

**NOTICE OF MEETING OF BOARD OF DIRECTORS OF
 BASTROP ECONOMIC DEVELOPMENT CORPORATION (BEDC)
 Monday, August 16, 2021 – 5:00 P.M.
 Bastrop City Hall, 1311 Chestnut Street, Bastrop, Texas**

1. CALL TO ORDER

 The Bastrop EDC Board reserves the right to convene into Executive Session at any time during the meeting regarding any agenda item in compliance with the Texas Open Meetings Act, Chapter 551 Government Code.

2. PUBLIC COMMENT(S)

3. REGULAR BUSINESS & PRESENTATIONS

- 3.1. Approval of meeting minutes from the Joint Meeting with City Council on July 12, 2021, the Regular Board Meeting of July 19, 2021, and Special Board Meeting of July 26, 2021. **(page 3)**
- 3.2. Acceptance of financial report provided by City of Bastrop’s Chief Financial Officer for period ending July 2021. **(page 9)**
- 3.3. Discussion and possible action regarding the sale of the building located at 921 Main Street and leased by the Art Institute. **(page 18)**
- 3.4. Discussion and possible action on Resolution R-2021-0010 authorizing the execution of a Professional Services Agreement with Corix Utilities to perform a wastewater study in Bastrop’s extraterritorial jurisdiction (ETJ). **(page 23)**
- 3.5. Presentation, discussion and possible action about partnering with the Bastrop Chamber of Commerce and Visit Bastrop to host a career fair. **(page 40)**
- 3.6. Discussion and possible action regarding BEDC’s proposed budget for Fiscal Year 2021/2022, including action to modify the proposed budget and to adopt the FY 2022 budget, as proposed or modified. **(page 41)**
- 3.7. Receive updates from BEDC staff – EDA (Economic Development Administration) webinars through CAPCOG (Capital Area Council of Governments); Regional Broadband Roundtable; CAEDD (Capital Area Economic Development District) quarterly meeting; bi-weekly meetings with the City; ARCIT (Association of Rural Communities in Texas); and continued participation in Bastrop Development Review Committee meetings. **(page 71)**
- 3.8. **A. Open Public Hearing** for the purpose of providing the general public with information concerning a proposed economic development project being considered by the BEDC, and for receiving public input regarding same, as follows: Pursuant to LGC Section 505.158, the BEDC is proposing to expend Type B economic development funds to undertake and to fund a Performance Agreement with Moca Ventures Nebraska, LLC, in an amount not to exceed \$900,000 for development of an office complex and campus for engineering software and additional business development and expansion in the Bastrop Business and Industrial Park. **(page 72)**

B. Close Public Hearing.

- 3.9. Discussion and possible action on Resolution R-2021-0011 approving an amended performance agreement with Moca Ventures Nebraska, LLC (formerly known as John Baasch Augers and Flighting Inc. and Project Swipe). **(page 73)**

4. EXECUTIVE SESSION

- 4.1. The Bastrop EDC Board of Directors will meet in a closed/executive session pursuant to the Texas Government Code, Chapter 551, to discuss the following:
- (1) **Sections 551.072 & 551.087** Deliberation regarding the commercial or financial information, as well as the purchase, exchange, lease, or value of real property received on Projects – Walk of Fame; South Forty; Super Glue; and Fiesta.
 - (2) **Section 551.071** Consultation with Attorney regarding lawsuit filed by former Chief Executive Officer Cox against the Bastrop EDC.
 - (3) **Section 551.074** Personnel Matters – Discussion on Chief Executive Officer Position.
- 4.2. The Bastrop EDC Board of Directors will reconvene into open session to discuss, consider, and take any action necessary related to the executive sessions noted herein.

5. ADJOURNMENT

CERTIFICATE

I, Angela Ryan, Operations Manager of the Bastrop Economic Development Corporation (Bastrop EDC), certify that this Notice of Meeting was posted at Bastrop City Hall, 1311 Chestnut Street, and on the Bastrop EDC's website on this the 13th of August 2021 at 5:00 p.m. Copies of this agenda have been provided to those members of the media requesting such information.

Angela Ryan

Angela Ryan, BEDC Operations Manager

THE BASTROP ECONOMIC DEVELOPMENT CORPORATION IS COMMITTED TO COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT. REASONABLE MODIFICATIONS AND EQUAL ACCESS WILL BE PROVIDED UPON REQUEST. PLEASE CALL 512-303-9700.



Agenda Item: 3.1

AGENDA MEMORANDUM

Meeting Date: August 16, 2021

Agenda Item: Approval of meeting minutes from the Joint Meeting with City Council on July 12, 2021, the Regular Board Meeting of July 19, 2021, and Special Board Meeting of July 26, 2021.

Prepared by: BEDC Staff

Attached for the Board’s review are the meeting minutes from the following board meetings:

- Joint Meeting with City Council, July 12, 2021
- Regular Board Meeting, July 19, 2021
- Special Board Meeting, July 26, 2021

Recommendation – Approve the meeting minutes as submitted.

[RECOMMENDED MOTION] – I move to approve the three sets of meeting minutes as submitted.



**BASTROP ECONOMIC DEVELOPMENT CORPORATION (BEDC)
BOARD OF DIRECTORS
Minutes of Special Joint Workshop Meeting, July 12, 2021
Bastrop City Hall, 1311 Chestnut Street, Bastrop, Texas**

The Bastrop City Council and Bastrop Economic Development Corporation (BEDC) met in a Joint Workshop Meeting on Monday, July 12, 2021, at 5:00 p.m. at the Bastrop City Hall Council Chambers, located at 1311 Chestnut Street, Bastrop, Texas. Members present for the Bastrop City Council were: Mayor Schroeder, Mayor Pro Tem Nelson and Council Members Jackson, Crouch, Rogers, and Peterson. Officers present were: City Manager Paul A. Hofmann, Deputy City Secretary Victoria Psencik, and City Attorney Alan Bojorquez. Members present for BEDC were: Board Chair Kathryn Nash and Board Members Ron Spencer, Jeff Haladyna, Sam Kier, William Gossett, and Kevin Plunkett. BEDC staff members present were: Interim Executive Director Genora Young, Project Manager Jean Riemenschneider, Operations Manager Angela Ryan, and BEDC Attorney Charles Zech.

1. CALL TO ORDER

- a. Mayor Schroeder called the meeting of the Bastrop City Council to order with a quorum being present at 5:00 p.m.
- b. Bastrop Economic Development Corporation – Chair Kathryn Nash called the meeting of the Bastrop Economic Development Corporation to order with a quorum being present at 5:00 p.m.

2. WORKSHOP SESSION

- a. Review of Statutory Economic Development Corporation Guidelines
- b. Review of City of Bastrop Focus Areas and Priorities
- c. Review of Bastrop Economic Development Corporation Strategic Action Items 2020
- d. Review of Development Process

Mayor Schroeder recessed the Joint Council Meeting at 7:01 p.m.

Mayor Schroeder called the Joint Council Meeting back to order at 7:08 p.m.

- e. Discussion of Areas of Common Ground
- f. Discussion of Next Steps

3. ADJOURNMENT

- a. Mayor Schroeder adjourned the Bastrop City Council meeting at 8:18 p.m. without objection.
- b. Chair Kathryn Nash adjourned the Bastrop Economic Development Corporation meeting at 8:18 p.m. without objection.

APPROVED: _____
Kathryn Nash, Board Chair

ATTEST: _____
Angela Ryan, Operations Manager

BASTROP ECONOMIC DEVELOPMENT CORPORATION (BEDC)
BOARD OF DIRECTORS
Minutes of Monthly Meeting, July 19, 2021
Bastrop City Hall, 1311 Chestnut Street, Bastrop, Texas

The Bastrop Economic Development Corporation (BEDC) met on Monday, July 19, 2021, at 5:00 p.m. for a Regular Board Meeting at Bastrop City Hall, 1311 Chestnut Street. Board members present: Kathryn Nash, Kevin Plunkett, Sam Kier, Connie Schroeder, Ron Spencer, and Jeff Haladyna. Board member Bill Gossett was absent. Staff members present: Genora Young and Jean Riemenschneider. BEDC Attorney Charlie Zech was also present.

1. **CALL TO ORDER** – Board Chair Kathryn Nash called the meeting to order at 5:00 p.m.
2. **PUBLIC COMMENT(S)** – There were no public comments.
3. **REGULAR BUSINESS & PRESENTATIONS**
 - 3.1. Approval of meeting minutes from the Regular Board Meeting of June 21, 2021, and Special Board Meeting of June 30, 2021. Mr. Plunkett made the motion to approve both sets of minutes, Ms. Schroeder seconded, and the motion passed.
 - 3.2. Acceptance of financial report provided by City of Bastrop's Chief Financial Officer for period ending June 2021. Mr. Kier made the motion to accept the financial report as submitted, Mr. Haladyna seconded, and the motion passed.
 - 3.3. Discussion and possible action on amending the amount of The Art Institute's reimbursement to BEDC for tenant improvements on 921 Main Street. Mr. Kier made the motion to adjust the final amount of reimbursement to \$258,613.40, Mr. Spencer seconded, and the motion passed.
 - 3.4. Receive updates from BEDC staff: joint planning meetings, various meetings with prospects and staff; Capital Area Council of Governments (CAPCOG) Committee; participation with Project Committee and Communications Committee. Ms. Young gave an update to the Board.
 - 3.5. Public Hearing was cancelled.
4. **BUDGET WORKSHOP**
 - 4.1. Discussion and possible action regarding the draft budget for fiscal year 2021/2022, including potential programs and projects the Board of Directors want to include in the planning for next fiscal year. The board members discussed the budget for next fiscal year and suggested changes for the next draft.
 - 4.2. Presentation of funding requests by Trey Job, Assistant City Manager with the City of Bastrop. Assistant City Manager Trey Job gave a presentation about targeted infrastructure projects, which included: the Old Iron Bridge; recreation center/venue and related infrastructure; sports complex feasibility study; downtown lighting; Agnes Street extension; and broadband feasibility study.
5. **EXECUTIVE SESSION** – Board Chair Nash reported there was no need to convene into executive session.

6. **ADJOURNMENT** – Mr. Spencer made the motion to adjourn the meeting and Mr. Kier seconded. The board meeting was adjourned at 6:20 p.m.

APPROVED: _____
Kathryn Nash, Board Chair

ATTEST: _____
Angela Ryan, Operations Manager

BASTROP ECONOMIC DEVELOPMENT CORPORATION (BEDC)
BOARD OF DIRECTORS
Minutes of Special Meeting, July 26, 2021
Bastrop City Hall, 1311 Chestnut Street, Bastrop, Texas

The Bastrop Economic Development Corporation (BEDC) met on Monday, July 26, 2021, at 10:00 a.m. for a Special Meeting. Board members present: Kathryn Nash, Kevin Plunkett, Sam Kier, Connie Schroeder, Ron Spencer, Jeff Haladyna, and Bill Gossett. Staff members present: Genora Young, Angela Ryan, and Jean Riemenschneider.

1. **CALL TO ORDER** – Board Chair Nash called the Special Meeting to order at 10:00 a.m.
2. **PUBLIC COMMENT(S)** – There were no public comments.
3. **STRATEGIC PLANNING AND BUDGET WORKSHOP**
 - 3.1. Discussion and possible action on items discussed at the joint meeting with City Council held on July 12, 2021, including:
 - 1) Mission Statement – The board members began discussing the current mission statement: “The Bastrop Economic Development Corporation welcomes you to the next frontier of development for Central Texas.”
 - 2) Local Government Code – Type B – Sections 501-505 – Interim Executive Director Young reviewed portions of the Local Government Codes (LGCs) that govern a Type B economic development organization. Mr. Kier then offered his opinion that the list of projects currently being considered by the Board should be prioritized and also determine how well each project fits within the LGCs and if they fulfill the BEDC’s mission.
 - 3) Administrative/Operational Procedures and Process – Ms. Young gave a general overview of the process for adopting projects and the Board discussed it. The Board also discussed assisting Bastrop County with projects outside the city limits. Mr. Spencer recommended having a meeting with Bastrop County at least once a year. Ms. Nash requested an economic impact analysis and a timeline of each project be included when projects are presented to the Board.
 - 4) Incentives – Staff explained the current incentives available to businesses considering locating in Bastrop. Ms. Young stated that her opinion is not to be too specific as to what incentives will be offered to a project, but to be open and consider each project as a whole on a case-by-case basis. A list of possible incentives is listed on the BEDC’s website. Ms. Young would like to develop an incentives program for BRE (Business Expansion and Retention), in which case any incentives available to existing businesses should be more specific. The Board and staff also discussed that incentives are often not monetary in nature – they can range from connecting a project to other resources to working to develop an employee training program.

The meeting was recessed for lunch from 11:35 to 11:55 a.m.

Continuation of 1) Mission Statement – The Board continued discussion about the mission statement, including reviewing the one the BEDC had prior to adopting the current mission statement, as well as looking at those from some other communities. Ultimately the following new mission statement was agreed upon: “The mission of the Bastrop Economic

Development Corporation is to be a driving force to attract, support, and sustain the economic growth of the Bastrop Community.”

- 5) The City CIP Infrastructure Request – Assistant City Manager Trey Job had provided a handout for the Board’s review. The list of infrastructure projects included: Old Iron Bridge; recreation center; sports complex; downtown lighting; Agnes Street extension; and broadband. The Board agreed to add the following to the FY 2022 budget: the 1% match on the Agnes Street extension, in the amount of \$43,000; \$50,000 for a broadband feasibility study, with the request that the City negotiate a performance agreement with the BEDC and also present the proposal to the Board; \$50,000 for a feasibility study for a sports complex as recommended by the 2020 Garner Report, also with the understanding that a performance agreement would be needed; Old Iron Bridge – the majority of the Board agreed that the BEDC would help support the repairs to the bridge if necessary.
 - 6) Other City Funding Request – The Board agreed to include \$50,000 in the FY 2022 budget for support of the Main Street Program, contingent upon them entering into a new agreement with the BEDC. Mr. Kier suggested allocating \$12,500 per quarter and requiring quarterly updates from the Main Street Program. It was also agreed to add \$164,000 to the budget for downtown lighting.
 - 7) Bastrop EDC Projects, Programs, Infrastructure – The Board discussed the recommended priorities of the 2020 Strategic Plan. The consensus was that installing infrastructure in the Business Park is more important than a spec building. The BEDC is continuing their efforts toward attracting higher education. There will be \$50,000 budgeted next year for the feasibility study on a sports complex. The Board and Staff agreed that there should be a renewed effort for entrepreneur and small business assistance. Next year’s budget will include funds for hiring a “shepherd” to help guide projects through the development process. As for marketing, the BEDC has already completely revamped the brand, website, marketing materials, etc.
- 3.2. Discussion and possible action regarding the draft budget for fiscal year 2021/2022, including any proposed changes. The Board went over the draft budget for FY 2022. Mr. Kier reminded the Board that the estimated cost for the infrastructure of the southern portion of the Business Park is \$5 to \$8 million. The estimate for the two additional lanes on Agnes Street is \$2 million. He said he did not think it needed to be included in the FY 2022 budget, but that the Board should keep it in mind. The Board discussed the staffing at the BEDC office, and ultimately recommended budgeting for two additional staff members. The amount of the Corix study will be moved from this year’s budget to FY 2022, as well as the final payment for Project Gummy Bears.

4. ADJOURNMENT – The meeting was adjourned at 2:55 p.m.

APPROVED: _____
Kathryn Nash, Board Chair

ATTEST: _____
Angela Ryan, Operations Manager



Agenda Item: 3.2

AGENDA MEMORANDUM

Meeting Date: August 16, 2021

Agenda Item: Acceptance of July 2021 financial report provided by City of Bastrop’s Chief Financial Officer.

Prepared by: Tracy Waldron, City of Bastrop CFO

Attached for the Board’s review and consideration is the BEDC financial summary report for the period ending July 2021.

Attachment:
July 2021 Financial Report

Recommendation – Accept the financial summary report as submitted.

[RECOMMENDED MOTION] – I move to accept the July 2021 BEDC financial report as submitted.



Bastrop Economic Development Corporation

Financial Summary
For Period Ending
July 2021

bastrop

E D C

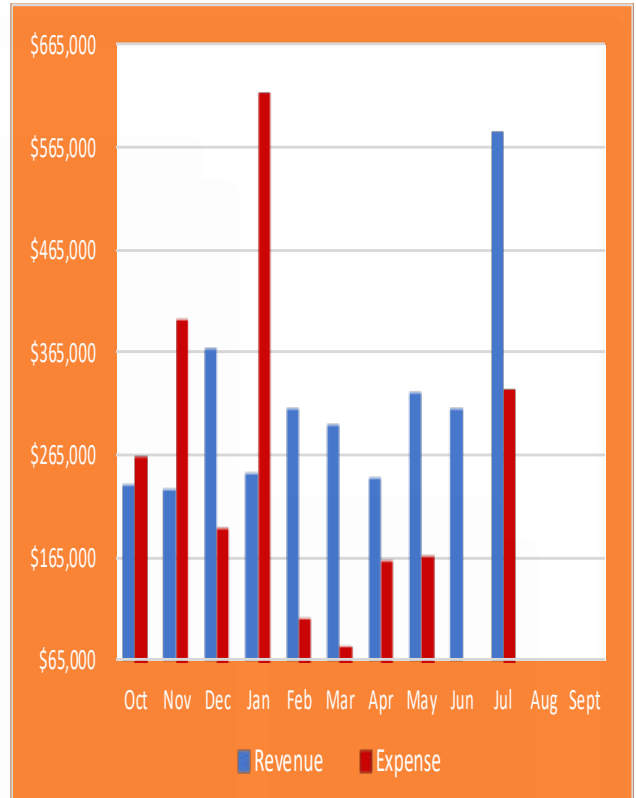




Summary of Revenues and Expenditures

As of July 31, 2021

<u>Month</u>	FY2021 <u>Revenue</u>	FY2021 <u>Expense</u>	Monthly <u>Variance</u>
Oct	\$ 235,414	\$ 264,145	\$ (28,731)
Nov	229,727	396,078	\$ (166,351)
Dec	367,034	195,297	\$ 171,737
Jan	245,860	615,651	\$ (369,791)
Feb	307,909	106,755	\$ 201,154
Mar	292,659	80,764	\$ 211,895
Apr	241,508	163,330	\$ 78,178
May	324,019	168,517	\$ 155,502
Jun	308,819	57,552	\$ 251,267
Jul	576,737	329,326	\$ 247,411
Aug			\$ -
Sept			\$ -
Total	\$ 3,129,686	\$ 2,377,415	\$ 752,271



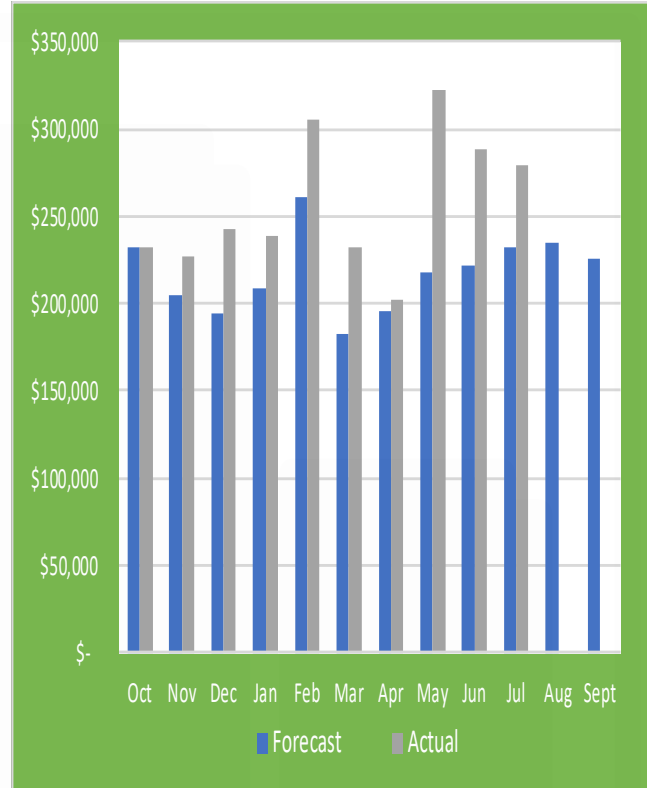
Positive

October was adjusted by the last draw from the Roscoe Bank loan for 921 Main St. project of \$120,000 which was reclassified to the loan liability account. The expenses are lower now that the capital projects are completed. The March revenue includes \$56,250 in 921 rental revenue that cover Jan-March rent payments. The Art Institute paid the finish out invoice in July which explains the higher amount.

Summary of Sales Tax Revenue

As of July 31, 2021

<u>Month</u>	<u>FY2021 Forecast</u>	<u>FY2021 Actual</u>	<u>Monthly Variance</u>
Oct	\$ 232,480	\$ 232,437	\$ (43)
Nov	205,073	227,506	\$ 22,433
Dec	193,970	242,312	\$ 48,342
Jan	208,509	239,340	\$ 30,831
Feb	260,635	304,769	\$ 44,134
Mar	182,444	231,987	\$ 49,543
Apr	195,478	202,420	\$ 6,942
May	217,404	322,437	\$ 105,033
Jun	221,541	288,517	\$ 66,976
Jul	232,748	278,814	\$ 46,066
Aug	234,572		
Sept	226,346		
Total	\$ 2,611,200	\$ 2,570,539	\$ 420,257
Forecast YTD	\$ 2,150,282		
Actual to Forecast	\$ 420,257	19.5%	



Positive

Sales Tax revenue is 89% of total revenue (excluding grant proceeds). The amount in Oct. and Nov. are estimated due to the timing of receiving the payments. The State Comptroller has a two month lag between month earned and month distributed. The Actual to forecast year to date is a positive 19.5%. This budget was conservative due to the volatility of this revenue source.

Expenditures Budget to Actual Comparison

As of July 31, 2021

OPERATING EXPENDITURES COMPARISON

<u>Category</u>	<u>FY2021 Forecast</u>	<u>FY2021 Actual</u>	<u>Monthly Variance</u>
Personnel	\$ 367,581	\$ 283,086	\$ 84,495
Supplies & Material	10,207	1,076	\$ 9,131
Maintenance & Repairs	13,360	13,860	\$ (500)
Occupancy	47,400	44,062	\$ 3,338
Contractual Service	345,390	231,868	\$ 113,522
Marketing/Advertising	1,513,483	867,001	\$ 646,482
Contingency	-	-	\$ -
Debt Service	<u>377,142</u>	<u>306,862</u>	<u>\$ 70,280</u>
Total	\$ 2,674,563	\$ 1,747,815	\$ 926,748

Forecast to Actual % 34.65%

Positive

The forecast to actual comparison is a positive 35% year-to-date.

Expenditures Budget to Actual Comparison

As of July 31, 2021

CAPITAL OUTLAY PROJECTS

<u>Project</u>	<u>FY2021 Budget</u>	<u>FY2021 Actual</u>	<u>Budget Balance</u>
Trail System Downtown loop (only engineering and permitting expenses so far)	\$ 43,000	\$ -	\$ 43,000
Bus. Ind. Park-Tech/MLK Infra* (only engineering expenses so far)	1,132,000	1,385	\$ 1,130,615
921 Main St. Project Engineering & Constr	630,000	629,600	\$ 400
Real Property This was for the grant proj that was replaced by the Gummy bear project	-	-	\$ -
Total	\$ 1,805,000	\$ 630,985	\$ 1,174,015

* This project funded by bond funds budgeted from the 2013 CO.

Expenditures Budget to Actual Comparison

As of July 31, 2021

380 DEVELOPMENT AGREEMENT

	FY2021 <u>Budget</u>	FY2021 <u>Actual</u>	Budget <u>Balance</u>
380 Agreement	\$ 285,000	\$ 271,709	\$ 13,291
Total	\$ 285,000	\$ 271,709	\$ 13,291

The only 380 Agreement still active is Burleson Crossing. This agreement states that 50% of the \$1.5 cent sales tax collected (which includes EDC's \$0.5) will be rebated back to the developer until the maximum reimbursement amount is met or 15 years (which would also be FY2023).

The payoff amount wasn't specific to EDC it was a combined rebate amount with the City.

