

*Notice of Meeting and Agenda and Minutes
March 03, 2020*

SPECIAL, 3/3/2020 10:30:00 AM

BE IT REMEMBERED that on March 03, 2020, there was begun and holden a SPECIAL session of the Commissioners Court of Jefferson County, Texas, with the following members and officers present and participating except those absent as indicated:

Honorable Jeff Branick, County Judge

Commissioner Eddie Arnold, Commissioner Pct. No. 1

Commissioner Brent Weaver, Commissioner Pct. No. 2

Commissioner Michael Sinegal, Commissioner Pct. No. 3

Commissioner Everette D. Alfred, Commissioner Pct. No. 4

Honorable Zena Stephens, Sheriff

Honorable Carolyn L. Guidry , County Clerk

When the following proceedings were had and orders made, to-wit:

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Jeff R. Branick, County Judge
Eddie Arnold, Commissioner, Precinct One
Brent A. Weaver, Commissioner, Precinct Two
Michael S. Sinegal, Commissioner, Precinct Three
Everette "Bo" Alfred, Commissioner, Precinct Four



**NOTICE OF MEETING AND AGENDA
OF COMMISSIONERS' COURT
OF JEFFERSON COUNTY, TEXAS**
March 03, 2020

Notice is hereby given that the Commissioners' Court of Jefferson County, Texas, will meet at **10:30 AM**, on the **03rd day of March 2020** at its regular meeting place in the Commissioners' Courtroom, 4th Floor, Jefferson County Courthouse, 1149 Pearl Street, Beaumont, Texas.

Said meeting will be a **Special** for the purpose of transacting the routine business of the County. Persons with disabilities requiring auxiliary aids for services who wish to attend this meeting should contact the County Judge's Office to arrange for assistance.

In addition to the routine business of the County, the subject of said meeting will be the following:

10:00 a.m.-Announcement of an executive (closed) session pursuant to Texas Government Code Section § 551.071.

INVOCATION: Michael S. Sinegal, Commissioner, Precinct Three

PLEDGE OF ALLEGIANCE: Everette "Bo" Alfred, Commissioner, Precinct Four

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PURCHASING:

1. Consider and approve,execute,receive and file Amendment No.1(one) to contract (IFB 19-040/YS), Term Contract for Paper Stock and Envelopes for Jefferson County. This amendment will decrease pricing for items 1-4, 20lb bond paper, long grain, white from Bosworth Paper-Western BRW Paper.

SEE ATTACHMENTS ON PAGES 8 - 8

Motion by: Commissioner Sinegal

Second by: Commissioner Alfred

In favor: County Judge Branick, Commissioner Arnold, Commissioner Weaver, Commissioner Sinegal, Commissioner Alfred

Action: APPROVED

2. Consider and approve,execute,receive and file Amendment No. 1 for Professional Service agreement (PROF 19-036/JW) with Runbeck Election Services, Inc. for ballot print and mail preparation services for the County Clerk's Office, to update the cost of the Packet Pricing. Original agreement was approved on July 01,2019

SEE ATTACHMENTS ON PAGES 9 - 9

Motion by: Commissioner Sinegal

Second by: Commissioner Alfred

In favor: County Judge Branick, Commissioner Arnold, Commissioner Weaver, Commissioner Sinegal, Commissioner Alfred

Action: APPROVED

3. Consider and possibly approve the County Judge to execute an Interlocal Agreement between Jefferson County and the City of Beaumont for the sharing of resources and cost for the implementation of Central Square Computer Aided Dispatch (CAD) software, Central Square Records Management (RMS) software and Central Square mobile Computer Terminal (MCT) Software at its Facilities in Beaumont, Texas.

SEE ATTACHMENTS ON PAGES 10 - 14

Motion by: Commissioner Sinegal

Second by: Commissioner Alfred

In favor: County Judge Branick, Commissioner Arnold, Commissioner Weaver, Commissioner Sinegal, Commissioner Alfred

Action: APPROVED

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4. Consider and approve Software Licenses and Service Agreement (Agreement 20-010/DC) between Superion, LLC a CentralSquare Company and Jefferson County in the amount of \$102,440.00 and an annual maintenance amount of \$15,632.27. This is in accordance with an Interlocal Agreement between Jefferson County and the City of Beaumont for the sharing of resources and costs for the implementation of software aided dispatch, records management and mobile computer terminal system.

SEE ATTACHMENTS ON PAGES 15 - 18

Motion by: Commissioner Sinegal

Second by: Commissioner Alfred

In favor: County Judge Branick, Commissioner Arnold, Commissioner Weaver, Commissioner Sinegal, Commissioner Alfred

Action: APPROVED

COUNTY AIRPORT:

5. Consider, possibly approve and authorize the County Judge to execute a lease agreement between Jefferson County and Hotard Coaches for two paved parking lots at Jack Brooks Regional Airport for the operation of an off-site contractor park and ride operation.

SEE ATTACHMENTS ON PAGES 19 - 27

Motion by: Commissioner Arnold

Second by: Commissioner Alfred

In favor: County Judge Branick, Commissioner Arnold, Commissioner Weaver, Commissioner Sinegal, Commissioner Alfred

Action: APPROVED

COUNTY AUDITOR:

6. Regular County Bills - check #468981 through checks #469196.

SEE ATTACHMENTS ON PAGES 28 - 36

Motion by: Commissioner Sinegal

Second by: Commissioner Arnold

In favor: County Judge Branick, Commissioner Arnold, Commissioner Weaver, Commissioner Sinegal, Commissioner Alfred

Action: APPROVED

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7. Consider and approve offering a Schwab Personal Choice Retirement Account(PCRA) option to the County's Nationwide 457(b) Plan. The Schwab Personal Choice Retirement Account (PCRA) is a self-directed brokerage account. It is to provide participants with additional investment choices for their supplemental retirement savings. There is no cost to the County for this option.

SEE ATTACHMENTS ON PAGES 37 - 60

Motion by: Commissioner Sinegal
Second by: Commissioner Arnold
In favor: County Judge Branick, Commissioner Arnold, Commissioner Weaver, Commissioner Sinegal, Commissioner Alfred
Action: APPROVED

COUNTY COMMISSIONERS:

8. Receive and file corrected and Ratified Amended Resolution that approves Grant Application No. 1604519 by the Jefferson County Drug Intervention Program to be operated from September 1, 2020 through August 31, 2021 fiscal year. (This correction is necessary to indicate that Jefferson County agrees to provide matching funds, which are already budgeted. This is an annual renewal)

SEE ATTACHMENTS ON PAGES 61 - 61

Motion by: Commissioner Arnold
Second by: Commissioner Sinegal
In favor: County Judge Branick, Commissioner Arnold, Commissioner Weaver, Commissioner Sinegal, Commissioner Alfred
Action: APPROVED

9. Receive and file executed Inter-local Agreement between Jefferson County and the City of Port Arthur for the repair of the Jetty Road in Sabine- Pass Pursuant to Sec. 791.015, Government Code.

SEE ATTACHMENTS ON PAGES 62 - 65

Motion by: Commissioner Arnold
Second by: Commissioner Sinegal
In favor: County Judge Branick, Commissioner Arnold, Commissioner Weaver, Commissioner Sinegal, Commissioner Alfred
Action: APPROVED

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10. Consider and possibly approve a Proclamation for National IDD Awareness Month.

SEE ATTACHMENTS ON PAGES 66 - 66

Motion by: Commissioner Arnold
Second by: Commissioner Weaver
In favor: County Judge Branick, Commissioner Arnold, Commissioner Weaver, Commissioner Sinegal, Commissioner Alfred
Action: APPROVED

11. Consider, possibly approve, authorize the County Judge to Execute, receive and file Southeast Texas Regional Planning Mitigation Action Plan. (This is a renewal.)

SEE ATTACHMENTS ON PAGES 67 - 70

Motion by: Commissioner Arnold
Second by: Commissioner Sinegal
In favor: County Judge Branick, Commissioner Arnold, Commissioner Weaver, Commissioner Sinegal, Commissioner Alfred
Action: APPROVED

12. Consider, possibly approve, Receive and file Jefferson County 2020 Abatement Policy and Application and Model Abatement Agreement Pursuant to Sec. 312.002, Tax Code.

SEE ATTACHMENTS ON PAGES 71 - 108

Motion by: Commissioner Arnold
Second by: Commissioner Sinegal
In favor: County Judge Branick, Commissioner Arnold, Commissioner Weaver, Commissioner Sinegal, Commissioner Alfred
Action: APPROVED

ENGINEERING:

13. Consider and possibly approve Minor Plat of Odle Subdivision, a 3.72 acre tract out of the William Carr Survey, Abstract 102, Jefferson County, Texas. The subdivision is located off of Labelle Road in Precinct No. 2. This plat is within the Beaumont ETJ (extra-territorial jurisdiction) and has met the Jefferson County platting requirements except for minimum lot frontage.

SEE ATTACHMENTS ON PAGES 109 - 115

Action: TABLED

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14. Execute, receive and file Utility Permit 02-U-20 to AT&T for the placement of fiber optic cable on 1st Street to Jerry Ware Terminal. This project is located in Precinct 2.

SEE ATTACHMENTS ON PAGES 116 - 125

Motion by: Commissioner Weaver

Second by: Commissioner Arnold

In favor: County Judge Branick, Commissioner Arnold, Commissioner Weaver, Commissioner Sinegal, Commissioner Alfred

Action: APPROVED

Other Business:

Receive reports from Elected Officials and staff on matters of community interest without taking action.

*****DISCUSSION ON ANY OTHER ITEM NOT ON AGENDA WITHOUT TAKING ACTION.**

**Jeff R. Branick
County Judge**



JEFFERSON COUNTY PURCHASING DEPARTMENT
Deborah Clark, Purchasing Agent

1149 Pearl Street, First Floor, Beaumont, TX 77701 409-835-8593 Fax 409-835-8456

AMENDMENT I TO CONTRACT

February 24, 2020

Bosworth Paper – Western BRW Paper
 10425 Okanella #600
 Houston TX 77041
 Attention: Mr. Joseph T. Jordan

Dear Mr. Jordan:

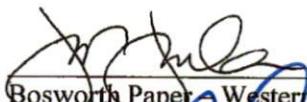
This letter will serve as Amendment I (one) to contract IFB 19-040/YS, Term Contract for Paper Stock and Envelopes for Jefferson County.

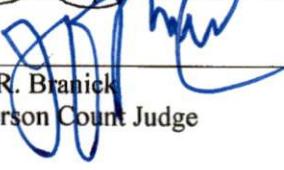
Amendment I (one) will decrease pricing for items 1 – 4, 20-lb bond paper, long grain, white.

I. Paper Stock

Item	Description	Manufacturer & Brand	Unit Price Per M	Sheets per case	Unit Price Per Case	Vendor
1	20 lb. Bond Paper, long grain, white 8½x11, Paper grade: Premium #4	Domtar Copy Boise	\$5.69 \$5.25		\$28.45 \$26.25	Western BRW Paper - Bosworth Paper
2	20 lb. Bond Paper, long grain, white 8½x11, 3-hole punched – Paper grade: Premium #4	Domtar Copy Boise Essential	\$6.34 \$5.89		\$31.70 \$29.47	Western BRW Paper - Bosworth Paper
3	20 lb. Bond Paper, long grain, white 8½x14, Paper grade: Premium #4	Domtar Copy Boise Essential	\$8.06 \$7.50	5000	\$40.30 \$37.49	Western BRW Paper - Bosworth Paper
4	20 lb. Bond Paper, long grain, white 11x17, Paper grade: Premium #4	Domtar Copy Boise Essential	\$12.68 \$11.56	2500	\$31.70 \$28.89	Western BRW Paper - Bosworth Paper

Please sign below, and return to Yea-Mei Sauer, Contract Specialist via email at: ysauer@co.jefferson.tx.us


 Bosworth Paper Western BRW Paper


 Jeff R. Branick
 Jefferson County Judge

2/25/2020
 Date

3/3/2020
 Date

BALLOT PRINT AND MAIL SERVICES AGREEMENT

THIS BALLOT PRINT AND MAIL SERVICES AGREEMENT ("Agreement") is amended as of the date of execution by the Parties, by and between Jefferson County Clerk, a governmental subdivision of the State of Texas ("Client") and RUNBECK ELECTION SERVICES, INC., an Arizona corporation, whose address is 2800 S. 36th Street, Phoenix, AZ 85034 ("Runbeck") (Collectively, the "Parties")

The Packet Contents cost per envelope is based on the number of mailed ballots per election. The original cost estimate was based on the number of mail ballots sent annually. The chart below has updated pricing for this contract.

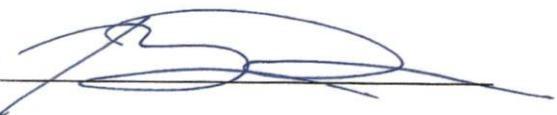
Jefferson County New Pricing	
Quantity	Packet Price
Under 5k	\$ 1.94
5k-15k	\$ 1.47
Over 15k	\$ 1.25

The terms of the contract will not change with the exception of the Packet Pricing.

IN WITNESS WHEREOF, the Parties have signed this amended Agreement as of the
17th of February, 2020.

Runbeck Election Services, Inc.

By:



Title: Vice President of Sales

Jefferson County

By:



Title: Jeff R. Branick
Jefferson County Judge

Date: 2/17/20

Date: MARCH 3, 2020

ATTEST
DATE

Carlye J. Gandy
3/3/20



**INTERLOCAL CONTRACT
BETWEEN City of Beaumont, TX
AND
Jefferson County**

Pursuant to the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, this Interlocal Contract ("Contract") is entered into the 3 day of March, 2020 by and between the **City of Beaumont, TX** and **Jefferson County**, a law enforcement agency with offices at **1001 Pearl Street**.

I. PURPOSE

The City of Beaumont, TX agrees to provide Jefferson County access to Central Square Computer Aided Dispatch (CAD) software, Central Square Records Management (RMS) software, and Central Square Mobile Computer Terminal (MCT) software at its facilities in **Beaumont, TX**.

II. TERM

This Contract shall be on a yearly basis beginning {DATE} and ending on {DATE}. Automatically renewing on the ending date unless expressed in writing by either party within 30 days of the end date.

III. COMPENSATION AND FUNDING

Jefferson County understands and agrees to make yearly payment for general technology reimbursement costs under this Contract. **Jefferson County** will compensate the **City of Beaumont** for the percentage of system resources used. The **City of Beaumont** will provide **Jefferson County** a yearly cost invoice that reflects the current costs for each year. The yearly cost will be determined by calculating the current CAD, RMS, and Message Switch base server software and hardware maintenance cost divided by the number of licenses/clients using the software. Current year's break down is in Addendum A. Hardware costs for future upgrades will be broken out in the same manner. Expected costs will be communicated in advance so costs can be prepared for. No labor charges will be charged with the assumption that our staff time is minimal.

IV. SCOPE OF SERVICES

Jefferson County Responsibilities

Jefferson County is solely responsible for:

- a) **Jefferson County** agrees that they will keep up all software agreements and contract maintenance with Central Square.
- b) **Jefferson County** agrees that it is their responsibility to train and provide first level support to their end users.
- c) **Jefferson County** understands that they will be audited separately by CJIS and must provide their own compliance.
- d) **Jefferson County** is responsible for notifying the City of Beaumont in reference to any personnel or hardware changes.

- e) **Jefferson County** is responsible for monitoring, maintaining, and securing their half of the network connection that provides communication between the entities.
- f) **Jefferson County** will be responsible for paying the **City of Beaumont** for the eligible and reasonable costs.

The City of Beaumont Responsibilities

The City of Beaumont will be responsible for:

- a) **City of Beaumont** agrees to provide initial training in a "train the trainer" scenario for any needs over and above the training provided by Central Square.
- b) **City of Beaumont** agrees to maintain the servers and databases that house the software and information.
- c) **City of Beaumont** agrees to allow **Jefferson County** access to their own data.
- d) **City of Beaumont** agrees to perform any software and security enrollments including personnel, mobile, vehicle, and TLETS credential changes by **Jefferson County** within (3) business days of receiving the security change/enrollment form.
- e) **City of Beaumont** agrees to provide **Jefferson County** with minimum of 48 hours notification of scheduled downtime and will notify them immediately in the event of unscheduled downtime.
- f) **City of Beaumont** will provide an afterhours contact for situations that are deemed immediate and necessary.
- g) **City of Beaumont** will respond within (1) business day to acknowledge any standard software issues and will work with **Jefferson County** until completion.

V. RELATIONSHIP

It is understood and agreed that **Jefferson County** is an independent contractor. Nothing in this Contract shall be interpreted or construed as creating or establishing the relationship of employer and employee between the **City of Beaumont** and any employee or agent of **Jefferson County**. The Contract does not create a joint venture or business partnership under Texas law.

VI. TERMINATION

Either party may terminate this Contract without cause with thirty (30) days advance written notice. The **City of Beaumont** may terminate this Contract AT ANY TIME WITH WRITTEN NOTICE if **Jefferson County** has defaulted in whole or in part or refuses or fails to comply with the provisions of this Contract. **Jefferson County** will have thirty (30) days from the notice to cease using the system.

VII. AUTHORIZATION

Each party acknowledges that this Contract has been authorized by the governing body of each party to the Contract.

VIII. NOTICE

Any notice provided under the terms of this Contract by either party to the other shall be in writing and may be affected by certified mail, return receipt requested. Notice to shall be sufficient if made or addressed as follows:

City of Beaumont, TX
Attention: Director of Public Works and Technology Services
P.O. Box 3827
Beaumont, TX 77704

Jefferson County
Attention: Jefferson County Sheriff's Office
1001 Peal St
Beaumont, TX

Each party may change the address at which notice may be sent to that party by giving notice of such change to the other party by certified mail, return receipt requested.

X. GOVERNING LAW

This Contract shall be governed by and construed in accordance with the laws of the State of Texas.

XI. VENUE

The mandatory and exclusive venue for the adjudication or resolution of any dispute arising out of this Contract shall be in Beaumont, Jefferson County, Texas.

XII. ENTIRE AGREEMENT

This Contract represents the entire and exclusive agreement relative to the services covered by this agreement between the parties thereto and replaces in their entirety any previous agreements, written or oral.

XIII. AMENDMENT

This Contract may be amended only by the mutual agreement of the parties, in writing to be attached to and incorporated in this Contract.

XIV. ASSIGNMENT

Neither this Contract nor any duties or obligations under it shall be assignable by **Jefferson County** without the prior written acknowledgment and authorization of **City of Beaumont**.

XV. SEVERABILITY

All parties agree that, should any of the provisions contained in this Contract shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions, and the Contract shall continue in full force and effect.

XVI. BENEFIT FOR SIGNATORY PARTIES ONLY

Neither this Contract, nor any term or provision hereof, nor any inclusion by reference, shall be construed as being for the benefit of any party not in signatory hereto.

The parties have executed this instrument hereto as follows:

Executed this 3rd day of MARCH of the year 2020.

City of Beaumont, TX

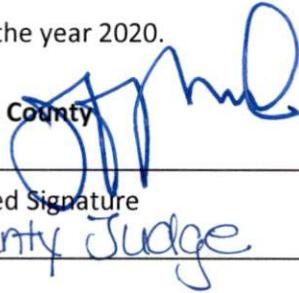
Authorized Signature

Title

Jefferson County

Authorized Signature

Title

A handwritten signature in blue ink that reads "County Judge". The signature is fluid and cursive, with "County" on the top line and "Judge" on the bottom line.

Addendum A

JCSO Interlocal Dispatch Agreement Cost Breakdown Fiscal Year 20

<u>Base Software Maintenance</u>	<u>Total Clients</u>	<u>Cost</u>	<u>Total/Seat</u>	<u>JCSO Clients</u>	<u>JCSO Total Cost</u>	<u>Comments</u>
Software - Base CAD	15	\$ 22,235.00	\$ 1,482.33	3	\$ 4,447.00	
Software - Base Message Switch	174	\$ 9,400.79	\$ 54.03	3	\$ 162.08	
Software - Base RMS	100	\$ 41,289.69	\$ 412.90	20	\$ 8,257.94	
Software - Base Mobile Server	109	\$ 10,047.06	\$ 92.17	30	\$ 2,765.25	
Support - Labor						No additional cost at this time.
Final Totals:		\$ 82,972.54			\$ 15,632.27	

Add-On Quote

Quote Number: Q-000007079 Valid Until: 04/27/20

Quote Prepared For:
 Justin Hidalgo, Project Manager
 Jefferson County Sheriff's Office
 1149 Pearl Street
 BEAUMONT, TX, 77701
 (409) 835-8411

Quote Prepared By:
 Anthony Johnson, Account Manager
 CentralSquare Technologies
 1000 Business Center
 Lake Mary, FL 32746
 Phone: 858-799-7815 Fax:
anthony.johnson@centsquare.com

Date: 01/27/20

Thank you for your interest in our company and our software and services solutions. Please review the below quote and feel free to contact Anthony Johnson with any questions.

License Fees & Maintenance

Product Name

ONEsolution RMS Workstation	Quantity	20	License Fee	30,000.00	Maintenance	4,800.00
ONEsolution MFR Client	Quantity	30	License Fee	18,000.00	Maintenance	2,880.00
ONEsolution MFR Client-MOBLAN Version	Quantity	5	License Fee	2,000.00	Maintenance	320.00
Total			50,000.00		8,000.00	

Professional Services Installation & Configuration

Product Name

ONEsolution Mobiles Management Installation	Amount	2,800.00
ONEsolution Records Management Installation	Amount	9,800.00

Total

12,600.00

Technical Services

Product Name

ONEsolution Records Management Technical Services	Amount	4,800.00
ONEsolution Mobiles Management Technical Services	Amount	4,800.00

Total

9,600.00

Project Management

Product Name
UNESCO Edition No.

Product Name ONEsolution Mobiles Management Project Management ONEsolution Records Management Project Management

Total 22,240.00

Summary

Product/Service

License Fees Professional Services

Total Excluding Maintenance

Net Maintenance Total with Maintenance

See Product notes in the Additional Information Section

Payment terms as follows: unless otherwise notated below for **Special Payment Terms** by Product:

License, Project Planning, Project Management, Consulting, Technical Services, Conversion, Third Party Product Software and Hardware Fees are due upon execution of this Quote. Training fees and Travel & Living expenses are due as incurred monthly. Installation is due upon completion. Custom Modifications, System Change Requests or SOW's for customization, and Third Party Product Implementation Services fees are due 50% on execution of this Quote and 50% due upon invoice, upon completion. Unless otherwise provided, other Professional Services are due monthly, as such services are delivered. Additional services, if requested, will be invoiced at then-current rates. Any shipping charges shown are estimated only and actual shipping charges will be due upon invoice, upon delivery.

Annual Subscription Fee(s): Initial annual subscription fees are due 100% on the Execution Date. The initial annual subscription term for any subscription product(s) listed above shall commence on the Execution Date of this Agreement and extend for a period of one (1) year. Thereafter, the subscription terms shall automatically renew for successive one (1) year terms, unless either party gives the other party written notice of non-renewal at least sixty (60) days prior to expiration of the then-current term. The then-current fee will be specified by CentralSquare in an annual invoice to Customer thirty (30) days prior to the expiration of the then-current annual period.

CentralSquare Application Annual Support: Customer is committed to the initial term of Maintenance and Support Services for which the support fee is included in the License fee(s) and begins upon execution of this Quote and extends for a twelve (12) month period. Subsequent terms of support will be for twelve (12) month periods, commencing at the end of the prior support period. Support fees shown are for the second term of support for which CentralSquare is committed and which shall be due prior to the start of that term. Fees for subsequent terms of support will be due prior to the start of each term at the then-prevailing rate. Subsequent terms will renew automatically until such time CentralSquare receives written notice from the Customer thirty (30) days prior to the expiration of the then current term. Notification of non-renewal is required prior to the start of the renewal term. Customer will be invoiced, and payment is due, upon renewal.

Third Party Product Annual Support Fees: The support fee for the initial annual period is included in the applicable Third Party Product License fee(s) unless otherwise stated. Subsequent terms invoiced by CentralSquare will renew automatically at then-prevailing rates until such time CentralSquare receives written notice of non-renewal from the Customer ninety (90) days in advance of the expiration of the then-current term. Notification of non-renewal is required prior to the start of the renewal term. Customer will be invoiced, and payment is due, upon renewal. As applicable for certain Third Party Products that are invoiced directly by the third party to Customer, payment terms for any renewal term(s) of support shall be as provided by the third party to Customer.

Additional Terms:

This form constitutes a supplemental order and amendment to the existing Agreement (the "Agreement") by and between CentralSquare and Customer. Unless otherwise stated below, all terms and conditions as stated in the Agreement shall remain in effect.

Applicable taxes are not included, and, if applicable, will be added to the amount in the payment of invoice(s) being sent separately.

Travel expenses shall be governed by the CentralSquare Travel Policy.

Preprinted conditions and any terms stated on purchase orders or other documents submitted hereafter by Customer are of no force or effect, and the terms and conditions of the Contract and Agreement and any amendments thereto shall control unless expressly accepted in writing by both parties.

If applicable, Third party hardware/software maintenance and any applicable warranty provisions will be provided by the third party manufacturer(s). The return and refund policy of each individual third party hardware/software supplier shall apply. In the event that a manufacturer changes any of these respective policies or prices, CentralSquare reserves the right to adjust this proposal to reflect those changes if they occur prior to execution.

Any shipping charges shown are estimated only and actual shipping charges will be due upon invoice, upon delivery. Delivery is defined as either a) electronic delivery, by posting it on CentralSquare's network for downloading, or similar electronic file transfer method, or (b) physical shipment, such as on a disc or other media transfer method. Physical shipment is on FOB- CentralSquare's shipping point, and electronic delivery is deemed effective at the time CentralSquare provides Customer with access to download the CentralSquare Solutions.

Comments:

All RMS and Mobiles training removed from quote, per request of Beaumont IT Project Manager, Justin Hidalgo. BPD to perform all needed training.

