

**AGREEMENT FOR PUBLIC IMPROVEMENT DISTRICT (PID) AND TAX INCREMENT
REINVESTMENT ZONE (TIRZ) CREATION AND
ADMINISTRATION SERVICES**

This Agreement for Public Improvement District ("PID") and Tax increment Reinvestment Zone ("TIRZ") Creation and Administration Services ("Agreement") is entered into this _____ day of _____, 2021, by and between P3Works, LLC ("P3Works"), a Texas limited liability company, and the City of Mesquite, Texas, a home-rule municipality ("City").

RECITALS

WHEREAS, the City Council passed Resolution No. _____ on _____, 20____, approving and authorizing the creation of the Solterra Public Improvement District ("District") to finance the costs of certain public improvements for the benefit of property within the District; and

WHEREAS, the City may consider issuing bonds to fund certain improvements in the PID as authorized by the Public Improvement District Assessment Act, Texas Local Government Code, Chapter 372, as amended; and

WHEREAS, the City may consider creating a Tax Increment Reinvestment Zone ("TIRZ"), in which the boundary will commiserate with the boundary of the District, to fund certain improvements as authorized by the Tax Increment Financing Act, of the Texas Tax Code, Chapter 311, as amended; and

WHEREAS, the City requires specialized services related to the creation, revision and updating of the Service and Assessment Plan ("Service and Assessment Plan"), bond issuance, and the administration of the District; the creation, revision and updating of the Final Project and Finance Plan ("Final Plan") and the Annual Reporting of the TIRZ as more fully set forth in this Agreement; and

WHEREAS, P3Works has the expertise to properly establish and administer the District and ensure compliance with Texas Local Government Code Chapter 372, and Texas Tax Code 311; and

WHEREAS, the City desires to retain P3Works to provide District and TIRZ creation and administration services;

NOW THEREFORE, in consideration of the mutual promises and covenants contained in this Agreement, and for good and valuable consideration, P3Works and the City agree as follows:

ARTICLE I
TERM OF AGREEMENT

1.0 The Agreement shall be effective as of its approval by all parties, and shall be for an initial term of three (3) years ("Initial Term"), unless terminated sooner in accordance with this Agreement. Thereafter, this Agreement shall automatically continue on a year to year basis until terminated pursuant to Article IV of this Agreement.

ARTICLE II
SERVICES TO BE PROVIDED BY P3WORKS

2.0 The scope and timing of services to be performed by P3Works are set forth in **Exhibits A and B**, which are attached hereto and incorporated into this Agreement by this reference.

2.1 P3Works agrees that its services pursuant to this Agreement shall at all times be subject to the control and supervision of the City and that nothing in this Agreement shall constitute an assignment of any right or obligation of the City under any applicable contract, agreement, or law. P3Works shall not represent to any property owner or any other person that it or any of its employees are acting as the City or employees of the City.

2.2 No substantial changes in the scope of services shall be made without the prior written approval of P3Works and the City.

2.3 P3Works shall supply all tools and means necessary to perform the services and production of the work product described in **Exhibits A and B**.

2.4 In providing services under this Agreement, P3Works will perform in a manner consistent with that degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances. P3Works and its employees or associates shall perform all of the services under this Agreement. P3Works represents that all its employees or associates who perform services under this Agreement shall be fully qualified and competent to perform the services described in this Agreement.

ARTICLE III
PAYMENT TERMS AND CONDITIONS

3.0 In consideration for the services to be performed by P3Works, the City agrees to pay P3Works the fees for all services and related costs and expenses set forth in **Exhibits A and B**, beginning the first day of the month following the execution of this Agreement. Beginning on the February 1 following the levy of the Assessment and each February 1st thereafter, the fees shall increase by 2%.

3.1 Monthly invoices shall be submitted to the City for work completed. City agrees to pay the amount due to P3Works upon receipt of each invoice. However, in the event of a dispute, the City reserves the right to withhold any disputed amount until the dispute has been resolved by the parties.

3.2 Copies of all invoices to P3Works for expenses, materials, or services provided to P3Works will accompany the invoice to the City. P3Works will pass any third-party cost through to the City without markup and will not incur any expense in excess of \$200 without written consent of the City.

