

SCHERTZ

ECONOMIC DEVELOPMENT CORPORATION

NOTICE OF MEETING

AGENDA

AUGUST 28, 2025

6:00 P.M.

The City of Schertz Economic Development Corporation (SEDC) Board of Directors will hold a regular monthly meeting on Thursday, AUGUST 28, 2025. at 6:00 p.m. at the Hal Baldwin Municipal Complex, Council Chambers Conference Room, Building No. 4, 1400 Schertz Parkway, Schertz, Texas. This is an open meeting, subject to the open meeting laws of the State of Texas.

In accordance with provisions of the Texas Open Meetings Act, Chapter 551, Texas Government Code notice is hereby given that a Possible Quorum of the governing body of the City of Schertz, Texas may take place at this meeting.

Call to Order

1. Roll call, recognition of visitors, and review of meeting instructions for effective Board interaction and public participation.
2. SEDC Board Member Oath of Office for a member appointed by City Council on 08/05/25 for an unexpired term ending on 09/30/2025. (S. Courney)
 - Matt Clingo
3. Election of the Schertz Economic Development Corporation Board Officers. (W.Dixon)

Hearing of Residents

4. *This time is set aside for any person who wishes to address the Board. Presentations should be limited to no more than 3 minutes. The presiding officer will call on those persons who have signed up to speak.*

Minutes

5. Approval of the minutes for the Board of Directors Regular Monthly Meeting held July 24, 2025 (S. Wayman/A. Madison)

Presentations

6. Staff briefing on SEDC monthly financial statement for the month of July 2025. (S.Wayman)

Discussion Items

7. **Resolution 2025-5** - Adopting an agreement for Provision of Professional Services between the City of Schertz and the Schertz Economic Development Corporation, and other matters in connection therewith. (S.Wayman)

Public Hearings

8. **Resolution 2025-6** - Public hearing, discussion and possible action authorizing the City of Schertz Economic Development Corporation Executive Director to enter into a Performance Agreement with PV Schertz, LLC. (S.Wayman)

Closed Session

9. Called in accordance with Section 551.087 of the Texas Government Code, Deliberation Regarding Economic Development Negotiations; Closed Meeting. The governmental body is not required to conduct an open meeting (1) to discuss or deliberate regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or (2) to deliberate the offer of a financial or other incentive to a business prospect.

- Project - E-107

Reconvene to Regular Session

10. Take any actions based on discussion held in closed session under Agenda Item No. 9

Requests and Announcements

- Announcements by staff:
- Requests by Board Members to place items on a future SEDC Board Meeting agenda.

Adjournment

CERTIFICATION

I, Amy Madison, Deputy Director of the City of Schertz Economic Development Corporation, do hereby certify that the above agenda was posted on the official bulletin boards on this 20th day of August, 2025, at 3:45 p.m., which is a place readily accessible to the public at all times and that said notice was posted in accordance with Chapter 551, Texas Government Code.

Amy Madison
Deputy Director - Economic
Development

I certify that the attached notice and agenda of items to be considered by the Schertz Economic Development Corporation Board of Directors was removed from the official bulletin board on ____ day of _____, 2025.
Name/Title: _____

This facility is accessible in accordance with the Americans with Disabilities Act. Handicapped parking spaces are available. If you require special assistance or have a request for sign interpretative services or other services, please call

210-619-1070.

The Economic Development Corporation Board of Directors reserves the right to adjourn into closed session at any time during the course of this meeting to discuss any of the matters listed above, as authorized by the Texas Open Meetings Act.

Closed Sessions Authorized: This agenda has been reviewed and approved by the City's legal counsel and the presence of any subject in any Closed Session portion of the agenda constitutes a written interpretation of Texas Government Code Chapter 551 by legal counsel for the governmental body and constitutes an opinion by the attorney that the items discussed therein may be legally discussed in the closed portion of the meeting considering available opinions of a court of record and opinions of the Texas Attorney General known to the attorney. This provision has been added to this agenda with the intent to meet all elements necessary to satisfy Texas Government Code Chapter 551.144(c) and the meeting is conducted by all participants in reliance on this opinion.

SEDC MEMORANDUM

SEDC Board Meeting: 08/28/2025
Department: Economic Development Corporation
Subject: Minutes

SUBJECT:
Minutes

Attachments

Minutes July 24, 2025

SCHERTZ

ECONOMIC DEVELOPMENT CORPORATION

MINUTES

Thursday, July 24, 2025

The City of Schertz Economic Development Corporation (SEDC) Board of Directors met for a Regular Monthly Meeting on Thursday, July 24, 2025. at 6:00 p.m. at the Hal Baldwin Municipal Complex, Council Chambers Conference Room, Building No. 4, 1400 Schertz Parkway, Schertz, Texas. This was an open meeting, subject to the open meeting laws of the State of Texas.

In accordance with provisions of the Texas Open Meetings Act, Chapter 551, Texas Government Code notice is hereby given that a Possible Quorum of the governing body of the City of Schertz, Texas may take place at this meeting.

Call to Order

1. Roll call, recognition of visitors, and review of meeting instructions for effective Board interaction and public participation.

Board Vice President Bill Dixon presided over the meeting and called it to order at 6:00 p.m.

Board of Directors Present:

William "Bill" Dixon, Board Vice President
Mark Moody, Board Treasurer
Reynaldo "Ray" Chavez, Board Member
Sharon Denson, Board Member

Staff Present:

Scott Wayman, Executive Director
Amy Madison, Deputy Director
Ashley Ritchey, Business Engagement Manager
Brian James, Deputy City Manager

Board of Directors Absent:

Eryn McElroy, Board Secretary

Others Present:

Jessica Dycus, Assistant Finance Director
Matt Clingo, Schertz Resident

Hearing of Residents

2. *This time is set aside for any person who wishes to address the Board. Presentations should be limited to no more than 3 minutes. The presiding officer will call on those persons who have signed up to speak.*

No residents signed up to speak. No comments were made.

Minutes

3. Approval of the minutes for the Board of Directors Regular Monthly Meeting held Thursday, June 26, 2025. (S.Wayman/T.Miller)

Board Vice President Bill Dixon asked for a motion to approve the Minutes of the Board of Directors Regular Monthly Meeting held Thursday, July 24, 2025.

Moved by Board Member Ray Chavez, seconded by Board Member Bryan Jones.

Unanimous affirmative vote - Motion carries.

Presentations

4. Staff briefing on SEDC monthly financial statement for the month of June 2025 and Reserve Funding. (S.Wayman)

Scott Wayman, Executive Director gave a brief overview of the SEDC Financial Statement for June 2025.

June 2025 sales tax received was \$600,437.19, expenses were \$14,196.52, a 2% increase over the prior year. The 12-month rolling average is 19.8% and still trending up. Notable expenditures include funding for GIS WEBTECH LLC for \$6,515.45. Total Cash and Investments at the end of June was \$36,772,737.43. Mr. Wayman also gave a brief overview of the Reserve Fund Model.

Discussion Items

5. **Resolution 2025-3** - Briefing, public hearing and possible action on recommending approval by the City Council for the proposed Schertz Economic Development Corporation FY 2025-26 Budget and Reserves. (S.Wayman)

Vice President Bill Dixon opened the Public Hearing at 6:10pm and requested a presentation from Mr. Wayman regarding the 2025-26 Budget and Reserves as proposed.

Mr. Wayman reviewed the SEDC payments made in FY25 on eight incentive agreements and one city project totaling approximately \$9.3MM. In FY26, the SEDC is budgeting \$9,648,050 to fund eight incentive projects and \$12,755,500 to fund three city projects for a total project budget of \$22,403,550 in FY26. Wayman explained that contracts and agreements are subject to compliance and timing issues and payments may vary, but to be consistent with best practice, they are included as being paid in the FY26 budget. All unspent funds each year go into reserves for the following year.