Justin Hidalgo, Project Manager
Jefferson County Sheriff's Office



Authorized Signature:

Date: 03/03/2018

Printed Name: Jeff Branick

Additional Information Section**Product Notes:**

ONEsolution MFR Client Includes the following features:

- ONESolution MFR Client
- Case Supplements
- Field Contacts
- Incident
- Names
- Tow Impound
- Warrant Tracking

**AGENDA ITEM****March 3, 2020**

Consider, possibly approve and authorize the County Judge to execute a lease agreement between Jefferson County and Hotard Coaches for two paved parking lots at Jack Brooks Regional Airport for the operation of an off-site contractor park and ride operation.

THE STATE OF TEXAS	§	<u>PARKING LOT</u>
COUNTY OF JEFFERSON	§	<u>RENTAL AGREEMENT</u>

THIS AGREEMENT entered into by and between Jefferson County, Texas, a subdivision of the State of Texas and Hotard Coaches, Inc. herein referred to as "Lessee".

WHEREAS, Jefferson County, hereinafter called "Lessor", owns and operates the Jack Brooks Regional Airport located in Jefferson County, Texas and

WHEREAS "Lessee", is qualified to do business in the State of Texas and desires to enter a Parking Lot Rental Agreement with the Lessor for the purpose of leasing temporary parking facilities, with the understanding that the scope of business operations permitted by this agreement is limited to Lessee's temporary parking use. Nothing in this agreement may be construed as conferring any rights to the exclusion of any other tenant of the Airport, and

WHEREAS, Jefferson County represents that it has the right to grant the lease, together with all the facilities, rights, licenses, services, and privileges in the manner and to the extent hereinafter set forth, and

WHEREAS, Lessor and Lessee signed a Right of First Refusal Agreement on November 18, 2018, to lease property at the Jack Brooks Regional Airport and

WHEREAS, Lessee agrees to abide by all rules and regulations of the Federal Aviation Administration, State of Texas, Jack Brooks Regional Airport, Jefferson County Commissioner's Court, and any other duly constituted public authority having jurisdiction over the parking area, its use or occupancy, and

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants hereinafter contained, the parties agree for themselves, their successors, legal representatives and assignees, as follows:

1. Premises. For and in consideration of the rent and covenants herein contained Lessor hereby leases to the Lessee the exclusive use of the following:

- A. Hangar 7 Parking Lot – Containing approximately 482 paved parking spaces, more or less, located adjacent to Hangar 7, and
- B. Commercial Terminal Lot #5 – Containing approximately 226 paved parking spaces, more or less, located west of the Main Commercial Terminal, immediately adjacent to the concrete passenger parking lot.

2. Terms. This agreement shall become effective April 1, 2020, and shall expire on December 31, 2021. At the expiration of the initial term, lessor and lessee will negotiate new terms and rental rates if lessee desires to continue leasing said premises.

3. **Rentals**. Lessee covenants and agrees to pay to Lessor rental as follows:

A. Hangar 7 Parking Lot:

1. \$9.00 per space per month for 482 spaces for a total of (\$4,338 month / \$52,056 year)

B. Commercial Terminal Lot #5:

1. \$9.00 per space per month for 226 spaces for a total of (\$2,034 month / \$24,408 year)

C. **TOTAL RENTAL**

1. **\$9.00 per space per month for 708 spaces for a total of (\$6,372 mo. / \$76,464 yr.)**

4. **Due Date**. All rent shall be payable monthly, in advance, and shall be due on the first day of the month and shall be considered past due on the tenth day of each month. Rental installments not paid before the tenth of the month following its due date shall bear interest at the highest rate allowed by law from the date it is due until paid.

5. **Damages**. Any damage to exiting airport property, including but not limited to roads, pavement, fixtures, and road signs, as a result of lessee's business operation will be the responsibility of the lessee to correct. At no time will lessee's busses park on any road where said vehicle's tires are off-pavement and cause damage to soil adjacent to pavement resulting in road damage. If said event occurs, lessee will be responsible for reimbursement to either the Airport or Jefferson County for costs incurred to repair damage.

6. **Taxes**. Lessee agrees to pay any taxes or special assessments that may be levied against the leased premises, or against the leasehold interest, or against the Airport because of this lease, by any taxing unit or entity, whether levied against Lessor or Lessee, and Lessee further agrees to hold Lessor harmless from any claims or liens in connection with any such tax or special assessment.

7. **Prohibited Uses**. The purpose of the lease is exclusively to provide short-term parking of automobiles for the customers of Lessee during Lessee's normal business hours; overnight parking of vehicles is prohibited. Lessee shall not cause or allow the parking or storage of Motor Homes, Travel Trailers, Boats, or other Watercraft. Lessee shall not use the premises for (a) the sale of aircraft fuels, lubricants, or propellants; or (b) the operating of any public restaurant, cafeteria, kitchen stand, or game machines. Lessee shall not perform any vehicle maintenance on leased premises.

8. **Utilities**. Lessee shall be responsible for any and all deposits, fees, and monthly charges from the utility providers, including but not limited to electricity, water, sewer, and telephone, for the use of all utilities. The Lessee shall furnish, at its sole cost and expense, utilities as required to the leased space.

A. Utility cost for the parking lot lights will be paid by Airport.

9. **Lessor's Responsibilities**. Lessor shall, at its expense and risk, maintain reasonable care of landscaping and the regular mowing of grass and maintenance of paving outside the leased area. Lessor will not be responsible for damage to lessee's equipment or customers vehicles as a result of mowing activities.

10. **Lessee's Responsibilities.** Lessee shall, at its own expense and risk, maintain the premises and keep it free from waste and nuisance, and shall deliver up the premises in a clean and sanitary condition at the termination of this lease in good repair and condition, reasonable wear and tear and damage by fire, tornado or other casualty accepted. In the event Lessee should neglect to reasonably maintain the premises, Lessor shall have the right, but not the obligation, after written notice and a reasonable opportunity to correct the alleged condition, to cause repairs or corrections to be made, and any reasonable costs, shall be payable by Lessee to Lessor as additional rental on the next rental installment date.

Lessee shall ensure that their customers will not park in parking lots or spaces not identified in this lease. Lessee, will be given an opportunity to remove their customer's cars from prohibited areas after being made aware of the parking violation. If Lessee does not correct the parking violation, the Lessor will have vehicles at vehicle owner's expense.

11. **Alterations.** Lessee shall make no additions or alterations to the improvements of the leased premises without the written permission of the Airport Manager.

12. **Condition and Surrender.** By execution of this lease agreement, Lessee acknowledges that it has inspected the leased premises, and accepts the same in an "as is" condition. Lessee shall, throughout the lease term, maintain the exclusive space as stated in Section I and keep it free from waste and nuisance, and shall deliver up the premises in a clean and sanitary condition at the termination of this lease in good repair and condition; reasonable wear and tear and damage by fire, tornado or other casualty excepted. In the event Lessee should neglect to reasonably maintain the exclusive space, Lessor shall have the right, but not the obligation, to cause repairs or corrections to be made, and any reasonable costs, therefore, shall be payable by Lessee to Lessor as additional rental on the next rental installment date.

13. **Hold Harmless Covenant.** Lessee covenants and agrees to hold Lessor free and harmless from loss from each and every claim and demand of whatever nature, made on behalf of or by any third person or persons, for any wrongful act or omission on the part of Lessee, his agents, servants, officers, directors, and employees, and from all loss and damages to any third person or persons by reason of such acts or omissions.

14. **Insurance.** The Lessee shall, at all times during the term of this lease, maintain insurance coverage with not less than the type and requirements shown below. Such insurance is to be provided at the sole cost of the Lessee. These requirements do not establish limits of the Lessee's liability. All policies of insurance shall waive all rights of subrogation against the Airport and Jefferson County, its officers, employees and agents and the Airport and Jefferson County shall be named "additional insured" on workers' compensation policy and liability coverage.

A. Prior to execution of this agreement, certified copies of original insurance policies shall be furnished to the Airport. The Airport reserves the right to require additional insurance should it deem necessary.

B. Lessee shall have and maintain complete and adequate Worker's Compensation Insurance (with waiver of subrogation to the Airport and Jefferson County), as required.

C. Lessee shall have and maintain complete and adequate Commercial General Liability insurance of One Million Dollars (\$1,000,000.00) each occurrence; and in addition shall provide property damage liability insurance in a minimum sum of One Hundred Thousand Dollars (\$100,000.00) for property damage growing out of any accident or other cause.

D. Lessee shall have and maintain complete and adequate Automobile Liability Insurance, with Combined Single Limit of Five Hundred Thousand Dollars (\$500,000.00), for any vehicles operated by Lessee on the airfield.

E. The amounts of minimum coverage herein specified may be modified from time to time in compliance with Jefferson County standard requirements and Lessee shall maintain the insurance with insurance underwriters authorized to do business in the State of Texas. Each policy or certificate shall contain a provision that written notice of cancellation or any material change in the policy by the insurer shall be delivered to Lessor, thirty (30) days in advance of the effective date thereof.

15. **Relationship of Parties.** This relationship between Lessor and Lessee is not a bailment and in no way is to be construed to be a bailment. Lessor shall not be liable for any acts or omissions of Lessee or an independent contractor. Nor shall the Lessor be liable for any loss of or damage to any personal property, fixtures, or equipment of Lessee installed or stored on the airport.

16. **Events of Default.** If Lessee shall allow the rent to be in arrears more than ten (10) days after written notice of such delinquency, or shall remain in default under any other condition of this lease for a period of ten (10) days after written notice from Lessor, or should any other person than Lessee secure possession of the premises or any part thereof, by reason of any receivership, bankruptcy proceedings, or other operation of law in any manner whatsoever, any such event shall be deemed to be an event of default by Lessee under this lease.

17. **Remedies.** Upon the occurrence of any event of default specified in Section 16 hereof, Lessor shall have the option to pursue any one or more of the following remedies without any notice or demand whatsoever:

- (a) Terminate this lease in which event Lessee shall immediately surrender the premises to Lessor, and if Lessee fails to do so, Lessor may, without prejudice to any other remedy which it may have for possession or arrearages in rent, enter upon and take possession and expel or remove Lessee and any other person who may be occupying said premises or any part thereof, by force if necessary, without being liable for prosecution or any claim of damages therefore; and Lessee agrees to pay to Lessor on demand the amount of all loss and damage which Lessor may suffer by reason of such termination.
- (b) Enter upon the premises by force if necessary, without being liable for prosecution or any claim for damages therefore, and do whatever Lessee is obligated to do under the terms of this lease; and Lessee agrees to reimburse Lessor on demand for any expenses which Lessor may incur in thus effecting compliance with Lessee's obligations under this lease, and Lessee further agrees that Lessor shall not be liable for any damages resulting to Lessee from such action.

No reentry or taking possession of the premises by Lessor shall be construed as an election on its part to terminate this lease, unless a written notice of such intention be given to Lessee. Notwithstanding any such re-letting or reentry or taking possession, Lessor may at any time thereafter elect to terminate this lease for a previous default. Pursuit of any of the foregoing remedies shall not preclude pursuit of any of the other remedies herein provided or any other remedies provided by law, nor shall pursuit of any remedy herein provided constitute a forfeiture or waiver of any rent due to Lessor hereunder or of damages occurring to Lessor by reason of the violation of any of the terms, provisions, and covenants herein contained. Lessor's acceptance of rent following an event of default hereunder shall not be construed as Lessor's waiver of such event of default. No waiver by Lessor of any violation or breach of any of the terms, provisions, and covenants herein contained shall be deemed or construed to constitute a waiver of any violation or breach of any of the terms, provisions, and covenants herein contained. Forbearance by Lessor to enforce one or more of the remedies herein provided upon an event of default shall not be deemed or construed to constitute a waiver of such default. The loss or damage that Lessor may suffer by reason of termination of this lease as provided for above shall include the expense of repossession and any repairs or remodeling undertaken by Lessor following possession. Should Lessor at any time terminate this lease for any default, in addition to any other remedy Lessor may have, Lessor may recover from Lessee all damages Lessor may incur by reason of such default, including cost of recovering the premises and the worth at the time of such termination of the excess, if any, of the amount of rent and charges equivalent to rent reserved in this lease for the remainder of the stated term over the reasonable rental value of the premises for the remainder of the said term, all of which amounts shall be immediately payable from Lessee to Lessor.

18. **Cancellation.** After the expiration of the initial term and not before, Lessee and Lessor shall have the right to cancel this lease in its entirety, to be effective at the end of any specified month, provided it gives not less than thirty (30) days written notice of its interest to cancel this lease to the other party. Upon the effective date of such cancellation this lease shall be considered null and void as to any subsequent obligations by and between the parties. Lessee shall vacate the premises before the effective date of such cancellation. After the effective date of cancellation, if Lessee has not vacated the premises, he shall be construed to be a tenant at the will of Lessor.

19. **Assignment or Sublease.** Lessee agrees not to assign the premises leased, any part thereof, or any right or privilege connected therewith, or to allow any other person, except Lessee's agents and employees, to occupy the premises or any part thereof, without first obtaining the Lessor's written consent which shall not be unreasonably withheld. Lessee's interest in this lease is not assignable by operation of law, nor is any assignment of his interest herein, without Lessor's written consent, and Lessor's consent shall not be unreasonably withheld. Lessee shall have no right to sublease any part of this lease or of the lease premises.

20. **Right of Entry.** Lessor reserves the right to enter upon the premises at any reasonable time for the purpose of making any inspection it may deem expedient to the proper enforcement of any of the covenants or conditions of this agreement.

21. **Compliance.** Lessee covenants and agrees to comply with all rules and regulations of the Federal Aviation

Administration, including FAA approved Certification Manual, and all Federal, State and Local laws and ordinances now in effect or hereafter promulgated, and the same are made a part of this agreement by reference as though they were set forth herein.

22. **Airport Regulations.** The Lessee covenants and agrees to observe and obey the rules and regulations of the Airport, as promulgated by governmental authority, in the conduct of its operations at the demised premises.

23. **Air Operations Area Security.** Lessee shall provide for the security of the Air Operations Area (AOA) to prevent ground entry or movement of unauthorized persons from or through the leased premises in accordance with any regulations imposed upon Lessor by the Federal Aviation Administration. Lessee will indemnify and hold harmless Lessor, its officers and employees, from any charges, fines, or penalties that may be levied by any agency of the United States or the State of Texas by reason of Lessee's failure to comply with this requirement.

24. **Airport Hazard.** The Lessee and its successors and assigns, will not make or permit any use of the property which would interfere with landing or taking-off of aircraft at the Airport, or otherwise constitute an airport hazard, including such items as electrical and electronic interference with communications, electrical or electronic equipment, creation of dust or glaring or misleading lights.

25. **Affirmative Action.** The Lessee assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. The Lessee assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. The Lessee assures that it will require that its covered sub-organizations provide assurances to the Lessee that they similarly will undertake affirmative action programs and that they will require assurances from their sub-organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

26. **Notices.** Notices to Lessor provided for herein shall be sufficient if sent by certified mail, return receipt requested addressed to:

AIRPORT MANAGER
Jack Brooks Regional Airport
4875 Parker Drive
Beaumont, Texas 77705

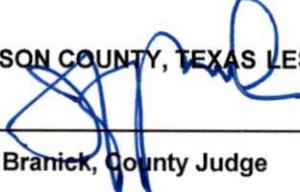
and notices to said Lessee, if sent by certified mail, return receipt requested, addressed to:

Natalie Barranco, COO
Hotard Coaches, Inc
2838 Touro Street
New Orleans, LA 70122
1 Tel. 504.274.1748

or to such other addresses as the parties may designate to each other in writing from time to time.

JEFFERSON COUNTY, TEXAS LESSOR

BY: _____ Dated: 3/3/2020


Jeff Branick, County Judge

Jefferson County, Texas

LESSEE

BY: _____ Dated: _____

Natalie Barranco, COO

Hotard Coaches, Inc.

Leased Premises

Hangar 7 Parking Lot

Commercial Terminal Lot #5



NAME

AMOUNT

CHECK NO.

TOTAL

JURY FUND

DAWN DONUTS

91.00

469161

91.00**

ROAD & BRIDGE PCT.#1

ADAMS BACKHOE SERVICE
 DYNAMIC POWER SYSTEM, INC.
 KINSEL FORD, INC.
 M&D SUPPLY
 MUNRO'S
 SEABREEZE CULVERT, INC.
 AT&T
 VERIZON WIRELESS
 PATHMARK TRAFFIC PRODUCTS OF TEXAS
 UNITED RENTALS
 BEAUMONT FREIGHTLINER WESTERN STAR
 US FLAG AND FLAGPOLE SUPPLY
 GULF COAST

353.00 468984
 910.68 469004
 106.48 469019
 11.80 469021
 34.10 469027
 3,475.00 469042
 65.44 469048
 75.98 469074
 931.25 469091
 305.91 469102
 435.95 469104
 180.79 469177
 559.80 469191

7,446.18**

ROAD & BRIDGE PCT.#2

DYNAMIC POWER SYSTEM, INC.
 MUNRO'S
 TAC - TEXAS ASSN. OF COUNTIES
 NEW WAVE WELDING TECHNOLOGY
 GULF COAST

366.97 469004
 40.92 469027
 230.00 469050
 7.75 469115
 1,017.90 469191

1,663.54**

ROAD & BRIDGE PCT. # 3

A&J ENGINE SERVICE
 FARM & HOME SUPPLY
 ENTERGY
 CASH ADVANCE ACCOUNT
 MUNRO'S
 S.E. TEXAS BUILDING SERVICE
 AT&T
 TIME WARNER COMMUNICATIONS
 DEPARTMENT OF INFORMATION RESOURCES
 INTERSTATE TRAILERS INC
 B-GREENER INDUSTRIAL CLEANERS LLC
 SMITTY'S HAMSHIRE GULF
 DEEP SOUTH CRANE & RIGGING, LLC

46.78 468982
 24.35 469007
 258.82 469011
 822.81 469017
 23.85 469027
 43.33 469047
 74.63 469048
 120.46 469052
 .03 469066
 38,000.00 469114
 2,794.69 469126
 14.00 469166
 1,300.00 469181

43,523.75**

ROAD & BRIDGE PCT.#4

A&A EQUIPMENT
 CITY OF BEAUMONT - WATER DEPT.
 M&D SUPPLY
 MUNRO'S
 OFFICE DEPOT
 SMART'S TRUCK & TRAILER, INC.
 DEPARTMENT OF INFORMATION RESOURCES
 UNITED STATES POSTAL SERVICE
 HLAVINKA EQUIPMENT COMPANY
 B-GREENER INDUSTRIAL CLEANERS LLC
 J&E WELDING INC
 ON TIME TIRE
 O'REILLY AUTO PARTS
 GULF COAST

158.10 468981
 20.54 468996
 39.12 469021
 77.85 469027
 77.64 469032
 1,109.86 469046
 .02 469066
 5.40 469076
 21.44 469111
 2,629.69 469126
 260.00 469139
 77.99 469142
 336.18 469178
 517.91 469191

5,331.74**

ENGINEERING FUND

VERIZON WIRELESS

208.40

469073

208.40**

PARKS & RECREATION

COASTAL WELDING SUPPLY
 NOACK LOCKSMITH
 FASTENAL

154.95 468999
 12.50 469029
 276.40 469061

443.85**

GENERAL FUND

TAX OFFICE

NAME	AMOUNT	CHECK NO.	TOTAL
OFFICE DEPOT	1,910.66	469032	
ACE IMAGEWEAR	23.90	469044	
DEPARTMENT OF INFORMATION RESOURCES	:55	469066	
UNITED STATES POSTAL SERVICE	402.53	469076	
ROCHESTER ARMORED CAR CO INC	378.40	469130	
COUNTY HUMAN RESOURCES			2,716.04*
UNITED STATES POSTAL SERVICE	2.51	469076	
AUDITOR'S OFFICE			2.51*
OFFICE DEPOT	359.94	469032	
UNITED STATES POSTAL SERVICE	17.50	469076	
COUNTY CLERK			377.44*
OFFICE DEPOT	350.56	469032	
UNITED STATES POSTAL SERVICE	201.34	469076	
WESTERN MICROGRAPHICS & IMAGING	533.80	469141	
COUNTY JUDGE			1,085.70*
OFFICE DEPOT	78.99	469032	
JERRY JOHN BRAGG	500.00	469123	
JAN GIROUARD & ASSOCIATES LLC	200.00	469162	
THE MAYO LAW FIRM PLLC	500.00	469169	
RISK MANAGEMENT			1,278.99*
UNITED STATES POSTAL SERVICE	14.72	469076	
KRISTEN HANCOCK	74.20	469084	
COUNTY TREASURER			88.92*
OFFICE DEPOT	545.06	469032	
UNITED STATES POSTAL SERVICE	156.37	469076	
PURCHASING DEPARTMENT			701.43*
DELL MARKETING L.P.	1,721.30	469003	
OFFICE DEPOT	100.70	469032	
GENERAL SERVICES			1,822.00*
B&L MAIL PRESORT SERVICE	2,904.38	468992	
CASH ADVANCE ACCOUNT	90.00	469017	
TIME WARNER COMMUNICATIONS	287.42	469054	
TRI-CITY COFFEE SERVICE	27.95	469057	
ADVANCED STAFFING	97.50	469060	
ROCHESTER ARMORED CAR CO INC	5,491.37	469130	
COLIN'S KITCHEN LLC	210.02	469160	
DATA PROCESSING			9,108.64*
OFFICE DEPOT	397.44	469032	
CDW COMPUTER CENTERS, INC.	212.30	469062	
VERIZON WIRELESS	75.98	469074	
VOTERS REGISTRATION DEPT			685.72*
ADVANCED STAFFING	624.00	469060	
UNITED STATES POSTAL SERVICE	200.74	469076	
ELECTIONS DEPARTMENT			824.74*
HART INTER CIVIC	564.59	469013	
OFFICE DEPOT	97.96	469032	
DEPARTMENT OF INFORMATION RESOURCES	:01	469066	
UNITED STATES POSTAL SERVICE	203.45	469076	
DISTRICT ATTORNEY			866.01*

NAME	AMOUNT	CHECK NO.	TOTAL
NELL MCCALLUM & ASSOC., INC.	600.54	469023	
MEHAFFY & WEBER	1,500.00	469025	
NATIONAL DISTRICT ATTORNEY'S ASSN.	380.00	469028	
OFFICE DEPOT	34.99	469032	
TDCAA BOOK ORDERS	193.00	469051	
UNITED STATES POSTAL SERVICE	133.67	469076	
US DISTRICT COURT	31.00	469113	
THOMSON REUTERS-WEST	3,494.53	469151	
HAWK ANALYTICS, INC	4,995.00	469185	
DISTRICT CLERK			11,362.73*
OFFICE DEPOT	138.90	469032	
TRI-CITY COFFEE SERVICE	26.40	469057	
UNITED STATES POSTAL SERVICE	372.13	469076	
AERIALINK INC	181.53	469167	
CRIMINAL DISTRICT COURT			718.96*
WILBARGER COUNTY, TEXAS - COUNTY	720.00	468983	
UNITED STATES POSTAL SERVICE	1.26	469076	
58TH DISTRICT COURT			721.26*
UNITED STATES POSTAL SERVICE	999.42	469076	
KENT WALSTON	999.83	469081	
172ND DISTRICT COURT			1,000.25*
OFFICE DEPOT	100.74	469032	
LEXIS-NEXIS	78.99	469077	
252ND DISTRICT COURT			179.73*
CRISTY SMITH	1,256.15	468993	
EDWARD B. GRIPON, M.D., P.A.	595.00	469010	
OFFICE DEPOT	33.93	469032	
ORGAIN, BELL & TUCKER	2,100.00	469033	
UNITED STATES POSTAL SERVICE	2.51	469076	
SUMMER TANNER	2,439.55	469108	
JASON ROBERT NICKS	800.00	469124	
279TH DISTRICT COURT			7,227.14*
PHILLIP DOWDEN	100.00	468991	
CATHERINE BRUNNEY	1,050.00	469014	
MARVA PROVO	325.00	469038	
GLEN M. CROCKER	350.00	469082	
JOEL WEBB VAZQUEZ	700.00	469097	
P DEAN BRINKLEY	100.00	469128	
JONATHAN L. STOVALL	100.00	469132	
ALICIA K HALL	1,100.00	469140	
BRITTANIE HOLMES	1,000.00	469147	
WILLIAM FORD DISHMAN	900.00	469152	
MELANIE AIREY	100.00	469158	
LAW OFFICE OF SOLOMON FREIMUTH	50.00	469171	
317TH DISTRICT COURT			5,875.00*
OFFICE DEPOT	584.64	469032	
JUSTICE COURT-PCT 1 PL 1			584.64*
OFFICE DEPOT	51.87	469032	
UNITED STATES POSTAL SERVICE	45.13	469076	
JUSTICE COURT-PCT 2			97.00*
TEXAS JUSTICE CT.JUDGES ASSOC., INC.	150.00	469106	
JUSTICE COURT-PCT 4			150.00*
OFFICE DEPOT	173.71	469032	

NAME

AMOUNT

CHECK NO.

