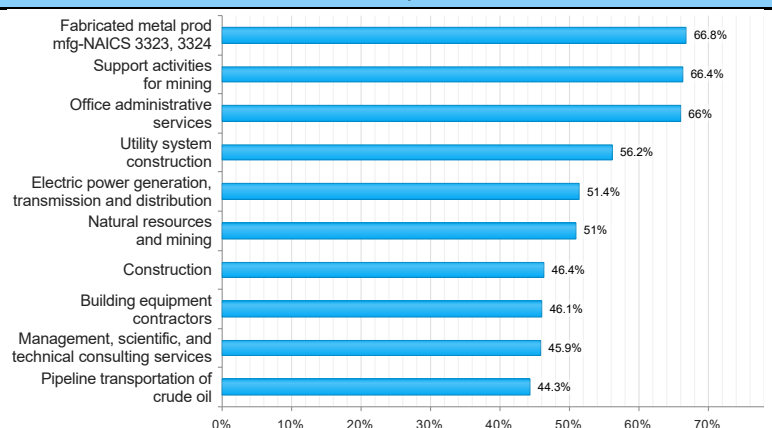
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Unemployed	5,907,000	5,827,000	5,352,000	555,000
Unemployment Rate	3.5%	3.5%	3.3%	0.2%

Continued Claims for the Week of the 12th				
	Dec-23	Nov-23	Dec-22	Yearly Change
WDA	1,054	1,031	801	253
Texas	112,831	109,441	89,234	23,597

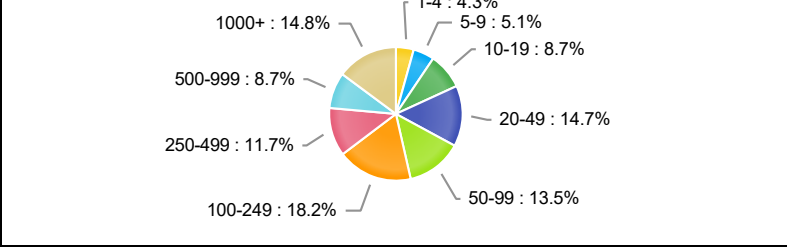
Historical Unemployment Rates



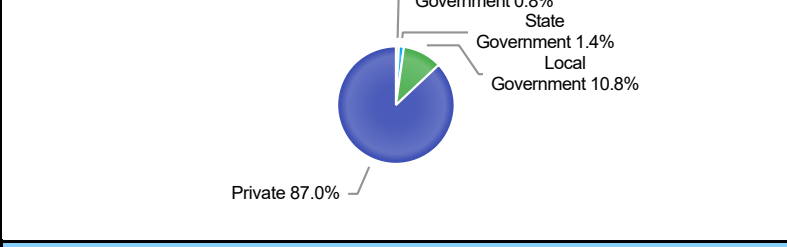
Projected Top Ten Fastest Growing Industries in WDA (% Growth 2020-2030)



Employment by Size Class (2nd Quarter 2023)



Employment by Ownership (2nd Quarter 2023)

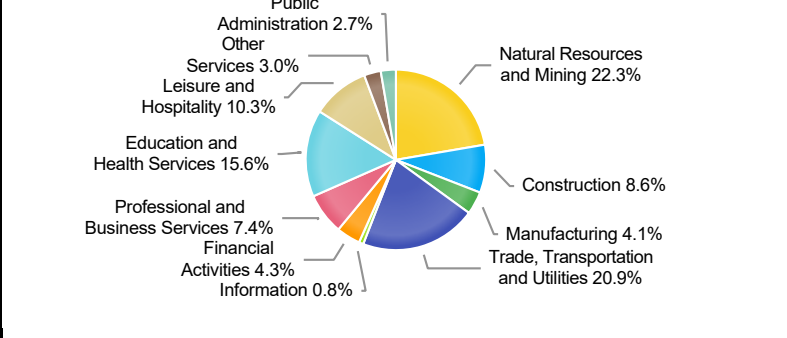


Average Weekly Wage (2nd Quarter 2023)					
	Q2 2023	Q1 2023	Q2 2022	Quarterly Change	Yearly Change
WDA	\$1,474	\$1,655	\$1,378	\$-181	\$96
Texas	\$1,322	\$1,480	\$1,281	\$-158	\$41
US	\$1,332	\$1,465	\$1,291	\$-133	\$41