3.3 The only source of payment for P3Works' fees and services shall be the District or funds advanced by the developer. The City general fund shall never be used to pay for any expenses relating to P3Works' administration of the District. In the event there is insufficient District funds in a given year to pay P3Works' fees and expenses, P3Works agrees to defer the fees and expenses until such time as there are sufficient District funds or funds advanced by the developer. Under no circumstance shall this Agreement be construed to create an unfunded debt against the City in violation of the Texas

Constitution and other applicable law.

ARTICLE IV **TERMINATION OF THIS AGREEMENT**

4.0 Notwithstanding any other provisions of this Agreement, either party may terminate this Agreement at any time by giving sixty (60) days written notice to the other party without penalty and without limitation of its right to seek damages. City shall pay P3Works, within 30 days of such termination, all of P3Works' fees and expenses actually accrued or incurred to and including the date of termination, including any amount incurred or accrued in connection with work in progress.

ARTICLE V **GENERAL PROVISIONS**

5.0 **PRIOR AGREEMENTS.** This Agreement supersedes any and all agreements, including the Original PID Administration Agreement, either oral or written, between the parties hereto with respect to rendering of services by P3Works for the City and contains all of the covenants and agreements between the parties with respect to the rendering of such services in any manner whatsoever. Each party of this Agreement acknowledges that no representations, inducements, promises, or agreements, orally or otherwise, have been made by any party which are not embodied herein and that no other agreement, statement, or promise not contained in this Agreement shall be valid or binding. To the extent of conflict between this Agreement and Exhibits A, B, or C, this Agreement shall control.

5.1 **VENUE AND JURISDICTION.** This Agreement shall be administered and interpreted under the laws of the State of Texas and the parties consent to venue in Dallas County, Texas. This Agreement shall not be construed for or against any party by reason of who drafted the provisions set forth herein. If any part of this Agreement is found to be in conflict with applicable laws, such part shall be inoperative, null and void insofar as it is in conflict with said laws, but the remainder of this Agreement shall remain in full force and effect.

5.2 **ASSIGNMENT.** Neither this Agreement or any duties or obligations under this Agreement may be assigned by P3Works without the prior written consent of the City.

5.3 **WAIVER AND GOVERNMENTAL IMMUNITY.** The waiver by either party of a breach or violation of any provision of this Agreement will not operate as or be construed to be a waiver of any subsequent breach thereof. The Parties expressly agree that no provision of the Agreement is in any way intended to constitute a waiver of any defenses, immunities from suit, or immunities from liability that the City has by operation of law.

5.4 **OWNERSHIP OF RECORDS.** All records, reports, and other documents prepared by P3Works for the purposes of providing the services described in this Agreement shall be property of the City. All such documents shall be made available to the City during the course of performance of this Agreement. Any reports, studies, photographs, negatives, or other documents or drawings prepared by P3Works in the performance of its obligations under this Agreement shall be the exclusive property of the City and all such materials shall be remitted to the City by P3Works upon completion, termination, or cancellation of this Agreement.

5.5 **OWNERSHIP OF P3WORKS.** The City acknowledges P3Works' ownership of its software, programs, inventions, know-how, trade secrets, confidential knowledge, source code, or other

proprietary information relating to products, processes, services, software, formulas, developmental or experimental work, business plans, financial information, or other subject matter ("Confidential Information") pertaining to the business of P3Works. Unless otherwise required by law, this Agreement shall not in any way give rise to any requirement or obligation for P3Works to disclose or release any Confidential Information.

5.6 **HEADINGS.** The headings and article titles of this Agreement are not a part of this Agreement and shall have no effect upon the construction or interpretation of any part hereof.

5.7 **NOTICES.** All notices, requests, demands, and other communications which are required to be given under this agreement shall be in writing and shall be deemed to have been duly given upon the delivery by registered or certified mail, return receipt requested, postage prepaid thereon, as follows:

To P3Works:

Mary V. Petty
Managing Partner
P3Works, LLC
9284 Huntington Square
Suite 100
North Richland Hills, TX 76182

To City:

Cliff Keheley
City Manager
City of Mesquite
1515 N. Galloway Ave
Mesquite, Tx 75149

5.8 **COMPLIANCE WITH LAW.** P3Works shall at all times observe and comply with all Federal, State and local laws, ordinances and regulations which in any manner affect this Agreement or the work, and shall indemnify and save harmless the City against any claim arising from the violation of any such laws, ordinances and regulations whether by P3Works or his employees.