TOTAL

DEPARTMENT OF INFORMATION RESOURCES CLASSIC FORMS AND PRODUCTS	119.31	469066 469092	293.02*
JUSTICE COURT-PCT 6			
UNITED STATES POSTAL SERVICE	23.12	469076	23.12*
JUSTICE COURT-PCT 7			
AT&T DEPARTMENT OF INFORMATION RESOURCES TEXAS JUSTICE CT.JUDGES ASSOC., INC.	32.72 .21 75.00	469048 469066 469106	107.93*
COUNTY COURT AT LAW NO. 2			
CHARLES ROJAS JOHN D WEST UNITED STATES POSTAL SERVICE MATUSKA LAW FIRM	250.00 250.00 7.20 550.00	469064 469067 469076 469155	1,057.20*
COUNTY COURT AT LAW NO. 3			
UNITED STATES POSTAL SERVICE JOEL WEBB VAZQUEZ LAURIE PEROZZO TURK LAW FIRM	4.19 300.00 500.00 250.00	469076 469097 469121 469148	1,054.19*
MEDIATION CENTER			
UNITED STATES POSTAL SERVICE KARA HAWTHORN AMANDA TRIM	3.30 123.79 47.15	469076 469135 469165	174.24*
SHERIFF'S DEPARTMENT			
EQUINE MEDICINE & SURGERY CASH ADVANCE ACCOUNT DEPARTMENT OF INFORMATION RESOURCES VERIZON WIRELESS UNITED STATES POSTAL SERVICE SHI GOVERNMENT SOLUTIONS, INC. FIVE STAR FEED GALLS LLC THE MONOGRAM SHOP BEARCOM / KAY ELECTRONICS	32.00 290.26 537.28 3,381.11 1,435.21 263.58 25.00 394.73 271.00 129.59	469006 469017 469066 469073 469076 469079 469093 469159 469170 469188	6,759.76*
CRIME LABORATORY			
AGILENT TECHNOLOGIES OFFICE DEPOT SANITARY SUPPLY, INC. STERICYCLE, INC AIRGAS USA, LLC	630.62 180.66 357.66 35.00 187.61	468990 469032 469041 469176 469179	1,391.55*
JAIL - NO. 2			
JOEY HILL CITY OF BEAUMONT - WATER DEPT. GT DISTRIBUTORS, INC. W.W. GRAINGER, INC. JACK BROOKS REGIONAL AIRPORT OFFICE DEPOT THE PRINTERY, INC. SAM HOUSTON STATE UNIVERSITY SHERWIN-WILLIAMS WORTH HYDROCHEM DEPARTMENT OF INFORMATION RESOURCES TEXAS GAS SERVICE DURO-LAST ROOFING, INC WORLD FUEL SERVICES EPIC CARD SERVICES LLC SAM'S CLUB DIRECT MATERA PAPER COMPANY INC	27.34 16,599.61 122.80 87.74 599.40 289.98 499.95 840.00 543.59 342.00 2.15 804.81 249.46 1,388.10 191.36 139.60 2,577.32	468986 468996 469008 469009 469016 469032 469037 469040 469045 469058 469066 469090 469103 469122 469145 469146 469150	

NAME	AMOUNT	CHECK NO.	TOTAL
GALLS LLC	532.74	469159	
TURBINE AIRCRAFT COMPONENTS LLC	1,450.00	469168	
CORRHEALTH LLC	318,721.24	469175	
US CORRECTIONS LLC	4,424.00	469182	
TRINITY SERVICES GROUP INC	37,427.11	469190	
VICTORY SUPPLY LLC	1,207.50	469192	
			389,067.80*
JUVENILE PROBATION DEPT.			
OFFICE DEPOT	97.29	469032	
LARONDA TURNER	199.53	469034	
VERIZON WIRELESS	52.22	469074	
UNITED STATES POSTAL SERVICE	29.31	469076	
BRIA LYNCH	37.95	469116	
			416.30*
JUVENILE DETENTION HOME			
CITY OF BEAUMONT - WATER DEPT.	3,086.86	468996	
TEXAS JUVENILE DETENTION ASSOC	250.00	469109	
A1 FILTER SERVICE COMPANY	183.79	469137	
WASTEWATER TRANSPORT SERVICES LLC	918.00	469156	
STERICYCLE, INC	35.00	469176	
			4,473.65*
CONSTABLE PCT 1			
VERIZON WIRELESS	227.94	469074	
UNITED STATES POSTAL SERVICE	35.57	469076	
BEARCOM / KAY ELECTRONICS	127.00	469188	
			390.51*
CONSTABLE-PCT 2			
VERIZON WIRELESS	113.97	469074	
CONSTABLE-PCT 4			
VERIZON WIRELESS	113.97	469074	
CONSTABLE-PCT 6			
COCOMO JOE'S	173.50	469001	
KIRKSEY'S SPRINT PRINTING	19.25	469020	
OFFICE DEPOT	70.46	469032	
VERIZON WIRELESS	113.97	469074	
UNITED STATES POSTAL SERVICE	7.96	469076	
SILSSEE FORD INC	4,411.83	469153	
			4,796.97*
CONSTABLE PCT. 7			
AT&T	32.72	469048	
VERIZON WIRELESS	113.97	469074	
CONSTABLE PCT. 8			
VERIZON WIRELESS	113.97	469074	
COUNTY MORGUE			
A1 FILTER SERVICE COMPANY	27.60	469137	
HEALTH AND WELFARE NO. 1			
CALVARY MORTUARY	1,500.00	468994	
CLAYBAR FUNERAL HOME, INC.	1,040.00	468997	
ENTERGY	70.00	469012	
MERCY FUNERAL HOME	4,500.00	469026	
OFFICE DEPOT	35.09	469032	
PETTY CASH - N C WELFARE	130.05	469035	
UNITED STATES POSTAL SERVICE	37.20	469076	
LEXISNEXIS MATTHEW BENDER	35.04	469088	
PROCTOR'S MORTUARY INC	1,500.00	469125	
STERICYCLE, INC	35.00	469176	
NUANCE COMMUNICATIONS, INC	237.00	469187	
			9,119.38*
HEALTH AND WELFARE NO. 2			

NAME	AMOUNT	CHECK NO.	TOTAL
CLAYBAR FUNERAL HOME, INC.	1,040.00	468998	
AT&T	32.72	469048	
LEXISNEXIS MATTHEW BENDER	35.04	469088	
NURSE PRACTITIONER			1,107.76*
MCKESSON MEDICAL-SURGICAL INC	745.47	469063	
STERICYCLE, INC	35.00	469176	
CHILD WELFARE UNIT			780.47*
BEAUMONT OCCUPATIONAL SERVICE, INC.	247.90	469085	
J.C. PENNEY'S	298.94	469086	
ROSS DRESS FOR LESS, INC.	600.93	469107	
ENVIRONMENTAL CONTROL			1,147.77*
AT&T	61.92	469048	
DEPARTMENT OF INFORMATION RESOURCES	.03	469066	
INDIGENT MEDICAL SERVICES			61.95*
TDS OPERATING INC	94.53	469174	
CORLISS R FLOURNOY	1,200.00	469183	
MAINTENANCE-BEAUMONT			1,294.53*
CITY OF BEAUMONT - WATER DEPT.	9,940.86	468996	
COBURN SUPPLY COMPANY INC	383.92	469000	
ENTERGY	29,819.76	469011	
M&D SUPPLY	8.70	469021	
OFFICE DEPOT	89.58	469032	
SANITARY SUPPLY, INC.	998.28	469041	
ACE IMAGEWEAR	179.80	469044	
AT&T	6,163.49	469048	
DEPARTMENT OF INFORMATION RESOURCES	701.06	469066	
OTIS ELEVATOR COMPANY	2,808.46	469095	
ACT PIPE AND SUPPLY	186.40	469118	
LANDSCAPER'S WHOLESALE MARKET	480.45	469133	
CINTAS CORPORATION	90.97	469163	
REXEL USA INC	536.72	469173	
MAINTENANCE-PORT ARTHUR			52,388.45*
ALL-PHASE ELECTRIC SUPPLY	90.00	469002	
S.E. TEXAS BUILDING SERVICE	8,774.98	469047	
AT&T	1,415.00	469048	
TIME WARNER COMMUNICATIONS	93.34	469053	
TIME WARNER COMMUNICATIONS	433.64	469056	
DEPARTMENT OF INFORMATION RESOURCES	.20	469066	
SOLAR	49.67	469080	
CHEMTEX	2,130.00	469083	
LOWE'S HOME CENTERS, INC.	36.88	469087	
BAKER DISTRIBUTING COMPANY	244.20	469094	
ATTABOY TERMITE & PEST CONTROL	140.49	469120	
PARKER LUMBER	100.79	469127	
MAINTENANCE-MID COUNTY			13,509.19*
RITTER @ HOME	22.36	469039	
ACE IMAGEWEAR	71.54	469044	
LOWE'S HOME CENTERS, INC.	13.26	469087	
SERVICE CENTER			107.16*
ACTION AUTO GLASS	377.10	468987	
SPIDLE & SPIDLE	5,330.10	468988	
ENERGY COUNTRY	558.24	469005	
J.K. CHEVROLET CO.	165.78	469015	
MUNRO'S	193.78	469027	
OFFICE DEPOT	47.89	469032	
PHILPOTT MOTORS, INC.	288.74	469036	
FASTENAL	55.00	469061	

NAME	AMOUNT	CHECK NO.	TOTAL
CDW COMPUTER CENTERS, INC.	36.85	469062	
TRAILER HITCH DEPOT	270.00	469065	
JEFFERSON CTY. TAX OFFICE	7.50	469068	
JEFFERSON CTY. TAX OFFICE	7.50	469069	
JEFFERSON CTY. TAX OFFICE	7.50	469070	
JEFFERSON CTY. TAX OFFICE	7.50	469071	
JEFFERSON CTY. TAX OFFICE	7.50	469072	
BUMPER TO BUMPER	9.88	469098	
AMERICAN TIRE DISTRIBUTORS	729.18	469117	
MIGHTY OF SOUTHEAST TEXAS	346.44	469136	
EASTEX PRESSURE WASHERS	405.98	469138	
SPANKY'S WRECKER SERVICE INC	150.00	469144	
ACTION OVERHEAD DOOR	189.50	469149	
SILSBEE FORD INC	408.46	469153	
1800RADIATOR & AC	320.00	469157	
DENNIS LOWE	21.40	469164	
VETERANS SERVICE			9,941.82*
UNITED STATES POSTAL SERVICE	16.20	469076	
HILARY GUEST	105.80	469089	
MOSQUITO CONTROL FUND			547,577.77**
ADAPCO, INC.	46,343.00	468985	
MUNRO'S	150.69	469027	
PHILPOTT MOTORS, INC.	329.42	469036	
DEPARTMENT OF INFORMATION RESOURCES	10	469066	
CY-FAIR TIRE	16.50	469189	
FEMA EMERGENCY			46,839.71**
DRC EMERGENCY SERVICES, LLC	80,233.50	469105	
LAW LIBRARY FUND			80,233.50**
LEXISNEXIS MATTHEW BENDER	1,232.69	469088	
THOMSON REUTERS-WEST	600.14	469151	
JUVENILE PROB & DET. FUND			1,832.83**
JESSE BRANICK	600.00	468989	
MEL W. SHELANDER	300.00	469043	
VERIZON WIRELESS	69.66	469074	
COMMUNITY SUPERVISION FND			969.66**
TIME WARNER COMMUNICATIONS	136.72	469055	
DEPARTMENT OF INFORMATION RESOURCES	1.10	469066	
VERIZON WIRELESS	42.27	469074	
UNITED STATES POSTAL SERVICE	72.16	469076	
REDWOOD TOXICOLOGY LABORATORY	951.25	469110	
JCCSC	20.00	469131	
PRINTMAILPRO.COM	287.00	469143	
JEFF. CO. WOMEN'S CENTER			1,510.50**
CITY OF BEAUMONT - WATER DEPT.	852.83	468996	
ENTERGY	136.32	469011	
M&D SUPPLY	33.46	469021	
MARKET BASKET	121.38	469022	
KIM MCKINNEY, LPC, LMFT	225.00	469024	
OFFICE DEPOT	68.03	469032	
AT&T	140.06	469048	
SYSSCO FOOD SERVICES, INC.	1,270.29	469049	
PETTY CASH - RESTITUTION I	32.42	469059	
DEPARTMENT OF INFORMATION RESOURCES	19	469066	
VERIZON WIRELESS	15.85	469074	
BEN E KEITH FOODS	1,353.46	469096	
BREATHE EASY LP	1,505.00	469119	
ATTABOY TERMITE & PEST CONTROL	45.00	469120	
ROCHESTER ARMORED CAR CO INC	123.36	469130	

SAM'S CLUB DIRECT	155.60	469146	
CINTAS CORPORATION	80.27	469163	
A-1 NATIONAL FIRE CO	168.55	469193	
			6,327.07**
COUNTY CLERK - RECORD MGT			
MANATRON	11,560.85	469112	11,560.85**
SCAAP GRANT			
JUSTICE BENEFITS INC	5,770.44	469196	5,770.44**
DRUG INTERVENTION COURT			
STERICYCLE, INC	175.00	469176	175.00**
COUNTY RECORDS MANAGEMENT			
UNITED STATES POSTAL SERVICE			
SHI GOVERNMENT SOLUTIONS, INC.	8,698.14 2.84	469076 469079	8,700.98**
UNCLAIMED FUNDS MGMT FUND			
KENT W JOHNS	22.00	469134	22.00**
J.P. COURTROOM TECH. FUND			
VERIZON WIRELESS	227.94	469074	227.94**
HOTEL OCCUPANCY TAX FUND			
DEPARTMENT OF INFORMATION RESOURCES	1.66	469066	1.66**
FIRING RANGE			
TRS RANGE SERVICES LLC	245,500.00	469195	245,500.00**
CAPITAL PROJECTS FUND			
OTIS ELEVATOR COMPANY	18,227.16	469095	18,227.16**
C O SERIES 2019 PROJECTS			
JOHNSON CONTROLS, INC.	488,819.00	469018	488,819.00**
AIRPORT FUND			
MUNRO'S	64.05	469027	
TRI-CITY COFFEE SERVICE	228.40	469057	
VERIZON WIRELESS	37.99	469074	
UNITED STATES POSTAL SERVICE	.42	469076	
LOWE'S HOME CENTERS, INC.	108.39	469087	
ATTABOY TERMITIC & PEST CONTROL	55.50	469120	
SOUTHEAST TEXAS PARTS AND EQUIPMENT	59.70	469154	
TITAN AVIATION FUELS	15,270.01	469180	
THE HOME DEPOT PRO	473.80	469186	
			16,298.26**
SE TX EMP. BENEFIT POOL			
GROUP ADMINISTRATIVE CONCEPTS INC	944.00	469129	
EXPRESS SCRIPTS INC	88,732.48	469172	
NEUROMUSCULAR CORPORATE SOLUTIONS	12,000.00	469184	
UNITED HEALTHCARE SERVICES INC	224,625.85	469194	
			326,302.33**
LIABILITY CLAIMS ACCOUNT			
TRISTAR RISK MANAGEMENT	15,764.54	469100	15,764.54**
WORKER'S COMPENSATION FD			
TRISTAR RISK MANAGEMENT	2,558.14	469099	
TRISTAR RISK MANAGEMENT	3,170.65	469101	
			5,728.79**
BAIL BONDING FUND			

NAME

AMOUNT

CHECK NO.

TOTAL

KEITH DAY	32,500.00	469078	32,500.00**
SHERIFF'S FORFEITURE FUND			
TRAILER HITCH DEPOT SILSBEE FORD INC	1,019.90 1,175.74	469065 469153	2,195.64**
DA SPECIAL CRIMES GRANT			
CDW COMPUTER CENTERS, INC.	2,324.01	469062	2,324.01**
CNTY & DIST COURT TECH FD			
VERIZON WIRELESS	265.93	469074	265.93**
MARINE DIVISION			
VERIZON WIRELESS	341.91	469073	341.91** 1,924,725.94***

PCRA HANDBOOK

The Schwab Personal Choice Retirement Account (PCRA) is offered to Deferred Compensation Plan participants to provide investment opportunities in addition to the current core investment options.

Introducing the Schwab Personal Choice Retirement Account® (PCRA)

The Schwab Personal Choice Retirement Account (PCRA) is a self-directed brokerage account. It is offered by your employer through the Deferred Compensation Program to provide participants with additional investment choices for their supplemental retirement savings.

The PCRA allows additional flexibility with your investments as it gives you the freedom, and responsibility, to select and manage investments from a much larger universe of investment options including mutual funds, exchange traded funds, stocks listed on all major exchanges, and fixed income investments.

PLEASE NOTE: Your Employer's Plan may limit the types of investment options offered through PCRA. Please refer to your plan administrator for a detailed listing of the types of investments available in the Schwab PCRA.

This booklet will help you answer two important questions:

1. ***Is PCRA right for me?*** A simple question and answer format has been provided to assist you in weighing the factors you should consider to help make a more informed decision.
2. ***How does PCRA work for my Deferred Compensation account?*** Information will include:
 - How to enroll in PCRA
 - How to transfer funds to and from PCRA
 - The investment choices available in PCRA
 - How Schwab can help you with transactions in your PCRA

I. About PCRA

What is the PCRA?

The Schwab Personal Choice Retirement Account (PCRA) is made available to you as an additional choice within your Deferred Compensation plan and gives you access to thousands of additional investment opportunities. PCRA allows you to take control and manage your retirement investments, including stocks, bonds, mutual funds, exchange-traded funds and more.

The PCRA is available in addition to your Deferred Compensation Plan's core investment choices. The Deferred Compensation Program allows investments to be made in:

- Stocks listed on all the major exchanges, including over-the-counter (OTC) issues
- Exchange-Traded Funds (ETFs)
- Fixed Income investments
- Mutual Funds

The Plan Administrator may require that you have a minimum balance in your Deferred Compensation core account to enroll in the PCRA. Payroll deferrals must continue to be directed into one or more of the core options and investments into the PCRA can only be made as a transfer from your core account balance. There may also be a minimum initial transfer into the PCRA and you must maintain a minimum balance in the your core account.

How is PCRA different from the core fund options?

One of the differences between the core funds and the investment choices available through the PCRA is that the Plan annually reviews the core investment options available in the Deferred Compensation Program. Periodic changes are made to the options to ensure participants are provided a diverse selection of suitable long-term investment vehicles. The PCRA investment choices are made available to you through an agreement with Schwab and they are not monitored or reviewed by the Plan Administrator.

The Schwab PCRA is for knowledgeable investors who understand the risks associated with many of the investment choices available through PCRA and who are committed to staying invested for the long-term. With PCRA, you are responsible for selecting and managing your own investments. This means you plan the strategy, do the research, watch performance, evaluate progress, make adjustments, and initiate changes as needed.

How is PCRA different from a typical brokerage account?

A PCRA differs from a typical consumer brokerage account because it is funded only through transfers from your core account within your employer's Deferred Compensation Plan. You cannot make direct deposits into this account or execute withdrawals. If you have other accounts with Schwab, such as an Individual Retirement Account (IRA), you cannot transfer assets between those accounts and the PCRA. The PCRA continues to be regulated by Section 457 of the Internal Revenue Code and all restrictions imposed on your Deferred Compensation account apply to the dollars transferred to the PCRA.

What investments are available?

Through PCRA, you may access more than 6,000 mutual funds from over 400 well-known fund families. Over 3,000 mutual funds are available with no-loads and no-transaction fees, including 1,100 load-waived funds typically available only to institutional clients. Investments may also include individual stocks from all of the major exchanges, bonds, fixed income investments, exchange traded funds, and CD's.

What are the costs?

There is no charge from Schwab to maintain your PCRA. However, there are transaction fees and commissions associated with trading in your PCRA account which are outlined in the *Charles Schwab Pricing Guide for Retirement Plan Accounts* provided to you in the PCRA Account Verification Kit when you first opened your PCRA.

The Deferred Compensation Plan may assess an additional fee to participants who choose to enroll in a Schwab PCRA. Normal participant fees assessed by the Plan Administrator will continue to be based on the participant's entire account balance and includes any amount invested in the PCRA. For example, if a participant has \$50,000 invested in PCRA and \$50,000 in core investment options, the annual fees will be based on the entire \$100,000 account balance.

Are there any restrictions associated with the PCRA?

There are a few restrictions that are imposed by Schwab or the Plan Administrator in regard to the PCRA as follows:

1. Transfers from the Core investment options will first be deposited into the Schwab Money Market Fund. Schwab will not accept orders for trades until the dollars transferred are deposited into the Schwab Money Market Fund².
2. Municipal bond funds have been removed from the investment options available in the PCRA, as they are not appropriate investments for a tax-deferred savings program. If you purchase a municipal bond fund with after tax dollars, the dividends income is tax exempt. When investing through a tax deferred savings plan, however, the full value (deferrals, earnings, plus dividend income) is taxable at the time of the distribution.

Charles Schwab& Co., Inc., (Member SIPC) receives renumeration from fund companies for recordkeeping and shareholder services, and other administrative services for shares purchased through Schwab's Mutual Fund OneSource® program. Schwab may also receive renumeration from transaction fees from fund companies for certain administrative services. Data as of August 31, 2010.

Trades in no-load funds available through Schwab's Mutual Fund OneSource service (including Schwab Funds®), as well as certain other funds, are available without transaction fees when placed through Schwab.com or our automated phone channels. Schwab reserves the right to change the funds we make available without transaction fees and to reinstate fees on any funds. Funds are also subject to management fees and expense.

Schwab's short-term redemption fee will be charged on redemption of funds (except certain Schwab Funds) bought through Schwab's Mutual Fund OneSource program (and certain other funds) with no transaction fee and held for 90 days or less. Schwab reserves the right to exempt certain funds from this fee, including Schwab funds, which may charge a separate redemption fee, and funds that accommodate short-term trading.

Investors should carefully consider information contained in the prospectus, including investment objectives, risks, trading policies, charges and expenses. You can request a prospectus by calling Schwab's dedicated PCRA Call Center at 1-888-393-PCRA (7272). You may also request a prospectus online at www.schwab.com/prospectus. Please read the prospectus carefully before investing.

- Schwab does not require a minimum initial transfer to your PCRA account. However, you are required to maintain a minimum balance in your core account.

An investment in the Schwab Money Market Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the Fund seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the Fund.

What information is available to help me learn about and select different investments?

Schwab's goal is to help everyone become financially fit by making sure that you have access to resources that can help you take control of your financial future, such as:

- Powerful proprietary research tools on Schwab.com, including Schwab Equity Ratings™ and Schwab Mutual Fund OneSource Select List®, in addition to third-party research from leading providers such as Credit Suisse, Argus Research, Standard & Poor's, Morningstar®, Reuters, MarketEdge®, and JP Morgan Fixed income Research.
- Equity, mutual fund, exchange-traded fund and fixed income screener tools to help you choose your investments.
- Knowledgeable PCRA Call Center representatives who can help with investing information.
- Online or in-person investing workshops led by Schwab investment professionals covering timely topics.
- Find information about PCRA at www.schwab.com/pcra.
- Once logged into your PCRA on Schwab.com, view the "PCRA Educational Webcast," as well as other helpful information contained in the "PCRA Resources" section.
- Over 300 Schwab branch offices nationwide.

How do I place trade orders in PCRA?

You have a variety of ways to place trades in your PCRA using one of the following channels at Schwab:

- www.schwab.com
- TeleBroker® touch tone
- Schwab by PhoneBy™ voice recognition
- Dedicated PCRA Call Center at (888) 393-7272
- Mobile Applications

Trades from the core options will automatically be deposited into the Schwab Money Market Fund. Once the transfer is complete and the dollars are deposited into the Schwab Money Market Fund, you may place a trade order with Schwab to invest in other types of investments. Stock trades take three days to settle and you are prohibited from trading on margin. When you transfer dollars back into the core options, you will need to sell a sufficient amount of your PCRA investments to fund the transfer. These assets will automatically be reinvested in the Schwab Money Market Fund and then they will be available to transfer to your core account.

Are payout distributions available from the PCRA?

All distributions from your Deferred Compensation account, including the amounts invested through the PCRA, are subject to the requirements of your Employer's Plan and Section 457 of the Internal Revenue Code. Distributions can only be processed by the Plan Administrator and must be made from the core investment options. PCRA balances cannot be directly accessed for distributions.

Once you begin a distribution from your Deferred Compensation account, you will be required to maintain a minimum balance in the core investment options that is sufficient to cover the total of one year's periodic payments, plus any minimum balance requirement. For example, if you are receiving a periodic payment of \$1,000 per month, you will be required to maintain a balance in the core options of \$12,000, plus the minimum balance requirement. Additional details are outlined later in this handbook.

Is PCRA right for you? Ask yourself the following questions to see if you should add the PCRA to your Deferred Compensation supplemental retirement plan.

1. Are you looking for investment choices that are not offered by the Plan, to provide additional diversification for your supplemental retirement savings account?

With the PCRA, you have over 6,000 additional mutual fund choices available to choose from, most common stocks listed on every major U.S. exchange (including over-the-counter stocks-if plan allows), exchange traded funds, and fixed-income investments to create a personalized retirement portfolio.

2. Do you have the time, investment know-how and interest in researching a large listing of investment choices to determine which ones are appropriate for your long-term savings plan?

The Schwab PCRA is typically for knowledgeable investors who understand the risks associated with many of the investment choices available and who are committed to staying invested for the long-term.

PCRA may be right for you if you are:

- looking for increased diversification with an expanded choice of stocks, bonds, mutual funds, ETFs, fixed income securities, and other investments that can help you create a more personalized retirement plan portfolio.
- interested in spending the time necessary to research, select and maintain your investment portfolio or you are interested in employing the services of a professional investment advisor (if allowed by your plan).
- willing to incur additional trading and maintenance costs associated with expanded investment choice.
- seeking more flexibility so you can take a greater role in developing and managing an investment strategy based on your risk profile.

Through Schwab PCRA, you have access to a variety of resources and information to help make more informed investment decisions. To be most effective, though, you should have a sound familiarity with investments, a developed personal interest in keeping up with the market and its trends, and the ability to stay focused on your long-term goals.

3. Are you willing to pay extra for investing in more investment options?

In addition to the Plan fees currently assessed on your deferred compensation account, the plan administrator may charge an additional fee when enrolled in the PCRA.

All trade-related commissions and fees are described in the *Charles Schwab Corporate and Retirement Services Pricing Guide* (in your PCRA Welcome Kit and online) and the PCRA Pricing Summary.

4. Are you comfortable with risk?

Although the core options cover the spectrum from conservative to aggressive growth, some investments available through the PCRA entail more risk, such as sector funds and emerging market funds. The Plan has purposely chosen not to offer these in the core options because of the high level of risk and the possibility that you will not completely understand the potential for investment loss. Your level of investment expertise and the amount of research that you undertake will help you develop and manage a high, moderate, or low risk strategy that best meets your risk profile. In the PCRA, it is your responsibility to choose the investment vehicles you feel best meet your objectives and your risk tolerance.