Employment by Industry (2nd Quarter 2023, Percent Change)

Industry	Employment	% of Total	% Quarterly Change	% Yearly Change
Natural Resources and Mining	57,181	22.3%	2.4%	14.9%
Construction	22,001	8.6%	1.6%	12.3%
Manufacturing	10,419	4.1%	2.4%	2.9%
Trade, Transportation and Utilities	53,642	20.9%	1.3%	5.8%
Information	1,978	0.8%	6.3%	3.4%
Financial Activities	11,029	4.3%	1.1%	3.9%
Professional and Business Services	19,017	7.4%	1.0%	6.8%
Education and Health Services	40,004	15.6%	0.3%	2.1%
Leisure and Hospitality	26,305	10.3%	2.4%	2.4%
Other Services	7,703	3.0%	1.7%	9.7%
Public Administration	6,919	2.7%	1.6%	-2.5%

Employment by Industry (2nd Quarter 2023)





BUSINESS RETENTION & EXPANSION

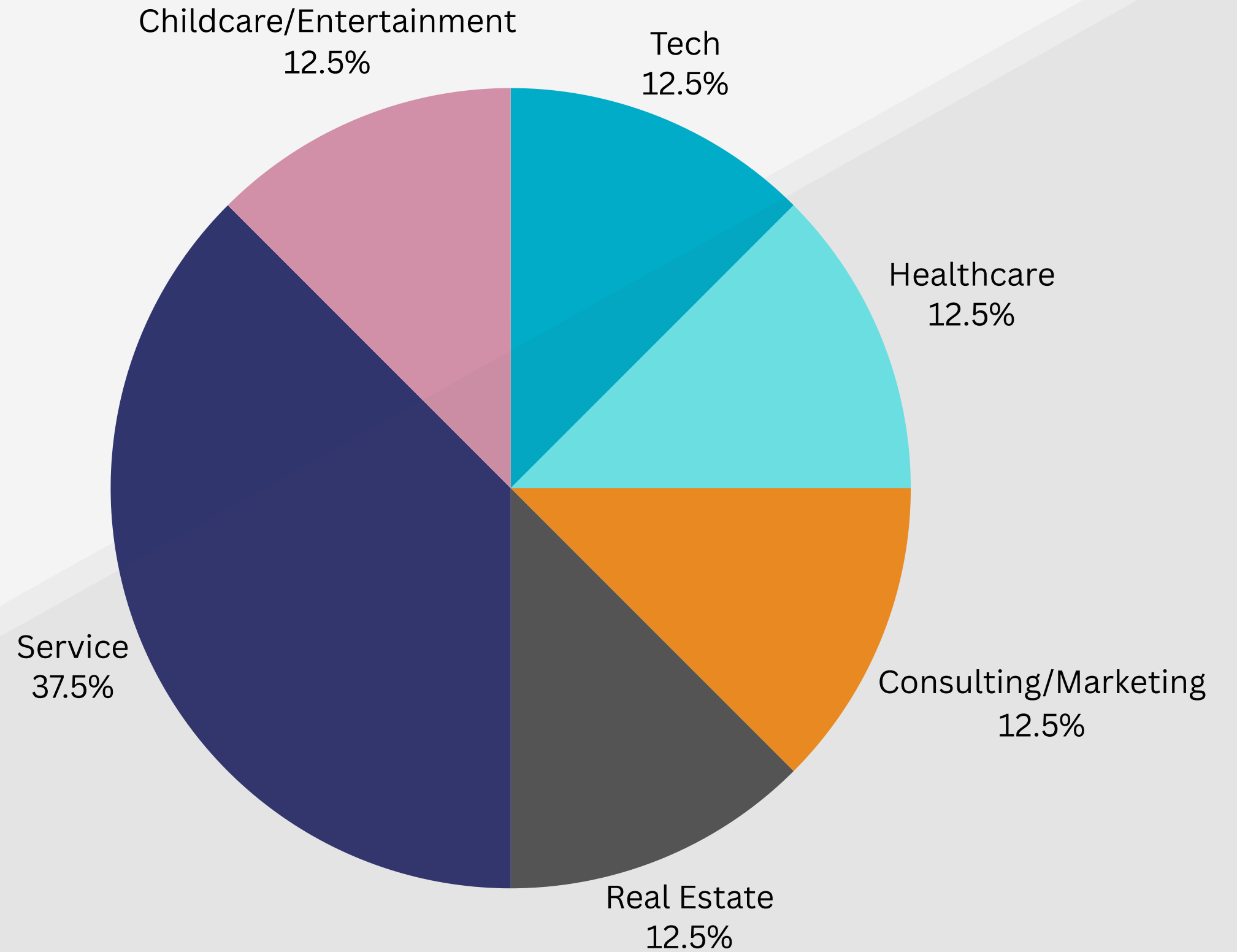
FEBRUARY 2024



BRE COORDINATOR:
SAMMI STEELE THOMAS



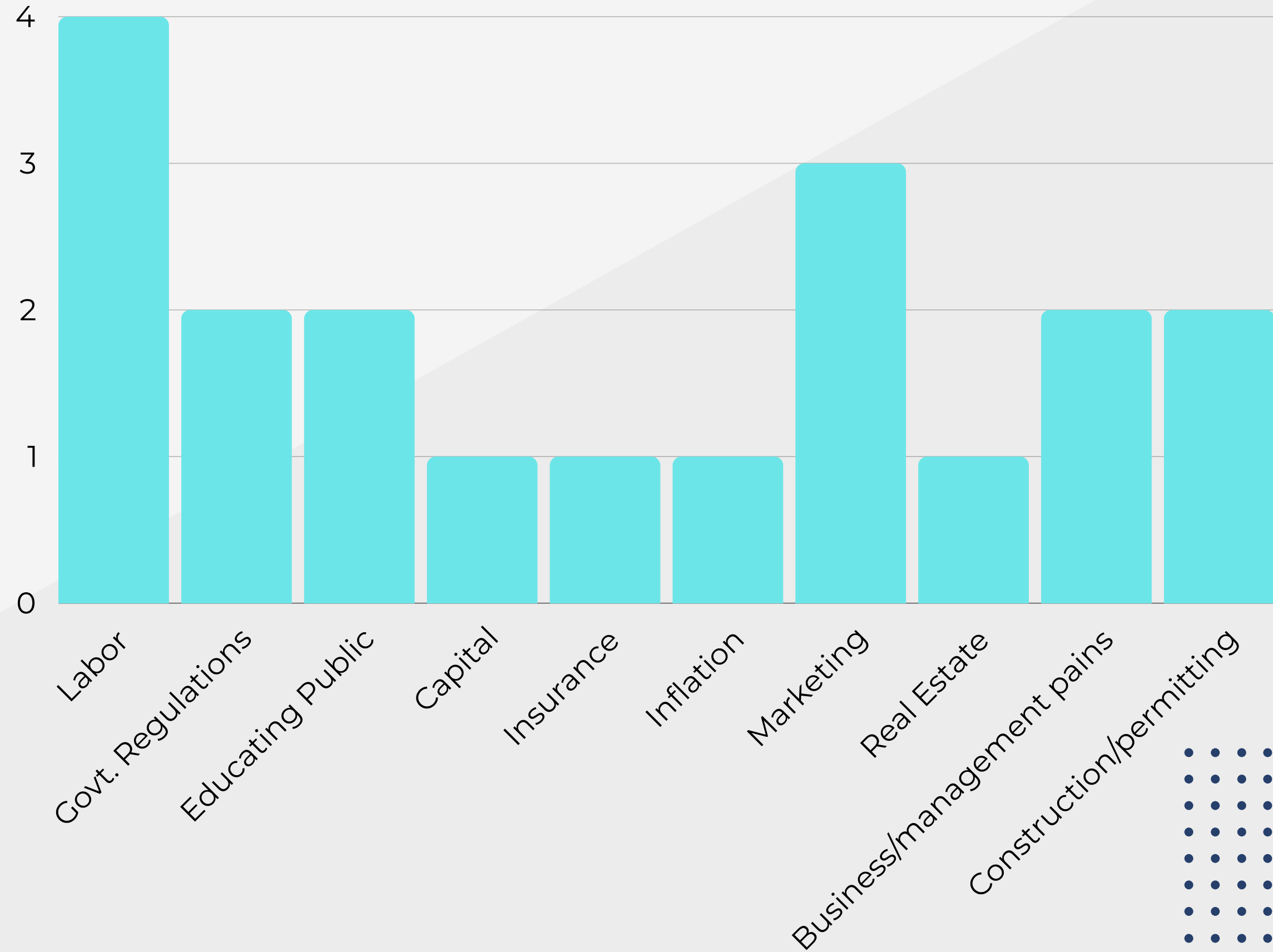
WHAT KIND OF BUSINESSES DID WE VISIT IN FEBRUARY?