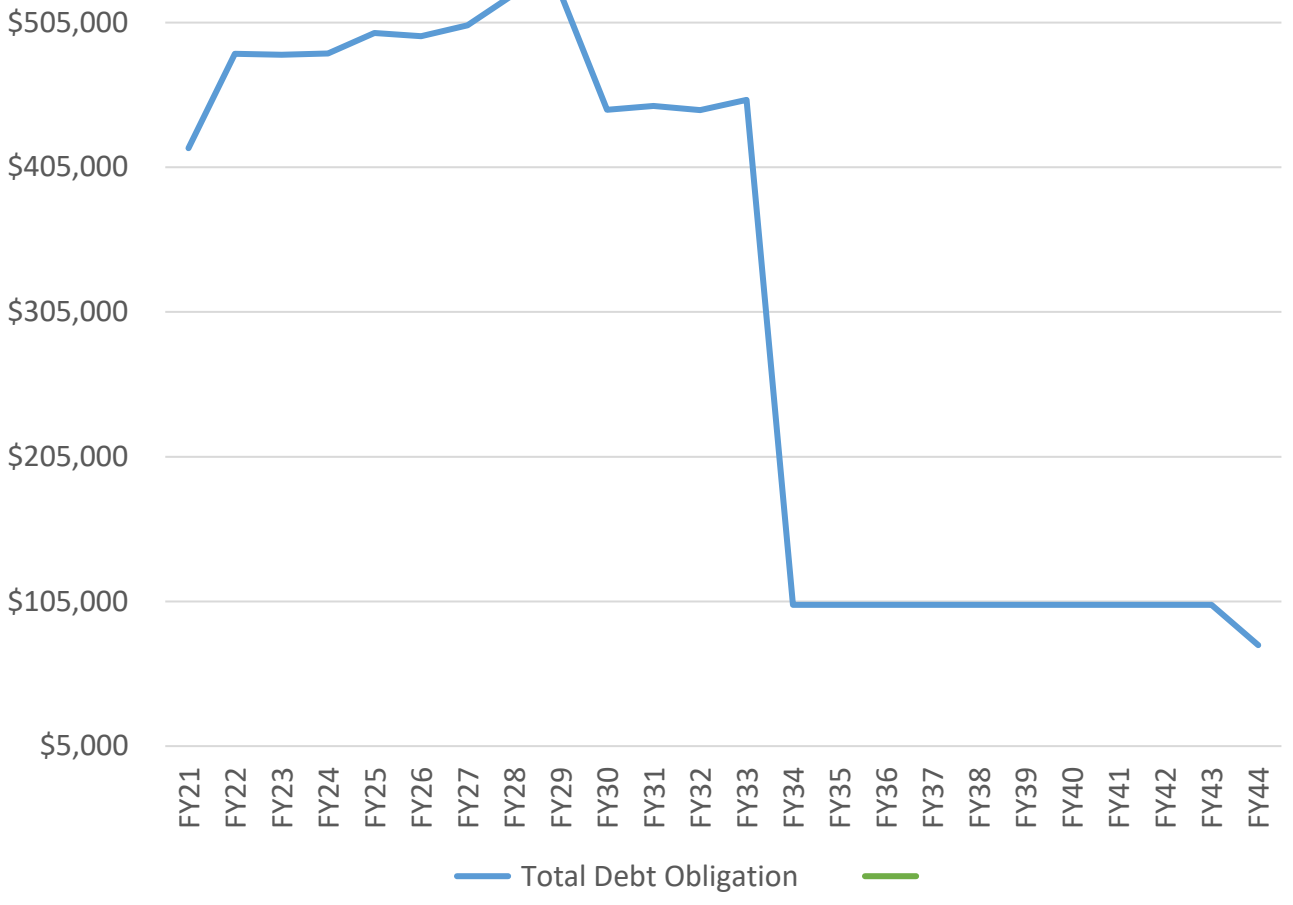
The current remaining reimbursement (as of 3/9/2021 developer provided Actual cost of funds ie. interest) and rebate payments through 12/31/2020, is \$2M. The estimation is that this agreement will be fully rebated within the FY2023 budget year.

**BASTROP ECONOMIC DEVELOPMENT CORPORATION FUND
FY 2020-2021 BUDGET**

Working Capital 9-30-2020 Audited	\$	4,867,763
 FY 2020-2021		
Budgeted		
Revenues	\$	<u>3,953,570</u>
Total FY 2021 Resources	\$	8,821,333
 Budgeted Expenditures:		
Operating Expenses	\$	(2,199,084)
Capital Expenses	\$	(2,475,000)
Debt Service	\$	<u>(447,012)</u>
	\$	(5,243,899)
 Projected Working Capital Balance 09-30-2021		
	\$	3,577,434
 Reserve 25% of Operating Expense		
	\$	549,771



Debt Obligation As of 6/30/2021



Agenda Item: 3.3

AGENDA MEMORANDUM

Meeting Date: August 16, 2021

Agenda Item: Discussion and possible action regarding the sale of the building located at 921 Main Street and leased by the Art Institute.

Prepared by: BEDC Staff

Interim Executive Director Young updated the Board about the auctioneers she had contacted at the June board meeting. The consensus of the Board was for her to perform a comparative cost analysis between the traditional sale of a commercial building with a real estate company and selling the building through an auction.

The comparison includes information provided by one national real estate company, one national auction company, and one regional auction company.

Names of the companies and some specific information is redacted.

Recommendation – Staff has no recommendation.

[RECOMMENDED MOTIONS] – No recommended motion.



**921 MAIN
SALES COMPARISON
COMMERCIAL REAL ESTATE LISTING PROCESS**

Listing Agreement Signed

- Produce offering memorandum for mass marketing
 - Take pictures of the site (drone, standing ground, interior)
 - Use proposal to find most noteworthy highlights to market
 - Internally debate which of our buyers to call and begin creating marketing list

Offering Memorandum Approved, Ready to Market

- Call into the market based on following groups of investors
 - Internal database of investors we think would be a good fit (based on investment criteria, what's in their portfolio, etc.)
 - Nearby owners. This would be to inform nearby property owners in Bastrop County who own a similar product to see if they would purchase.
 - Farther outreach into similar type property owners in Hays County, Travis County, etc.
- Post the deal on our website and a commercial real estate marketing platform which receives more qualified hits
 - Check those lists once a week (or more often, dependent on web traffic) and ensure I follow up with each prospect via call or email
 - Our website sends an email when someone has signed a CA or viewed documents, meaning we can call them on the spot
 - 30-day, full push of marketing. First impressions are important!
 - We help set up tours and talk to you or tenant to ensure we are not disruptive
 - If we do not have a hit in 30 days, we will go back to the drawing board and see what needs to be done.
- Assuming there is a bite in 30 days...

Initiate a Call for Offers or Go Under Contract

- Dependent on the type of investors bidding, we may decide to go under contract with one or have others bid against each other (call for offers)
 - Call for offers allows us to maximize price and better terms – we will respectfully tell investors they need to sharpen their pencils in order to win the deal

Under Contract – Diligence File

- Once contract is negotiated between both parties, we help assemble the diligence file based on the contract, examples...
 - I. Environmental Reports
 - II. Site Plan and Survey
 - III. Management Agreements
 - IV. Lease
 - Etc...

Under Contract – Other

- We keep in close contact with title, and we answer questions from buying entity. We help set up appointments such as inspections, walkthroughs, etc.
 - Make sure all earnest money is deposited in a timely manner
 - Answer contract questions in a timely manner
 - Assuming all goes well...

Closing

- Selling entity gets paid, buyer takes possession. We send out closing thank you letters to everyone.

Breakdown of Costs

Sale Price:	\$X,XXX,XXX.XX
Less Commission:	(\$XXX,XXX.XX) – 5% Commission
Less Title Fees and Escrow	(\$XX,XXX) – (1%) All other costs of sale are typically a point for a transaction this size (conservative)
Proceeds from Sale (sans debt):	\$X,XXX,XXX.XX

921 Main
SALES COMPARISON
AUCTION PROCESS

AUCTION COMPANY #1

Auction Timeline

- 90 days to Closing

Marketing/Advertising – 4 – 5 weeks

- All advertising is coordinated by the auction company
 - \$25K - \$30K invested for advertising split with Seller (print & brochures)
 - Auction company fronts advertising expenses
 - Multiple MLS, LoopNet, Comgate
 - Internet, Company's interactive website
 - Contact auction/real estate followers (10,000+ monthly)

Auction

- Live Simulcast
- Escrow contract signed by Buyer, at time of sale
- Earnest monies collected followed by traditional closing
- Auction company can conduct a traditional sale, if the property does not sell during the auction

Fees

- Seller pays 7% to auction company
- Seller pays all traditional closing costs (Title policy)

921 MAIN
SALES COMPARISON
AUCTION PROCESS

AUCTION COMPANY #2

Auction Timeline – List to Close in 90 days

- Onboarding – 10 days
 - Pricing discussion
 - Document collection & review
 - Phase I Environmental
 - Property Condition Report
 - Professional Photos
- Marketing – 44 days
 - Property auction page launch
 - Due diligence vault
 - Marketing
 - Broker outreach
 - Tours

MARKETING STRATEGY

- Targeted marketing to help capture local, national and global interest
 - **MARKET OUTREACH** - Listing on hundreds of partner websites based on property



DIGITAL LISTING SYNDICATION - Weekly emails sent to 700,000+ active commercial investors based on property



PRINT & DIGITAL EXECUTION

- Bidding – 2 days
 - Proof of Funds collected
 - Reserve met
- Closing – 30 days
 - PSA Signed in two (2) hours
 - 10% Non-refundable earnest money

Auction Services & Support

- Auction Coordinator
 - We value the asset
 - We coordinate with 3rd party auction company to onboard the asset
 - We collect the required due diligence documents
 - We market the asset to our auction buyer database (700,000+ buyers/leads)
 - We are the gatekeeper for buyers to contact
 - We assist with execution on auction day
- Valuation Support
 - We go through the exercise of pegging reserve prices on assets you send us.
 - This is not a full-blown Broker Opinion of Values (BOV) but more of a high/low guidance range.
 - Turnaround time is usually 1 -2 business days.
- Support Staff
 - Broker provides an Auction Advisor who assists with any auction related questions and an internal team who assists with any PSA questions, title issues, and ensures a smooth transition from auction to closing.
- 3rd Party Reports & Title Search
 - At no cost to seller, a Phase I Environmental Report Property Condition Assessment, Professional Photos and updated Title Commitment.

Seller pays 6% listing broker commission if the property closes. Seller pays nothing if the property does not close.

Auction house is paid 5% Platform fee by the Buyer if the asset trades. NOT paid by Seller.

Reserve fee must be a fee the Seller can live with as it is the price the Seller is legally obligated to accept.

We have a non-negotiable purchase agreement to be signed by the Buyer within two (2) hours of winning the auction and a 10% non-refundable deposit with a thirty (30) day cash close, which basically guarantees a sale.

Agenda Item: 3.4

AGENDA MEMORANDUM

Meeting Date: August 16, 2021

Agenda Item: Discussion and possible action on Resolution R-2021-0010 authorizing the execution of a Professional Services Agreement with Corix Utilities to perform a wastewater study in Bastrop's extraterritorial jurisdiction (ETJ).

Prepared by: BEDC Staff

At the board meeting on November 16, 2020, the Board approved entering into a Professional Services Agreement (PSA) with Corix via Resolution-R-2020-0030. The CEO was authorized to sign the PSA after it was approved by the BEDC attorney. The former CEO worked with Corix to draft an agreement, which was received from Corix in March 2021.

At the board meeting on April 19, 2021, the Board reviewed and discussed a draft agreement with Corix. There were questions that could not be answered at the time, such as details regarding the Living Unit Equivalent (LUE) reimbursement.

At the May board meeting, it was determined that BEDC's legal counsel would update the agreement. It was then sent to Corix. Their representative sent back the following: *"I see the 10 year time limit has been struck. Could we live with a 15 year time limit? My folks will want some kind of time limit to the agreement and we typically use 10 yrs. I feel we can make 15 years work."*

The BEDC attorney has said it is a policy decision for the Board to make. Exhibit B of the attached PSA reflects the 15-year time limit requested by Corix.

Representatives from Corix are scheduled to attend the meeting to answer any questions.

NOTE: Exhibit A will be added to the agreement once it is approved by the BEDC Board.

Attachments:

Draft Resolution

Draft Professional Services Agreement

Map of Study Area

Recommendation – Approve Resolution R-2021-0010 as submitted.

[RECOMMENDED MOTION] – I move to approve Resolution R-2021-0010 as submitted.



RESOLUTION NO. R-2021-0010**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE BASTROP ECONOMIC DEVELOPMENT CORPORATION APPROVING A PROFESSIONAL SERVICES AGREEMENT WITH CORIX UTILITIES TO PERFORM A WASTEWATER STUDY IN BASTROP'S EXTRATERRITORIAL JURISDICTION (ETJ); AUTHORIZING ALL NECESSARY ACTIONS, INCLUDING EXECUTION OF NECESSARY DOCUMENTATION; AND, PROVIDING AN EFFECTIVE DATE.**

WHEREAS, the Bastrop Economic Development Corporation ("BEDC") is a public instrumentality and non-profit industrial development corporation duly established and operating under Texas Local Government Code, Chapters 501 and 505 *et seq.*, as amended, known as the Development Corporation Act of 1979 (the "Act"); and

WHEREAS, to fulfill its public purpose in attracting qualifying projects, the BEDC requires certain professional services, including without limitation, the contracting with and hiring of a utilities company to assist the BEDC in determining the long-term needs for sewer and wastewater in the City of Bastrop's extraterritorial jurisdiction ("ETJ"); and

WHEREAS, Corix Utilities ("Corix") maintains and possesses the sewer and wastewater certificate of convenience and necessity (CCN) that is exclusively within the City of Bastrop's Area A ETJ and abuts directly to the City of Bastrop's sewer and wastewater CCN; and

WHEREAS, the BEDC Board of Directors approved performing a wastewater study in the ETJ via Resolution R-2020-0030 on November 16, 2020; and

WHEREAS, pursuant to Texas Local Government Code Sec. 501.103, a "project" includes expenditures that are found by the board of directors to be required or suitable for infrastructure necessary to promote or develop new or expanded business enterprises related to streets and roads, rail spurs, water and sewer utilities, electric utilities, or gas utilities, drainage, site improvements, and related improvements; and

WHEREAS, Corix has provided the BEDC with a professional services agreement between Corix and Kimley Horn & Associates in the amount of \$94,300; and

WHEREAS, the board of directors hereby finds and determines that the expenditure herein is a required expenditure for purposes of promoting and developing new business enterprises as it will study the CCN area for the purpose of expanding wastewater and sewer utilities infrastructure in the area for business development; and

WHEREAS, after careful evaluation and consideration by the Board, it has determined that these services and this support can be provided most beneficially, efficiently and economically under a third-party Professional Services Agreement with Corix to be executed by the Interim Chief Executive Officer or the Board Chair on behalf of the BEDC.

RESOLUTION NO. R-2021-0010

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE BASTROP ECONOMIC DEVELOPMENT CORPORATION THAT:

SECTION 1. The Board hereby finds that all the recitals above are true and correct and are incorporated herein as if restated in full.

SECTION 2. The Board hereby finds that the provision of certain professional services is necessary for the BEDC's proper attraction and advancement of qualifying projects under Texas Local Government Code, Chapters 501 and 505 *et seq.*, as amended, and hereby authorizes the Interim Chief Executive Officer or Board Chair to enter into a Professional Services Agreement with Corix, to be approved by BEDC's attorney and the City Council of the City of Bastrop, in an amount not to exceed \$94,300.

SECTION 3. This Resolution is effective upon passage.

PASSED AND APPROVED on the _____ day of _____ 2021, by the Board of Directors of the Bastrop Economic Development Corporation.

BASTROP ECONOMIC
DEVELOPMENT CORPORATION

Kathryn Nash, Board Chair

ATTEST:

Sam Kier, Board Secretary

APPROVED AS TO FORM:

Denton, Navarro, Rocha, Bernal & Zech, P.C.
Board Counsel

RESOLUTION NO. R-2021-0010

Exhibit "A"

Professional Services Agreement with Corix

DRAFT

BASTROP ECONOMIC DEVELOPMENT CORPORATION

Agreement for Preparation of Bastrop County Regional Wastewater Master Plan

THE STATE OF TEXAS §
 §
 BASTROP COUNTY §

This Agreement for Preparation of Bastrop County Regional Wastewater Master Plan (“*Agreement*”) is made and entered by and between the **Bastrop Economic Development Corporation**, a Texas non-profit industrial development corporation (the “*BEDC*”) and **Corix Utilities (Texas), Inc.**, a Delaware Corporation (“*Corix*”). BEDC and Corix are individually referred to herein as a “*Party*” and collectively as the “*Parties*”.

RECITALS

WHEREAS, Corix is a retail public utility and the owner of multiple water and wastewater systems that it operates to provide retail water and sewer services to its customers, including water and wastewater systems located in Bastrop County, Texas; and

WHEREAS, BEDC is an industrial development corporation created to enhance the quality of life in Bastrop County by advancing the investment, development, growth and relocation of companies within the area, including providing infrastructure required for economic development; and

WHEREAS, Texas Local Government Code Chapter 501, Section 501.103 authorizes the BEDC to make expenditures that are found by the board of directors to be required or suitable for sewer infrastructure necessary to promote or develop new or expanded business enterprises; and

WHEREAS, in order to promote economic development within Bastrop County, the Parties desire to cause a qualified professional engineering consultant to prepare a “Wastewater Collection and Facility Master Plan” that will generally include the following components: (i) evaluation of the existing wastewater collection, treatment and disposal facilities within a designated study area in Bastrop County; (ii) evaluation of projected wastewater service needs based on land use assumptions within the designated study area; (iii) preparation of a wastewater collection system capital improvement plan to identify proposed wastewater collection infrastructure to meet projected demands for wastewater service from new development in the study area; and (iv) preparation of a plan for construction of one or more wastewater treatment plants to meet projected demands for wastewater service from new development in the study area (collectively, the “*Wastewater Master Plan*,” as more particularly described in **Exhibit “A”** attached hereto); and

WHEREAS, the BEDC finds and determines that the Wastewater Master Plan study provided for herein is necessary to promote or develop new or expanded business enterprises; and

WHEREAS, the Parties desire to enter into this Agreement in order to set forth the terms and conditions pursuant to which Corix will retain a professional engineering consultant to undertake and complete the Wastewater Master Plan on behalf of the Parties, and BEDC will reimburse the costs incurred by Corix in connection therewith.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants hereinafter set forth and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

Section 1. Duration.

This Agreement shall become effective on the date of the last signing by a Party to the Agreement and shall remain in effect until the BEDC is reimbursed by Corix as provided for in this Agreement unless otherwise terminated as provided for in this Agreement.

Section 2. Scope of Work.

- (A) The Parties acknowledge that Corix previously executed a Professional Services Agreement (“*PSA*”) with Kimley Horn & Associates, Inc. (“*Professional*”) that is Task Order based. Within ten (10) days after execution of this Agreement, Corix shall enter into a Task Order with Professional in the form attached hereto as **Exhibit “A”** setting forth the terms, conditions, and scope of work for which Professional shall prepare the Wastewater Master Plan on behalf of the Parties (“*Scope of Work*”).
- (B) The anticipated submittal of all Wastewater Master Plan deliverables is immediately upon completion of the Wastewater Master Plan or as otherwise provided in the Task Order.
- (C) Corix shall ensure that the quality of services to be provided by Professional under the Task Order shall be the professional skill and care ordinarily provided by competent engineering professionals practicing in the same or similar locality and under the same or similar circumstances and professional license, and as expeditiously as is prudent considering the ordinary professional skill and care of a competent professional holding the same professional license.
- (D) Corix shall ensure that the Professional prepares the Wastewater Master Plan in compliance with all statutory, regulatory and contractual requirements now or hereafter in effect as may be applicable to the services set forth in the Task Order.

Section 3. Compensation.

- (A) Corix shall pay the Professional for all services rendered under the Task Order in accordance with the compensation provisions of the PSA and Task Order. BEDC shall reimburse those fees paid by Corix to the Professional in the manner set forth in **Exhibit “B”** (the “*Fees*”).
- (B) *Billing Period:* Corix may submit monthly, or less frequently, an invoice for reimbursement of Fees paid by Corix to Professional. Payment by BEDC shall be subject to Chapter 2251, Texas Government Code (the “*Prompt Payment Act*”).
- (C) *Reimbursable Expenses:* BEDC shall not pay any reimbursable expenses related to the Wastewater Master Plan.
- (D) *Total Compensation.* Total compensation paid by BEDC to Corix shall not exceed ninety-four thousand three hundred dollars (\$94,300.00) unless otherwise agreed to as an amendment to this Agreement.

Section 4. Changes to the Wastewater Master Plan; Additional Work.

- (A) *Changes to Work:* Corix shall cause Professional to make such revisions to any work that has been completed as are necessary to correct any errors or omissions as may appear in such work. If the BEDC finds it necessary to make changes to previously satisfactorily completed work or parts thereof, Corix shall engage the Professional to make such revisions if requested and as directed by the BEDC and such services will be considered as additional work and paid for as specified under the following paragraph.
- (B) *Additional Work:* The BEDC retains the right to make changes to the Scope of Work at any time by a written order. Work that is clearly not within the general description of the Scope of Work and does not otherwise constitute special services under this Agreement must be approved in writing by the BEDC by supplemental agreement before the additional work is undertaken by the Professional. If Corix or the Professional is of the opinion that any work is beyond that contemplated in this Agreement and the Scope of Work governing the Wastewater Master Plan and therefore constitutes additional work, Corix shall promptly notify the BEDC of that opinion, in writing. If the BEDC agrees that such work does constitute additional work, then Corix and the Professional shall execute a supplemental agreement for the additional work and Corix shall compensate the Professional for the additional work on the basis of the rates contained in the Scope of Work. BEDC shall reimburse all such Fees paid to Professional by Corix in accordance with the methodology and requirements set forth in **Exhibit "B"** attached hereto. If the changes deduct from the extent of the Scope of Work, the contract sum shall be adjusted accordingly. All such changes shall be executed under the conditions of the original Agreement. Any work undertaken by Professional not approved in writing by BEDC as additional work shall be at risk of Corix.

Section 5. Time of Completion.

The prompt completion of the services under the Scope of Work is critical to the BEDC. Corix shall be responsible for ensuring the prompt completion of the services under the Scope of Work and unnecessary delays in providing services under a Scope of Work shall be grounds for termination of this Agreement pursuant to Section 8 herein.

Section 6. Miscellaneous Provisions.

- (A) *Ownership of Documents.* Upon completion or termination of this Agreement, all documents prepared by the Professional or furnished to the Professional by the BEDC shall be delivered to and become the property of the BEDC, Corix and Professional. All drawings, charts, calculations, plans, specifications and other data, including electronic files and raw data, prepared under or pursuant to this Agreement, shall be made available, upon request, to the BEDC without restriction or limitation on the further use of such materials; PROVIDED, HOWEVER, THAT SUCH MATERIALS ARE NOT INTENDED OR REPRESENTED TO BE SUITABLE FOR REUSE BY THE BEDC OR OTHERS. ANY REUSE WITHOUT PRIOR VERIFICATION OR ADAPTATION BY THE PROFESSIONAL FOR THE SPECIFIC PURPOSE INTENDED WILL BE AT THE BEDC'S SOLE RISK AND WITHOUT LIABILITY TO CORIX OR TO THE PROFESSIONAL. Where applicable, Professional shall retain all pre-existing proprietary rights in the materials provided to Corix and to the BEDC but shall grant to Corix and to the BEDC a non-exclusive, perpetual, royalty-free license to use such proprietary information solely for the purposes for which the information was provided. Corix and the Professional may, at their own expense, have copies made of the documents or any other data furnished to the BEDC under or pursuant to this Agreement.