Sales Tax Revenue is estimated to increase by 1.2%, bringing the total projected revenues to \$9,143,000. There are no increases year-over-year in interest income budgeted at \$1,260,000 or operational expenditures budgeted at \$760,660. Personnel, rent, internal services and fleet increase by 5.4% totaling \$33,165.66 to accommodate salary and merit adjustments for a total budget of \$642,245.76. The FY26 Fiscal Year Reserve is estimated at \$23,340,443 after revenues and expenses for the year which meets the current reserve policy to maintain \$12,000,000 in reserves set by the Board.

Vice President Bill Dixon called for public comments on the 2025-26 Budget and Reserves. There being no response, he closed the public hearing at 6:19pm.

Mr. Dixon requested a motion from the board. Bryan Jones moved to approve the FY26 SEDC Budget. Mark Moody seconded the motion. Unanimous affirmative vote, motion carries.

6. **Resolution 2025-4** - Discussion, public hearing and possible action on authorizing the Executive Director of the Schertz Economic Development Corporation to enter into a contract regarding a feasibility study for possible local hotel and amenities. (S.Wayman/A.Madison)

Vice President Bill Dixon opened the Public Hearing at 6:20 pm and requested a presentation from Mr. Wayman regarding a feasibility study for possible local hotel and amenities.

Wayman discussed SEDC recruitment efforts for hotel expansion, including discussions with

land developers and hoteliers at retail conferences during the year. In preparation for the discussions, staff developed an inventory of land sites that met the required square footage for most hotels with amenities along the I-35 Corridor, but the staff lacked the information needed by most prospects regarding the marketplace. Wayman noted that the evaluation of the sites for an upgraded hotel was complex, and required industry-specific information. A feasibility study would be required to provide direction for recruitment efforts and future projects. He added that the request to fund a study would not exceed \$17,000 and that the study was not in anticipation of funding a future project, but rather to assist in providing information to developers and hoteliers about our area for hotel amenities. He discussed the cost and professional capabilities of three consultants, including DPC (David Parker Consultants) , CBRE Hotels Advisory, and H&LA Advisors and explained the reason for selecting a contract with DPC should the board approve the resolution. Discussion from that board included questions about meeting space and occupancy rates. They also discussed the sites, locations, amenities and commented on the selection process for the consultant. Wayman requested that Matt Clingo, a guest at the meeting and future board member, provide comments on hotel locations in Schertz. Clingo provided insights on hotel requirements and key factors in site selections.

Vice President Bill Dixon called for further public comment. Hearing none, Dixon closed the public hearing at 6:37 pm.

Dixon called for a motion on Resolution 2025-4. Ray Chavez moved to approve and Mark Moody seconded. Unanimous affirmative vote - Motion carries.

Vice President Bill Dixon recessed Open Session to Closed Session at 6:40 pm.

Closed Session

7. Called in accordance with Section 551.087 of the Texas Government Code, Deliberation Regarding Economic Development Negotiations; Closed Meeting. The governmental body is not required to conduct an open meeting (1) to discuss or deliberate regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or (2) to deliberate the offer of a financial or other incentive to a business prospect.

- Project - E-107
- Project - E-110

Start time: 6:40pm

End time: 7:09pm

Vice President Bill Dixon reconvened to Open Session at 7:09pm

Reconvene to Regular Session

8. Take any actions based on discussion held in closed session under Agenda Item No. 7.

No action was taken.

Requests and Announcements

- Announcements by staff:
 - Next SEDC Regular Board Meeting - August 28, 2025
- Requests by Board Members to place items on a future SEDC Board Meeting agenda.

Adjournment

Board Vice President Bill Dixon adjourned the meeting at 7:11 pm.

MINUTES PASSED AND APPROVED THIS ___ DAY _____ 2025.

William Dixon
Board Vice President

Eryn McElroy
Board Secretary

SEDC MEMORANDUM

SEDC
Board Meeting: 08/28/2025
Department: Economic Development Corporation
Subject: Staff briefing on SEDC monthly financial statement for the month of July 2025. (S.Wayman)

SUBJECT:
Staff briefing on SEDC monthly financial statement for the month of July 2025. (S.Wayman)

Attachments

July 2025 Financials

CITY OF SCHERTZ
 REVENUE AND EXPENSE REPORT (UNAUDITED)
 AS OF: Jul 31st , 2025

***** 2024 - 2025 *****

620-SED CORPORATION
 FINANCIAL SUMMARY OVERVIEW

Revenues

Sales Tax	<u>Sales Tax</u>	\$ 1,170,720.11	Payment Received in July*
		111.4%	Annual Increase
		28.3%	12-Month Rolling Average

Expenses

DPC Hospitality LLC	12,500.00
Group C Media Inc	9,420.00
Texas Economic Development Corporation	5,000.00

Year-to-Date

Total Revenue	\$ 10,181,704.43	
Total Expenses	<u>\$ 10,134,570.07</u>	
Over/Under		<u>\$ 47,134.36</u>

Cash & Investments

Cash	\$ 1,524,376.74	
Investments	<u>\$ 36,393,839.17</u>	
Total		<u>\$ 37,918,215.91</u>

*sales taxes are delayed 2 months from received to earned. Sales Taxes recognized in report are estimates and are adjusted to actual when payments are received.

CITY OF SCHERTZ
 REVENUE AND EXPENSE REPORT (UNAUDITED)
 AS OF: Jul 31st , 2025

620-SED CORPORATION	***** 2024 - 2025 *****						
FINANCIAL SUMMARY	CURRENT BUDGET	CURRENT PERIOD	PRIOR YEAR Y-T-D ACTUAL	CURRENT Y-T-D ACTUAL	Y-T-D ENCUMBR	BUDGET BALANCE	% OF BUDGET
REVENUE SUMMARY							
Taxes	7,083,000	1,236,166.27	5,623,776.71	8,753,919.05	-	(1,670,919.05)	123.59%
Fund Transfers	-	-	190,391.66	-	-	-	0.00%
Miscellaneous	1,260,000	127,586.56	1,546,319.36	1,427,785.38	-	(167,785.38)	113.32%
TOTAL REVENUES	8,343,000	1,363,752.83	7,360,487.73	10,181,704.43	-	(1,838,704.43)	122.04%
EXPENDITURE SUMMARY							
NONDEPARTMENTAL							
City Supported Services*	15,299,100	-	58,984.70	9,335,299.17	-	5,963,800.83	61.02%
TOTAL NONDEPARTMENTAL	15,299,100	-	58,985	9,335,299.17	-	5,963,800.83	61.02%
ECONOMIC DEVELOPMENT							
Personnel Services	24,575	1,546.66	13,921.04	16,340.62	-	8,234.38	66.49%
Supplies & Equipment	61,175	434.74	19,719.03	30,671.98	-	30,503.02	50.14%
City Supported Services	214,500	29.99	3,616.85	3,712.41	-	210,787.59	1.73%
Utility Services	316,825	28,020.00	161,844.90	66,613.43	382.01	249,829.56	21.15%
Operating Expense	88,585	2,552.15	63,795.40	72,196.96	272.61	16,115.43	81.81%
Professional Services	664,080	69.00	549,311.00	609,735.50	-	54,344.50	91.82%
Fund Charges/Transfers	-	-	-	-	-	-	0.00%
TOTAL ECONO DEVELOPMENT	1,369,740	32,652.54	812,208.22	799,270.90	654.62	569,814.48	58.40%
TOTAL EXPENDITURES	16,668,840	32,652.54	871,192.92	10,134,570.07	654.62	6,533,615.31	60.80%
** REVENUE OVER(UNDER) EXPEND	(8,325,840)	1,331,100.29	6,489,295	47,134			