5.9 **MODIFICATION.** Modification of this Agreement is only valid if in writing and signed by both parties.

5.10 **CONSULTANT LIABILITY.** Approval of City shall not constitute or be deemed a release of the responsibility and liability of P3Works, its employees, agents, associates, or subcontractors for the accuracy and competency of services by P3Works, its employees, agents, associates, or subcontractors, as required under this Agreement. In addition, approval of City shall not be deemed to be the assumption of any responsibility by City for any defect, error, or omission in the deliverables prepared by P3Works, its employees, agents, associates, or subcontractors.

5.11 **CONFLICT OF INTEREST REQUIREMENT.** This Agreement is entered into subject to and controlled by the Charter and ordinances of the City of Mesquite, as amended, and all applicable laws, rules, and regulations of the State of Texas and the Government of the United States of America. P3Works shall, during the course of performance of this Agreement, comply with all applicable City codes and ordinances, as amended and all applicable State and Federal laws, rules and regulations, as amended. In particular, P3Works is put on notice that City will require the P3Works to comply with Chapter 176 of the Texas Local Government Code by completing the attached Conflict of Interest questionnaire (FORM CIQ) and returning the completed FORM CIQ to the CITY. Additionally, P3Works must comply with Section 2252.908 of the Texas Government Code, which was enacted in 2015 by the Texas Legislature pursuant to HB 1295, providing that a governmental entity may not enter into certain Agreements with a business entity on or after January 1, 2016, unless the business

entity submits a disclosure of interested parties (FORM 1295) to the governmental entity at the time the business entity submits the signed Agreement to the governmental entity. Further, information regarding the disclosure of interested parties law and instructions on filing FORM 1295 can be found at the Texas Ethics Commission website at the following web address:

https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm

Failure to comply with any applicable laws, including Chapter 176, may result in: (1) the forfeiture by P3Works of all benefits of this Agreement; (2) the retainage by City of all services performed by P3Works; and (3) the recovery by City of all consideration, or the value of all consideration, paid to P3Works pursuant to this Agreement.

5.12 INDEPENDENT CONTRACTOR. P3Works's status shall be that of an independent contractor and not an agent, servant, employee, or representative of City in the performance of the services under this Agreement. P3Works shall exercise independent judgment in performing services under this Agreement and is solely responsible for setting working hours, scheduling or prioritizing the workflow and determining how the work is to be performed. No term or provision of this Agreement or act of P3Works in the performance of this Agreement shall be construed as making P3Works the agent, servant or employee of City, or making P3Works or any of its employees eligible for the fringe benefits, such as retirement, insurance and worker's compensation, which City provides its employees.

5.13 INDEMNITY

P3WORKS AGREES TO DEFEND, INDEMNIFY AND HOLD CITY, ITS OFFICERS, AGENTS AND EMPLOYEES, HARMLESS AGAINST ANY AND ALL CLAIMS, LAWSUITS, JUDGMENTS, COSTS AND EXPENSES FOR PERSONAL INJURY (INCLUDING DEATH), PROPERTY DAMAGE OR OTHER HARM FOR WHICH RECOVERY OF DAMAGES IS SOUGHT, SUFFERED BY ANY PERSON OR PERSONS, THAT MAY ARISE OUT OF OR BE OCCASIONED BY P3WORKS'S BREACH OF ANY OF THE TERMS OR PROVISIONS OF THIS AGREEMENT, OR BY ANY NEGLIGENT OR STRICTLY LIABLE ACT OR OMISSION OF P3WORKS, ITS OFFICERS, AGENTS, EMPLOYEES OR SUBCONTRACTORS, IN THE PERFORMANCE OF THIS AGREEMENT. THE PROVISIONS OF THIS PARAGRAPH ARE SOLELY FOR THE BENEFIT OF THE PARTIES TO THIS AGREEMENT AND ARE NOT INTENDED TO CREATE OR GRANT ANY RIGHTS, AGREEMENTUAL OR OTHERWISE, TO ANY OTHER PERSON OR ENTITY.

5.14 INSURANCE. P3Works shall procure, pay for, and maintain during the term of this Agreement, with a company authorized to do business in the State of Texas and otherwise acceptable to City, the minimum insurance coverage contained in attached **Exhibit C**.