- (B) *Professional's Seal.* To the extent that the Professional has a professional seal, it shall be placed on all final deliverables furnished by the Professional to Corix and to the BEDC. All work and services provided under the PSA will be performed in a good and workmanlike fashion and shall conform to the accepted standards and practices of the Professional's industry. Corix and the BEDC acknowledge that Professional has no control over the methods or means of work nor the costs of labor, materials or equipment. Unless otherwise agreed in writing, any estimates of costs by the Professional are for informational purposes only and are not guarantees.
- (C) *Compliance with Laws.* Corix shall ensure that Professional complies with all federal, state and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts, administrative, or regulatory bodies in any matter affecting the performance of the Task Order, including, without limitation, workers compensation laws, minimum and maximum salary and wage statutes and regulations, and licensing laws and regulations. When required, the Professional shall furnish to Corix and the BEDC with satisfactory proof of compliance.
- (D) *Independent Contractor.* Professional is an independent contractor of Corix and is not an employee, agent, official or representative of the BEDC. Corix shall ensure that Professional shall not represent, either expressly or through implication, that Professional is an employee, agent, official or representative of the BEDC. Income taxes, self-employment taxes, social security taxes and the like are the sole responsibility of the Professional.
- (E) *Non-Collusion.* Corix represents and warrants that Corix has not given, made, promised or paid, nor offered to give, make, promise or pay any gift, bonus, commission, money or other consideration to any person as an inducement to or in order to obtain the work to be provided to the BEDC under this Agreement. Corix further agrees that it shall not accept any gift, bonus, commission, money, or other consideration from any person (other than from the BEDC pursuant to this Agreement) for any of the services performed by Professional under or related to this Agreement. If any such gift, bonus, commission, money, or other consideration is received by or offered to Corix or Professional, Corix shall immediately report that fact to the BEDC and, at the sole option of the BEDC, the BEDC may elect to accept the consideration for itself or to take the value of such consideration as a credit against the compensation otherwise owing to Corix, for reimbursement of payment to Professional, under or pursuant to this Agreement.
- (F) *Force Majeure.* If the performance of any covenant or obligation to be performed hereunder by any Party, or by Professional under the PSA, is delayed as a result of circumstances which are beyond the reasonable control of such party (which circumstances may include, without limitation, pending litigation, acts of God, war, acts of civil disobedience, fire or other casualty, shortage of materials, adverse weather conditions [such as, by way of illustration and not of limitation, severe rain storms or below freezing temperatures, or tornados] labor action, strikes or similar acts, moratoriums or regulations or actions by governmental authorities), the time for such performance shall be extended by the amount of time of such delay, but no longer than the amount of time reasonably occasioned by the delay. The Party claiming delay of performance as a result of any of the foregoing force majeure events shall deliver written notice of the commencement of any such delay resulting from such force majeure event not later than seven (7) days after the claiming party becomes aware of the same, and if the claiming party fails to so notify the other party of the occurrence of a force majeure event causing such delay and the other Party shall not otherwise be aware of such force majeure event, the claiming Party shall not be entitled to avail itself of the provisions for the extension of performance contained in this subsection.

- (G) In the case of any conflicts between the terms of this Agreement and wording contained within the PSA, this Agreement shall govern. The Scope of Services in the Task Order is intended to detail the technical scope of services, fee schedule, and contract time only for services to be performed by Professional and shall not dictate Agreement terms of the agreement between BEDC and Corix.

Section 7. Termination.

- (A) This Agreement may be terminated:
- (1) By the mutual agreement and consent of both Corix and BEDC;
 - (2) By either Corix or BEDC, upon the failure of the other party to fulfill its obligations as set forth in this Agreement;
 - (3) By the BEDC, immediately upon notice in writing to Corix and a reasonable opportunity for Professional to cure, as consequence of the failure of Professional to perform the services contemplated by the Task Order in a timely or satisfactory manner;
 - (4) By the BEDC, at will and without cause upon not less than thirty (30) days written notice to Corix; or
 - (5) By Corix after notice and reasonable opportunity to cure, if BEDC does not reimburse Corix for payment made to Professional in accordance with the terms and conditions of this Agreement.
- (B) If the BEDC terminates this Agreement pursuant to Section 5 or subsection 7(A)(2) or (3), above, Corix shall not be entitled to reimbursement of any Fees and the BEDC may make immediate demand for Reimbursement of all previously reimbursed Fees. If the BEDC terminates this Agreement for any other reason authorized herein Corix shall not be entitled to reimbursement of any Fees other than for reimbursement of Fees paid by Corix to Professional for services rendered prior to termination by the BEDC.

Section 8. Indemnification. Corix shall indemnify and hold harmless the City of Bastrop, Texas, Economic Development Corporation and its officials, employees and agents (collectively referred to as "Indemnitees") and each of them from and against all loss, costs, penalties, fines, damages, claims, expenses (including reasonable attorney's fees) or liabilities (collectively referred to as "Liabilities") by reason of any injury to or death of any person or damage to or destruction or loss of any property arising out of, resulting from, or in connection with (i) the performance or non-performance of Corix's and Professional's obligations under this Agreement but only to the extent caused by the negligent acts, errors or omissions, intentional torts, intellectual property infringement, or a failure to pay a sub-contractor or supplier committed by Corix, Professional or Corix's or Professional's agent, consultant under contract, or another entity over which Corix or Professional exercises control (whether active or passive) of Corix, Professional or their employees, agents or sub-contractors, (ii) the failure of Corix to comply with any of the paragraphs herein or the failure of Professional to conform to statutes, ordinances, or other regulations or requirements of any governmental authority, federal, state or local, in connection with the performance of this Agreement. Corix expressly agrees to indemnify and hold harmless the Indemnitees, or any one of them, from and against all liabilities which may be asserted by an employee or former employee of Corix, Professional, or any of their sub-contractors, as provided above, for which Corix's or Professional's liability to such employee or former employee would otherwise be limited to payments under State Workers Compensation or similar laws. Nothing herein shall require Corix to indemnify, defend, or hold harmless any

Indemnitor for the Indemnitor's own negligence or willful misconduct. Any and all indemnity provided for in this Agreement shall survive the expiration of this Agreement and the discharge of all other obligations owed by the Parties to each other hereunder and shall apply prospectively not only during the term of this Agreement but thereafter so long as any liability could be asserted in regard to any acts or omissions of Corix or Professional in performing services under this Agreement.

Section 9. Notices. Any notice required or desired to be given from one party to the other party to this Agreement shall be in writing and shall be given and shall be deemed to have been served and received (whether actually received or not) if (i) delivered in person to the address set forth below; (ii) deposited in an official depository under the regular care and custody of the United States Postal Service located within the confines of the United States of America and sent by certified mail, return receipt requested, and addressed to such party at the address hereinafter specified; or (iii) delivered to such party by courier receipted delivery. Either party may designate another address within the confines of the continental United States of America for notice, but until written notice of such change is actually received by the other party, the last address of such party designated for notice shall remain such party's address for notice.

Section 10. No Assignment. Neither Party shall have the right to assign that Party's interest in this Agreement without the prior written consent of the other Party.

Section 11. Severability. If any term or provision of this Agreement is held to be illegal, invalid or unenforceable, the legality, validity or enforceability of the remaining terms or provisions of this Agreement shall not be affected thereby, and in lieu of each such illegal, invalid or unenforceable term or provision, there shall be added automatically to this Agreement a legal, valid or enforceable term or provision as similar as possible to the term or provision declared illegal, invalid or unenforceable.

Section 12. Waiver. Either BEDC or Corix shall have the right to waive any requirement contained in this Agreement that is intended for the waiving party's benefit, but, except as otherwise provided herein, such waiver shall be effective only if in writing executed by the party for whose benefit such requirement is intended. No waiver of any breach or violation of any term of this Agreement shall be deemed or construed to constitute a waiver of any other breach or violation, whether concurrent or subsequent, and whether of the same or of a different type of breach or violation.

Section 13. Governing Law; Venue. This Agreement and all the transactions contemplated herein shall be governed by and construed in accordance with the laws of the State of Texas. The provisions and obligations of this Agreement are performable in Bastrop County, Texas, such that exclusive venue for any action arising out of this Agreement shall be in Bastrop County, Texas.

Section 14. Paragraph Headings; Construction. The paragraph headings contained in this Agreement are for convenience only and shall in no way enlarge or limit the scope or meaning of the various and several paragraphs hereof. Both parties have participated in the negotiation and preparation of this Agreement and this Agreement shall not be construed either more or less strongly against or for either party.

Section 15. Binding Effect. Except as limited herein, the terms and provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, devisees, personal and legal representatives, successors and assigns.

Section 16. Gender. Within this Agreement, words of any gender shall be held and construed to include any other gender, and words in the singular number shall be held and construed to include the plural, unless the context otherwise requires.

Section 17. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

Section 18. Exhibits. All exhibits to this Agreement are incorporated herein by reference for all purposes wherever reference is made to the same.

Section 19. Entire Agreement. It is understood and agreed that this Agreement contains the entire agreement between the parties and supersedes any and all prior agreements, arrangements or understandings between the parties relating to the subject matter. No oral understandings, statements, promises or inducements contrary to the terms of this Agreement exist. This Agreement cannot be changed or terminated orally.

Section 20. Relationship of Parties. Nothing contained in this Agreement shall be deemed or construed by the parties hereto or by any third party to create the relationship of principal and agent or of partnership or of joint venture or of any association whatsoever between the parties, it being expressly understood and agreed that no provision contained in this Agreement nor any act or acts of the parties hereto shall be deemed to create any relationship between the parties other than the relationship of independent parties contracting with each other solely for the purpose of effecting the provisions of this Agreement.

Section 21. Dispute Resolution. The Parties agree that, prior to instituting any lawsuit or other proceeding arising from a dispute under this Agreement, the Parties will first attempt to resolve the dispute by taking the following steps: (1) A written notice substantially describing the nature of the dispute shall be delivered by the dissatisfied party to the other party, which notice shall request a written response to be delivered to the dissatisfied party not less than five (5) days after receipt of the notice of dispute. (2) If the response does not reasonably resolve the dispute, in the opinion of the dissatisfied party, the dissatisfied party shall give notice to that effect to the other Party whereupon each Party shall appoint a person having authority over the activities of the respective parties who shall promptly meet, in person, in an effort to resolve the dispute. (3) If those persons cannot or do not resolve the dispute, then the Parties shall each appoint a person from the highest tier of managerial responsibility within each respective party, who shall then promptly meet, in person, in an effort to resolve the dispute.

Section 22. Disclosure of Business Relationships/Affiliations; Conflict of Interest Questionnaire. Professional represents that it is in compliance with the applicable filing and disclosure requirements of Chapter 176 of the Texas Local Government Code, Conflicts of Interest Questionnaire and Chapter 2252 of the Texas Government Code, Form 1295 Certificate of interested Parties online filing with the Texas Ethics Commission.

Section 23. No Third-Party Beneficiaries. Nothing in this Agreement, express or implied, is intended to or shall confer upon any person or entity other than the Parties and their respective successors and permitted assigns any legal or equitable right, benefit or remedy of any nature under or by reason of this Agreement.

[Signature Page Follows]

EXECUTED:

BEDC:

By: _____
Name: _____
Title: _____
Date: _____

CORIX UTILITIES (TEXAS), INC.:

By: _____
Name: _____
Title: _____
Date: _____

ADDRESS FOR NOTICE:

BEDC:

Bastrop Economic Development Corporation
Attn: Executive Director
301 Highway 71 West, Suite 214
Bastrop, Texas 78602

CORIX:

Corix Utilities (Texas), Inc.
Attn: Darrin Barker
1812 Centre Creek Dr., #100,
Austin, TX 78754

With a copy to:

BEDC Attorney
Bastrop Economic Development Corporation
2500 W. William Cannon, Suite 609
Austin, Texas 78745

Exhibit “A”**TASK ORDER UNDER EXISTING PROFESSIONAL SERVICES
AGREEMENT WITH KIMLEY-HORN & ASSOCIATES, INC. FOR
BASTROP COUNTY REGIONAL WASTEWATER MASTER PLAN
STUDY**

As more particularly described in the attached Task Order, Kimley-Horn & Associates, Inc. shall perform a Regional Wastewater Master Plan Study to identify the required wastewater infrastructure along the Highway 71 corridor west of Bastrop to serve future economic development.

Exhibit “B”

COMPENSATION & FEE SCHEDULE

Exhibit “B”

COMPENSATION & FEE SCHEDULE

Not more frequently than monthly, Corix shall provide to BEDC a copy of each invoice for completed services by Professional under the PSA, along with evidence of payment by Corix to Professional for the services that are the subject of the invoice. Upon receipt of each invoice, BEDC shall reimburse Corix for all sums paid by Corix to Professional in accordance with the Prompt Payment Act.

Corix will subsequently reimburse BEDC all costs and expenses funded by BEDC under this Agreement in accordance with the terms of this paragraph. After completion of construction of any of the wastewater facilities identified in the Wastewater Master Plan, Corix shall reimburse BEDC for costs paid under this Agreement on a per living unit equivalent (“LUE”). Each LUE shall be reimbursed at the rate of \$200 per LUE. Thereafter, and not less frequently than once per calendar year, Corix shall provide payment to BEDC in a sum equal to the number of new service connections (expressed in LUEs) that connect to the completed wastewater improvements since the most recent preceding reimbursement payment multiplied by the per LUE reimbursement amount of \$200 per LUE, until such time as BEDC has recovered all of the costs and expenses funded under this Agreement. Corix’s reimbursement obligation under this Agreement shall terminate upon the earlier of the following: (i) the date that BEDC has recovered all of the costs and expenses paid to Corix under this Agreement for services rendered by Professional under the Task Order; or (ii) fifteen (15) years after the effective date of this Agreement.

Study cost \$94,300 / \$200 per LUE = 471.5 LUEs

Living Unit Equivalent (LUE) Guidelines

A living unit equivalent (LUE) is defined as the typical flow that would be produced by a small single family residence (SFR). An LUE is assumed to represent three (3) people living in a residence. For water requirements, this flow includes consumptive uses, such as lawn watering and evaporative coolers. The wastewater system does not receive all of these water flows, so the estimated LUEs may differ between water and wastewater for residences. For all commercial development wastewater, LUEs will match water LUEs.

The following LUE Conversions can be used to ESTIMATE flows for various development types. These are only estimates for planning purposes. Each building or development is evaluated separately by fixture unit count to size the meters.

Proposed Development Intended Use	Typical LUE Conversion (LUE per unit)
Water LUE	Wastewater LUE

Small Single Family Residence; Modular Home; Mobile Home	1	1
Medium to Large Single Family Residence	1.5	1
Duplex	2	1
Very Large Single Family Residence	2.5	2.5
Triplex; Fourplex; Condo Unit; PUD, Apartment Unit (6+ Units/Acre to 24 Units/Acre)	0.7	0.7
Condo or Apartment Unit (24+ Units/Acre)	0.5	0.5

Exhibit "B"
COMPENSATION & FEE SCHEDULE

Hotel or Motel Room	0.5	0.5
---------------------	-----	-----

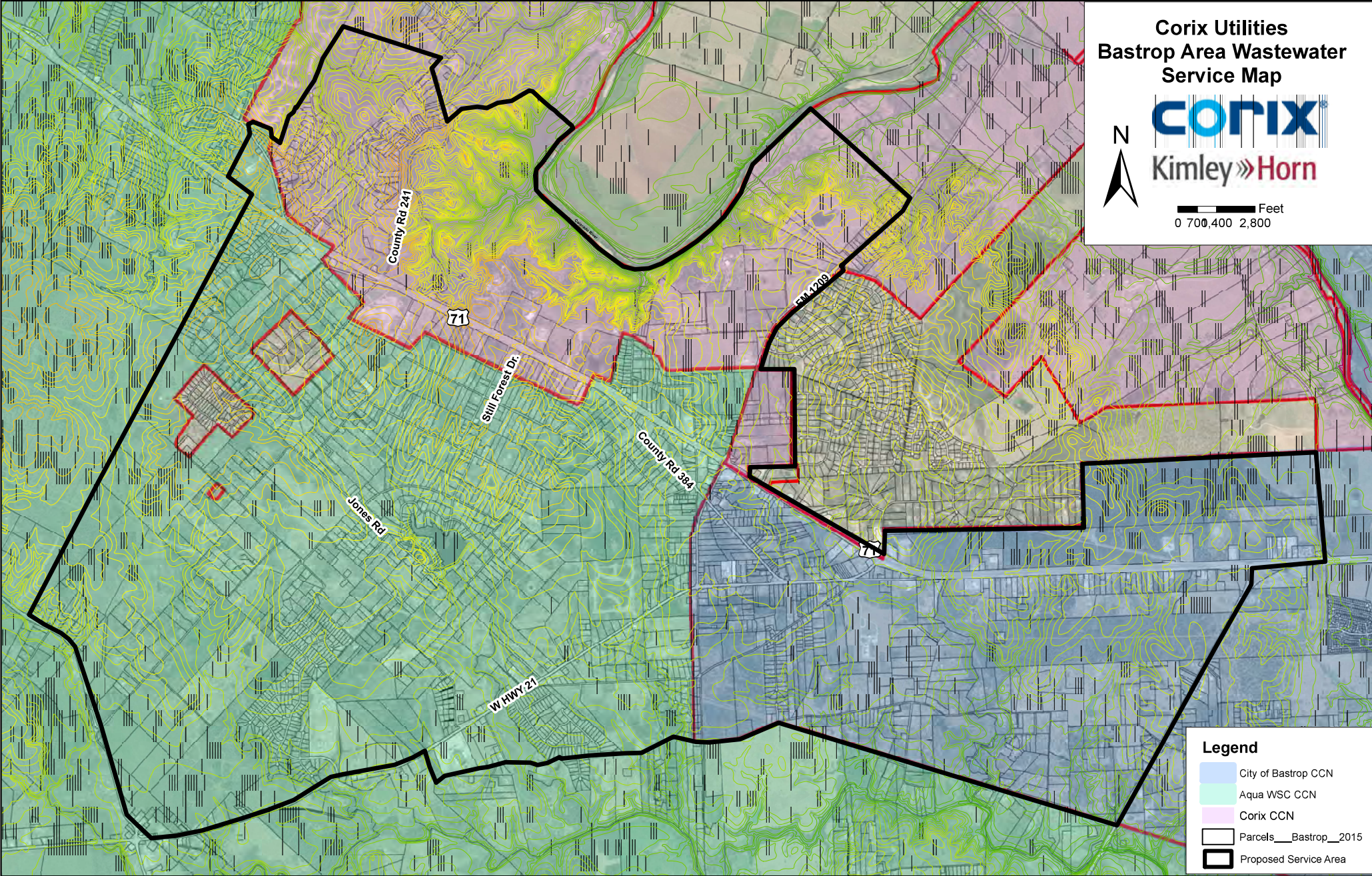
Proposed Development Intended Use LUE Conversion (Approximate Units per LUE)
 For Commercial Development, Wastewater LUEs match Water LUEs

Office (Square Feet of Floor)	3000
Office Warehouse (Square Feet of Floor)	4000
Retail; Shopping Center (Square Feet of Floor)	1660
Restaurant; Cafeteria (Square Feet of Floor)	200
Hospital (Beds)	1
Rest Home (Beds)	2
Church (Worship Services Only) (Seats)	70
High/Middle School (Includes Gym and Cafeteria (Students)	13
Elementary School (Includes Gym and Cafeteria (Students)	15

Corix Utilities
Bastrop Area Wastewater
Service Map



0 700,400 2,800 Feet



Legend

- City of Bastrop CCN
- Aqua WSC CCN
- Corix CCN
- Parcels__Bastrop__2015
- Proposed Service Area



Agenda Item: 3.5

AGENDA MEMORANDUM

Meeting Date: August 16, 2021

Agenda Item: Presentation, discussion and possible action about partnering with the Bastrop Chamber of Commerce and Visit Bastrop to host a career fair.

Prepared by: BEDC Staff

Becki Womble, President & CEO of the Bastrop Chamber of Commerce, and Susan Smith, President & CEO of Visit Bastrop, have been discussing having a career fair to assist our local businesses with filling their open positions.

They have asked if the BEDC would like to be a partner in this endeavor. They both plan to be in attendance at the board meeting to provide additional details.

Recommendation – None.

[RECOMMENDED MOTION] – None.





Agenda Item: 3.6

AGENDA MEMORANDUM

Meeting Date: August 16, 2021

Agenda Item: Discussion and possible action regarding BEDC's proposed budget for Fiscal Year 2021/2022, including action to modify the proposed budget and to adopt the FY 2022 budget, as proposed or modified.

Prepared by: BEDC Staff

The last draft of the EDC's FY 2021-2022 budget is attached. It will need to be either approved or modified at this meeting in order to provide a final version to the City of Bastrop.

The BEDC's finalized budget will be submitted to City Council for inclusion in the City's budget for adoption in September. If the Board makes changes to the attached draft budget during the meeting, those changes can be reflected in the final version sent to the City for approval.

The amounts that have been changed are highlighted.

Recommendation – Review the budget as submitted, make any recommendations regarding changes needed, and vote to approve the final FY 2021-2022 BEDC budget, as proposed or modified

[RECOMMENDED MOTIONS] – I move to approve the FY 2021-2022 budget as presented (or as modified).





FY 2021-2022

ANNUAL BUDGET – FINAL DRAFT





FY 2021-2022 ANNUAL BUDGET

REVENUE

The BEDC is funded primary through sales tax, but there are other sources of revenue which are explained below. Please note that this budget does not include the possible sale of the building at 921 Main.

Sales Tax 601-00-00-4005

The EDC's primary revenue source is the collection of a one-half cent sales and use tax within the corporate limits of the City of Bastrop. The City of Bastrop's Finance Director provides the EDC with a budgetary estimate for each fiscal year. EDC staff tracks sales tax collections closely throughout the year and performs analysis of the market, trends, economy and sales tax drivers. The City is budgeting a rather significant increase from what was budgeted for FY 2020-2021. The EDC is budgeting \$3,331,500. Total FY 2021/2022 revenues are currently estimated at \$4,961,544. This number may change as we get closer to the end of the fiscal year.

Lease Agreement (Cell Tower) 601-00-00-4047

The EDC has a five-year renewable lease on a cell tower site in the Bastrop Business and Industrial Park. The five-year lease is paid in a lump sum every five years with a built-in escalator. The lease renewed in September 2020, and the current five-year lease rate is \$79,350, or \$15,870 annually.

Rental Income (921 Main Street) 601-00-00-4524

The building was substantially completed by December 2020, and the Art Institute (AI) began moving in the following month. The campus opened on July 12, 2021. AI currently leases the building from the EDC at a cost of \$19/square foot, and the final measurement of the building ended up being 9,111 square feet. As such, the base rent for the building is \$173,109 a year, with an additional \$5,000 added for operating expenses, bringing the total budgeted amount to \$178,109 a year. (Note: Per the lease, the cost beginning in year 6 of the lease will be \$20/square foot.) There will need to be a "true-up" performed at the end of the year. Additionally, per the lease agreement: *"Landlord shall deliver to Tenant not later than sixty (60) days prior to each such calendar year a detailed estimate of the total projected Operating Costs and Tenant's Pro Rata Share thereof for the Building and Real Property for the next calendar year."* Therefore, the budgeted amounts are subject to change.

Interest Income 601-00-00-4400

Idle EDC funds and reserves are invested according to the EDC and City of Bastrop investment policies and earn a nominal annual interest rate with TexPool and Texas CLASS. As most of you know, interest rates have been down for some time, so the ending projected balance for the current fiscal year is significantly lower than what was budgeted.

Real Estate Proceeds 601-00-00-4512

Proceeds from the sale of real estate (primarily in the Business Park) are received under this line item. These funds have to be received into the EDC's budget, and then expended upon the rebate to the business upon successful completion of their performance agreement.

As they say, timing is everything. The budget for fiscal year 2021-2022 makes the assumption that no real estate deals will be closed for the remainder of the current fiscal year. That could easily change by September 30.

Here are the projects that are currently in the contract phase or negotiations with the EDC:

Property sale to Bastrop County	\$ 100,000	
Project Swipe	\$ 900,000	
Project Fiesta	\$ 233,935	Project has chosen a larger lot. Amount increased from \$121,065.
Project Super Glue	<u>\$ 300,000</u>	
Total	\$1,421,065	

Miscellaneous Income 601-00-00-4514

This line item is where income is received when it is not able to be placed into any other account. For the current fiscal year, the tenant improvement payment from AI of \$258,613 was received into this line item.

Special Item 601-00-00-4815

The \$126,000 received in Fiscal Year 2020-2021 was the CARES Act funding provided by the City of Bastrop.



FY 2021-2022 ANNUAL BUDGET

ADMINISTRATION

Administration are the costs associated with employing the staff of the BEDC. For Fiscal Year 2021-2022, the assumption was made that the EDC will be fully staffed with a permanent executive director and an administrative assistant. We have also provided for the possibility of hiring two new positions – at this time described as a project manager and facilitator/liaison/“shepherd.”

BEDC Operational Salaries 601-70-00-5101

Salaries and hourly pay for EDC staff. These numbers are provided by the Finance Department.

Longevity 601-70-00-5116

Annual incentive pay for years of service.

Social Security 601-70-00-5150

EDC share of social security burden.

Retirement 601-70-00-5151

EDC and employees pay into Texas Municipal Retirement System (TMRS) at a 2 to 1 - 6% match.

Group Insurance 601-70-00-5155

Health insurance and other benefits provided to employees by the EDC.

Workers' Compensation 601-70-00-5156

Workers' compensation insurance for employees of the EDC.

Auto Allowance 601-70-00-5606

The Executive Director is typically provided an auto allowance to compensate for providing transportation in conducting their day-to-day duties. This is usually part of their contract and the amount is subject to change.



FY 2021-2022 ANNUAL BUDGET

OPERATIONS

Operations are the costs associated with the day-to-day operations of the EDC office and assets.

Operational Supplies 601-70-00-5201

General office, copier and miscellaneous supplies for the day-to-day operations of the EDC.

Postage 601-70-00-5203

General mailing and postage.

Office Equipment 601-70-00-5206

Office and technology replacement/upgrades, such as computers and accessories, office furniture.