5. Can you stay invested for the long-term?

The PCRA, like any retirement plan investment, is a long-term commitment. The PCRA may not be appropriate if you are planning on beginning a distribution from your deferred compensation account in the near future.

Choosing PCRA

If you answered "yes" to all of these questions, then the PCRA may be right for you. With access to Schwab's numerous products and services to help you make and execute investment decisions, PCRA makes sense for the investment savvy individual who:

- is looking for flexibility from an expanded array of investment choices.
- enjoys taking a greater role in selecting and monitoring investments to create a personalized retirement plan portfolio.
- is comfortable with risk within a long-term strategy.

If you are that kind of person, please read on.

II. How to Get Started

It is easy to open a PCRA. Here's how.

1. Please go to your Nationwide Retirement Solutions (NRS) (Plan Administrator) enrollment kit and complete the Self Directed Brokerage Option Memorandum of Understanding (MOU). Next use the retirement plan ID and password located at the bottom of the MOU and go to www.schwab.com/pcraopen. You will need to complete the online PCRA Limited Power of Attorney (LPOA) for Participant form to open your PCRA account.
2. Return the signed MOU to the address shown on page 4.

You will receive a PCRA Welcome Kit from Schwab after your account is established, as well as an Account Verification Kit that includes a letter confirming your new account number.

3. Before you are able to place trade orders in your PCRA, you will need to call the Plan Administrator to initiate a transfer of funds from your core options into your PCRA. The money will automatically be invested in the Schwab Money Market Fund.

Your transfer will be processed at that day's closing share price if you initiate the transaction by the close of the New York Stock Exchange (NYSE) -- generally 4:00 p.m. ET on normal business days. If initiated after the close of the NYSE or on non-business days, the transfer will be effective as of the next business day. Your PCRA assets will initially be deposited in the Schwab Money Market Fund. This transfer will result in your assets being "out of the market" or not invested, for one day.

How to Fund Your PCRA

You can only establish your PCRA with a transfer from the balance in your deferred compensation core account. This can be accomplished through a participant service representative by calling the Plan Administrator's office.

Transfers between the core investments and the PCRA require two steps, both of which must be initiated separately.

Step 1. Transfer assets from your core investments to the Schwab Money Market Fund for further investment.

Step 2. Initiate a trade (from the assets in the Schwab Money Market Fund) to purchase an investment within your PCRA.

Conversely, when you need to move money back to your core account,

Step 1. You must first place a trade order from assets in your PCRA to the Schwab Money Market Fund;

Step 2. Then, initiate a transfer with the Plan Administrator from the Schwab Money Market Fund PCRA to the core investment(s) of your choice.

Transactions both to and from the PCRA will result in your investments being “out of the market” for one day.

The following tables illustrate when each step becomes effective if you request a fund transfer by **4:00 p.m. ET on normal business days:**

Transfers from the Core Account to the PCRA	
Transaction	Effective
Contact the Plan administrator to initiate a transfer from the core account to the Schwab Money Market Fund.	Day 1 - Dollars are redeemed from your core account at that day's closing share price.
Transferred assets are received and deposited into your Schwab Money Market Fund.	Day 2 - Schwab credits the transferred assets to your Schwab Money Market fund (the balance transferred is out of the market on Day 2).
You may place trade orders with Schwab for investing your PCRA balance into the investment(s) of your choice.	On Day 3 or after.

Transfers from the PCRA to the Core Account	
Transaction	Effective
After transferring money from investments within your PCRA into the Schwab Money Market Fund, contact the Plan Administrator to initiate a transfer from the Schwab Money Market fund to core fund(s).	Day 1- Information is transmitted to Schwab to transfer cash back to core fund(s).
All or a portion of the assets in the Schwab Money Market Fund are liquidated to fund the transfer to the core fund(s).	Day 2 - Schwab wires the cash back to core fund(s) provided all mutual fund trades have settled.

III. Choosing Investments in a PCRA

What Investments Are Available?

You may choose from:

- Any stocks available on the U.S. exchanges, including over-the-counter stocks
- Over 6,000 mutual funds including 3,000 funds available with no loads or transaction fees through the Schwab Mutual Fund OneSource® service

How to Decide What Investments to Choose

When you are mailed a PCRA Welcome Kit after your PCRA is opened, you will receive information on a variety of resources available to help you make more informed investment decisions.

Schwab also offers a wide variety of resources to help you with your investment needs including:

Schwab Mutual Fund OneSource Select List®, prepared in association with Morningstar, Inc., is an easy-to-read, quarterly recap that helps pinpoint historically high-performing mutual funds available through Schwab. Of course, past performance is not a guarantee of future results.

Schwab Equity Ratings™ - Individual stock rating from the Schwab Center for Financial Research and stock-level earnings reports and ratings (using a simple A-F scale). Online availability allows you to view, compare, and match funds to your investing criteria.

More information on these and other Schwab resources will be provided in the PCRA Welcome Kit you receive after you enroll.

IV. Investing & Managing a PCRA

About Trading Within Your PCRA

You can place trade orders (buy/sell) for any of your investments in your PCRA at any time.

Please be aware that your PCRA is considered a “cash up-front” account. This means that for buy orders, you must have sufficient cash in your PCRA to complete the trade at the time you place the order. Transfers from your core account must be completed and deposited in the Schwab Money Market Fund **before** buy orders can be placed for investing in other investment choices. For sell orders, you must have the securities in your PCRA to complete the trade at the time you place the order. Schwab then places the sale and automatically invests your proceeds in the Schwab Money Market Fund. The money is held in this fund until you make another investment, or transfer funds back to your core account.

Additionally:

- Trades in PCRA may be subject to initial and subsequent investment minimums. For example, mutual funds may have initial investment minimums of \$1,000. However, the Schwab family of mutual funds only requires a minimum of \$100, and subsequent investments of only \$1.

How to Trade within a PCRA

You can place trades in your PCRA using one of the following channels at Schwab:

- www.schwab.com.
- TeleBroker® touch tone
- Schwab by Phone™ voice recognition
- Dedicated PCRA Call Center at (888) 393-7272
- Mobile Applications

Choose the self-directed method with which you are most comfortable. More details about these methods will be in the PCRA Welcome Kit mailed to you by Schwab after you open a PCRA.

How to Track Your PCRA Investment Performance

You will be provided with easy-to-understand tools to help you monitor your investments.

From Schwab, you will receive:

- **Monthly PCRA statement** detailing the activity in your PCRA.
- **Trade confirmations** that are mailed whenever you make a trade in your PCRA.
- **Online access** to the last two years of activity in your PCRA at www.schwab.com.
- **Telephone access** through the PCRA Call Center at 1-888-393-PCRA (7272) for detailed information on investments in your PCRA.

From the Plan Administrator, you will receive:

- Written confirmation of transfers between your core account and PCRA.
- Quarterly benefit statements reflecting the total value of your account, including the aggregate balance of your total investments in your PCRA.

V. Distributions from your PCRA

Distributions can only be made from core investment options

All distributions from your Deferred Compensation account, including the amounts invested in your PCRA, are subject to the requirements of your Employer's Plan and Section 457 of the Internal Revenue Code. Distributions can only be processed by the Plan Administrator and must be made from the core investment options. PCRA balances cannot be directly accessed for distributions and cannot be transferred to other brokerage accounts.

Once you begin a distribution from your deferred compensation account, you will be required to maintain a minimum balance in the core investment options that is sufficient to cover the total of one year's periodic payments, plus the minimum balance requirement. For example, if you are receiving a periodic payment of \$1,000 per month, you will be required to maintain a balance in the core options of \$12,000, plus the minimum balance requirement. If sufficient assets are not available in your core account to cover the periodic payment, you will be notified to transfer assets back to the core. If you fail to take this action, the Plan Administrator has been authorized to automatically liquidate assets from your PCRA to your core account. If automatic liquidations from the PCRA are made, they will be processed in the following order:

- Assets will first be liquidated from the Schwab Money Market Fund, then from other money market funds, redeeming shares first from the fund(s) with the highest balance;
- Assets will next be liquidated from the Mutual Fund OneSource® funds held for more than 90 days, redeeming shares first from the fund(s) with the highest balance;
- Assets will then be liquidated from OneSource® funds held for less than 90 days, redeeming shares first from the fund(s) with the highest balance;
- Bonds (Treasuries first, then remaining bonds in alphabetical order)
- Common and preferred stocks in alphabetical order
- Other investments

Assets transferred from your PCRA will be transferred and deposited in your Plan's investment election.

Brochures are available from the Plan Administrator to describe and explain general distribution requirements.

How to Close Your Account

If you are ready to close your PCRA, contact Schwab to liquidate your PCRA holdings. Once the trades have settled and the money has been invested in the Schwab Money Market Fund, you must then authorize transfer of this money back into core funds through the Plan Administrator. This transfer is not automatic and will not take place without your instructions to the Plan Administrator.

VI. Taking the Next Step

We hope this booklet has given you an informative overview of PCRA, its risks and advantages, and how it works.

Through our agreement with Schwab, you can have access to a leading self-directed brokerage account. Remember, the PCRA is not appropriate for everyone; a PCRA is best suited for those people who are seeking greater investment flexibility, choice, and control of their retirement accounts.

If you feel PCRA is right for you, complete and submit the NRS Self Directed Brokerage Option MOU and return to the mailing address shown on page 4 of the MOU.

Once you open a PCRA, should you have further questions about the PCRA or the types of services and resources available through Schwab, please contact the PCRA Call Center at 1-888-393-PCRA (7272).

If you have additional questions about how a PCRA would work as a part of your Deferred Compensation account, please contact the Plan Administrator.

Schwab Personal Choice Retirement Account® (PCRA)

Pricing Summary – Effective October 7, 2019

Schwab provides a broad range of value-added services, some of which have associated fees. This document provides you with a summary of your plan-specific commissions and transaction fees for trade orders placed in your Schwab PCRA. This pricing summary supersedes any prior pricing summaries, pricing guides, and notices that you may have received. Schwab reserves the right to change or waive fees at our discretion.

Commissions and Transaction Fees¹

Equities

Stocks and Exchange-Traded Funds (ETFs) per Executed Trade*

Trading Channel	Commission ³
Electronic ²	\$0
Broker-Assisted	\$25

*These fees also apply to trades of Canadian stocks, American Depository Receipts, and stocks of foreign-incorporated companies that are listed on U.S. or Canadian exchanges or whose trades clear and settle in the U.S. or Canada.

Mutual Funds⁴

Some funds may also charge sales and/or redemption fees. Please read the prospectuses for details. You can buy shares directly from a fund company or its principal underwriter or distributor without paying Schwab's transaction or services charges (except Schwab Funds®).

No-Transaction-Fee Funds (includes funds available through the Mutual Fund OneSource® service)⁵

Transaction-Fee Funds⁵

Trading Channel	Transaction Fee	Trading Channel	Transaction Fee
Electronic	\$0	Electronic	\$49.95 per buy, \$0 per sell
Broker-Assisted	\$25 service charge per trade may apply	Broker-Assisted	Electronic fee, plus \$25 service charge per trade

Note: For information about offshore funds (funds registered outside the U.S. for purchase by non-U.S. persons only), please call the Schwab PCRA Call Center.

Investors should carefully consider information contained in the prospectus, including investment objectives, risks, trading policies, charges, and expenses. You can request a prospectus by calling Schwab's dedicated PCRA Call Center at 1-888-393-PCRA (7272). You may also request a prospectus online at www.schwab.com/prospectus. Please read the prospectus carefully before investing.



Own your tomorrow

Options⁶

Options per Executed Trade

Trading Channel	Commission
Electronic	\$0 base commission, plus \$0.65 per contract
Broker-Assisted	\$25 plus \$0.65 per contract

Note: There are no commissions or per-contract fees assessed on transactions resulting from options exercises and assignments.

Note: Per-contract fees are waived for buy-to-close options trades executed online for \$.05 or less.

Equities - Foreign Stock

Foreign Stock Transactions* Trades Placed on the U.S. Over-The-Counter Market		Foreign Stock Transactions Trades Placed Directly on a Foreign Exchange	
Trading Channel	Transaction Fee	Trading Channel	Transaction Fee
Electronic	\$50 foreign transaction fee ⁷	Electronic	Not available
Broker-Assisted	\$75: \$25 for broker assistance, plus a \$50 foreign transaction fee	Broker-Assisted	The greater of \$100 or 0.75% of principal, with no maximum

*These fees also apply to trades of foreign ordinary shares placed directly on a foreign exchange or on the U.S. over-the-counter market.

Fixed Income Investments⁸

Schwab may act as principal on certain fixed income transactions. When Schwab acts as agent, a commission will be charged on the transaction. When Schwab acts as principal, the mark-up is included in the bond price.

Product Type	Electronic Commission or Mark-up	Broker-Assisted Commission or Mark-up
New issues, including Certificates of Deposit	\$0 (a selling concession is included in the original offering price)	
Treasury Bills, Notes, Bonds ⁹ , and TIPS (Secondary and Auction)	\$0	\$25
Secondary transactions for Corporate Bonds, Municipal Bonds, Government Agencies, Zero-Coupon Treasuries (including STRIPS), and Certificates of Deposit	\$1 per bond (\$10 minimum/\$250 maximum)	Electronic commission, plus \$25 per trade
Preferred REITS	Stock commissions and minimums apply for secondary transactions.	
Commercial Paper, Foreign Bonds, Asset-Backed Securities, Mortgage-Backed Securities and Unit Investment Trusts	These are specialty products - please call 1-888-393-PCRA for information.	

Note: Large block transactions (orders of more than 250 bonds) may be eligible for special handling and/or pricing -- please call the Schwab PCRA Call Center for information.

Our commissions and mark-ups may be slightly less than our published schedule (shown above) due to rounding.

Exchange Process Fee

This is a fee Schwab charges to offset fees imposed on us by national securities and self-regulatory organizations or by U.S. option exchanges.

The Securities and Exchange Commission (SEC) assesses transaction fees on national securities exchanges and self-regulatory organizations based on the aggregate dollar amount of sales of certain securities. The SEC recalculates the amount of this fee periodically—at least once per year but sometimes more often. National securities exchanges and self-regulatory organizations offset the transaction fees by charging their member broker-dealers such as Schwab, and we, in turn, offset this fee by charging you an Exchange Process Fee for covered sell transactions.

U.S. option exchanges charge Schwab and other broker-dealers per-contract fees for purchase and sales of exchange-listed options. The exchanges may charge these fees even on transactions executed on other exchanges, which can result in multiple fees being imposed on Schwab for a single transaction. Schwab offsets these fees by charging you a single Exchange Process Fee for each covered transaction.

Any Exchange Process Fee that appears on your trade confirmation for a sale of an exchange-listed option will combine the offset for the fees charged both by the U.S. option exchanges and by the national securities and self-regulatory organizations.

Schwab's Exchange Process Fee will rise or fall periodically depending upon the rate set by the SEC or by the U.S. option exchanges, as applicable.

Notes:

- This pricing summary applies only to the PCRA accounts held at Charles Schwab & Co., Inc., and established on behalf of retirement plan participants. You can obtain more information about PCRA commissions and transaction fees by calling Schwab's dedicated PCRA Call Center at 1-888-393-PCRA (7272), Monday through Friday, 9:00 am through 7:30 pm (ET). Or, view the current *Charles Schwab Pricing Guide for Retirement Plan and Health Savings Accounts* on www.schwab.com/cbrcpricingguide for a more complete description of all other commissions and transaction fees.
- Your PCRA is a cash-up-front account. For all purchases, we require cleared funds in the account. When you're selling, we require securities on deposit. It is your responsibility to avoid overspending your account. If your account becomes overspent, Schwab reserves the right to liquidate a portion of your account to cover the debit balance. If liquidation is necessary, a broker-assisted fee of \$25 will apply.

¹ Excluding mutual funds, commissionable trades that execute over more than one day will be charged a separate commission for each additional day; each separate commission will apply to the portion of the trade executed on the corresponding additional day. Electronic trade orders for which price or quantity are changed by the client, and as a result execute over multiple trades on the same day, are each charged a separate commission.

² Trades placed through Schwab's electronic channels, such as Schwab.com, mobile applications, and automated phone services. Certain securities may not be available through all electronic trading channels. Up to 999,999 shares can be placed per trade.

³ The standard electronic \$0 commission does not apply to large block transactions requiring special handling, restricted stock transactions, trades placed directly on a foreign exchange, transaction-fee mutual funds, futures, or fixed income investments. Options trades will be subject to the standard \$.65 per-contract fee. Service charges apply for trades placed through a broker (\$25). Exchange process, ADR, foreign transaction fees for trades placed on the US OTC market, and Stock Borrow fees still apply. See the *Charles Schwab Pricing Guide for Retirement Plan and Health Savings Accounts* for full fee and commission schedules.

⁴ Charles Schwab & Co., Inc. (Member SIPC) receives remuneration from fund companies for recordkeeping and shareholder services and for other administrative services for shares purchased through Schwab's Mutual Fund OneSource® program. Schwab also may receive remuneration from transaction-fee fund companies for certain administrative services.

Trades in no-load mutual funds available through OneSource (including Schwab Funds®), as well as certain other funds, are available without transaction fees when placed through Schwab's electronic channels such as, Schwab.com, mobile applications, or automated phone services. Schwab reserves the right to change the funds we make available without transaction fees and to reinstate fees on any funds. Funds are also subject to management fees and expenses.

Schwab's short-term redemption fee will be charged on redemption of funds purchased through Schwab's Mutual Fund OneSource® service (and certain other funds with no transaction fee) and held for 90 days or less. Schwab reserves the right to exempt some funds from this fee, including certain Schwab Funds®, which may charge a separate redemption fee, and funds that accommodate short-term trading.

⁵ Standard fees apply on both transactions when placing simultaneous orders to sell one or more transaction-fee fund(s) and purchase additional transaction-fee fund(s) with the proceeds.

⁶ Options carry a high level of risk and are not suitable for all investors. Certain requirements must be met to trade options through Schwab. Please read the Options Disclosure Document titled "Characteristics and Risks of Standardized Options" before considering any option transaction. Call Schwab at 1-888-383-PCRA (7272) to request a current copy. Supporting documentation for any claims or statistical information is available upon request.

⁷ Transactions in foreign ordinary shares incur additional custody, clearing, and settlement expenses. A foreign transaction fee is added to trades placed on the U.S. over-the-counter market through the online or automated phone channels. The commission and foreign transaction fee will be combined and appear as one line item, labeled "Commission," on your trade confirmation.

⁸ For fixed income trades placed through one of Schwab's electronic channels, discounts may apply.

⁹ Schwab reserves the right to act as principal on any Bond transaction. In secondary market principal transactions the price will be subject to our standard mark up in the case of purchases, and a mark down in the case of sales, and also may include a profit or loss to Schwab in the form of a bid-ask spread. When trading as principal, Schwab may also be holding the security in its own account prior to selling it to you and, therefore, may make (or lose) money depending on whether the price of the security has risen or fallen while Schwab has held it.

Schwab Personal Choice Retirement Account® (PCRA) is offered through Charles Schwab & Co., Inc. (Schwab), a registered broker-dealer that also provides other brokerage and custody services to its customers.

Expanding the possibilities.

Schwab Personal Choice Retirement Account®



charles
SCHWAB

Own your tomorrow



A retirement plan with more to offer.

Schwab Personal Choice Retirement Account® (PCRA) gives your employees thousands of investment choices to better meet their retirement objectives.

Schwab has a legacy of leadership and innovation. We know self-directed brokerage accounts (SDBAs). We know what works, what to avoid, and how to help you support retirement plan challenges.

When you offer Schwab PCRA, you give your employees access to a lot more investment choices—including the largest selection of no-load, no-transaction-fee mutual funds available in an SDBA offering.¹ All ETFs, stocks, and options listed on the U.S. or Canadian exchanges are commission-free across all mobile, automated phone, and web trading channels.²

 Schwab PCRA gives every employee the opportunity to structure a retirement plan the way they want.

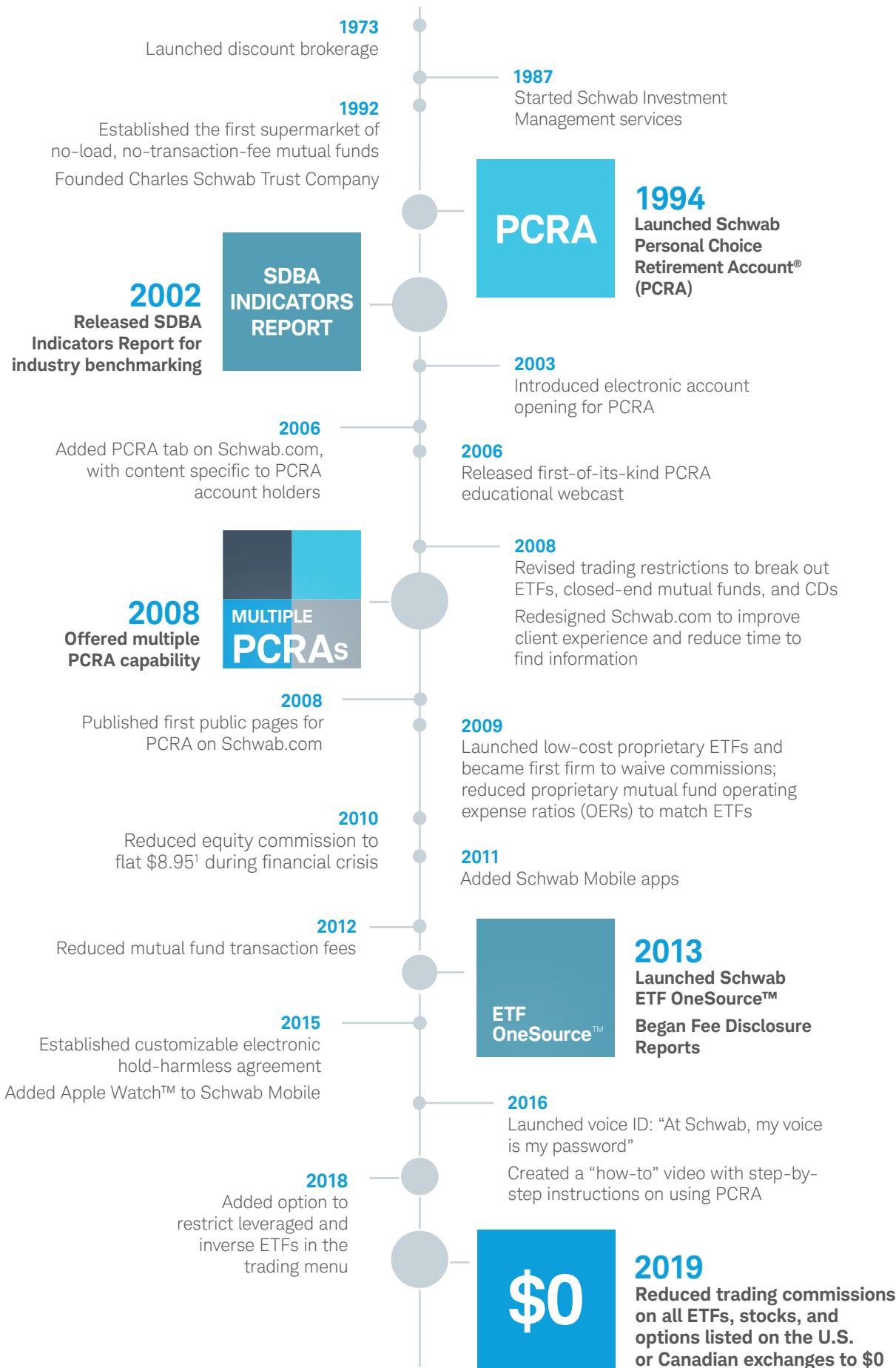
Investors should consider carefully information contained in the prospectus, including investment objectives, risks, trading policies, charges, and expenses. You can request a prospectus by calling Schwab's dedicated PCRA Call Center at 1-888-393-PCRA (7272). You may also request a prospectus online at www.schwab.com/prospectus. Please read the prospectus carefully before investing.

¹Trades in no-load funds available through Mutual Fund OneSource® service (including Schwab Funds®), as well as certain other funds, are available without transaction fees when placed through Schwab.com or our automated phone channels. Schwab's short-term redemption fee of \$49.95 will be charged on redemption of funds purchased through Schwab's Mutual Fund OneSource® service and held for 90 days or less. Schwab reserves the right to exempt certain funds from this fee, including Schwab Funds®, which may charge a separate redemption fee, and funds that accommodate short-term trading. Funds are also subject to management fees and expenses.

Investment returns will fluctuate and are subject to market volatility, so an investor's shares, when redeemed or sold, may be worth more or less than their original cost.

²The standard electronic \$0 commission does not apply to large block transactions requiring special handling, restricted stock transactions, trades placed directly on a foreign exchange, transaction-fee mutual funds, futures, or fixed income investments. Options trades will be subject to the standard \$.65 per-contract fee. Service charges apply for trades placed through a broker (\$25). Exchange process, ADR, foreign transaction fees for trades placed on the U.S. OTC market, and Stock Borrow fees still apply. See the *Charles Schwab Pricing Guide for Retirement Plan and Health Savings Accounts* for full fee and commission schedules.

Our legacy as an industry leader.



When you add PCRA, you add the benefits of Schwab.

PCRA is a reflection of Schwab's 45+ years of innovation and advocating for individual investors. Adding PCRA to your lineup gives you the advantages of working with a company driven to meet the needs of today's investors through constant innovation, choice with value, and dedicated service and support.

More choices, plus no commissions.

Based on your plan elections, employees can invest in a greatly expanded selection of low-cost investing opportunities, including bonds, mutual funds, and more. All ETFs, stocks, and options listed on the U.S. or Canadian exchanges are commission-free across all mobile, automated phone, and web trading channels. We also offer thousands of no-load, no-transaction-fee mutual funds through Schwab's Mutual Fund OneSource® program, as well as fixed income investments at competitive prices.

Access to research, tools, and advice.

Employees can research, trade, and monitor investments in their PCRA with the support of independent third-party and proprietary research reports,³ advanced online screening tools, and market commentary from industry experts. A convenient mobile app⁴ makes it easy to stay connected and informed on the go.