Approval, disapproval or failure to act by City regarding any insurance supplied by P3Works shall not relieve P3Works of full responsibility or liability for damages, errors, omissions or accidents as set forth in this Agreement. The bankruptcy or insolvency of P3Works's insurer or any denial of liability by P3Works's insurer shall not exonerate P3Works from the liability or responsibility of P3Works set forth in this Agreement.

5.15 NON-DISCRIMINATION. P3Works shall not discriminate against any employee or applicant for employment because of race, age, color, ancestry, national origin, place of birth, religion, sex, military or veteran status, genetic characteristics, or disability unrelated to job performance. P3Works shall also comply with all applicable requirements of the Americans with Disabilities Act, 42 U.S.C.A. §§12101-12213, as amended. P3Works agrees to post in conspicuous places a notice, available to employees and applicants, setting forth the provisions of this non-discrimination clause. If P3Works fails to comply with the equal employment opportunity/nondiscrimination provisions of this Agreement, it is agreed that City at its option may do either or both of the following:

- (1) Cancel, terminate or suspend this Agreement in whole or in part.
- (2) Declare P3Works ineligible for further City Agreements until it is determined to be in compliance.

5.16 AUDITS AND RECORD RETENTION. City may review any and all of the services performed by P3Works under this Agreement. City is granted the right to audit, at City's election, all of P3Works's records and billings relating to the performance of this Agreement. P3Works agrees to retain such records for a minimum of three (3) years following completion of this Agreement. Any payment, settlement, satisfaction, or release made or provided during the course of performance of this Agreement shall be subject to City's rights as may be disclosed by an audit under this section.

5.17 NON-BOYCOTT OF ISRAEL. Pursuant to Section 2271.002, Texas Government Code, P3Works hereby (i) represents that it does not boycott Israel, and (ii) subject to or as otherwise required by applicable federal law, including without limitation 50 U.S.C. Section 4607, agrees it will not boycott Israel during the term of the Agreement. As used in the immediately preceding sentence, "boycott Israel" shall have the meaning given such term in Section 2271.001, Texas Government Code.

5.18 FOREIGN TERRORIST ORGANIZATIONS. P3Works further represents that (i) it does not engage in business with Iran, Sudan or any foreign terrorist organization and (ii) it is not listed by the Texas Comptroller under Section 2252.153, Texas Government Code, as a company known to have Agreements with or provide supplies or services to a foreign terrorist organization. As used in the immediately preceding sentence, "foreign terrorist organization" shall have the meaning given such term in Section 2252.151, Texas Government Code.

The parties hereby warrant that the persons executing this Agreement are authorized to execute this Agreement and are authorized to obligate the respective parties to perform this Agreement. A facsimile signature on this Agreement shall be treated for all purposes as an original signature.

Executed on this _____ day of _____, 2021:

City of Mesquite

BY: _____
Cliff Keheley
City Manager

BY:  , Managing Partner

Mary V. Petty
Managing Partner
P3Works, LLC

ATTEST:

BY:

Sonja Land
City Secretary

APPROVED AS TO FORM:

David L. Paschall
City Attorney

BY:


 ~~Stephanie Neal~~ *David L. Paschall*
Assistant City Attorney

EXHIBIT A
PUBLIC IMPROVEMENT DISTRICT SERVICES TO BE PROVIDED

PID FORMATION, SERVICE AND ASSESSMENT PLAN PREPARATION, AND BOND ISSUANCE SUPPORT SERVICES

Billed at P3Works' prevailing hourly rates, which are currently as follows:

<i>Title</i>	<i>Hourly Rate</i>
<i>Managing Partner</i>	<i>\$250</i>
<i>Vice President</i>	<i>\$185</i>
<i>Associate</i>	<i>\$160</i>
<i>Analyst</i>	<i>\$135</i>
<i>Administrative</i>	<i>\$100</i>

**With the exception of increases in compliance with Section 3.0 of the Agreement, any changes in P3Works prevailing hourly rates shall not apply to this Agreement unless both parties consent in writing to said changes. Travel times will be billed at hourly rates.*

District Due Diligence and Preparation of PID Plan of Finance

1. P3Works will review project information and prepare a plan of finance for the proposed transaction, including
2. Assessed value schedules, value to lien analysis, and overall structuring to achieve City goals and objectives
3. Identify areas of risk and with the City's Financial Advisor, solutions to mitigate the risks,
4. Bond sizing and bond phasing by improvement area,
5. Sources and uses of funds by improvement area,
6. Debt service schedules, and;
7. Assessment allocation and associated estimated annual installment by lot type for each improvement area.