VENDOR NAME	DESCRIPTION	AMOUNT	
SED CORPORATION	Scott Wayman	Per Diem-SEDC Annual Conference	112.00
	Group C Media Inc	Business Facilities LiveXChange Fall Forum	9,420.00
	Citibank - Amy Madison	Travel/Las Vegas/Investment Summit/Event Tickets	1,333.50
	Citibank - Ashley Ritchy	Job Fair/Luncheons/Supplies	1,031.91
	Citibank - Scott Wayman	Travel/Las Vegas	216.66
	Citibank - Tracy Miller	Luncheons/Subscriptions/Parking/Airfare	2,658.99
	Amazon Capital Services Inc	BRE promotional items	29.99
	DPC Hospitality LLC	Market Study	12,500.00
	Ubeo, LLC	Copier Rental	280.49
	Denton Navarro Rodriguez Bernal Santee & Zech	Legal Services for June	69.00
	Texas Economic Development Corporation	TXEDC Investor renewal 2025 5K	5,000.00
		SUBTOTAL:	32,652.54
		TOTAL:	\$32,652.54

SED CORPORATION
CASH IN BANK AND INVESTMENTS

AS OF: Jul 31st , 2025

	Investment			Amount	<u>LAST MONTH</u>	<u>INCREASE DECREASE</u>
Cash in Bank	Type	Yield	Maturity			
Claim on Operating Cash Pool-Checking	Bank	4.27	-	\$ 1,524,376.74	\$ 505,836.89	\$ 1,018,539.85
Cash in Investments						
Texas Class Investment-Economic Development C	Pool*	4.41	-	33,987,003.63	33,860,061.52	126,942.11
Schertz Bank & Trust-Certificate of Deposit 1 Year	CD	4.00	5/10/2026	1,228,988.97	1,228,988.97	-
Schertz Bank & Trust-Certificate of Deposit 1 Year	CD	4.00	1/5/2026	1,177,846.57	1,177,846.57	-
Total Cash in Bank & Investments				<u>\$ 37,918,215.91</u>	<u>\$ 36,772,733.95</u>	<u>\$ 1,145,481.96</u>

*Local Government Investment Pool, most comparable to a Money Market Mutual Fund

CITY OF SCHERTZ

REVENUE REPORT (UNAUDITED)

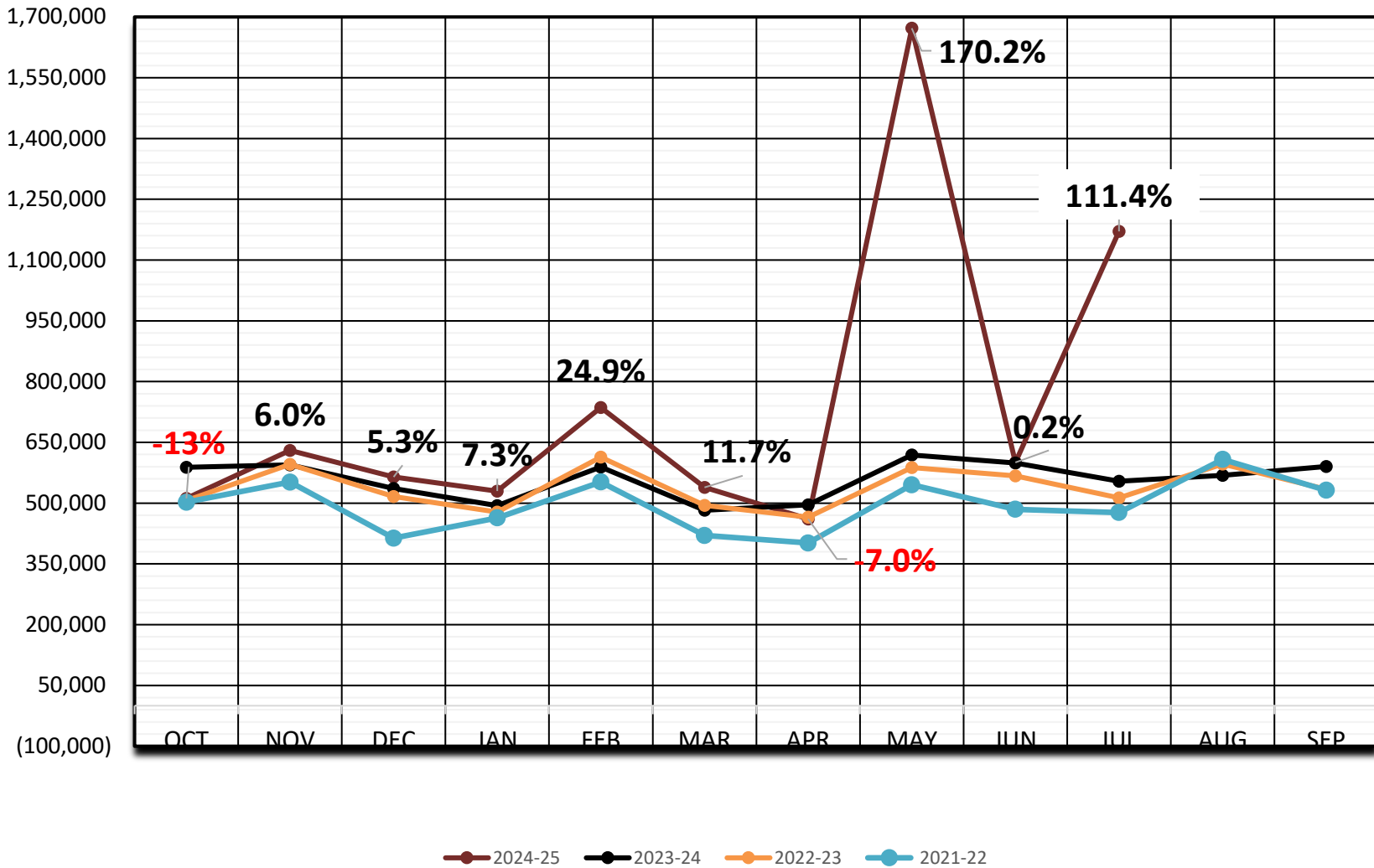
AS OF: Jul 31st , 2025

***** 2024-2025 *****

620-SED CORPORATION	CURRENT	CURRENT	PRIOR YEAR	CURRENT	Y-T-D	BUDGET	% OF
REVENUES	BUDGET	PERIOD	Y-T-D ACTUAL	Y-T-D ACTUAL	ENCUMBR	BALANCE	BUDGET
<u>Taxes</u>							
000-411500 Sales Tax Revenue (4B)	7,083,000	1,236,166.27	5,623,776.71	8,753,919.05	-	(1,670,919.05)	123.59%
TOTAL Taxes	7,083,000	1,236,166.27	5,623,776.71	8,753,919.05	-	(1,670,919.05)	123.59%
<u>Fund Transfers</u>							
000-486000 Transfer In	-	-	190,391.66	-	-	-	0.00%
TOTAL Fund Transfers	-	-	190,391.66	-	-	-	0.00%
<u>Miscellaneous</u>							
000-491000 Interest Earned	10,000	644.45	9,971.49	6,741.20	-	3,258.80	67.41%
000-491200 Investment Earnings	1,250,000	126,942.11	1,536,347.87	1,421,044.18	-	(171,044.18)	113.68%
000-497000 Misc Income	-	-	-	-	-	-	0.00%
TOTAL Miscellaneous	1,260,000	127,586.56	1,546,319.36	1,427,785.38	-	(167,785.38)	113.32%
TOTAL REVENUES	8,343,000	1,363,752.83	7,360,487.73	10,181,704.43	-	(1,838,704.43)	122.04%