Maintenance of Equipment 601-70-00-5301

Maintenance and repair of existing equipment owned by the EDC.

Industrial Park Maintenance 601-70-00-5331

The EDC maintains the entrance, right-of-way, and other associated maintenance of the Business & Industrial Park. Additional maintenance is provided on an as-needed basis.

Building Repairs & Maintenance 601-70-00-5345

The costs associated with monthly office cleaning and other maintenance of the EDC offices. (The amount of this year's budget was increased due to the expense for AC repair.)

Communications 601-70-00-5401

Office phones and the service plans on mobile phones/tablets and internet service provided through the EDC agreement with the City of Bastrop Administrative Services contract. This is an actual cost reimbursement to the city.

Office Lease/Rent 601-70-00-5402

Annual cost of leased office space. The lease renewed in 2019 at \$3,500 a month for a year (\$42,000/year), with the option to renew for two years or four years for \$3,400 (\$40,800/year).

Utilities 601-70-00-5403

Costs associated with office utility service and water at the BEDC Business and Industrial Park.

Property Insurance 601-70-00-5540

The EDC is insured on the City of Bastrop's policy. This is an actual cost reimbursement to the city.

Dues, Subscriptions, & Publications 601-70-00-5615

The EDC maintains dues, subscriptions, & publications that further the EDC's mission. These include membership dues, software subscriptions, and domain renewals.

FY 2022 - \$29,000**Dues/Memberships:****Professional & Marketing Associations**

Texas Economic Development Council (TEDC) x3

Team Texas

Southern Economic Development Council (SEDC) x2

International Economic Development Council (IEDC) x3

Regional/National Associations

International Council of Shopping Centers (ICSC) x2

Commercial Investment Brokers (CIB)

Industrial Asset Management Council (IAMC)

Local Dues

Bastrop Chamber of Commerce

Smithville Chamber of Commerce

Bastrop County Board of Realtors (BCBOR)

Subscriptions:

Website Hosting

Internet Domain Renewals

Retail Lease Trac

Impact Data Source

Publications:

Austin Business Journal

Austin American Statesman (digital)

Bonds for BEDC Officers & Staff 601-70-00-5631

The EDC bonds its officers and staff.

921 Main Street Expenses 601-70-00-5548

This is where the NNN expenses for 921 Main Street have been placed: insurance and maintenance.

Opportunity Austin 601-70-00-5689

Regional economic development marketing partnership operated by the Austin Chamber of Commerce. The cost has remained at \$10,000 annually.



FY 2021-2022 ANNUAL BUDGET

MARKETING AND ADVERTISING

Local Government Code Section 505.103 (Limitation on Use of Revenues for Promotional Purposes) limits the amount a Type B corporation may spend for promotional purposes to no more than 10 percent of corporate revenues. However, unexpended revenues specifically set aside for promotional purposes in past years may be expended along with 10 percent of current revenues without violating the cap. In FY 2019-2020, there was \$65,775 remaining from the marketing budget, which was earmarked for future marketing purposes.

Prior to the COVID-19 Pandemic, the BEDC employed a heavy emphasis on marketing initiatives toward end users, commercial brokers and site consultants, with a limited approach on traditional and print marketing and a greater emphasis on digital and social media marketing. As things continue to return to some sense of normalcy, it's difficult to accurately predict what person-to-person events the BEDC Staff may attend. Certain assumptions have been made.

Marketing Travel 601-70-00-5603

Travel and related expenses used in marketing Bastrop to Type A & B end-users, developers, commercial real estate brokers, and site consultants. Most events are held outside the Austin Metro region.

Business Development 601-70-00-5604

The EDC hosts and participates in events to promote economic development within the Bastrop market. This cost code includes lunch and dinner meetings with prospects.

Training-Travel 601-70-00-5605

Similar to marketing travel, EDC board and staff participate in training to gain knowledge and expertise in economic development. EDC staff participate in annual training related to economic development (e.g., Oklahoma University Economic Development Institute (OU EDI), the Texas Economic Development Council (TEDC) Basic Economic Development Course and Sales Tax Workshop, International Economic Development Council (IEDC) and TEDC courses and webinars, and other trainings as available.) This cost code actually refers to any training, not just that related to travel. For example, if any BEDC board member elects to take the Economic Development Sales Tax Workshop, the cost is charged to this line item.

Local/Misc Advertising & Sponsorships 601-70-00-5633

Marketing and sponsorships within the Bastrop market area are funded through this cost code.

National/Regional Advertising & Marketing 601-70-00-5634

Traditional and digital marketing for building the brand of the EDC. Primarily, marketing sponsorships, collateral development and publication, trade show participation, and other related marketing on a national and regional scale.

Digital Advertising & Marketing 601-70-00-5636

This cost code is used for developing materials and promoting the EDC through digital advertising formats, such as videos and Facebook ads. The cost of the agreement with the BEDC's website company, Golden Shovel, will be taken from this line item in future years. It will renew in April 2022.

Special Advertising and Marketing 601-70-00-5637

As the EDC has developed its brand and presence, singular opportunities may arise for the EDC to promote Bastrop, such as familiarization (FAM) tours and the EDC hosting the Opportunity Austin Regional Partners Meeting.



FY 2021-2022 ANNUAL BUDGET

PROFESSIONAL SERVICES

The EDC contracts for various services with professionals and firms for specific projects and tasks, such as the strategic plan, engineering not related to a specific project, and website services.

Professional Services 601-70-00-5505

Professional services provided by various professionals and firms, such as environmental, geotechnical, and feasibility studies. It would also include items such as the Corix agreement and an updated housing study.

Audit 601-70-00-5518

The EDC's audit is typically done as part of the City's. BEDC's share is approximately \$4,000.

Legal (Administrative) 601-70-00-5525

Legal expenses incurred by the BEDC every month, including preparing for and attending board meetings as well as contract work.

Legal (Project) 601-70-00-5526

This cost code was combined with Legal (Admin) two years ago.

Engineering 601-70-00-5530

Engineering services not directly related to a project at the time of service.

Contractual Services 601-70-00-5561

This cost code is used to pay for contractual work such as the BEDC's interim executive director.



FY 2021-2022 ANNUAL BUDGET

CITY PROJECTS/SERVICES

The EDC contracts annually for services from the City of Bastrop.

City Projects & Programs 601-70-00-5574

BACKGROUND INFO: As the EDC prepared the FY 2018 budget, it was noted that the cost to maintain the community entry monuments and Hwy 71 right-of-way was not an authorized use of EDC funds. To correct this, the BEDC agreed to fund \$83,250 towards an eligible project in FY 2018, with an agreed reduction of 20% in subsequent budget years. This arrangement allows the City to absorb the reduction in revenue with an eligible project offset.

FY 2018 - \$83,250

FY 2019 - \$66,600

FY 2020 - \$49,950

FY 2021 - \$33,300

FY 2022 - \$16,650

This will be the final year of budgeting an amount agreed to in FY 2018. Additional city projects could be budgeted on an as-needed basis. The City of Bastrop has provided a list of potential projects they are asking the EDC to consider funding. If approved, these projects could be included under “city projects” or as “infrastructure”. They include:

- Repairs to the Old Iron Bridge
- Recreation center
- Sports complex
- Downtown lighting
- Agnes Street extension (match of 1% for the grant)
- Two additional lanes to the existing portion of Agnes
- Broadband

City of Bastrop Shared Services 601-70-00-5575; Administrative Services 601-70-00-5598

The City of Bastrop provides administrative and shared services to the EDC. Administrative Services include the finance, human resources, and information technology (IT) departments. Shared Services include recurring and contractual services which the EDC utilizes and receives benefit from, such as maintenance of software shared with the City. The current agreement expires in September 2021 is expected to be renewed.

Main Street Program Support 601-70-00-5596

The Bastrop Main Street Program can be an invaluable partner in supporting the merchants and development of our historic downtown by providing business retention and expansion, marketing, recruiting, and small business development within the Main Street area. For FY 2021/2022, there has been \$50,000 budgeted for the Main Street Program, which is contingent upon the Board's approval of a new agreement.



FY 2021-2022 ANNUAL BUDGET

PROJECTS/PROGRAMS/GRANTS

Projects, programs and grants administered or supported by the EDC.

SPL Film Bastrop 601-70-00-5639

This line item was created last budget year to allocate funds to the film and creative services industry, which was one of the targeted industries recommended in the 2020 strategic plan.

SPL Redevelopment Grants 601-70-00-5640

In past years, this account has been used to fund the façade grant program that the BEDC offered to businesses in the Main Street area. Last budget year, funds from this account were used to help pay for the renovations to the three buildings included in “Project Gummy Bears,” the project being headed up by the owners of Deep in the Heart Art Foundry. They are making renovations to the former DigTech building in the Bastrop Business and Industrial Park, another building at 292 Industrial Blvd, as well as the building at Chestnut and Water Streets (Water Street Mill Works). Staff is budgeting \$150,000 for FY 2022, in anticipation of developing new guidelines for a redevelopment grant program. We have also moved the last payment for the Gummy Bears Project (\$175,000) to FY 2022, since we do not expect to expend the funds during the current budget year.

SPL Education and Workforce Development 601-70-00-5641

Designed to assist with developing a skilled workforce for Bastrop employers, the Bastrop Youth Career Day is the signature program educating high school students about entering the workforce in Bastrop. The event has received both a Workforce Excellence Award from the Texas Economic Development Council and a Silver Award for Human Capital from the International Economic Development Council. EDC staff is working with Bastrop ISD to extend the program to the middle schools as the students participate in their career portal classes. This is also where the Chmura JobsEQ software is budgeted, which is used for running reports and gathering data related to Bastrop’s workforce. For FY 2022, Staff would like to fund additional educational programs.

SPL Entrepreneurial and Small Business Development 601-70-00-5642

In past years the EDC has partnered with other organizations to produce trainings throughout the year for small business and marketing initiatives to promote shop local campaigns. The annual Launch small business workshop is just one example of those trainings.

SPL Retail Recruiting 601-70-00-5643

The EDC participates in various retail recruiting events under National/Regional Marketing & Advertising. In FY 2018, a specific SPL cost code was created for retail recruiting. The EDC has continued its focus on enhancing Bastrop's retail environment as a destination. This is the cost code from which The Retail Coach is paid for their consulting, supports, and data they provide.

380 Agreements Reimbursement 601-70-00-5644

The EDC has one remaining performance agreement for sales tax rebates, the one with Burleson Crossing. It is expected to complete in FY 2023.

Water Development Funding 601-70-00-5645

The voters approved the EDC funding water development in November 2011. The EDC entered into an agreement with the City of Bastrop in 2014 to fund \$60,000 a year for ten years.

Land Grant/Rebates 601-70-00-5646

Historically, land grants/rebates have been the EDC's primary economic development tool for primary job creation. This cost code is where those rebates are budgeted. The EDC is currently working on four projects, all of which have been budgeted for rebate in fiscal year 2022-2023. This of course is subject to change, depending on the timing of the project.

SPL Disaster Relief Grant 601-70-00-5649

The EDC was initially asked to set aside \$10,000 for a grant program to provide immediate assistance to businesses during or following a natural disaster. However, during last year's pandemic, funds were transferred into this account (from line items such as marketing and training) in order to assist local businesses through the most challenging part.

SPL Business Retention & Expansion 601-70-00-5650

Business Retention and Expansion (BRE) programs provide resources and training to develop community capacity to better understand the local economy. Focusing on retention and expansion of local businesses helps improve the community's business climate and assists local businesses in remaining competitive. Existing businesses are important to overall economic growth – some studies estimate the percentage of new jobs created by existing companies are as high as 80%.

Cash Incentives 601-70-00-5690

To improve the EDC's competitiveness and to incentivize projects outside the Business Park, the EDC offers cash incentives for capital investment and job creation, to be funded only when an economic development agreement is executed containing such an incentive.

Closing Cost Real Estate 601-70-00-5691

Closing costs related to real estate transactions.



FY 2021-2022 ANNUAL BUDGET

INFRASTRUCTURE PROJECTS

The EDC has budgeted to complete two Capital Improvement Projects (CIP) for the upcoming year.

Downtown Trail Expansion 601-70-00-6713

The project will create a 1.8-mile loop from downtown to Hwy 71 and back, increasing the connectivity for those who enjoy outdoor recreational activities in the area. It will also establish an existing trail that TxDOT will tie into once the frontage roads across the Colorado River are complete. The BEDC Board approved the project on July 17, 2017.

Since that time, the City of Bastrop has received \$605,000 in grants for the project from Keep Bastrop County Beautiful and CAMPO. These funds cannot be used for engineering costs, which is what the BEDC funds expended to date have covered.

BIP Technology/MLK Infrastructure 601-70-00-6715

In Resolution R-2017-0013 passed by the Board on August 21, 2017, the EDC approved budgeting \$1.6 million from cash reserves to complete the second ingress/egress into the Business Park, bringing the EDC into compliance with the City of Bastrop's development regulations and creating 10.5 acres of additional shovel-ready property. The project was delayed due to the need to develop a detention pond. An interlocal agreement will also need to be finalized between the EDC, Bastrop County, and the City of Bastrop for the sale of the 9.5-acre tract to Bastrop County, at which time the project can move forward.

Thus far, expenditures for the project have primarily been engineering-related expenses and have been paid from the funds left over from the 2013 bond. The original amount for the project was approved at \$1.6 million. Two change orders brought the total budget to \$1,868,300. To date, \$122,107 has been expended. Approximately \$283,000 remaining from a 2013 bond fund will be expended on the project first; therefore the budget for FY 2022 is \$1,537,000.

NOTE: Future infrastructure projects currently being considered by the Board include two additional lanes for the existing portion of Agnes Street and infrastructure in the remaining undeveloped portion of the Business Park. The current estimates for those projects are \$2 million and \$5 - 8 million, respectively.

Expense – BIP Technology/MLK 601-70-00-5580 – This is the payment for fiber in the Business Park, and could also be used for future fiber installation. The annual cost is currently \$103,200.



FY 2021-2022 ANNUAL BUDGET

DEBT SERVICE

The EDC has several outstanding debt issuances.

In July 2018, the EDC issued \$1.2 million to fund the Agnes Extension infrastructure project. In FY 2018-2019, the EDC entered into a loan agreement with Roscoe State Bank.

Some of this debt has been refinanced through the City in order to benefit from the current low interest rates. That would be those bonds where the BEDC “piggy-backed” on the City’s debt issuance and therefore the BEDC’s debt is refinanced as part of the City’s debt:

Series 2013 was partially re-funded with Series 2021

Series 2010 was re-funded with Series 2020

Also of note, Series 2020 will be complete in FY 2021-2022; Series 2017 should be finished by FY 2028-2029.



FY 2021-2022 ANNUAL BUDGET

MISCELLANEOUS/CONTINGENCY

The EDC budgets \$25,000 annually to cover unforeseen expenses. Contingency transfers are governed by the EDC's Policies & Procedures. The Executive Director must receive prior permission to expend these funds.



FY 2021-2022
BEDC Budget Draft v2.3
8/16/2021



FY 2021-2022 Annual Budget

Totals

	2019-2020 Actual	2020-2021 Budget	2020-2021 Projected	2021-2022 Budget	2022-2023 Forecast
Revenue					
Sales Tax	\$ 2,733,447	\$ 2,611,200	\$ 3,028,660	\$ 3,331,500	\$ 3,500,000
Other Revenue	\$ 77,800	\$ 1,242,370	\$ 547,233	\$ 208,979	\$ 208,979
Bond Proceeds	\$ -	\$ -	\$ -	\$ -	\$ -
Real Estate Proceeds	\$ -	\$ 100,000	\$ -	\$ 1,533,935	\$ -
Total Revenue	\$ 2,811,247	\$ 3,953,570	\$ 3,575,893	\$ 5,074,414	\$ 3,708,979
Expenses					
Administration	\$ 417,879	\$ 439,262	\$ 370,163	\$ 555,603	\$ 561,030
Operations	\$ 108,638	\$ 142,860	\$ 116,974	\$ 131,360	\$ 131,360
Marketing and Advertising	\$ 67,075	\$ 230,975	\$ 57,000	\$ 230,975	\$ 230,975
Professional Services	\$ 96,059	\$ 292,500	\$ 171,700	\$ 358,300	\$ 194,000
City Project/Services	\$ 109,381	\$ 120,948	\$ 120,948	\$ 399,150	\$ 75,500
Projects/Programs/Grants	\$ 991,664	\$ 1,524,334	\$ 892,000	\$ 1,459,334	\$ 2,568,935
Infrastructure Projects	\$ 2,332,756	\$ 1,908,200	\$ 787,800	\$ 1,653,200	\$ 103,200
Debt Service	\$ 419,351	\$ 447,012	\$ 408,613	\$ 483,456	\$ 482,616
Miscellaneous/Contingency	\$ -	\$ 25,000	\$ -	\$ 25,000	\$ 25,000
Total Expenses	4,542,803	5,131,091	2,925,198	5,296,378	4,372,616
Revenues/Expenses	(1,731,556)	(1,177,521)	650,695	(221,964)	(663,637)



FY 2021-2022 Annual Budget

Revenue

	2019-2020 Actual	2020-2021 Budget	2020-2021 Projected	2021-2022 Budget	2022-2023 Forecast
00-00-4005 Sales Tax	\$ 2,733,447	\$ 2,611,200	\$ 3,028,660	\$ 3,331,500	\$ 3,500,000
00-00-4047 Lease Agreement (Cell Tower)	\$ 13,800	\$ 15,870	\$ 15,870	\$ 15,870	\$ 15,870
00-00-4524 Rental Income (921 Main St.)	\$ -	\$ 161,500	\$ 128,250	\$ 178,109	\$ 178,109
00-00-4400 Interest Income	\$ 64,000	\$ 35,000	\$ 18,500	\$ 15,000	\$ 15,000
00-00-4401 Interest Income on Notes	\$ -	\$ -	\$ -	\$ -	\$ -
00-00-4512 Real Estate Proceeds	\$ -	\$ 100,000	\$ -	\$ 1,533,935	\$ -
00-00-4514 Miscellaneous Income	\$ -	\$ -	\$ 258,613	\$ -	\$ -
00-00-4558 BEDC Grant Receipts	\$ -	\$ 1,030,000	\$ -	\$ -	\$ -
00-00-4815 Special Item	\$ -	\$ -	\$ 126,000	\$ -	\$ -
Total Revenue	\$ 2,811,247	\$ 3,953,570	\$ 3,575,893	\$ 5,074,414	\$ 3,708,979
Revenue for Ratios	\$ 2,811,247	\$ 3,692,070	\$ 3,447,643	\$ 3,362,370	\$ 3,530,870

Notes regarding 921 Main building:

- * Budget does not include the potential sale of the building
- * Returning tax portion of expenses
- * Rental income will be updated after the true-up at the end of the year.

Notes:

- 1 Sales Tax projections come from the City's CFO.
- 2 Cell Tower Lease Agreement renewed in 2020; amount increases by 15% every five years.
- 3 "Special Item" was the CARES Act funds received from the City.
- 4 **Added back in "BEDC Grant Receipts" per CFO.**
- 5 "Real Estate Proceeds" depend upon time of sale. Amounts are listed below:

Property sale to Bastrop Co.	\$ 100,000	
Project Swipe	\$ 900,000	
Project Fiesta	\$ 233,935	Amount increased from \$121,065
Project Super Glue	\$ 300,000	
Total	\$ 1,533,935	

Building	Rent & Opex	178,109
Expenses	Debt	102,780
Contribution		75,329
<hr/>		
Sale of Bldg		2,160,000
Closing Costs		216,000
Loan Repayment Estimated		1,800,000
Net		144,000



FY 2021-2022 Annual Budget

Administration

	2019-2020 Actual	2020-2021 Budget	2020-2021 Projected	2021-2022 Budget	2022-2023 Forecast
70-00-5101 Operational Salaries	\$ 318,950	\$ 332,932	\$ 278,892	\$ 410,415	\$ 414,210
70-00-5112 Compensated Absences EDC	\$ (3,241)	\$ -	\$ -	\$ -	\$ -
70-00-5114 BEDC Pre-employment Expense	\$ -	\$ -	\$ -	\$ -	\$ -
70-00-5116 Longevity	\$ 707	\$ 855	\$ 707	\$ 1,205	\$ 2,100
70-00-5150 Social Security	\$ 23,580	\$ 24,803	\$ 21,000	\$ 31,522	\$ 31,812
70-00-5151 Retirement	\$ 37,386	\$ 37,560	\$ 32,530	\$ 47,707	\$ 48,147
70-00-5155 Group Insurance (Staff)	\$ 34,200	\$ 35,711	\$ 33,905	\$ 57,203	\$ 57,203
70-00-5156 Workers Compensation	\$ 989	\$ 1,401	\$ 360	\$ 1,551	\$ 1,558
70-00-5606 Auto Allowance Staff	\$ 5,308	\$ 6,000	\$ 2,769	\$ 6,000	\$ 6,000
Total Administration	\$ 417,879	\$ 439,262	\$ 370,163	\$ 555,603	\$ 561,030
% of Revenue	14.86%	11.11%	10.74%	16.52%	15.89%

BEDC Current Staffing:

- * Business Development Manager
- * Operations Manager
- * Part-time Executive Director
(Position funded through June 2022, under Contractual Svcs)

Unfilled Staff Positions:

- * Full-time Executive Director
- * Office Manager/Admin

Proposed New Staff:

- * Project Manager (or other)
- * Facilitator/"shepherd"
(Assumed six months FY2022)

Notes:

- 1 All salary information is provided by Finance and HR, except auto allowance which is contained in the CEO's contract.
- 2 Budgeting for 1/2 year to hire two additional staff members in FY22. These numbers came from the HR and Finance Departments.



FY 2021-2022 Annual Budget

Operations

	2019-2020 Actual	2020-2021 Budget	2020-2021 Projected	2021-2022 Budget	2022-2023 Forecast
70-00-5201 Operational Supplies (Office)	\$ 3,198	\$ 7,200	\$ 3,000	\$ 7,200	\$ 7,200
70-00-5203 Postage	\$ -	\$ 360	\$ -	\$ 360	\$ 360
70-00-5206 Office Equipment	\$ 6,732	\$ 5,000	\$ 2,500	\$ 5,000	\$ 5,000
70-00-5301 Maintenance of Equipment	\$ 254	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
70-00-5331 Industrial Park Maint Expense	\$ 3,200	\$ 10,000	\$ 6,000	\$ 10,000	\$ 10,000
70-00-5345 Building Repairs & Maintenance	\$ 2,377	\$ 15,000	\$ 8,750	\$ 5,000	\$ 5,000
70-00-5401 Communications	\$ 9,500	\$ 9,000	\$ 6,000	\$ 9,000	\$ 9,000
70-00-5402 Office Lease/Rental	\$ 42,000	\$ 40,800	\$ 40,800	\$ 40,800	\$ 40,800
70-00-5403 Utilities	\$ 3,480	\$ 3,000	\$ 2,800	\$ 3,000	\$ 3,000
70-00-5540 Property Insurance	\$ 4,589	\$ 5,000	\$ 4,974	\$ 5,000	\$ 5,000
70-00-5544 Unemployment Tax	\$ 414	\$ -	\$ -	\$ -	\$ -
70-00-5615 Dues, Subscriptions, & Publications	\$ 22,185	\$ 29,000	\$ 25,000	\$ 29,000	\$ 29,000
70-00-5631 Bonds for BEDC Officers & Staff	\$ 709	\$ 1,000	\$ 650	\$ 1,000	\$ 1,000
70-00-5548 921 Main Street Expenses	\$ -	\$ 6,500	\$ 5,500	\$ 5,000	\$ 5,000
70-00-5689 Opportunity Austin	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Total Operations	\$ 108,638	\$ 142,860	\$ 116,974	\$ 131,360	\$ 131,360
% of Revenue	3.86%	3.87%	3.39%	3.91%	3.72%

Notes:

1 Adjusted after final review of current FY's expenditures



FY 2021-2022 Annual Budget

Marketing and Advertising

	2019-2020	2020-2021	2020-2021	2021-2022	2022-2023
	Actual	Budget	Projected	Budget	Forecast
70-00-5603 Marketing Travel	\$ 10,097	\$ 18,000	\$ 5,000	\$ 18,000	\$ 18,000
70-00-5604 Business Development	\$ 2,548	\$ 8,000	\$ 5,000	\$ 8,000	\$ 8,000
70-00-5605 Training Travel	\$ 5,254	\$ 10,000	\$ 5,000	\$ 10,000	\$ 10,000
70-00-5633 Local/Misc. Ads & Sponsorships	\$ 5,343	\$ 15,000	\$ 5,000	\$ 15,000	\$ 15,000
70-00-5634 National/Regional Ads & Marketing	\$ 18,433	\$ 45,000	\$ 10,000	\$ 45,000	\$ 45,000
70-00-5636 Digital Advertising & Marketing	\$ 10,200	\$ 54,200	\$ 25,000	\$ 54,200	\$ 54,200
70-00-5637 Special Advertising & Marketing	\$ 15,200	\$ 15,000	\$ 2,000	\$ 15,000	\$ 15,000
70-00-5630 Promotional Rollover Prior Years	\$ -	\$ 65,775	\$ -	\$ 65,775	\$ 65,775
Total Marketing and Advertising	\$ 67,075	\$ 230,975	\$ 57,000	\$ 230,975	\$ 230,975
% of Revenue	2.39%	6.26%	1.65%	6.87%	6.54%

Notes:

- 1 BEDC's website with Golden Shovel will now be paid through "Digital Marketing & Advertising" instead of "Professional Services."