Preparation of Service and Assessment Plan

1. P3Works will prepare a complete and final Service and Assessment Plan to be adopted by City Council and included in the Official Statement for the Bonds based on the Plan of Finance.
2. P3Works will present the Service and Assessment Plan to City Council and request approval of Assessment Roll.

Bond Issuance Support

1. P3Works will ensure bond documents, including the PID financing agreement, bond indenture, and official statement are all consistent with the Service and Assessment Plan.
2. P3Works will provide ad-hoc analysis as requested by the underwriter in preparation of the preliminary official statement.

Participation in Presentations to City Council or other Public Forums

1. P3Works will prepare and present information as requested to the City Council or any other public forum.

BASIC DISTRICT ADMINISTRATION SERVICES

If no bonds are sold:

Monthly Fee = \$1,500 beginning the first of the month following execution of this Agreement for the first improvement area; and \$1,000 per month for each improvement area thereafter. (Proration will occur for any partial month if not begun on the 1st day of the month.)

If bonds are sold:

Monthly Fee amounts will be \$2,500 for the first improvement area beginning the first month following the issuance of bonds; and \$1,250 per month for each improvement area thereafter.

For PIDs that P3Works did not create: Monthly Collection Fees will not begin until the first Annual SAP Update is drafted by P3Works and approved by Council, therefore all work completed to that point will be billed hourly.

See Section below related to "Consulting Services Relating to Future Improvement Areas and related Bond Issuance" for hourly fees if bonds are contemplated.

Prepare Annual Service and Assessment Plan Update

1. If possible, obtain updated construction cost estimates (or actual costs for completed facilities) for District improvements, and update service and assessment plan text and tables.
2. Update service and assessment plan text and tables as necessary to account for any changes in development plan or land uses.
3. Update annual District assessment roll.
4. Identify parcel subdivisions, conveyance to owners' associations, changes in land use, and any other information relevant to the levy of special assessments.
5. Review maps of tax parcels to compile/audit list of parcels that are within the District for the upcoming bond year. Classify each parcel pursuant to the approved service and assessment plan.
6. Identify and parcels dedicated to any property types classified as exempt by the service and assessment plan.
7. Update District database with newly subdivided parcels and property type classifications.
8. Calculate annual special assessment for each parcel. Verify the sum of annual installments for all parcels in the District is sufficient to meet the annual debt service requirement, administration expenses, and any provisions for delinquency or prepayment reserves.
9. Calculate other funds available, such as reserve fund income, capitalized interest, and interest income. Reduce annual assessment based on findings according to approved service and assessment plan.
10. Present preliminary annual assessment roll to City. Upon approval by City, submit final annual assessment roll to County Tax Collector.

Administration of Bond Funds (if bonds are sold)

1. Review and reconcile the account statements for the funds maintained by the trustee. Ensure annual special assessment calculation is compliant with Indenture as it relates to each fund.
2. Provide annual summary of all District accounts maintained by Trustee at the time the annual service and assessment plan update is performed.

Provide Public Information Request Support

1. If requested, P3Works will respond to any calls and or emails relating to the District. P3Works will only provide technical answers relating to the annual assessments or the District generally. P3Works will not provide any commentary on City policy relating to PIDs.
2. If the City receives a notice from a property owner alleging an error in the calculation of any matters related to the annual assessment roll for the District, P3Works will review and provide a written response to the City. If a calculation error occurred, P3Works will take corrective action as required to correct the error.

Delinquency Management

1. After the end of the annual assessment installment collection period, P3Works will prepare a delinquent special assessment report, which details which parcels are delinquent and the amount of delinquency.
2. P3Works will advise the City what action must be taken relating to delinquent parcels, if any, to remain in compliance with the District bond documents.

Website Setup

1. Prepare website database searchable by property tax ID for use by property owners, title companies, mortgage companies, or other interested parties. The search results will provide assessment information, including outstanding principal, annual installment amount, payment information, and a breakdown of the assessment installment by use (principal, interest, reserve fund accounts, administrations, etc.)
2. Prepare "District Information" page for website. Information will include a background of the District formation and bond issuance process, District boundary map, and description of improvements. In additions, P3Works will provide a link to District documents.