4B SALES TAX

By Collection Month



SEDC MEMORANDUM

SEDC
Board Meeting: 08/28/2025
Department: Economic Development Corporation
Subject: Resolution 2025-5 - Adopting an agreement for Provision of Professional Services between the City of Schertz and the Schertz Economic Development Corporation, and other matters in connection therewith. (S.Wayman)

SUBJECT:

Resolution 2025-5 - Adopting an agreement for Provision of Professional Services between the City of Schertz and the Schertz Economic Development Corporation, and other matters in connection therewith. (S.Wayman)

Attachments

RES 2025-5 Professional Services

SEDC RESOLUTION 2025-5

A RESOLUTION BY THE CITY OF SCHERTZ ECONOMIC DEVELOPMENT CORPORATION, TEXAS ADOPTING AN AGREEMENT FOR PROVISION OF PROFESSIONAL SERVICES BETWEEN THE CITY OF SCHERTZ AND THE CITY OF SCHERTZ ECONOMIC DEVELOPMENT CORPORATION, AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, the City of Schertz Economic Development Corporation (“SEDC”) is a non- profit industrial development corporation duly established under the Development Corporation Act of 1979, as amended (Section 501.001 et seq. Texas Local Government Code, formerly the Development Corporation Act of 1979) (the “Act”);

WHEREAS, all powers of the corporation are vested in the SEDC Board of Directors (the “Board”) appointed by the governing body of the corporation’s authorizing unity; and

WHEREAS, the SEDC desires to engage the City of Schertz for the provision of certain professional and other services to assist the SEDC in carrying out its goals and objectives; and

WHEREAS, the SEDC Board hereby finds that it is the best interest to enter into the Agreement for Provision of Professional Services Between the City of Schertz and the City of Schertz Economic Development Corporation, hereto attached as Exhibit A; and

WHEREAS, Section 501.073 of the Act requires that the SEDC receive final approval from the City Council, the authorizing unit to approve all programs and expenditures.

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

Section 1. The Schertz Economic Development Board hereby authorizes the Agreement for Provision of Professional Services Between the City of Schertz and the Schertz Economic Development Corporation in substantially the form set forth on Exhibit A.

Section 2. The recitals contained in the preamble hereof found to be true, and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the Board.

Section 3. All resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

Section 4. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 5. If any provision of this Resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Resolution and the application

of such provision to other person and circumstances shall nevertheless be valid, and the Board hereby declares that this Resolution would have been enacted without such invalid provision.

Section 6. It is officially found, determined, and declared that the meeting at which this Resolution is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Resolution, was given, all as required by Chapter 551, Texas Government Code, as amended.

Section 7. This Resolution shall be in force and effect from and after its final passage, and it is so resolved.

PASSED AND ADOPTED, this _____ day of _____, 2025.

CITY OF SCHERTZ ECONOMIC
DEVELOPMENT CORPORATION

William Dixon, SEDC Board Vice President

ATTEST:

Eryn McElroy, SEDC Board Secretary

EXHIBIT "A"

**AGREEMENT FOR PROVISION OF PROFESSIONAL
SERVICES BETWEEN THE CITY OF SCHERTZ AND THE
CITY OF SCHERTZ ECONOMIC DEVELOPMENT
CORPORATION**

[see attached]

**AGREEMENT FOR PROVISION OF PROFESSIONAL SERVICES
BETWEEN THE CITY OF SCHERTZ AND THE CITY OF SCHERTZ
ECONOMIC DEVELOPMENT CORPORATION**

THE STATE OF TEXAS

KNOWN ALL MEN BY THESE PRESENTS:

COUNTY OF GUADALUPE

THIS AGREEMENT, executed the ____ day of _____, 2025, by and between the CITY OF SCHERTZ, a municipal corporation, acting by and through its City Council, situated in Guadalupe County, Texas (hereinafter referred to as “City”), and the City of Schertz Economic Development Corporation, a Texas non-profit industrial development corporation (hereinafter referred to as “SEDC”) acting by and through its President of the Board is as follows:

WITNESSETH:

I.

The City agrees to provide management, professional, administrative, financial and investment services to the SEDC according to the terms of this agreement. Direct services the City shall perform for the SEDC shall include:

1. Providing Salary, workers’ compensation, health, and retirement expenses for City employees assigned to the SEDC.
2. Preparing all financial and investment reports and keeping all financial books and records required by applicable law.
3. Preparing a budget for the forthcoming year for review and approval by the Board and City Council.
4. Providing all necessary budgeting, accounting, financial management and investment management through the City’s Finance Department.
5. Providing accounts payable, payroll, purchasing and other bookkeeping services with oversight and training of such services.
6. Providing for a repository of records, office and conference space.

7. Providing technology support of hardware, software and phone systems through the City's Information Technology Department.
8. Providing automotive support of vehicles through the City's Fleet Department.
9. Providing for legal services through the City Attorney's office at the rate that those services are provided to the City.
10. Providing for commercial insurance, communication equipment and services, and office equipment products and services at the rate that those products and services are provided to the City.
11. Providing for financial auditing services through the Finance Department at the rate that those services are provided to the City.
12. Providing executive and administrative support, review and oversight by the City Manager.

It is understood and agreed that access to City staff resources by the SEDC is secondary to the needs of the City Council of the City of Schertz.

II.

Subject to the SEDC continuing to contract with the City for management services, the SEDC will pay to the City for its services pursuant to this agreement, in the form of a flat fee (the Service Fee) in the amount of six hundred and forty-two thousand and two hundred forty-six dollars and zero cents (\$642,246) per year. Said amount to be paid in two equal payments on October 1, 2025 and April 1, 2026.

III.

It is the express purpose of this agreement for the City to provide certain management, professional, administrative and financial services to the SEDC.

IV.

Subject to early termination as provided in Article V below, this agreement shall be in effect for a period of one year commencing October 1, 2025 and ending September 30, 2026, and said agreement shall be extended for additional one-year terms thereafter under the same terms and conditions unless one party gives to the other party written notification at least thirty (30) days prior to the end of the existing term of its desire to terminate the agreement.

V.

1. This contract may be terminated by the City or SEDC, in whole, or from time to time, in part, upon thirty (30) days' notice from the terminating party to the other party. Termination shall be effective thirty (30) days after delivery of Notice of Termination

specifying to what extent performance or work under the contract shall be terminated thirty (30) days after receipt by the notified party.

2. After receipt of a Notice of Termination the City shall:
 - a. Stop work on the date as specified in the thirty (30) day Notice of Termination to the extent possible.
 - b. Place no further orders or subcontracts except as may be necessary for completion of the work not terminated.
 - c. Terminate all orders and subcontracts to the extent that they relate to the performance of work terminated by the Notice of Termination in so far as possible.
 - d. The SEDC shall pay all expenses incurred through the date of termination.
 - e. IN WITNESS WHEREOF, the parties have executed this Contract in the year and on the day indicated.