FY 2021-2022 Annual Budget

Professional Services

	2019-2020 Actual	2020-2021 Budget	2020-2021 Projected	2021-2022 Budget	2022-2023 Forecast
70-00-5505 Professional Services	\$ 76,018	\$ 173,500	\$ 65,700	\$ 219,300	\$ 100,000
70-00-5518 Audit	\$ 4,500	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000
70-00-5525 Legal (Administrative)	\$ 6,730	\$ 60,000	\$ 70,000	\$ 75,000	\$ 75,000
70-00-5526 Legal (Project)	\$ 6,361	\$ -	\$ -	\$ -	\$ -
70-00-5530 Engineering	\$ 2,450	\$ 15,000	\$ 2,000	\$ 15,000	\$ 15,000
70-00-5561 Contractual Services	\$ -	\$ 40,000	\$ 30,000	\$ 45,000	\$ -
Total Professional Services	\$ 96,059	\$ 292,500	\$ 171,700	\$ 358,300	\$ 194,000
% of Revenue	3.42%	7.92%	4.98%	10.66%	5.49%

Notes:

- 1 The two Legal categories ("Administrative" and "Project") were recombined into one account called "Legals" last year.
- 2 Contractual services includes part-time Exec Director for six months
- 3 Moved the expense for Corix study to FY 2021-2022. (\$94,300)
- 4 Adjusted after final review of current FY's expenditures



FY 2021-2022 Annual Budget

City Project/Services

		2019-2020 Actual	2020-2021 Budget	2020-2021 Projected	2021-2022 Budget	2022-2023 Forecast
70-00-5574	City Projects & Programs	\$ 37,802	\$ 45,448	\$ 45,448	\$ 16,650	\$ -
	Sports Complex Study				\$ 50,000	
	Downtown Lighting				\$ 164,000	\$ -
	Agnes Street Grant 1% Match				\$ 43,000	\$ -
	Broadband Study				\$ 50,000	\$ -
70-00-5575	City Shared Services	\$ 3,579	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500
70-00-5596	Main Street Program Support	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
70-00-5598	City Administrative Services	\$ 18,000	\$ 18,000	\$ 18,000	\$ 18,000	\$ 18,000
	Total Project/Service	\$ 109,381	\$ 120,948	\$ 120,948	\$ 399,150	\$ 75,500
	% of Revenue	3.89%	3.28%	3.51%	11.87%	2.14%

List of City of Bastrop Projects

- * Repairs to the Old Iron Bridge
- * Recreation center
- * Sports complex
- * Downtown lighting
- * Agnes Street extension
- * Agnes Street south lanes
- * Broadband

Notes:

- 1 The agreement for funding the City Admin Services/Shared Services needs to be updated in Sept 2021.
- 2 **The funding of the Main Street Program is contingent upon executing a new agreement.**
- 3 Added requests from the City of Bastrop.



FY 2021-2022 Annual Budget

Projects/Programs/Grants

	2019-2020 Actual	2020-2021 Budget	2020-2021 Projected	2021-2022 Budget	2022-2023 Forecast
70-00-5639 SPL Film Bastrop	\$ -	\$ 15,000	\$ -	\$ 15,000	\$ 15,000
70-00-5640 SPL Redevelopment Grants	\$ 35,000	\$ 350,000	\$ 150,000	\$ 325,000	\$ 150,000
70-00-5641 SPL Education & Workforce Devt	\$ 14,904	\$ 250,000	\$ 20,000	\$ 60,000	\$ 60,000
70-00-5642 SPL Entrepreneurial & Small Bus	\$ -	\$ 10,000	\$ -	\$ 50,000	\$ 50,000
70-00-5643 SPL Retail Recruiting	\$ 14,500	\$ 40,000	\$ 14,500	\$ 40,000	\$ 40,000
70-00-5644 380 Agreements Reimbursement	\$ 385,511	\$ 285,000	\$ 367,000	\$ 285,000	\$ 285,000
70-00-5645 Water Rights Prop Funding	\$ -	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000
70-00-5646 Land Grants/Rebates	\$ -	\$ 9,334	\$ -	\$ 9,334	\$ 1,433,935
70-00-5649 SPL Disaster Relief Grants	\$ 393,249	\$ 50,000	\$ 5,500	\$ 50,000	\$ 50,000
70-00-5650 SPL Business Retention & Expansion	\$ -	\$ 60,000	\$ -	\$ 150,000	\$ 150,000
70-00-5690 Cash Incentives	\$ 148,500	\$ 370,000	\$ 275,000	\$ 250,000	\$ 250,000
70-00-5691 Real Estate Closing Costs	\$ -	\$ 25,000	\$ -	\$ 165,000	\$ 25,000
Total Projects/Programs/Grants	\$ 991,664	\$ 1,524,334	\$ 892,000	\$ 1,459,334	\$ 2,568,935
% of Revenue	35.27%	41.29%	25.87%	43.40%	72.76%

	2021-2022	2022-2023
AEI Technologies	\$ 9,334.00	
Swipe		\$ 900,000
Fiesta		\$ 233,935
Super Glue		\$ 300,000
Total Incentives	\$ 9,334.00	\$ 1,433,935

- Notes:
- 1 There is currently one 380 agreement remaining, with Burleson Crossing, expected to be completed in FY 2023.
 - 2 The incentives for Project Gummy Bears was paid from "Cash Incentives" and "Redevelopment Grants."
 - 3 "Education and Workforce" includes \$15,000 for Community Action programs and possibly ACC and AI.
 - 4 "Land Grants/Rebates" includes the possibility of rebating incentives to current projects.
 - 5 Moved Project Gummy Bears final payment (\$175,000) to FY 2022.
 - 6 Adjusted after final review of current FY's expenditures
 - 7 Project Fiesta has now chosen a larger and more expensive piece of property.



FY 2021-2022 Annual Budget

Infrastructure Projects

	2019-2020 Actual	2020-2021 Budget	2020-2021 Projected	2021-2022 Budget	2022-2023 Forecast
70-00-5580 (Fiber) BIP Technology/MLK Infrastructure	\$ 103,200	\$ 103,200	\$ 103,200	\$ 103,200	\$ 103,200
70-00-6713 Downtown Trail Expansion	\$ 112,169	\$ 43,000	\$ 30,000	\$ 13,000	\$ -
70-00-6714 921 Main Street Redevelopment	\$ 2,150,056	\$ 630,000	\$ 629,600	\$ -	\$ -
70-00-6715 BIP Technology/MLK Infrastructure	\$ -	\$ 1,132,000	\$ 25,000	\$ 1,537,000	\$ -
70-00-6716 Agnes Infrastructure	\$ (32,669)	\$ -	\$ -	\$ -	\$ -
Total Infrastructure Projects	\$ 2,332,756	\$ 1,908,200	\$ 787,800	\$ 1,653,200	\$ 103,200
% of Revenue	82.98%	51.68%	22.85%	49.17%	2.92%

1 Remaining funds from 2013 bond - \$283,000 - to be used for the Technology/MLK Project first.

2 Art Institute payment was received into "Miscellaneous Income" instead of the project line item.

3 The list of projects requested by the City for funding consideration is currently included as part of "City Projects/Services." If approved the City's CFO may create new line items.

Projects Under Consideration

Debt?	Agnes Extension 2 lanes	Just a guess for the additional 2 lanes	\$ 2,000,000	
Debt?	Industrial Park Infrastructure	Sidewalks or no sidewalks? Still at least \$5M in total	\$ 2,000,000	\$ 5,000,000
Debt?	Sports Complex	Need business case feasibility study		\$ 1,000,000
Debt?	Bridge Repair	TCEQ Remediation for Water Quality		\$ 1,000,000

Question for discussion - How much debt can BEDC absorb and stay net positive and also maintain the 25% (see working capital tab)



FY 2021-2022 Annual Budget

Debt Service

		2019-2020 Actual	2020-2021 Budget	2020-2021 Projected	2021-2022 Budget	2022-2023 Forecast
70-00-5610	(Debt) Issuance Cost	\$ 2,121	\$ -	\$ -	\$ -	\$ -
70-00-7133	C of O Series 2013 Principal	\$ 79,000	\$ 79,000	\$ 79,000	\$ 124,000	\$ 130,000
70-00-7134	C of O Series 2013 Interest	\$ 91,429	\$ 88,270	\$ 50,145	\$ 8,860	\$ 3,900
70-00-7137	C of O Series 2010 Principal	\$ 49,968	\$ -	\$ -	\$ -	\$ -
70-00-7138	C of O Series 2010 Interest	\$ 5,338	\$ -	\$ -	\$ -	\$ -
70-00-7155	GO Refunding Series 2017 Principal	\$ -	\$ -	\$ -	\$ -	\$ 60,000
70-00-7156	GO Refunding Series 2017 Interest	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
70-00-7160	Interest Accrued	\$ (2,015)				
70-00-7163	GO Refunding Series 2020 Principal	\$ -	\$ 61,288	\$ 61,288	\$ 63,753	\$ -
70-00-7164	GO Refunding Series 2020 Interest	\$ 152	\$ 1,245	\$ 1,245	\$ 657	\$ -
70-00-7176	GO Refunding Series 2021 Principal	\$ -	\$ -	\$ -	\$ 25,000	\$ 25,000
70-00-7177	GO Refunding Series 2021 Interest	\$ -	\$ -	\$ 7,742	\$ 32,789	\$ 32,714
70-00-7603	Bond Principal 2006	\$ 55,000	\$ -	\$ -	\$ -	\$ -
70-00-7604	Bond Interest 2006	\$ 3,080	\$ -	\$ -	\$ -	\$ -
70-00-7605	Bond Principal 2018	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 75,000
70-00-7606	Bond Interest 2018	\$ 40,341	\$ 37,968	\$ 37,968	\$ 35,595	\$ 33,222
70-00-7607	Roscoe Loan - Principal	\$ 110	\$ 19,187	\$ 16,625	\$ 34,102	\$ 35,810
70-00-7608	Roscoe Loan - Interest	\$ 4,826	\$ 70,054	\$ 64,600	\$ 68,700	\$ 66,970
Total Debt Service		\$ 419,351	\$ 447,012	\$ 408,613	\$ 483,456	\$ 482,616
% of Revenue		14.92%	12.11%	11.85%	14.38%	13.67%

NOTES:

- 1 The cash reserve amount on the 2018 Bond debt issuance is \$108,127.42 for 15 years.
- 2 The amount left over from the 2013 Bond is \$283,000. This is the bond the BEDC took out for the Business Park infrastructure and Main Street projects, "piggybacking" on the City's debt issuance.



FY 2021-2022 Annual Budget

Miscellaneous/Contingency

		2019-2020	2020-2021	2020-2021	2021-2022	2022-2023
		Actual	Budget	Projected	Budget	Forecast
601-70-00-5900	Contingency	\$ -	\$ 25,000	\$ -	\$ 25,000	\$ 25,000
	Total Miscellaneous/Contingency	\$ -	\$ 25,000	\$ -	\$ 25,000	\$ 25,000



FY 2021-2022 Annual Budget

Working Capital

Working Capital 9/30/2020 Audited	4,867,763			
Revenues	3,575,893	5,074,414	3,708,979	Income from Land Sales in FY22 \$1.421M
Expenditures				
Expenses	-1,728,785	-3,159,722	-3,786,800	Payback land sales in FY23 \$1.421M
Capital Expenses	-787,800	-1,653,200	-103,200	
Debt Service	-408,613	-483,456	-482,616	
Total Expense	-2,925,198	-5,296,378	-4,372,616	
Change in Working Capital	650,695	-221,964	-663,637	
Working Capital Balance	5,518,458	5,296,494	4,632,857	
25% Reserve Requirement (of Expenses)	432,196	789,931	946,700	Adjusted for land rebates (25% of \$1.421M = \$.375M Or \$1.436M)
Unencumbered Working Capital	5,086,262	4,506,564	3,686,157	Adjusted for land rebate incentives \$.175M



Agenda Item: 3.7

AGENDA MEMORANDUM

Meeting Date: August 16, 2021

Agenda Item: Receive updates from BEDC staff.

Prepared by: BEDC Staff

Staff will update the Board on various projects and events, including:

- EDA (Economic Development Administration) webinars through CAPCOG (Capital Area Council of Governments)
- Regional Broadband Roundtable
- CAEDD (Capital Area Economic Development District) quarterly meeting
- Bi-weekly meetings with the City
- ARCIT (Association of Rural Communities in Texas)
- Continued participation in Bastrop Development Review Committee meetings.

Recommendation – None.

[RECOMMENDED MOTIONS] – None required; item for informational purposes only.





Agenda Item: 3.8

AGENDA MEMORANDUM

Meeting Date: August 16, 2021

Agenda Item: Hold a Public Hearing on a project being considered by the BEDC.

Prepared by: BEDC Staff

Hold a Public Hearing for the purpose of providing the general public with information concerning a proposed economic development project being considered by the BEDC, and for receiving public input regarding same, as follows: Pursuant to LGC Section 505.158, the BEDC is proposing to expend Type B economic development funds to undertake and to fund a Performance Agreement with **Moca Ventures Nebraska, LLC**, in an amount not to exceed \$900,000 for development of an office complex and campus for engineering software and additional business development and expansion in the Bastrop Business and Industrial Park.

Recommendation – Hold a public hearing to provide information to the public and to receive input.

[RECOMMENDED MOTIONS] – No motion required; Public Hearing only.



Agenda Item: 3.9**AGENDA MEMORANDUM**

Meeting Date: August 16, 2021

Agenda Item: Discussion and possible action on Resolution R-2021-0011 approving an amended performance agreement with Moca Ventures Nebraska, LLC (formerly known as John Baasch Augers and Flying Inc. and Project Swipe).

Prepared by: BEDC Staff

At a special board meeting held virtually on June 30, 2021, the Board passed Resolution R-2021-0009 approving a performance agreement with John Baasch Augers and Flying Inc. (also known as Project Swipe).

Since that time, the Developer has formed a new Texas LLC, and the name of that company (Moca Ventures Nebraska, LLC) needs to be reflected in the performance agreement.

BEDC legal counsel spoke with the Moca's attorney; no changes were made to the deal points themselves. The project has been brought back before the Board because a performance agreement needs to be approved with the new corporate entity.

The attached resolution approves the updated performance agreement and repeals the resolution passed on June 30th.

Recommendation – Approve the new resolution as submitted.

[RECOMMENDED MOTIONS] – I make the motion to approve Resolution R-2021-0011, approving a performance agreement with Moca Ventures Nebraska, LLC, and repealing the previous resolution.



RESOLUTION NO. R-2021-0011**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE BASTROP ECONOMIC DEVELOPMENT CORPORATION APPROVING THE TERMS OF A PERFORMANCE AGREEMENT WITH MOCA VENTURES NEBRASKA, LLC; AUTHORIZING ALL NECESSARY ACTIONS, INCLUDING EXECUTION OF NECESSARY DOCUMENTATION; REPEALING ALL RESOLUTIONS IN CONFLICT; AND, PROVIDING AN EFFECTIVE DATE.**

WHEREAS, the Development Corporation Act of 1979, as amended (Section 501.001 et seq., Texas Local Government Code, formerly the Development Corporation Act of 1979) (the “Act”) authorizes a development corporation to fund certain projects as defined by the Act and requires development corporations to enter into performance agreements to establish and provide for the direct incentive or make an expenditure on behalf of a business enterprise under a project; and

WHEREAS, Section 501.158 of the Act requires a performance agreement to provide at a minimum for a schedule of additional payroll or jobs to be created or retained, capital investment, and workforce training and development are all factors to consider for any direct incentives provided or expenditures made by the Bastrop Economic Development Corporation (the “BEDC”) under an agreement and to specify the terms under which repayment must be made if the business enterprise does not meet the performance requirements specified in the agreement; and

WHEREAS, Moca Ventures Nebraska, LLC (“Developer”) desires to purchase approximately 26.5 acres of land (the “Property”) from BEDC for Nine Hundred Thousand Dollars (\$900,000.00) and develop an office complex and campus for software engineering, call center, and other business development, location, and/or expansion, as well as substantial capital improvements within the Bastrop Business and Industrial Park, a target area for development for the BEDC; and

WHEREAS, the improvements made to Property, as proposed, will contribute to the infrastructure needs and economic development of the City of Bastrop by promoting and developing expanded business enterprises, increased development, increased real property value and tax revenue for the City of Bastrop, and will have both a direct and indirect positive overall improvement/stimulus in the local and state economy; and

WHEREAS, the BEDC desires to offer incentives to Developer to enable Developer to develop and attract additional operations and business enterprises, and to expand its operations within the City of Bastrop pursuant to the Agreement in substantial conformity with the Act; and

WHEREAS, the BEDC previously approved an Economic Development Performance Agreement with John Baasch Augers and Flying Inc, via Resolution R-2021-0009 on June 30, 2021; and

WHEREAS, the Developer has requested a change in the corporate entity into which the agreement will be entered, requiring a new Performance Agreement with the new Company; and

RESOLUTION NO. R-2021-0011

WHEREAS, the Board has reviewed the terms and conditions of a proposed Economic Development Performance Agreement (“Agreement”) by and between the BEDC and Developer, and determined that it fully complies with the statutory requirements that govern the BEDC and is in the best interest of the BEDC to enter into such Agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE BASTROP ECONOMIC DEVELOPMENT CORPORATION THAT:

SECTION 1. The findings set out above are hereby found to be true and correct and are incorporated herein for all purposes.

SECTION 2. Resolution No. R-2021-0009 is hereby repealed.

SECTION 3. The BEDC hereby approves the terms of the negotiated Agreement, attached hereto as Exhibit “A”, between BEDC and the Developer.

SECTION 4. The Board authorizes the Board Chair or Interim Executive Director to take all necessary actions, including the execution of all necessary and related documentation to finalize the Agreement contingent upon its approval by the Bastrop City Council.

SECTION 5. This Resolution is effective upon passage.

DULY RESOLVED AND ADOPTED by the Board of Directors of the Bastrop Economic Development Corporation, this ____ day of _____ 2021.

BASTROP ECONOMIC
DEVELOPMENT CORPORATION

Kathryn Nash, Board Chair

ATTEST:

Sam Kier, Board Secretary

APPROVED AS TO FORM:

Denton, Navarro, Rocha, Bernal & Zech, P.C.

RESOLUTION NO. R-2021-0011

EXHIBIT "A"

Economic Development Performance Agreement by and between the BEDC and
Moca Ventures Nebraska, LLC

DRAFT

ECONOMIC DEVELOPMENT PERFORMANCE AGREEMENT

This Performance Agreement (“Agreement”) is entered into to be effective as of the Effective Date (as defined in Article III below), by and between the Bastrop Economic Development Corporation, located in Bastrop County, Texas (hereinafter called “BEDC”), a Texas non-profit industrial development corporation under the Development Corporation Act and governed by TEX. LOC. GOV. CODE chapters 501, 502 and 505 and the Texas Non-Profit Corporation Act, and Moca Ventures Nebraska, LLC, a Texas entity (hereinafter called “Developer”), otherwise known as the “Parties” to this Agreement.

RECITALS

WHEREAS, the Development Corporation Act of 1979, as amended (Section 501.001 et seq., Texas Local Government Code, formerly the Development Corporation Act of 1979) (the “Act”) authorizes a development corporation to fund certain projects as defined by the Act and requires development corporations to enter into performance agreements to establish and provide for the direct incentive or make an expenditure on behalf of a business enterprise under a project; and

WHEREAS, Section 501.158 of the Act requires a performance agreement to provide at a minimum for a schedule of additional payroll or jobs to be created or retained, capital investment, and workforce training and development are all factors to consider for any direct incentives provided or expenditures made by the BEDC under the agreement and to specify the terms under which repayment must be made if the business enterprise does not meet the performance requirements specified in the agreement; and

WHEREAS, Developer desires to purchase approximately 26.5 acres of land from BEDC for Nine Hundred Thousand Dollars (\$900,000.00) pursuant to the Commercial Contract-Unimproved Property between the Parties attached as Exhibit A and develop and construct a corporate headquarters, office complex, and campus that would be designed for, and to be leased by, Moca Financial Inc, a Delaware corporation, on a long-term basis for software engineering and development, call center operations; and

WHEREAS, the improvements made to Property, as proposed, will contribute to the infrastructure needs and economic development of the City of Bastrop by promoting and developing expanded business enterprises, increased development, increased real property value and tax revenue for the City of Bastrop, and will have both a direct and indirect positive overall improvement/stimulus in the local and state economy; and

WHEREAS, the BEDC desires to offer incentives to Developer to enable Developer to develop and attract additional operations and business enterprises, to bring corporate headquarters and to expand its operations within the City pursuant to this Agreement in substantial conformity with the Act; and

WHEREAS, the Parties are executing and entering into this Agreement to set forth certain terms and obligations of the Parties with respect to such matters; and

WHEREAS, the Parties recognize that all agreements of the Parties hereto and all terms and provisions hereof are subject to the laws of the State of Texas and all rules, regulations and interpretations of any agency or subdivision thereof at any time governing the subject matters hereof; and

WHEREAS, the Parties agree that all conditions precedent for this Agreement to become a binding agreement have occurred and been complied with, including all requirements pursuant to the Texas Open Meetings Act and all public notices and hearings, if any, have been conducted in accordance with Texas law; and

WHEREAS, on the Effective Date, the commitments contained in this Agreement shall become legally binding obligations of the Parties.

NOW, THEREFORE, in consideration of the mutual covenants, benefits and agreements described and contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and further described herein, the Parties agree as follows:

ARTICLE I RECITALS

1. Recitals. The recitals set forth above are declared true and correct by the Parties and are hereby incorporated as part of this Agreement.

ARTICLE II AUTHORITY AND TERM

1. Authority. The BEDC's execution of this Agreement is authorized by the Act and constitutes a valid and binding obligation of the BEDC. The BEDC acknowledges that Developer is acting in reliance upon the BEDC's performance of its obligations under this Agreement in making the decision to commit substantial resources to the establishment of the Project, hereinafter established.

2. Term. This Agreement shall become enforceable upon the Effective Date, hereinafter established, and shall continue until the terminated herein or extended by mutual agreement of the Parties in the manner provided for herein.

3. Purpose. The purpose of this Agreement is to formalize the agreements between the Developer and the BEDC for the granting of funds to cover certain costs associated with the Project and specifically state the covenants, representations of the Parties, and the incentives associated with Developer's commitment to abide by the provisions of the Act and to abide by the terms of this Agreement, which has been approved by the BEDC and the Developer as complying with the specific requirements of the Act. It is expressly agreed that this Agreement constitutes a single transaction. A failure to perform any obligation by the Developer may constitute a breach of the entire Agreement and terminate any further commitments (if any) by the BEDC unless an alternative penalty or remedy is provided for herein.

4. Administration of Agreement. Upon the Effective Date, the BEDC delegates the administration and oversight of this Agreement to the Executive Director of the BEDC, or its designee. Any proposed amendments to the Agreement shall require the approval of the Board of Directors of the BEDC.

ARTICLE III DEFINITIONS

As used in this Agreement, the following terms shall have the meanings ascribed below. All undefined terms shall retain their usual and customary meaning as ascribed by common and ordinary usage.

“Bankruptcy” shall mean the dissolution or termination of a Party’s existence as a going business, insolvency, appointment of receiver for any part of such Party’s property and such appointment is not terminated within ninety (90) days after such appointment is initially made, any general assignment for the benefit of creditors, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against such party and such proceeding is not dismissed within ninety (90) days after the filing thereof.

“Capital Investment” shall mean the investment of a minimum of ten million seven hundred thousand dollars (\$10,700,000) in capital improvements in the Structures.

“Certificate of Occupancy” shall mean the signed certificate issued by the City of Bastrop Planning & Development Department granting the Developer the right to occupy a Structure and confirming that the entire work covered by the permits and plans are in place.

“Closing Costs” shall mean those final costs paid by the BEDC as established on the final closing disclosure statement in the sale of the Property to Developer.

“Commencement of Construction” shall mean the issuance of the building permit.