Dedicated service and support.

When employees need assistance with their PCRA, they can lean on the PCRA Call Center, whose dedicated Schwab PCRA Representatives average more than a decade of Schwab and industry experience and make it their mission to know the details of your plan and assist your participants with every inquiry. Recordkeepers and Plan Sponsors also have dedicated service teams to assist with all operational and service needs.

³Third-party report providers are not affiliated with or employed by Charles Schwab & Co., Inc. The views expressed are for general information purposes only and are not intended to provide specific financial, accounting, or legal advice. Schwab makes no representation about the accuracy of the information or its appropriateness for any given situation.

⁴Requires a wireless signal or mobile connection. System availability and response times are subject to market conditions and your mobile connection limitations. Functionality may vary by operating system and/or device.



A streamlined experience for you and your employees.

What you can expect when you add PCRA to your retirement offering:

Smooth plan integration.

Our integration process has been put to the test for over 25 years and is designed so that PCRA fits seamlessly into your plan. Your experienced PCRA service team will work to ensure the proper implementation of any brokerage option, including in-kind asset transfers.

Paperless account enrollment.

Employees can open their PCRAs entirely online using an electronic signature feature. Plan sponsors can also customize the process to include additional required participant acknowledgments.

Efficient recordkeeping partnership.

Schwab's dedicated PCRA team works with the recordkeeper to establish and facilitate data transfers as well as process daily file feeds and cashiering transactions—all in a timely manner.

Third-party advisor access.

If the plan sponsor allows it, participants can get third-party help managing their investments. Schwab supports more than 7,500 registered investment advisors who can seamlessly integrate with PCRA.



Answers to commonly asked questions.

1 How can we customize the investment selection?

PCRA flexibility allows you to create an offering that fits your plan's criteria. With PCRA, employees have a wide selection of investment choices across different asset classes, including stocks, bonds, mutual funds, and fixed income products. For example, if your plan restricts stock trading, you can tailor the trading menu to allow any combination of mutual funds, ETFs, closed-end mutual funds, and CDs.

2 What are the benefits of multiple PCRAs?

Allowing your employees to have more than one PCRA in their retirement plans can be beneficial for accommodating pre-tax and after-tax contributions, such as a Roth feature. It also enables you to offer employees the option of having separately managed accounts with different money managers.

3 Can an SDBA assist with changes to my core lineup?

An SDBA may be able to help when a plan considers eliminating fund choices from the lineup. PCRA can also help during a merger situation by allowing many investments to transfer in kind, rather than requiring employees to liquidate their holdings. With PCRA, you can simplify your plan's core lineup and round out your offering by adding an SDBA to satisfy the most demanding investors.

4 How does an SDBA support government fee disclosure requirements?

Schwab provides fee disclosure reporting for all plans. Such reports include the 408(b)(2) sponsor fee disclosures, the 5500 Schedule C, quarterly fee information for participants, and other regulatory reporting.



Always looking out for you.

Schwab support is ongoing. We continually improve PCRA as technology advances and the marketplace changes. We're also focused on keeping you informed with participant behavior reports, supporting your communication and marketing initiatives, and assisting you with regulatory reporting. It's how we work to make sure your needs are met.

“Every investor should feel confident that they have the choices that will provide the retirement outcomes they are after. This is their future, after all.”

—Walt Bettinger
President and Chief Executive Officer
The Charles Schwab Corporation



Could Schwab PCRA be just what your retirement offering needs?

Let's discuss your situation to find out. Call 1-877-456-0777.

The information contained herein does not constitute an endorsement, investment recommendation, solicitation to buy, or investment advice from Schwab. Schwab is restricted from providing advice on PCRAs. Schwab has no discretionary authority, responsibility, or control with respect to such matters. Schwab is not an investment advisor or fiduciary to your employer's retirement plan, does not recommend any particular mutual fund or collective trust fund or category of mutual funds or collective trust funds, is not responsible for your choice of mutual funds and collective investment funds, and may receive remuneration for recordkeeping and shareholder services and other administrative services. Charles Schwab & Co., Inc. does not guarantee the suitability or potential value of any particular investment or information source.

Schwab Personal Choice Retirement Account® (PCRA) is offered through Charles Schwab & Co., Inc., a registered broker-dealer that also provides other brokerage and custody services to its customers.

This material is for plan sponsor institutional use only.



RESOLUTION AMENDED

STATE OF TEXAS

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COMMISSIONERS COURT

COUNTY OF JEFFERSON

§

OF JEFFERSON COUNTY, TEXAS

BE IT REMEMBERED at a meeting of Commissioners Court of Jefferson County, Texas, held on the 18th day of FEBRUARY, 2020, on motion made by BRENT WEAVER, Commissioner of Precinct No. 2, and seconded by EDDIE ARNOLD, Commissioner of Precinct No. 1, the following Resolution was adopted:

A RESOLUTION APPROVING SUBMISSION OF THE GRANT APPLICATION FOR THE JEFFERSON COUNTY DRUG INTERVENTION COURT

WHEREAS, the Commissioners Court of Jefferson County, Texas finds it in the best interest of the citizens of Jefferson County, Texas that the Jefferson County Drug Intervention (JCDI) Program be established and continued as an Adult Specialty Drug Court pursuant to Texas Government Code, Chapter 121 or under former law; and

WHEREAS, the Commissioners Court of Jefferson County, Texas recognizes that this court has been operational since April 1993 and will continue to be operational as of the 1st day of September, 2020 through the 31st day of August, 2021 for the 2020-2021 fiscal year.

WHEREAS, the Commissioners Court of Jefferson County, Texas agrees to provide applicable matching funds for the said project as required by the State Criminal Justice Planning Fund—Specialty Courts grant application; and

WHEREAS, the Commissioners Court of Jefferson County, Texas agrees that in the event of loss or misuse of the Office of the Governor funds, the Commissioners Court of Jefferson County, Texas assures that the funds will be returned to the Office of the Governor in full.

WHEREAS, the Commissioners Court of Jefferson County, Texas designates the grantee's authorized official. The authorized official is given the power to apply for, accept, reject, alter or terminate the grant on behalf of the applicant agency.

NOW THEREFORE, BE IT RESOLVED that the Commissioners Court of Jefferson County, Texas hereby approves submission of the grant application for the Jefferson County Drug Intervention (JCDI) Program to the Office of the Governor.

Grant Application Number: 1604519

SIGNED this 25th day of FEBRUARY, 2020.

JUDGE JEFF R. BRANICK
County Judge

COMMISSIONER EDDIE ARNOLD
Precinct No. 1

COMMISSIONER BRENT A. WEAVER
Precinct No. 2

COMMISSIONER MICHAEL S. SINEGAL
Precinct No. 3

COMMISSIONER EVERETTE D. ALFRED
Precinct No. 4

**AGENDA ITEM****March 3, 2020**

Receive and file executed Inter-local Agreement between Jefferson County and the City of Port Arthur for the repair of the Jetty Road in Sabine- Pass Pursuant to Sec. 791.015, Government Code.

STATE OF TEXAS

)

INTERLOCAL AGREEMENT

COUNTY OF JEFFERSON

)

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WHEREAS, Jefferson County, Texas, by and through its Commissioners' Court as authorized by Chapter 791 of the Government Code and the City of Port Arthur, a body politic of the State of Texas, for the mutual benefit of the citizens they serve, desire to enter into a contract to provide certain services to each other, and;

WHEREAS, Jefferson County, Texas through Commissioner Precinct Three has, from time to time, capacity to provide labor and equipment suitable for the repair of roadways, and;

WHEREAS, the City of Port Arthur, has, from time to time, the need to maintain and repair streets and roadways which it owns, and;

WHEREAS, the city of Port Arthur, does not have the labor or equipment suited for such construction and/or maintenance, and;

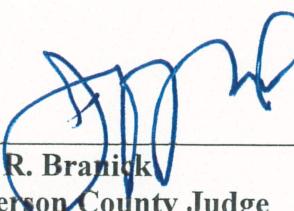
Now, therefore, know all men by these presents:

City of Port Arthur and Jefferson County hereby agree as follows:

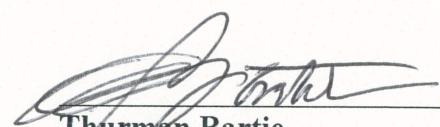
1. Jefferson County shall furnish labor and equipment to repair the Jetty Road located in Sabine Pass pursuant to the terms on Exhibit A, incorporated herein, when and as determined at the discretion of the Commissioner for Jefferson County Precinct Three, subject to the requirements of Section 791.014 of the Government Code.
2. The City of Port Arthur shall furnish Precinct Three, with all materials needed in exchange for the labor and equipment. The City of Port Arthur will provide milling materials, trucks for delivery of the millings and fuel for the trucks and GEO fabric to be used with the millings. Jefferson County will provide one Dozer, Steel Wheel, motor grading, loader, three dump trucks, and equipment operator/maintenance worker.
3. Consideration for the repairs herein contemplated shall be determined and mutually agreed from time to time depending on the scope of the repair needed.
4. This agreement shall be effective on the date of its execution and may be terminated at the will of either party.
5. This agreement shall be construed according to the laws of the State of Texas.
6. Nothing in this agreement shall be construed to create the existence of an agency relationship between the parties.

7. Any employee of a party performing services pursuant to this agreement shall not be deemed to be the agent of the party receiving services under this agreement.
8. The parties further agree, pursuant to Sec. 791.015, Texas Government Code, that any dispute regarding the terms of this agreement will be submitted to an agreed upon mediator for resolution.

Executed on the 10th day of FEBRUARY, 2020.



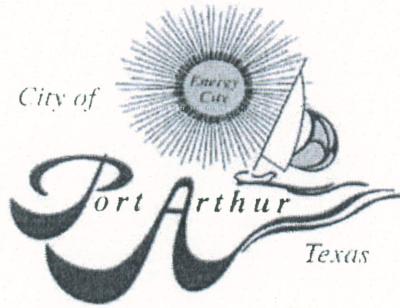
Jeff R. Branick
Jefferson County Judge



Thurman Bartie
Mayor, City of Port Arthur

THURMAN BILL BARTIE, MAYOR
HAROLD DOUCET, SR. MAYOR PRO TEM

COUNCIL MEMBERS:
RAYMOND SCOTT, JR.
CAL J. JONES
THOMAS J. KINLAW III
CHARLOTTE MOSES
KAPRINA FRANK



RONALD BURTON
CITY MANAGER

SHERRI BELLARD, TRMC
CITY SECRETARY

VAL TIZENO
CITY ATTORNEY

February 3, 2020

County Commissioner Michael Sinegal, Comm. Pct. 3
Jefferson County Road & Bridge Precinct # 3
5700 Jade Avenue
Port Arthur, TX 77640

RE: Assistance through Inter-local Agreement

Dear Commissioner Sinegal:

The City of Port Arthur requests the assistance of Jefferson County through an inter-local agreement to repair the Jetty Road located in Sabine Pass. The City of Port Arthur in partnership with Jefferson County estimated the effort necessary to repair the road. See below. The bulk of the traffic here is from citizens and the Coast Guard. The Coast Guard uses this road to access their navigational tower. It is critical for the Coast Guard to access their Navigational Device for the inter-coastal ship channel traffic which provides safety for the ships that come in and out of the port.

The City will provide the following:

1. 4000 SY of milling material
2. The use of trucks to deliver milling
3. Fuel for the trucks
4. Geo-Fabric to be used for the placing of the milling material.

Jefferson County will provide the following:

1. Dozer
2. Steel Wheel
3. Motor Grader
4. Loader
5. Three (3) Dump Trucks
6. Equip.Op/Maint Wrkr (Labor)

Industry is donating 612 tons of bull rocks to be delivered to Jetty Road. In an effort to provide a safe road for the Coast Guard and the public the City of Port Arthur in partnership with Jefferson County Precinct # 3 can repair Jetty Road.

Your Assistance is appreciated.

Ron Burton
City Manager



PROCLAMATION

STATE OF TEXAS

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§
§

COMMISSIONERS' COURT

COUNTY OF JEFFERSON

OF JEFFERSON COUNTY, TEXAS

BE IT REMEMBERED at a meeting of Commissioners' Court of Jefferson County, Texas, held on the 3rd day of March, 2020, on motion made by Eddie Arnold, Commissioner of Precinct No. 1, and seconded by Brent Weaver, Commissioner of Precinct No. 2, the following Proclamation was adopted:

NATIONAL IDD AWARENESS MONTH

WHEREAS, Intellectual and Developmental Disabilities cause significant limitations both in intellectual functioning and in adaptive behavior, which covers many everyday social and practical skills and originates before the age of 18, and;

WHEREAS, an estimated 200 million people worldwide, or three percent of the population has IDD, and;

WHEREAS, individuals with IDD reside in Southeast Texas, and;

WHEREAS, people with IDD want to live, work, socialize and participate in community life as much as possible, and;

WHEREAS, Spindletop Center serves individuals with IDD in Jefferson, Hardin, Orange and Chambers counties, and believes in treating all people with dignity and respect, and;

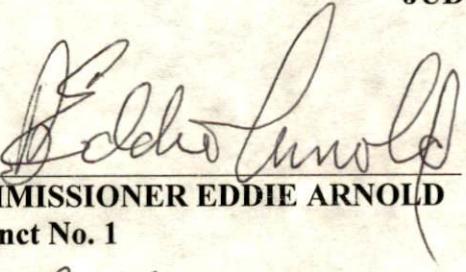
WHEREAS, Spindletop Center will host its annual IDD Fun Day to celebrate the abilities of the individuals we serve on Friday, March 20;

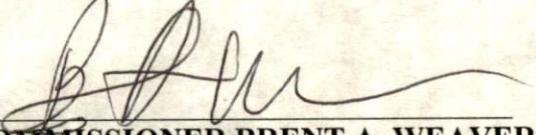
NOW, THEREFORE, BE IT RESOLVED that the Jefferson County Commissioners Court recognizes March 2020 as National IDD Awareness Month and call upon all citizens of Jefferson County to observe this month with appropriate programs and activities to support IDD Awareness efforts in our community.

SIGNED this 3rd day of March, 2020.

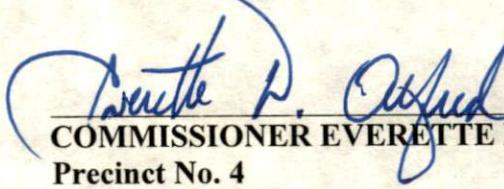
JUDGE JEFF R. BRANICK
County Judge




COMMISSIONER EDDIE ARNOLD
Precinct No. 1


COMMISSIONER BRENT A. WEAVER
Precinct No. 2


COMMISSIONER MICHAEL S. SINEGAL
Precinct No. 3


COMMISSIONER EVERETTE D. ALFRED
Precinct No. 4

**AGENDA ITEM****March 3, 2020**

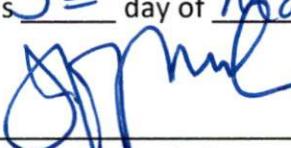
Consider, possibly approve, authorize the County Judge to Execute, receive and file Southeast Texas Regional Planning Mitigation Action Plan. (This is a renewal.)

SOUTHEAST TEXAS REGIONAL PLANNING MITIGATION ACTION PLAN

The **JEFFERSON COUNTY, TEXAS** agrees to coordinate and participate in the South East Texas Regional Planning Commission's update of the Regional, Hardin County, Jefferson County and Orange County Mitigation Action Plan. Specific responsibilities that **JEFFERSON COUNTY, TEXAS** agrees to actively participate in necessary activities including, but not limited to:

- attending meetings
- being responsible for reaching out to stakeholders within the jurisdiction
- providing information required for the Mitigation Action Plan update in a timely manner
- attending the Regional Public Meeting and the public meeting for the respective county plan in which the jurisdiction is included;
- reviewing and revising the plan in a timely manner and other material activities required for the successful accomplishment of the Mitigation Action Plan updates;
- will continue to actively participate until the end of the project period which is when TDEM and FEMA have approved all of the plans—the regional and three county plans.
- providing the required pro rata cost share—in the form of eligible in-kind if possible and cash match in the event that not all of the in-kind is met;
- Understands and agrees to comply with only non-federal grant funded personnel time, benefits, travel and other costs contributed to this project as being eligible to count toward the in-kind and/or cash match requirement;
- Only expenses within the grant performance period, once awarded, can be counted toward in-kind/cash match requirement;
- In the event that any in-kind/cash match contributed to the project is deemed ineligible as a result of an SETRPC, TDEM or FEMA audit, the jurisdiction agrees to contribute the amount deemed ineligible to the project;
- **JEFFERSON COUNTY, TEXAS** agrees to track and submit all eligible in-kind and/or cash match for the duration of the performance period to ensure the regional match requirement is met and additional match documentation is captured in the event that it is needed;
- **JEFFERSON COUNTY, TEXAS** agrees to use the SETRPC In-Kind Documentation Forms and submit forms in the time frame requested—usually quarterly—for the duration of the grant performance period.
- **JEFFERSON COUNTY, TEXAS** further agrees to keep all records of cash or in-kind contributions associated with this project in compliance with UGMS (Uniform Grant Management System) guidelines and, as if required for with federal grants, retain all records pertaining to the project for three (3) years after the official notice of the grant close by SETRPC to participants;

Signed this 3rd day of March, 2020.



Jeff R. Branick, County Judge

County	City	2010 Population
Hardin		
	Hardin County Unincorporated Areas	31,704
	Kountze	2,123
	Lumberton	11,943
	Rose Hill Acres	441
	Silsbee	6,611
	Sour Lake	1,813
Jefferson		
	Jefferson County Unincorporated	30,406
	Beaumont	118,296
	Bevil Oaks	1,274
	China	1,160
	Groves	16,144
	Nederland	17,547
	Nome	588
	Port Arthur	53,818
	Port Neches	13,040
Orange		
	Orange County Unincorporated	38,294
	Bridge City	7,840
	Orange	18,595
	Pine Forest	487
	Pinehurst	2,097
	Rose City	502
	Vidor	10,579
	West Orange	3,443
SETRPC Region		388,745

% by Region	% of \$37,500
8.16%	\$3,058.30
0.55%	\$204.79
3.07%	\$1,152.07
0.11%	\$42.54
1.70%	\$637.73
0.47%	\$174.89
Hardin County Total	\$5,270.32
7.82%	\$2,933.09
30.43%	\$11,411.34
0.33%	\$122.90
0.30%	\$111.90
4.15%	\$1,557.32
4.51%	\$1,692.66
0.15%	\$56.72
13.84%	\$5,191.51
3.35%	\$1,257.89
Jefferson County Total	\$24,335.33
9.85%	\$3,694.00
2.02%	\$756.28
4.78%	\$1,793.75
0.13%	\$46.98
0.54%	\$202.29
0.13%	\$48.43
2.72%	\$1,020.50
0.89%	\$332.13
Orange County Grand Total	\$7,894.34

**AGENDA ITEM****March 3, 2020**

Consider, possibly approve, Receive and file Jefferson County 2020 Abatement Policy and Application and Model Abatement Agreement Pursuant to Sec. 312.002, Tax Code.



JEFFERSON COUNTY AMENDED UNIFORM TAX ABATEMENT POLICY-2020

ADMONITORY PROVISIONS

The final determination of value to be abated is vested with the Jefferson County Central Appraisal District (JCCAD), an agency autonomous from Jefferson County. The Procedures used by JCCAD are attached as Exhibit "A" and incorporated and adopted in this Abatement Policy for all purposes. These provisions are illustrative only and shall not limit the Appraisal District in making determinations in any manner otherwise allowed by law.

Businesses applying for tax abatement with the County are advised that any agreement with the County applies only to taxes assessed by Jefferson County. Any abatement agreement with other taxing entities must be negotiated directly with such entities. In addition, each individual or business receiving an abatement retains the responsibility for annually applying to the Jefferson County Appraisal District for recognition and implementation of such abatement agreement.

STATEMENT OF PURPOSE

SECTION I

(a) The Commissioners Court of Jefferson County, Texas adopts this tax abatement policy to provide incentives to the owner of real property, who proposes a Project to develop, redevelop or improve eligible facilities. The incentives will consist of a limited special exemption from certain taxes provided that the Owner agrees to accept and abide by this Policy and provided that the real property is located in a lawfully created Reinvestment or Enterprise Zone.

(b) This policy is intended to improve the quality of life in economically depressed areas and throughout the County by stimulating industrial development, and job creation and retention provided that the taxable value of the property of the owner is not adversely affected.

DEFINITIONS

SECTION II

(a) **"Abatement"** means the full or partial exemption from ad valorem taxes of certain real property values in a reinvestment or enterprise zone designated by the County for economic development purposes.

- (b) "**Agreement**" means a contractual agreement between a property owner and/or lessee and the County.
- (c) "**Base Year**" means the calendar year in which the abatement contract is executed (signed).
- (d) "**Base Year Value**" means the taxable value of eligible industrial realty improvements of the owner within Jefferson County on January 1 preceding the execution of the abatement agreement and which property is owned by the owner, co-owner and/or its parent companies, subsidiaries, partner or joint ventures or any entity exercising legal control over the owner or subject to control by the owner. Owner will attach as Exhibit "F-Affiliates" those properties which are co-owned or which are parent companies, partnerships, joint-ventures or other entities in Jefferson County over which the Owner herein exercises legal control.
- (e) "**Bulk Buys**" include but are not limited to material which is purchased in the early phase of the project. This material includes commodity and special order items that may have long lead times due to fabrication timeframe or by the significant size of the order(s). The county recognizes "Bulk Buys" historically represent a significant percentage of the material purchase for a project.
- (f) "**Deferred Maintenance**" means improvements necessary for continued operation which do not improve productivity, or alter the process technology, reduce pollution or conserve resources.
- (g) "**Distribution Center**" means buildings and structures, including fixed machinery and equipment, used or to be used primarily to receive, store, service or distribute goods or materials owned by the Facility operator where a majority of the goods or services are distributed to points beyond Jefferson County.
- (h) "**Eligible Facilities**" or "Eligible Projects" means new, expanded or modernized buildings and structures, as defined in the Texas Property Tax Code, including fixed machinery and equipment, which is reasonably likely as a result of granting abatement to contribute to the retention or expansion of primary employment or to attract major investment in the reinvestment or enterprise zone that would be a benefit to the property and that would contribute to the economic development within the County, but does not include facilities which are intended primarily to provide goods or services to residents or existing businesses located in the County such as, but not limited to, restaurants and retail sales establishments. Eligible facilities may include, but shall not be limited to, industrial buildings and warehouses. Eligible facilities may also include facilities designed to serve a regional population greater than the County for medical, scientific, recreational or other purposes.
- (i) "**Eligible Property**" means realty improvements, the on-site buildings, structures, fixed machinery and equipment, storage tanks, process units (including all integral components necessary for operations), site improvements, and infrastructure included in the PROJECT, and the permanent office space and related fixed improvements necessary to the operation and administration of the PROJECT, as defined in the Tax Code, but does not include personal property.

(j) "**Expansion**" means the addition of buildings, structures, machinery, tangible personal property, equipment, payroll or other taxable value for purposes of increasing production capacity.

(k) "**Field Buys**" include but are not limited to the procurement of material that is conducted by the project procurement team which is typically located on site throughout the duration of the project.

(l) "**Modernization**" means a complete or partial demolition of facilities and the complete or partial reconstruction or installation of a facility of similar or expanded production capacity. Modernization may result from the construction, alteration, or installation of buildings, structures, machinery, equipment, pollution control devices or resource conservation equipment. Modernization shall include improvements for the purpose of increasing productivity or updating the technology of machinery and equipment, or both.

(m) "**Facility**" means property improvements completed or in the process of construction which together comprise an integral whole.

(n) "**New Facility**" means a property previously undeveloped which is placed into service by means other than in conjunction with Expansion or Modernization.

(o) "**Productive Life**" means the number of years a property improvement is expected to be in service in a facility.

WHEN ABATEMENT AUTHORIZED

SECTION III

(a) **Eligible Facilities.** Upon application, Eligible Facilities shall be considered for tax abatement as hereinafter provided.

(b) **Creation of New Value.** Abatement may only be granted for the creation of additional value to eligible facilities made subsequent to and specified in an abatement agreement between the County and the property owner or lessee, subject to such limitations as the County may require. Under no circumstances will abatements be considered or granted once construction on a facility or project has begun.

(c) **New and Existing Facilities.** Abatement may be granted for new facilities and improvements to existing facilities for purposes of modernization or expansion.

(d) **Eligible Property.** Abatement may be extended to the increase in value of buildings, structures, fixed machinery and equipment, site improvements, and related fixed improvements necessary to the operation and administration of the facility.

(e) **Ineligible Property.** The following types of property shall be fully taxable and ineligible for tax abatement: land, supplies, inventory, vehicles, vessels, housing, improvements for the generation or transmission of electrical energy not wholly

consumed by a new facility or expansion; any improvements, including those to produce, store or distribute natural gas, fluids or gases, which are not integral to the operation of the facility; deferred maintenance, property to be rented or leased (except as provided in Section III(f), property which has a productive life of less than ten years, or any other property for which abatement is not allowed by state law.

(f) **Owned/Leased Facilities.** If a leased facility is granted abatement, both the owner/lessor and the lessee shall be parties to the abatement contract with the County.

(g) **Economic Qualification.** In order for an Eligible Facility to receive tax abatement the planned improvement:

(1) Must create an increased appraised ad valorem tax value based upon the Jefferson County Central Appraisal District's assessment of the eligible property; and

(2) Must prevent the loss of payroll or retain, increase or create payroll (full-time employment) on a permanent basis in the County.

(3) Must not have the effect of displacing workers or transferring employment from one part of the County to another.

(4) Must demonstrate by an independent economic impact analysis that the local economic benefit will be substantially in excess of the amount of anticipated foregone tax revenues resulting from the abatement.