CITY OF SCHERTZ ECONOMIC
DEVELOPMENT CORPORATION

CITY OF SCHERTZ, TEXAS

William Dixon
SEDC Vice President

Steve Williams
City Manager

SEDC MEMORANDUM

SEDC
Board Meeting: 08/28/2025
Department: Economic Development Corporation
Subject: Resolution 2025-6 - Public hearing, discussion and possible action authorizing the City of Schertz Economic Development Corporation Executive Director to enter into a Performance Agreement with PV Schertz, LLC. (S.Wayman)

SUBJECT:

Resolution 2025-6 - Public hearing, discussion and possible action authorizing the City of Schertz Economic Development Corporation Executive Director to enter into a Performance Agreement with PV Schertz, LLC. (S.Wayman)

Attachments

RES 2025-6 PV Schertz

SEDC RESOLUTION 2025-6

A RESOLUTION BY THE CITY OF SCHERTZ DEVELOPMENT CORPORATION, TEXAS AUTHORIZING THE EXECUTIVE DIRECTOR OF THE CITY OF SCHERTZ ECONOMIC DEVELOPMENT CORPORATION TO ENTER INTO A PERFORMANCE AGREEMENT WITH PV SCHERTZ, LLC.; AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, the City of Schertz Economic Development Corporation (herein after called "SEDC") is a non-profit industrial development corporation duly established under the Development Corporation Act of 1979, as amended (Section 501.001 et seq. Texas Local Government Code, formerly the Development Corporation Act of 1979) (the "Act");

WHEREAS, all powers of the corporation are vested in the SEDC Board of Directors (the "Board") appointed by the governing body of the corporation's authorizing unity; and

WHEREAS, the Act authorizes a development corporation to fund certain projects as defined by the Act and request development corporations to enter into performance agreements to establish and provide for the direct incentive or make an expenditure on behalf of a business enterprise under a project; and

WHEREAS, PV Schertz, LLC., a Texas Corporation authorized to do business in Texas (hereinafter called PV Schertz) desires to construct and extend Public Infrastructure Improvements including a water line and relocation of approximately 493 feet, sewer line extension of approximately 560 feet and would provide roadway to enhance the future thoroughfare plan of the city approximately 535 feet of completed roadway width and improvements, at 17680 Four Oaks Drive, in Schertz , Texas, Guadalupe County; and

WHEREAS, PV Schertz desires to complete Public Infrastructure Improvements to allow future development of a minimum 60,000 square foot distribution facility to be built in Schertz, Texas on the property more particularly described as 176800 Four Oaks Dr., Schertz, Texas, and

WHEREAS, PV Schertz has made the necessary right of way dedication to the City of Schertz to provide for the extension of Four Oaks Drive through the property in Guadalupe County and satisfying the City of Schertz Master Thoroughfare Plan adopted in 2017; and

WHEREAS, PV Schertz has requested assistance from the City and SEDC for construction costs associated with the Four Oaks extension project to include road and utilities not to exceed FIVE HUNDRED AND EIGHTY THOUSAND AND NO HUNDREDS (\$580,000); and

WHEREAS, Sections 501, 502, and 505 of the Texas Local Government Code ("Texas LGC") authorizes the SEDC to fund certain projects as defined therein and enter into performance agreements to establish and provide for the direct incentive or make an expenditure on behalf of a business enterprise under a project; and

WHEREAS, Section Sec. 505.159 of the Texas LGC requires the SEDC to hold a public hearing to undertake projects, and a public hearing was held on August 28, 2025 at the SEDC Board Meeting; and

WHEREAS, Section 501.073 of the Act requires the City of Schertz, the SEDC authorizing unit, to approve all SEDC programs and expenditures.

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

Section 1. The Schertz Economic Development Board hereby approves the Economic Development Performance Agreement attached hereto as ATTACHMENT A and authorizes the President to execute and deliver in substantial form as attached to the City of Schertz for final authorization of project expenditures.

Section 2. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the Board.

Section 3. All resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

Section 4. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 5. If any provision of this Resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Resolution and the application of such provision to other persons and circumstances shall nevertheless be valid, and the board hereby declares that this Resolution would have been enacted without such invalid provision.

Section 6. It is officially found, determined, and declared that the meeting at which this Resolution is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Resolution, was given, all as required by Chapter 551, Texas Government Code, as amended.

Section 7. This Resolution shall be in force and effect from and after its final passage, and it is so resolved.

PASSED AND ADOPTED, this ___ *day* of _____, 2025.

CITY OF SCHERTZ ECONOMIC
DEVELOPMENT CORPORATION

William Dixon, SEDC Vice President

Mark Moody, SEDC Board Treasurer

ATTACHMENT A

ECONOMIC DEVELOPMENT INCENTIVE AGREEMENT

PV Schertz, LLC.

This Economic Development Incentive Agreement (“Agreement”) is entered into to be effective as of _____, by and between the **Schertz Economic Development Corporation**, located in Guadalupe County, Texas (hereinafter called “Corporation”), a Texas non-profit industrial development corporation under the Development Corporation Act and governed by TEX. LOC. GOV. CODE chapters 501, 502 and 505 and the Texas Non-Profit Corporation Act and **PV Schertz, LLC.**, a Texas Corporation authorized to do business in Texas (hereinafter called “Developer”), otherwise known as the “Parties” to this Agreement.

RECITALS

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

WHEREAS, for purposes of the Act 501.101, the “project” includes equipment, facilities, expenditures, targeted infrastructure, and improvements that are for the creation or retention of primary jobs and found by the SEDC board of directors to be required or suitable for the development or expansion of manufacturing and industrial facilities; and

WHEREAS, Section 501.158 of the Act requires an incentive agreement to provide at a minimum for a schedule of additional payroll or jobs to be created or retained and capital investment to be made as consideration for any direct incentives provided or expenditures made by the corporation under the agreement and to specify the terms under which repayment must be made if the business enterprise does not meet the performance requirements specified in the agreement; and

WHEREAS, Section 501.103 authorizes expenditures for certain infrastructure improvement projects that are found by the board of directors to be required or suitable for infrastructure necessary to promote or develop new or expanded business enterprises; and

WHEREAS, the Developer desires to construct and extend Public Infrastructure Improvements, including water line extension and relocation of approximately 493 feet, sewer line extension of approximately 560 feet and would provide roadway to enhance the future thoroughfare plan of the city approximately 535 feet of complete roadway width and improvements, at 17680 Four Oaks Dr., in Schertz, Texas, more clearly described on Attachment “B” attached hereto; and

WHEREAS, Developer desires to complete Public Infrastructure Improvements to allow future development of a minimum 60,000 square foot distribution facility to be built in Schertz, Texas, on the property more particularly described as 17680 Four Oaks Dr., Schertz, Texas; and

WHEREAS, the construction and business planned in conjunction with the Project, as proposed,

will contribute to the economic development of the City of Schertz (“City”) by creating new jobs and increased employment, promoting and developing expanded business enterprises, increased development, increased real property value and tax revenue for the City, and will have both a direct and indirect positive overall improvement/stimulus in the local and state economy; and

WHEREAS, the Corporation desires to offer incentives to Developer to enable Developer to construct the Project pursuant to this Agreement in substantial conformity with the City Economic Development Incentive Policy and the Act; and

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

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

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

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

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

**ARTICLE I
RECITALS**

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

**ARTICLE II
AUTHORITY AND TERM**

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

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

3. Administration of Agreement. Upon the Effective Date, the Corporation delegates the administration and oversight of this Agreement to the Executive Director of the Corporation. Any proposed amendments to the Agreement shall require the approval of the Board of Directors of the Corporation.

ARTICLE III DEFINITIONS

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

“Actual Total Improvement Costs” means the actual cost of the Public Improvements including, but not limited to engineering, legal fees, construction, labor, materials, and the costs to “carry” the foregoing, as substantiated with receipts and invoices.

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

“Business Condition” shall mean that the owner of the distribution facility obtains a Certificate of Occupancy and opens for business at the Project Property and facility with staffing deemed appropriate by the business for its operation.

“Certificate of Occupancy” shall mean the signed certificate issued by the City of Schertz Inspections Division granting Property Owner the right to occupy the Facility and confirming that the entire work covered by the permit and plans are in place.

“Default” shall mean failure by any Party to timely and substantially comply with any performance requirement, duty, or covenant if uncured within sixty (60) days of receiving written notice from any other Party.

“Effective Date” shall be _____, 2025.

“Expiration Date” shall mean the earlier of:

1. _____; or
2. The date of termination, provided for under Article VII of this Agreement.

“Facility” shall mean a minimum 60,000 square foot distribution facility and associated improvements located at 17680 Four Oaks Dr, Schertz, Texas.