“Effective Date” shall be the date of the last signing by a party to this Agreement.

“Force Majeure” shall mean any contingency or cause beyond the reasonable control of a party, including, without limitation, acts of God or the public enemy, war, riot, civil commotion, terrorism, insurrection, epidemics, pandemics, government, or de facto governmental action (unless caused by the intentionally wrongful acts or omissions of a party), fires, explosions or floods, strikes, slowdowns or work stoppages.

“Incentive Payment” means nine hundred thousand dollars (\$900,000.00) less Closing Costs on the Property and \$3,500.00 which represents the BEDC’s reasonable attorney’s fees associated with the closing and the negotiation of this Agreement to be paid as an incentive for developing and constructing the Structures and completing the Capital Investment.

“Property/Location” these terms, interchangeably, mean the 26.5 Acres, more or less, located at the Bastrop Business and Industrial Park, Phase 1, Block A, Lot 1, all in Bastrop, Texas.

“Purchase Price” means nine hundred thousand dollars (\$900,000.00).

“Structures” shall mean the office complex/campus consisting of a minimum of forty thousand (40,000) square feet which may be split between multiple buildings and related improvements.

ARTICLE IV BEDC OBLIGATIONS

1. BEDC Performance Obligations.

BEDC shall pay the Developer the Incentive Payment within thirty (30) days following the BEDC’s receipt, from the Developer, of a copy of a Certificate of Occupancy(s) issued for the Structures and Developer’s written, notarized verification, and evidence of, the Capital Investment prior to January 1st, 2026. Payment subject to BEDC’s right to access and inspect the books and records of Developer for the purpose of ensuring compliance as to the Capital Investment.

2. Confidentiality. The BEDC agrees to the extent allowed by law to keep all tax information and documentation received, pursuant to this Agreement hereof, confidential. In the event a request is made for such information, BEDC will not disclose the information unless required to do so by the Attorney General of Texas.
3. Current Revenue. The funds distributed hereunder shall be paid solely from lawfully available funds of the BEDC. Under no circumstances shall the obligations hereunder be deemed to create any debt within the meaning of any constitutional or statutory provision. None of the obligations under this Agreement shall be pledged or otherwise encumbered in favor of any commercial lender and/or similar financial institution.

ARTICLE V PERFORMANCE OBLIGATIONS OF DEVELOPER

The obligation of the BEDC to pay the Incentive Payment shall be conditioned upon Developer’s continued compliance with and satisfaction of each of the performance obligations set forth below in this Agreement.

1. Construction of Improvements. Developer shall construct the Structures.
2. Capital Investment. Developer shall make the Capital Investment into the Structures.
3. Completion Date. A Certificate of Occupancy(s) for the Structures shall be obtained, and the Capital Investment shall be completed prior to January 1st, 2026.
4. Additional Payroll or Jobs to be Created or Retained. This Agreement does not require the creation or retention of additional payroll or jobs.

5. Payment of Legal Fees. Developer commits to reimburse the BEDC for the necessary legal fees, in the amount of two hundred seventy-five dollars (\$275.00) an hour, in the preparation of any amendment to this Agreement requested by Developer. Timely payment shall be made within sixty (60) days of submittal of invoice to Developer by the BEDC or its assigns. Each Party shall bear its own legal fees in connection with the negotiation of this Agreement.

ARTICLE VI COVENANTS AND DUTIES

1. Developer's Covenants and Duties. Developer makes the following covenants and warranties to the BEDC and agrees to timely and fully perform the obligations and duties contained in Article V of this Agreement. Any false or substantially misleading statements contained herein or failure to timely and fully perform those obligations and duties within this Agreement shall be an act of Default by the Developer.
 - (a) Developer is authorized to do business and is in good standing in the State of Texas and shall remain in good standing in the State of Texas and the United States of America during any term of this Agreement.
 - (b) The execution of this Agreement has been duly authorized by Developer's authorized agent, and the individual signing this Agreement is empowered to execute such Agreement and bind the entity. Said authorization, signing, and binding effect is not in contravention of any law, rule, regulation, or of the provisions of Developer's formation documents, or of any agreement or instrument to which Developer is a party to or by which it may be bound.
 - (c) Developer is not a party to any Bankruptcy proceedings currently pending or contemplated, and Developer has not been informed of any potential involuntary Bankruptcy proceedings.
 - (d) To its current, actual knowledge, and subject to the Certificate of Occupancy (or other approvals and permits to be obtained under subpart (f) immediately below), Developer has acquired and maintained all necessary rights, licenses, permits, and authority to carry on its business in the City of Bastrop and will continue to use its best efforts to maintain all necessary rights, licenses, permits, and authority.
 - (e) Developer shall timely and fully comply with all the terms and conditions of Article V of this Agreement.
 - (f) Developer agrees to obtain, or cause to be obtained, all necessary permits and approvals from the City of Bastrop and/or all other governmental agencies having jurisdiction over the construction of any improvements to the Locations.
 - (g) Developer shall be responsible for paying, or causing to be paid, to the City of Bastrop and all other governmental agencies the cost of all applicable permit fees and licenses required for construction of the Project. Developer agrees to develop the Project in

accordance with the ordinances, rules, and regulations of the City of Bastrop in effect on the date the Project was designated, unless specified otherwise in this Agreement. Developer, in its sole discretion, may choose to comply with any or all City of Bastrop rules promulgated after the Effective Date of this Agreement.

- (h) Developer agrees to commence and complete the Project in strict accordance with the Agreement.
 - (i) Developer shall cooperate with the BEDC in providing all necessary information to assist them in complying with this Agreement.
 - (j) During the term of this Agreement, Developer agrees to not knowingly employ any undocumented workers as part of the Project, and, if convicted of a violation under 8 U.S.C. Section 1324a(1), Developer shall be in Default (subject to the obligations in Article V and the remedies in Article VIII). Developer is not liable for an unknown violation of this Section by a subsidiary, affiliate, or franchisee of Developer or by a person with whom Developer contracts; provided, however, that identical federal law requirements provided for herein shall be included as part of any agreement or contract which Developer enters into with any subsidiary, assignee, affiliate, or franchisee for which funds provided herein will be used.
 - (k) Developer shall not be in arrears and shall be current in the payment of all City taxes and fees.
 - (l) BEDC has the right to periodically (and with reasonable advance notice) verify the terms and conditions of this Agreement.
2. BEDC's Covenants and Duties. BEDC agrees to timely and fully perform the obligations and duties contained in Article IV of this Agreement. Any false or substantially misleading statements contained herein or failure to timely and fully perform those obligations and duties within this Agreement shall be an act of Default by the BEDC.
 3. Compliance and Default. Failure by Developer to timely comply with any performance requirement, duty, or covenant set forth in Article VIII shall be considered an Event of Default and shall relieve the BEDC of any Default and give the BEDC the right to terminate this Agreement and collect the Recapture Amount, as determined by the Board of Directors of the BEDC.

ARTICLE VII TERMINATION

1. Termination. This Agreement shall terminate upon the earliest occurrence of any one or more of the following:
 - (a) The written agreement of the Parties;
 - (b) Completion of the obligations of the Parties; or

- (c) Default by Developer, at the option of the BEDC.

**ARTICLE VIII
DEFAULT/RECAPTURE**

1. Developer Events of Default.

- (a) Failure of Developer to perform any term, covenant or agreement contained in Article V;
- (b) The BEDC determines that any representation or warranty contained herein or in any financial statement, certificate, report or opinion submitted to BEDC in connection with or pursuant to the requirements of this Agreement was incorrect or misleading in any material respect when made;
- (c) Any judgment is assessed against Developer or any attachment or other levy against the property of Developer with respect to a claim remains unpaid, unstayed on appeal, undischarged, not bonded or not dismissed for a period of thirty (30) days; or
- (d) Developer makes an assignment for the benefit of creditors; admits in writing its inability to pay its debts generally as they become due; files a petition in bankruptcy; is adjudicated insolvent or bankrupt; petitions or applies to any tribunal for any receiver or any trustee of Developer or any substantial part of its property, commences any action relating to Developer under any reorganization, arrangement, readjustment of debt, dissolution or liquidation law or statute of any jurisdiction whether now or hereafter in effect; or if there is commenced against Developer any such action and such action remains undismissed or unanswered for a period of sixty (60) days from such filing, or Developer by any act indicates its consent to or approval of any trustee of Developer or any substantial part of its property; or suffers any such receivership or trustee to and such appointment remains unvacated for a period of sixty (60) days.

2. BEDC Events of Default.

- (a) BEDC materially fails to fulfill an obligation set forth within Article IV.

3. Remedies for Default; Recapture.

- (a) Developer's sole remedy under this Agreement is specific performance for BEDC's default of its obligations under Section IV of this Agreement, and only in the event Developer is not in Default of this Agreement.
- (b) In the event of Default by the Developer under subsections 1 (b), (c), or (d) under this Article prior to the Commencement of Construction, the BEDC shall have the right to terminate this Agreement and ownership of the Property shall revert to the BEDC. Upon reacquiring ownership of the Property, the BEDC shall return to Developer the Purchase Price paid for the Property less Closing Costs and \$3,500 in reasonable attorney's fees associated with the closing and the negotiation of this Agreement. Developer shall be

obligated to perform any act required to assist in transferring ownership of the Property to the BEDC.

- (c) In the event Developer does not Commence Construction within one (1) year of the Effective Date of this Agreement, or longer if agreed to by the Parties, the BEDC shall have the right to terminate this Agreement, and ownership of the Property shall revert to the BEDC. Upon reacquiring ownership of the Property, the BEDC shall return to Developer the Purchase Price paid for the Property less Closing Costs and \$3,500 in reasonable attorney's fees associated with the closing and the negotiation of this Agreement. Developer shall be obligated to perform any act required to assist in transferring ownership of the Property to the BEDC.
- (d) In the event of Default after Commencement of Construction by the Developer under subsection 1 (a) of this Article (i.e., failure to perform under Article V), the BEDC may terminate this Agreement and shall have no obligation to pay the Incentive Payment.

4. Limitation on Use of Funds & Property in the Event of Default.

Under no circumstances will the funds received under this Agreement be used, either directly or indirectly, to pay costs or attorney fees incurred in any adversarial proceeding regarding this Agreement against the City of Bastrop or the BEDC.

ARTICLE IX MISCELLANEOUS

1. Binding Agreement. The terms and conditions of this Agreement shall be binding on and inure to the benefit of the Parties, and their respective successors and assigns. The undersigned CEO or Board Chair of the BEDC shall be responsible for the administration of this Agreement and shall have the authority to execute any instruments, duly approved by the BEDC, on behalf of the Parties related thereto.
2. Mutual Assistance. The Parties will do all things reasonably necessary or appropriate to carry out the terms and provisions of this Agreement and to aid and assist each other in carrying out such terms and provisions.
3. Representations and Warranties. The BEDC represents and warrants to Developer that this Agreement is within its authority, and that it is duly authorized and empowered to enter into this Agreement, unless otherwise ordered by a court of competent jurisdiction. Developer represents and warrants to the BEDC that it has the requisite authority to enter into this Agreement.
4. Assignment. Developer shall have the right to assign all of its rights, duties, and obligations under this Agreement to a duly qualified third party with the prior written approval of the BEDC, which approval will not be unreasonably withheld or delayed. Any assignment provided for herein shall not serve to enlarge or diminish the obligations and requirements of this Agreement, nor shall they relieve Developer of any liability to the BEDC, unless agreed

to in writing by the BEDC, which agreement will not be unreasonably withheld, including any required indemnity in the event that any Assignee hereof shall at any time be in Default of the terms of this Agreement. The BEDC may demand and receive adequate assurance of performance including the deposit or provision of financial security by any proposed Assignee prior to its approval of an assignment.

5. Independent Contractors.

- (a) It is expressly understood and agreed by all Parties hereto that in performing their services hereunder, Developer at no time will be acting as an agent of the BEDC and that all consultants or contractors engaged by Developer will be independent contractors of Developer; and nothing contained in this Agreement is intended by the Parties to create a partnership or joint venture between the Parties and any implication to the contrary is hereby expressly disavowed. The Parties hereto understand and agree that the BEDC will not be liable for any claims that may be asserted by any third party occurring in connection with services performed by Developer under this Agreement, unless any such claims are due to the fault or Default of the BEDC.
- (b) By entering into this Agreement, except as specifically set forth herein, the Parties do not waive, and shall not be deemed to have waived, any rights, immunities, or defenses either may have, including the defense of parties, and nothing contained herein shall ever be construed as a waiver of sovereign or official immunity by the BEDC with such rights being expressly reserved to the fullest extent authorized by law and to the same extent which existed prior to the execution hereof.
- (c) No employee of the BEDC, or any board member, or agent of the BEDC, shall be personally responsible for any liability arising under or growing out of this Agreement.

6. Notice. Any notice required or permitted to be delivered hereunder shall be deemed delivered by actual delivery, or on the third business day after depositing the same in the hands of a reputable overnight courier (such as United States Postal Service, FedEx or UPS) and addressed to the Party at the address set forth below:

If intended for BEDC: Bastrop Economic Development Corporation
 Attention: Executive Director
 301 Highway 71 W, Suite 214
 Bastrop TX 78602
 jean@bastropedc.org

With a copy to: Denton, Navarro, Rocha, Bernal, & Zech PC
 Attention: Charles E. Zech
 2500 W. William Cannon Drive, Suite 609
 Austin, TX 78745
 cezech@rampagelaw.com

If to the Developer: Moca Ventures Nebraska, LLC
 114 N. Custer Avenue
 Grand Island, Nebraska 68803
 (308) 382-9071
 john@johnbaaschauger.com

Any Party may designate a different address at any time upon written notice to the other Parties.

7. Governmental Records. All invoices, records and other documents required for submission to the City pursuant to the terms of this Agreement are Governmental Records for the purposes of Texas Penal Code Section 37.10.
 - (a) Governing Law. The Agreement shall be governed by the laws of the State of Texas, and the venue for any action concerning this Agreement (subject to the dispute resolution mechanisms of Article VIII above) shall be in the Courts of Bastrop County. The Parties agree to submit to the personal and subject matter jurisdiction of said court.
 - (b) Amendment. This Agreement may be amended by mutual written agreement of the Parties, as approved by the Board of Directors of the BEDC and paid for by the Developer.
8. Legal Construction. In the event any 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 other provisions of this Agreement, and it is the intention of the Parties to this Agreement that, in lieu of each provision that is found to be illegal, invalid, or unenforceable, a provision be added to this Agreement which is legal, valid and enforceable and is as similar in terms as possible to the provision found to be illegal, invalid, or unenforceable.

Each of the Parties has been represented by counsel of their choosing in the negotiation and preparation of this Agreement. Regardless of which Party prepared the initial draft of this Agreement, this Agreement shall, in the event of any dispute, whatever its meaning or application, be interpreted fairly and reasonably and neither more strongly for or against any Party.
9. Entire Agreement. This Agreement constitutes the entire agreement between the Parties with respect to the subject matter covered in this Agreement. There is no other collateral oral or written agreement between the Parties that, in any manner, relates to the subject matter of this Agreement, except as provided for in any Exhibits attached hereto or duly approved amendments to this Agreement, as approved by the Board of Directors of the BEDC.
10. Paragraph Headings. The paragraph headings contained in this Agreement are for convenience only and will in no way enlarge or limit the scope or meaning of the various and several paragraphs.

11. Counterparts. This Agreement may be executed in counterparts. Each of the counterparts shall be deemed an original instrument, but all of the counterparts shall constitute one and the same instrument.
12. Exhibits. Any Exhibits attached hereto are incorporated by reference for all purposes.
13. Survival of Covenants. Any of the representations, warranties, covenants, and obligations of the Parties, as well as any rights and benefits of the Parties, pertaining to a period of time following the termination of this Agreement shall survive termination.
14. Indemnification.

DEVELOPER AGREES TO DEFEND, INDEMNIFY AND HOLD THE BEDC AND THE CITY OF BASTROP (“CITY”), AND THEIR RESPECTIVE OFFICERS, AGENTS AND EMPLOYEES, HARMLESS FROM AND AGAINST ANY AND ALL REASONABLE LIABILITIES, DAMAGES, CLAIMS, LAWSUITS, JUDGMENTS, ATTORNEY FEES, COSTS, EXPENSES AND ANY CAUSE OF ACTION THAT DIRECTLY RELATES TO ANY OF THE FOLLOWING: ANY CLAIMS OR DEMANDS BY THE STATE OF TEXAS THAT THE BEDC HAS BEEN ERRONEOUSLY OR OVER-PAID SALES AND USE TAX FOR ANY PERIOD DURING THE TERM OF THIS AGREEMENT, OR AS A RESULT OF ANY ACT OR OMISSION OR BREACH OR NON-PERFORMANCE BY DEVELOPER UNDER THIS AGREEMENT EXCEPT THAT THE INDEMNITY PROVIDED HEREIN SHALL NOT APPLY TO ANY LIABILITY RESULTING FROM THE ACTION OR OMISSIONS OF THE BEDC OR CITY. THE PROVISIONS OF THIS SECTION ARE SOLELY FOR THE BENEFIT OF THE PARTIES HERETO AND NOT INTENDED TO CREATE OR GRANT ANY RIGHTS, CONTRACTUAL OR OTHERWISE, TO ANY OTHER PERSON OR ENTITY, IT BEING THE INTENTION OF THE PARTIES THAT DEVELOPER SHALL BE RESPONSIBLE FOR THE REPAYMENT OF ANY FUNDS PAID AND PROPERTY GRANTED TO DEVELOPER HEREIN THAT INCLUDES CITY SALES TAX RECEIPTS THAT THE STATE OF TEXAS HAS DETERMINED WAS ERRONEOUSLY PAID, DISTRIBUTED OR ALLOCATED TO THE BEDC.

15. Additional Instruments. The Parties agree and covenant to cooperate, negotiate in good faith, and to execute such other and further instruments and documents as may be reasonably required to fulfill the public purposes provided for and included within this Agreement.
16. Force Majeure. Whenever a period of time is herein prescribed for action to be taken by the Developer, the Developer shall not be liable or responsible for, and there shall be excluded from the computation of any such period of time, any delays due to causes of any kind whatsoever which are caused by Force Majeure.

[SIGNATURE PAGES FOLLOW]

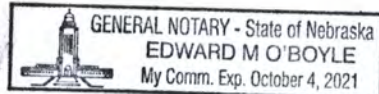
Executed on this 3rd day of August, 2021.

MOCA VENTURES NEBRASKA, LLC

By: [Signature]
Name: John Baasch
Title: President

STATE OF Nebraska }
COUNTY OF Hall }

This information was acknowledged before me on this 3rd day of August, 2021, by John D. Baasch for Moca Ventures Nebraska, LLC a Texas limited liability company, on behalf of said company.



[Signature]
Notary Public, State of Nebraska

Edward M. O'Boyle
Notary's typed or printed name

10-4-2021
My commission expires

Executed on this _____ day of _____, 2021.

**BASTROP ECONOMIC
DEVELOPMENT CORPORATION**

By: _____

Name: Genora Young

Title: Interim Executive Director

STATE OF TEXAS }
COUNTY OF BASTROP }

This information was acknowledged before me on this _____ day of _____,
_____, by _____ for the Bastrop Economic Development Corporation,
a Texas non-profit industrial development corporation, on behalf of said agency.

Notary Public, State of Texas

Notary's typed or printed name

My commission expires

APPROVED AS TO FORM:

By:  _____

Charlie Zech, BEDC Counsel
DNRB&Z P.C.

Exhibit A
Commercial Contract - Unimproved Property (Purchase and Sale Agreement)
with Amendment and Rider

[SEE ATTACHED]



COMMERCIAL CONTRACT - UNIMPROVED PROPERTY

USE OF THIS FORM BY PERSONS WHO ARE NOT MEMBERS OF THE TEXAS ASSOCIATION OF REALTORS®, INC. IS NOT AUTHORIZED.
©Texas Association of REALTORS®, Inc. 2018

1. **PARTIES:** Seller agrees to sell and convey to Buyer the Property described in Paragraph 2. Buyer agrees to buy the Property from Seller for the sales price stated in Paragraph 3. The parties to this contract are:

Seller: **Bastrop Economic Development Corporation**

Address: **301 Hwy 71 W, Suite 214, Bastrop, TX 78602**

Phone: **(512)303-9700** E-mail: **jean@bastropedc.org**

Fax: _____ Other: **angela@bastropedc.org**

Buyer: **Moca Ventures Nebraska, LLC**

Address: **114 N Custer Avenue, Grand Island, NE 68803**

Phone: **(308)382-9071** E-mail: **john@johnbaaschauger.com**

Fax: _____ Other: _____

2. **PROPERTY:**

A. "Property" means that real property situated in Bastrop County, Texas at 26.5 acres M/L TBD Jackson Street, Bastrop, Texas (address) and that is legally described on the attached Exhibit A or as follows: **Bastrop Business And Industrial Park, Phase 1, BLOCK A, Lot 1 (FR), ACRES 26.5 acres M/L, includes Pipeline & LCRA Electrical Easements.**

Bastrop Industrial Park Tract located South of State Highway 71 East off of Jackson Street, Bastrop, Bastrop County, Texas.

B. Seller will sell and convey the Property together with:
(1) all rights, privileges, and appurtenances pertaining to the Property, including Seller's right, title, and interest in any minerals, utilities, adjacent streets, alleys, strips, gores, and rights-of-way;
(2) Seller's interest in all leases, rents, and security deposits for all or part of the Property; and
(3) Seller's interest in all licenses and permits related to the Property.

*(Describe any exceptions, reservations, or restrictions in Paragraph 12 or an addendum.)
(If mineral rights are to be reserved an appropriate addendum should be attached.)*

3. **SALES PRICE:**

A. At or before closing, Buyer will pay the following sales price for the Property:

- (1) Cash portion payable by Buyer at closing \$ 900,000.00
- (2) Sum of all financing described in Paragraph 4 \$ _____
- (3) Sales price (sum of 3A(1) and 3A(2)) \$ 900,000.00

Commercial Contract - Unimproved Property concerning 26.5 acres M/L TBD Jackson Street, Bastrop, Texas

B. Adjustment to Sales Price: (Check (1) or (2) only.)

- (1) The sales price will not be adjusted based on a survey.
- (2) The sales price will be adjusted based on the latest survey obtained under Paragraph 6B.

(a) The sales price is calculated on the basis of \$ 0.78 per:

- (i) square foot of total area net area.
- (ii) acre of total area net area.

(b) "Total area" means all land area within the perimeter boundaries of the Property. "Net area" means total area less any area of the Property within:

- (i) public roadways;
- (ii) rights-of-way and easements other than those that directly provide utility services to the Property; and
- (iii) _____

(c) If the sales price is adjusted by more than 10.000 % of the stated sales price, either party may terminate this contract by providing written notice to the other party within 5 days after the terminating party receives the survey. If neither party terminates this contract or if the variance is less than the stated percentage, the adjustment to the sales price will be made to the cash portion of the sales price payable by Buyer.

4. FINANCING: Buyer will finance the portion of the sales price under Paragraph 3A(2) as follows:

- A. **Third Party Financing:** One or more third party loans in the total amount of \$ _____ This contract:
 - (1) is not contingent upon Buyer obtaining third party financing.
 - (2) is contingent upon Buyer obtaining third party financing in accordance with the attached Commercial Contract Financing Addendum (TXR-1931).
- B. **Assumption:** In accordance with the attached Commercial Contract Financing Addendum (TXR-1931), Buyer will assume the existing promissory note secured by the Property, which balance at closing will be \$ _____.
- C. **Seller Financing:** The delivery of a promissory note and deed of trust to Seller under the terms of the attached Commercial Contract Financing Addendum (TXR-1931) in the amount of \$ _____.

5. EARNEST MONEY:

- A. Not later than 3 days after the effective date, Buyer must deposit \$ \$9,000.00 as earnest money with Independence Title Company (title company) at 301 Hwy 71 W, Ste 106, Bastrop TX 78602 (address) Ed Rivers (closer). If Buyer fails to timely deposit the earnest money, Seller may terminate this contract or exercise any of Seller's other remedies under Paragraph 15 by providing written notice to Buyer before Buyer deposits the earnest money.
- B. Buyer will deposit an additional amount of \$ _____ with the title company to be made part of the earnest money on or before:
 - (i) _____ days after Buyer's right to terminate under Paragraph 7B expires; or
 - (ii) _____.
 Buyer will be in default if Buyer fails to deposit the additional amount required by this Paragraph 5B within 3 days after Seller notifies Buyer that Buyer has not timely deposited the additional amount.
- C. Buyer may instruct the title company to deposit the earnest money in an interest-bearing account at a federally insured financial institution and to credit any interest to Buyer.