8 BUSINESS VISITS



WHAT FACTORS ARE IMPACTING BUSINESSES?





BIG TAKEAWAYS?



GOING TO BID

Local businesses want to take part in the city's bidding process for projects. The entrepreneurs voiced how they would like the city to shop local, before outsourcing. However, they don't know how to navigate getting better plugged into the process.

FEMALE & MINORITY OWNED BUSINESSES

This month, I met with multiple female and minority owned businesses who raised questions about why Midland does not incentivize or offer any grants for female and/or minority owned businesses. One business mentioned while Midland is a younger town than most, there's still prejudice when it comes to how they run their business because they are female.

PROPERTY HEADACHES

Other things that were mentioned to me this month were issues revolving around having a physical business location. I heard about building out, road construction and AC/heating issues. One business mentioned how they weren't notified that the roads around their property were going to be completely redone so their clients assumed they were closed. Another business mentioned how difficult it had been working with their property manager to have a functioning AC/heating unit and were forced to close a few days because of it. All that to say, time is money for these businesses and if time is wasted without warning or explanation entrepreneurs are going to be unhappy about it.



UPCOMING FOUNDERS BLEND



Wednesday, March 6
Second Story Coworking
8 am - 9 am

Blending Minds & Building Businesses

Business presenters: Air Compressor Solutions & I'd Rather Bake

Food & coffee donors: Scooter's and I'd Rather Bake

Location: Second Story Coworking

**For more details on
Founders Blend visit:**





QUESTIONS





MARKETING REPORT

February 12, 2024

Leadership
Midland

BRE
Survey

Spaceport
Marketing
Plan

Annual Report
& Spaceport
Marketing
Materials

Founders
Blend



TikTok &
Video
Content

MDC
Newsletter



FEBRUARY

SOCIAL MEDIA

Facebook

- 3,443 followers (+164 followers)
- Top posts: Entrepreneurial Challenge, Phases of Design BRE Post, Valentine's Day Cards

LinkedIn

- 1,974 followers (+98 followers)
- Top posts: Entrepreneurial Challenge, Valentine's Day Cards, Best of Midland Podcast

Instagram

- 2,796 followers (+76 followers)
- Top posts: Entrepreneurial Challenge, Valentine's Day Cards, MITRE and MDC Announcement

TikTok

- 1,954 (+36 followers)
- Wagner Noel PAC, Midland Entrepreneurial Challenge, BRE Survey Link

FOUNDERS BLEND

● February Founders Blend

- About 50 attendees
- Coffee by Scooter's Coffee and Breakfast by TidyUp!
- TidyUp! and Atrox Technologies



GOALS:

- **OBTAIN COMMUNITY BUY IN**
 - **COMMUNITY EDUCATION & ANSWERING THE QUESTIONS:**
 - **WHAT IS THE SPACEPORT?**
 - **WHAT'S THE POINT?**
 - **WHY SHOULD I CARE?**
 - **BUILD EXCITEMENT**
- **BUILD DIGITAL PRESENCE**
 - **THROUGH SOCIAL MEDIA AND WEBSITE**
 - **OUR MEDIAN AGE IS 31 AND THOSE MIDLANDERS ARE USING SOCIAL MEDIA AND GOOGLE FOR THEIR ANSWERS.**
 - **VISITORS, PROSPECTS, AND INVESTORS LANDING PAGE**



ACTION PLAN:

- WEBSITE REVAMP
 - WWW.MIDLANDTXSPACEPORT.COM
- BUILD UP SOCIAL MEDIA PRESENCE
 - INSTAGRAM AND FACEBOOK: @MIDLANDTXSPACEPORT
 - TIKTOK
- AD SPACE AND SIGNAGE
 - LOCAL MIDLAND BUSINESS SPACE
- PUBLIC RELATIONS
 - NEWS STATIONS & NEWSPAPER
- LOCAL ENGAGEMENT
 - FLY INTO FALL