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

“Reimbursement Grant” shall mean the two cash payments from Corporation to Developer for public infrastructure extension on the project site at at 17680 Four Oaks Dr, Schertz, Texas, not to exceed Maximum Reimbursement Amount.

“Maximum Reimbursement Amount” shall mean not to exceed FIVE HUNDRED AND EIGHTY THOUSAND AND NO HUNDREDS (\$580,000).

“Project” shall mean Public Infrastructure Improvements (“the Project”), including water line extension and relocation of approximately 493 feet, sewer line extension of approximately 560 feet, enhance the future thoroughfare plan of the city with approximately 535 feet of completed roadway width from the existing Four Oaks Road to 17680 Four Oaks Drive in Schertz, Texas and provide necessary improvements for an intersecting offsite private drive more clearly described in Attachment “B”.

“Public Improvements” means the improvements constructed by the Developer for the purpose of extending and relocating a water line, sewer line and public roadway to serve the Project, as described in Attachment “B”.

“State of Texas” shall mean the Office of the Texas Comptroller, or its successor.

ARTICLE IV ECONOMIC DEVELOPMENT INCENTIVE TERMS AND CONDITIONS

1. Incentive.

Subject to the satisfaction of all the terms and conditions of this Agreement and the obligation of Developer to repay the Grant pursuant to Article V hereof, the Corporation agrees to provide Developer with the following economic development incentives:

Phase I. Corporation will provide a reimbursement Grant to Developer of up to 60 percent of the Actual Total Improvement costs of public improvements described in Attachment “B” at the time the public improvements are accepted by the city. Developer agrees to provide Corporation receipts of total costs, and the Reimbursement Grant shall be paid within sixty (60) days after receipt of acceptance letter and proof of receipts.

Phase II. At the time of the Certificate of Occupancy for a distribution facility at the location and staffed deemed appropriate by the distributor for its operation, satisfying the Business Condition, Corporation will provide the remaining 40% of the Total Improvement Cost. The amount paid by the Corporation to Developer will not exceed the Maximum Reimbursement Amount and all payments will be substantiated by receipts. The Reimbursement Grant shall be paid within sixty (60) days after receipt of Certificate of Occupancy and information establishing the facility has met the requirements of Business Condition.

2. Current Revenue. The funds distributed hereunder shall be paid solely from lawfully available funds to the Corporation. Under no circumstances shall the obligations hereunder be deemed to create any debt within the meaning of any constitutional or statutory provision. None of the obligations under this Agreement shall be pledged or otherwise encumbered in favor of any commercial lender and/or similar financial institution.

3. Confidentiality. The Corporation agrees to the extent allowed by law, to keep all tax information and documentation received, pursuant to this Agreement hereof, confidential. In the event a request is made for such information pursuant to the Texas Public Information Act, Corporation will not disclose the information unless required to do so by the Attorney General of Texas under the provisions of the applicable statutes.

ARTICLE V COVENANTS AND DUTIES

1. Developer's Covenants and Duties. Developer makes the covenants and warranties to the Corporation and agrees to timely and fully perform the obligations and duties contained in Article IV of this Agreement. Any false or substantially misleading statements contained herein or failure to timely and fully perform those obligations and duties within this Agreement shall be an act of Default by the Developer.

(a) Developer is authorized to do business and is in good standing in the State of Texas and shall remain in good standing in the State of Texas and the United States of America during any term of this Agreement and shall timely and fully comply with all the terms and conditions of this Agreement to commence and complete the Project in accordance with the Agreement.

(b) The execution of this Agreement has been duly authorized by Developer's authorized agent, and the individual signing this Agreement is empowered to execute such Agreement and bind the entity. Said authorization, signing, and binding effect is not in contravention of any law, rule, regulation, or of the provisions of Developer's by-laws, or of any agreement or instrument to which Developer is a party to or by which it may be bound.

(c) Developer is not a party to any Bankruptcy proceedings currently pending or contemplated, and Developer has not been informed of any potential involuntary Bankruptcy proceedings.

(d) To its current, actual knowledge, and subject to the Certificate of Occupancy (or other approvals and permits to be obtained under subpart (f) immediately below), Developer has acquired and maintained all necessary rights,

licenses, permits, and authority to carry on its business in the City of Schertz and will continue to use its best efforts to maintain all necessary rights, licenses, permits, and authority.

(e) Developer agrees to obtain or cause to be obtained, all necessary permits and approvals from City of Schertz and/or all other governmental agencies having jurisdiction over the construction of any improvements to the Project and shall be responsible for paying, or causing to be paid, to City of Schertz and all other governmental agencies the cost of all applicable permit fees and licenses required for construction of the Project.

(f) Developer shall cooperate with the Corporation in providing all necessary information to assist them in complying with this Agreement.

(g) During the term of this Agreement, Developer agrees to not knowingly employ any undocumented workers as part of the Project, and, if convicted of a violation under 8 U.S.C. Section 1324a(1), Developer shall be in Default (subject to the remedies in Article V above). Developer is not liable for an unknown violation of this Section by a subsidiary, affiliate, or franchisee of Developer or by a person with whom Developer contracts provided however that identical federal law requirements provided for herein shall be included as part of any agreement or contract which Developer enters into with any subsidiary, assignee, affiliate, or franchisee for which Grant provided herein will be used.

(h) Maintain and prepare financial statements in accordance with generally accepted accounting principles in the United States of America as established by the Financial Accounting Standards Board and permit Corporation to visit, examine, audit, inspect, and make and take away copies or reproductions of Developer's book of accounts and other records at mutually agreed upon times (provided, Corporation shall pay the reasonable fees and disbursements of any accountants or other agents of Corporation, selected by Corporation, for the foregoing purposes). Unless written notice of another location is given to Corporation, Developer's books and records will be located at Four Oaks Dr, Schertz, Comal County, Texas 78154.

(i) Grant Corporation the right to periodically (and with reasonable advance notice) verify the terms and conditions of this Agreement.

2. Corporation's Covenants and Duties. The Corporation is obligated to pay Developer a Reimbursement Grant not to exceed the Maximum Grant Amount from sources contemplated by this agreement, subject to Developer's timely and full satisfaction of all applicable terms and conditions of this agreement. Further, the Corporation's obligations to pay Developer shall cease after the earlier of: 1) payment in full of Maximum Grant amount; 2) reaching the Agreement's Expiration Date; or 3) Default by Developer in accordance with the terms of this Agreement. The Grant payments shall be paid in conformance with Article IV Section 1 of this agreement.

3. Substantial Compliance and Default. Failure by any Party to timely and substantially comply with any performance requirement, duty, or covenant shall be considered an

act of Default if uncured within sixty (60) days of receiving written notice from any other Party. Failure of Developer to timely and substantially cure a default will give the Corporation the right to terminate this Agreement, as reasonably determined by the Board of Directors of the Corporation.

4. Recapture. In the event of Default by the Developer, or if the distribution facility ceases operations, the Corporation shall as its sole and exclusive remedy for Default hereunder, after providing Developer notice and an opportunity to cure, have the right to discontinue all future Grant payments and recapture the amount paid to Developer for improvements paid in accordance with the table below: (as applicable, the “Recaptured Amount”).

If Business Condition Ceases	Total Public Improvement Recapture
Year 1	25%
Year 2	15%
Year 3	10%

The Recaptured Amount shall be paid by the Developer within one hundred twenty (120) days after the date Developer is notified by the Corporation of such Default (the “Payment Date”) provided said Default was not cured. In the event the Recaptured Amount is not repaid by the applicable Payment Date, the unpaid portion thereof shall accrue interest at the rate of two percent (2.00%) per annum from the Effective Date until paid in full.

ARTICLE VI TERMINATION

1. Termination. This Agreement shall terminate upon the earliest occurrence of any one or more of the following:

- (a) The written agreement of the Parties;
- (b) The Agreement’s Expiration Date;
- (c) Default by Developer (at the option of the Corporation).