Commercial Contract - Unimproved Property concerning 26.5 acres M/L TBD Jackson Street, Bastrop, Texas

6. TITLE POLICY AND SURVEY:

A. Title Policy:

- (1) Seller, at Seller's expense, will furnish Buyer an Owner's Policy of Title Insurance (the title policy) issued by any underwriter of the title company in the amount of the sales price, dated at or after closing, insuring Buyer against loss under the title policy, subject only to:
 - (a) those title exceptions permitted by this contract or as may be approved by Buyer in writing; and
 - (b) the standard printed exceptions contained in the promulgated form of title policy unless this contract provides otherwise.
- (2) The standard printed exception as to discrepancies, conflicts, or shortages in area and boundary lines, or any encroachments or protrusions, or any overlapping improvements:
 - (a) will not be amended or deleted from the title policy.
 - (b) will be amended to read "shortages in areas" at the expense of Buyer Seller.
- (3) Within 14 days after the effective date, Seller will furnish Buyer a commitment for title insurance (the commitment) including legible copies of recorded documents evidencing title exceptions. Seller authorizes the title company to deliver the commitment and related documents to Buyer at Buyer's address.

B. Survey: Within 35 days after the effective date:

- (1) Buyer will obtain a survey of the Property at Buyer's expense and deliver a copy of the survey to Seller. The survey must be made in accordance with the: (i) ALTA/NSPS Land Title Survey standards, or (ii) Texas Society of Professional Surveyors' standards for a Category 1A survey under the appropriate condition. Seller will reimburse Buyer _____ (*insert amount*) of the cost of the survey at closing, if closing occurs.
- (2) Seller, at Seller's expense, will furnish Buyer a survey of the Property dated after the effective date. The survey must be made in accordance with the: (i) ALTA/NSPS Land Title Survey standards, or (ii) Texas Society of Professional Surveyors' standards for a Category 1A survey under the appropriate condition.
- (3) Seller will deliver to Buyer and the title company a true and correct copy of Seller's most recent survey of the Property along with an affidavit required by the title company for approval of the existing survey. If the existing survey is not acceptable to the title company, Seller Buyer (updating party), will, at the updating party's expense, obtain a new or updated survey acceptable to the title company and deliver the acceptable survey to the other party and the title company within 20 days after the title company notifies the parties that the existing survey is not acceptable to the title company. The closing date will be extended daily up to 20 days if necessary for the updating party to deliver an acceptable survey within the time required. The other party will reimburse the updating party _____ (*insert amount or percentage*) of the cost of the new or updated survey at closing, if closing occurs.

C. Buyer's Objections to the Commitment and Survey:

- (1) Within 14 days after Buyer receives the last of the commitment, copies of the documents evidencing the title exceptions, and any required survey, Buyer may object in writing to matters disclosed in the items if: (a) the matters disclosed are a restriction upon the Property or constitute a defect or encumbrance to title other than those permitted by this contract or liens that Seller will satisfy at closing or Buyer will assume at closing; or (b) the items show that any part of the Property lies in a special flood hazard area (an "A" or "V" zone as defined by FEMA). If the commitment or survey is revised or any new document evidencing a title exception is delivered, Buyer may object to any new matter revealed in such revision or new document. Buyer's objection must be made within the same number of days stated in this paragraph, beginning when the revision or new

Commercial Contract - Unimproved Property concerning 26.5 acres M/L TBD Jackson Street, Bastrop, Texas

document is delivered to Buyer. If Paragraph 6B(1) applies, Buyer is deemed to receive the survey on the earlier of: (i) the date of Buyer's actual receipt of the survey; or (ii) of the deadline specified in Paragraph 6B.

- (2) Seller may, but is not obligated to, cure Buyer's timely objections within 15 days after Seller receives the objections. The closing date will be extended as necessary to provide such time to cure the objections. If Seller fails to cure the objections by the time required, Buyer may terminate this contract by providing written notice to Seller within 5 days after the time by which Seller must cure the objections. If Buyer terminates, the earnest money, less any independent consideration under Paragraph 7B(1), will be refunded to Buyer.
- (3) Buyer's failure to timely object or terminate under this Paragraph 6C is a waiver of Buyer's right to object except that Buyer will not waive the requirements in Schedule C of the commitment.

7. PROPERTY CONDITION:

A. Present Condition: Buyer accepts the Property in its present condition except that Seller, at Seller's expense, will complete the following before closing: N/A

B. Feasibility Period: Buyer may terminate this contract for any reason within 45 days after the effective date (feasibility period) by providing Seller written notice of termination.

(1) Independent Consideration. (Check only one box and insert amounts.)

(a) If Buyer terminates under this Paragraph 7B, the earnest money will be refunded to Buyer less \$ 2,500.00 that Seller will retain as independent consideration for Buyer's unrestricted right to terminate. Buyer has tendered the independent consideration to Seller upon payment of the amount specified in Paragraph 5A to the title company. The independent consideration is to be credited to the sales price only upon closing of the sale. If no dollar amount is stated in this Paragraph 7B(1) or if Buyer fails to deposit the earnest money, Buyer will not have the right to terminate under this Paragraph 7B.

(b) Not later than 3 days after the effective date, Buyer must pay Seller \$ _____ as independent consideration for Buyer's right to terminate by tendering such amount to Seller or Seller's agent. If Buyer terminates under this Paragraph 7B, the earnest money will be refunded to Buyer and Seller will retain the independent consideration. The independent consideration will be credited to the sales price only upon closing of the sale. If no dollar amount is stated in this Paragraph 7B(2) or if Buyer fails to pay the independent consideration, Buyer will not have the right to terminate under this Paragraph 7B.

(2) Feasibility Period Extension: Prior to the expiration of the initial feasibility period, Buyer may extend the feasibility period for a single period of an additional 25 days by depositing additional earnest money in the amount of \$3,000.00 with the title company. If no dollar amount is stated in this Paragraph or if Buyer fails to timely deposit the additional earnest money, the extension of the feasibility period will not be effective.

C. Inspections, Studies, or Assessments:

(1) During the feasibility period, Buyer, at Buyer's expense, may complete or cause to be completed any and all inspections, studies, or assessments of the Property (including all improvements and fixtures) desired by Buyer.

Commercial Contract - Unimproved Property concerning 26.5 acres M/L TBD Jackson Street, Bastrop, Texas

(2) Buyer must:

- (a) employ only trained and qualified inspectors and assessors;
- (b) notify Seller, in advance, of when the inspectors or assessors will be on the Property;
- (c) abide by any reasonable entry rules or requirements of Seller;
- (d) not interfere with existing operations or occupants of the Property; and
- (e) restore the Property to its original condition if altered due to inspections, studies, or assessments that Buyer completes or causes to be completed.

(3) Except for those matters that arise from the negligence of Seller or Seller's agents, Buyer is responsible for any claim, liability, encumbrance, cause of action, and expense resulting from Buyer's inspections, studies, or assessments, including any property damage or personal injury. Buyer will indemnify, hold harmless, and defend Seller and Seller's agents against any claim involving a matter for which Buyer is responsible under this paragraph. This paragraph survives termination of this contract.

D. Property Information:

(1) Delivery of Property Information: Within 20 days after the effective date, Seller will deliver to Buyer: *(Check all that apply.)*

- (a) copies of all current leases, including any mineral leases, pertaining to the Property, including any modifications, supplements, or amendments to the leases;
- (b) copies of all notes and deeds of trust against the Property that Buyer will assume or that Seller will not pay in full on or before closing;
- (c) copies of all previous environmental assessments, geotechnical reports, studies, or analyses made on or relating to the Property;
- (d) copies property tax statements for the Property for the previous 2 calendar years;
- (e) plats of the Property;
- (f) copies of current utility capacity letters from the Property's water and sewer service provider; and
- (g) _____

(2) Return of Property Information: If this contract terminates for any reason, Buyer will, not later than 10 days after the termination date: *(Check all that apply.)*

- (a) return to Seller all those items described in Paragraph 7D(1) that Seller delivered to Buyer in other than an electronic format and all copies that Buyer made of those items;
- (b) delete or destroy all electronic versions of those items described in Paragraph 7D(1) that Seller delivered to Buyer or Buyer copied in any format; and
- (c) deliver to Seller copies of all inspection and assessment reports related to the Property that Buyer completed or caused to be completed.

This Paragraph 7D(2) survives termination of this contract.

E. Contracts Affecting Operations: Until closing, Seller: (1) will operate the Property in the same manner as on the effective date under reasonably prudent business standards; and (2) will not transfer or dispose of any part of the Property, any interest or right in the Property, or any of the personal property or other items described in Paragraph 2B or sold under this contract. After the feasibility period ends, Seller may not enter into, amend, or terminate any other contract that affects the operations of the Property without Buyer's written approval.

8. **LEASES:**

A. Each written lease Seller is to assign to Buyer under this contract must be in full force and effect according to its terms. Seller may not enter into any new lease, fail to comply with any existing lease, or make any amendment or modification to any existing lease without Buyer's written consent. Seller

Commercial Contract - Unimproved Property concerning 26.5 acres M/L TBD Jackson Street, Bastrop, Texas

must disclose, in writing, if any of the following exist at the time Seller provides the leases to the Buyer or subsequently occur before closing:

- (1) any failure by Seller to comply with Seller's obligations under the leases;
- (2) any circumstances under any lease that entitle the tenant to terminate the lease or seek any offsets or damages;
- (3) any advance sums paid by a tenant under any lease;
- (4) any concessions, bonuses, free rents, rebates, brokerage commissions, or other matters that affect any lease; and
- (5) any amounts payable under the leases that have been assigned or encumbered, except as security for loan(s) assumed or taken subject to under this contract.

B. **Estoppel Certificates:** Within 20 days after the effective date, Seller will deliver to Buyer estoppel certificates signed not earlier than January 1, 2021 by each tenant that leases space in the Property. The estoppel certificates must include the certifications contained in the current version of TXR Form 1938 - Commercial Tenant Estoppel Certificate and any additional information requested by a third party lender providing financing under Paragraph 4 if the third party lender requests such additional information at least 10 days prior to the earliest date that Seller may deliver the signed estoppel certificates.

9. BROKERS:

A. The brokers to this sale are:

Principal Broker: N/A

Cooperating Broker: Susan Nagues Real Estate LLC

Agent: _____

Agent: Susan Nagues, Broker

Address: _____

Address: 115 Loop 150 West

Bastrop, TX 78602

Phone & Fax: _____

Phone & Fax: (512)913-9463

E-mail: _____

E-mail: snagues@sbcglobal.net

License No.: _____

License No.: 9008018 & 429381

Principal Broker: (Check only one box)

- represents Seller only.
- represents Buyer only.
- is an intermediary between Seller and Buyer.

Cooperating Broker represents Buyer.

B. **Fees:** (Check only (1) or (2) below.)

(Complete the Agreement Between Brokers on page 14 only if (1) is selected.)

(1) Seller will pay Principal Broker the fee specified by separate written commission agreement between Principal Broker and Seller. Principal Broker will pay Cooperating Broker the fee specified in the Agreement Between Brokers found below the parties' signatures to this contract.

(2) At the closing of this sale, Seller will pay:

Principal Broker a total cash fee of:

_____ % of the sales price.

_____ .

Cooperating Broker a total cash fee of:

6.000 % of the sales price.

_____ .

The cash fees will be paid in Bastrop County, Texas. Seller authorizes the title company to pay the brokers from the Seller's proceeds at closing.

Commercial Contract - Unimproved Property concerning 26.5 acres M/L TBD Jackson Street, Bastrop, Texas

NOTICE: Chapter 62, Texas Property Code, authorizes a broker to secure an earned commission with a lien against the Property.

C. The parties may not amend this Paragraph 9 without the written consent of the brokers affected by the amendment.

10. CLOSING:

A. The date of the closing of the sale (closing date) will be on or before the later of:

(1) 15 days after the expiration of the feasibility period.

_____ (specific date).

(2) 7 days after objections made under Paragraph 6C have been cured or waived.

B. If either party fails to close by the closing date, the non-defaulting party may exercise the remedies in Paragraph 15.

C. At closing, Seller will execute and deliver, at Seller's expense, a general special warranty deed. The deed must include a vendor's lien if any part of the sales price is financed. The deed must convey good and indefeasible title to the Property and show no exceptions other than those permitted under Paragraph 6 or other provisions of this contract. Seller must convey the Property:

(1) with no liens, assessments, or other security interests against the Property which will not be satisfied out of the sales price, unless securing loans Buyer assumes;

(2) without any assumed loans in default; and

(3) with no persons in possession of any part of the Property as lessees, tenants at sufferance, or trespassers except tenants under the written leases assigned to Buyer under this contract.

D. At closing, Seller, at Seller's expense, will also deliver to Buyer:

(1) tax statements showing no delinquent taxes on the Property;

(2) an assignment of all leases to or on the Property;

(3) to the extent assignable, an assignment to Buyer of any licenses and permits related to the Property;

(4) evidence that the person executing this contract is legally capable and authorized to bind Seller;

(5) an affidavit acceptable to the title company stating that Seller is not a foreign person or, if Seller is a foreign person, a written authorization for the title company to: (i) withhold from Seller's proceeds an amount sufficient to comply with applicable tax law; and (ii) deliver the amount to the Internal Revenue Service (IRS) together with appropriate tax forms; and

(6) any notices, statements, certificates, affidavits, releases, and other documents required by this contract, the commitment, or law necessary for the closing of the sale and issuance of the title policy, all of which must be completed by Seller as necessary.

E. At closing, Buyer will:

(1) pay the sales price in good funds acceptable to the title company;

(2) deliver evidence that the person executing this contract is legally capable and authorized to bind Buyer;

(3) sign and send to each tenant in a lease for any part of the Property a written statement that:

(a) acknowledges Buyer has received and is responsible for the tenant's security deposit; and

(b) specifies the exact dollar amount of the security deposit;

(4) sign an assumption of all leases then in effect; and

(5) execute and deliver any notices, statements, certificates, or other documents required by this contract or law necessary to close the sale.

F. Unless the parties agree otherwise, the closing documents will be as found in the basic forms in the current edition of the State Bar of Texas Real Estate Forms Manual without any additional clauses.

Commercial Contract - Unimproved Property concerning 26.5 acres M/L TBD Jackson Street, Bastrop, Texas

11. POSSESSION: Seller will deliver possession of the Property to Buyer upon closing and funding of this sale in its present condition with any repairs Seller is obligated to complete under this contract, ordinary wear and tear excepted. Any possession by Buyer before closing or by Seller after closing that is not authorized by a separate written lease agreement is a landlord-tenant at sufferance relationship between the parties.

12. SPECIAL PROVISIONS: The following special provisions apply and will control in the event of a conflict with other provisions of this contract. *(If special provisions are contained in an Addendum, identify the Addendum here and reference the Addendum in Paragraph 22D.)*

If Property is determined to be in a prohibited construction site due to a Houston Toad Habitat or subsurface pit/dump site, then Buyer may terminate the Contract at any time prior to Closing, and have all Earnest Money and feasibility money refunded.

13. SALES EXPENSES:

- A. Seller's Expenses: Seller will pay for the following at or before closing:
 - (1) releases of existing liens, other than those liens assumed by Buyer, including prepayment penalties and recording fees;
 - (2) release of Seller's loan liability, if applicable;
 - (3) tax statements or certificates;
 - (4) preparation of the deed;
 - (5) one-half of any escrow fee;
 - (6) costs to record any documents to cure title objections that Seller must cure; and
 - (7) other expenses that Seller will pay under other provisions of this contract.

- B. Buyer's Expenses: Buyer will pay for the following at or before closing:
 - (1) all loan expenses and fees;
 - (2) preparation of any deed of trust;
 - (3) recording fees for the deed and any deed of trust;
 - (4) premiums for flood insurance as may be required by Buyer's lender;
 - (5) one-half of any escrow fee;
 - (6) other expenses that Buyer will pay under other provisions of this contract.

14. PRORATIONS:

- A. Prorations:
 - (1) Interest on any assumed loan, taxes, rents, and any expense reimbursements from tenants will be prorated through the closing date.
 - (2) If the amount of ad valorem taxes for the year in which the sale closes is not available on the closing date, taxes will be prorated on the basis of taxes assessed in the previous year. If the taxes for the year in which the sale closes vary from the amount prorated at closing, the parties will adjust the prorations when the tax statements for the year in which the sale closes become available. This Paragraph 14A(2) survives closing.
 - (3) If Buyer assumes a loan or is taking the Property subject to an existing lien, Seller will transfer all reserve deposits held by the lender for the payment of taxes, insurance premiums, and other charges to Buyer at closing and Buyer will reimburse such amounts to Seller by an appropriate adjustment at closing.

- B. Rollback Taxes: If Seller's use or change in use of the Property before closing results in the assessment of additional taxes, penalties, or interest (assessments) for periods before closing, the assessments will be the obligation of the Seller. If this sale or Buyer's use of the Property after closing results in additional assessments for periods before closing, the assessments will be the obligation of Buyer. This Paragraph 14B survives closing.

Commercial Contract - Unimproved Property concerning 26.5 acres M/L TBD Jackson Street, Bastrop, Texas

C. Rent and Security Deposits: At closing, Seller will tender to Buyer all security deposits and the following advance payments received by Seller for periods after closing: prepaid expenses, advance rental payments, and other advance payments paid by tenants. Rents prorated to one party but received by the other party will be remitted by the recipient to the party to whom it was prorated within 5 days after the rent is received. This Paragraph 14C survives closing.

15. DEFAULT:

- A. If Buyer fails to comply with this contract, Buyer is in default and Seller, as Seller's sole remedy(ies), may terminate this contract and receive the earnest money, as liquidated damages for Buyer's failure except for any damages resulting from Buyer's inspections, studies or assessments in accordance with Paragraph 7C(3) which Seller may pursue; or
(Check if applicable)
 enforce specific performance, or seek such other relief as may be provided by law.
- B. If, without fault, Seller is unable within the time allowed to deliver the estoppel certificates, survey or the commitment, Buyer may:
 - (1) terminate this contract and receive the earnest money, less any independent consideration under Paragraph 7B(1), as liquidated damages and as Buyer's sole remedy; or
 - (2) extend the time for performance up to 15 days and the closing will be extended as necessary.
- C. Except as provided in Paragraph 15B, if Seller fails to comply with this contract, Seller is in default and Buyer may:
 - (1) terminate this contract and receive the earnest money, less any independent consideration under Paragraph 7B(1), as liquidated damages and as Buyer's sole remedy; or
 - (2) enforce specific performance, or seek such other relief as may be provided by law, or both.

16. CONDEMNATION: If before closing, condemnation proceedings are commenced against any part of the Property, Buyer may:

- A. terminate this contract by providing written notice to Seller within 15 days after Buyer is advised of the condemnation proceedings and the earnest money, less any independent consideration paid under Paragraph 7B(1), will be refunded to Buyer; or
- B. appear and defend in the condemnation proceedings and any award will, at Buyer's election, belong to:
 - (1) Seller and the sales price will be reduced by the same amount; or
 - (2) Buyer and the sales price will not be reduced.

17. ATTORNEY'S FEES: If Buyer, Seller, any broker, or the title company is a prevailing party in any legal proceeding brought under or with relation to this contract or this transaction, such party is entitled to recover from the non-prevailing parties all costs of such proceeding and reasonable attorney's fees. This Paragraph 17 survives termination of this contract.

18. ESCROW:

- A. At closing, the earnest money will be applied first to any cash down payment, then to Buyer's closing costs, and any excess will be refunded to Buyer. If no closing occurs, the title company may require payment of unpaid expenses incurred on behalf of the parties and a written release of liability of the title company from all parties.
- B. If one party makes written demand for the earnest money, the title company will give notice of the demand by providing to the other party a copy of the demand. If the title company does not receive written objection to the demand from the other party within 15 days after the date the title company sent the demand to the other party, the title company may disburse the earnest money to the party making demand, reduced by the amount of unpaid expenses incurred on behalf of the party receiving the earnest money and the title company may pay the same to the creditors.

Commercial Contract - Unimproved Property concerning 26.5 acres M/L TBD Jackson Street, Bastrop, Texas

- C. The title company will deduct any independent consideration under Paragraph 7B(1) before disbursing any earnest money to Buyer and will pay the independent consideration to Seller.
- D. If the title company complies with this Paragraph 18, each party hereby releases the title company from all claims related to the disbursement of the earnest money.
- E. Notices under this Paragraph 18 must be sent by certified mail, return receipt requested. Notices to the title company are effective upon receipt by the title company.
- F. Any party who wrongfully fails or refuses to sign a release acceptable to the title company within 7 days after receipt of the request will be liable to the other party for: (i) damages; (ii) the earnest money; (iii) reasonable attorney's fees; and (iv) all costs of suit.
- G. Seller Buyer intend(s) to complete this transaction as a part of an exchange of like-kind properties in accordance with Section 1031 of the Internal Revenue Code, as amended. All expenses in connection with the contemplated exchange will be paid by the exchanging party. The other party will not incur any expense or liability with respect to the exchange. The parties agree to cooperate fully and in good faith to arrange and consummate the exchange so as to comply to the maximum extent feasible with the provisions of Section 1031 of the Internal Revenue Code. The other provisions of this contract will not be affected in the event the contemplated exchange fails to occur.

19. MATERIAL FACTS: To the best of Seller's knowledge and belief: *(Check only one box.)*

- A. Seller is not aware of any material defects to the Property except as stated in the attached Commercial Property Condition Statement (TXR-1408).
- B. Except as otherwise provided in this contract, Seller is not aware of:
 - (1) any subsurface: structures, pits, waste, springs, or improvements;
 - (2) any pending or threatened litigation, condemnation, or assessment affecting the Property;
 - (3) any environmental hazards or conditions that materially affect the Property;
 - (4) whether the Property is or has been used for the storage or disposal of hazardous materials or toxic waste, a dump site or landfill, or any underground tanks or containers;
 - (5) whether radon, asbestos containing materials, urea-formaldehyde foam insulation, lead-based paint, toxic mold (to the extent that it adversely affects the health of ordinary occupants), or other pollutants or contaminants of any nature now exist or ever existed on the Property;
 - (6) any wetlands, as defined by federal or state law or regulation, on the Property;
 - (7) any threatened or endangered species or their habitat on the Property;
 - (8) any present or past infestation of wood-destroying insects in the Property's improvements;
 - (9) any contemplated material changes to the Property or surrounding area that would materially and detrimentally affect the ordinary use of the Property;
 - (10) any condition on the Property that violates any law or ordinance.

(Describe any exceptions to (1)-(10) in Paragraph 12 or an addendum.)

20. NOTICES: All notices between the parties under this contract must be in writing and are effective when hand-delivered, mailed by certified mail return receipt requested, or sent by facsimile transmission to the parties addresses or facsimile numbers stated in Paragraph 1. The parties will send copies of any notices to the broker representing the party to whom the notices are sent.

- A. Seller also consents to receive any notices by e-mail at Seller's e-mail address stated in Paragraph 1.
- B. Buyer also consents to receive any notices by e-mail at Buyer's e-mail address stated in Paragraph 1.

21. DISPUTE RESOLUTION: The parties agree to negotiate in good faith in an effort to resolve any dispute related to this contract that may arise. If the dispute cannot be resolved by negotiation, the parties will submit the dispute to mediation before resorting to arbitration or litigation and will equally share the costs of a mutually acceptable mediator. This paragraph survives termination of this contract. This paragraph does not preclude a party from seeking equitable relief from a court of competent jurisdiction.

Commercial Contract - Unimproved Property concerning 26.5 acres M/L TBD Jackson Street, Bastrop, Texas

22. AGREEMENT OF THE PARTIES:

- A. This contract is binding on the parties, their heirs, executors, representatives, successors, and permitted assigns. This contract is to be construed in accordance with the laws of the State of Texas. If any term or condition of this contract shall be held to be invalid or unenforceable, the remainder of this contract shall not be affected thereby.
- B. This contract contains the entire agreement of the parties and may not be changed except in writing.
- C. If this contract is executed in a number of identical counterparts, each counterpart is an original and all counterparts, collectively, constitute one agreement.
- D. Addenda which are part of this contract are: *(Check all that apply.)*
 - (1) Property Description Exhibit identified in Paragraph 2;
 - (2) Commercial Contract Financing Addendum (TXR-1931);
 - (3) Commercial Property Condition Statement (TXR-1408);
 - (4) Commercial Contract Addendum for Special Provisions (TXR-1940);
 - (5) Notice to Purchaser of Real Property in a Water District (MUD);
 - (6) Addendum for Coastal Area Property (TXR-1915);
 - (7) Addendum for Property Located Seaward of the Gulf Intracoastal Waterway (TXR-1916);
 - (8) Information About Brokerage Services (TXR-2501);
 - (9) Information About Mineral Clauses in Contract Forms (TXR-2509); and
 - (10) **Environmental & Endangered Species Addendum,**
Continued... See Addendum Other 1

(Note: Counsel for Texas REALTORS® has determined that any of the foregoing addenda which are promulgated by the Texas Real Estate Commission (TREC) or published by Texas REALTORS® are appropriate for use with this form.)