DISTRICT ADMINISTRATION SETUP SERVICES (Required for any existing PID not created by P3Works.)

\$7,500 One Time Lump Sum Fee

1. Prepare District Administration Manual
2. P3Works will review the full bond transcript and identify all requirements of the City relating to District administration and/or disclosure requirements.
3. Prepare written summary of all City administration and disclosure requirements.
4. Prepare calendar of all relevant dates and deadlines for District administration and disclosure requirements.
5. Meet with County Assessor's office to establish procedure for obtaining parcel information for assessment roll.
6. Meet with County Tax Office to establish procedure to include District assessment roll on property tax bill.
7. Meet with City representatives to finalize policies and procedures relating to District Administration.

ADDITIONAL DISTRICT ADMINISTRATION SERVICES

Billed at P3Works' prevailing hourly rates, which are currently as follows:

<i>Title</i>	<i>Hourly Rate</i>
<i>Managing Partner</i>	<i>\$250</i>
<i>Vice President</i>	<i>\$185</i>
<i>Associate</i>	<i>\$160</i>
<i>Analyst</i>	<i>\$135</i>
<i>Administrative</i>	<i>\$100</i>

**With the exception of increases in compliance with Section 3.0 of the Agreement, any changes in P3Works prevailing hourly rates shall not apply to this Agreement unless both parties consent in writing to said changes. Travel will be billed at the hourly rates.*

Continuing Disclosure Services

1. P3Works will prepare the form of the annual report as required by the continuing disclosure agreements and work with the City and the Developer to complete.
2. P3Works will request from developer the reports due pursuant to the developer disclosure agreement and disseminate these reports pursuant to the disclosure agreement; including Seller's Disclosures.
3. Upon notification by any responsible party or if P3Works independently becomes aware of such knowledge, P3Works will prepare notices of material events covering the events enumerated in the disclosure agreements.
4. P3Works will coordinate with the Trustee to disseminate the annual reports, quarterly reports from the developer, and notice of significant events to the Municipal Securities Rulemaking Board (MSRB) and any other parties required in the continuing disclosure agreement.

Developer Payment Request Administration

1. P3Works will review all developer payment requests to ensure the request complies with the PID Financing Agreement, the District service and assessment plan, and any other relevant provisions contained in the District documents.
2. P3Works will audit the developer payment request to ensure there is proper backup documentation and that the accounting is accurate.
3. P3Works will coordinate with the City's designated representative to ensure the improvements were built to the standards of the accepting governing body.
4. P3Works will ensure improvements to be dedicated are free and clear of all liens and encumbrances.

Consulting Services Relating to Future Improvement Areas and related Bond Issuance (to be paid from Developer funds advanced to City)

1. P3Works will update the Service and Assessment Plan to comply with Bond documents.
2. P3Works will prepare an updated Assessment Roll including the future Improvement Area
3. P3Works will coordinate with City's bond counsel, financial advisor, and the bond underwriter to ensure the Bonds and all related documents are in compliance with State Law.
4. P3Works will prepare any additional reports or analyses as needed to successfully issue the

Bonds.

EXHIBIT B
TAX INCREMENT REINVESTMENT ZONE SERVICES TO BE PROVIDED

TIRZ FORMATION, PRELIMINARY AND FINAL PROJECT AND FINANCE PLAN PREPARATION SERVICES

Billed at P3Works' prevailing hourly rates, which are currently as follows:

<i>Title</i>	<i>Hourly Rate</i>
<i>Managing Partner</i>	<i>\$250</i>
<i>Vice President</i>	<i>\$185</i>
<i>Associate</i>	<i>\$160</i>
<i>Analyst</i>	<i>\$135</i>
<i>Administrative</i>	<i>\$100</i>

**With the exception of increases in compliance with Section 3.0 of the Agreement, any changes in P3Works prevailing hourly rates shall not apply to this Agreement unless both parties consent in writing to said changes. Travel times will be billed at hourly rates.*

District Due Diligence and Preparation of TIRZ Project and Finance Plan

1. P3Works will review project information and prepare a Preliminary Plan for the proposed creation, including:
 - a) Assessed value schedules and overall structuring to achieve City goals and objectives.
 - b) Drafting the TIRZ Agreement.
 - c) At the direction of Staff, facilitate presentations to the Council and the TIRZ Board.
2. Estimated annual TIRZ Credit by lot type for each improvement area.