ARTICLE VII DISPUTE RESOLUTION

1. Mediation. If a dispute arises out of or relates to this Agreement or the breach thereof, the Parties shall first in good faith seek to resolve the dispute through negotiation between the upper management of each respective Party. If such dispute cannot be settled through

negotiation, the Parties agree to try in good faith to settle the dispute by mediation under the Commercial Mediation Rules of the American Arbitration Association, San Antonio, Texas, before resorting to litigation; provided that a Party may not invoke mediation unless it has provided the other Party with written notice of the dispute and has attempted in good faith to resolve such dispute through negotiation. Notwithstanding the foregoing, any Party may seek immediate equitable relief, without attempting to settle a dispute through mediation, in any case where such Party is entitled to equitable relief by law, the terms of the Agreement, or otherwise. All costs of negotiation and mediation collectively known as alternate dispute resolution (“ADR”) shall be assessed equally between the Parties with each party bearing their own costs for attorneys’ fees, experts, and other costs of ADR and any ensuing litigation.

2. During the term of this Agreement, if Developer files and/or pursues an adversarial proceeding against the Corporation regarding this Agreement without first engaging in good faith mediation of the dispute, then, at the Corporation’s option, all access to the funds provided for hereunder may be deposited with a mutually acceptable escrow agent that will deposit such funds in an interest bearing account until the resolution of such adversarial proceeding.

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

ARTICLE VIII MISCELLANEOUS

1. Binding Agreement. The terms and conditions of this Agreement shall be binding on and inure to the benefit of the Parties, and their respective successors and assigns. The Executive Director of the Corporation shall be responsible for the administration of this Agreement and shall have the authority to execute any instruments duly approved by the Corporation, on behalf of the Parties related thereto. Notwithstanding any other provision of this Agreement to the contrary, performance of either Party under this Agreement is specifically contingent on Developer obtaining a Certificate of Occupancy from the City of Schertz and commencing operations at the Facility under the terms of this Agreement.

2. Mutual Assistance. The Parties will do all things reasonably necessary or appropriate to carry out the terms and provisions of this Agreement and to aid and assist each other in carrying out such terms and provisions.

3. Representations and Warranties. The Corporation represents and warrants to Developer that this Agreement is within their authority, and that they are duly authorized and empowered to enter into this Agreement, unless otherwise ordered by a court of competent jurisdiction. Developer represents and warrants to the Corporation that it has the requisite authority to enter into this Agreement.

4. Assignment. Developer shall have the right to assign all of its rights, duties, and obligations under this Agreement to a duly qualified third party with prior written approval of the Corporation. Any assignment provided for herein shall not serve to enlarge or diminish the obligations and requirements of this Agreement, nor shall they relieve Developer of any liability to the Corporation including any required indemnity in the event that any Assignee hereof shall at any time be in Default of the terms of this Agreement. The Corporation may demand and receive

adequate assurance of performance including the deposit or provision of financial security by any proposed Assignee prior to its approval of an assignment.

5. Independent Contractors.

(a) It is expressly understood and agreed by all Parties hereto that in performing their services hereunder, Developer at no time will be acting as an agent of the Corporation and that all consultants or contractors engaged by Developer respectively will be independent contractors of Developer; and nothing contained in this Agreement is intended by the Parties to create a partnership or joint venture between the Parties and any implication to the contrary is hereby expressly disavowed the Parties hereto understand and agree that the Corporation will not be liable for any claims that may be asserted by any third party occurring in connection with services performed by Developer respectively under this Agreement, unless any such claims are due to the fault of the Corporation.

(b) By entering into this Agreement, except as specifically set forth herein, the Parties do not waive, and shall not be deemed to have waived, any rights, immunities, or defenses either may have, including the defense of parties, and nothing contained herein shall ever be construed as a waiver of sovereign or official immunity by the Corporation with such rights being expressly reserved to the fullest extent authorized by law and to the same extent which existed prior to the execution hereof.

(c) No employee of the Corporation, or any board member, or agent of the Corporation, shall be personally responsible for any liability arising under or growing out of this Agreement.

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

If intended for SEDC: Schertz Economic Development Corporation
Attention: Exec. Dir. of Economic Development
1400 Schertz Parkway
Schertz, TX 78154

With a copy to:
Denton, Navarro, & Bernal
PC Attention: T. Daniel Santee
2517 North Main Avenue
San Antonio, TX 78212

If to the Developer: PV Schertz, LLC
Attention: Andrew Kaplan
Address: 4350 La Jolla Village Drive, #110
Address: San Diego, CA921222

With a copy to:
AQUILA
Attention: Joe Simmons
Address: 1717 W. Sixth Street, Suite 400
Austin, TX 78703

Cable Partners, Inc.
Attention: Day Cable
11719 FM 2244 Ste 103
Austin, TX 78738

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

7. Governmental Records. All invoices, records and other documents required for submission to the City pursuant to the terms of this Agreement are Governmental Records for the purposes of Texas Penal Code Section 37.10

8. Governing Law. The Agreement shall be governed by the laws of the State of Texas, and the venue for any action concerning this Agreement (subject to the dispute resolution mechanisms of Article VIII above) shall be in the Courts of Guadalupe County. The Parties agree to submit to the personal and subject matter jurisdiction of said court.

9. Amendment. This Agreement may be amended by mutual written agreement of the Parties, as approved by the Board of Directors of the Corporation.

10. Legal Construction. In the event any one or more of the provisions contained in this Agreement shall, for any reason, be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect other provisions of this Agreement, and it is the intention of the Parties to this Agreement that, in lieu of each provision that is found to be illegal, invalid, or unenforceable, a provision be added to this Agreement which is legal, valid and enforceable and is as similar in terms as possible to the provision found to be illegal, invalid, or unenforceable.

11. Payment of Legal Fees. Developer commits to reimburse the Corporation for the necessary legal fees in the preparation of any amendment to this Agreement requested by Developer. Timely payment shall be made within 60 days of submittal of invoice to Developer by the Corporation or its assigns. Each Party shall bear its own attorney's fees in connection with the negotiation of this Agreement.

12. Interpretation. Each of the Parties has been represented by counsel of their choosing in the negotiation and preparation of this Agreement. Regardless of which Party prepared the initial draft of this Agreement, this Agreement shall, in the event of any dispute, whatever its meaning or application, be interpreted fairly and reasonably and neither more strongly for or against any Party.

13. Entire Agreement. This Agreement constitutes the entire agreement between the Parties with respect to the subject matter covered in this Agreement. There is no other collateral oral or written agreement between the Parties that, in any manner, relates to the subject matter of this Agreement, except as provided for in any Exhibits attached hereto or duly approved amendments to this Agreement, as approved by the Board of Directors of the Corporation.

14. Paragraph Headings. The paragraph headings contained in this Agreement are for convenience only and will in no way enlarge or limit the scope or meaning of the various and several paragraphs.

15. Counterparts. This Agreement may be executed in counterparts. Each of the counterparts shall be deemed an original instrument, but all of the counterparts shall constitute one and the same instrument.

16. Exhibits. Any Exhibits attached hereto are incorporated by reference for all purposes.

17. Survival of Covenants. Any of the representations, warranties, covenants, and obligations of the Parties, as well as any rights and benefits of the Parties, pertaining to a period of time following the termination of this Agreement shall survive termination.