- E. Buyer may may not assign this contract. If Buyer assigns this contract, Buyer will be relieved of any future liability under this contract only if the assignee assumes, in writing, all obligations and liability of Buyer under this contract.

23. TIME: Time is of the essence in this contract. The parties require strict compliance with the times for performance. If the last day to perform under a provision of this contract falls on a Saturday, Sunday, or legal holiday, the time for performance is extended until the end of the next day which is not a Saturday, Sunday, or legal holiday.

24. EFFECTIVE DATE: The effective date of this contract for the purpose of performance of all obligations is the date the title company receipts this contract after all parties execute this contract.

25. ADDITIONAL NOTICES:

- A. Buyer should have an abstract covering the Property examined by an attorney of Buyer's selection, or Buyer should be furnished with or obtain a title policy.
- B. If the Property is situated in a utility or other statutorily created district providing water, sewer, drainage, or flood control facilities and services, Chapter 49, Texas Water Code, requires Seller to deliver and Buyer to sign the statutory notice relating to the tax rate, bonded indebtedness, or standby fees of the district before final execution of this contract.
- C. Notice Required by §13.257, Water Code: "The real property, described below, that you are about to purchase may be located in a certificated water or sewer service area, which is authorized by law to provide water or sewer service to the properties in the certificated area. If your property is located in a certificated area there may be special costs or charges that you will be required to pay before you can receive water or sewer service. There may be a period required to construct lines or other facilities necessary to provide water or sewer service to your property. You are advised to determine if the property is in a certificated area and contact the utility service provider to determine the cost that you

Commercial Contract - Unimproved Property concerning 26.5 acres M/L TBD Jackson Street, Bastrop, Texas

will be required to pay and the period, if any, that is required to provide water or sewer service to your property. The undersigned purchaser hereby acknowledges receipt of the foregoing notice at or before the execution of a binding contract for the purchase of the real property described in the notice or at closing of purchase of the real property." The real property is described in Paragraph 2 of this contract.

- D. If the Property adjoins or shares a common boundary with the tidally influenced submerged lands of the state, §33.135 of the Texas Natural Resources Code requires a notice regarding coastal area property to be included as part of this contract (*the Addendum for Coastal Area Property (TXR-1915) may be used*).
- E. If the Property is located seaward of the Gulf Intracoastal Waterway, §61.025, Texas Natural Resources Code, requires a notice regarding the seaward location of the Property to be included as part of this contract (*the Addendum for Property Located Seaward of the Gulf Intracoastal Waterway (TXR-1916) may be used*).
- F. If the Property is located outside the limits of a municipality, the Property may now or later be included in the extra-territorial jurisdiction (ETJ) of a municipality and may now or later be subject to annexation by the municipality. Each municipality maintains a map that depicts its boundaries and ETJ. To determine if the Property is located within a municipality's ETJ, Buyer should contact all municipalities located in the general proximity of the Property for further information.
- G. Brokers are not qualified to perform property inspections, surveys, engineering studies, environmental assessments, or inspections to determine compliance with zoning, governmental regulations, or laws. Buyer should seek experts to perform such services. Buyer should review local building codes, ordinances and other applicable laws to determine their effect on the Property. Selection of experts, inspectors, and repairmen is the responsibility of Buyer and not the brokers. Brokers are not qualified to determine the credit worthiness of the parties.
- H. NOTICE OF WATER LEVEL FLUCTUATIONS: If the Property adjoins an impoundment of water, including a reservoir or lake, constructed and maintained under Chapter 11, Water Code, that has a storage capacity of at least 5,000 acre-feet at the impoundment's normal operating level, Seller hereby notifies Buyer: "The water level of the impoundment of water adjoining the Property fluctuates for various reasons, including as a result of: (1) an entity lawfully exercising its right to use the water stored in the impoundment; or (2) drought or flood conditions."
- I. LICENSE HOLDER DISCLOSURE: Texas law requires a real estate license holder who is a party to a transaction or acting on behalf of a spouse, parent, child, business entity in which the license holder owns more than 10%, or a trust for which the license holder acts as a trustee or of which the license holder or the license holder's spouse, parent or child is a beneficiary, to notify the other party in writing before entering into a contract of sale. Disclose if applicable: N/A.

26. CONTRACT AS OFFER: The execution of this contract by the first party constitutes an offer to buy or sell the Property. Unless the other party accepts the offer by 5:00 p.m., in the time zone in which the Property is located, on July 20, 2021, the offer will lapse and become null and void.

Commercial Contract - Unimproved Property concerning 26.5 acres M/L TBD Jackson Street, Bastrop, Texas

READ THIS CONTRACT CAREFULLY. The brokers and agents make no representation or recommendation as to the legal sufficiency, legal effect, or tax consequences of this document or transaction. CONSULT your attorney BEFORE signing.

Seller: Bastrop Economic Development Corporation

Buyer: Moca Ventures Nebraska, LLC

By: _____
By (signature): _____
Printed Name: _____
Title: _____

By: **John D Baasch** DocuSigned by: _____
By (signature): John D. Baasch
Printed Name: John D Baasch
Title: **President**

By: _____
By (signature): _____
Printed Name: _____
Title: _____

By: _____
By (signature): _____
Printed Name: _____
Title: _____

Commercial Contract -Unimproved Property concerning 26.5 acres M/L TBD Jackson Street, Bastrop, Texas

AGREEMENT BETWEEN BROKERS

(use only if Paragraph 9B(1) is effective)

Principal Broker agrees to pay _____ (Cooperating Broker) a fee when the Principal Broker's fee is received. The fee to be paid to Cooperating Broker will be:

- \$ _____, or
- _____ % of the sales price, or
- _____ % of the Principal Broker's fee.

The title company is authorized and directed to pay Cooperating Broker from Principal Broker's fee at closing. This Agreement Between Brokers supersedes any prior offers and agreements for compensation between brokers.

Principal Broker: _____ Cooperating Broker: _____

By: _____ By: _____

ATTORNEYS

Seller's attorney: _____ Buyer's attorney: _____

Address: _____ Address: _____

Phone & Fax: _____ Phone & Fax: _____

E-mail: _____ E-mail: _____

Seller's attorney requests copies of documents, notices, and other information:

- the title company sends to Seller.
- Buyer sends to Seller.

Buyer's attorney requests copies of documents, notices, and other information:

- the title company sends to Buyer.
- Seller sends to Buyer.

ESCROW RECEIPT

The title company acknowledges receipt of:

- A. the contract on this day _____ (effective date);
- B. earnest money in the amount of \$ _____ in the form of _____
on _____.

Title company: _____ Address: _____

By: _____ Phone & Fax: _____

Assigned file number (GF#): _____ E-mail: _____

ADDENDUM

PROPERTY: **TBD (26 +/- acres) Jackson Street, Bastrop, TX 78602**

1) Other

(11) Economic Development Performance Agreement

(12) Special Warranty Deed

(13) Unimproved Property Amendment and Rider

Multiple horizontal lines for additional text or notes.

Date: _____

Date: _____

DocuSigned by:
John D. Baasch 7/15/2021
Signature

Signature

Date: _____

Date: _____

Signature

Signature

Addendum

Special Warranty Deed

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

Date: _____, 2021

Grantor: Bastrop Economic Development Corporation
Grantor's Mailing Address: 301 Hwy 71 W, Suite 214, Bastrop, Texas 78602

Grantee: Moca Ventures Nebraska, LLC
Grantee's Mailing Address: 114 N. Custer Avenue, Grand Island, Nebraska 68803

Consideration: TEN AND NO/100 DOLLARS AND OTHER GOOD AND VALUABLE CONSIDERATION

Property (including any improvements):

26.5 Acres, more or less of land located on Jackson Street, Bastrop, Texas, and commonly known as BASTROP BUSINESS AND INDUSTRIAL PARK, Phase 1, BLOCK A, Lot 1 (FR), includes Pipeline and LCRA Electrical Easements, and more fully described in Exhibit A ("Land").

Reservations from Conveyance: None

Exceptions to Conveyance and Warranty: None

Grantor, for the Consideration stated herein, grants, sells, and conveys to Grantee the Property, together with all and singular the rights and appurtenances thereto in any way belonging, to have and to hold it to Grantee and Grantee's heirs, successors, and assigns forever. Grantor binds Grantor and Grantor's heirs and successors to warrant and forever defend all and singular the Property to Grantee and Grantee's heirs, successors, and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof when the claim is by, through, or under Grantor but not otherwise.

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

Grantor:

Bastrop Economic Development Corporation
By: Genora Young

THE STATE OF TEXAS §
COUNTY OF BASTROP §

This instrument was acknowledged before me on this the _____ day of _____, A.D. 2021 by Genora Young, Interim Executive Director, Bastrop Economic Development Corporation.

(seal)

Notary Public

Grantee:

Moca Ventures Nebraska, LLC

THE STATE OF _____ §
COUNTY OF _____ §

This instrument was acknowledged before me on this the _____ day of _____, A.D. 2021 by _____, of Moca Ventures Nebraska, LLC.

(seal)

Notary Public

Exhibit A
26.5 Acres m/l - TBD Jackson St, Bastrop Texas



Bastrop Business and Industrial Park, Phase 1, Block A, Lot 1 (FR), 26.5 acre M/L. To be surveyed.

Red-lined area, includes Pipeline and LCRA Electrical Easements.

^{DS}
NB

**COMMERCIAL CONTRACT-
UNIMPROVED PROPERTY AMENDMENT AND RIDER**

PARTIES

Seller: Bastrop Economic Development Corporation
301 Hwy 71 W, Suite 214
Bastrop, Texas 78602
(512) 303-9700
gyoung@bastropedc.org

Buyer: Moca Ventures Nebraska, LLC
114 N. Custer Avenue
Grand Island, Nebraska 68803
(308) 382-9071
john@johnbaaschauger.com

- 1) **Application.** The terms and conditions provided for in this Commercial Contract-Unimproved Property Amendment and Rider applies to, is part of, and takes precedence over any conflicting provision in or attachment to the Commercial Contract-Unimproved property (the "Contract") (attached hereto) by and between the Parties and the below terms are binding on the Parties and supersede any and all other conflicting terms and/or conditions in the Contract and otherwise, whether oral or written.
- 2) **Sale Price; Incentive Payment.** Section 3 of the Contract is hereby amended to provide for the Sale Price of \$900,000.00, to be paid in cash by Buyer to Seller, and is subject to subsequent payment by the Seller to the Buyer in the form of an Incentive Payment as provided by and conditioned upon completion of Buyer's Performance Obligations contained in the Performance Agreement entered into between Buyer and Seller dated _____.
- 3) **Deed.** At closing, Seller will execute and deliver, at Seller's expense, a Special Warranty Deed conveying the Property to Buyer in fee simple.

BUYER:

DocuSigned by:
Signature: John Baasch
Print Name: John Baasch
Date: 7/1/2021

SELLER:

Signature: _____
Print Name: _____
Date: _____



COMMERCIAL PROPERTY CONDITION STATEMENT

USE OF THIS FORM BY PERSONS WHO ARE NOT MEMBERS OF THE TEXAS ASSOCIATION OF REALTORS®, INC. IS NOT AUTHORIZED.
©Texas Association of REALTORS®, Inc. 2018

CONCERNING THE PROPERTY AT: 26.5 acres M/L TBD Jackson Street, Bastrop, Texas

THIS IS A DISCLOSURE OF THE SELLER'S OR LANDLORD'S KNOWLEDGE OF THE CONDITION OF THE PROPERTY AS OF THE DATE SIGNED. IT IS NOT A SUBSTITUTE FOR ANY INSPECTIONS OR WARRANTIES A BUYER OR TENANT MAY WISH TO OBTAIN. IT IS NOT A WARRANTY OF ANY KIND BY SELLER, SELLER'S AGENTS, LANDLORD, LANDLORD'S AGENTS OR ANY OTHER AGENT.

PART I - Complete if Property is Improved or Unimproved

Are you (Seller or Landlord) aware of:	<u>Aware</u>	<u>Not Aware</u>
(1) any of the following environmental conditions on or affecting the Property:		
(a) radon gas?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(b) asbestos components:		
(i) friable components?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(ii) non-friable components?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(c) urea-formaldehyde insulation?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(d) endangered species or their habitat?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(e) wetlands?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(f) underground storage tanks?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(g) leaks in any storage tanks (underground or above-ground)?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(h) lead-based paint?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(i) hazardous materials or toxic waste?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(j) open or closed landfills on or under the surface of the Property?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(k) external conditions materially and adversely affecting the Property such as nearby landfills, smelting plants, burners, storage facilities of toxic or hazardous materials, refiners, utility transmission lines, mills, feed lots, and the like?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(l) any activity relating to drilling or excavation sites for oil, gas, or other minerals?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(2) previous environmental contamination that was on or that materially and adversely affected the Property, including but not limited to previous environmental conditions listed in Paragraph 1(a)-(l)?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(3) any part of the Property lying in a special flood hazard area (A or V Zone)?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(4) any improper drainage onto or away from the Property?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(5) any fault line at or near the Property that materially and adversely affects the Property?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(6) air space restrictions or easements on or affecting the Property?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(7) unrecorded or unplatted agreements for easements, utilities, or access on or to the Property?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

(TXR-1408) 4-1-18 Initialed by Seller or Landlord: _____, _____ and Buyer or Tenant: _____, _____

Commercial Property Condition Statement concerning 26.5 acres M/L TBD Jackson Street, Bastrop, Texas

- | | <u>Aware</u> | <u>Not
Aware</u> |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| (8) special districts in which the Property lies (for example, historical districts, development districts, extraterritorial jurisdictions, or others)? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| (9) pending changes in zoning, restrictions, or in physical use of the Property?
The current zoning of the Property is: <u>Industrial or EC (Employment Center)</u> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| (10) your receipt of any notice concerning any likely condemnation, planned streets, highways, railroads, or developments that would materially and adversely affect the Property (including access or visibility)? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| (11) lawsuits affecting title to or use or enjoyment of the Property? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| (12) your receipt of any written notices of violations of zoning, deed restrictions, or government regulations from EPA, OSHA, TCEQ, or other government agencies? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| (13) common areas or facilities affiliated with the Property co-owned with others? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| (14) an owners' or tenants' association or maintenance fee or assessment affecting the Property?
If aware, name of association: _____
Name of manager: _____
Amount of fee or assessment: \$ _____ per _____
Are fees current through the date of this notice? [<input type="checkbox"/>] yes [<input type="checkbox"/>] no [<input type="checkbox"/>] unknown | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| (15) subsurface structures, hydraulic lifts, or pits on the Property? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| (16) intermittent or weather springs that affect the Property? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| (17) any material defect in any irrigation system, fences, or signs on the Property? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| (18) conditions on or affecting the Property that materially affect the health or safety of an ordinary individual? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| (19) any of the following rights vested in others: | | |
| (a) outstanding mineral rights? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| (b) timber rights? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| (c) water rights? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| (d) other rights? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| (20) any personal property or equipment or similar items subject to financing, liens, or lease(s)?
If aware, list items: _____ | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

If you are aware of any of the conditions listed above, explain. (Attach additional information if needed.) _____

(d) Property is within the boundaries of the Houston Toad Habitat.

(e) There is a small pond on the property.

(8) The property is in the Bastrop Business and Industrial Park, in the city limits of the City of Bastrop.

(9) The property is currently zoned industrial/employment center (EC).

Commercial Property Condition Statement concerning 26.5 acres M/L TBD Jackson Street, Bastrop, Texas

PART 2 - Complete only if Property is Improved

A. Are you (Seller or Landlord) aware of any material defects in any of the following on the Property?

	Aware	Not Aware	Not Appl.
(1) <u>Structural Items:</u>			
(a) foundation systems (slabs, columns, trusses, bracing, crawl spaces, piers, beams, footings, retaining walls, basement, grading)?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(b) exterior walls?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(c) fireplaces and chimneys?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(d) roof, roof structure, or attic (covering, flashing, skylights, insulation, roof penetrations, ventilation, gutters and downspouts, decking)? . . .	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(e) windows, doors, plate glass, or canopies	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(2) <u>Plumbing Systems:</u>			
(a) water heaters or water softeners?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(b) supply or drain lines?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(c) faucets, fixtures, or commodes?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(d) private sewage systems?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(e) pools or spas and equipments?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(f) sprinkler systems (fire, landscape)?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(g) water coolers?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(h) private water wells?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(i) pumps or sump pumps?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(3) <u>HVAC Systems:</u> any cooling, heating, or ventilation systems?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(4) <u>Electrical Systems:</u> service drops, wiring, connections, conductors, plugs, grounds, power, polarity, switches, light fixtures, or junction boxes?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(5) <u>Other Systems or Items:</u>			
(a) security or fire detection systems?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(b) porches or decks?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(c) gas lines?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(d) garage doors and door operators?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(e) loading doors or docks?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(f) rails or overhead cranes?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(g) elevators or escalators?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(h) parking areas, drives, steps, walkways?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(i) appliances or built-in kitchen equipment?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

If you are aware of material defects in any of the items listed under Paragraph A, explain. (Attach additional information if needed.) _____

Commercial Property Condition Statement concerning 26.5 acres M/L TBD Jackson Street, Bastrop, Texas

	<u>Aware</u>	<u>Not Aware</u>
B. Are you (Seller or Landlord) aware of:		
(1) any of the following water or drainage conditions materially and adversely affecting the Property:		
(a) ground water?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(b) water penetration?.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(c) previous flooding or water drainage?.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(d) soil erosion or water ponding?.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(2) previous structural repair to the foundation systems on the Property?.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(3) settling or soil movement materially and adversely affecting the Property?.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(4) pest infestation from rodents, insects, or other organisms on the Property?.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(5) termite or wood rot damage on the Property needing repair?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(6) mold to the extent that it materially and adversely affects the Property?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(7) mold remediation certificate issued for the Property in the previous 5 years? <i>if yes, attach a copy of the mold remediation certificate.</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(8) previous termite treatment on the Property?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(9) previous fires that materially affected the Property?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(10) modifications made to the Property without necessary permits or not in compliance with building codes in effect at the time?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(11) any part, system, or component in or on the Property not in compliance with the Americans with Disabilities Act or the Texas Architectural Barrier Statute?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

If you are aware of any conditions described under Paragraph B, explain. (Attach additional information, if needed.) _____

The undersigned acknowledges receipt of the foregoing statement.

Seller or Landlord: _____

Buyer or Tenant: _____

By: _____
By (signature): _____
Printed Name: _____
Title: _____

By: _____
By (signature): _____
Printed Name: _____
Title: _____

By: _____
By (signature): _____
Printed Name: _____
Title: _____

By: _____
By (signature): _____
Printed Name: _____
Title: _____

NOTICE TO BUYER OR TENANT: The broker representing Seller or Landlord, and the broker representing you advise you that this statement was completed by Seller or Landlord, as of the date signed. The brokers have relied on this statement as true and correct and have no reason to believe it to be false or inaccurate. YOU ARE ENCOURAGED TO HAVE AN INSPECTOR OF YOUR CHOICE INSPECT THE PROPERTY.

08/13/2021



PROMULGATED BY THE TEXAS REAL ESTATE COMMISSION (TREC)

12-05-2011

ENVIRONMENTAL ASSESSMENT, THREATENED OR ENDANGERED SPECIES, AND WETLANDS ADDENDUM

TO CONTRACT CONCERNING THE PROPERTY AT

TBD (26 +/- acres) Jackson Street, Bastrop, TX 78602

(Address of Property)

- A. ENVIRONMENTAL ASSESSMENT: Buyer, at Buyer's expense, may obtain an environmental assessment report prepared by an environmental specialist.
- B. THREATENED OR ENDANGERED SPECIES: Buyer, at Buyer's expense, may obtain a report from a natural resources professional to determine if there are any threatened or endangered species or their habitats as defined by the Texas Parks and Wildlife Department or the U.S. Fish and Wildlife Service.
- C. WETLANDS: Buyer, at Buyer's expense, may obtain a report from an environmental specialist to determine if there are wetlands, as defined by federal or state law or regulation.

Within 45 days after the effective date of the contract, Buyer may terminate the contract by furnishing Seller a copy of any report noted above that adversely affects the use of the Property and a notice of termination of the contract. Upon termination, the earnest money will be refunded to Buyer.

DocuSigned by:

John D Baasch

4/6/2021

5DBADD869CBA449...

Buyer

President, Moca Ventures Nebraska, LLC

Seller

Buyer

Seller

This form has been approved by the Texas Real Estate Commission for use with similarly approved or promulgated contract forms. Such approval relates to this form only. TREC forms are intended for use only by trained real estate licensees. No representation is made as to the legal validity or adequacy of any provision in any specific transactions. It is not suitable for complex transactions. Texas Real Estate Commission, P.O. Box 12188, Austin, TX 78711-2188, 512-936-3000 (<http://www.trec.texas.gov>) TREC No. 28-2. This form replaces TREC No. 28-1.

08/13/2021

115
11/2/2015

Information About Brokerage Services

Texas law requires all real estate licensees to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.

TYPES OF REAL ESTATE LICENSE HOLDERS:

- # **A BROKER** is responsible for all brokerage activities, including acts performed by sales agents sponsored by the broker.
- # **A SALES AGENT** must be sponsored by a broker and works with clients on behalf of the broker.

A BROKER'S MINIMUM DUTIES REQUIRED BY LAW (A client is the person or party that the broker represents):

- # Put the interests of the client above all others, including the broker's own interests;
- # Inform the client of any material information about the property or transaction received by the broker;
- # Answer the client's questions and present any offer to or counter-offer from the client; and
- # Treat all parties to a real estate transaction honestly and fairly.

A LICENSE HOLDER CAN REPRESENT A PARTY IN A REAL ESTATE TRANSACTION:

AS AGENT FOR OWNER (SELLER/LANDLORD): The broker becomes the property owner's agent through an agreement with the owner, usually in a written listing to sell or property management agreement. An owner's agent must perform the broker's minimum duties above and must inform the owner of any material information about the property or transaction known by the agent, including information disclosed to the agent or subagent by the buyer or buyer's agent.

AS AGENT FOR BUYER/TENANT: The broker becomes the buyer/tenant's agent by agreeing to represent the buyer, usually through a written representation agreement. A buyer's agent must perform the broker's minimum duties above and must inform the buyer of any material information about the property or transaction known by the agent, including information disclosed to the agent by the seller or seller's agent.

AS AGENT FOR BOTH - INTERMEDIARY: To act as an intermediary between the parties the broker must first obtain the written agreement of each party to the transaction. The written agreement must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. A broker who acts as an intermediary:


- # Must treat all parties to the transaction impartially and fairly;
- # May, with the parties' written consent, appoint a different license holder associated with the broker to each party (owner and buyer) to communicate with, provide opinions and advice to, and carry out the instructions of each party to the transaction.
- # Must not, unless specifically authorized in writing to do so by the party, disclose:
 - o that the owner will accept a price less than the written asking price;
 - o that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
 - o any confidential information or any other information that a party specifically instructs the broker in writing not to disclose, unless required to do so by law.

AS SUBAGENT: A license holder acts as a subagent when aiding a buyer in a transaction without an agreement to represent the buyer. A subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first.

TO AVOID DISPUTES, ALL AGREEMENTS BETWEEN YOU AND A BROKER SHOULD BE IN WRITING AND CLEARLY ESTABLISH:

- # The broker's duties and responsibilities to you, and your obligations under the representation agreement.
- # Who will pay the broker for services provided to you, when payment will be made and how the payment will be calculated.

LICENSE HOLDER CONTACT INFORMATION: This notice is being provided for information purposes. It does not create an obligation for you to use the broker's services. Please acknowledge receipt of this notice below and retain a copy for your records.

<u>Susan Nagues Real Estate LLC</u>	<u>9008018</u>	<u>snagues@sbcglobal.net</u>	<u>(512)321-9463</u>
Licensed Broker /Broker Firm Name or Primary Assumed Business Name	License No.	Email	Phone
<u>Susan Nagues, Broker</u>	<u>0429381</u>	<u>snagues@sbcglobal.net</u>	<u>(512)913-9463</u>
Designated Broker of Firm	License No.	Email	Phone
<u>Licensed Supervisor of Sales Agent/ Associate</u>	<u>License No.</u>	<u>Email</u>	<u>Phone</u>
<u>Susan Nagues</u>	<u>0429381</u>	<u>snagues@sbcglobal.net</u>	<u>512.321.9463</u>
Sales Agent/Associate's Name	License No.	Email	Phone
		4/6/2021	
Buyer/Tenant/Seller/Landlord Initials		Date	

Regulated by the Texas Real Estate Commission

Information available at www.trec.texas.gov

IABS 1-0 Date