Factors Considered By County In Considering Abatement Requests

Section IV

(a) **Standards For Tax Abatement.** The following non-exclusive factors may be considered in determining whether to grant tax abatements for an Eligible Facility or Project, and if so, the percentage of value to be abated and the duration of the tax abatement:

(1) Existing improvements, if any;

(2) Type and value of proposed improvements;

(3) Productive life of proposed improvements;

(4) Number of existing jobs to be retained by proposed improvements;

(5) Number and types of new jobs to be created by proposed improvements;

(6) The extent to which new jobs to be created will be filled by persons who are economically disadvantaged, including residents of a Reinvestment or Enterprise Zone;

(7) The extent to which local labor, local subcontractors and local vendors and suppliers will be used in the construction phase of the project;

(8) The amount of local taxes to be generated directly. In this regard it is understood that purchases for the project will be invoiced locally that Jefferson County will be credited with sales taxes for purchases. By way of clarification Owner will enter into a Separate Contract as defined in 34 Texas Administrative Code 3.291 (a) (13) with an EPC contractor (EPC) for the construction of the new plant facility to be located at the in Jefferson County Texas.

Owner will obtain a Texas Direct Payment Permit (DPP) and issue a DPP exemption certificate in lieu of sales tax to EPC. Owner will remit use taxes on taxable purchases made for use in the Project directly to the state of Texas on its monthly Texas Direct Payment Return for both state and county taxes at the applicable rates. The State of Texas collects Limited, Sales, Excise and Use Taxes for both the state and local tax jurisdictions. The state is responsible for distributing the local taxes it collected to the applicable local jurisdiction.

(9) The amount the property tax base valuation will be increased during term of abatement and after abatement;

(10) The amount of economic impact the Eligible Facility will provide to the local community;

(11) The costs to be incurred by the County to provide facilities or services directly resulting from the new improvements;

(12) The amount of ad valorem taxes to be paid to the County during the abatement period considering (a) the existing values; (b) the percentage of new value abated; (c) the abatement period; and (d) the value after expiration of the abatement period;

(13) The population growth of the County projected to occur directly as a result of new improvements;

(14) The types and values of public improvements, if any, to be made by the applicant seeking abatement;

(15) Whether the proposed improvements compete with existing businesses to the detriment of the local economy;

(16) The impact of the proposed project on the business opportunities of existing businesses;

(17) The attraction of other new businesses to the area as a result of the project;

(18) The overall compatibility with the zoning ordinances and comprehensive plan for the area;

(19) Whether the project is environmentally compatible with no negative impact on quality of life perceptions; each application for tax abatement shall be reviewed on its merits utilizing the factors provided above. After such review, abatement may be denied entirely or may be granted to the extent deemed appropriate after full evaluation.

(b) **Local Employment.** For purposes of evaluating Section III(h)(7): Local labor is defined as those laborers or skilled craftsmen who are residents and domiciliaries of the nine county region comprised of Jefferson, Orange, Hardin, Jasper, Newton, Liberty, Tyler and Chambers counties, as well as the Bolivar Peninsula area of Galveston County. Local vendors and suppliers shall include only those located or having a principal office in Jefferson County. Local Subcontractors shall include only those located or having a principal office in Jefferson County.

Each recipient of property tax abatement shall additionally agree to give preference and priority to local manufacturers, suppliers, vendors, contractors and labor, except where not reasonably possible to do so without significant added expense, substantial inconvenience, or sacrifice in operating efficiency. In any such exception, cases involving purchases over \$10,000.00, a justification for such purchase shall be included in the annual report. Each recipient shall further acknowledge that is a legal and moral obligation of persons receiving property tax abatement to favor local manufacturers, suppliers, contractors and labor, all other factors being equal. In the event of breach of the "buy-local" provision, the percentage of abatement shall be proportionately reduced in an amount equal to the amount the disqualified contract bears to the total construction cost for the project.

(c) Each recipient of a property tax abatement must also provide bidding information to local contractors, manufacturers and labor to allow them to have sufficient information and time to submit their bids and pre-bid meetings must be held between the owner and potential local bidders and suppliers of services and materials. . In this regard, each recipient of an abatement will provide sufficient notice and information regarding the project to qualified contractors and suppliers to enable them to submit bids in the early procurement processes for materials, including but not limited to Bulk Buys.

(d) **Historically Underutilized Businesses/Disadvantaged Business Enterprises.** The County will also strongly consider the extent to which the project will encourage and promote the utilization of Historically Underutilized Businesses (HUBs) (also known as Disadvantaged Business Enterprises, or DBEs) by the owner and general contractor by ensuring that qualified HUB vendors and contractors are given an opportunity to bid on all contracts.

1. A Historically Underutilized Business (HUB) is a business owned or controlled by Socially and Economically Disadvantaged Individuals as defined by all applicable federal or state laws and local policies, including Black Americans, Hispanic Americans, Native Americans, Asian-Pacific Americans, Asian-Indian Americans, women and individuals with disabilities. A HUB is one that is at least 51 percent owned or controlled by one or more women or Socially and Economically Disadvantaged Individuals who actively participate in the conduct of the business or, in the case of a publicly owned business, one in which at least 51 percent of the stock is controlled by one or more women or Socially and Economically Disadvantaged Individuals. A business that has been certified as a HUB/DBE by an agency of the federal government or the State of Texas is

presumed to be a HUB/DBE for purposes of this policy. Only a HUB/DBE with its principal office in Jefferson, Hardin, and Orange, County will be recognized as a HUB/DBE for purposes of this policy. Jefferson County will supply a Minority Business Directory to each applicant.

2. The County will require that each abatement contract between itself and any individual or entity seeking the abatement of ad valorem taxes contain a provision requiring the owner, on at least a quarterly basis, and at owner's cost, to allow the full examination by County or its designated representative(s) of all documents necessary for County to assure that best efforts have been used by owner to utilize local labor, subcontractors, vendors, suppliers and HUB's/DBE's. The County will also require that such contracts contain provisions binding the engineering/construction firms utilized as general contractors on the Project to the terms of the abatement contract.

(e) **Denial of Abatement.** Neither a reinvestment or enterprise zone nor abatement agreement shall be authorized if it is determined that:

- (1) There would be a substantial adverse affect on the provision of government service or tax base;
- (2) The applicant has insufficient financial capacity;
- (3) Planned or potential use of the property would constitute a substantial hazard to public safety, health or morals;
- (4) The project would cause a violation of state or federal laws; or
- (5) For any other reason deemed appropriate by the County including the pendency of litigation between the individual or entity requesting the creation of the reinvestment or enterprise zone and the County.

(f) **"Taxability"** From the execution of the abatement agreement to the end of the agreement period, taxes shall be payable as follows:

- (1) The value of ineligible property as provided in Section II(e) shall be fully taxable; and
- (2) The base year value of existing eligible property as determined each year shall be fully taxable.

APPLICATION PROCESS

SECTION V

- (a) Any present owner, potential owner or Lessee of taxable property in the County may request the creation of a reinvestment or enterprise zone and tax abatement by filing a written request with the County Judge.
- (b) The application shall consist of a completed application form which shall provide detailed information on the items described in Section III(h) hereof; a map and property description with specific metes and bounds; a time schedule for undertaking and

completing the planned improvements. In the case of modernization, a statement of the assessed value of the facility, separately stated for real and personal property, shall be given for the tax year immediately preceding the application. The application form may require such financial and other information as may be deemed appropriate for evaluating the financial capacity and other factors of the applicant. The County shall also require a non-refundable application fee in the amount of \$1,000.00 to be submitted with the application.

(c) Prior to the adoption of an ordinance order designating a reinvestment or application by the County for designation of an enterprise zone, the County shall: (1) give written notice to the presiding officer of the governing body of each taxing unit in which the property to be subject to the agreement is located not later than thirtieth (30th) day before the public hearing; and (2) publish notice of a public hearing in a newspaper of general circulation within such taxing jurisdiction not later than the seventh (7th) day before the public hearing. Before acting upon the application, the County shall, through public hearing, afford the applicant and the designated representative of any governing body referenced hereinabove opportunity to show cause why the abatement should or should not be granted.

(d) The County shall make every reasonable effort to either approve or disapprove the application for tax abatement within forty-five (45) days after receipt of the application. The County shall notify the applicant of approval or disapproval.

(e) The County shall not establish a reinvestment or enterprise zone or enter into an abatement agreement if it finds that the request for the abatement was filed after the commencement of construction, alteration, or installation or improvements related to a proposed modernization, expansion or new facility.

(f) Information that is provided to the County in connection with an application or request for tax abatement and that describes the specific processes or business activities to be conducted or the equipment or other property to be located on the property for which a tax abatement agreement is requested is confidential and not subject to public disclosure pursuant to the Texas Public Information Act until the tax abatement agreement is executed. That information in the possession of a taxing unit after the agreement is executed is not confidential and is subject to disclosure.

AGREEMENT

SECTION VI

(a) Not later than the thirtieth (30TH) day before the date on which the County enters into the abatement agreement, the County shall deliver to the presiding officer of the governing body of each other taxing unit in which the property is located a written notice that the County intends to enter into the agreement. The notice shall include a copy of the prepared agreement.

(b) The County shall formally pass a resolution and execute an agreement with the owner of the facility and lessee, as the case may be, which shall include at least the following terms:

- (1) Estimated value to be abated and the base year value;
- (2) Percent of value to be abated each year as provided in Section III(g);
- (3) The commencement date and the termination date of abatement;
- (4) The proposed use of the facility, nature of construction, time schedule, map, property description and improvement list as provided in application, Section IV(b);
- (5) Contractual obligations in the event of default, violation of terms or conditions, delinquent taxes, or assignment;
- (6) Provision for access to and authorization for inspection of the property by County employees to ensure that the improvements or repairs are made according to the specifications and conditions of the agreement;
- (7) Limitations on the uses of the property consistent with the general purpose of encouraging development or redevelopment of the zone during the period that property tax exemptions are in effect;
- (8) Provision for recapturing property tax revenue lost as a result of the agreement if the owner of the property fails to make the improvements or repairs as provided by the agreement;
- (9) Provision that all permanent jobs be registered with the Texas Workforce Commission and that all contractors shall give preference to and to seek qualified workers through the Texas Workforce Commission.
- (10) Contain each and every term agreed to by the owner of the property;
- (11) Requirement that the owner or lessee of the property certify annually to the governing body of each taxing unit that the owner or lessee is in compliance with each applicable term of the agreement; and
- (12) All terms required by Texas Tax Code §312.205, as amended; Such agreement shall normally be executed within sixty (60) days after the applicant has forwarded all necessary information and documentation to the County.

RECAPTURE

SECTION VII

(a) In the event that the company or individual (1) allows its ad valorem taxes owed the County to become delinquent and fails to timely and properly follow the legal procedures for their protest and/or contest; or (2) violates any of the terms and conditions of the abatement agreement; and fails to cure during the cure period, or discontinues production the agreement then may be terminated and all taxes previously abated by virtue of the agreement will be recaptured and paid within thirty (30) days of the termination.

(b) Should the County determine that the company or individual is in default according to the terms and conditions of its agreement, the County shall notify the company or individual of such default in writing at the address stated in the agreement; and if such is not cured within thirty (30) days from the date of such notice ("Cure Period"), then the agreement may be terminated. Alternatively, County may, as a penalty for default or non-compliance with the provisions of an abatement contract, reduce the term of the abatement period and/or the annual percentage abatements available thereunder.

(c) Payment in Lieu of Taxes: If, during the period of this abatement, any Federal or State law provides an additional tax exemption for the property that is already the subject of this agreement, Applicant agrees to decline that tax exemption during the period of this abatement. If Applicant is unable to decline that tax exemption, Applicant agrees to pay the taxes, or payment in lieu of taxes, on the reduction of property tax revenue to the County that is the result of said exemption. Any payment in lieu of taxes shall be due on or before November 15 of the year in which payment is due.

(d) By this, it is understood and agreed that if the party granted this abatement avails itself of a Foreign Trade Zone exemption, the abated value subject to this contract will be reduced dollar for dollar and taxed.

(e) It is specifically understood and agreed by the owner that, if at any time during the effective dates of an agreement relating to abatement, the owner files or prosecutes an action to contest the appraised value of any property of the owner or owner's affiliates within Jefferson County for unequal appraisal or revision thereof pursuant to Sec. 42.26, Texas Tax Code, any and all abatements granted by County to Owner or its affiliates shall become null and void and cancelled.

ADMINISTRATION

SECTION VIII

(a) The Chief Appraiser of the Jefferson County Central Appraisal District will annually determine an assessment of the real and personal property subject to each abatement agreement. Each year, the company or individual receiving abatement shall furnish the appraiser with such information as may be necessary to determine compliance with the abatement agreement. Once value has been established, the Chief Appraiser will notify the County of the amount of the assessment.

(b) The abatement agreement shall stipulate that employees and/or designated representatives of the County will have access to the facility during the term of the abatement to inspect the facility to determine if the terms and conditions of the agreement are being met. Inspections will only be conducted in such manner as to not unreasonably interfere with the construction and/or operation of the facility. All inspections will be made with one or more representative of the company or individual and in accordance with its safety standards.

(c) In the event the COUNTY terminates this AGREEMENT pursuant to the provisions of Section 11 as a result of any event of default by OWNER under such Section 11, including, for the avoidance of doubt, if OWNER fails to make the improvements to the Eligible Property as provided by this AGREEMENT, the COUNTY shall be entitled to recapture and be paid all taxes previously abated by virtue of this AGREEMENT within thirty (30) days of the termination, together with all penalties and interest required by the Texas Property Tax Co

(d) During the course of construction of the Project, Owner and its general contractor and/or subcontractors shall, on at least a quarterly basis, meet with designated County representatives for an onsite inspection to assure compliance with the terms of the abatement agreement. Owner shall be responsible to County for the payment of costs associated with such monitoring. In the event it is determined that Owner or its contractors have failed to comply with the terms of the abatement agreement, then County may terminate the abatement agreement or, in County's discretion, reduce the duration or annual percentages of such abatement.

(e) During construction, the Applicant shall maintain appropriate records of the employees affected by this abatement, including but not limited to, proof of employees' legal residence, proof of immigration-resident status, and, if applicable, such other documentation that may be required to document compliance with the Agreement

(f) The Chief Appraiser of the Jefferson County Central Appraisal District shall timely file with the Texas Department of Economic Development and the State Property Tax Board all information required by the Tax Code.

(g) All requirements of the Abatement Agreement shall apply to Applicant's contractors/subcontractors and Applicant shall ensure that they abide by the terms of the Agreement.

AGREEMENT

SECTION IX

Abatement may be transferred, assumed and assigned in whole or in part by the holder to a new owner or lessee of the same facility upon the approval by resolution of the Commissioners' Court; subject to the financial capacity of the assignee and provided that all conditions and obligations in the abatement agreement are guaranteed. No assignment or transfer shall be approved if the parties to the existing agreement, the new owner or new lessee are liable to any jurisdiction for outstanding taxes or other obligations. Approval shall not be unreasonably withheld. As a condition of transfer, an assignment fee of \$10,000.00 may be required, with the maximum fee being \$10,000.00

SUNSET PROVISION

SECTION X

These guidelines and criteria are effective upon the date of their adoption and will remain in force for two years, unless amended by three-quarters of the Commissioners' Court at which time all reinvestment and enterprise zones and tax abatement agreements created pursuant to these provisions will be reviewed to determine whether the goals have been achieved. Based on that review, the guidelines and criteria may be modified, renewed or eliminated.

DISCRETION OF THE COUNTY

SECTION XI

The adoption of these guidelines and criteria by the County does not:

- (1) Limit the discretion of the County to decide whether to enter into a specific tax abatement agreement;
- (2) Limit the discretion of the County to delegate to its employees the authority to determine whether or not the County should consider a particular application or request for tax abatement; or
- (3) Create any property, contract, or other legal rights in any person to have the County consider or grant a specific application or request for tax abatement.

QUESTIONS TO BE ANSWERED IN ORDER TO DEVELOP AN APPLICATION AND ECONOMIC IMPACT STATEMENT FOR VALUE ADDED TAX ABATEMENTS IN JEFFERSON COUNTY

General:

Jefferson County will provide a representative to assist in preparation and presentation of all documents and to guide them through the abatement process.

Opening Paragraph:

The application should include a summary statement about the company and its operations. This information can come from an annual report, corporate 10K or other document provided by the company. (Please include these documents with this questionnaire.)

Economic Impact Analysis:

The application must include the attachment of an independently prepared economic impact analysis of the proposed facility as it impacts the local economy detailing the information referred in Section III herein.

Maps and Plats

Provide maps, plats, and drawings necessary to establish the location of the improvements and their relationships to the boundaries of cities, ETJ's, and reinvestment or enterprise zone boundaries.

Questions to be Answered

(1) Is your project within a city limit? _____. Name of City

(2) Is your project within an ETJ? Name of City ETJ

(3) Is your project within an Enterprise or Reinvestment Zone? Which?

(4) Will you own the realty or lease the realty?

(5) Present Appraisal District value of land and any EXISTING improvements owned by the OWNER:
(Answer this question based on Appraisal District records for the specific site you select.)
Cost of Land (If you are purchasing): \$ _____
Number of Acres: _____ or Square Feet: _____

(6) Type and value of proposed improvements: (In this answer list the specific amount of investment that will be expended for the entire project for which you seek abatement.)

Type of construction:
(Tiltwall, Build-Out of Existing Facility, Etc.)

Value of Construction:
Value of Equipment:

Value of Pollution Control Devices: It is understood and agreed that Applicant will not seek a tax exemption for any equipment or portion of the facility which merely reduces the pollution characteristics of the finished product produced by the facility and that an exemption will only be sought for equipment and technology utilized to reduce pollution at or around the facility.

(7) Productive life of proposed improvements: _____ years, or term of initial lease: _____

(8) Number of existing jobs to be retained by proposed improvements:
(Answer only if the location is already in or near Jefferson County and now employs Jefferson residents.)

(9) Number and types of new jobs to be created by proposed improvements: _____
Include in this answer the number of Jefferson County residents that will be employed.

(10) Amount of Annual local payroll to be created: _____.

(11) What percentage and type of jobs to be created will Jefferson residents have the opportunity to fill?

(12) Amount property tax base valuation will be increased:

During term of abatement: _____

After term of abatement: _____

(13) The costs to be incurred by local government to provide facilities or services directly resulting from the new

improvements: _____

(Explain any costs for development or depletion of infrastructure the city is being asked to absorb, if any.)

(14) The amount of ad valorem taxes to be paid to the county during the abatement period considering: (a) the existing values; (b) the percentage of new value abated; (c) the abatement period; and (d) the value after expiration of the abatement period.

(15) The population growth of the county that will occur directly as a result of new improvements: _____

(If you relocate to Jefferson County, how many of your employees do you anticipate to relocate?)

(16) The types and values of public improvements, if any, to be made by applicant seeking abatement:

(List any facilities from which the public might benefit.)

(17) Do the proposed improvements compete with existing businesses to the detriment of the local economy:

(18) The impact on the business opportunities of existing businesses:

(Are there possibilities for local businesses to become suppliers? Any new retail opportunities? If you have previously conducted business within Jefferson County, please provide a list of any and all local/non-local HUB/DBE companies with whom you have worked and the extent of that work relationship)

(19) The attraction of other new businesses to the area:

(Will any of your suppliers, customers, parent, or sister companies relocate because of your relocation?)

(20) The overall compatibility with the zoning ordinances and comprehensive plan for the area:

(21) Describe, including the estimated value, all pollution control devices and other improvements for which you intend to seek TNRCC exemption from taxation:

(22) Describe methods/procedures you (and any procurement personnel) will use to provide bidding information to local contractors, manufacturers and labor to allow them to have sufficient information and time to submit their bids and attend pre-bid meetings to enable them to submit bids in all stages of the procurement process, including but not limited to "bulk buys." For further clarification, "local" is intended to mean entities that maintain their primary business office (where company policies, financial decisions and management decisions are made) in Jefferson County.

NOTE: Failure to accurately disclose exempted property may result in a total default under the Abatement Contract, resulting in recapture of previously abated taxes and forfeiture of future abatement.

EXHIBIT “A”

JEFFERSON COUNTY APPRAISAL DISTRICT PROCEDURE FOR CALCULATING ABATEMENTS

Purpose

The purpose of this procedure is to clarify the method used in calculating a tax abatement. This procedure requires calculation of the Current Year Market Value, Base Year Value, and Taxable Value as these terms are defined below. -In accordance with the Jefferson County Uniform Tax Abatement Policy, the Real Property Owner’s Current Taxable Value shall not be less than the Base Year Value in order for a project to receive the full amount of abatement.

Calculation of “Base Year Value”

“Base Year Value” for each taxing entity executing an abatement contract is the Taxable Value of all industrial realty improvements of a property owner and/or its affiliates located within that entity for the tax period defined as the “Base Year”. “Base year” is defined as the calendar year in which the abatement contract is executed (signed).

Calculation of “Current Year Market Value”

“Current Year Market Value” for each taxing entity executing an abatement agreement is determined by calculating for the Current Tax Year the Market Value of all industrial realty improvements of a property owner and/or its affiliates that comprise the “Base Year Value.”

Calculation of “Taxable Value”

“Taxable Value” for each taxing entity executing an abatement agreement is determined by deducting from the Market Value of all industrial realty improvements of a property owner and/or its affiliates the amount of any applicable exemptions and abatements granted for that Tax Year.

Calculation of Abated Value

The following procedures are followed for each project for which a tax abatement contract has been executed and for each taxing entity granting the abatement.

VALUE POTENTIALLY ELIGIBLE FOR ABATEMENT:

The Base Year Value is subtracted from the Current Year Market Value. If the difference is greater than zero (0), then the remaining value is the value potentially eligible for abatement. If the difference is zero (0) or less, then the project is not eligible for an abatement for that Tax Year.

VALUE AVAILABLE FOR ABATEMENT:

For each project that remains potentially eligible for abatement, a preliminary calculation of the abated value of all other projects for the owner and/or its affiliates, if any, must be made. This calculation must first be done based on a preliminary abated value for subsequent projects since the full calculation has yet to be performed. For multiple abated projects, the calculations of the preliminary abated values are made in chronological order based on the date the contract was executed. Once the abated value for the subsequent project is calculated, if the actual abated value differs from the preliminary abated value, this calculation must be redone in order to reflect the actual abated value.

Once all calculations have been completed, the abated value of other projects for the owner and/or its affiliates, if any, is subtracted from the Value Potentially Available for Abatement. If the difference is greater than zero (0), then the remaining value is the Value Available for Abatement.

If the difference is zero (0) or less, then the project is not eligible for an abatement for that Tax Year.

VALUE SUBJECT TO ABATEMENT:

The project base value, if applicable, is subtracted from the current year project value, and the percentage of abatement to be granted is then applied to the net amount to determine the Value Subject to Abatement.

ABATED VALUE:

Any applicable reductions for Foreign Trade Zone or Pollution Control restrictions are subtracted from the Value Subject to Abatement. If the difference is less than the Value Available for Abatement, then this is the Abated Value.

If the difference is greater than the Value Available for Abatement, then the Value Available for Abatement becomes the Abated Value.



STATE OF TEXAS

§
§
§

COUNTY OF JEFFERSON

2020

**ABATEMENT AGREEMENT FOR PROPERTY LOCATED IN THE
REINVESTMENT ZONE**

Pursuant to Section 312.401 of the Texas Tax Code, this Tax Abatement Agreement (hereinafter referred to as the "AGREEMENT") is made and entered into by and between Jefferson County (hereinafter sometimes referred to as "the COUNTY"), and [REDACTED] (hereinafter sometimes referred to as " [REDACTED] " or "OWNER").

1. RECITALS

WHEREAS, OWNER possesses interests in taxable real property located within the [REDACTED] Reinvestment Zone, the designation of which was implemented by the COUNTY by an Order dated [REDACTED], 20 [REDACTED] (hereinafter referred to as the "REINVESTMENT ZONE"; and

WHEREAS, this AGREEMENT is limited to the project to be constructed by OWNER, on various parcels of land located within the Reinvestment Zone, which is described with particularity in Exhibit "A" attached hereto and which will involve construction of a new Coker and Sulfur Unit and related improvements (hereinafter referred to collectively as the "PROJECT"); and

WHEREAS the COUNTY wishes to encourage OWNER to select Jefferson County as the site for the PROJECT; and

WHEREAS, the REINVESTMENT ZONE is an area within Jefferson County, Texas, generally described as being within [REDACTED] Refinery, which has been designated by Order of this Court, the legal description for which is attached hereto as Exhibit "C." It is understood and agreed that the REINVESTMENT ZONE boundary is subject to revision based on the final construction plan of the Project, and the COUNTY

agrees to take the steps necessary to amend the Reinvestment Zone boundary, consistent with such final Project, upon request of Owner.

NOW, THEREFORE, for the mutual consideration set forth below, the Parties hereto agree as follows:

2. AUTHORIZATION

THIS AGREEMENT IS AUTHORIZED BY THE TEXAS PROPERTY REDEVELOPMENT AND TAX ABATEMENT ACT, TEX. TAX CODE CHAPTER 312, AS AMENDED, AND BY ORDER OF THE JEFFERSON COUNTY COMMISSIONERS COURT ESTABLISHING AND ADOPTING THE REINVESTMENT ZONE.

3. DEFINITIONS

For purposes of this AGREEMENT, the following terms shall have the meanings set forth below:

“Abatement” means the full or partial exemption from ad valorem taxes of the value of certain property located in the REINVESTMENT ZONE designated for economic development purposes.

“Affiliate” of any specified person or entity means any other person or entity which, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with such specified person or entity. For purposes of this definition, the term “control” (including the terms “controlled by” and “under common control with”) means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such person or entity, whether through the ownership of voting securities, by contract or otherwise.

“Base Year Value” means the taxable value of all industrial realty improvements owned by the property owner and/or its Affiliates within Jefferson County on January 1 preceding the execution of the abatement agreement. OWNER will, in consultation with the Jefferson County Appraisal District, provide the COUNTY with a list of the Jefferson County Appraisal District account numbers identifying the industrial realty improvements owned by the property owner and/or its Affiliates and the taxable value thereof on January 1 preceding the execution of the abatement agreement for use in preparing the schedule to be attached as an exhibit to the abatement agreement before execution specifying the Base Year Value for all purposes of the abatement agreement.