18. Indemnification.

DEVELOPER AGREES TO DEFEND, INDEMNIFY AND HOLD THE CORPORATION AND CITY, AND THEIR RESPECTIVE OFFICERS, AGENTS AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL REASONABLE LIABILITIES, DAMAGES, CLAIMS, LAWSUITS, JUDGEMENTS, ATTORNEY FEES, COSTS, EXPENSES AND ANY CAUSE OF ACTION THAT DIRECTLY RELATES TO A RESULT OF ANY ACT OR OMISSION OR BREACH OR NON-PERFORMANCE BY DEVELOPER UNDER THIS AGREEMENT EXCEPT THAT THE IMDEMNITY PROVIDED HEREIN SHALL NOT APPLY TO ANY LIABILITY RESULTING FROM THE ACTION OR OMISSIONS OF THE CORPORATION OR CITY. THE PROVISIONS OF THIS SECTION ARE SOLELY FOR THE BENEFIT OF THE PARTIES HERETO AND NOT INTENDED TO CREATE OR GRANT ANY RIGHTS, CONTRACTUAL OR OTHERWISE, TO ANY OTHER PERSON OR ENTITY. IT BEING THE INTENTION OF THE PARTIES THAT DEVELOPER SHALL BE RESPONSIBLE FOR THE REPAYMENT OF ANY ANNUAL GRANTS PAID TO DEVELOPER HEREIN THAT INCLUDES CITY SALES TAX RECEIPTS THAT THE STATE OF TEXAS HAS DETERMINED WAS ERRONEOUSLY PAID, DISTRIBUTED OR ALLOCATED TO THE CORPORATION.

19. Additional Instruments. The Parties agree and covenant to cooperate, negotiate in good faith, and to execute such other and further instruments and documents as may be reasonably required to fulfill the public purposes provided for and included within this Agreement.

20. Force Majeure. Whenever a period of time is herein prescribed for action to be taken by the Developer, the Developer shall not be liable for or responsible for, and there shall be

excluded from the computation of any such period of time, any delays due to causes of any kind whatsoever which are caused by Force Majeure.

Executed on this _____ day of _____ 2025.

**SCHERTZ ECONOMIC DEVELOPMENT
CORPORATION**

By: _____

ATTEST:

By: _____

Executed on this _____ day of _____, 2025

DEVELOPER

PV Schertz, LLC

By: _____

Name:

Title:

Attachment A

SAMPLE ANNUAL CERTIFICATION REPORT FORM

[SEE ATTACHED]

Annual Certification Report

Reporting Period: January 1 to December 31, 20__

The Annual Certification Report for the Economic Development Incentive Agreement between the City of Schertz Economic Development Corporation and _____, is due on **February 15, 20__**. Please sign and return the Annual Certification Report form with a Developer narrative.

I. PROJECT INFORMATION

Project Information:

Developer's legal name: _____

Project address subject to incentive: _____

Developer primary contact: _____ Title: _____

Phone number: _____ E-mail address: _____

II. REPORTING INFORMATION

Employment and Wage Information:

Has the Developer employed undocumented workers? Yes No

What is the total number of Full-time Employees located at the Schertz facility during the calendar year? _____

What is the total Annual Payroll for the Schertz facility during the calendar year? _____

Investment Information:

What is the 20__ appraised ad valorem tax value for Tangible Personal Property? _____

Narrative:

A brief narrative explaining the current year's activities and/or any potential defaults has been provided? Yes No

III. ADDITIONAL INFORMATION (VOLUNTARY)

Employment:

Total full-time employees: _____

Total annual payroll: _____

Number of full-time jobs added in past year: _____

Number of employees that live in Schertz, Texas: _____

Interested in being contacted about workforce training opportunities? Yes No

Interested in being contacted for assistance with City permits? Yes No

IV. CERTIFICATION

I certify that, to the best of my knowledge and belief, the information and attachments provided herein are true and accurate and in compliance with the terms of Economic Development Incentive Agreement.

I further certify that the representations and warranties contained within the Agreement remain true and correct as of the date of this Certification, and XXX Corporation. remakes those representations and warranties as of the date hereof.

I further certify that the employment and wage information provided is true and accurate to the best of my knowledge and I can provide documentation from the Texas Workforce Commission to support my claim if so requested.

I understand that this Certificate is being relied upon by the SEDC in connection with the expenditure of public funds.

I have the legal and express authority to sign this Certificate on behalf of [Developer Name] Corporation.

Name of Certifying Officer

Certifying Officer's Title

Phone Number

E-Mail Address

Signature of Certifying Officer

Date

STATE OF TEXAS X
COUNTY OF GUADALUPE X

This information was acknowledged before me on this _____ day of _____, _____ by [first and last name], [title] for XX Corporation, a Texas corporation, on behalf of said agency.

Notary Public, State of Texas

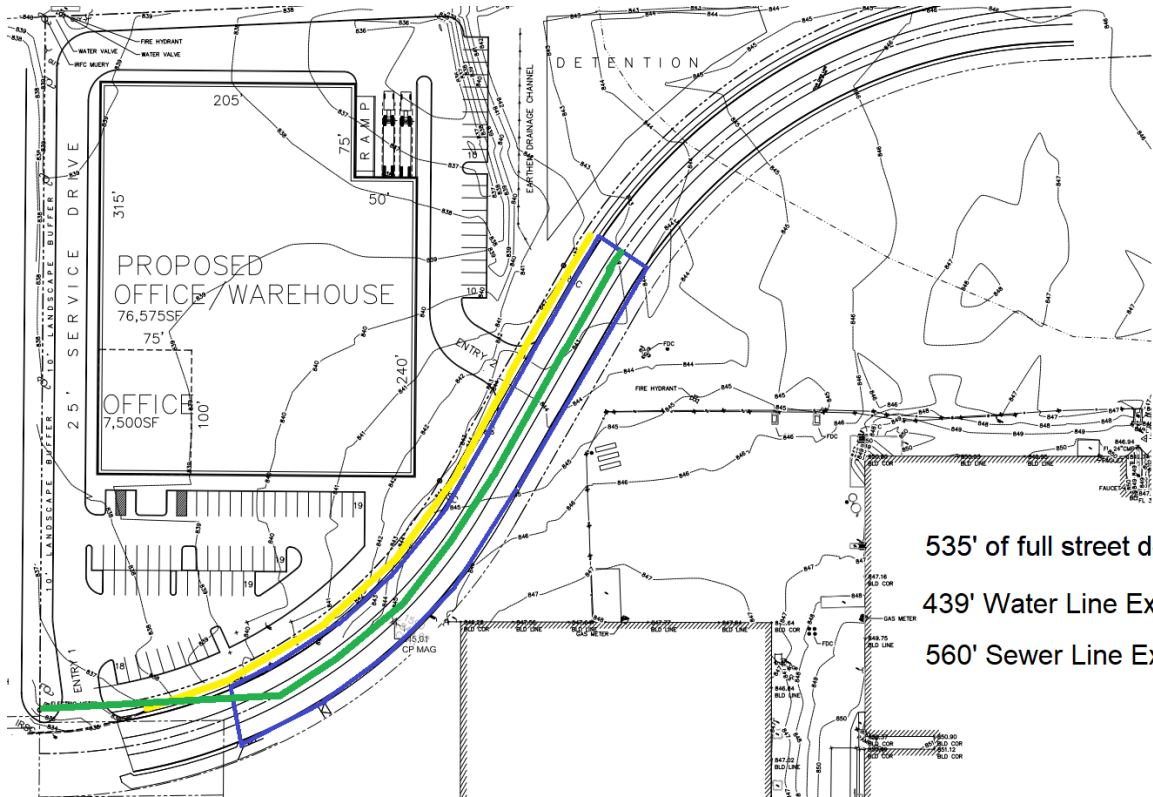
Notary's typed or printed name

My commission expires

The Annual Certification Report is to be completed, signed and returned on or before February 15, 20__.
Please send an original to the following address:

**Attention: Executive Director
City of Schertz Economic Development Corporation
1400 Schertz Parkway, Bldg. No. 2
Schertz, TX 78154**

Attachment B



535' of full street design
439' Water Line Extension
560' Sewer Line Extension