Preparation of Preliminary and Final Project Plan

1. P3Works will prepare a Preliminary Project and Finance Plan ("PPFP") and a Final Project and Finance Plan ("FPFP") to be adopted by the TIRZ Board and the City Council and included in the Official Statement for the PID Bonds based on the Plan of Finance.
2. P3Works will prepare a draft TIRZ Agreement to be adopted by the TIRZ Board
3. P3Works will present the PPFP to the Council at the creation of the TIRZ and request approval of TIRZ Creation Ordinance.
4. P3Works will present the FPFP to the Council after conducting all necessary steps for public hearings and notifications and request approval of TIRZ FPFP.
5. P3Works will file the necessary creation forms with the Secretary of the State of Texas after the creation of the TIRZ.

Bond Issuance Support

1. P3Works will ensure bond documents, including the bond indenture and official statement are all consistent with the TIRZ Final Plan.
2. P3Works will provide ad-hoc analysis as requested by the underwriter in preparation of the preliminary official statement.

Participation in Presentations to City Council or other Public Forums

1. P3Works will prepare and present information as requested to the City Council or any other

- public forum.
2. If requested by the City, P3Works will respond to any calls and or emails relating to the TIRZ.
 3. P3Works will only provide technical answers relating to the annual TIRZ Credit or the TIRZ generally.
 4. P3Works will not provide any commentary on City policy relating to TIRZs.

BASIC DISTRICT ADMINISTRATION SERVICES

Billed at P3Works' prevailing hourly rates, which are currently as follows:

<i>Title</i>	<i>Hourly Rate</i>
<i>Managing Partner</i>	<i>\$250</i>
<i>Vice President</i>	<i>\$185</i>
<i>Associate</i>	<i>\$160</i>
<i>Analyst</i>	<i>\$135</i>
<i>Administrative</i>	<i>\$100</i>

**With the exception of increases in compliance with Section 3.0 of the Agreement, any changes in P3Works prevailing hourly rates shall not apply to this Agreement unless both parties consent in writing to said changes.*

Preparation of the Annual Report to be filed with the Secretary of State and then presented to the TIRZ Board and City Council for approval.

See Section below related to "Consulting Services Relating to Future Improvement Areas and related Bond Issuance" for hourly fees if future TIRZ changes are contemplated.

Consulting Services Relating to Future Improvement Areas and related Bond Issuance (to be paid from Developer funds advanced to City)

1. P3Works will update the Service and Assessment Plan to comply with Bond documents.
2. P3Works will prepare an updated Assessment Roll including the future Improvement Area
3. P3Works will coordinate with City's bond counsel, financial advisor, and the bond underwriter to ensure the Bonds and all related documents are in compliance with State Law.
4. P3Works will prepare any additional reports or analyses as needed to successfully issue the Bonds.

Prepare Annual Report

1. If possible, obtain updated construction cost estimates (or actual costs for completed facilities) for TIRZ improvements
2. Update Annual Report as necessary to account for any changes in development plan or land uses.
3. Identify parcel subdivisions, conveyance to owners' associations, changes in land use, and any other information relevant to anticipated estimate of Tax Increment to be generated.
4. Calculate annual TIRZ Credit for each parcel.
5. Present preliminary Annual Report to TIRZ Board. Upon approval by TIRZ Board, submit final Annual Report to the Texas Secretary of State.

EXHIBIT C

MINIMUM INSURANCE REQUIREMENTS

- Professional Liability/Errors & Omissions coverage with minimum limits of \$1,000,000 per Claim (with no less than a two-year ERP).
- All Certificates must provide for at least 30-day's notice of cancellation and bear an authorized signature.
- All deductibles, self-insured retentions must be noted on the Certificates.
- Claims-made policies are only acceptable for the Professional Liability policy.
- Declarations or copies of policies, in addition to a certificate of insurance, must be provided if requested by the City.
- All coverages must be afforded by a carrier that is licensed or authorized to sell insurance in Texas and have an AM Best rating of A- and a financial solvency rating of VII or better.