“Base year”, for the parties to this agreement, is defined as the calendar year in which this abatement contract is executed (signed) by all parties hereto.

“Ineligible Property” is fully taxable and ineligible for tax abatement and includes land, supplies, inventory, housing, vehicles, improvements for the generation or transmission of

electrical energy not wholly consumed by a new facility or expansion; any improvements, including those to produce, store or distribute natural gas, fluids or gasses, which are not integral to the operation of the facility; deferred maintenance, property to be rented or leased, property which has a productive life of less than ten years, or any other property for which abatement is not allowed by state law.

“Eligible Property” means the realty improvements, the on-site buildings, structures, fixed machinery and equipment, storage tanks, process units (including all integral components necessary for operations), site improvements, and infrastructure and the permanent office space and related fixed improvements, as defined by the Tax Code but does not include personal tangible property.

“New Eligible Property” means Eligible Property, the construction of which commences subsequent to the effective date of this AGREEMENT. During the construction phase of the New Eligible Property, the OWNER may make such change orders to the New Eligible Property as are reasonably necessary to accomplish its intended use. It is expressly understood that, notwithstanding anything to the contrary written herein, energy, electricity, manufacturing supplies (e.g. foreign manufactured catalysts), feedstocks, freight, and direct materials that physically become a part of the end product manufactured by the PROJECT) are not subject to the terms of this AGREEMENT.

“Taxable Value” for each taxing entity executing an abatement agreement is determined by deducting from the Market Value of all industrial realty improvements of a property owner and/or its affiliates the amount of any applicable exemptions and abatements granted for that Tax Year.

“Completion” as used herein, shall mean, the successful commissioning of the PROJECT and the attainment of reliable operations. OWNER shall certify in writing to the COUNTY when such Completion is attained.

“Full-time job”, as used herein, shall mean a permanent full-time position that: requires at least 1,600 hours or work per year, is not a transferred from another area of the state, is not created to replace a previous employee, and is covered by a group health benefit plan, and pays at least 110% of the county average weekly wage for manufacturing jobs in Jefferson County.

“Payment in Lieu of Taxes”. If, during the period of this abatement, any Federal or State law provides an additional tax exemption for the property that is already the subject of this agreement, Applicant agrees to decline that tax exemption during the period of this abatement. If Applicant is unable to decline that tax exemption, Applicant agrees to pay the taxes, or payment in lieu of taxes, on the reduction of property tax revenue to the COUNTY that is the result of said exemption. Any payment in lieu of taxes shall be due on or before November 15 of the year in which payment is due.

4. TERM OF ABATEMENT

This AGREEMENT shall be effective and enforceable upon execution by both parties (which date is herein referred to as the "Effective Date"). The Term of the Abatement pursuant to this AGREEMENT shall begin on _____ and shall terminate on December 31, 20____, unless sooner terminated pursuant to other provisions of this AGREEMENT. Should OWNER not begin the construction of the PROJECT by December 31, 2020, this AGREEMENT shall be null and void.

5. OWNER REPRESENTATIONS/OBLIGATIONS

In order to receive a tax abatement with respect to a tax year listed on EXHIBIT: Tax Abatement Schedule," OWNER shall comply with the following:

- a. As a result of the PROJECT, and upon its Completion (currently estimated to be not later than the first quarter, 20____, maintain a level of not less than _____ new full-time jobs (consisting of both permanent direct employee jobs and permanent contractor jobs), using headcount as of May 1, 2020 as the starting point, relating to the PROJECT during the remaining term of this AGREEMENT; provided, however that OWNER may reduce employment levels due to improved efficiencies or changing economic conditions during the term of this AGREEMENT as long as such employment levels do not fall below _____ full-time jobs for total on site employment by owner during said term. In the event that such employment falls below _____ full-time jobs for total on site employment, Abatement shall be reduced proportionate to such employment decline beginning with the tax year in which the decline occurs and each tax year thereafter per the example calculation cited below where:

A1 = initial Abatement \$
 A2 = revised Abatement \$
 E1 = _____ full-time jobs
 E2 = revised employee count
 A2 = A1 x (E2/E1)

- b. Report and certify the requisite job levels to the COUNTY, annually during each tax year under this AGREEMENT;
- c. Construct the PROJECT with an estimated investment in excess of \$_____ million;
- d. Make available to the COUNTY information concerning the details of contractor bids, every quarter, during the construction phase of the PROJECT under the express understanding that COMPANY is providing the COUNTY such contractor bid information on a strictly confidential basis so as to maintain the integrity of the competitive bid process;

- e. Report and certify to the COUNTY the requisite cost of the PROJECT within 120 days after the completion of the PROJECT (or 120 days after the Effective Date, whichever is later);
- f. Ensure that qualified local labor, vendors, suppliers, and sub-contractors are given a timely opportunity to bid on contracts for the provision of supplies, goods and services (including engineering and construction services, *e.g.*, piping, electrical, civil, fabrication) in connection with construction of the PROJECT and any turnaround project which is undertaken as part of or in connection with the PROJECT during the term of the abatement period. Such consideration shall be made in good faith without discrimination. For purposes of the foregoing:
 - i. “Local labor” is defined as those qualified laborers or craftsmen who are residents and domiciliaries of the nine county regions comprised of Jefferson, Orange, Hardin, Jasper, Newton, Liberty, Tyler and Chambers Counties, as well as the Bolivar Peninsula area of Galveston County. “Local vendors” and “local suppliers” shall include only those located or having a principal office in Jefferson County. “Local subcontractors” shall include only those located or having a principal office in Jefferson County.
 - ii. OWNER agrees to give preference and priority to local manufacturers, suppliers, vendors, contractors and labor, except where not reasonably possible to do so without significant added expense, substantial inconvenience, or sacrifice in operating efficiency. For any such exception in cases involving purchases over \$1 million, a justification for such purchase shall be included in OWNER’S annual letter of compliance. OWNER further acknowledges that it is a contractual obligation, under this agreement, of persons receiving property tax abatements to favor local manufacturers, suppliers, contractors, and labor, all other factors being equal. In the event of a breach of this “buy local” provision, OWNER agrees that the percentage of abatement shall be proportionately reduced in an amount equal to the amount the disqualified contract bears to the total construction cost for the PROJECT.
 - iii. OWNER agrees that it will provide sufficient notice and information regarding to project to qualified local contractors to enable them to submit bids for materials in the early procurement processes, including but not limited PROJECT information provided in job fairs to be conducted by OWNER.
- g. Report and certify to the COUNTY, quarterly the total number of dollars spent on local labor, local subcontractors and local vendors/suppliers, as total and percentage compared to total dollars spent in connection with the PROJECT;

h. OWNER will invoice purchases locally to ensure that sales taxes credited to the benefit of Jefferson County, Texas. As further clarification OWNER will enter into a Separate Contract as defined in 34 Texas Administrative Code 3.291 (a) (13) with an EPC contractor (EPC) for the construction of the new plant facility Project to be located in the Reinvestment Zone of OWNER in Jefferson County Texas.

OWNER will obtain a Texas Direct Payment Permit (DPP) and issue a DPP exemption certificate in lieu of sales tax to EPC. OWNER will remit use taxes on taxable purchases made for use in the PROJECT directly to the state of Texas on its monthly Texas Direct Payment Return for both state and county taxes at the applicable rates. The State of Texas collects Limited, Sales, Excise and Use Taxes for both the state and local tax jurisdictions. The state is responsible for distributing the local taxes it collected to the applicable local jurisdiction.

i. Not in any way discriminate against or treat disparately union contractors who choose to participate in the competitive bid process relating to work on the PROJECT, nor discriminate against or treat disparately union members who seek employment on the PROJECT; and

j. Encourage and promote the utilization of Historically Underutilized Businesses (HUBs) (also known as Disadvantaged Business Enterprises, or DBEs) by the general contractor engaged by OWNER to construct the PROJECT and any turnaround project which is undertaken as part of or in connection with the PROJECT during the term of the abatement period by ensuring qualified HUB/DBE vendors and contractors are given a timely opportunity to bid on contracts for supplies and services. For purposes of the foregoing:

- i. A HUB/DBE is a business owned or controlled by Socially and Economically Disadvantaged Individuals as defined by all applicable federal or state laws and local policies, including Black Americans, Hispanic Americans, Native Americans, Asian-Pacific Americans, Asian Indian Americans, women, and individuals with disabilities.
- ii. A HUB/DBE is one that is at least 51 percent owned or controlled by one or more women or Socially and Economically Disadvantaged Individuals or, in the case of a publicly-owned business, one that at least 51 percent of the stock of which is controlled by one or more women or Socially and Economically Disadvantaged Individuals.
- iii. A business that has been certified as a HUB/DBE by an agency of the federal government or the State of Texas is presumed to be a HUB/DBE for purposes of Agreement.
- iv. Only a HUB/DBE with its principal office in the State of Texas will be recognized as a HUB/DBE for purposes of this Agreement. A list of

HUB/DBE vendors/suppliers is maintained in the COUNTY office and a list of same is attached hereto as Exhibit D. As to the use of qualified local and HUB/DBE vendors, suppliers and sub-contractors, OWNER will, at a minimum:

- k. Consult with chambers of commerce, minority business associations, trade associations and other regional economic development organizations to identify local and HUB/DBE vendors, suppliers and sub-contractors;
- l. Notify qualified local and HUB/DBE vendors, suppliers and sub-contractors, allowing sufficient time for effective preparation of bids for the planned work to be sub-contracted or materials, supplies or equipment to be purchased;
- m. Provide qualified local and HUB/DBE vendors, suppliers and sub-contractors who are interested in bidding on a subcontract or contract for materials, supplies, equipment, or the provision of engineering and construction services and labor adequate information regarding the project as early as is practicable in the bidding process in order to allow the HUB/DBE vendors, suppliers and sub-contractors sufficient time to prepare a bid (*i.e.*, plans, specifications, scope of work, bonding and insurance requirements, and a point of contact within the general/prime contractor);
- n. Negotiate in good faith with interested qualified local and HUB/DBE vendors, suppliers or sub-contractors, and award sub-contracts or contracts for materials, supplies equipment, or the provision of engineering and construction services and labor to local or HUB/DBE vendors, suppliers or sub-contractors when they are the lowest qualified responsive bidder who meets all of the applicable bid specifications; and

Include a provision in OWNER'S contract with the general/prime contractor on the PROJECT which requires the general/prime contractor to read and comply with the terms of this AGREE Provide access to and authorize the inspection of the Eligible Property by the County's personnel to ensure that the improvements or repairs thereto are made according to the specifications and conditions of this AGREEMENT.

- o. Provide access to and authorize the inspection of the Eligible Property by the County's personnel to ensure that the improvements or repairs thereto are made according to the specifications and conditions of this AGREEMENT.
- p. Provide access to and authorize the inspection of the Eligible Property by the County's personnel to ensure that the improvements or repairs thereto are made according to the specifications and conditions of this AGREEMENT.

6. VALUE OF ABATEMENT

For each year under this Agreement, the abatement percentage received by OWNER under this AGREEMENT with respect to the value of New Eligible Property, is set forth on attached Exhibit: "Tax Abatement Schedule"

The Abatement during each year covered by this Agreement shall be the value attributable to the Project multiplied by Abatement Schedule, adjusted by the Base Year Value.

7. QUARTERLY MONITORING MEETINGS

With respect to the quarterly monitoring meetings referenced in Section 5(d) above, the County Judge, County Commissioners, or their designee(s) shall be allowed to attend such quarterly monitoring meetings, on the express condition that they execute a confidentiality agreement prepared by OWNER so as to protect confidential information which may be disclosed to them during or as a result of such monitoring meetings. OWNER agrees to reimburse the COUNTY in an amount not to exceed to \$4,000.00 annually for the costs or expenses actually incurred by the COUNTY in monitoring the status of the bidding process every quarter during the construction phase of the PROJECT. OWNER will provide the COUNTY with quarterly reports which detail procurement of services, equipment and labor utilized in construction.

8. TAXABILITY

During the period that this AGREEMENT is effective, taxes shall be payable as follows:

- a. The value of Ineligible Property shall be fully taxable;
- b. The Taxable Value of existing Eligible Property as determined each shall be fully taxable; and
- c. The value of New Eligible Property shall be abated as set forth in Section 6, hereinabove.

9. ADJUSTMENTS TO ABATEMENT FOR BASE YEAR VALUE DECLINE

The Jefferson County Central Appraisal District will establish the certified values of Eligible Property as of January 1, 20___ (year abatement executed) as set forth on attached Exhibit "B," and such values shall be the values used to calculate the Base Year Value as herein defined. If on January 1st of any tax year listed on the "Tax Abatement Schedule" the Taxable Value is less than the Base Year Value, then the abatement of value otherwise available shall be reduced by one dollar for each dollar that the Taxable Value of realty improvements is less than the Base Year Value, except that no such reduction of OWNER's

abatement shall be made should any reduction to Taxable Value of OWNER's Eligible Property result from a Force Majeure event.

In the event OWNER reduces its ad valorem taxes on personal property otherwise payable to the COUNTY by participating in a foreign trade zone, then the amount of abated value otherwise available shall be reduced by one dollar for each dollar of tax value reduction attributable to special treatment from trade zone participation. The parties hereto stipulate and agree that the certified appraisal value for this property, as calculated by the Jefferson County

It is specifically understood and agreed by OWNER that, if at any time during the effective dates of this agreement relating to abatement, OWNER files or prosecutes an action in district court to contest the appraised value of any property of OWNER or OWNER's affiliates within Jefferson County for unequal appraisal or revision thereof pursuant to Sec. 42.26, Texas Tax Code, any and all abatements granted by the COUNTY to OWNER or its affiliates shall become null and void and cancelled.

10. POLLUTION CONTROL EXEMPTION

The COUNTY understands that OWNER plans (i) to request from the TCEQ a determination under Section 11.31 of the Texas Tax Code that certain property included in the New Eligible Property is pollution control property, and (ii) to apply for an exemption from ad valorem taxes under Section 11.31 of the Texas Tax Code with respect to all or a portion of such property determined by the TCEQ to be pollution control property. The maximum dollar value for equipment that OWNER intends to claim to the TCEQ as exempt from taxation under Section 11.31 is fifteen percent (15%) of cost ("Intended Maximum"), though that number could change as current estimated project costs are refined. It is understood that the COUNTY would not have agreed to this abatement percentages if it were known that the actual exempt property claimed by OWNER would exceed the Intended Maximum. In the event OWNER ultimately obtains an amount in excess of the Intended Maximum in any year of Abatement under this AGREEMENT (such amount the "Exempt Property Excess"), the percentage of abatement described in the "Abatement Schedule" shall be reduced pro rata so as to reimburse the COUNTY for the total decrease in County tax revenue during the abatement period beginning on January 1, 2020 which is expected to result from the Exempt Property Excess. It is understood and agreed that OWNER will not seek a tax exemption for any equipment or portion of the facility which merely reduces the pollution characteristics of the finished product produced by the facility and that an exemption will only be sought for equipment and technology utilized to reduce pollution at or around the facility.

11. EVENT OF DEFAULT

If either party should default in performing any obligation under this AGREEMENT, the other party shall provide such defaulting party written notice of default and provide the defaulting party with a minimum period of thirty (30) days to cure such default prior to instituting an action for breach or pursuing any other remedy for default, provided however,

that, if the default is of such a nature that it cannot, with the exercise of reasonable diligence, be cured within thirty (30) days, then such party shall not be in default so long as such party has commenced such cure within thirty (30) days after receiving written notice of such default and is diligently prosecuting such cure to completion. Subject to providing such notice of default and the aforesaid opportunity to cure same, the party aggrieved by default shall have the right to terminate this AGREEMENT and to pursue any remedy available at law or in equity, for breach hereof. In addition, if a party (the "Affected Party") shall become unable to timely perform any of its obligations under this AGREEMENT, other than any obligation to pay money, as a consequence of a Force Majeure Event, the Affected Party shall be relieved of such obligation (and such failure to timely perform such obligation shall not constitute a default) to the extent that and for so long as (but only to the extent that and only for so long as) it is unable to timely perform such obligation as a consequence of such Force Majeure Event. A "Force Majeure Event" means any of the following: (a) acts of God, earthquakes, tidal waves, lightning, floods, and storms; (b) explosions and fires; (c) strikes and lockouts; (d) wars, riots, acts of the public enemy, civil disturbances, hostilities, sabotage, blockades, insurrections, terrorism, and epidemics; (e) acts of expropriation, confiscation, nationalization, requisitioning, or other taking; and (f) any other event, condition, or circumstance beyond the reasonable control of the party claiming relief as a consequence thereof; provided, however, that "Force Majeure Event" does not include the inability to make payment or financial distress.

12. RECAPTURE OF TAXES

In the event the COUNTY terminates this AGREEMENT pursuant to the provisions of Section 11 as a result of any event of default by OWNER under such Section 11, including, for the avoidance of doubt, if OWNER fails to make the improvements to the Eligible Property as provided by this AGREEMENT, the COUNTY shall be entitled to recapture and be paid all taxes previously abated by virtue of this AGREEMENT within thirty (30) days of the termination, together with all penalties and interest required by the Texas Property Tax Code.

13. TERMINATION

OWNER shall have the right to terminate this agreement at any time upon thirty (30) days' written notice to the COUNTY and COUNTY shall have the right of recapture per Provision number 12 above..

14. ASSIGNMENT

OWNER may assign this AGREEMENT, in whole or in part, to a new owner or lessee of the same PROJECT, or a portion thereof, or to an Affiliate of OWNER upon written approval by resolution of the COMMISSIONERS COURT of such assignment, and approval shall not be unreasonably withheld or delayed. It shall not be unreasonable for

the COURT to withhold approval if OWNER or the proposed assignee is liable to the COUNTY for outstanding taxes or other obligations.

15. ENTIRE AGREEMENT

The Parties agree that this AGREEMENT contains all of the terms and conditions of the understanding of the Parties relating to the subject matter hereof. All prior negotiations, discussions, correspondence and preliminary understandings between the parties and others relating hereto are superseded by the AGREEMENT.

16. SUCCESSORS AND ASSIGNS

This AGREEMENT shall be binding on and inure to the benefit of the parties, their respective successors and assigns. OWNER may not assign all or part of its rights and obligations hereunder without the prior written consent of the COUNTY, which shall not be unreasonably withheld or delayed. It shall not be unreasonable to withhold consent to assignment if OWNER or the proposed assignee(s) is/are delinquent in the payment of any ad valorem taxes.

16. NOTICE

Any notice and/or statement required and permitted to be delivered shall be deemed delivered by depositing same in the United States mail, certified with return receipt requested, postage prepaid, addressed to the appropriate party at the following addresses:

OWNER:

With a copy to:

COUNTY: Hon. Jeff R. Branick, County Judge
Jefferson County Texas
P.O. Box 4025
Beaumont, Texas 77704
(409) 835-8466
(409) 839-2311 (facsimile)

With a copy to: Ms. Kathleen Kennedy, Chief Civil Attorney
Criminal District Attorney
1149 Pearl Street, 3rd Floor
Beaumont, Texas 77701

(409) 835-8550
(409) 835-8573 (facsimile)

Mr. Fred L. Jackson,
First Assistant: Staff Attorney
Jefferson County Courthouse
P. O. Box 4025,
Beaumont, Texas 77704
(409) 835-8466
(409) 839-2311 (facsimile)

17. MERGER

The Parties agree that this AGREEMENT contains all of the terms and conditions of the understanding of the parties relating to the subject matter hereof. All prior negotiations, discussions, correspondence and preliminary understandings between the parties and others relating hereto are superseded by this AGREEMENT.

18. INTERPRETATION

The Parties acknowledge that both have been represented by counsel of their choosing in the negotiation and preparation of the AGREEMENT. Regardless of which party prepared the initial draft of this AGREEMENT, this AGREEMENT shall, in the event of any dispute over its meaning or application, be interpreted without reference to the principle of construction favoring the party who did not draft the AGREEMENT under construction.

19. APPLICABLE LAW AND VENUE

This AGREEMENT is made, and shall be construed and interpreted under the laws of the State of Texas and venue shall lie in Jefferson County, Texas.

20. SEVERABILITY

In the event any provision of this AGREEMENT is illegal, invalid, or unenforceable under present or future laws, then, and in that event, it is the intention of the Parties hereto that the remainder of this AGREEMENT shall not be affected thereby, and it is also the intention of the Parties to this AGREEMENT that in lieu of each clause or 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.

Executed in duplicate this the ____ day of _____, 20 ____.

FOR THE COUNTY:

Hon. Jeff R. Branick, County Judge
Jefferson County, Texas

FOR OWNER:

EXHIBIT A “Description of Project”

The proposed project is a facility to CONSTRUCT :

Any additional description you desire:

Significant components of the facility would include:

“Tax Abatement Schedule”

Tax Year	Abatement Percentage
1 2020	
2 2021	
3 2022	
4 2023	
5 2024	
6 2025	
7 2026	
8 2027	
9 2028	
10 2029	

EXHIBIT B “Base Year Property”

This base year taxable value as certified will be attached, by consent of the parties, when same is calculated and adopted by the Jefferson County Appraisal District.

EXHIBIT C – “Reinvestment Zone Order”

EXHIBIT D – “List of HUB/ DBE Companies”

Property Owner may acknowledge the County has previously provided this.

Exhibit "E"

Jefferson County Abatement Policy

It is understood and agreed that all abatement agreements granted herein shall conform to this abatement policy and to the Texas Tax Code.

EXHIBIT "F" - AFFILIATES OF OWNER

Pepe Dominguez

From: Pepe Dominguez <peped@co.jefferson.tx.us>
Sent: Tuesday, February 25, 2020 2:43 PM
To: 'Commissioner Weaver' (<bweaver@co.jefferson.tx.us>); 'Commissioner Arnold' (<eddiearnold@co.jefferson.tx.us>); 'Commissioner Sinegal' (<msinegal@co.jefferson.tx.us>); 'Commissioner Alfred' (<ealfred@co.jefferson.tx.us>); Steve Stafford [<sstafford@co.jefferson.tx.us>] [<sstafford@co.jefferson.tx.us>]; 'Judge Branick' (<jbranick@co.jefferson.tx.us>); 'Ronda Conlin' (<rconlin@co.jefferson.tx.us>); Doug Canant <dscanant@dd6.org> [<dscanant@dd6.org>]; 'Mike Trahan' (<mtrahan@co.jefferson.tx.us>); ggross@co.jefferson.tx.us; katrina.purcell@beaumonttexas.gov; 'Aaron@fausteng.com'; kkennedy@co.jefferson.tx.us
Subject: Odle Subdivision
Attachments: Odle Subd_Plat_Comm Court.pdf; Odle Subd_City of Bmt Memo.pdf; Odle Subd_Faust Memo_Comm Court.pdf; Emails Comm Court_Odle Subd.pdf

Commissioner Weaver,

Attached is a PDF of Odle Subdivision, Minor Plat of a 3.72 Acre Tract out of the William Carr Survey, Abstract 102, Jefferson County, Texas. Property is located off of Labelle Road in Precinct #2. This plat is within the Beaumont ETJ and has met the Jefferson County platting requirements except for minimum lot frontage. Included in the attached PDF is a letter from Faust Engineering and Surveying, Inc. with their justification for approval of the less than minimum frontage. Also included is a PDF of three emails from Steve Stafford to the Commissioner's Court in regards to the Odle Subdivision.

I will be placing this plat on the Agenda for Tuesday, March 3rd, 2020
 If you have any questions please contact either Steve or myself.

Pepe Dominguez

Pepe Dominguez
 Jefferson County Engineering
 1149 Pearl 5th Floor
 Beaumont, TX 77701
 Offc. 409 835-8584
 Fax. 409 835-8718
 email: peped@co.jefferson.tx.us

Pepe Dominguez

3) **From:** Steve Stafford <sstafford@co.jefferson.tx.us>
Sent: Tuesday, February 18, 2020 3:49 PM
To: 'Jeff Branick'; 'Commissioner Arnold'; 'Commissioner Weaver'; 'Commissioner Sinegal'; 'Commissioner Alfred'
Cc: 'Precinct 1'; 'Tammy Rains'; 'Kimberly Doyle'; 'Natalie Roberts'; 'Pepe Dominguez'
Subject: RE: Odle Subdivision

Commissioners Court,

During court on Feb. 10, the minor subdivision plat for Ms. Odle's property was tabled again and you asked for some background information about our minimum frontage standard.

Pepe and I have done some digging and found that parts of our ordinance were copied from Liberty County. Ron Westphal remembered adding the 150' minimum frontage outside of subdivisions. He said that he was against the additional wording about this being a general standard and that the Commissioners could allow a lesser frontage, but the wording was added anyway. Ron told us that the reason for the minimum frontage was not really for safety, but more for keeping the rural character of the properties outside of subdivisions. It is true that most properties along the major roads in the county are larger tracts with 150' or more frontage.

The engineering firm stated that the Odle subdivision will not cause a safety issue and I agree. The final decision will have to come from the Court based on whether you want to retain the rural nature of the large tracts or you are willing to allow less frontage. This is only the first of these requests to be brought to you. One more is being worked on and others will come. Unless you want to discuss the issue in more depth during a workshop, I will plan on putting this request back on the agenda for next week. Please let me know if there is anything else you need from me. Thanks

Steven

2) **From:** Steve Stafford [mailto:sstafford@co.jefferson.tx.us]
Sent: Tuesday, February 04, 2020 9:52 AM
To: 'Jeff Branick'; 'Commissioner Arnold'; 'Commissioner Weaver'; 'Commissioner Sinegal'; 'Commissioner Alfred'
Cc: 'Precinct 1'; 'Tammy Rains'; 'Kimberly Doyle'; 'Natalie Roberts'; 'Pepe Dominguez'
Subject: RE: Odle Subdivision

Commissioners Court,

The Odle Subdivision plat will be back on your agenda for next week. Pepe and I have met with Kathleen about it. She says it is entirely up to the Court whether or not to allow this subdivision with less than minimum frontage and it would not be a liability issue. In my opinion, this will not create an unsafe situation.

Steven

1) **From:** Steve Stafford <sstafford@co.jefferson.tx.us>
Sent: Friday, January 24, 2020 3:55 PM
To: Judge Branick <jbranick@co.jefferson.tx.us>; Commissioner Arnold <eddiearnold@co.jefferson.tx.us>; Commissioner Weaver <bweaver@co.jefferson.tx.us>; Commissioner Sinegal <msinegal@co.jefferson.tx.us>; Commissioner Alfred <ealfred@co.jefferson.tx.us>
Cc: 'Precinct 1' <pct1sc@co.jefferson.tx.us>; 'Tammy Rains' <trains@co.jefferson.tx.us>; Kimberly Doyle <pct3sc@co.jefferson.tx.us>; Natalie Roberts <nroberts@co.jefferson.tx.us>; Pepe Dominguez

<peped@co.jefferson.tx.us>

Subject: Odle Subdivision

Commissioners Court,

Pepe has added this small subdivision to the agenda for January 28. This will be the first time we have brought to you a plat that does not meet the minimum frontage requirements. Our ordinance requires 60 ft of frontage on Neighborhood Subdivision Streets (roads within a subdivision) and 150 ft of frontage on County Feeder Roads (roads that connect subdivisions or provide throughway access).

LaBelle Rd is a county feeder road and the subdivided property will have frontages of 68.73 ft and 103.51 ft. There is a clause in our ordinance for the Court to allow more closely spaced lots if certain criteria are met. Faust Engineering has submitted a letter, trying to justify the reduced frontage. Most of the lots in that area have a frontage of 160 ft or greater. I do not think this subdivision will be unsafe, but it does not fit the character of the rest of the lots and I don't think it would be good if all the other lots were divided like this.

Here is an excerpt from the ordinance:

6.5 Residential Driveways. As noted in Section 6.4 above, adequate Lot and driveway spacing is important to road maintenance and safety. In order to ensure public safety on roads with more traffic and higher speeds, and to further minimize – on existing County roads – creation of Flag Lots that might pose a threat to the public safety and welfare, the County imposes minimum lot frontage requirements to ensure adequate driveway spacing for various types of County roads. For the purposes of this Section only, any County road that is not a Neighborhood Subdivision Street is considered a County Feeder Road. Neighborhood Subdivision Streets under this section are considered to be roads created as part of the Subdivision process and intended to service only those Lots within a particular Subdivision, or serving other subdivisions such that the road does not provide service to more than 100 Lots. A Neighborhood Subdivision Street must connect to a state or federal highway, or to a county Feeder Road. A road which connects two subdivisions of greater than 100 Lots, or which provides throughway access to another community or area in the County is not considered a Neighborhood Subdivision Street (and thus is considered a County Feeder Road).

6.5.1 Minimum Lot Frontage on County Feeder Road (and recommended frontage for all state roads in the County) – 150 feet. This is a general standard; however, the Commissioners Court may allow more closely spaced Lots, and thus more densely packed driveways, if an Applicant demonstrates to the Commissioners Court that its Subdivision layout is prepared according to generally accepted professional planning and engineering principles, with adequate provisions for safety and infrastructure development. An Applicant requesting minimum Lot frontages of less than 150-foot standard on a County Feeder must demonstrate to the Commissioners Court how his or her application meets the spirit of Section 6.4, the prohibition on Flag Lots.

6.5.2 Minimum Lot Frontage on Neighborhood Subdivision Streets – 60 feet, or 25 feet at the bulb of a cul-de-sac.

Steven

BEAUMONT

TEXAS

January 21, 2020

Pepe Dominguez
Jefferson County Engineering
1149 Pearl 5th Floor
Beaumont, TX 77701

Re: ETJ Plat

Dear Pepe:

Please see the enclosed Minor Plat for Odle Subdivision, Beaumont, Jefferson County, Texas. Please place this item on the Commissioner's Court agenda at your earliest convenience.

If you have any questions or I can be of further assistance, please do not hesitate to contact me. My office is located in City Hall at 801 Main St., my phone number is 409-880-3764 or you can email me at katrina.purcell@beaumonttexas.gov.

Thank you,

Katrina Purcell

Katrina Purcell, CFM
Planner I
City of Beaumont

FAUST Engineering and Surveying, Inc.

Professional Engineers and Professional Surveyors
E-MAIL ADDRESS INFO@FAUSTENG.COM
5550 Eastex Freeway, Suite O
Beaumont, Texas 77708
Surveying Firm Registration No. 100024-00
Engineering Firm Registration No. 4800

Telephone (409) 813-3410
Fax (409) 813-3484

November 22, 2019

Jefferson County Commissioner Court

REF: Odle Subdivision, LaBelle Road
Jefferson County, Texas

FAUST Engineering and Surveying, Inc., is requesting approval of the above referenced subdivision plat. The plat will create two (2) lots. Lot 1 being 0.72 acres and Lot 2 being 3.0 acres.

Section 6.5.1 of the Jefferson County Subdivision Regulations states that as a general standard frontage on County Feeder Roads shall have a minimum width of 150 feet. The purpose of this section of the regulations is to promote safety and infrastructure development. According to the regulation, the Commissioner Court does have the authority to allow for more closely spaced lots if the public safety is not jeopardized. FAUST Engineering and Surveying, Inc. is requesting the waiver of the 150 foot frontage road requirement for the following reasons:

- This subdivision is not a flag lot type subdivision. A typical flag lot is a land parcel that lies at the end of a long driveway. A **flag lot** may lie behind residences, buildings, or open land, and it is usually not visible from a road. Both lots in this subdivision will have substantial frontage on LaBelle Road.
- There are no anticipated infrastructure requirements for this subdivision. Both tracts will front on LaBelle Road. The original tract was 272 feet in width and splitting this tract would have met the spirit of the requirements of the subdivision regulations. The owners have previously had the Drainage District dedicate the north 70 feet of their original tract for drainage purposes and a large ditch was constructed on the 70 foot wide tract. This has resulted in a decrease of the available frontage on LaBelle Road.
- The drive way on Lot 1 is in place. The driveway for Lot 2 can be placed in order to maximize their separation and minimize traffic hazards. The location of the

Odle Subdivision
Jefferson County, Texas

drainage ditch will insure that the driveway on Lot 2 has sufficient separation from the adjacent tract.

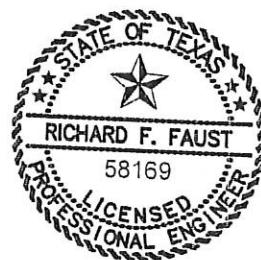
In my professional opinion, the approval of this subdivision plat will maintain the spirit of the Subdivision Regulations, does not create lots that are too closely spaced, driveways that are to densely packed, and meet generally accepted professional planning and engineering principles.

If I can be of further service in this matter, please call.

FOR THE FIRM,



Richard F. Faust, P.E., R.P.L.S.



Permit No. 02-4-20

Precinct No. 2

NOTICE OF PROPOSED PLACEMENT OF
PUBLIC UTILITY LINE/COMMON CARRIER PIPELINE WITHIN
JEFFERSON COUNTY RIGHT-OF-WAY
(2003 REVISION)

Date 2-14-2020

HONORABLE COMMISSIONERS' COURT
JEFFERSON COUNTY
BEAUMONT, TEXAS 77701

Gentlemen:

ATÉT

AT&T (Company) does hereby make application to use lands belonging to Jefferson County, for the purpose of constructing, maintaining or repairing a utility or common carrier pipeline for the distribution of

_____, repairing a dairy or common carrier pipeline for the distribution of
FIBER, location of which is fully described as
follows: 1ST STREET to JERRY WARE TERMINAL.

1 pages of drawings attached.

Construction will begin on or after 3-1, 2020.

It is understood that all work will comply with the requirements of the Utility and Common Carrier Pipeline Policy adopted by Jefferson County Commissioners' Court on 2020, and all subsequent revisions thereof to date.

Company AT&T

By JERRY RICHARDSON

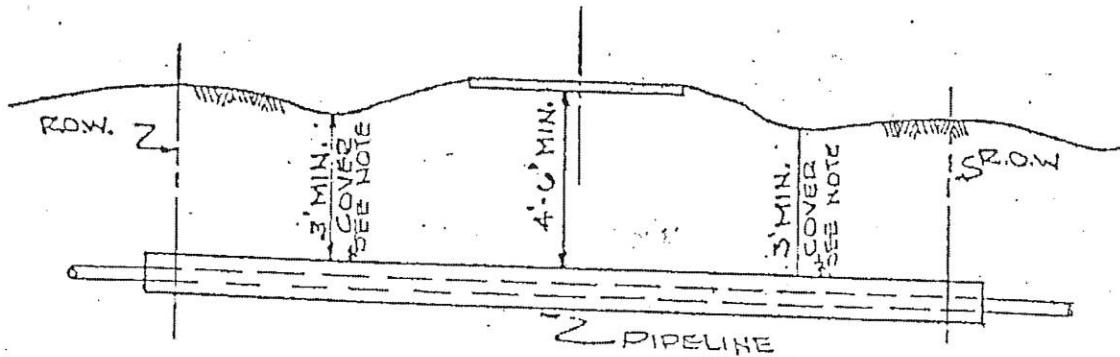
Title ENGINEER

Address 350 PINE ST SUITE 650

BEAUMONT TX 77701

Telephone 409-659-2423

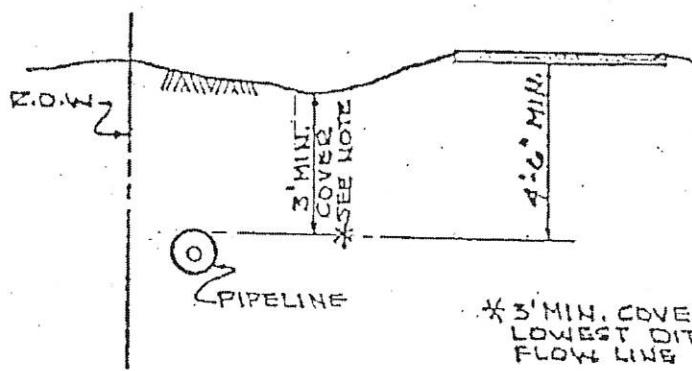
Fax No. _____



*3' MIN. COVER AT
LOWEST DITCH
FLOW LINE ELEV.

NOTE: CASING TO EXTEND
1'-0" OUTSIDE ROW EACH
SIDG OF ROAD.

1. STANDARD PIPELINE CROSSING



*3' MIN. COVER AT
LOWEST DITCH
FLOW LINE ELEV.

2. STANDARD PARALLEL LINE

JEFFERSON COUNTY
ENGINEERING DEPARTMENT
PIPELINE DETAILS (STD.)
12-7-79 NO SCALE <i>as drawn</i>

ENGINEERING ACTION FORM

The minimum standard bond required is \$ N/A.

Steve Strood
Director of Engineering

02/24/20

COMMISSIONERS COURT ORDER

On this date the attached application of a utility or common carrier pipeline came on for the Courts consideration, and the Court having considered the application is of the opinion that the applicant is a utility or common carrier pipeline company meeting all the requirements of County Policy for installation of a line in County roads and that the plans or details presented with said application did not appear to violate the County Regulations. It is ORDERED that said applicant shall comply with all provisions of the Pipe Line Policy adopted by this Court, and all subsequent revisions. The bond required shall be \$ N/A. Special conditions of construction (are/are not) attached hereto.

COMMISSIONERS COURT

By John
County Judge

UTILITY AND COMMON CARRIER PIPELINE POLICY

GENERAL REQUIREMENTS

Who Must Apply

Any person, company corporation, or public agency desiring to place utility or common carrier pipelines in or above the rights-of-way of public roads in Jefferson County shall obtain a Commissioners' Court Order from Jefferson County Commissioners' Court for the construction, operation and maintenance of said line. The applicant shall comply with all rules, regulations, principles, and specifications herein contained and any other subsequently adopted by Jefferson County Commissioners' Court prior to issuance of the order.

Application

The applicant must complete, in quintuplicate (5), the form herein contained, outlining in detail the proposed installation and its location in public right-of-way. The completed application form must be returned to Jefferson County Engineering Department, at 1149 Pearl Street, 5th Floor, Beaumont, Texas 77701, for approval by Commissioners' Court prior to the start of construction.

Determination

Commissioners' Court shall determine, within a reasonable time after filing of a complete application in the opinion of the County Engineer, the following:

- a. If applicant is a utility, whether applicant is a public utility serving a public purpose; and
- b. If applicant is a pipeline carrier, whether:
 1. It is a common carrier; and,
 2. It serves a public purpose; and,
 3. The proposed pipeline is a parallel line to be placed within fifteen (15) feet of the improved portion of said right-of way.

If Commissioners' Court determines that applicant is not a public utility, or that it is not a common carrier, or that its utility or pipeline shall not serve a public purpose, or that its propose pipeline will be a parallel line placed within fifteen (15) feet of the improved portion of any right-of-way, then, in the event of any such finding, applicant's application shall be denied and its bond returned.

Such applicant may then apply for a permit under the County's "Pipeline Permit Policy" and any bond, in lieu of returning it to applicant, may be applied to the permit application.

Maintenance, Alteration or Removal

Advance notification in writing will be required for all maintenance, alteration or removal operations except in emergency situation where the safety of the public would be endangered by a delay in repairs. In any such emergency, contact the County Engineer by phone at 9409) 835-8584, and inform him of the proposed emergency repairs. As soon as practical, but no later than 48 hours after the start of emergency repairs, notify the County Engineer in writing of the emergency repairs effected, detailing the repairs and the reasons immediate action was required.

Time Limits

A time period of three months is allowed from the issuance of the order to start construction. Once started, the applicant is allowed three months to complete all work. All construction must be completed within six (6) months from the date of issuance. Upon application, extensions may be granted by the Jefferson County Commissioners' Court. Such applications for extensions must be received by the Court at least thirty days before the expiration of the six-month period.

Exiting Permits

Any permit, franchise, or instruments of a similar character previously executed by Commissioners' Court shall be subject to the time limit and requirements herein unless specifically stated to the contrary in said permit, franchise or instrument.

GENERAL PRINCIPLES

No utility or common carrier pipeline shall ever be installed or maintained in such manner as to interfere with construction, maintenance or repair of any public road whether currently existing or hereafter constructed on future public right-of-way. Should a utility or common carrier pipeline installed by the applicant ever be found to interfere with the construction, maintenance or repair of an existing public road or future public road, the applicant shall, upon the request of the Commissioners' Court, or the County Engineer, promptly change or alter such installation, at its own expense, in such manner that the same no longer interferes with such construction, maintenance or repair.

No utility or common carrier pipeline shall ever be installed so as to interfere with the use of a public road for vehicular or pedestrian traffic, nor so as to interfere with any drainage now or hereafter effected on or along any such road.

Whenever the relocation of public utilities is necessitated by the improvement of a county road, such relocation shall be promptly made by the utility company or common carrier company at the rate, cost and expense of said company.

Responsibility for Repairs

The applicant, in accordance with the specifications herein contained and/or the directions of the County Engineer or his designated representatives, shall immediately, at its own expense, repair, or replace all public property and all private property, including, but not limited to, driveways, fences, and mail boxes, located in, along or adjacent to public right-of-way, which may be damaged or destroyed by any action or inaction of the applicant.

In any case in which the public welfare demands immediate action to remedy conditions arising out of the actions or inactions of the applicant and in which it is judged that the applicant cannot provide such immediate action, and in any case in which the applicant has failed to comply with the directions of Commissioners' Court, or the County Engineer or his representatives, or to comply with the rules of Jefferson County to perform or cause to be performed, at the remedy such conditions or provide compliance with such directions.

SPECIFICATIONS

General

The applicant shall comply with the rules, regulations, principles, and specifications contained herein and/or the directions of the County Engineer, or his representatives. Should the County Engineer or his representative find that the applicant is not in compliance with said rules, regulations, principles, specifications and directions, he will require that the applicant cease all work until such compliance can be obtained. Failure to comply with said rules, regulations, specifications and directions will be cause for issuance of a "Stop Work Notice" until such time as said defects are corrected.

Line Crossing, Method of Placement

(See Standard Detail)

Any utility or common carrier pipeline crossing a public road, regardless of roadway surfacing or lack thereof, shall be bored, jacked or driven under the roadway and shall be placed in an iron, steel or other approved casing of approximately the same diameter as the utility or common carrier pipeline. Such casing shall extend one hundred and twenty (120) feet or the width of the right-of-way, plus one foot on each side of the right-of-way, whichever is greater with the casing location to be determined by the Jefferson County Engineering Department.

Water jetting will not be allowed. Excavation will not be allowed within the road right-of-way.

A minimum of three (3) feet must be provided under road ditches.

Uncased, protected pipelines must have a minimum cover of five (5) feet.

Where evidence is presented indicating the impracticality of boring, jacking, or driving the line under the roadway, Commissioners' Court may at its option, grant permission for placement by open cut or required relocations of the crossing to another location where the line can be successfully installed by the specified method.

Where placement by open cut is allowed by Commissioners' Court, it shall be in compliance with these specifications:

- a. Casing The line will be fully cased for one hundred and twenty (120) feet or the width of the right-of-way, plus one foot on each side of the right-of-way, whichever is greater; with the casing location to be determined by the Jefferson County Engineering Department.
- b. Backfill The line must be properly bedded to prevent settlement or damage to the line. The excavation shall be backfilled with cement stabilized sand ($1\frac{1}{2}$ sack per cubic yard) to within 2" of the sub-base and compacted.
- c. Base The base shall be replaced with crushed limestone base material from 2' below the existing base to 1" below the existing top of base and compacted to a minimum 95% Proctor density. In no case shall the compacted thickness of the replacement base be less than 6".
- d. Surface
 1. Dirt, Shell or Gravel Surface The original surface shall be replaced with an equal thickness of shell or gravel, but in no case less than 6" of well-compacted material will be accepted.
 2. Bituminous Surface The original surface shall be replaced with a 1" greater thickness of hot mix, hot laid, asphaltic concrete, but in no case less than 2" thick.
 3. Concrete Surface The original surface shall be replaced with a 1" greater thickness of minimum 3000 psi Portland Cement concrete, in no case less than 6" thick. Concrete must be replaced in full panel sections only. Replacement concrete is to be reinforced with $\frac{1}{2}$ " diameter deformed reinforcing steel bars, 12" on center or equal. Replacement sections must be accurately positioned with reference to existing sections by means of steel dowel bars. Bituminous overlays or concrete shall be replaced with an equal thickness of hot mix, hot laid asphaltic concrete.

Where a line is installed outside of the roadway area, the excavation may be backfilled with excavated material compacted in 6" lifts, and the right-of-way shall be reshaped to its original contours. Excess excavation shall be hauled away.

Lines paralleling Method of Placement

Where the right-of-way is available, no lines shall be placed closer than ten (10) feet to the edge of pavement nor closer than twenty feet from the center line of a road where the road is not paved. No line shall be placed less than three feet below the flow-line of a road ditch without the permission of Jefferson County Commissioners' Court. (See Standard Detail)

Lines may be placed by an open cut of the road shoulder. When excavated material from the cut is piled along the cut, the applicant shall provide minimum 12" wide weep holes at maximum 200-foot intervals and at all low places to allow drainage of the road and adjacent property into the road ditch.

The line shall be properly bedded and may be backfilled with the excavated material compacted in 6" layers. Excess excavation must be hauled away.

Pole, Lines, Location

Utility lines for the transmission of electrical power, or for telephone or telegraph communications, or for similar purposes, may be installed above ground on timber or other sturdy poles. Poles shall be placed as close as practical to the right-of-way lines but in no case closer than fifteen (15) feet from the edge of pavement without the permission of Commissioners' Court.

No guy wires may be anchored within the right-of-way except in the outer one-foot on each side.

Care shall be taken in the placement of poles to minimize the danger that they present to vehicular traffic. The applicant may in some cases be required to construct guardrails for the protection of the public.

Care shall be taken in the placement of poles to avoid damage to existing underground lines. No poles will be placed where they will block drainage.

Pole lines crossing public roads must provide a minimum twenty-two (22) foot vertical clearance.

Inspection Notice

The applicant will notify County Engineer, at (409) 835-8584, at least 48 hours in advance of the start of construction, or of the resumption of construction if discontinued for more than 5 working days.

Line Markers

All lines crossing public roads shall be identified with appropriate markers installed three (3) feet above ground on metal posts located at the point where such line crosses the right-of-way line.

Lines paralleling shall be marked with similar markers every 400 feet, in no event less than one city block. Lines paralleling shall be marked with similar markers at all angle points. Such markers shall be placed on the right-of-way line and the offset to the line indicated.

Traffic Control

The applicant shall maintain at least one lane of traffic in each direction open at all times unless permission to the contrary is granted by the County Engineer.

The applicant shall provide all necessary flagmen, barricades, flashers and any other traffic control devices necessary for the protection of the public and of his own personnel.

Bonds

The common carrier applicant will provide a performance bond as Jefferson County Commissioners' Court may require to provide for the protection of public property. The minimum bond required shall be \$5,000.00 per crossing and \$50,000.00 per mile of parallel construction or fraction thereof.

Significantly larger bonds may be required if judged necessary by Jefferson County Commissioners' Court. No work will begin until the County Engineer has been furnished such bond.

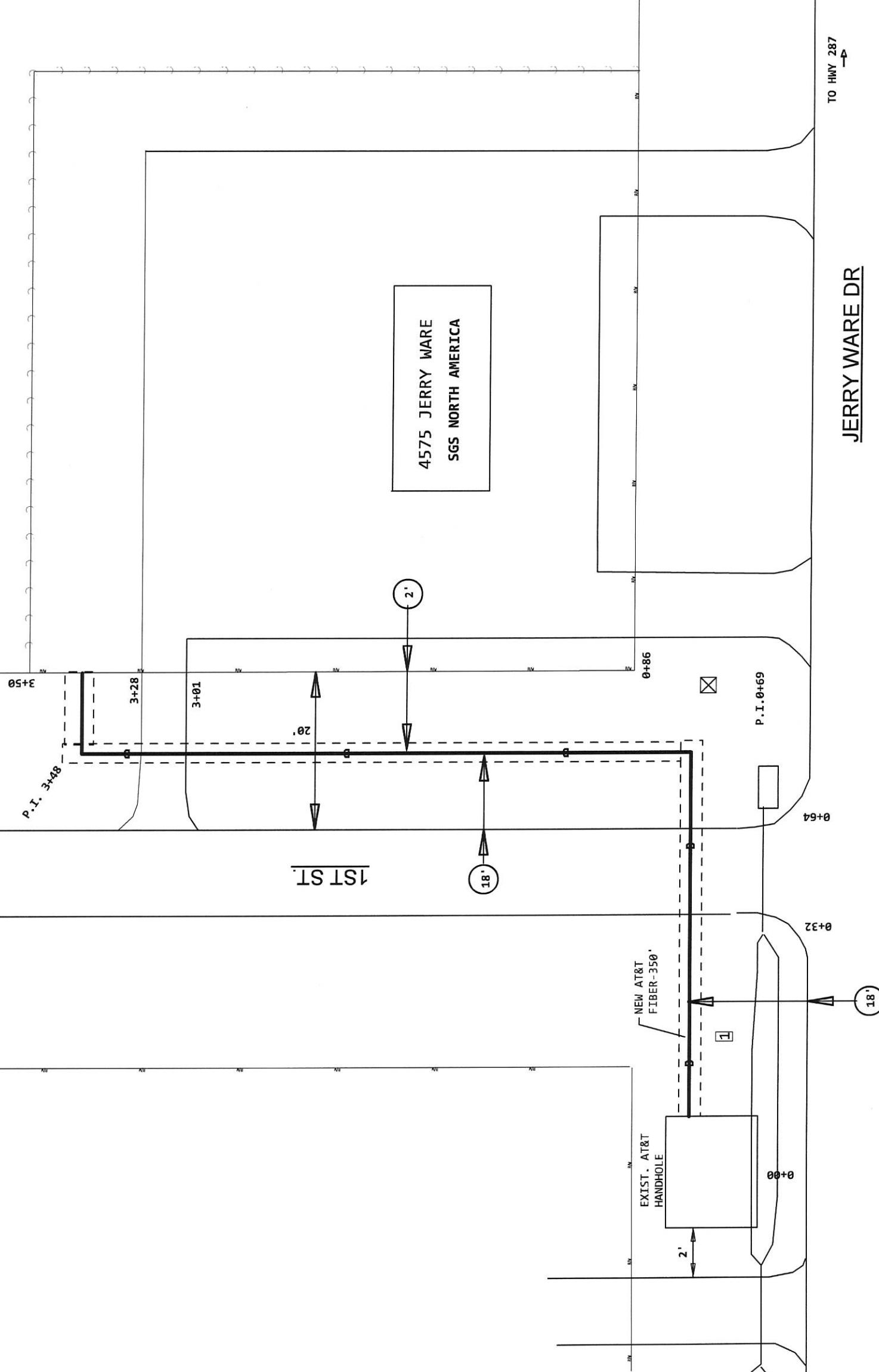
Application Fee

The common carrier application fee shall be \$100.00 per road crossing and \$150.00 per mile of parallel construction or fraction thereof.

ROUTE MAP

Applicant shall submit with application five (5) prints of the County Road Map accurately showing the location and alignment of the line, including all angle points and all tie-ins for crossings of roads and major streams. Applicant shall use the official Jefferson County Road Map at a scale of 1" = 3 miles. This map can be obtained through the office of the County Engineer.

JEFFERSON COUNTY
PERMIT



PROJECT # A01S9YJ		DATE SVC REQ'D 03/23/2020	
DA 3367	GEO LOC WZ7722	CLLI	NDLDTXND
PRIMARY ENGR.: ROMERO, DARRELL J		PERMIT REQ'D.	
ENGR. ID: DR9759		PRINT 5 OF 5	
PHONE #: 4099241494			

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Special, March 03, 2020

There being no further business to come before the Court at this time,
same is now here adjourned on this date, March 03, 2020